

APPRAISAL OF 156-ACRES IN SECTION 4, ROSE TOWNSHIP, SHELBY COUNTY, ILLINOIS

Client: Mr. Robert Orman
Shelby County Board
301 E. Main Street
Shelbyville, Illinois 62565

Effective date of value: July 25, 2024

Date of report: July 29, 2024

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July 29, 2024

Mr. Robert Orman
Shelby County Board
301 E. Main Street
Shelbyville, Illinois 62565

RE: Appraisal of 156-acres of land in Section 4, Rose Township, Shelby County, Illinois.

Dear Mr. Orman:

Per your request, I have personally inspected the property which may be described as 156-acres of land in Section 4, Rose Township, Shelby County, Illinois. This report is intended for use only by the client, Shelby County Board, as a guide for marketing. Use of this report by others is not intended by the appraiser. The client has requested an opinion of the market value of the fee simple estate of the subject real property. An exterior examination of the subject was made on July 25, 2024, which is the effective date of the opinion of value.

This transmittal letter is followed by the appraisal report further describing the subject property and containing the reasoning and pertinent data leading to the opinion of value. Also attached are the certification of the appraisal, limiting conditions, photographs, and other addenda that are considered relevant to the appraisal. This letter and all attachments are integral parts of the appraisal report, and the entire document must be considered as a whole.

The property was appraised based on fee simple ownership and unencumbered, subject to the contingent and limiting conditions outlined herein.

Shelby County Board
July 29, 2024

Appraisal of 156-acres of land in Section 4, Rose Township, Shelby County, Illinois.

It is my opinion that the market value of the fee simple estate of the subject real property, as of July 25, 2024, was:

TWO MILLION THREE HUNDRED THOUSAND (\$2,300,000) DOLLARS.

Extraordinary assumptions: None

Hypothetical conditions: None

Respectfully submitted,

A handwritten signature in black ink that reads "Joseph Webster". The signature is written in a cursive style with a large initial "J" and "W".

Joseph M. Webster, MAI, R/W-AC
Illinois certified general
Real estate appraiser # 553.002003

W:\24-38027

DEFINING THE PROBLEM TO BE SOLVED:

IDENTIFICATION OF THE CLIENT AND OTHER INTENDED USERS:

The appraisal was ordered by Robert Orman on behalf of the Shelby County Board, which is the client for this assignment. The appraiser-client relationship is subject to the confidentiality section of the Ethics Rule of the *Uniform Standards of Professional Appraisal Practice (USPAP)*, which states that an appraiser must not disclose confidential information, or assignment results prepared for a client to anyone other than the client, or persons specifically authorized by the client. The client has not identified any additional intended users, and therefore, the client is the sole intended user of the appraisal.

INTENDED USE OF THE APPRAISER'S OPINIONS AND CONCLUSIONS:

The intended use of the opinions and conclusions derived from this appraisal assignment is to evaluate the property that is the subject of this appraisal as a guide for marketing, subject to the stated scope of work, problem to be solved, reporting requirements of this appraisal report type, and definition of value. No additional intended uses are identified by the client, and the opinions and conclusions can not be used for any other purpose without prior written authorization from Webster & Associates, Inc.

TYPE AND DEFINITION OF VALUE TO BE DETERMINED:

The client has requested an opinion of the current market value of the subject real property.

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

- (1) buyer and seller are typically motivated;
- (2) both parties are well informed or well advised, and acting in what they consider their own best interests;
- (3) a reasonable time is allowed for exposure in the open market;
- (4) payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale. (Source: 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]

Real property is defined as:

1. An interest or interests in real estate.
2. The interests, benefits, and rights inherent in the ownership of real estate.¹

No personal property or intangible assets have been included in the opinion of value.

EFFECTIVE DATE OF THE APPRAISER'S OPINIONS AND CONCLUSIONS:

An exterior examination of the subject property was made on July 25, 2024, which is the effective date of the opinion of value.

¹ The Dictionary of Real Estate Appraisal, 7th Edition, by the Appraisal Institute, 2022.

IDENTIFICATION OF THE SUBJECT PROPERTY:

PROPERTY TYPE AND LOCATION.

The subject represents a 156-acre tract of land that is utilized for agricultural production. It is located in Section 4 of Rose Township, Shelby County, Illinois.

OWNERSHIP HISTORY.

The subject property is currently in the name of Shelby County. There has been no transfer of ownership on record over the past three years, and the property is not formally available for sale at this time. However, there are plans to sell this property.

LEGAL DESCRIPTION.

A formal legal description was not provided. However, according to the Shelby County Assessor, the subject property may be legally described as:

Part of the Northeast ¼ of Section 4, Township 11 North, Range 3 East of the Third Principal Meridian. Located in Shelby County, Illinois.

TAX AND ASSESSMENT DATA.

The subject's tax and assessment information is as follows:

<u>Permanent parcel number</u>	<u>Farmland</u>	<u>Land</u>	<u>Building</u>	<u>Total</u>	<u>Tax</u>
1812-04-00-200-001	\$91,371	\$0	\$0	\$91,371	\$5,619.56

The parcel shown above is classified as farmland, which is assessed based on its productivity, rather than market value. The assessment represents \$586 per acre. Taxes were based on a rate of 6.15026% of assessed valuation for fiscal year 2023, payable in 2024.

PROPERTY RIGHTS TO BE VALUED:

The property rights being valued are a *fee simple estate*, which is defined as:

Absolute 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.²

There are reportedly no current leases on the property. Therefore, the use of fee simple property rights is most appropriate, with no allocation of partial interests warranted.

EXTRAORDINARY ASSUMPTIONS:

An *extraordinary assumption* is defined as:

An assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions.³

There were no extraordinary assumptions used in the analysis leading to the opinion of value for the subject property.

