

**BARRINGTON AREA LIBRARY  
505 NORTH NORTHWEST HIGHWAY  
BARRINGTON, ILLINOIS 60010  
PINS 13-36-400-018 AND 13-36-402-032, -033, AND -040  
(PARCEL NUMBER 1MF0008)**

March 26, 2018

Barrington Area Library  
505 North Northwest Highway  
Barrington, Illinois 60010

**DRAFT/REVIEW**

Attention: Ms. Vicki Rakowski, Interim Executive Director

Subject: Barrington Area Library  
505 North Northwest Highway  
Barrington, Illinois 60010  
PINs 13-36-400-018 and 13-36-402-032, -033, and -040  
(Parcel Number IMF0008)

Dear Ms. Rakowski:

In conformance with the signed letter of engagement, the Barrington Area Library located at 505 North Northwest Highway in Barrington, Illinois, has been inspected and appraised. This appraisal report has been prepared specifically for the use of the Barrington Area Library, its Board of Trustees, and its counsel, Klein, Thorpe & Jenkins, Ltd.

The purpose of this appraisal is to estimate the market values of the subject property as of March 18, 2018, the most recent date of inspection, for negotiation and/or internal decision-making purposes. As part of the Lake Zurich Road Realignment Project (the Project), the Village of Barrington is seeking to acquire a portion of the subject property and also to impress a temporary easement upon an additional portion of the subject property. The entire fee simple interest in the property is being appraised.

**The Whole.** Based upon the plat of survey prepared by Gewalt Hamilton Associates, Inc., and dated February 2, 2018 (the Gewalt survey)<sup>1</sup>, the subject site is a 12.319-acre or 536,642-square-foot, somewhat irregular-shaped parcel that is located in the northern, Lake County portion of Barrington. The parcel has 727.30 feet of frontage on the east side of Northwest Highway/Illinois Route 14, between Lake Zurich and Lake Cook roads. The partially wooded, somewhat undulating parcel has elevations ranging from approximately 815 to 835 feet, but its western border generally lies at the grade of Northwest Highway. Berry Avenue extends to the west, forms a signalized, T-intersection with Northwest Highway, and aligns with a drive that provides access to the site.

According to Flood Insurance Rate Map (FIRM), Community Panel Number 17097C0217K, effective September 18, 2013, the subject site lies within an area of Zone X and outside the 0.2 percent annual chance flood. Although the U. S. Fish & Wildlife Service, National Wetlands Inventory, does not reflect any wetland areas located on the subject site, according to the Lake County Geographic Information

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<sup>1</sup> I have noted that the Illinois Department of Transportation (IDOT) plat of highways, prepared by Gewalt Hamilton Associates, Inc. (the original IDOT plat of highways), reflects a smaller whole of 9.168 acres or approximately 399,358 square feet.

Ms. Vicki Rakowski, Interim Executive Director  
Barrington Area Library  
505 North Northwest Highway  
March 26, 2018

System (GIS), the subject site includes a total of 1.71 acres or 74,364 square feet of Lake County wetlands that are located on the northeast and the northwest portions of the site. The majority of the parcel is zoned P-L, Public Lands District, by the Village of Barrington. The remainder of the parcel, which is unimproved, is zoned O-R, Office/Research District.

The subject site is improved with an approximately 60,000-square-foot, one- and part-two-story, masonry constructed library building that features a distinctive, covered entry constructed of wooden piers/tree columns that leads to a two-story atrium that also features wooden piers and a decorative, exposed, wooden truss system. The original portion of the building was erected circa 1978; an addition was completed in 1993; and a major renovation at a cost in excess of \$8,500,000, which included the construction of an approximately 600-square-foot addition, was undertaken between 2013 and 2014.

The renovation focused on providing greater access to technology and on creating additional community space and included the replacement of the heating, ventilating, and air conditioning (HVAC), the plumbing, the electrical/lighting, the fire protection, and the security systems. The elevator also was repaired and renovated. In addition to the atrium, the first floor features a multipurpose room, meeting rooms, a circulation area, a youth services area, technology and business centers, offices for the library staff, and men's and women's rest rooms. The second floor, which is accessible by two stairwells and by the renovated elevator, features an adult services area, a teen area, study rooms, a reading area that overlooks the atrium, offices for the library staff, an administration area, and a men's and a women's rest room. A land to building ratio of 8.94 to 1.0 is indicated.

Site improvements include asphalt-paved drives and parking in the north and the east lots that accommodates approximately 193 vehicles, reflecting a parking ratio of 3.22 spaces per 1,000 square feet of building area; concrete sidewalks, curbing, and bumpers; a drive-up materials return box; a building identification sign; light poles; five sculptures; and lawn and extensive, mature landscaping.

**The Take.** Based upon the Gewalt survey; upon the Illinois Department of Transportation (IDOT) plat of highways, prepared by Gewalt Hamilton Associates, Inc. (the original IDOT plat of highways); and upon the December 14, 2017, email from Mr. James P. Bateman, attorney for the Village of Barrington, to Mr. E. Kenneth Friker, attorney for the Barrington Area Library (the December 14, 2017, email)<sup>2</sup>, Parcel 1MF0008 is a 2.530-acre or approximately 110,207-square-foot, irregular-shaped taking that encompasses a significant portion of the northwest quarter of the site and that extends along the site's entire Northwest Highway frontage at depths that range from approximately 250.00 feet at the north end to a minimum of 20.00 feet at the south end. The depth exceeds 250.00 feet in the vicinity of the proposed roundabout. Site improvements located within the taking consist of asphalt-paved parking area;

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2 Due to the fact that the IDOT plat of highways does not reflect subsequent changes involving increases in the area of the take and of the temporary easement and that I have not received a revised IDOT plat of highways, I have referenced the Gewalt survey, which depicts the revised take and temporary easement, but which does not provide the areas of either, and the December 14, 2017, email in this regard. The estimated values are subject to the review of a revised IDOT plat of highways that accurately identifies the take and the temporary easement.

Ms. Vicki Rakowski, Interim Executive Director  
Barrington Area Library  
505 North Northwest Highway  
March 26, 2018

concrete sidewalk, curbing, and bumpers; light poles; a building identification sign; and extensive, mature landscaping that includes lawn, trees, ornamental grasses, and flowers. The parking area also accommodates storm water detention. Additionally, several sculptures lie within the area of the take and of the temporary easement and will need to be relocated. Based upon the relocation and/or reconstruction of certain items, the contributory value associated with these site improvements has not been given consideration in regard to the value of the take; however, any estimated costs of relocation and/or reconstruction to be borne by the subject ownership have been taken into consideration in regard to damages to the remainder/costs to cure.

**The Remainder.** The proposed take results in a 9.790-acre or approximately 426,435-square-foot, irregular-shaped remainder, a diminution in size of 20.5 percent, that will have approximately 550.00 feet of curvilinear frontage along the east side of relocated Lake Zurich Road, approximately 231.42 feet of frontage on the east side of Northwest Highway/U. S. Route 14, and approximately 60.90 feet of diagonal frontage at the intersection of these two arterials. Without the availability of a revised plat of highways<sup>3</sup> and revised legal descriptions reflecting the increased areas of the take and of the temporary easement, the frontages have been based upon the original IDOT plat of highways. Based upon the Gewalt survey and upon the Preliminary Geometry Exhibit, Single Mini-Roundabout Alt, prepared by Civiltech Engineering, Inc., and dated June 8, 2017, the frontage along relocated Lake Zurich Road will be bifurcated by a proposed roundabout that will lie near the north end of the remainder and that will provide access to the drive to the subject property. A land to building ratio of 7.11 to 1.0 is indicated by the remainder after the take.

Overall, the character and the functionality of the subject property is altered as a result of the Project based upon factors including the diminution in size and the significant change in shape, the loss of considerable landscaping, the increased proximity of the building improvements to the right-of-way, the less direct access via a roundabout, and the uncertainty regarding the ability of the subject site to accommodate the necessary storm water detention associated with an expansion of the building and/or the parking areas.

**The Temporary Easement.** In addition to the taking, a 2.659-acre or approximately 115,826-square-foot, irregular-shaped temporary easement is being impressed for 5 years. The easement lies east adjacent to the take and encompasses the portion of the north parking lot not within the area of the take in addition to the area where the parking lot is to be relocated. The easement also encompasses the area where the drive extending from the roundabout is to be constructed. Reportedly, the entirety of the parking lot improvements that lie within the temporary easement and that are being acquired, including asphalt paving, landscaping, a bike path, the book drop, and light standards, will be replaced as part of the Project. If the case were to be otherwise, I reserve the right to adjust my opinions accordingly. As

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3 The draft Intergovernmental Agreement Between Barrington Area Public Library District and the Village of Barrington (RE: Roadway Project for the Relocation of Lake Zurich Road and Related Improvements), dated February 26, 2018 (the IGA), Paragraph 11A, provides that a revised Plat of Highways will be provided no later than 60 days after execution of the IGA.



Ms. Vicki Rakowski, Interim Executive Director  
 Barrington Area Library  
 505 North Northwest Highway  
 March 26, 2018

previously noted, certain sculptures lie within the area of the temporary easement and will require relocation. Additionally, for all practical purposes, the impressment of the easement limits any potential improvements to the subject property for the 5-year term.

The opinions of value set forth in this appraisal report are premised upon the extraordinary assumption<sup>4</sup> that an agreement in substantial conformance with the draft Intergovernmental Agreement Between Barrington Area Public Library District and the Village of Barrington (RE: Roadway Project for the Relocation of Lake Zurich Road and Related Improvements), dated February 26, 2018, discussed in greater detail below in the body of this appraisal report, will be entered. The use of this extraordinary assumption may have affected the assignment results.

Further, the estimated values are subject to the review of a revised IDOT plat of highways and of revised legal descriptions that accurately identify the take and the temporary easement. I reserve the right to adjust the estimated values accordingly.

In view of the following facts and data connected with this appraisal, the market values of the fee simple interest in the subject property as of March 18, 2018, the most recent, date of inspection, are:

**VALUE CONCLUSIONS**

VALUE OF THE WHOLE	\$23,775,000	
VALUE OF THE TAKE		\$1,380,000
VALUE OF THE REMAINDER BEFORE THE TAKE	\$22,395,000	
VALUE OF THE REMAINDER AFTER THE TAKE	<u>\$20,740,000</u>	
DAMAGES TO THE REMAINDER		\$1,655,000
VALUE OF THE TEMPORARY EASEMENT BEFORE THE IMPRESSMENT	\$1,450,000	
VALUE OF THE TEMPORARY EASEMENT AFTER THE IMPRESSMENT	<u>\$725,000</u>	
VALUE OF THE TEMPORARY EASEMENT		\$725,000
VALUE OF THE AREA OUTSIDE THE TEMPORARY EASEMENT BEFORE THE IMPRESSMENT	\$19,290,000	
VALUE OF THE AREA OUTSIDE THE TEMPORARY EASEMENT AFTER THE IMPRESSMENT	<u>\$19,075,000</u>	
DAMAGES OUTSIDE THE TEMPORARY EASEMENT		<u>\$215,000</u>
TOTAL COMPENSATION		<u>\$3,975,000</u>

4 An extraordinary assumption is “an assumption, directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser’s opinions or conclusions.” *Uniform Standards of Professional Appraisal Practice, 2016-2017*. (Washington, D. C.: The Appraisal Foundation, 2016) U-3.

Ms. Vicki Rakowski, Interim Executive Director  
Barrington Area Library  
505 North Northwest Highway  
March 26, 2018

These value estimates are contingent upon the estimated exposure time of 6 to 12 months. They are gross values; no allowance was made for brokerage commissions or costs of utilities, real estate taxes, or other carrying costs during the marketing period.

MaRous and Company has received and has relied upon verbal and written communications and documents regarding the subject property in the preparation of this appraisal report. If additional information about the subject property is received or becomes known, MaRous and Company reserves the right to determine whether this information has a substantive impact on the valuation of the subject property and to adjust values accordingly.

This document conforms to my understanding of the requirements for an appraisal report under Standard Rule 2-2 (a) of the *Uniform Standards of Professional Appraisal Practice and Advisory Opinions* (USPAP). This appraisal report is a brief recapitulation of the appraisal data, analyses, and conclusions. Supporting documentation is retained in MaRous and Company office files.

This letter of transmittal is personally signed and is attached to and accompanies an appraisal report. Any use of this letter of transmittal without the accompanying appraisal report and the original signatures invalidates the certification and may result in misleading value conclusions.

Respectfully submitted,

MaRous & Company

Michael S. MaRous, MAI, CRE  
Illinois Certified General - #553.000141 (9/19 expiration)

**APPRAISAL REPORT**  
**Barrington Area Library**  
**505 North Northwest Highway**  
**Barrington, Illinois 60010**  
**PINs 13-36-400-018 and 13-36-402-032, -033, and -040**  
**(Parcel Number 1MF0008)**

**Purpose of Assignment,  
Date, and Intended Use  
and User of the Appraisal**

The purpose of this appraisal is to estimate the market values of the subject property as of March 18, 2018, the most recent date of inspection, for negotiation and/or internal decision-making purposes. As part of the Lake Zurich Road Realignment Project (the Project), the Village of Barrington is seeking to acquire a portion of the subject property and also to impress a temporary easement upon an additional portion of the subject property. This appraisal report has been prepared specifically for the use of Barrington Area Library, its Board of Trustees, and its counsel, Klein, Thorpe & Jenkins, Ltd. The entire fee simple interest in the property is being appraised.

**Fee Simple Estate**

[A]bsolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.<sup>1</sup>

**Market Value**

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

- Buyer and seller are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their own best interests;
- A reasonable time is allowed for exposure in the open market;
- Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and

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<sup>1</sup> *The Appraisal of Real Estate*. 14th ed., (Chicago: Appraisal Institute, 2013) 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.<sup>2</sup>

For purposes of Illinois condemnation law, “Except as to property designated as possessing a special use, the fair cash market value of property in a proceeding in eminent domain shall be the amount of money which a purchaser, willing but not obligated to buy the property, would pay to an owner willing, but not obligated to sell in a voluntary sale.”<sup>3</sup>

### **Sources of Property Identification and Scope of Work**

In order to develop opinions of the market values of the fee simple interest in the subject property:

- Michael S. MaRous conducted an exterior and a partial inspection on August 10, 2017, and additional inspections on January 9, and March 18, 2018.
- The plat of survey prepared by Gewalt Hamilton Associates, Inc., and dated February 2, 2018; the Illinois Department of Transportation (IDOT) plat of highways, prepared by Gewalt Hamilton Associates, Inc.; the Preliminary Geometry Exhibit, Single Mini-Roundabout Alt, prepared by Civiltech Engineering, Inc., and dated June 8, 2017; the appraisal report, prepared by David White and dated June 20, 2016, with a May 12, 2016, date of value; the review of the former, prepared by Keith T. Tadrowski and dated August 5, 2016; and the Offer to Purchase, submitted by the Village of Barrington and dated December 8, 2016, were reviewed.
- Additionally, the letters from Conservation Design Forum to Engberg Anderson Architects, dated September 17, and October 16, 2017, respectively, the latter of which includes responses from the Village of Barrington; the draft letter from Engberg Anderson Architects to the Barrington Area Library, dated October 17, 2017, which includes responses from the Village of

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<sup>2</sup> 12 C.F.R. Part 34.42(g); 55 *Federal Register* 34696, August 24, 1990, as amended at 57 *Federal Register* 12202, April 9, 1992; 59 *Federal Register* 29499, June 7, 1994

<sup>3</sup> 735 ILCS 30/10-5-60

Barrington; the draft Intergovernmental Agreement between Barrington Area Public Library District and the Village of Barrington, dated February 26, 2018; and other miscellaneous documents and information also were reviewed.

- Additionally, Mr. Shaun Kelly, AIA/LEED AP BC + C and Principal with Engberg Anderson Architects, was interviewed.
- The physical and economic factors that could affect the property being appraised were researched.
- General and specific information pertaining to the subject property and its surrounding neighborhood was analyzed to determine the highest and best use of the land as though vacant and as improved.
- Market research was conducted to compile information concerning the general conditions affecting the type of property being appraised and to develop sales of comparable vacant sites and/or of improved properties.
- General and specific information regarding the subject property, comparable improved and/or land sales, and/or relevant market data was taken from a variety of public and/or subscription sources, including mapping programs, governmental and private sector websites, and other miscellaneous resources and reference materials.
- Interviews with brokers; appraisers; developers; and lending institution representatives, as well as information from within MaRous and Company office files, were used to provide information for this report.

Significant real property appraisal assistance, including inspecting the subject property, performing research, and assisting in the preparation of this appraisal report, was provided by Debra S. Oswald.

## **Approaches to Value**

The valuation of real estate mainly uses a combination of three basic approaches to value: the cost approach, the income capitalization approach, and the sales comparison approach. From the values indicated by these analyses and the weight accorded to each, an opinion of value is reached based upon expert judgment within the framework of the appraisal process.

In this instance, the cost approach has been utilized to estimate the value of the subject property as a whole and also of the remainder after the take. Improved as the Barrington Area Library, the subject property is considered to reflect a special use property that is an asset to the communities it serves. As part of the cost approach analysis, the underlying land value has been estimated utilizing the sales comparison approach to value. The estimated land value also has been utilized in regard to the value of the take and of the temporary easement. Due to the lack of comparable improved sales, the sales comparison approach to value has not been utilized in regard to the subject property as improved. The income capitalization approach to value has not been considered to be relevant in this instance and, therefore, has not been utilized.

The opinions of value set forth in this appraisal report are premised upon the extraordinary assumption<sup>4</sup> that an agreement in substantial conformance with the draft Intergovernmental Agreement Between Barrington Area Public Library District and the Village of Barrington (RE: Roadway Project for the Relocation of Lake Zurich Road and Related Improvements), dated February 26, 2018, will be entered, as discussed in greater detail below. The use of this extraordinary assumption may have affected the assignment results.

This document conforms to my understanding of the requirements for an appraisal report under Standard Rule 2-2 (a) of the *Uniform Standards of Professional Appraisal Practice and Advisory Opinions* (USPAP). This appraisal report is a brief recapitulation of the appraisal data, analyses, and conclusions. Additional supporting documentation is retained in the MaRous and Company office file.

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4 An extraordinary assumption is “an assumption, directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser’s opinions or conclusions.” *Uniform Standards of Professional Appraisal Practice, 2016-2017*. (Washington, D. C.: The Appraisal Foundation, 2016) U-3.

## History and Use

The *Uniform Standards of Professional Appraisal Practice* (USPAP) requires reporting and analysis of any sale transactions and any current listing, pending sale, or option involving the subject property during the past 3 years. According to public record and to information provided to me, title to the subject property is held by The Board of Library Trustees of the Barrington Public Library District, Lake Kane, Cook and McHenry Counties, Illinois, and has been so held for a period exceeding 3 years.

To the best of my knowledge, no portion of the property is listed for sale or is under contract for sale as of the date of value, at which time, the subject property is in use as the Barrington Area Library. According to a recent newspaper article<sup>5</sup>, greater than 1,000 patrons visit the Barrington Area Library daily, not including those who utilize the book drop located in the parking lot.

## The Intergovernmental Agreement

As noted above, the opinions of value set forth in this appraisal report are premised upon the extraordinary assumption that an agreement in substantial conformance with the draft Intergovernmental Agreement Between Barrington Area Library District and the Village of Barrington (RE: Roadway Project for the Relocation of Lake Zurich Road and Related Improvements), dated February 26, 2018 (the draft IGA), will be entered. Negotiations regarding the draft IGA remain ongoing as of the date of this appraisal report.

**IDOT and the Project.** Paragraph 2B of the draft IGA provides that the Barrington Area Library District (the Library District) will have the opportunity to consult with IDOT, as the Village of Barrington (the Village) does, and also will have “the same right to approve or disapprove all construction procedures including Roadway Project

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5 Rockrohr, Phil. “Village Officials Ramp Up Pressure on Barrington Area Library to Support Lake Zurich Road Relocation.” *Lake Zurich Courier*. (June 15, 2017.) <[www.chicagotribune.com](http://www.chicagotribune.com)>.

phasing and any Project changes, the continuing availability of Library parking, the timing of resurfacing of the Library's lower parking lot, and the timely completion of the Roadway Project." Paragraph 2C goes on to state that the Village and IDOT will coordinate construction of the Project so as "to provide continuous access and parking for Library patrons." This continuous access is to include pedestrian access from the adjacent public sidewalks to the building's main entrance and vehicular access to the drive lying immediately in front of the main entrance and to the east parking lot during the library's normal business hours. The Library District is to receive a minimum of 72-hour advance notice of any closures to these areas outside its normal business hours.