HYPOTHETICAL CONDITIONS:

A *hypothetical condition* is defined as:

A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.⁴

There were no hypothetical conditions used in the analysis.

²The Dictionary of Real Estate Appraisal, 7th Edition, by the Appraisal Institute, 2022.

³2024 – 2025 Uniform Standards of Professional Appraisal Practice.

⁴2024 – 2025 Uniform Standards of Professional Appraisal Practice.

EXPOSURE TIME:

Exposure time may be defined as:

An opinion, based on supporting market data, of the length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal. (Source: 2024-2025 Uniform Standards of Professional Appraisal Practice).

The exposure time analysis considers the liquidity characteristics of the subject property. It is based on data retained in file, along with external sources, such as brokers and MLS. Based on the characteristics of the subject property, the opinion of market value derived in this report is based on an exposure time estimated to be between 0 and 90-days, with 60-days considered typical. This represents the average time on the market for recent sales of properties of this type actively listed for sale at a reasonable price. Properties of this type frequently sell at auctions, although the time required for preparation and marketing is often approximately 60-days. The typical purchaser is a farmer, although an investor is another potential purchaser.

SCOPE OF WORK:

The development and reporting of a real property appraisal must be done in compliance with Standards 1 and 2 of the *Uniform Standards of Professional Appraisal Practice (USPAP)* as promulgated by the Appraisal Standards Board of the Appraisal Foundation. Standard 1 contains requirements that deal with the procedures to be followed in developing the appraisal in a manner that will result in a credible assignment. *Credible* is defined in the 2024-2025 edition of *USPAP* as “worthy of belief.” The scope of work necessary to produce a credible appraisal is determined by the appraiser based on the problem to be solved and the intended use. This appraisal has been developed in conformity with the requirements of Standard 1 of the 2024-2025 edition of *USPAP*.

Standard 2 requires that the appraiser’s conclusions must be communicated in a manner that is not misleading. It provides two reporting options with significantly different levels of content and information. An appraisal report provides a summary of the appraiser’s research and analysis used to arrive at an opinion of value. The amount of detail provided is dependent upon the intended user and intended use of the appraisal. A restricted report provides only the appraiser’s conclusions, with limited to no supporting documentation. Therefore, the results of the analysis have been compiled into an appraisal report that is intended to comply with Standard 2-2(a) of the *Uniform Standards of Professional Appraisal Practice*. Additional support is retained in your appraiser's files.

Demographic and economic data have been collected from the Illinois Department of Commerce and Economic Opportunity, the Illinois Department of Employment Security, the U. S. Census Bureau, and the Illinois Business Review. Furthermore, reference has been made with the Shelby County assessor's and treasurer's offices, Shelby County tax maps, and Shelby County zoning maps. Data applicable to the appraisal assignment has been gathered, confirmed, and analyzed to determine trends in the marketplace that would have an effect on the marketability of the subject and on its market value.

Joseph M. Webster made an exterior examination of the subject property on July 25, 2024. He observed the land and surrounding uses. He was unaccompanied on this date. Photographs of the property were also taken on that date.

The cost approach is not applicable in valuing vacant agricultural land, and has thus been omitted from the appraisal process. The income capitalization approach has some usefulness for this type of property, albeit significantly less than that of the sales comparison approach, and motivations for purchase are often unrelated to rental income. The sales comparison approach is the appropriate method of valuing the subject, and a summary of this approach is included in the report. Market data, including land sales, and supply and demand forces in the area are collected, confirmed, and analyzed. The data is used to determine the highest and best use of the subject property. Additional data regarding the sales was obtained from Realtors, parties to the transaction, loan officers, and public records. Additional sources of data used in the appraisal

process include your appraiser's internal files, Realtors, property managers, professional publications, and Internet sites.

The reconciliation is the final step in the appraisal process, at which time the relevancy and reliability of the approaches used are considered in determining a final opinion of value. In this case, the reconciliation is merely a restatement of the conclusions of the sales comparison approach.

COMPETENCY STATEMENT:

Joseph M. Webster is an Illinois certified general appraiser and a designated member of the Appraisal Institute. He has seventeen years of experience involved in the appraisal of commercial, industrial, multiple-family residential, and special-use properties. He has appraised numerous tracts of agricultural land throughout Central Illinois. Mr. Webster is in compliance with the Competency Provision of the *Uniform Standards of Professional Appraisal Practice* (USPAP) with respect to this assignment.

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 is 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 no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
5. my engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. 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 clause 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.
7. my analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) and with our interpretation of the guidelines and recommendations set forth in the Title XI Regulations of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA).
8. the appraisal assignment was not based on a requested minimum valuation, a specific valuation or the approval of a loan.
9. I have made a personal inspection of the property that is the subject of this report.
10. no one provided significant professional assistance to the persons signing this report.
11. this appraisal has been developed and the report has been prepared in conformity with, and is subject to the requirements of, the Code of Ethics and Standards of Professional Practice and Conduct of the Appraisal Institute.

12. As of the date of this report, I, Joseph M. Webster, have completed the education, experience, and examination requirements for the Illinois state certified general real estate appraiser license.
13. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its authorized representative.
14. I have not performed 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.
15. As of the date of this report, I have completed the continuing education program for designated members of the Appraisal Institute.

RESTRICTION UPON DISCLOSURE AND USE

Disclosure of the contents of this appraisal report is governed by the by-laws and regulations of the Appraisal Institute.

Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser or the firm with which he is connected, or any reference to the Appraisal Institute) shall be disseminated to the public through advertising media, public relations media, news media, sales media, or any other public means of communication, without prior written consent and approval of the undersigned.



Joseph M. Webster, MAI, R/W-AC
Illinois certified general
Real estate appraiser # 553.002003

LIMITING CONDITIONS

This appraisal is subject to the following limiting conditions:

1. The legal description furnished is assumed to be correct.
2. I assume no responsibility for matters in character, nor do I render any opinion as to title, which is assumed to be marketable. All existing liens and encumbrances have been disregarded, and the property is appraised as though free and clear under responsible ownership and competent management.
3. Unless otherwise noted herein, it is assumed that there are no encroachments, zoning violations or restrictions existing in the subject property.
4. Information, estimates, and opinions contained in this report are obtained from sources considered reliable; however, no liability for them can be assumed by the appraiser.
5. Possession of this report, or a copy thereof, does not carry with it the right of publication, nor may it be used for any purpose by anyone but the client, without the previous written consent of the appraiser or the client, and in any event, only with the proper qualifications.
6. I am not required to give testimony or attendance in court by reason of this appraisal, with reference to the property in question, unless arrangements have been made previously.
7. This appraisal is intended solely for use by the client and for the purpose stated in the report. Use of this report by others or for any other purpose is not intended by the appraiser.
8. This appraisal assignment was developed in a manner consistent with the requirements of Standards Rule 1 of the 2024-2025 edition of the *Uniform Standards of Professional Appraisal Practice*.
9. This is an appraisal report designed to comply with Standards Rule 2-2(a) of the *Uniform Standards of Professional Appraisal Practice*.

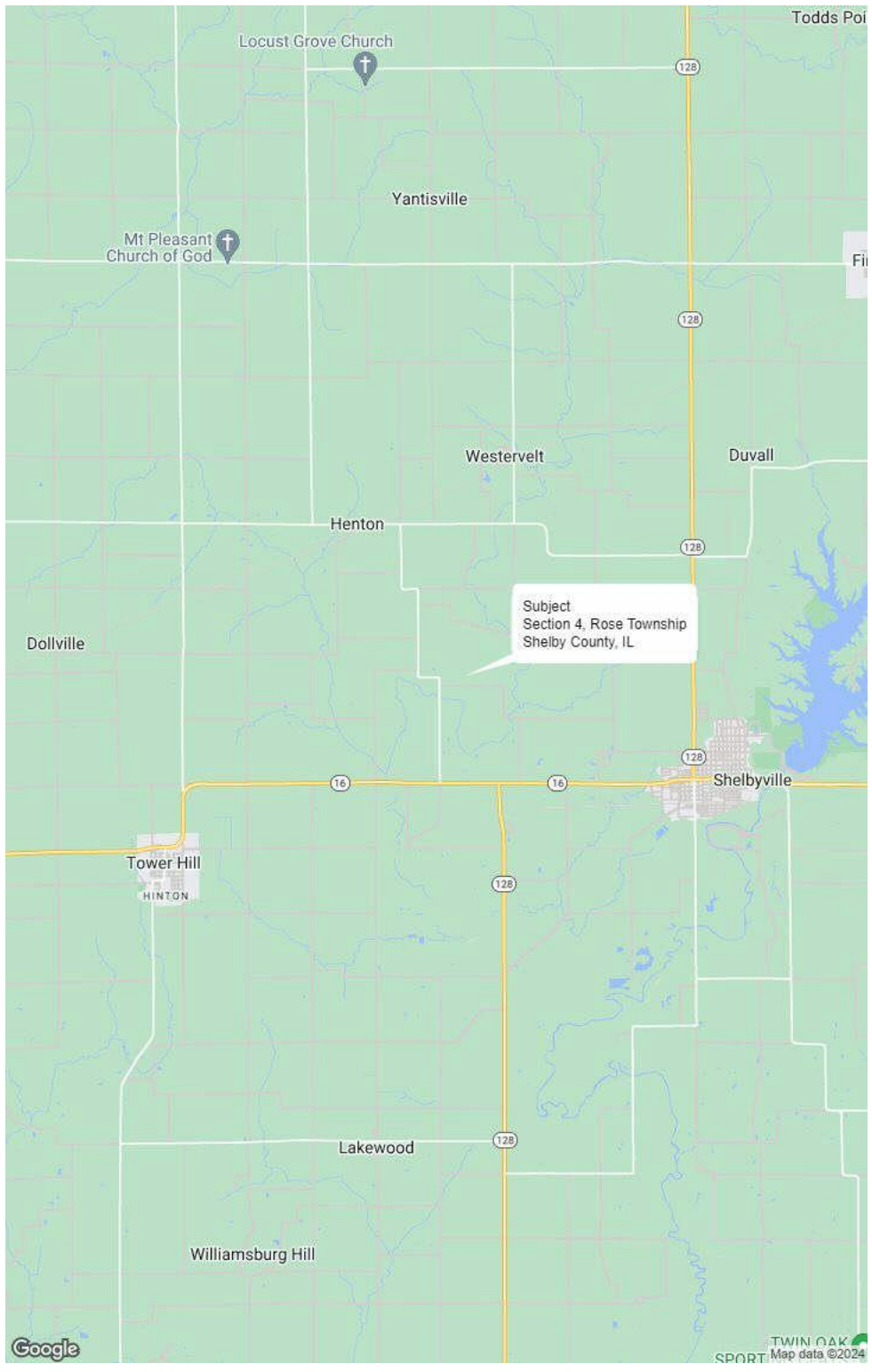
DESCRIPTION OF REAL ESTATE APPRAISED:

LOCATION DESCRIPTION.