Paragraph 4A(iii) of the draft IGA states that, assuming the Library District approves the Project's final design and engineering plans, the Village is to seek bids for, to award one or more construction contracts for, and to cause to be constructed the entirety of the Project, including relocated Lake Zurich Road, improvements to the intersection of Northwest Highway/U. S. Route 14 and Berry Road including to signalization, any necessary wetland mitigation, the relocated north parking lot, the new entrance drive extending from the roundabout in realigned Lake Zurich Road, the relocated bike/pedestrian path along Lake Zurich Road, a relocated portion of the existing bike/pedestrian path on the library site, and the shared storm water detention area. In regard to the bike/pedestrian path, Paragraph 5 of the draft IGA provides that the path to be located along Lake Zurich Road is to be constructed at the Village's expense and that, once constructed, is to be maintained, repaired, and replaced as needed by the Village. The relocation portion of the existing bike/pedestrian path on the library site will continue to be maintained by the Library District.

Paragraph 4D states, "The Village will cause its Phase III contractor to or shall itself cause all Library improvements damaged or removed by the Roadway Project or thereafter during the course of future access to Village utilities within easements on the Library Property to be repaired and/or replaced consistent with the Roadway Project plans."



**Future Library Expansion.** Paragraph 4E of the draft IGA provides the following:

As the Roadway Project will result in a substantial reduction of Library land available for future Library expansion, Village requirements with respect to Floor Area Ratios or maximum impervious coverage shall be based on the Library land area as existing on the date of this Agreement and not on the reduced Library land area following the conveyances to the Village and/or IDOT as contemplated by this Agreement.

**Landscaping and Site Improvements.** Reflective of the parklike setting within which the library is located and of the importance of maintaining the extent and character of the current landscaping, Paragraph 6A of the draft IGA states:

A landscape architect retained by the Library will review the plans for the Roadway Project and will make substantive suggestions and request changes in the new landscaping and site improvements for the affected areas of the Library property, which suggestions and changes shall be incorporated in the Project so that final Library landscaping will be consistent with current existing landscaping.

Further, according to Paragraph 6B, in addition to providing “safe and convenient” pedestrian movements on site, access to the drive-up book return, bicycle access, and connections between “the various unique areas that are a part of the Library Property,” the new, relocated north parking lot is to provide at least four more parking spaces than the north parking lot currently provides. The Library District “will provide its material and lighting requirements” for the relocated parking lot, according to Paragraph 6C of the draft IGA. “To accommodate the Library’s requirements consistent with the Library’s current lighting, the Village will provide the necessary funds to the extent federal funds will not be provided for such purposes.”

Additionally, Paragraph 6D provides:

To the extent that tree replacements cannot be accommodated on the existing site, the Village will provide and confirm in writing that the balance of the estimated value of additional replacement trees otherwise required by Village ordinances shall be available to the Library as a future credit for trees which might have to be removed from the Library site in the future for expansion of the Library building, parking, and/or related facilities.

**Signage.** In 2013, the Village granted a zoning variance to the Library District allowing for the installation of an electronic sign with a minimum setback of 15 feet from Northwest Highway/U. S. Route 14 in compliance with the provisions of the Village's Zoning Ordinance. To date, the sign has not been constructed. The draft IGA, Paragraph 7A, New Library Sign(s), provides:

In order to comply with the aforesaid Village Ordinances, such new Library sign may be installed by the Library's contractor at a setback of 20.5 feet from the now existing U.S. Route 14 (Northwest Highway) right-of-way line in order to avoid any need for a future relocation of said sign, since the taking by IDOT for U.S. Route 14 at this location will be 20 feet in width, and such a 20.5 foot setback will then allow the new Library sign to be located just outside of the new right-of-way for U.S. Route 14 (Northwest Highway).

Once the Library District submits to the Village its application for a sign permit and other necessary information, which is to be in compliance with the regulations and with the written approval of IDOT, the Village will issue a sign permit prior to IDOT's acquisition. Further, "An additional Library sign at the Lake Zurich Road Library entrance may be required, as determined by the Library, due to the more convoluted Library entry sequence which shall comply with IDOT sign requirements." The Village is to reimburse the Library District up to \$10,000 for the cost of this sign, which may be either a monument or an electronic sign, pursuant to Paragraph 7B of the draft IGA.

The Village agrees to waive any permit fees in regard to the new signs, to the relocation of the sculptures, and to the relocated parking lot, pursuant to Paragraph 7C of the draft IGA.

**Utility Easements.** The existing water and sewer and access easements that are no longer necessary will be released by the Village, replacement easements will be granted by the Library District to the Village, and no compensation shall be paid as a result of the former or the latter. The Village or IDOT is to pay for the costs of relocating utility lines from the original to the replacement easement “as required by the Roadway Project, including but not limited to engineering, design, and construction supervision costs and permits, as well as all restoration costs incurred during relocation work as well as resulting from future maintenance...,” pursuant to Paragraph 8D of the draft IGA.

Although the Library District currently does not have any plans for building and/or parking additions, Paragraph 10D of the draft IGA provides that upon the Library District’s submission of plans in regard to any expansion, extension, or relocation of its facilities, parking area, and/or site amenities/improvements, the Village will grant any and all variations or zoning exceptions as requested, including in regard to zoning setbacks; to floor area ratios; and to open space, landscaping, and/or parking requirements, but specifically excluding those in regard to building height. Additionally, Paragraph 10B of the draft IGA states:

...the Village agrees that to the extent that any of the Original Village Easements which are not vacated pursuant to this Agreement to facilitate the Roadway Project must at a later date be vacated to facilitate one or more future addition(s) to the Library Building or one or more future additions to the Library’s Parking Facilities, the Village shall cooperate, to the greatest extent practical and as dictated by sound engineering practice, as determined jointly by the Village Manager (or his designee) and the Library to provide for the release and relocation of those additional Original Village Easements, and the public and private facilities located therein, subject to the other terms and conditions as provided herein.

Further, the Library District and the Village agree to an “equitable apportioning by the parties of the cost of relocating such utilities,” as set forth by Paragraph 10C.

**Storm Water Detention.** The recitals of the draft IGA provide, among other things, that the Village of Barrington (the Village) has agreed to the construction of a shared storm water detention area on land located between Northwest Highway/U. S. Route 14 and relocated Lake Zurich Road that will be owned by the Village. This detention area will be maintained by the Village in perpetuity.

Pursuant to Paragraph 9B of the draft IGA, the detention area is to be compliant with the current provisions of the Lake County Watershed Development Ordinance and/or of the Barrington Watershed Development Ordinance and “shall be made available to and reserved for the existing Library Building, the upper Library parking lot, the new Library entrance drive, and the Library’s new Parking Facilities to be constructed as part of the Roadway Project.”

In regard to possible limitations upon the capacity of the storm water detention area, Paragraph 9C provides:

Unless additional stormwater storage can be provided by lowering the bottom of the basin and/or the basin outlet could be moved to the next manhole north, this shared storm water detention area cannot be expanded because such an expansion would bring the new Lake Zurich Road closer to the Library’s existing Building, which the Library wishes to avoid. Areas for additional detention are available on the Library property, and the Village will assist the Library District and the Library District’s present and/or future consultants to identify other areas which would be appropriate for detention on the Library property to accommodate future expansion(s) of both the Library Building and the Library’s upper parking lot.

Paragraphs 9D and 9E to the draft IGA provide that the Village will defer to the Lake County Stormwater Management Commission (LCSWMC) in regard to storm water approvals in regard to the Project

and to any future projects undertaken by the Library District and that the Village will support the Library District's requests to the LCSWMC for variations and/or exceptions.

**Consideration.** In addition to the provisions set forth above, Paragraph 4A(i) of the draft IGA provides that, as consideration for the Library District conveying fee simple ownership to the area of the take and the required temporary easement to the Village, the Village is to compensate the Library District "based upon fair market value of the Library Parcels" and also to pay additional amounts found to be acceptable by the Library District for the relocation of its sculptures and for the reimbursement of its costs related to engineering, architectural, landscape consulting, and legal fees. The Village also is to be responsible for the cost of constructing a new path along Lake Zurich Road.

Paragraph 4A(i) of the draft IGA further states:

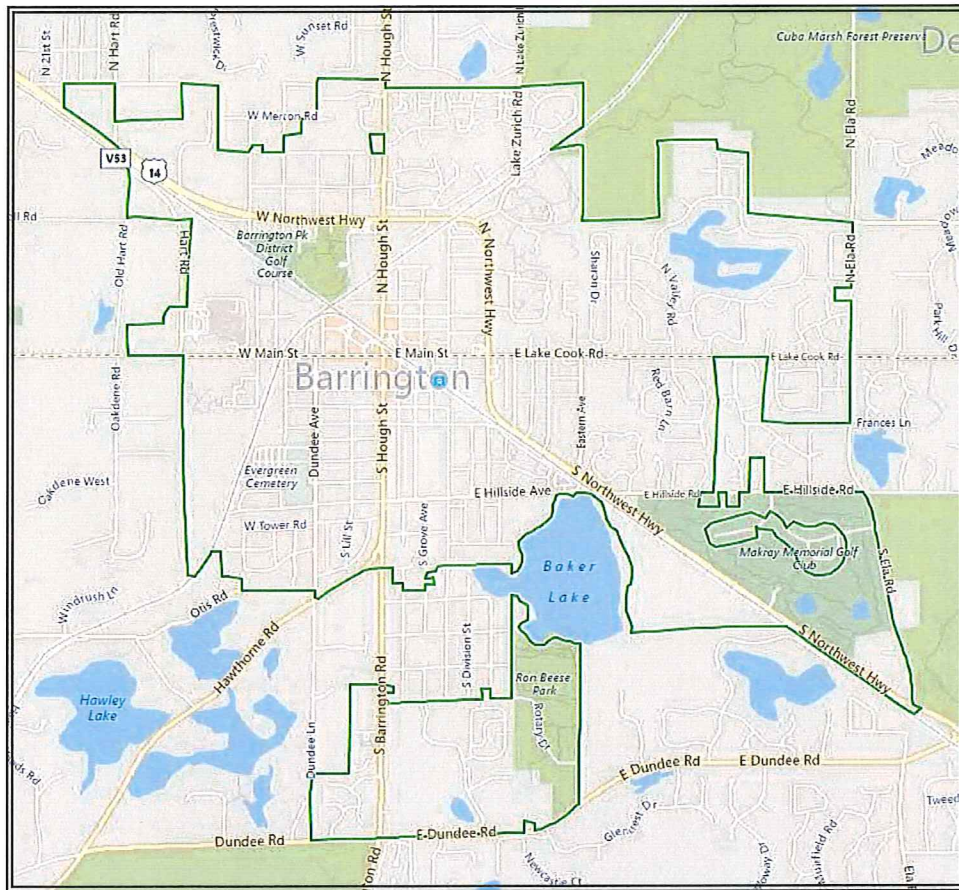
The amount of compensation which shall be paid to the Library for the Library parcels shall be based upon the higher amount from the Library's appraisal of the Library parcels or from the Village's appraisal of the Library parcels, subject to approval by IDOT of the final amount of compensation, provided, however, that nothing contained in this Agreement shall obligate the Library to accept a final amount of compensation unless it is acceptable to and approved by the Library's Board of Trustees. However, the appraisal used by each party for these purposes shall not include or will appropriately be adjusted so as not to include items for which the Library will be otherwise compensated pursuant to the terms of this Agreement.

## **Location Description**

Barrington is one of the five communities that collectively are referred to as "The Barringtons" and that are located approximately 35 miles northwest of Chicago's central business district, the Loop. These communities are noted for their maintenance of a rural environment in

an area characterized by its rolling topography, its abundance of forest preserve area, and its typically larger single-family residential lot sizes.

The village of Barrington, portions of which are located within Cook and Lake counties, respectively, generally lies north of Dundee Road, west of Ela Road, south of Cuba Road, and east of Hart Road. Major north-south arterials include Ela Road and Hough Street; east-west arterials include Main Street/Lake Cook Road and Hillside Avenue. Northwest Highway/U. S. Route 14 extends in a northwest/southeast direction through the central portion of the community.



Barrington offers an atmosphere of country living, combined with the desired shopping and leisure amenities, to the 10,312 people estimated to reside there as of 2016 by the U. S. Census Bureau. According to census data, the community reflected a median value of owner-occupied housing units of \$493,000 and a median household income of \$119,688

for the period 2012 through 2016. The community features several retail areas: Village Center, the Lageschulte Business District, West Northwest Highway (Foundry Shopping Center), East Northwest Highway, and South Barrington Road. The Barrington Park District Recreation offers various parks and facilities including Langendorf Park, which includes a fitness and recreation center, a skate park, playing fields, playgrounds, and a five-hole golf course; Ron Beese Park, which includes numerous playing fields and a playground; and Citizens Park, a 45-acre open space area located slightly northeast of the subject property on the former site of the Jewel Tea Company. Barrington Community Unit School District 220 serves the greater Barrington area and includes one early childhood center, eight elementary schools, two middle schools, and one high school.

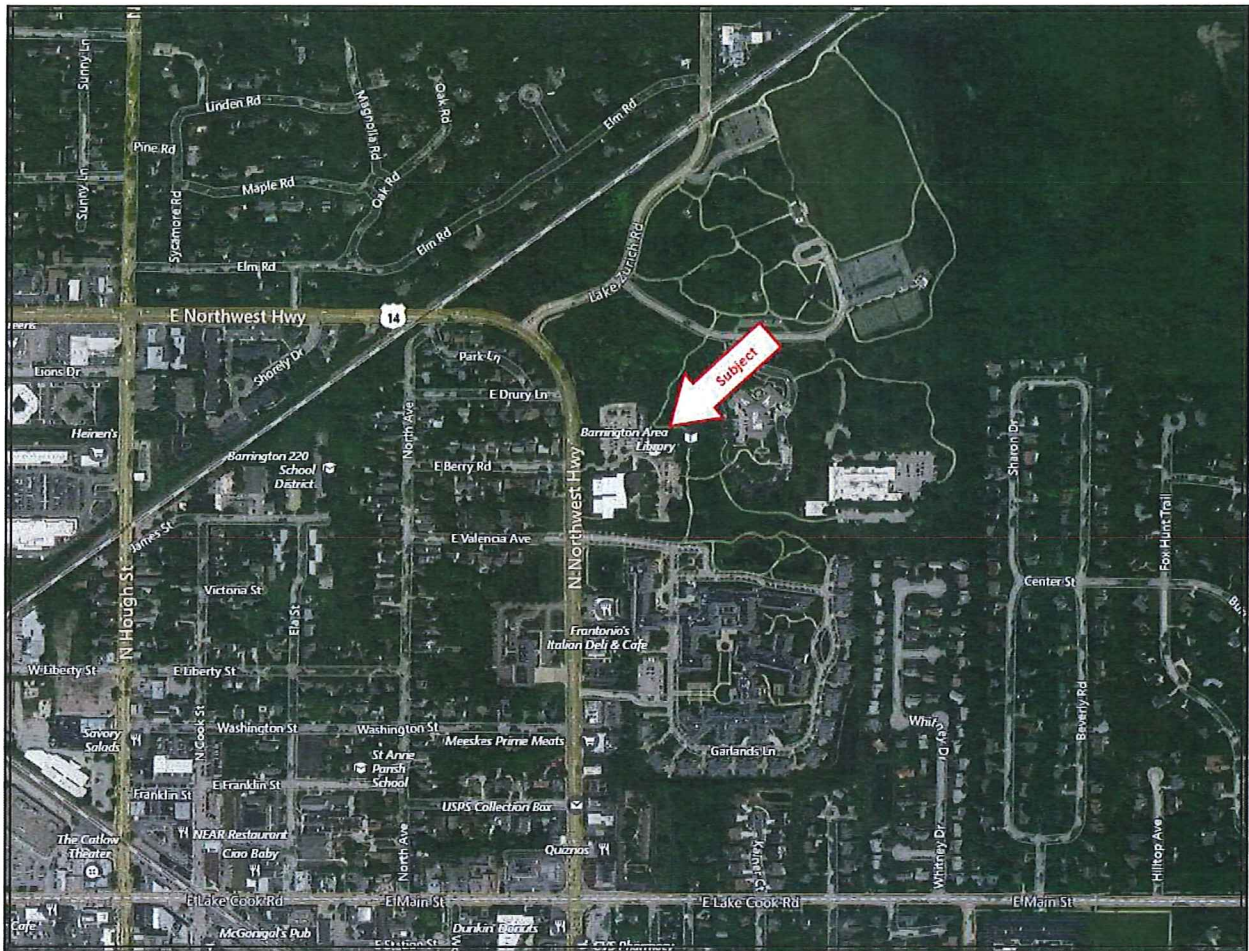
The area remains predominately residential in nature, with a large percentage of its population commuting to the Chicago Loop via the Metra/Union Pacific Railroad's Northwest Line, which features a commuter station in Barrington's central business district, approximately ½ mile southwest of the subject property. Interstate access is available approximately 6 miles to the south at Barrington Road's interchange with Interstate 90.

### **Immediate Environs**

The subject property is located in the northern, Lake County portion of Barrington on the east side of Northwest Highway/U. S. Route 14, which is a major arterial extending northwest-southeast throughout the village. Various commercial/retail uses radiate from the intersection of Northwest Highway/U. S. Route 14 and Lake Cook Road, which lies less than ½ mile south of the subject property. These uses extend along the east side of Northwest Highway/U. S. Route 14 between the former intersection and the subject property. Detached, single-family residential uses lie directly west of the subject property across Northwest Highway/U. S. Route 14 and extend throughout the immediate area; the Barrington Police Department facility lies just to the southwest between Valencia Avenue and Washington Street. Barrington's central business district lies approximately ½ mile southwest of the subject property.

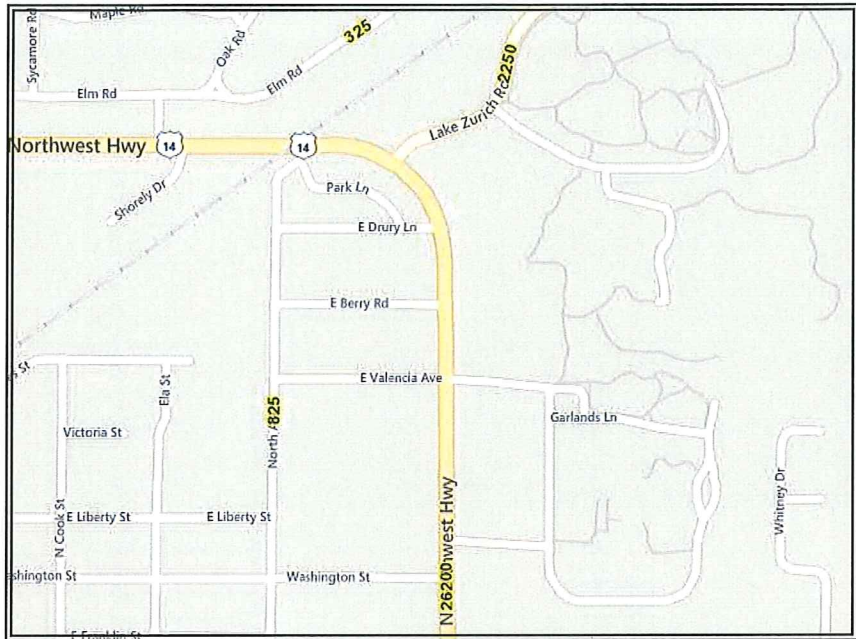


The Garlands of Barrington, a residential retirement community located on approximately 31 acres, lies just south/southeast of the subject property and features independent and assisted living in addition to memory and skilled nursing care, various service providers, and a fitness and aquatic center. Journey Care's Pepper Family Hospice CareCenter, which includes a 16-bed hospice facility in addition to a palliative care center, and the corporate campus of Pepper Construction lie just east of the subject property; Citizens Park lies to the north of the former and the latter, extending along Lake Zurich Road, as shown by the aerial photograph below.



According to the Illinois Department of Transportation (IDOT), the annual average daily traffic count was 26,200 vehicles on Northwest Highway/U. S. Route 14 in the vicinity of the subject property as of 2015.





The surrounding area reflects strong demographics, as indicated by the data for 1-, 3-, and 5-mile radii and for 5-, 10-, and 15-minute drive times, summarized in the following table.

#### 2017 DEMOGRAPHIC SUMMARY

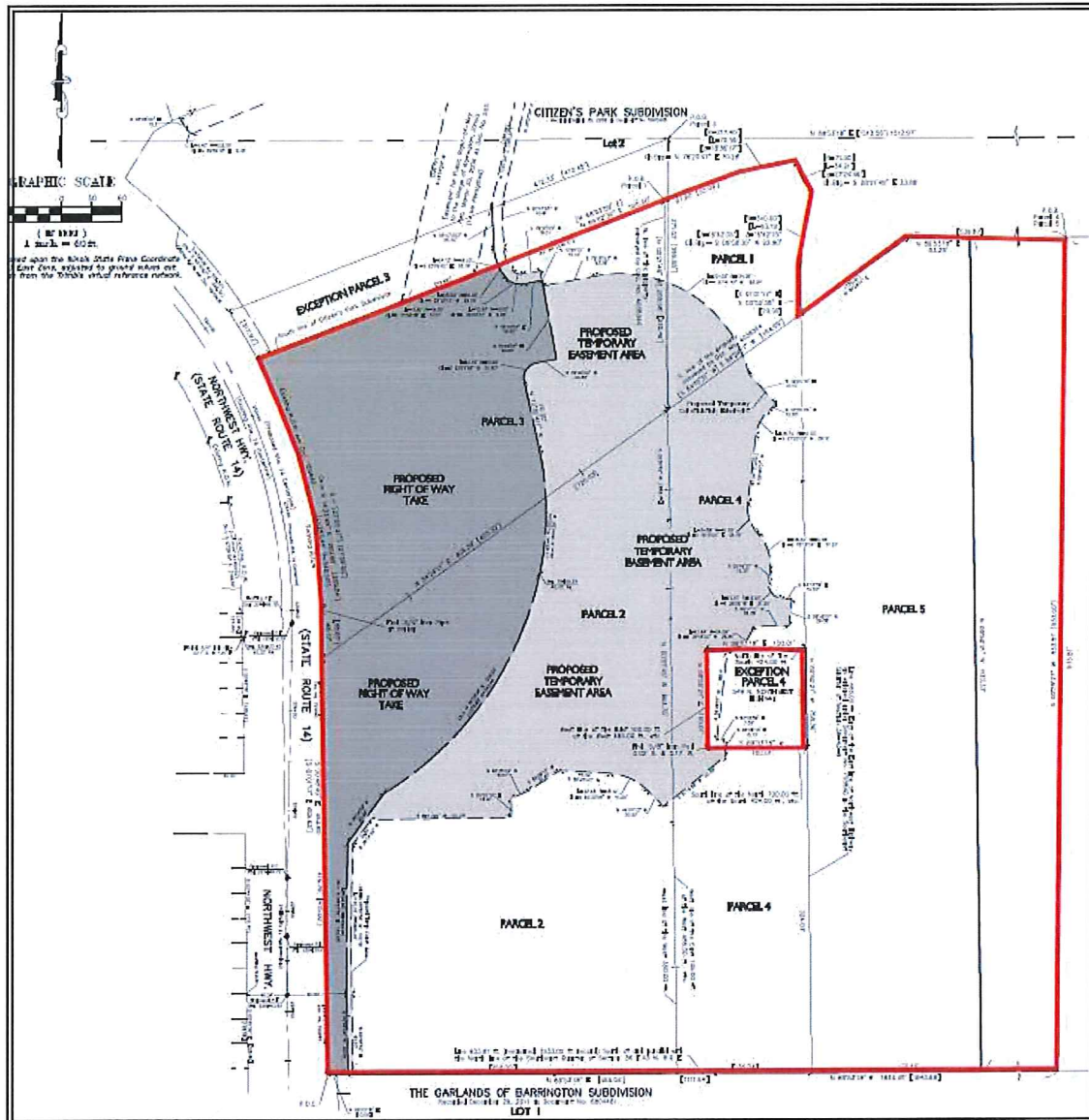
	RADIUS			DRIVE TIME		
	1-MILE	3-MILE	5-MILE	5-MINUTE	10-MINUTE	15-MINUTE
Population	8,131	29,594	96,072	9,778	46,859	183,213
Median Household Income	\$112,570	\$122,637	\$114,878	\$116,047	\$110,922	\$97,816
Average Household Income	\$161,151	\$170,996	\$156,523	\$167,256	\$154,780	\$133,912
Total Number of Households	3,117	10,568	35,414	3,715	17,915	67,646
Average Household Size	2.60	2.78	2.70	2.62	2.60	2.69
Total Housing Units	3,417	11,199	36,979	4,053	18,950	71,165
Owner-occupied Housing Units	2,362	8,925	29,560	2,883	14,118	52,635
Renter-occupied Housing Units	754	1,643	5,854	832	3,797	15,011
Vacant Housing Units	300	631	1,565	338	1,035	3,519

Source: Site to Do Business/ESRI, based upon 2010 U. S. Bureau of the Census data/ESRI forecasts

Overall, the subject property has a desirable location in Barrington along a well-trafficked arterial and in proximity to the central business district and the commuter rail station.

## Site Description

Based upon the plat of survey prepared by Gewalt Hamilton Associates, Inc. (the Gewalt survey)<sup>6</sup>, an excerpt of which is set forth below, the subject site is a 12.319-acre or 536,642-square-foot, somewhat irregular-shaped parcel that is located in the northern, Lake County portion of Barrington.



6 I have noted that the Illinois Department of Transportation (IDOT) plat of highways, prepared by Gewalt Hamilton Associates, Inc. (the original IDOT plat of highways), reflects a smaller whole of 9.168 acres or approximately 399,358 square feet.

The parcel has 727.30 feet of frontage on the east side of Northwest Highway/Illinois Route 14, between Lake Zurich and Lake Cook roads. The partially wooded, somewhat undulating parcel has elevations ranging from approximately 815 to 835 feet, but its west border generally lies at the grade of Northwest Highway, as shown by the following photograph, which depicts the view north along the site's Northwest Highway/U. S. Route 14 frontage. Berry Avenue extends to the west, forms a signalized T-intersection with Northwest Highway, and aligns with a drive that provides access to the site.



An approximately 100-foot-by-100-foot cutout located on the eastern half of the site, as depicted by the plat of survey on the preceding page, is under the ownership of the Village of Barrington and is improved with a water tower that also features cellular sites.



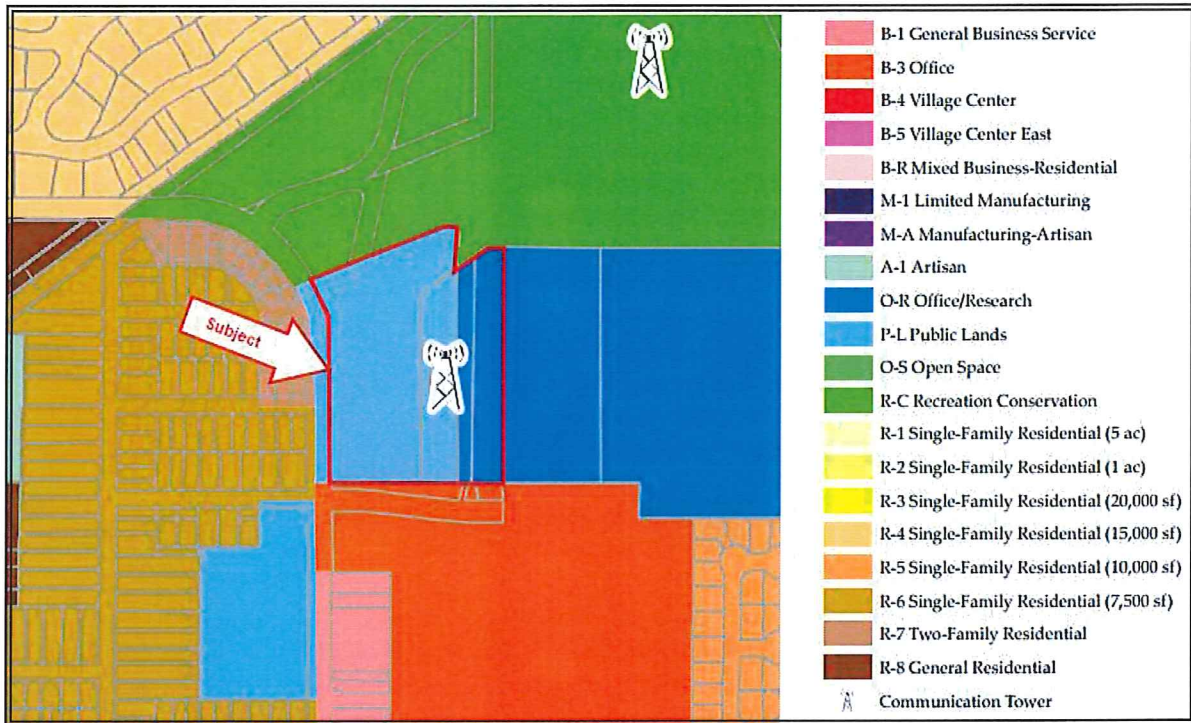


## Zoning

As reflected by the zoning map below, the majority of the parcel is zoned P-L, Public Lands District, by the Village of Barrington. The remainder of the parcel, which is unimproved, is zoned O-R, Office/Research District.

The P-L zoning district “is intended to provide specifically delineated areas of public use and to control the potential redevelopment of public uses, lands and facilities.” Permitted uses are government offices; public, primary and secondary schools; and active and passive outdoor recreation. Special uses consist of cultural facilities, which include libraries; planned developments; public and private utility buildings and structures; public sewage treatment facilities; solid waste transfer stations; communication towers within the Communication Tower Overlay District, which extends across the eastern portion of the subject site; and above-ground storage tanks under specified requirements. I have assumed that the subject library was granted a special use permit or is considered to be a legal, nonconforming use. In 2013, the Village

of Barrington approved a special use for a planned development in regard to the subject property “for the purpose of constructing a 621 square foot addition to the north facade of the existing Library building and a book drop within the existing parking lot.”<sup>7</sup>



The minimum lot area and width in the P-L District are 10,000 square feet and 50 feet, respectively. The yard requirements are as follows: front yards, 25 feet; corner side yards, 25 feet; interior side yards, 10 feet; and rear yards, 30 feet. The maximum lot coverage is 40 percent, and the minimum required open space is 30 percent. The maximum building height is as set forth by the following table, excerpted from the Village of Barrington’s Zoning Ordinance.

7 Village of Barrington, Plan Commission Meeting, Minutes Summary, March 12, 2013.

<b>Table 9.12</b>						
<b>MAXIMUM BUILDING HEIGHT (P-L: Public Lands District)</b>						
<b>ROOF SLOPE</b>	<b>MAXIMUM BUILDING HEIGHT (Three (3) Stories)</b>					
<b>Slope<sup>1</sup></b>	<b>38'-0"</b>	<b>44'-0"</b>	<b>46'-0"</b>	<b>48'-0"</b>	<b>50'-0"</b>	<b>52'-0"</b>
<b>Flat Roof to 6/12</b> <b>(max height to top of parapet)</b>	X					
<b>6/12</b>		X				
<b>7/12</b>			X			
<b>8/12</b>			X			
<b>9/12</b>				X		
<b>10/12</b>					X	
<b>11/12</b>					X	
<b>12/12 and greater</b>						X
<b>Gambrel<sup>2</sup></b>					X	

Libraries are required to provide 1.33 parking spaces per 1,000 square feet of gross floor area or a minimum of 80 parking spaces based upon the subject property’s 60,000 square feet. The subject property provides approximately 193 parking spaces and, therefore, is required to include 6 handicapped-accessible parking space per the applicable zoning regulations.

The O-R, Office/Research District, is “intended to provide a regulatory framework that will assist the development of applied research-oriented and advanced technology activities in a high quality, mixed-use business park setting.” Permitted uses are aboveground storage tanks, commercial printing operations, cultural facilities, industrial assembly uses, laboratory testing uses, corporate headquarters and professional offices, research and development uses, professional and vocational schools, warehouse and distribution uses, and wholesale goods establishments. Special uses include planned developments.

The minimum lot area and width are 3 acres and 250 feet, respectively. Minimum yard requirements are as follows: front and corner side yards, 75 feet; interior side yards, 20 feet; and rear yards, 35 feet. The requisite parking setbacks are to be maintained as landscape yards. The maximum lot coverage is 35 percent; the minimum area of open space is 50 percent.

**Access**

Before the take, vehicular access to the subject property is provided via a single drive that aligns with Berry Avenue’s signalized T-intersection

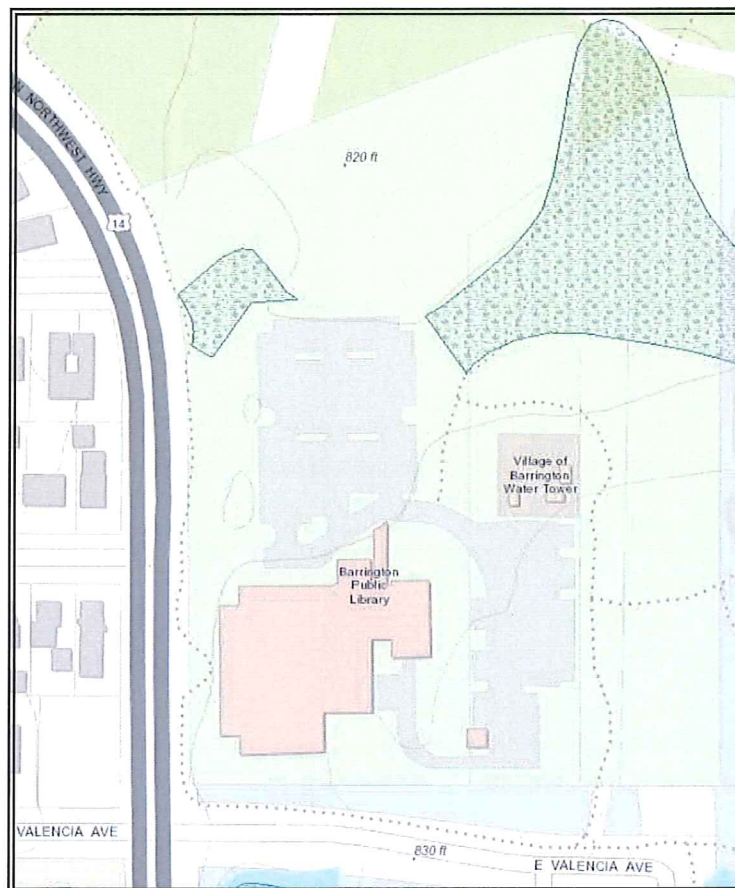
with Northwest Highway/U. S. Route 14 and extends east onto the subject site.

**Utilities**

All utilities including municipal water and sanitary sewer, electricity, natural gas, and telephone are available and are installed to the site.

**Flood Hazard/Wetlands**

According to Flood Insurance Rate Map (FIRM), Community Panel Number 17097C0217K, effective September 18, 2013, the subject site lies within an area of Zone X and outside the 0.2 percent annual chance flood. Although the U. S. Fish & Wildlife Service, National Wetlands Inventory, does not reflect any wetland areas located on the subject site, according to the Lake County Geographic Information System (GIS), the subject site includes a total of 1.71 acres or 74,364 square feet of Lake County wetlands that are located on the northeast and the northwest portions of the site, as depicted by the following exhibit.





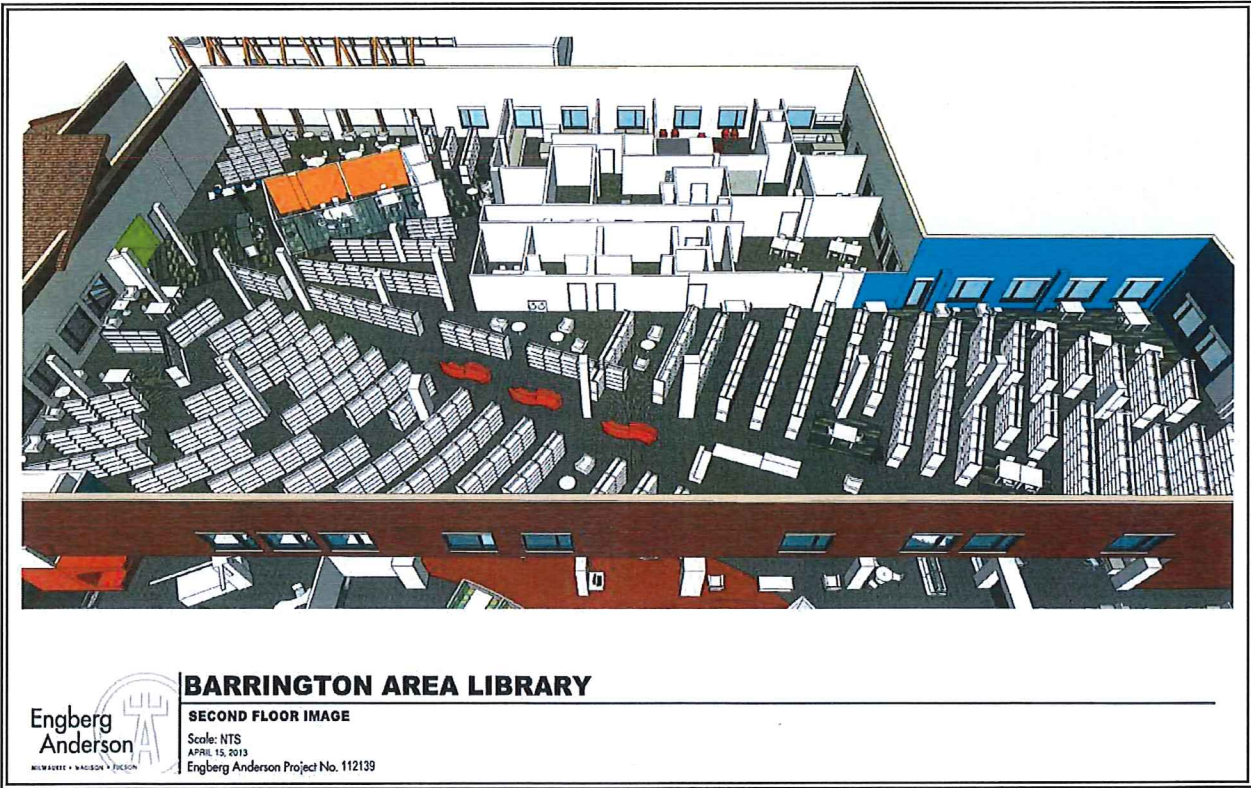
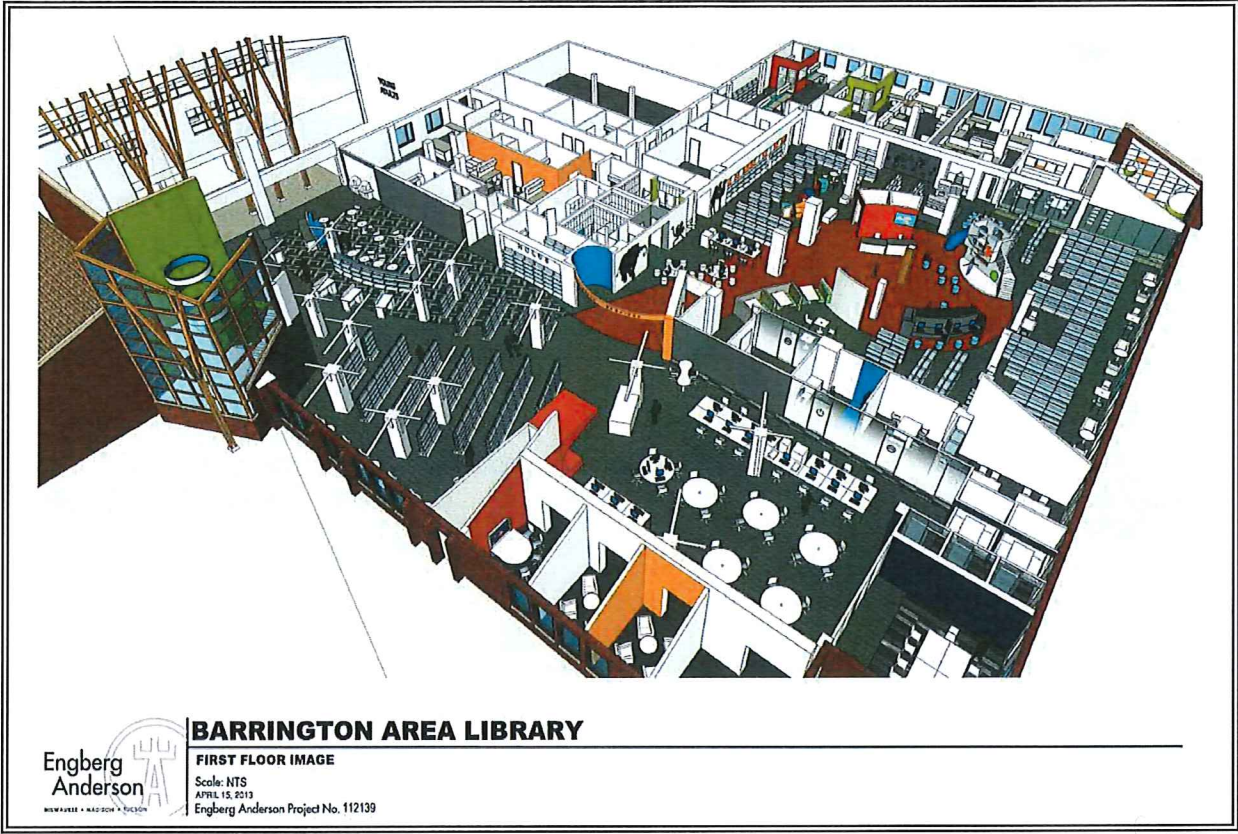
## Building Description

The subject site is improved with an approximately 60,000-square-foot, one- and part-two-story, masonry constructed library building that features a distinctive, covered entry constructed of wooden piers/tree columns that leads to a two-story atrium that also features wooden piers and a decorative, exposed, wooden truss system.