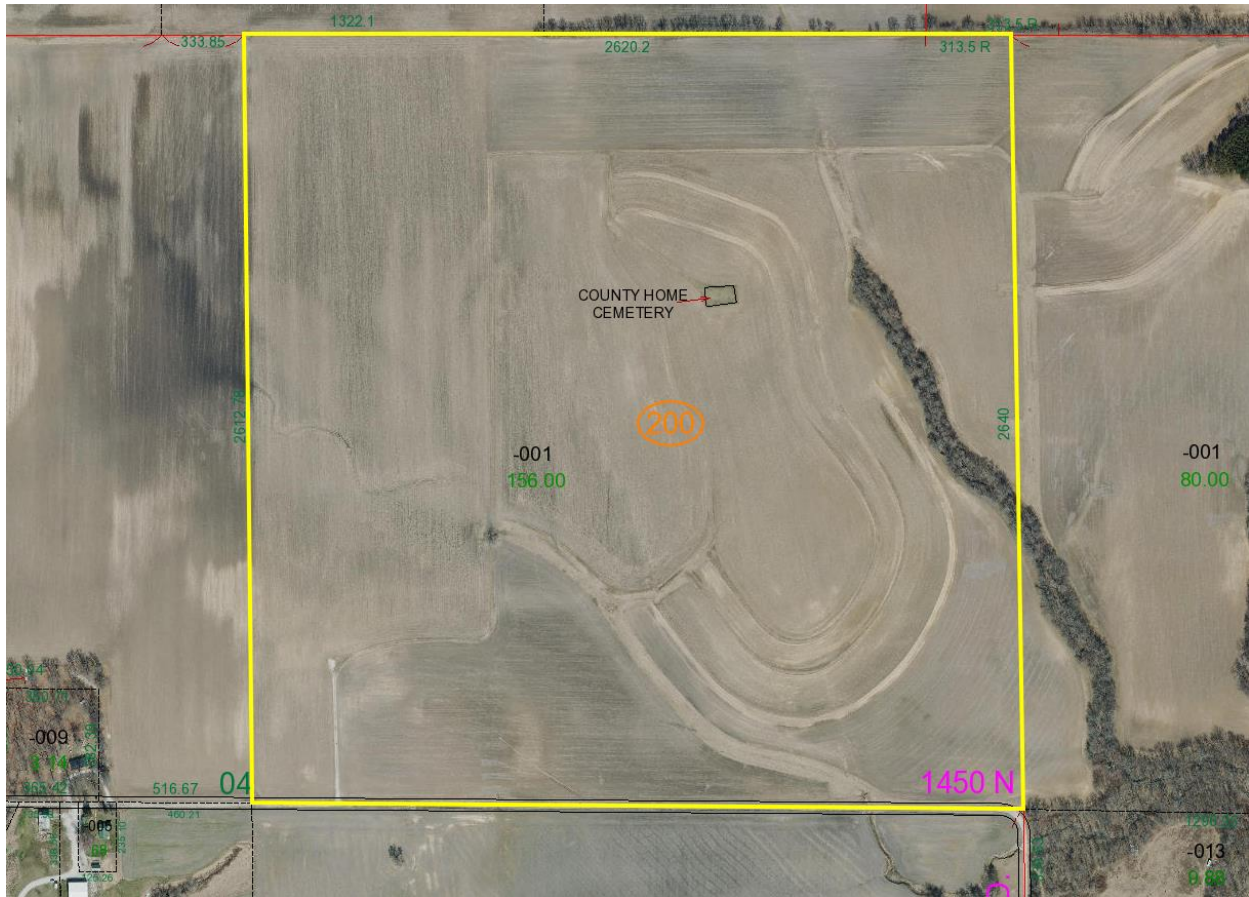
The subject is situated in a rural location in the western section of Shelby County. It is located approximately three miles northwest of Shelbyville and 4.5-miles southeast of Henton. The Shelby County Airport is approximately 1.5-miles southeast, and there are a few commercial uses near the southern end of the airport, including an industrial facility, dog day care, and a facility occupied by the Shelby County Highway Department.

There are some scattered residences in this location. The residences vary in age, design, and quality/ price levels, which is typical for a rural location. However, agricultural production represents the predominant land usage in this location. Robinson Creek travels through this location, and there is some wooded area. The location is considered stable, and no significant changes are anticipated.