The original portion of the building was erected circa 1978; an addition was completed in 1993; and a major renovation at a cost in excess of \$8,500,000, which included the construction of an approximately 600-square-foot addition, was undertaken between 2013 and 2014. The renovation focused on providing greater access to technology and on creating additional community space and included the replacement of the heating, ventilating, and air conditioning (HVAC), the plumbing, the electrical/lighting, the fire protection, and the security systems. The elevator also was repaired and renovated. In addition to the atrium, the first floor features a multipurpose room, meeting rooms, a circulation area, a youth services area, technology and business centers, offices for the library staff, and men's and women's rest rooms, as reflected by the following architectural drawings.





The second floor, which is accessible by two stairwells and by the renovated elevator, features an adult services area, a teen area, study rooms, a reading area that overlooks the atrium, offices for the library staff, an administration area, and a men's and a women's restroom, as depicted by the architectural drawing above.

A land to building ratio of 8.94 to 1.0 is indicated. Site improvements include asphalt-paved drives and parking in the north and the east lots that accommodates approximately 193 vehicles, reflecting a parking ratio of 3.22 spaces per 1,000 square feet of building area; concrete sidewalks, curbing, and bumpers; a drive-up materials return box; a building identification sign; light poles; five sculptures, one of which is shown in the following photograph; and lawn and extensive, mature landscaping.



Overall, the subject property appears to have been well constructed and well maintained, recently underwent an extensive renovation that included its mechanical systems, and was in very good condition as of my date of inspection.

## **Description of the Take**

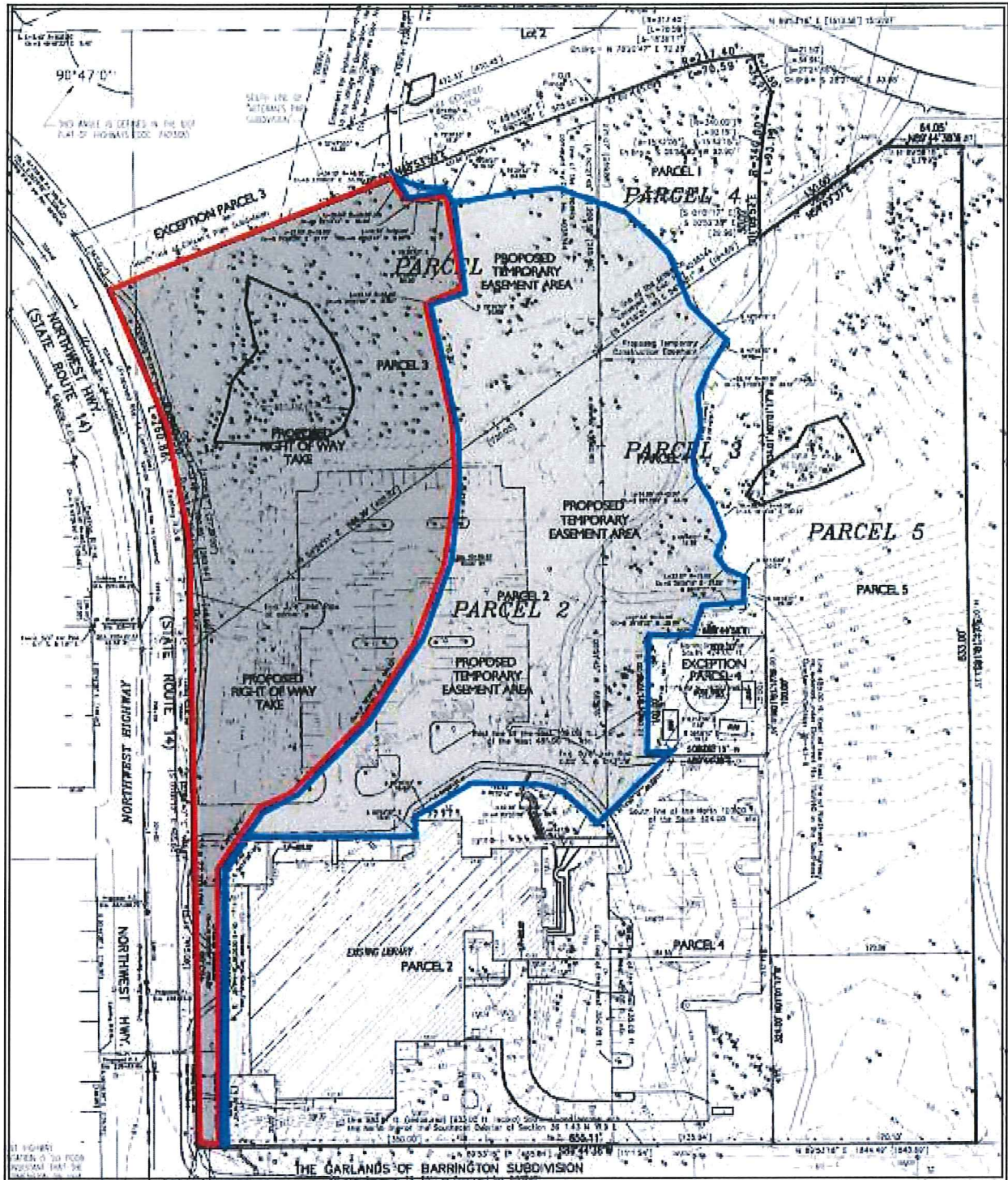
Based upon the Gewalt survey; upon the Illinois Department of Transportation (IDOT) plat of highways, prepared by Gewalt Hamilton Associates, Inc. (the original IDOT plat of highways); and upon the



December 14, 2017, email from Mr. James P. Bateman, attorney for the Village of Barrington, to Mr. E. Kenneth Friker, attorney for the Barrington Area Library (the December 14, 2017, email)<sup>8</sup>, Parcel 1MF0008 is a 2.530-acre or approximately 110,207-square-foot, irregular-shaped taking, outlined on the following page in red on the Gewalt survey<sup>9</sup>, that encompasses a significant portion of the northwest quarter of the site and that extends along the site's entire Northwest Highway frontage at depths that range from approximately 250.00 feet at the north end to a minimum of 20.00 feet at the south end. The depth exceeds 250.00 feet in the vicinity of the proposed roundabout.

Site improvements located within the taking consist of asphalt-paved parking area; concrete sidewalk, curbing, and bumpers; light poles; a building identification sign; and extensive, mature landscaping that includes lawn, trees, ornamental grasses, and flowers. The parking area also accommodates storm water detention. Additionally, several sculptures lie within the area of the take and of the temporary easement and will need to be relocated; however, the Village is to reimburse the Library District for these costs, pursuant to Paragraph 4A(i) of the draft IGA. Based upon the relocation and/or reconstruction of certain items, the contributory value associated with these site improvements has not been given consideration in regard to the value of the take; however, any estimated costs of relocation and/or reconstruction to be borne by the subject ownership have been taken into consideration in regard to damages to the remainder/costs to cure.

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- 8 Due to the fact that the IDOT plat of highways does not reflect subsequent changes involving increases in the area of the take and of the temporary easement and that I have not received a revised IDOT plat of highways, I have referenced the Gewalt survey, which depicts the revised take and temporary easement, but which does not provide the areas of either, and the December 14, 2017, email in this regard. The estimated values are subject to the review of a revised IDOT plat of highways that accurately identifies the take and the temporary easement.
- 9 Due to the fact that the Gewalt survey does not depict the site improvements, per the client's direction, according to Surveyor's Note Number 10, the exhibit set forth on the following page includes a building overlay added by Engberg Anderson Architects.



## **The Remainder After the Take**

The proposed take results in a 9.790-acre or approximately 426,435-square-foot, irregular-shaped remainder that will have approximately 550.00 feet of curvilinear frontage along the east side of relocated Lake Zurich Road, approximately 231.42 feet of frontage on the east side of Northwest Highway/U. S. Route 14, and approximately 60.90 feet of diagonal frontage at the intersection of these two arterials. Without the availability of a revised plat of highways<sup>10</sup> and revised legal descriptions reflecting the increased areas of the take and of the temporary easement, the frontages have been based upon the original IDOT plat of highways. Based upon the Gewalt survey and upon the Preliminary Geometry Exhibit, Single Mini-Roundabout Alt, prepared by Civiltech Engineering, Inc., and dated June 8, 2017, the frontage along relocated Lake Zurich Road will be bifurcated by a proposed roundabout that will lie near the north end of the remainder and that will provide access to the drive to the subject property. A land to building ratio of 7.11 to 1.0 is indicated by the remainder after the take. See *The Value of the Remainder After the Take*, pages 46 to 55, for additional discussion.

## **Description of the Temporary Easement**

In addition to the taking, a 2.659-acre or approximately 115,826-square-foot, irregular-shaped temporary easement, as outlined in blue on the original plat of highways above at page 26, is being impressed for 5 years. The easement lies east adjacent to the take and encompasses the portion of the north parking lot not within the area of the take in addition to the area where the parking lot is to be relocated. The easement also encompasses the area where the drive extending from the roundabout is to be constructed. Reportedly, the entirety of the parking lot improvements that lie within the temporary easement and that are

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<sup>10</sup> The draft Intergovernmental Agreement Between Barrington Area Public Library District and the Village of Barrington (RE: Roadway Project for the Relocation of Lake Zurich Road and Related Improvements), dated February 26, 2018 (the IGA), Paragraph 11A, provides that a revised Plat of Highways will be provided no later than 60 days after execution of the IGA.

being acquired, including asphalt paving, landscaping, a bike path, the book drop, and light standards, will be replaced as part of the Project. If the case were to be otherwise, I reserve the right to adjust my opinions accordingly. As previously noted, certain sculptures lie within the area of the temporary easement and will require relocation; however, the Village is to reimburse the Library District for these costs, pursuant to Paragraph 4A(i) of the draft IGA. Additionally, for all practical purposes, the impressment of the easement limits any potential improvements to the subject property for the 5-year term.

## Exposure Time

Exposure time is the length of time a property would be offered on the market prior to a hypothetical sale as of the appraisal date. It is “a retrospective opinion based upon an analysis of past events assuming a competitive and open market.”<sup>11</sup> Parallel with this concept is that of marketing time, which is “[a]n opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of an appraisal.”<sup>12</sup> Based upon the market conditions analyzed for this report, the exposure period for the subject property at the appraised value and as of the date of value is estimated to be 6 to 12 months.

## Highest and Best Use

### Definition

Highest and best use is defined as follows:

The reasonably probable use of property that results in the highest value.... To be reasonably probable, a use must meet certain conditions:

- The use must be *physically possible* (or it is reasonably probable to render it so).

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11 *The Dictionary of Real Estate Appraisal*. 6th ed., (Chicago: Appraisal Institute, 2015) 83.

12 *Ibid.* 140.

- The use must be *legally permissible* (or it is reasonably probable to render it so).
- The use must be *financially feasible*.

Uses that meet the three criteria of reasonably probable uses are tested for economic *productivity*, and the reasonably probable use with the highest value is the highest and best use.<sup>13</sup>

To arrive at an opinion of highest and best use, the most profitable competitive use for the land or a site as though vacant and as improved is analyzed.

### **Highest and Best Use as Though Vacant**

**Physically Possible.** The subject site consists of a 12.319-acre or 536,642-square-foot, somewhat irregular-shaped parcel that is located in the northern, Lake County portion of Barrington. The partially wooded, somewhat undulating parcel has good visibility and ready accessibility via a drive from Northwest Highway/U. S. Route 14, a major arterial that extends in a northwest-southeast direction through the area; the drive aligns with Berry Avenue, which forms a signalized T-intersection with Northwest Highway. Although the subject site is not affected by flood hazard, it does include a total of 1.71 acres of Lake County wetlands. All utilities are available to the site, which is physically capable of being developed, as reflected by the existing building improvements and by others in the immediate area.

Overall, the subject site has a desirable location along a well trafficked arterial in an area of strong demographics. Further, the parcel's somewhat irregular shape is offset by its size, resulting in the site being considered to be well suited for development.

**Legally Permissible.** The P-L, Public Land District, zoning regulations by the Village of Barrington that are applicable to the majority of the site provide for a limited number of permitted uses, *i.e.*, government offices; public, primary and secondary schools; and active and passive outdoor recreation. Special uses consist of cultural facilities, planned developments, public and private utility buildings and structures, public

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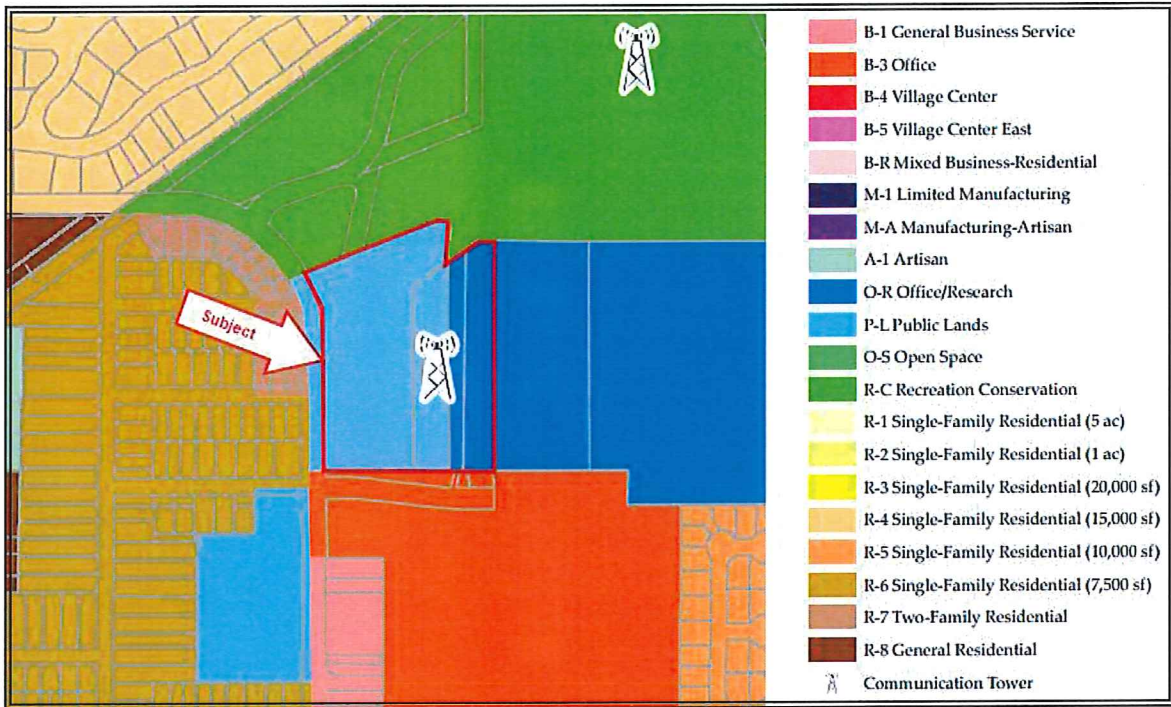
13 *The Appraisal of Real Estate*. 14th ed., (Chicago: Appraisal Institute, 2013) 332.

sewage treatment facilities, solid waste transfer stations, communication towers within the Communication Tower Overlay District, and above-ground storage tanks under specified requirements. In 2013, the Village of Barrington approved a special use for a planned development in regard to the subject property “for the purpose of constructing a 621 square foot addition to the north facade of the existing Library building and a book drop within the existing parking lot.”

The remaining eastern portion of the site is zoned O-R, Office/Research District, which permits single- and two-family dwellings; home occupations; and accessory buildings, structures, parking and uses accessory to a permitted use. Special uses are set forth above in regard to Zoning and do not include public libraries.

The P-L zoning classification is considered to be reflective of the existing use of the subject site as improved, that is, a public library, rather than necessarily reflective of its private highest and best use. Therefore, I have taken into consideration the zoning of the surrounding properties and of the eastern portion of the subject site and the uses in the immediate area. As reflected by the zoning map below and as discussed above in regard to Immediate Environs, as is the eastern portion of the subject site, the parcel lying east adjacent to the subject site is zoned O-R, Office/Research District, and is improved with a hospice/palliative care facility and with a corporate campus; that lying to the north/northeast is zoned R-C, Recreation/Conservation District, and consists of Citizens Park. The parcel lying immediately south is zoned B-3, Office District; however, this parcel is improved with a senior living community. I have taken into consideration that both the hospice/palliative care facility and the senior living community may reflect planned developments. The area lying to the west across Northwest Highway is zoned R-7, Two-Family Residential District, and R-6, Single-Family Residential District. Parcels with Northwest Highway/U. S. Route 14 frontage located to the south in the vicinity of Lake Cook Road and to the west and generally west of Hough Street reflect commercial zoning/use.





Although an analysis regarding the reasonable probability of rezoning is beyond the scope of this assignment, assuming the subject site were not improved with a public library, based upon factors including the rezoning of the subject property and the apparent rezoning of nearby properties as planned developments, the growth patterns and the change of use patterns and character within the neighborhood, the demand for certain land uses in the area, sales of related or similar properties at prices that reflect anticipated rezonings, and the physical characteristics of the subject property and of nearby properties, in my opinion, there is a reasonable probability of amending the existing planned development for the subject property to allow for commercial, senior care/housing, and/or multifamily residential uses.

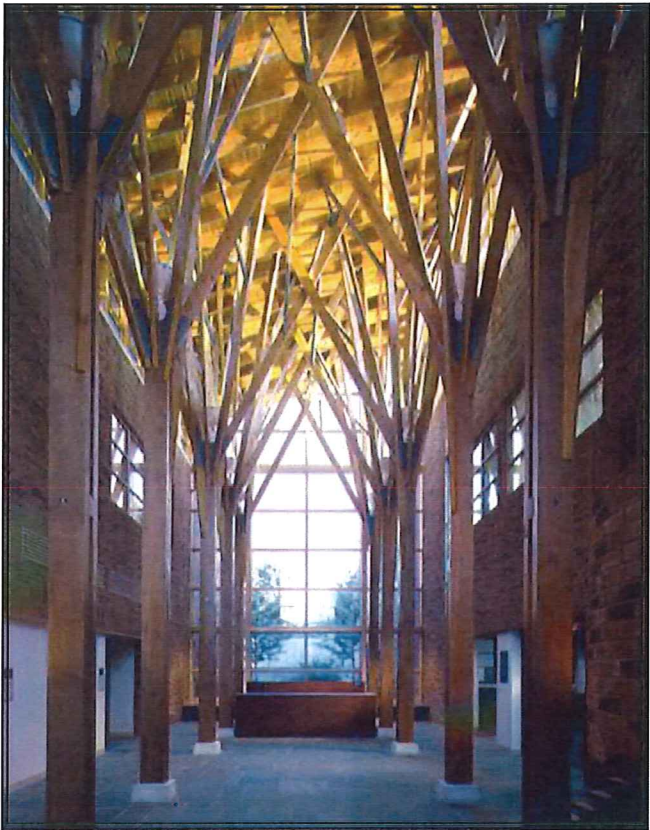
**Financially Feasible and Maximally Productive.** Overall, taking into consideration the subject property’s physical characteristics, its location along Northwest Highway/U. S. Route 14 within an area of varied uses, and market demand, I believe that, assuming the subject site were vacant, commercial, that is, office and/or retail; senior care/housing; and/or multifamily residential uses are financially feasible and maximally productive.

**Conclusions as Though Vacant**

Based upon these considerations, the highest and best use of the subject site as though vacant is commercial, senior care/housing, and/or multifamily residential uses following an amendment to the subject property's planned development to allow for such use(s).

**Highest and Best Use as Improved**

**Physically Possible.** The subject site is improved with an approximately 60,000-square-foot, one- and part-two-story, masonry constructed library building that features a distinctive, covered entry constructed of wooden piers/tree columns that leads to a two-story atrium that also features wooden piers and a decorative, exposed, wooden truss system, as shown by the following photograph.



The original portion of the building dates from circa 1978; however, an addition was completed in 1993, and a major renovation at a cost in excess of \$8,500,000 was undertaken between 2013 and 2014. The renovation focused on providing greater access to technology and on creating additional community space and included the replacement of

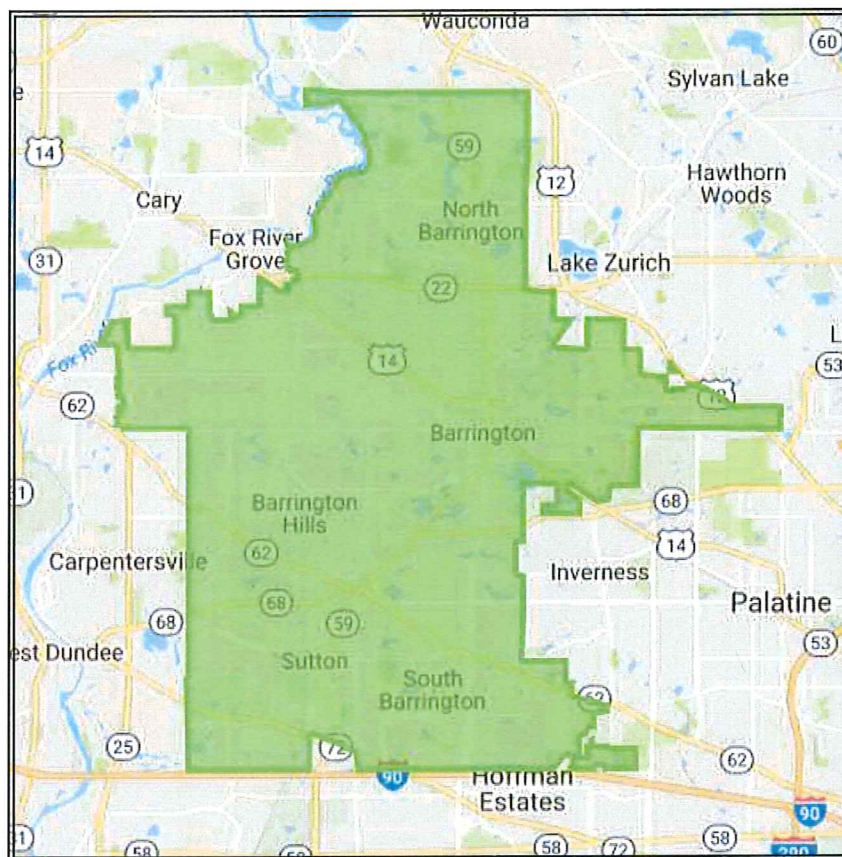
the heating, ventilating, and air conditioning (HVAC), the plumbing, the electrical/lighting, the fire protection, and the security systems. The elevator also was repaired and renovated.

A generous land to building ratio of 8.94 to 1.0 is indicated based upon the 12.319-acre, partially wooded site, which has led to the facility being referred to as the “library in the park.” This land to building ratio also provided the potential for the building improvements and/or the parking facilities to be expanded. Site improvements include asphalt-paved drives and parking that accommodates approximately 193 vehicles and extensive, mature landscaping that features five sculptures.

**Legally Permitted.** As noted above in regard to the Highest and Best Use as Though Vacant, permitted uses in the P-L District, which controls the majority of the subject site, consist of government offices; public, primary and secondary schools; and active and passive outdoor recreation. Cultural facilities, which include libraries, are classified as special uses. I have assumed that the subject library was granted a special use permit or is considered to be a legal, nonconforming use. In 2013, the Village of Barrington approved a special use for a planned development in regard to the construction of an addition and of a book drop to be located in the parking lot. The remaining eastern portion of the site, which is unimproved, is zoned O-R, Office/Research District.

**Conclusions as Improved** Improved as the Barrington Area Library, the subject property is considered to reflect a special use property that is funded by its respective taxing body and that provides an amenity to the communities it serves, which include all or portions of Algonquin, Barrington, Barrington Hills, Deer Park, Fox River Grove, Hoffman Estates, Kildeer, Lake Barrington, Lake Zurich, North Barrington, Palatine, Port Barrington, South Barrington, Tower Lakes, and certain unincorporated areas, as reflected by the following map.





Overall, the subject property appears to have been well constructed and well maintained, recently underwent an extensive renovation that included its mechanical systems, and was in very good condition as of my date of inspection. As indicated by the cost approach analysis of the value of the whole before the take, the subject property as improved reflects an estimated value of **\$23,775,000**. Based upon the estimated underlying land value of \$10.00 per square foot (see pages 35 to 40), the subject property reflects a higher value as improved than that as though vacant. Therefore, as of the date of value, the highest and best use of the subject property before the take remains that as improved as a public library.

After the take, although the character and the function of the subject property as improved are considered to be inferior to that existing before the take, the highest and best use remains that as improved as a public library based upon the estimated value of the remainder after the take exceeding the underlying land value.

## VALUATION PROCESS

In this instance, the cost approach has been utilized to estimate the value of the subject property as a whole and also as the remainder after the take. Improved as the Barrington Area Library, the subject property is considered to reflect a special use property that is an asset to the communities it serves. As part of the cost approach analysis, the underlying land value has been estimated utilizing the sales comparison approach to value. The estimated land value also has been utilized in regard to the value of the take and of the temporary easement. Due to the lack of comparable improved sales, the sales comparison approach to value has not been utilized in regard to the subject property as improved. The income capitalization approach to value has not been considered to be relevant in this instance and, therefore, has not been utilized. Relevant definitions are included in the addenda to this report.

### The Whole Before the Take

In order to estimate the market value of the whole before the take and of the remainder after the take, the cost approach, which is based upon the principle of substitution comparing the cost to develop a property with the value of the existing or a similarly developed property, has been utilized. The underlying land value is estimated based upon comparable land sales. As discussed further below, the estimated cost to construct the subject improvements has been estimated based upon the review of *Marshall Valuation Service*; upon an interview with Mr. Shaun Kelly, AIA/LEED AP BC + C and Principal with Engberg Anderson Architects; and upon additional information and my prior experience. Most properties require a deduction for accrued depreciation resulting from a combination of physical deterioration and functional and external obsolescence.

## Land Value Estimate

An estimate of value for vacant land is made after analyzing sales of similar properties in the market with consideration given for location, time, access, shape and size, land characteristics (for example, low, requiring fill, etc.), and other considerations and restrictions. Taking into consideration the highest and best use of the subject site, as though vacant, as discussed above, I have researched sales of larger parcels that were zoned and/or were purchased for commercial and/or multifamily residential uses. The following table summarizes and the map depicts the locations of these land sales. Details regarding the comparable land sales are included in the addenda to this appraisal report. I have noted that Land Sales #1, #2, and #3 required the demolition of existing building improvements prior to their redevelopment and at additional cost.

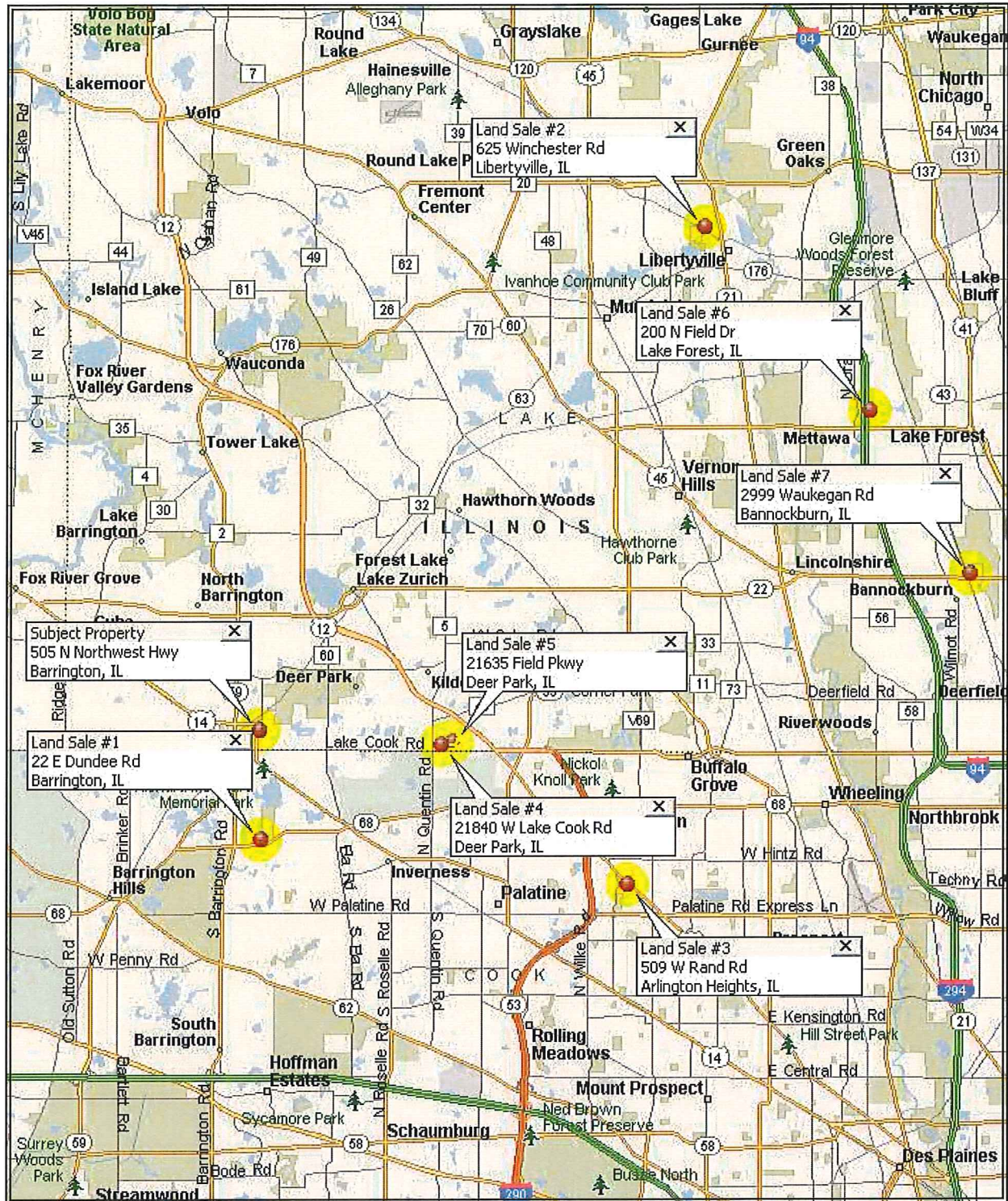
### LAND SALES SUMMARY

SALE NO./LOCATION	SALE PRICE	SALE DATE	LAND AREA (SQ. FT/ACRES)	ZONING	SALE PRICE PER SQ. FT.	INTENDED USE
1/22 E. Dundee Rd. Barrington, Illinois	\$4,100,000	09/17	508,473/ 11.67	R-8	\$8.06	Townhouses
2/625 Winchester Rd. Libertyville, Illinois	\$2,050,000	12/15	230,868/ 5.30	R-8	\$8.88	Townhouses
3/509 W. Rand Rd. Arlington Heights, Illinois	\$1,900,000	06/16	182,315/ 4.19	I/PUD	\$10.42	Memory Care
4/21840 W. Lake Cook Rd. Deer Park, Illinois	\$4,100,000	02/14	358,951/ 8.24	PD	\$11.42	Senior Housing
5/21635 Field Pkwy. Deer Park, Illinois	\$5,875,963	10/16	489,702/ 11.24	PD/SU	\$12.00	Townhouses/ Flats - Rental
6/200 N. Field Dr. Lake Forest, Illinois	\$5,700,000	03/15	421,237/ 9.67	OR2	\$13.53	Long-term hold
7/2999 Waukegan Rd. Bannockburn, Illinois	\$6,736,929	06/16	407,896/ 9.36	R-1	\$16.52	Retail
Subject/505 N. Northwest Hwy. Barrington, Illinois			536,642/ 12.319	P-L/ O-R		

## Land Sales Analysis

As summarized above, the land sales range in size from 182,315 square feet or 4.19 acres to 508,473 square feet or 11.67 acres and in unit value from \$8.06 to \$16.52 per square foot of land.





LAND SALES LOCATION MAP

Land Sale #1 reflects the most recent transaction and the largest land area of the comparable land sales analyzed. The 11.67-acre, somewhat irregular-shaped site is located approximately 2 miles south of the subject property at the northeast corner of the T-intersection of Dundee Road and Grove Avenue in the far southern portion of Barrington; the corporate limits of the Village of Inverness lie to the south across Dundee Road. The site is not affected by flood hazard, but includes a 0.38-acre freshwater pond in its southeast quadrant. At the time of sale, the site was improved with an older, three-story barn structure that had been converted to multitenant office use as The Grove Country Offices. Shortly before the sale date, the site was rezoned from O-R, Office/Research District to R-8, General Residential District, and was approved for the development of Brentwood, a 61-unit townhouse subdivision.

Land Sale #2 involves a 5.30-acre, triangular-shaped parcel that is located in Libertyville at the southwest corner of the intersection of Winchester Road and Ellis Avenue. Metra's Milwaukee District/North Line railroad right-of-way extends along the site's diagonal south border, and a commuter rail station lies slightly southeast in Libertyville's central business district. The site, which formerly had been utilized as the administrative offices of Libertyville's Recreation & Sports Complex Department and as a public park and, prior to that, as a construction company's office and grounds, includes 0.5915 acre of wetlands, but does not include any area of flood hazard. Formerly zoned IB, Institutional Buildings District, the site was rezoned for multifamily residential use and a final plat of subdivision for Parkside of Libertyville, a 56-unit, attached, single-family, townhouse development was approved prior to the sale date, which occurred approximately 2 years after the contract to sell the site had been approved by the Village of Libertyville. Closing was delayed due to reasons associated with the environmental condition of the site.

Land Sale #3 involves the sale of a 4.19-acre parcel, the smallest of the comparable land sales considered here. The generally triangular-shaped site is located in Arlington Heights at the northwest corner of Rand Road/U. S. Route 12 and Techny Road and is not affected either by



areas of flood hazard or of wetlands. Prior to the sale date, the site, which was improved with a former, detached, single-family residence that was being utilized for religious purposes, was rezoned from a residential use to I, Institutional District, and was approved as a planned unit development (PUD). The site was purchased for the development of a one-story, 38,685-square-foot, 72-bed memory care facility to be known as the Waverly Inn Memory Care Community.

Land Sales #4 and #5 are located in Deer Park in the 230-acre, master-planned Deer Park Triangle that includes Deer Park Town Center, a lifestyle retail center; Deer Park Office Center business park, of which both sales were a part; and Town Center Park. Land Sale #4 reflects the most dated transaction of the comparable land sales analyzed. The 8.24-acre, irregular-shaped site lies at the northwest corner of the T-intersection of Lake Cook Road and Hamilton Boulevard and includes 0.62 acre of open water/pond and 0.01 acre of wetlands, but no flood hazard area. The site, which is zoned as part of a planned development, was purchased for the construction of a senior housing facility known as The Solana Deer Park, which is to include independent and assisted living in addition to memory care.

Land Sale #5 involves an 11.24-acre, irregular-shaped site that is located at the southwest corner of the intersection of Field Parkway and Deer Park Boulevard, slightly north of Lake Cook Road, between Rand Road/U. S. Route 12 and Quentin Road. A bike path extends along the site's irregular southern border; A wetland/pond lies immediately south of approximately the western half of the southern border; however, the site itself does not include either wetland or flood hazard areas. Prior to the sale date, the site, which is zoned as part of a planned development, was granted a special use permit for a 236-unit rental residential development known as Deer Park Crossing, which was proposed to include townhouses and apartments/flats in addition to a clubhouse.

Land Sale #6 consists of a 9.67-acre, irregular-shaped, internal parcel that is located in the Conway Park business park in Lake Forest. The site has curvilinear frontage along the west side of Field Drive, north of Townline Road/Kennedy Drive/Illinois Route 60 in addition to frontage

along and visibility from Interstate 94, which lies to the west. The finished lot includes 0.55 acre of wetlands, but does not include any flood hazard area. Reportedly, the site was purchased for a long-term hold; potential development scenarios being considered include “one or more build-to-suit buildings and a hotel.”

Land Sale #7 reflects the sale of a 9.36-acre, trapezoid-shaped, interior site that is located in the far northeast portion of Bannockburn and that has approximately 590.0 feet of frontage on the east side of Waukegan Road/Illinois Route 43, north of its signalized intersection with Half Day Road/Illinois Route 22. The site includes 0.06 acre of Lake County wetlands, but does not feature any flood hazard area. Approximately two months prior to the sale date, the site, which comprised a portion of a nursery, was annexed and was rezoned for retail use by the Village of Bannockburn. In addition to a zoning text amendment establishing a new zoning district, a special use permit also was granted, allowing for the development of a Mariano’s retail grocery store.

### **Land Value Conclusions**

I have analyzed the land sales in relation to the subject site for factors such as date of sale, location, size, shape, siting, frontage, access, zoning, traffic counts, and other factors affecting the value of the subject site. I have given particular consideration to the very desirable location of the subject property, including its proximity to Barrington’s central business district and to the commuter rail station located there, and to the flexibility afforded by the site.

After reviewing and analyzing the land sales summarized above, I estimate the underlying land value of the subject site as vacant and unimproved to reflect a unit value of \$10.00 per square foot. Based upon 536,642 square feet, this is equivalent to a contributory land value for the whole before the take of \$5,366,420 or (rounded) **\$5,365,000**, which is equivalent to \$10.00 per square foot.

### **Cost Calculations**

The cost to construct the subject public library improvements has been estimated based upon the review of *Marshall Valuation Service*, a nationally known cost-calculating publication; upon an interview with Mr. Shaun Kelly, AIA/LEED AP BC + C and Principal with Engberg

Anderson Architects, which was involved in the renovation of the subject property, which reviewed and commented upon the draft IGA, and which also has significant experience involving library projects (see page A-13); upon information regarding the cost of the most recent renovation of the subject property; and upon past experience with other properties with similar buildings and site improvements.

On this basis, an estimated cost to build ranging from \$360.00 to \$370.00 per square foot has been estimated for the subject property. Based upon approximately 60,000 square feet of building area, the overall cost to build extends from \$21,600,000 to \$22,200,000. In my opinion, a midrange cost is appropriate and reasonable. Taking into consideration that the improvements consist of a public library, entrepreneurial profit is not considered to be appropriate. Therefore, I have estimated a cost new of **\$22,000,000**, which is equivalent to \$366.67 per square foot of building area.

## **Depreciation Estimate**

Depreciation is a loss in value due to physical deterioration, functional obsolescence, and external obsolescence. This report utilizes a modified economic age-life method in estimating the total depreciation attributable to the subject property.

Physical deterioration is the result of normal wear and tear. In this regard, I have taken into consideration that the original portion of the building was erected circa 1978 and that an addition was completed in 1993. The subject improvements were extensively renovated at a cost in excess of \$8,500,000, which is equivalent to \$141.67 per square foot of building area, between 2013 and 2014. Among other things, the renovation included the replacement of the heating, ventilating, and air conditioning (HVAC), the plumbing, the electrical/lighting, the fire protection, and the security systems. The elevator also was repaired and renovated. Further, based upon my inspection, the improvements appear to not only have been well constructed, but also are being well maintained. On this basis, the weighted age of the subject property's building components is estimated to be 10 years, and the estimated useful life is 60 years. Therefore, 10 divided by 60 indicates 16.7

percent depreciation attributed to physical deterioration, which has been applied to the estimated cost new.

Functional obsolescence is due to design fault or lack of amenities. Incurable functional obsolescence results from structural deficiencies or overimprovements that the prudent purchaser would not be justified in correcting because the cost to cure is greater than any anticipated increase in utility. In this instance, the recent renovation focused on providing greater access to technology and on creating additional community space. Overall, as the role of public libraries has evolved, the renovation was intended to transform “a 1970s-era building into a 21st century community space,” according to a press release by the Barrington Area Library.<sup>14</sup> The following excerpt from the former describes the functionality provided by the subject property from a real estate perspective as a result of the renovation and also notes the benefits of furniture, fixtures, and equipment within the library and of programs offered by the library.

Customer service will be available immediately upon entering the library, where guests can also get comfortable in an internet café environment. In fact, one major improvement will be available before patrons even leave their vehicles – a drive-up materials return box will be placed on the east end of the parking lot, providing convenience and improved safety in the library’s entranceway. Inside, open floor plans will give patrons the best seat in the house, whether by windows with views of surrounding park areas, or in a second floor “reading commons” overlooking the library’s lovely atrium.