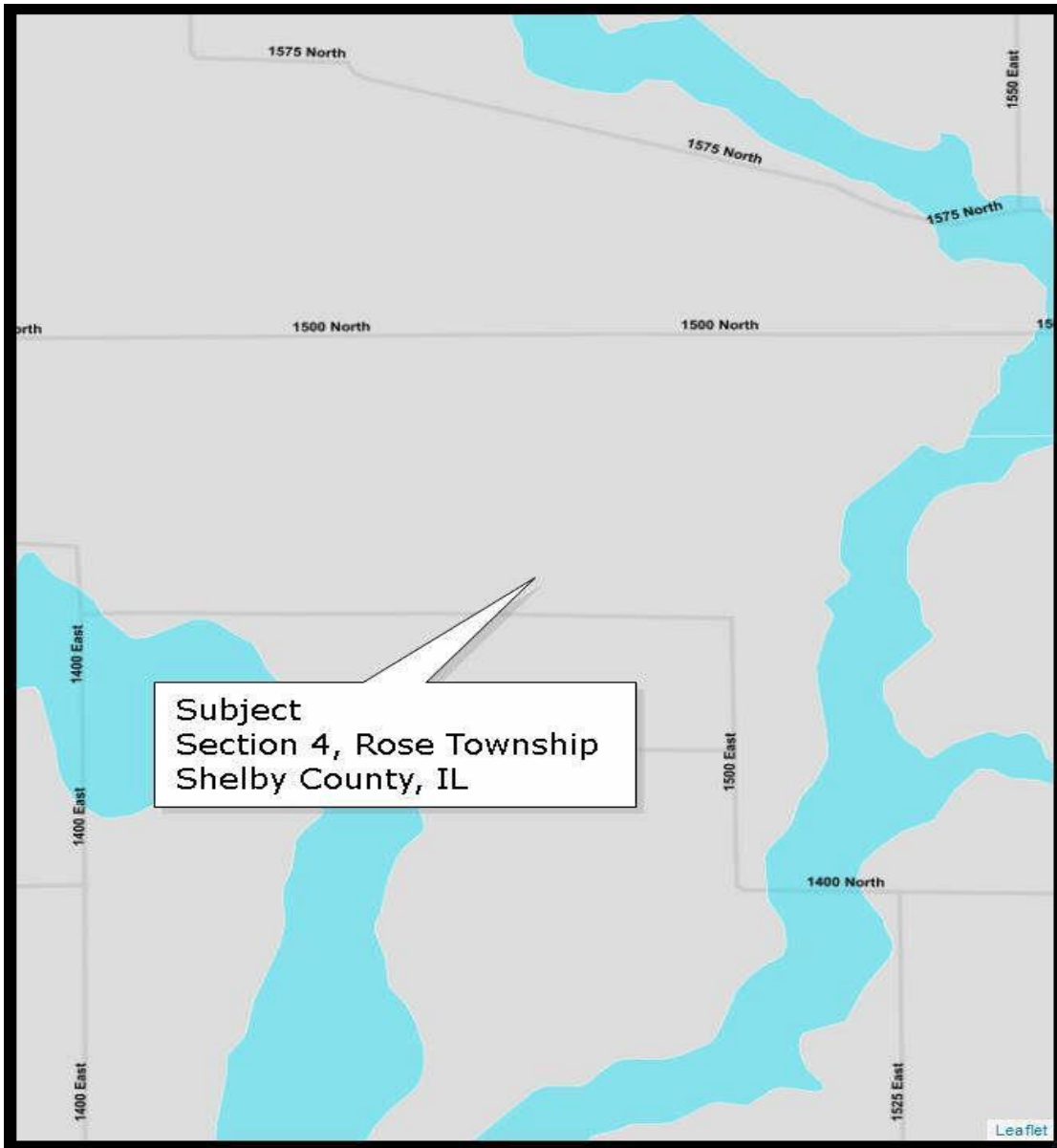
LOCATION MAP



AERIAL VIEW/ PARCEL MAP



FLOOD MAP



FloodMap Legend

-  100yr Floodplain
-  500yr Floodplain
-  Floodway
-  Levee

Flood Information

Community: 170933 SHELBY COUNTY *
Property is not in a FEMA special flood hazard area
Map Number: 1709330006A Map Date: 02/24/1978
Panel: 0006A FIPS: 17173
Zone: X

Neither Transamerica Flood Hazard Certification (TFHC) nor ACI make any representations or warranties to any party concerning the content, accuracy or completeness of this flood report, including any warranty of merchantability or fitness for a particular purpose. Neither TFHC nor ACI nor the seller of this flood report shall have any liability to any third party for any use or misuse of this flood report.

LAND DESCRIPTION.

Land area	156-acres
Configuration	Rectangular
Dimensions	~ 2,612 x 2,612.78 x 2,620.2 x 2,640-feet
Topography	Mostly level with some modest undulations, and nearly at road grade
Drainage	Appears adequate. Land is not located in a flood hazard area, according to FEMA Map 1709330006A, dated February 24, 1978
Utilities	Electricity
Location	Northern side of County Road 1450 North, a two-way, two-lane, tar-and-gravel covered road lacking curbs, gutters, sidewalks, and overhead lighting
Adjacent to	Land utilized for agricultural production – all directions
Easements/ encroachments	Utility easements
Land improvements	Land lacks improvements

The land is utilized for agricultural production. Shown below is a breakdown of the soils:

<u>#</u>	<u>Soil type</u>	<u>Use</u>	<u>Acres</u>	<u>Productivity index</u>
132	Starks silt loam	Cropland	13.38	106
134B	Camden silt loam	Cropland	16.44	105
134C2	Camden silt loam	Cropland	14.05	96
13A	Bluford silt loam	Cropland	2.8	90
148B	Proctor silt loam	Cropland	1.07	119
14B	Ava silt loam	Cropland	10.1	87
14C2	Ava silt loam	Cropland	1.16	77
152A	Drummer silty clay loam	Cropland	20.29	127
198A	Elburn silt loam	Cropland	48.44	127
219	Millbrook silt loam	Cropland	9.75	114
481A	Raub silt loam	Cropland	1.39	119
583B	Pike silt loam	Cropland	12.64	102
134B	Camden silt loam	Other-farmland	0.61	105
134C2	Camden silt loam	Other-farmland	2.26	96
152A	Drummer silty clay loam	Other-farmland	0.46	127

Therefore, 151.51-acres, or 97.12%, of the land is tillable, with a mix of Class A, B, and C soils. It has a weighted productivity index of 113.10. There is also a grove of trees and terracing. The remaining 1.16-acres that were not shown above are road right-of-way.

HIGHEST AND BEST USE:

PHYSICALLY POSSIBLE. The land contains no soil or sub-soil characteristics that would make it unsuitable for building. Furthermore, the majority of the land's topography is mostly level and suitable for building. The shape of the land is also conducive to development. There are 156-acres of land, with no elimination of primary uses made in respect to size.

LEGALLY PERMISSIBLE. The current zoning classification is A, Agriculture. This zoning classification allows for agricultural production, mobile/ manufactured homes, and single-family dwellings. Provisional uses include, but are not limited to, airport/ heliport, house of worship, junkyard, day care, mobile home park, library, and school. Most commercial and industrial uses are not permitted in this classification.

FINANCIALLY FEASIBLE. There are mostly residential and agricultural uses in the subject's neighborhood. Residential uses are not feasible for development at this time.