The revitalized library will provide more work and meeting space for business persons, students and groups of all kinds. Individuals can enjoy “office away from home” work pods in a fully-equipped business center, while small groups can share technology and conversation in a variety of study/meeting rooms. This

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14 McBride, Karen. “Barrington Area Library Begins Renovation and Revitalization Project.” (March 11, 2013.) Press Release by Barrington Area Library. <[www.barringtonarealibrary.org/library-information/news/826-renovation-march-2013](http://www.barringtonarealibrary.org/library-information/news/826-renovation-march-2013)>.

business center area will be located right next to an expanded technology center, including a state-of-the-art media lab. “Today, more and more people need work space out in the community. They’re not going into the office every day. They need access to technology, printers, power outlets, and a convenient place to meet and share technology with others. Now we’ll be able to provide that level of service,” explains Library Executive Director Detlev Pansch.

Children are some of the most special visitors to the library and the renovation will provide a number of significant changes to the Youth Services department. The entire department is being relocated to the first floor of the library, for a number of reasons. Safety and convenience are primary – parents and caregivers will no longer have to struggle to get small children, strollers and library materials between the first and second floor, and the stairway will no longer present a safety hazard in the Youth department. The move also combines children’s DVDs and music with adult popular materials, so families can enjoy browsing together for this weekend’s entertainment options.

The entire Youth Services area will be redesigned to encourage interactive learning and imaginative play in an environment that is comfortable, colorful and welcoming to children of all ages. A creation lab and interactive exhibits will make the Youth Services department a true destination spot for children and families within the community, especially when combined with the library’s technology classes and excellent programming for children.

Teens and young adults will find a warmer welcome in the renovated library, too, with booth-style seating, a media lab and gaming room on the second floor. Nearby will be the new “reading commons,” with a variety of comfortable seating options that can accommodate individuals, groups and even small library programs. Books and reference services for adults will find a new home on the second floor as well.

Overall, in large part due to the recent renovation, the subject property is considered to function efficiently and well; however, the subject property reflects a height of approximately 12 feet from floor to floor, in comparison to the typical 15 feet from floor to floor currently

deemed to be desirable, according to Mr. Kelly. In addition to the functionality of the library's interior, the subject property features attractive and interesting architecture in a parklike setting and also is considered to provide ample and convenient parking for the use of its patrons and employees. Based in large part upon the less than desirable floor-to-floor height, functional obsolescence of 5 percent has been estimated in regard to the subject property as a whole before the take.

External obsolescence is due to the diminished utility of a property resulting from negative influences from outside the subject site. In this instance, no external obsolescence is considered to be warranted.

Based upon the estimated cost new of the subject property and the modified economic age-life method of estimating depreciation, a total of \$4,590,300 is attributed to all sources of depreciation for the subject property, which reflects a total depreciation estimate of approximately 20.9 percent. I have noted that in a modified economic age-life method of estimating depreciation, functional and external obsolescence are applied to the ongoing subtotal calculations developed within the cost approach and are not applied to the property's estimated cost new. Therefore, the total depreciation for the subject property as a percentage cannot be obtained by considering the various percentages in aggregate; rather, the total depreciation is developed by dividing the total depreciation as a dollar amount by the estimated cost new.

## **Site Improvements**

The subject property's site improvements consist of asphalt-paved drives and parking in the north and the east lots that accommodates approximately 193 vehicles, reflecting a parking ratio of 3.22 spaces per 1,000 square feet of building area; concrete sidewalks, curbing, and bumpers; a drive-up materials return box; a building identification sign; light poles; five sculptures; and lawn and extensive, mature landscaping. The estimated depreciated value of the site improvements is **\$1,000,000**.

The following table summarizes the estimated value for the whole before the take via the cost approach.

## COST SUMMARY

<b>Cost New of Principal Improvements</b>											
60,000 Sq. Ft. x \$366.67 /Sq. Ft.		\$22,000,000									
<b>Entrepreneurial Profit</b>	0%	<u>\$0</u>									
<b>Total Cost New</b>		\$22,000,000									
<b>Less Depreciation</b>											
Physical	16.7%	<u>\$3,674,000</u>	\$18,326,000								
Functional	5.0%	<u>\$916,300</u>	\$17,409,700								
External	0.0%	<u>\$0</u>									
<b>Depreciated Value of All Principal Improvements</b>			\$17,409,700								
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding-left: 20px;">Total Depreciation:</td> <td style="text-align: center;">Overall</td> <td style="text-align: right;">\$4,590,300</td> <td></td> </tr> <tr> <td></td> <td style="text-align: center;">% of Cost New</td> <td style="text-align: right;">20.9%</td> <td></td> </tr> </table>				Total Depreciation:	Overall	\$4,590,300			% of Cost New	20.9%	
Total Depreciation:	Overall	\$4,590,300									
	% of Cost New	20.9%									
<b>Depreciated Value of Site Improvements</b>			\$1,000,000								
<b>Estimated Land Value</b>											
536,642 Sq. Ft. x \$10.00 /Sq. Ft.		(Rounded)	<u>\$5,365,000</u>								
			\$23,774,700								
<b>Estimated Value by the Cost Approach</b>			(Rounded) <b>\$23,775,000</b>								

### Value Conclusions – The Whole Before the Take

Taking into consideration the depreciated values of the subject property's building and site improvements of \$17,409,700 and \$1,000,000, respectively, in addition to the estimated land value of \$5,365,000, results in an estimated market value of the fee simple interest in the whole before the take as of March 18, 2018, the most recent date of inspection, of (rounded) **\$23,775,000** via the cost approach to value.

### The Take and the Remainder as Part of the Whole

The fee simple taking consists of a 2.530-acre or 110,207±-square-foot, irregular-shaped taking that encompasses a significant portion of the northwest quarter of the site and that extends along the site's entire Northwest Highway frontage at depths that range from approximately 250.00 feet at the north end to a minimum of 20.00 feet at the south end and that exceeds 250.00 feet in the vicinity of the proposed roundabout.

Site improvements located within the taking consist of asphalt-paved parking area; concrete sidewalk, curbing, and bumpers; light poles; a building identification sign; and extensive, mature landscaping that includes lawn, trees, ornamental grasses, and flowers. The parking area also accommodates storm water detention. Additionally, several sculptures lie within the area of the take and of the temporary easement and will need to be relocated; however, the Village is to reimburse the Library District for these costs, pursuant to Paragraph 4A(i) of the draft IGA. Based upon the relocation and/or reconstruction of certain items, the contributory value associated with these site improvements has not been given consideration in regard to the value of the take; however, any estimated costs of relocation and/or reconstruction to be borne by the subject ownership have been taken into consideration in regard to damages to the remainder/costs to cure.

### **Value Conclusions – The Take and the Remainder as Part of the Whole**

Based upon the estimated value of the underlying land of \$10.00 per square foot and taking into consideration the site improvements located within the take and also the improvements located within the remainder, I estimate the value of the area of the take to be \$12.50 per square foot of land. Multiplying the 110,207 square feet within the area of the take by the estimated unit value of \$12.50 per square foot of land results in an estimated value for the take of \$1,377,588 or (rounded) **\$1,380,000**.

Therefore, the value of the whole before the take of \$23,775,000 less the value of the take of \$1,380,000 results in a value for the remainder as part of the whole of **\$22,395,000**.

### **The Remainder After the Take**

The proposed take results in a 9.790-acre or approximately 426,435-square-foot, irregular-shaped remainder that will have approximately 550.00 feet of curvilinear frontage along the east side of relocated Lake Zurich Road, approximately 231.42 feet of frontage on the east side of Northwest Highway/U. S. Route 14, and approximately 60.90 feet of diagonal frontage at the intersection of these two arterials. A land to building ratio of 7.11 to 1.0 is indicated by the remainder after the take

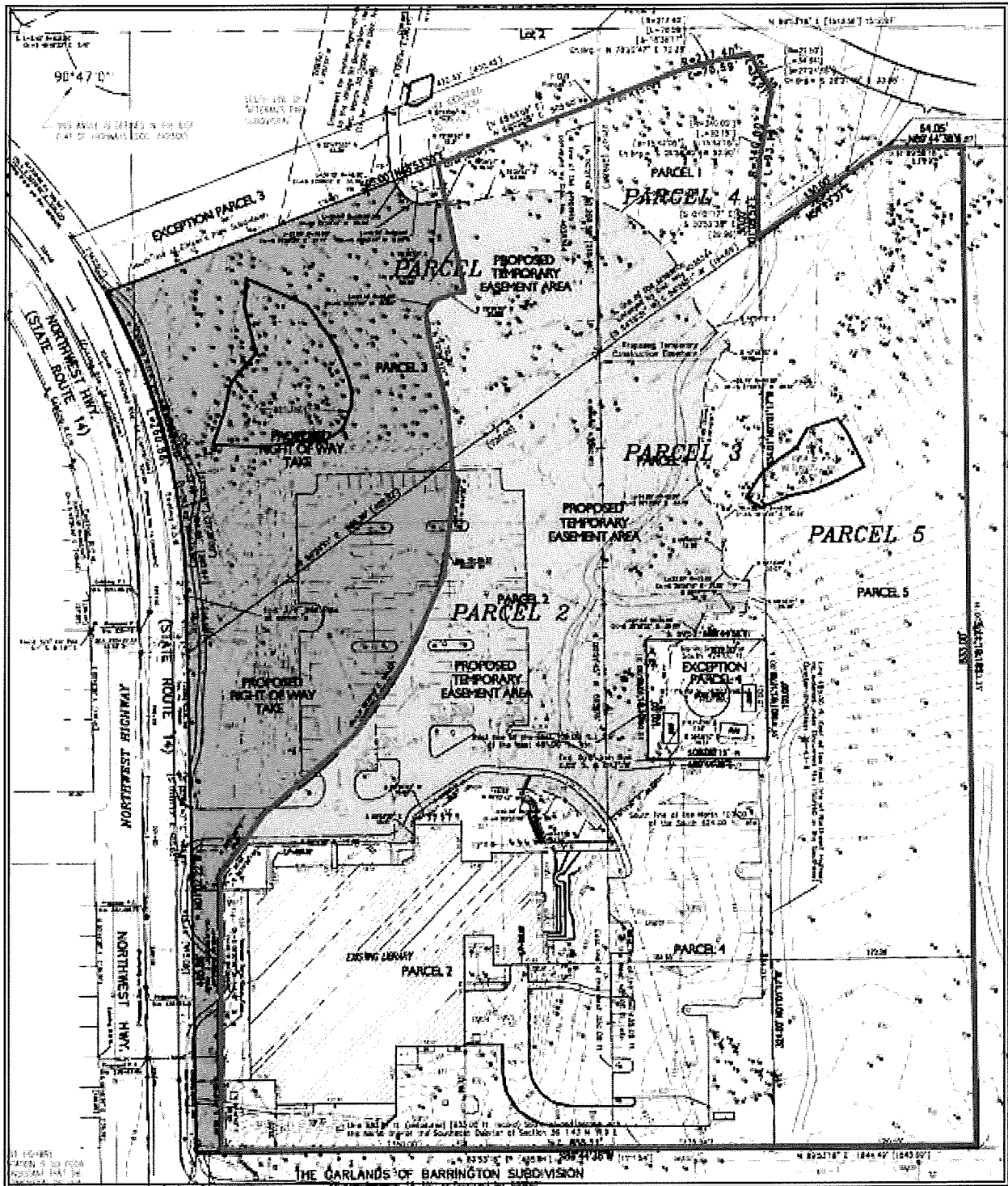


in comparison to the 8.94 to 1.0 land to building ratio reflected by the whole before the take.

Overall, the character and the functionality of the subject property is altered as a result of the Project based upon factors including the diminution in size and the significant change in shape, the loss of considerable landscaping, the increased proximity of the building improvements to the right-of-way, the less direct access via a roundabout, and the uncertainty regarding the ability of the subject site to accommodate the necessary storm water detention associated with an expansion of the building and/or the parking areas.

**The Diminution in Size and Change in Shape.** The proposed take results in a 9.790-acre or approximately 426,435-square-foot remainder, reflecting a diminution in size and in land to building ratio of 20.5 percent, and a significant change in shape, as demonstrated by a comparison of the remainder outlined in green on the Gewalt survey below to the whole before the take outlined in red on page 16.

The 2.530 acres or 110,207 square feet within the area of the take no longer comprise a portion of the subject site, materially reducing its overall area and its land to building ratio and lessening its flexibility in regard to the potential expansion of the building improvements and/or to the construction of additional parking area. However, as previously noted, Paragraph 10D of the draft IGA provides that upon the Library District's submission of plans in regard to any expansion, extension, or relocation of its facilities, parking area, and/or site amenities/improvements, the Village will grant any and all variations or zoning exceptions as requested with the exception of those in regard to building height, the site remains constrained as a result of the take and is considered to be less functional in this regard. In this regard, I have taken into consideration that if expansion, extension, or relocation of the library's facilities, parking area, and/or site amenities/improvements were proposed to occur on that portion of the site zoned O-R, Office/Research District, rezoning, rather than variations or zoning exceptions, may be required. The effect of the diminution in size is exacerbated by the change in shape.



**The Loss of Landscaping.** The take negatively affects the parklike character of the library due to the notable loss of mature landscaping. As stated by the draft letter from Engberg Anderson Architects to the Barrington Area Library, dated October 17, 2017 (the Engberg letter):

Much of the library's current physical identity is associated with its site and the heavily wooded character. Not only is it a "library in a park", but the tree form has become an iconic element in the design of the addition to the building, in particular the main entrance and lobby, but also in the recent renovations including the stair tower, the opening of the second floor to the lobby, and the use of a tree-form lighting solution in the market place area.

Although Paragraph 6D to the draft IGA provides that in the instance where "tree replacements cannot be accommodated on the existing site," the Village will "provide and confirm in writing that the balance of the estimated value of additional replacement trees otherwise required by Village ordinances shall be available to the Library as a future credit for trees which might have to be removed from the Library site in the future for expansion of the Library building, parking, and/or related facilities," this provision merely demonstrates the negative effect of the take upon the remainder.

According to the letter from Conservation Design Forum to Engberg Anderson Architects, dated October 16, 2017 (the CDF letter), the take involves the removal of 282 trees located north of the existing north parking lot with cumulative and average caliper sizes of 2,398 inches and 8.5 inches, respectively, and 57 trees in the existing north parking lot area with cumulative and average caliper sizes of 597 inches and 10.5 inches. The overall effect of losing mature landscaping, a significant amount of which cannot effectively be replaced, is aptly summarized by the Engberg letter, as follows:

The extensive loss of land in the proposed LZR [Lake Zurich Road] realignment along with the significant, attractive, mature vegetation on that land will change the character of the library experience. The ratio of

paving to vegetated area is one part of that equation, the size and quantity of individual plantings is another, the aggregate impact of the plantings collectively forms another part of the equation.

Additionally, the CDF letter states that, although the plans do not reflect the removal of any vegetation located to the west of the library building, this area, “which contains some of the nicest plant material on the property,” will be altered by construction. More specifically, the CDF letter states that the relocation of overhead power lines 20 feet closer to the library building will affect most of the mature vegetation, which includes eight trees with cumulative and average caliper sizes of 94 inches and 11.75 inches, respectively.

The landscaping along the current Northwest Highway/U. S. Route 14 frontage, which includes that lying west of the library building and also a berm that lies west of the existing north parking lot, provides a landscape amenity and also buffers the subject property from the sights and the sounds of the vehicular traffic along that arterial. As a result of the landscaping, the noise level within the library may be higher and less desirable. Views onto the subject site from within the library also will be negatively affected by the loss of landscaping to the west and also to the north.

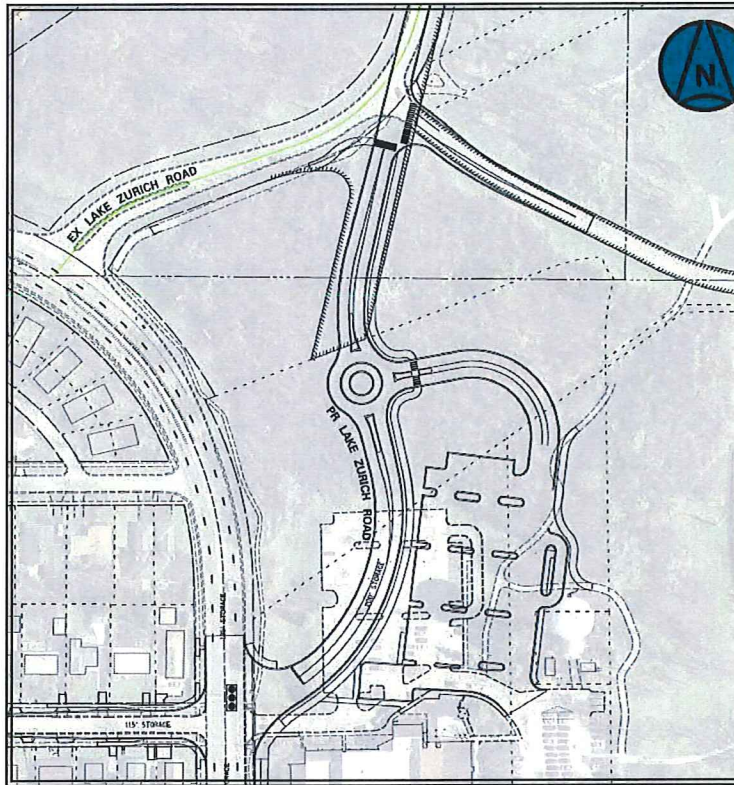
Additionally, as noted by the CDF letter, the relocated north parking lot will not be set back the required 25 feet, which “is intended to provide room for perimeter parking lot landscaping which would screen parked cars from the adjacent public right-of-way. This is a requirement typical of most municipal codes and is intended to preserve property values (including the value of the subject property) by screening nuisance views.” If the landscaping and berm were to be replicated on the east side of relocated Lake Zurich Road, the relocated north parking lot would have to be located farther north and/or east, which would result in less convenient parking and which also would consume more of the remaining open space area, diminishing the parklike setting and making future expansion of the parking area even more difficult.

The loss of landscaping effectively transforms the subject property from “a library in the park” to “a library on the highway,” according to the Engberg letter, which goes on to conclude:

This character is not just the case for residents arriving at the site but also for residents within the building looking out. Views to the north and the west, the primary public views from within the building, are now dominated by roadways rather than park-like landscape areas. There is a tremendous loss of character/value in this transaction. This loss is on top of the decreased functionality of the site by its reduction in area.

**The Increased Proximity of the Building to the Right-of-Way.** As a result of the take, the west elevation of the library building lies 22.41 to 24.91 feet east of the Northwest Highway/U. S. Route 14 right-of-way, approximately 20.0 feet nearer than before the take, which may result in the building being negatively affected by the noise and vibration associated with the vehicular traffic. The dramatic, vaulted entry also is significantly nearer the right-of-way with the relocation of Lake Zurich Road. Further, due to the curvature of relocated Lake Zurich Road, the entry is oriented toward the right-of-way after the take, which was not the case before the take.

**The Less Direct Access Via the Roundabout.** The proposed roundabout will be located along the relocated Lake Zurich Road frontage toward the north end of the subject site and will provide access to the drive proving ingress to and egress from the subject property, as reflected by the following excerpt from the Preliminary Geometry Exhibit, Single Mini-Roundabout Alt, prepared by Civiltech Engineering, Inc., and dated June 8, 2017. (See also, page A-14).



In contrast to the relatively direct access via the signalized entry from Northwest Highway and aligned with Berry Avenue, access via the roundabout is considered to be somewhat circuitous to the extent that Paragraph 7B of the draft IGA notes the potential need for an additional sign. “An additional Library sign at the Lake Zurich Road Library entrance may be required, as determined by the Library, due to the more convoluted Library entry sequence which shall comply with IDOT sign requirements.” The Village is to reimburse the Library District up to \$10,000 for the cost of this sign, which may be either a monument or an electronic sign.

**The Uncertainty Regarding Storm Water Detention.** Although the draft IGA provides that a shared storm water detention area will be located between Northwest Highway/U. S. Route 14 and relocated Lake Zurich Road; will be maintained by the Village in perpetuity; and will accommodate the storm water detention needs of the existing library building, all of which is considered to be a benefit to the subject property, the existing east parking lot, and the new entrance drive and



relocated north parking lot that are to be constructed as part of the Project, there are possible limitations upon its capacity of the storm water detention area to accommodate the potential expansion of the library building and/or parking facilities, as noted by Paragraph 9C of the draft IGA:

Unless additional stormwater storage can be provided by lowering the bottom of the basin and/or the basin outlet could be moved to the next manhole north, this shared storm water detention area cannot be expanded because such an expansion would bring the new Lake Zurich Road closer to the Library's existing Building, which the Library wishes to avoid. Areas for additional detention are available on the Library property, and the Village will assist the Library District and the Library District's present and/or future consultants to identify other areas which would be appropriate for detention on the Library property to accommodate future expansion(s) of both the Library Building and the Library's upper parking lot.