MAXIMALLY PRODUCTIVE. Agricultural land would result in the highest return to the land, and is maximally productive. Although it is possible that the land could be developed with another use in the future, agricultural production is not regarded as an interim use.

HIGHEST AND BEST USE AS VACANT. The highest and best use of the land, as vacant, is for agricultural production. This is consistent with the current use of the subject property.

The highest and best use analysis is three-fold. In addition to determining the most likely use, it is necessary to determine the most likely user and timing. In this case, the most likely purchaser is a farmer or an investor. There were no uses identified as being financially feasible for development on this land at this time.

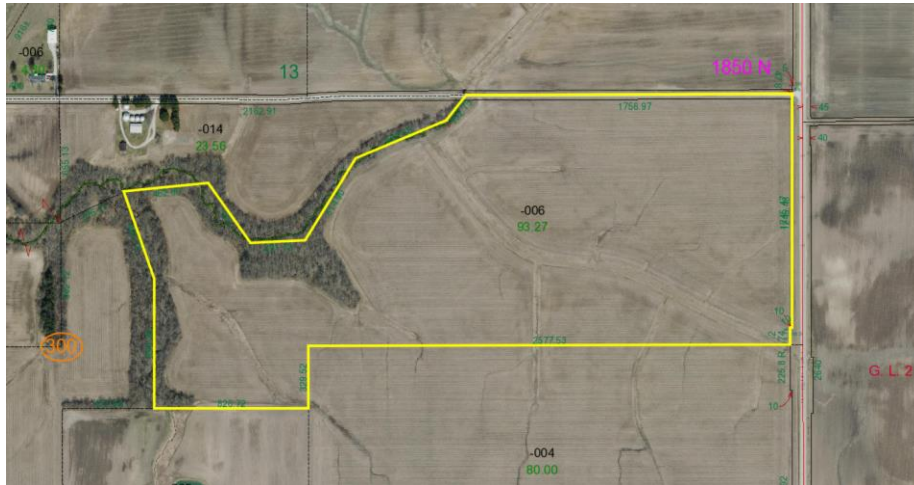
SALES COMPARISON APPROACH

LAND VALUE ESTIMATE.

There are six recognized procedures used to determine land value, which include sales comparison, allocation, extraction, subdivision development, and land and ground rent capitalization. All six techniques utilize the three basic approaches to value. The sales comparison approach is the most often used technique, and is preferred if sales data is available. There are adequate land sales available, and therefore, this approach will be used for valuing the subject's site. Sales of land that are considered to contain the same salient characteristics as the subject were collected. The sales on the following pages are considered to be most similar to the subject.

APPRAISAL OF 156-ACRES IN SECTION 4, ROSE TOWNSHIP, SHELBY COUNTY, ILLINOIS

LAND SALE #1

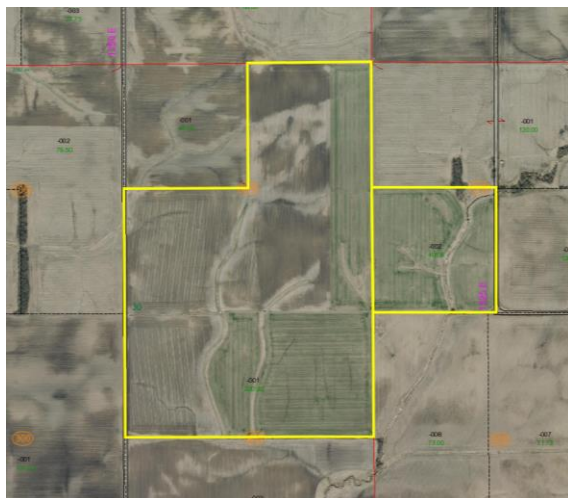


LOCATION Section 13, Ridge Township
Shelby County, Illinois

PARCEL # 1707-13-00-400-006
GRANTOR David and Beverly White
GRANTEE Joshua and Kaleena Weekly
DATE OF SALE April 2023
RECORDING Document 23-801
SALE PRICE \$1,165,875
LAND AREA 93.27-acres
SALE PRICE/ ACRE \$12,500

COMMENTS This land is located on the southwestern corner of County Roads 1850 North and 1800 East. There is a mix of Class A, B, and C soils, with a weighted productivity index of 107.74. It is 83.16% tillable.

LAND SALE #2



LOCATION	Sections 29 and 30, Pickaway Township Shelby County, Illinois
PARCEL #	1404-29-00-100-002 and 1404-30-00-400-001
GRANTOR	Carol Ann Butler
GRANTEE	Rinderer Farms, GP
DATE OF SALE	September 2023
RECORDING	Document 23-2412
SALE PRICE	\$3,360,000
LAND AREA	240-acres
SALE PRICE/ ACRE	\$14,000
COMMENTS	There are two parcels located on the eastern side of County Road 1250 East and the western side of County Road 1325 East. The land is 98.47% tillable, with a mix of Class A, B, and C soils. It has a weighted productivity index of 111.86.

APPRAISAL OF 156-ACRES IN SECTION 4, ROSE TOWNSHIP, SHELBY COUNTY, ILLINOIS

LAND SALE #3



LOCATION Section 1, Rose Township
Shelby County, Illinois

PARCEL # 1812-01-00-200-003
GRANTOR Harry Martz
GRANTEE David and Gloria Brummer
DATE OF SALE February 2024
RECORDING Documents 24-312 and 24-313
SALE PRICE \$250,000
LAND AREA 19.92-acres
SALE PRICE/ ACRE \$12,550

COMMENTS This land is on the western side of State Route 128, immediately west of County Road 1475 North. There is a mix of Class A and B soils, with a weighted productivity index of 113.70. It is 90.26% tillable, which consists of a wooded area at the northwestern corner. This sale took place in two separate transfers, both for \$125,000.

LAND SALE #4



LOCATION Section 13, Ridge Township
Shelby County, Illinois

PARCEL # 1707-13-00-300-013
GRANTOR David and Beverly White
GRANTEE Brent and Christy Macklin
DATE OF SALE April 2023
RECORDING Document 23-798
SALE PRICE \$787,664
LAND AREA 51.82-acres
SALE PRICE/ ACRE \$15,200

COMMENTS This land is located on the northern side of County Road 1800 North, east of County Road 1675 East. It is 90.52% tillable, with a weighted productivity index of 113.66.

LAND SALE #5



LOCATION

Section 31, Pickaway Township
Shelby County, Illinois

PARCEL #

1404-31-00-300-001

GRANTOR

Janet F. Mount, Trustee

GRANTEE

74123, LLC

DATE OF SALE

April 2024

RECORDING

Document 24-845

SALE PRICE

\$2,187,700

LAND AREA

131-acres

SALE PRICE/ ACRE

\$16,700

COMMENTS

This land is located on the northeastern corner of County Roads 1200 East and 2100 North. There is solely Class A soils, with a weighted productivity index of 122.25. The land is 97.10% tillable.

SUMMARY OF LAND SALES

Sale	SP/ Acre	Date of sale	Size (Acres)	Weighted PI	% tillable
1	\$12,500	April 2023	93.27	107.74	83.16%
2	\$14,000	September 2023	240	111.86	98.47%
3	\$12,550	February 2024	19.92	113.70	90.26%
4	\$15,200	April 2023	51.82	113.66	90.52%
5	\$16,700	April 2024	131	122.25	97.10%

ADJUSTMENT GRID

Sale	1	2	3	4	5
SP/ Acre	\$12,500	\$14,000	\$12,500	\$15,200	\$16,700
Market conditions	Inferior 6%	Inferior 2%	Inferior 1%	Inferior 6%	Similar
Adj SP/ Acre	\$13,250	\$14,280	\$12,625	\$16,112	\$16,700
Location	Similar	Similar	Similar	Similar	Similar
Size	Similar	Similar	Inferior 3%	Inferior 2%	Similar
Configuration/ utility	Inferior 3%	Inferior 1%	Similar	Inferior 4%	Similar
Soil quality	Inferior 5%	Inferior 1%	Similar	Similar	Superior -9%
% tillable	Inferior 7%	Similar	Inferior 3%	Inferior 3%	Similar
Net	15%	2%	6%	9%	-9%
Adj SP/ Acre	\$15,238	\$14,566	\$13,383	\$17,562	\$15,197

Prior to adjustment, the sales shown above result in a range of prices per acre between \$12,500 and \$16,700. An initial adjustment was made for market conditions. According to the *Ag Letter* publication from the Federal Reserve District of Chicago, appreciation rates for “good” farmland in this section of Illinois are as follows:

<u>Time period</u>	<u>Appreciation rate</u>
1/23 – 3/23	4%
4/23 – 6/23	1%
7/23 – 9/23	4%
10/23 – 12/23	-1%
1/24 – 3/24	2%

Sales 1 – 4 were adjusted accordingly. Subsequent adjustments, including location, size, configuration, utility, soil quality, and percentage of tillable land, were made on a quantitative and cumulative basis. A brief discussion of the adjustments made has been shown below.

Location. Sale 3 is also in Rose Township, although each of the sales is in a rural Shelby County location that does not warrant an upward or downward adjustment.

Size. There is often a direct relationship between size and price, with larger properties selling for a higher unit price. This relationship does not exist in all cases, although Sales 3 and 4 are sufficiently smaller to warrant a 3% and 2% upward adjustment, respectively. The remaining sales do not vary sufficiently in size to warrant an adjustment.

Configuration/ utility. Sales 1 and 2 have a more irregular configuration than the subject, with a 3% and 1% upward adjustment made, respectively. Sale 4 is also irregular in configuration, and is bi-sected by a waterway, with a 4% upward adjustment made. No adjustments are warranted to Sales 3 and 5 in this regard.

Soil quality. Sales 1 and 2 have an inferior soil quality, and were adjusted upwards by 5% and 1%, respectively. A 9% downward adjustment was made to Sale 5, which has a superior soil quality. A 1% adjustment was made per 1-point difference in productivity index.

Percentage tillable. Sales 1, 3, and 4 were adjusted upwards by 3% - 7%, given the inferior percentage of tillable land. Sales 2 and 5 have a similar percentage of tillable land as the subject, and were not adjusted. A 1% adjustment was made per 2% difference in tillable land.

After making the adjustments, the sales may be arrayed as follows:

Sale 3 –	\$13,383/ acre
Sale 2 –	\$14,566/ acre
Sale 5 –	\$15,197/ acre
Sale 1 –	\$15,238/ acre
Sale 4 –	\$17,562/ acre
Average –	\$15,189/ acre
Median –	\$15,197/ acre

APPRAISAL OF 156-ACRES IN SECTION 4, ROSE TOWNSHIP, SHELBY COUNTY, ILLINOIS

The adjusted range of unit prices is wide, although Sales 3 and 4 are outliers, while the remaining sales suggest a reasonable range. With consideration given to each of the sales, a unit value of \$14,750 per acre is reasonable for the subject property.

Therefore,

156-acres @ \$14,750/ acre	=	\$2,301,000
Rounded		\$2,300,000
MARKET VALUE OF SUBJECT		\$2,300,000

RECONCILIATION

COST APPROACH	N/A
INCOME CAPITALIZATION APPROACH	N/A
SALES COMPARISON APPROACH	\$2,300,000

The cost and income capitalization approaches are not applicable in valuing the subject and were omitted from the appraisal process. The sales comparison approach is the only appropriate method for valuing a property of this type. Five sales were gathered and analyzed, with adjustments made for significant differences between the subject and the comparables. The primary limitation of this approach is the subjectivity involved in the adjustment process. The majority of the sales required an average level of adjustments, although the adjusted range of unit prices is wide.