Overall, this uncertainty is considered to negatively affect the potential for the expansion of the subject property's building and/or site improvements.

### **Cost Approach Analysis**

In order to estimate the value of the remainder after the take, the cost approach has been utilized. Taking into consideration the land sales utilized above for the valuation of the whole before the take and analyzing those sales in relation to the remainder as vacant and unimproved, I estimate the underlying land value of the remainder as vacant and unimproved to be \$10.00 per square foot. Based upon approximately 426,435 square feet, this is equivalent to a contributory land value for the remainder after the take of \$4,264,350 or (rounded) **\$4,265,000**, which is equivalent to \$10.00 per square foot.

Consistent with the valuation of the whole before the take, the cost to construct the subject public library improvements is estimated to be **\$22,000,000**; physical deterioration is estimated to be 16.7 percent; and no external obsolescence is considered to be warranted.

In regard to functional obsolescence, in addition to the lower than desirable floor-to-floor height previously noted in regard to the whole before the take, the take is considered to impair the character and the functionality of the remainder based upon factors including the diminution in size and the significant change in shape, the loss of considerable landscaping, the increased proximity of the building improvements to the right-of-way, the less direct access via the roundabout, and the uncertainty regarding the ability of the subject site to accommodate the necessary storm water detention associated with an expansion of the building and/or parking areas, as discussed in greater detail above. On this basis, functional obsolescence of 15 percent has been estimated in regard to the remainder after the take.

Taking into consideration the provisions of the draft IGA, including that Paragraph 4D provides that any of the subject property's improvements damaged or removed as a result of the Project will be repaired and/or replaced, I estimate the depreciated value of the site improvements is **\$900,000**.

The following table summarizes the estimated value for the whole before the take via the cost approach.

## COST SUMMARY

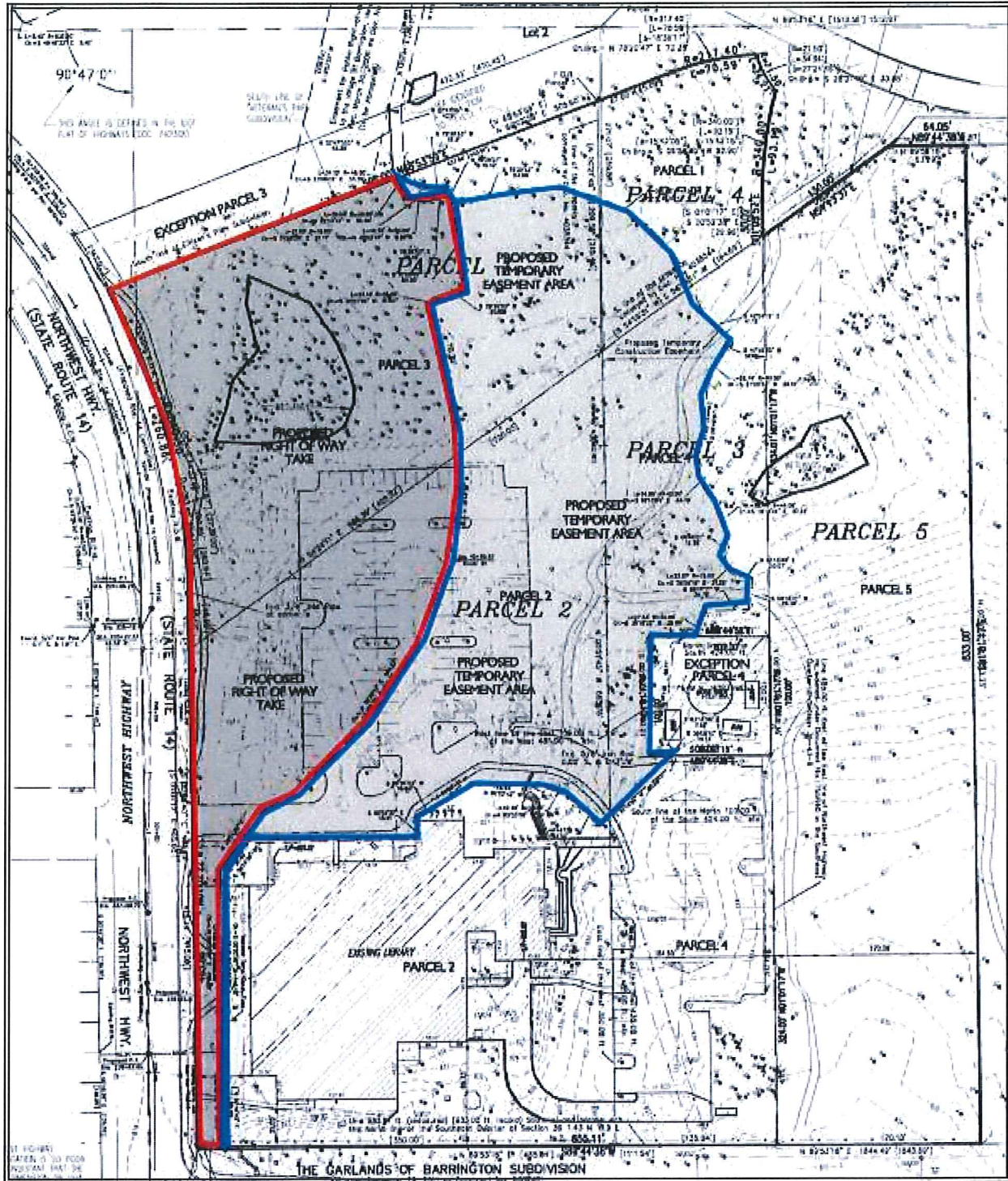
<b>Cost New of Principal Improvements</b>									
60,000 Sq. Ft. x \$366.67 /Sq. Ft.		\$22,000,000							
<b>Entrepreneurial Profit</b>	0%	<u>\$0</u>							
<b>Total Cost New</b>		\$22,000,000							
<b>Less Depreciation</b>									
Physical	16.7%	<u>\$3,674,000</u>	\$18,326,000						
Functional	15.0%	<u>\$2,748,900</u>	\$15,577,100						
External	0.0%	<u>\$0</u>							
<b>Depreciated Value of All Principal Improvements</b>			\$15,577,100						
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding-right: 20px;">Total Depreciation:</td> <td style="padding-right: 20px;">Overall</td> <td style="text-align: right;">\$6,422,900</td> </tr> <tr> <td></td> <td style="padding-right: 20px;">% of Cost New</td> <td style="text-align: right;">29.2%</td> </tr> </table>				Total Depreciation:	Overall	\$6,422,900		% of Cost New	29.2%
Total Depreciation:	Overall	\$6,422,900							
	% of Cost New	29.2%							
<b>Depreciated Value of Site Improvements</b>			\$900,000						
<b>Estimated Land Value</b>									
426,435 Sq. Ft. x \$10.00 /Sq. Ft.		(Rounded)	<u>\$4,265,000</u>						
			\$20,742,100						
<b>Estimated Value by the Cost Approach</b>			(Rounded) <b>\$20,740,000</b>						

### **Value Conclusions – The Remainder After the Take**

Taking into consideration the depreciated values of the subject property's building and site improvements of \$15,577,100 and \$900,000, respectively, in addition to the estimated land value of \$4,265,000, results in an estimated market value of the fee simple interest in the remainder after the take as of March 18, 2018, the most recent date of inspection, of (rounded) **\$20,740,000**, which is equivalent to \$345.67 per square foot of building area including land. Damages to the remainder as a result of the take, therefore, are **\$1,655,000**.

### **Value Conclusions – The Temporary Easement**

In addition to the taking, a 2.659-acre or approximately 115,826-square-foot, irregular-shaped temporary easement, as outlined in blue on the Gewalt survey on the following page, is being impressed for 5 years. The easement lies east adjacent to the take and encompasses the portion of the north parking lot not within the area of the take, the area where the parking lot is to be relocated, and the area where the drive extending from the roundabout is to be constructed.



Reportedly, the entirety of the parking lot improvements that lie within the temporary easement and that are being acquired, including asphalt paving, landscaping, a bike path, the book drop, and light standards, will be replaced as part of the Project. If the case were to be otherwise, I reserve the right to adjust my opinions accordingly. As previously noted, certain sculptures lie within the area of the temporary easement and will require relocation; however, the Village is to reimburse the Library District for these costs, pursuant to Paragraph 4A(i) of the draft IGA. Additionally, for all practical purposes, the impressment of the easement limits any potential improvements to the subject property for the 5-year term.

Based upon the estimated value of the underlying land and taking into consideration the site improvements within the temporary easement and also the improvements located within the remainder, I estimate the value of the area of the temporary easement before and after the impressment to be \$12.50 and \$6.25 per square foot of land, respectively. Based upon the temporary easement's area of approximately 115,826 square feet, the value of the temporary easement before and after the impressment total \$1,447,825 or (rounded) **\$1,450,000** and \$723,913 or (rounded) **\$725,000**, respectively. Therefore, deducting the latter from the former, the value of the impressment of the temporary easement is (rounded) **\$725,000**.

### **Damages Outside the Temporary Easement**

I also have considered damages outside the area of the temporary easement during the impressment. Before the impressment, I estimate the value of the area outside the temporary easement to be \$19,290,000, that is, the value of the remainder after the take of \$20,740,000 less the value of the temporary easement before the impressment of \$1,450,000.

Although the Paragraph 2B of the draft IGA provides the Library District with certain opportunities and rights to approve/disapprove construction procedures and also with continuous access and parking for patrons of the library, nonetheless, based upon my experience with similar projects, access, parking, and on-site traffic circulation will be negatively affected during the impressment period.



Based on the above considerations, I estimate the market value of the area outside the easement after the impressment to be \$19,075,000, which is equivalent to **\$317.92** per square foot of building area including land. Damages outside the temporary easement due to the impressment, therefore, are estimated to be **\$215,000**.

## **FINAL VALUE CONCLUSIONS**

For purposes of this assignment, the cost approach has been utilized to estimate the value of the subject property as a whole and also as the remainder after the take. Improved as the Barrington Area Library, the subject property is considered to reflect a special use property that is an asset to the communities it serves. As part of the cost approach analysis, the underlying land value has been estimated utilizing the sales comparison approach to value. The estimated land value also has been utilized in regard to the value of the take and of the temporary easement.

The opinions of value set forth in this appraisal report are premised upon the extraordinary assumption that an agreement in substantial conformance with the draft IGA will be entered. The use of this extraordinary assumption may have affected the assignment results.

Further, the estimated values are subject to the review of a revised IDOT plat of highways and of revised legal descriptions that accurately identify the take and the temporary easement. I reserve the right to adjust the estimated values accordingly.

Therefore, based on the facts reviewed herein and the data analyzed in connection with this appraisal, the market values of the fee simple interest in the subject property as of March 18, 2018, the most recent date of inspection, are:

## VALUE CONCLUSIONS

VALUE OF THE WHOLE	\$23,775,000	
VALUE OF THE TAKE		\$1,380,000
VALUE OF THE REMAINDER BEFORE THE TAKE	\$22,395,000	
VALUE OF THE REMAINDER AFTER THE TAKE	<u>\$20,740,000</u>	
DAMAGES TO THE REMAINDER		\$1,655,000
VALUE OF THE TEMPORARY EASEMENT BEFORE THE IMPRESSMENT	\$1,450,000	
VALUE OF THE TEMPORARY EASEMENT AFTER THE IMPRESSMENT	<u>\$725,000</u>	
VALUE OF THE TEMPORARY EASEMENT		\$725,000
VALUE OF THE AREA OUTSIDE THE TEMPORARY EASEMENT BEFORE THE IMPRESSMENT	\$19,290,000	
VALUE OF THE AREA OUTSIDE THE TEMPORARY EASEMENT AFTER THE IMPRESSMENT	<u>\$19,075,000</u>	
DAMAGES OUTSIDE THE TEMPORARY EASEMENT		<u>\$215,000</u>
TOTAL COMPENSATION		<u>\$3,975,000</u>

These value estimates are contingent upon the estimated exposure time of 6 to 12 months.

MaRous and Company has received and has relied upon verbal and written communications and documents regarding the subject property in the preparation of this appraisal report. If additional information about the subject property is received or becomes known, MaRous and Company reserves the right to determine whether this information has a substantive impact on the valuation of the subject property and to adjust values accordingly.

This document conforms to my understanding of the requirements for an appraisal report under Standard Rule 2-2 (a) of the *Uniform Standards of Professional Appraisal Practice and Advisory Opinions* (USPAP). This appraisal report is a brief recapitulation of the appraisal data, analyses, and conclusions. Supporting documentation is retained in MaRous and Company office files.

## ASSUMPTIONS AND LIMITING CONDITIONS

### Reporting Requirements

This appraisal report is intended to comply with the reporting requirements set forth under Standard Rule 2-2 (a) of the *Uniform Standards of Professional Appraisal Practice* for an appraisal report. As such, this report might not include full descriptions of the data, reasoning, and analyses that were used in the appraisal process to develop the opinions of value. Supporting documentation concerning the data, reasoning, and analyses is retained in the MaRous and Company office files. The information contained in this report is specific to the needs of the client and for the intended use stated in this report. MaRous and Company is not responsible for unauthorized use of this report.

### Title and Survey

It is assumed that the title to the subject property is good and marketable. The Illinois Department of Transportation (IDOT) plat of highways and the legal descriptions provided to MaRous and Company do not reflect the increased areas of the take and of the temporary easement. Therefore, the estimated values are subject to the review of a revised IDOT plat of highways and of legal descriptions that accurately identify the take and the temporary easement. I reserve the right to adjust the estimated values accordingly. The value estimates are given without regard to any questions of title, boundaries, encumbrances, or encroachments.

### Hazardous Waste

Unless otherwise stated in this appraisal report, MaRous and Company has no knowledge of the existence of hazardous environmental conditions or substances, including and without limitation asbestos, polychlorinated biphenyls, petroleum leakage, and agricultural chemicals that may or may not be present on the subject property. Moreover, MaRous and Company appraisers are not qualified to test for these substances or conditions. Because the presence of substances such as asbestos, urea formaldehyde foam insulation, and other hazardous substances and environmental conditions may affect the value of a property, the value estimate is predicated on the assumption that no such condition exists on or in the subject property or in such proximity thereto that would cause a loss in value. No responsibility is

assumed for any such conditions or for any expertise or engineering knowledge required to discover them.

### **Hidden Defects**

All structures and mechanical components are assumed to be in sound, operable condition unless otherwise stated, and the value conclusions are based on that assumption. Additionally, the value estimate assumes no soil or subsoil conditions that would cause a loss in value. No responsibility is assumed for architectural, structural, engineering, or mechanical matters, and MaRous and Company appraisers are not qualified to make professional judgments in these areas.

### **Management**

Competent and prudent management of the subject property is assumed. The estimate of value reported herein assumes that the assessments are entirely paid and that the property is free and clear of such assessments. Opinions and statistics furnished by others during this investigation are assumed to be correct, and no responsibility is assumed for their accuracy.

### **Market Conditions**

The value conclusions contained herein are based on the research of market conditions as of the valuation date. Every effort has been made to consider the effect of predictable governmental actions, as well as any environmental or ecological concerns, on the subject property; however, no responsibility is assumed for subsequent changes in the local or national economy or for subsequent changes in local market conditions resulting from local or national economy changes. Because this is an appraisal of market value and is not a feasibility study, no responsibility can be assumed for the ability of the property owner to find a purchaser of the subject property at the appraised value.

### **ADA Compliance**

The Americans with Disabilities Act (ADA) became effective January 26, 1992. No specific determination of compliance with the various detailed requirements of the ADA was made for the subject property. It is possible that a complete compliance survey of the subject property together with a detailed analysis of the ADA requirements could show that the property is not in compliance with one or more of the requirements of the act. If so, this fact could have a negative affect upon the value of the subject property. Because no direct evidence

relating to this issue was developed, possible lack of compliance with the ADA was not taken into account in estimating value.

## **Other**

An authentic copy of this appraisal report is signed in ink on the certification; be aware of the potential for alterations on copies. Exhibits, including maps, site plans, and photographs, are provided for informational purposes and are not necessarily to scale. Nothing contained in this appraisal report, particularly the valuation conclusions, the identity of any appraiser, and any reference to the Appraisal Institute or the MAI designation, is to be conveyed to a third party or to the public through advertising, public relations, news, sales, or other medium without the written consent and approval of MaRous and Company. If such consent is secured, the report must be used in its entirety and cannot be altered in any way, and must include all limiting conditions, certifications, and qualifications.

## CERTIFICATION

I certify that, to the best of my knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. 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, and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
5. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. 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.
8. I have the knowledge and experience necessary to complete this report competently.
9. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with our understanding of the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, which include the *Uniform Standards of Professional Appraisal Practice*.
10. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
11. I have made a personal inspection of the property that is the subject of this report.
12. Debra S. Oswald provided significant real property appraisal assistance to the person signing this certification.
13. As of the date of this report, I have completed the continuing education program of the Appraisal Institute.

MaRous & Company

Michael S. MaRous, MAI, CRE

Illinois Certified General - #553.000141 (9/19 expiration)



## ADDENDA

## LAND SALE #1

**22 East Dundee Road  
Barrington, Illinois 60010  
PINs 01-12-400-005 and -006**

<b>Land Area</b>	508,473 square feet or 11.67 acres (See comments.)
<b>Site Description</b>	<p>The somewhat irregular-shaped, corner site is located in Barrington and has approximately 530.0 feet of frontage on the north side of Dundee Road, 889.04 feet of curvilinear frontage on the east side of Grove Avenue, and 34.68 feet of diagonal frontage at the T-intersection of these two arterials. According to Flood Insurance Rate Map (FIRM), Community Panel Number 17031C0020J, effective August 19, 2008, the site lies within an area of Zone X. Based upon the U. S. Fish &amp; Wildlife Service, National Wetlands Inventory, the site includes a 0.38-acre freshwater pond in its southeast quadrant. Shortly before the sale date, the site was rezoned from O-R, Office/Research District, to R-8, General Residential District, by the Village of Barrington, and was approved for the development of 61 townhouse units to be known as Brentwood. At the time of sale, the site was improved with an older, three-story barn structure that had been converted to multitenant office use as The Grove Country Offices. According to the Illinois Department of Transportation (IDOT), the annual average daily traffic count on Rand Road/U. S. Route 12 in this vicinity was 13,700 vehicles as of 2015.</p>
<b>Sale Date</b>	September 2017
<b>Sale Price</b>	\$4,100,000
<b>Unit Sale Price</b>	\$8.06 per square foot of land
<b>Verification</b>	<p>This sale was verified by the deed. The grantors were Schurecht Development Group III, LLC, as to Parcel One and Schön Schurecht as Trustee of the Schön Schurecht Declaration of Trust as to Parcel Two. The grantee was M/I Homes of Chicago, LLC. This transaction is recorded as Document Number 1727701167.</p>
<b>Comments</b>	<p>The area is that indicated by the records of the Cook County Assessor's office.</p>

## LAND SALE #2

**625 Winchester Road  
Libertyville, Illinois 60048  
PINs 11-16-100-011 and -012**

<b>Size</b>	230,868 square feet or 5.30 acres (See comments.)
<b>Description</b>	<p>The triangular-shaped, corner parcel is located in Libertyville and has 897.10 feet of frontage on the south side of Winchester Road in addition to approximately 265.0 feet of frontage on the west side of Ellis Avenue. Metra's Milwaukee District/North Line railroad right-of-way extends along the site's diagonal south border, and a commuter rail station lies slightly southeast in Libertyville's central business district. According to the Lake County Geographic Information System (GIS), the site includes 0.5915 acre of wetlands, but does not include any area of flood hazard. The site, which formerly had been rezoned IB, Institutional Buildings District, was rezoned R-8, Multiple Family Residential District, by the Village of Libertyville prior to the sale date. A final plat of subdivision for Parkside of Libertyville, a 56-unit, attached, single-family, townhouse development, was approved in September 2015.</p>
<b>Sale Date</b>	December 2015 (See comments.)
<b>Sale Price</b>	\$2,050,000 (See comments.)
<b>Unit Sale Price</b>	\$8.88 per square foot of land
<b>Verification</b>	<p>This sale was verified by public record. The grantor was the Village of Libertyville. The grantee was K. Hovnanian at Parkside, LLC. This transaction is recorded as Document Number 7257985.</p>
<b>Comments</b>	<p>The site size is that indicated by the Lake County GIS. The Village of Libertyville approved a contract to sell the site, which previously had been utilized as the administrative offices of its Recreation &amp; Sports Complex Department and as a public park and, prior to that, as a construction company's offices and grounds, in November 2013. The sale was delayed for reasons including environmental testing and approval of a remediation plan and leading to the grantor reimbursing</p>

## LAND SALE #2 (continued)

Swanson Development, LLC, the contract purchaser, \$221,000, the latter's portion of the environmental expenses. [Zawislak, Mick. "Libertyville Parks Office Move Paves Way for Townhouse Plan." *Daily Herald*. (August 29, 2015); Zawislak, Mick. "Sale of Libertyville Park for Townhouse Development Delayed Again." *Daily Herald*. (September 24, 2015); "Sale of Libertyville Park to Homebuilder Finally Complete." *Daily Herald*. (December 31, 2015.)]

### LAND SALE #3

**509 West Rand Road  
Arlington Heights, Illinois 60004  
PINs 03-18-204-203 and -207**

<b>Land Area</b>	182,315 square feet or 4.19 acres (See comments.)
<b>Site Description</b>	<p>The generally triangular-shaped, corner site is located in Arlington Heights and has approximately 770.0 feet of frontage on the west side of Rand Road/U. S. Route 12 and approximately 600.0 feet of curvilinear frontage on the north side of Techny Road. According to Flood Insurance Rate Map (FIRM), Community Panel Number 17031C0201J, effective August 19, 2008, the site lies within an area of Zone X. Based upon the U. S. Fish &amp; Wildlife Service, National Wetlands Inventory, there are no wetlands located on the site, which was rezoned from a residential use to I, Institutional District, and which was approved as a planned unit development (PUD) by the Village of Arlington Heights prior to the sale date. At the time of sale, the site was improved with a former, detached, single-family residence that was in use for religious purposes. The site was purchased for the development of a one-story, 38,685-square-foot, 72-bed memory care facility to be known as the Waverly Inn Memory Care Community. According to the Illinois Department of Transportation (IDOT), the annual average daily traffic count on Rand Road/U. S. Route 12 in this vicinity was 30,700 vehicles as of 2015.</p>
<b>Sale Date</b>	June 2016
<b>Sale Price</b>	\$1,900,000
<b>Unit Sale Price</b>	\$10.42 per square foot of land
<b>Verification</b>	<p>This sale was verified by the real estate transfer declaration. The grantor was Northwest Covenant Church. The grantee was Arlington Heights Memory Partners, LLC. This transaction is recorded as Document Number 1617522241.</p>
<b>Comments</b>	<p>The area is that indicated by the records of the Cook County Assessor's office.</p>

## LAND SALE #4

**21840 West Lake Cook Road**

**Deer Park, Illinois 60010**

**PIN 14-34-302-007**

<b>Land Area</b>	358,951 square feet or 8.24 acres (See comments.)
<b>Site Description</b>	<p>The irregular-shaped, corner site is located in Deer Park and has 521.76 feet of frontage on the north side of Lake Cook Road, 618.52 feet of curvilinear frontage on the west side of Hamilton Boulevard, and 78.54 feet of curvilinear frontage at the T-intersection of these two arterials. The site is part of the 230-acre, master-planned Deer Park Triangle that includes Deer Park Town Center, a lifestyle retail center; Deer Park Office Center business park, of which the site was a part; and Town Center Park. According to the Lake County Geographic Information System (GIS), the site includes 0.62 acre of open water/pond and 0.01 acre of wetlands, but does not include any area of flood hazard. The site is zoned PD, Planned Development, by the Village of Deer Park and, prior to the sale date, and was purchased for the construction of a senior housing facility known as The Solana Deer Park, which was proposed to include independent and assisted living in addition to memory care. According to the Illinois Department of Transportation (IDOT), the annual average daily traffic count on Lake Cook Road in this vicinity was 20,200 vehicles as of 2014.</p>
<b>Sale Date</b>	February 2014
<b>Sale Price</b>	\$4,100,000
<b>Unit Sale Price</b>	\$11.42 per square foot of land
<b>Verification</b>	<p>This sale was verified by the deed. The grantor was Hamilton/Forsythe Deer Park, LLC. The grantee was FSP-Deer Park, LLC. This transaction is recorded as Document Number 7079659.</p>
<b>Comments</b>	The area is that indicated by the records of the Lake County GIS.



## LAND SALE #5

**21635 Field Parkway  
Deer Park, Illinois 60010  
PIN 14-34-304-007 (partial and former)**

<b>Land Area</b>	489,702 square feet or 11.24 acres (See comments.)
<b>Site Description</b>	<p>The irregular-shaped, corner site is located in Deer Park and has approximately 900.0 feet of curvilinear frontage along the south side of Field Parkway and 565.72 feet of frontage on the west side of Deer Park Boulevard, slightly north of Lake Cook Road, between Rand Road/U.S. Route 12 and Quentin Road. The site is part of the 230-acre, master-planned Deer Park Triangle that includes Deer Park Town Center, a lifestyle retail center; Deer Park Office Center business park, of which the site was a part; and Town Center Park. A bike path extends along the site's irregular southern border, and a wetland/pond lies immediately south of approximately the western half of the southern border. According to the Lake County Geographic Information System (GIS), the site does not include areas of flood hazard or of wetlands. The site is zoned PD, Planned Development, by the Village of Deer Park and, prior to the sale date, was granted a special use permit for a 236-unit rental residential development known as Deer Park Crossing, which was proposed to include townhouses and apartments/flats in addition to a clubhouse.</p>
<b>Sale Date</b>	October 2016
<b>Sale Price</b>	\$5,875,963
<b>Unit Sale Price</b>	\$12.00 per square foot of land
<b>Verification</b>	<p>This sale was verified by the deed. The grantor was Hamilton/Forsythe Deer Park, LLC. The grantee was RHP Deer Park Project, LLC. This transaction is recorded as Document Number 7342007.</p>
<b>Comments</b>	<p>The area is that indicated by the records of the Lake County GIS for the current PIN, 14-34-304-010.</p>

## LAND SALE #6

**200 North Field Drive  
Lake Forest, Illinois 60045  
PIN 11-36-301-014**

<b>Land Area</b>	421,237 square feet or 9.67 acres (See comments.)
<b>Site Description</b>	The irregular-shaped, internal parcel is located in the Conway Park business park in Lake Forest and has 394.85 feet of curvilinear frontage along the west side of Field Drive, north of Townline Road/Kennedy Drive/Illinois Route 60 in addition to frontage along and visibility from Interstate 94, which lies to the west. According to the Lake County Geographic Information System (GIS), the finished lot includes 0.55 acre of wetlands, but does not include any area of flood hazard. The site is zoned OR2, Office Research District, by the City of Lake Forest. According to the Illinois Department of Transportation (IDOT), the annual average daily traffic count on Interstate 94 in this vicinity was 147,600 vehicles as of 2015.
<b>Sale Date</b>	March 2015
<b>Sale Price</b>	\$5,700,000
<b>Unit Sale Price</b>	\$13.53 per square foot of land
<b>Verification</b>	This sale was verified by the deed. The grantor was Duke Construction Limited Partnership. The grantee was Laurel Avenue Lake Forest Limited Partnership. This transaction is recorded as Document Number 7176534.
<b>Comments</b>	The area is that indicated by the Lake County GIS. According to the grantee's website, <a href="http://www.jankogroup.us">www.jankogroup.us</a> , the purchase, which reflects a 1031 exchange, is a "long-term hold with future development potential." The website further indicates, "Several opportunities are under study for this longer-term investment in this well-established business park, which include development of one or more build-to-suit buildings and a hotel."

## LAND SALE #7

**2999 Waukegan Road  
Bannockburn, Illinois 60015  
PIN 16-17-300-031**

<b>Land Area</b>	407,896 square feet or 9.36 acres (See comments.)
<b>Site Description</b>	<p>The trapezoid-shaped, interior site is located in the far northeast portion of Bannockburn and has approximately 590.0 feet of frontage on the east side of Waukegan Road/Illinois Route 43, north of its signalized intersection with Half Day Road/Illinois Route 22. According to the Lake County Geographic Information System (GIS), the site includes 0.06 acre of Lake County wetlands, but does not include any area of flood hazard. The site, which comprised a portion of a nursery, was annexed and was rezoned R-1, Specialty Retail District, by the Village of Bannockburn in April 2016, prior to the sale date. In addition to a zoning code text amendment to establish this new zoning district, a special use permit also was granted, allowing the construction of a Mariano's retail grocery store. According to the Illinois Department of Transportation (IDOT), the annual average daily traffic count on Waukegan Road/Illinois Route 43 in this vicinity was 14,300 vehicles as of 2016.</p>
<b>Sale Date</b>	June 2016
<b>Sale Price</b>	\$6,736,929
<b>Unit Sale Price</b>	\$16.52 per square foot of land
<b>Verification</b>	<p>This sale was verified by the deed. The grantor was Chicago Title Land Trust Company, Trust Number 126587. The grantee was Continental Beeson Corner, LLC. This transaction is recorded as Document Number 7309764.</p>
<b>Comments</b>	<p>The area is that indicated by the site plan for the development reviewed on the Village of Bannockburn's website (<a href="http://www.bannockburn.org">www.bannockburn.org</a>). The Lake County GIS indicates a smaller area of 9.07 acres or 395,299 square feet.</p>

## PHOTOGRAPHS OF SUBJECT PROPERTY



**WEST END OF NORTH ELEVATION OF LIBRARY**



**VIEW SOUTHWEST ACROSS SITE TOWARD LIBRARY**





**VIEW OF BOOK DROP, SCULPTURE, AND PARKING**



**VIEW SOUTHWEST TOWARD DRIVE FROM NORTHWEST HIGHWAY**





**VIEW NORTH FROM SECOND FLOOR**

# LIBRARY PROJECTS BY STATE



## Arizona

- Tempe Public Library
- Coolidge Public Library

## California

- Beaumont Library

## Colorado

- High Plains District Library
- Centennial Park Branch
- Farr Branch

## Florida

- Jacksonville Public Library | University Park

## Illinois

- Barrington Area Library
- Baratavia Public Library
- Bradley Public Library
- Cary Public Library
- Cook Memorial Library
- Chicago Ridge Public Library
- Crystal Lake Public Library
- Edwardsville Public Library

## Indiana

- Elkhart Public Library
- Evansville Vanderburgh Public Library System
- Central
- North Park Branch
- Dakota Branch
- New Albany-Floyd County Public Library
- St. Joseph County Public Library

## Iowa

- Altoona Public Library
- Clive Public Library
- Davenport Eastern Avenue Branch
- Indianola Public Library
- Iowa City Public Library
- Kalona Public Library
- Marion Public Library
- Musser Public Library
- Onawa Public Library
- Sioux City Public Library
- Urbandale Public Library
- Winterset Public Library

## Michigan

- Bay County Library System
- Auburn Branch
- Central

- Pittsoming Branch
- Salge Branch
- Charlevoix Public Library
- Cromaine Library District
- Central
- Crossroads Branch
- Traverse Area District Library

## Nebraska

- South Omaha | Metro Community College Library

## New York

- Schenectady County Public Library

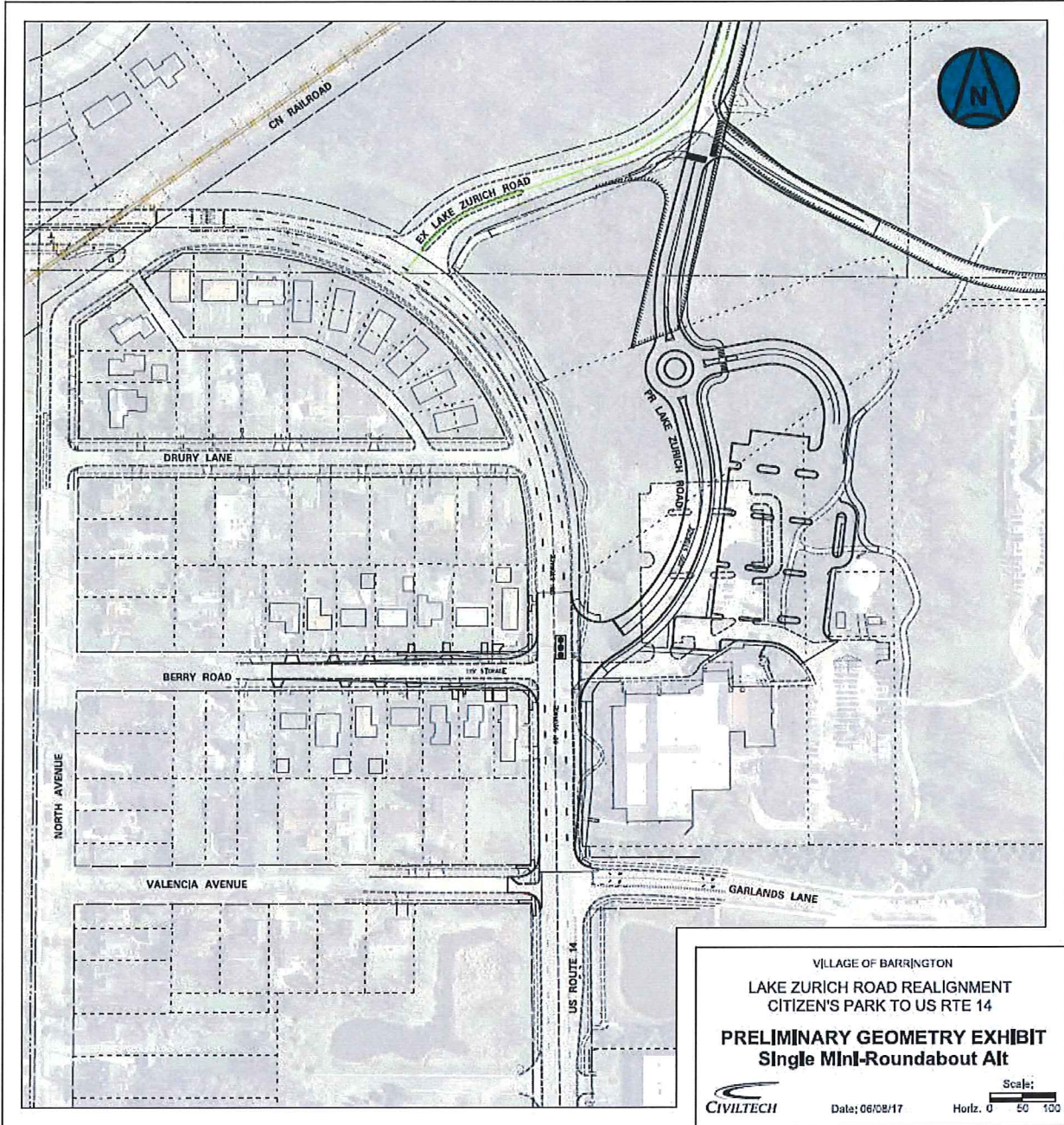
## Virginia

- Washington County Public Library

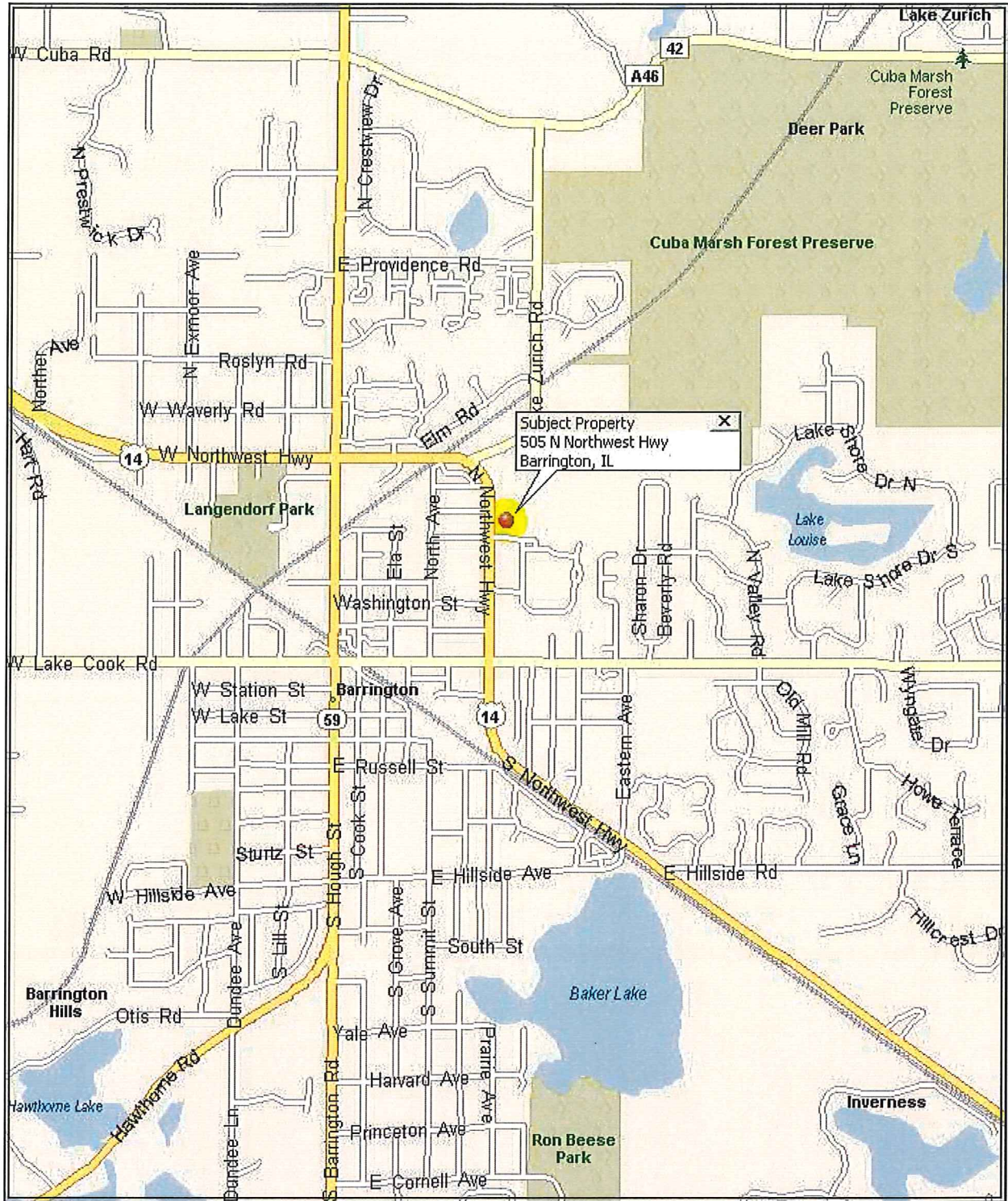
## Wisconsin

- Appleton Public Library
- Acam Public Library
- Belleit Public Library
- Berlin Public Library
- Brookfield Public Library
- Brown County Library System
- Weyers-Hillard Branch
- Kress Family Branch
- Cedarburg Public Library
- Cudahy Family Library
- Fitchburg Public Library
- Frank L. Weyenberg Library
- LD Fargo Public Library
- Lester Public Library
- Madison Public Library
- Meadownridge Branch
- Goodman South Madison Branch
- Hawthorne Branch
- Monroe St. Branch
- Pinney Branch
- Sesuya Branch
- Mantowoc Public Library
- Marathon County Public Library
- Milwaukee County Federated Library System
- Milwaukee Public Library System
- 10 Neighborhood Library Study
- Bay View Branch
- Villard Square Branch
- Tippecanoe Branch
- Mukwonago Community Library
- Onalaska Public Library
- Platteville Public Library
- Shorewood Public Library
- Waukesha Public Library
- West Bend Community Memorial Library
- Whiterfish Bay Public Library









**SUBJECT LOCATION MAP**

## Definitions

### **Highest and Best Use**

Highest and best use is defined as "the reasonably probable use of property that results in the highest value."<sup>1</sup>

In arriving at an opinion of highest and best use, the most profitable competitive use for the land or a site as though vacant and as improved is analyzed. The highest and best use of land or a site as though vacant is based on the assumption that a parcel of land is vacant or can be made vacant through demolition of any improvements. The highest and best use of a property as improved involves an analysis of the existing property.

### **Cost Approach**

The cost approach is based upon the principle of substitution, comparing the cost to develop a property with the value of the existing or a similarly developed property. An estimate is made of the current cost to construct a reproduction of the existing structure from which is deducted accrued depreciation. To this is added entrepreneurial profit if appropriate and the estimated value of the underlying land.

### **Income Capitalization Approach**

The income capitalization approach is "a set of procedures through which an appraiser derives a value indication for an income-producing property by converting its anticipated benefits (cash flows and reversion) into property value."<sup>2</sup>

### **Sales Comparison Approach**

The sales comparison approach to value is based upon the principle of substitution, that is, when a property is replaceable in the market, its value tends to be no more than the cost of acquiring an equally desirable substitute property, assuming no costly delay in making the substitution.

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1 *The Appraisal of Real Estate*. 14th ed., (Chicago: Appraisal Institute, 2013) 332.

2 *The Dictionary of Real Estate Appraisal*. 5th ed., (Chicago: Appraisal Institute, 2010) 99.