The sales comparison approach is considered to be a good indicator of value for the subject. Therefore, it is my opinion that the market value of the subject property, as of July 25, 2024, was TWO MILLION THREE HUNDRED THOUSAND (\$2,300,000) DOLLARS.

QUALIFICATIONS OF THE APPRAISER

Joseph M. Webster

Education

- 2004 Southern Illinois University, B.S. degree in finance
- 2005 Southern Illinois University, Master's degree in business administration
- 2006 Chicago Association of Realtors, National USPAP course
- 2006 Appraisal Institute, Basic appraisal principles
- 2006 Appraisal Institute, Basic appraisal procedures
- 2007 Appraisal Institute, Basic income capitalization – part 1
- 2007 Appraisal Institute, Basic income capitalization – part 2
- 2007 Appraisal Institute, Real estate finance and statistics
- 2007 Appraisal Institute, General site valuation and cost approach
- 2008 Appraisal Institute, General market analysis and highest & best use
- 2008 Appraisal Institute, General appraiser sales comparison approach
- 2008 Appraisal Institute, General appraiser report writing & case studies
- 2009 Appraisal Institute, Residential site valuation and cost approach
- 2009 Appraisal Institute, Residential appraiser report writing & case studies
- 2010 Appraisal Institute, Advanced sales comparison & cost approaches
- 2011 Appraisal Institute, Advanced income capitalization approach
- 2012 Appraisal Institute, Advanced concepts and case studies
- 2013 International Right of Way Association, Easement valuation
- 2014 International Right of Way Association, The valuation of partial acquisitions
- 2017 Appraisal Institute, Fundamentals of Separating Real Property, Personal Property, and Intangible Business Assets
- 2018 Appraisal Institute, Uniform Appraisal Standards for Federal Land Acquisitions: Practical Applications
- 2019 Appraisal Institute, Small Hotel/ Motel Valuation
- 2019 International Right of Way Association, Standards of practice for the right-of-way professional
- 2020 International Right of Way Association, Problems in the valuation of partial acquisitions
- 2020 Appraisal Institute, Appraising Convenience Stores
- 2020 Appraisal Institute, Appraisal of Medical Office Buildings
- 2023 Appraisal Institute, Business Practices and Ethics
- 2023 Appraisal Institute, Excel Applications for Valuation
- 2023 Appraisal Institute, Advanced Land Valuation
- 2024 International Right of Way Association, Elevating your Ethical Awareness
- 2024 International Right of Way Association, Reviewing Appraisals in Eminent Domain
- 2024 Appraisal Institute, Fundamentals of Appraising Affordable Housing

Experience

1997 – 2000 Webster & Associates, Administrative assistant
2004 – 2005 SIU Department of Finance, Research assistant
2006 Chicago Board of Trade, Staff investigator
2006 – Present Webster & Associates, Staff appraiser

Certificate

Illinois state certified general real estate appraiser
Appraiser # 553.002003
(Expires: 09/30/2025)

Expert witness

Macon, Moultrie, McLean, Peoria, and Champaign Counties

Miscellaneous

MAI – Designated member of the Appraisal Institute
R/W-AC: Right-of-Way – Appraisal Certification with International Right-of-Way Association
Illinois Department of Transportation approved appraiser
Author of *A discussion of excess land concepts and theory*, The Appraisal Journal, Spring 2015
2015 Swango award recipient

CLIENTS

BANKS

1st Federal Savings & Loan of Central Illinois
Arcola First Bank
BankChampaign
Buena Vista National Bank
Busey Bank
Casey State Bank
CEFCU
Centrue Bank
CIB
Commerce Bank
Effingham State Bank
Farmers National Bank
First Federal of Champaign-Urbana
First Financial Bank
First Mid Bank & Trust
First Midwest Bank
First National Bank of Nokomis
First National Bank of Ogden
First National Bank of Pana
First Neighbor Bank
First State Bank
First Trust & Savings Bank
Fisher National Bank
Gerber State Bank
Heartland Bank & Trust
Hickory Point Bank & Trust
Iroquois Federal
Land of Lincoln Credit Union
Longview State Bank
Marine Bank
Midland States Bank
Morton Community Bank
Peoples Bank & Trust
PNC
Prairie State Bank & Trust
Prospect Bank
Scott State Bank
Soy Capital Bank & Trust
The Gifford State Bank
Town & Country Bank
Tuscola National Bank
UIECU

GOVERNMENTAL AGENCIES

Champaign County
Champaign Park District
Champaign Urbana Mass Transit District
City of Champaign
City of Monticello
City of Tuscola
Champaign County Housing Dev. Authority
Decatur Park District
IDOT
Mental Health Center of Champaign County
Piatt County Board
Urbana Park District
Village of Catlin
Village of Forsyth
Village of Rantoul
Village of Tilton
Village of Tolono

INSTITUTIONAL

Ameren Illinois
Advocate Health
Carle
Hospital Sisters Health Systems
Eastern Illinois University
Millikin University
University of Illinois

ASSESSORS

Cunningham Township Assessor
Douglas County Assessor
Macon County Assessor
Moultrie County Assessor
Randolph County Assessor

MISCELLANEOUS

Ameren
Hanson Professional Services
Foth Engineering
Norfolk Southern
North American Lighting
Terra Engineering

LOOKING NORTH AT SUBJECT



LOOKING NORTHEAST AT SUBJECT



LOOKING EAST ON COUNTY ROAD 1450 NORTH



LOOKING WEST ON COUNTY ROAD 1450 NORTH

