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| Land Valuation |

Methodology

Land is most often valued using the Sales Comparison Approach. The opinion of market value is based on an analysis of sales, listings and pending sales of properties similar to the subject property, using the most relevant units of comparison. The comparative analysis focuses on the difference between the comparable sales and the subject property using all appropriate elements of comparison.

Unit of Comparison

The unit of comparison depends on land use economics and how buyers and sellers use the property. Industrial land in the area is typically valued based on price per net square foot of land area (after deducting any unusable portions), which is the foremost unit of comparison used by buyer and sellers in this market area. Therefore, sales price per square foot is used as the basis for estimating the subject’s land value.

Elements of Comparison

Elements of comparison are the characteristics or attributes of properties and transactions that cause the prices of real estate to vary. The main elements of comparison that are considered in sales comparison analysis are as follows: (1) real property rights conveyed, (2) financing terms, (3) conditions of sale, (4) expenditures made immediately after purchase, (5) market conditions, (6) location and (7) physical characteristics.

Sale Adjustments

The market value of the subject surplus land area is estimated by comparing it with recent similar sales of industrial properties located within the immediate to expanded competitive market area.

When applicable, the comparables are adjusted for property rights conveyed, financing terms, conditions of sale, market conditions, location, and physical characteristics. After adjustments, analysis reflecting market behavior is used to determine which comparables are superior or inferior to the subject after considering the remaining characteristics that could not be accounted for in the adjustment process.

Land Sale 1 was adjusted upward / downward …. Etc. etc.

No other specific adjustments were made to the comparables’ Land Sale prices; although qualitative economic and property characteristics adjustments are addressed in the following analysis.

Comparable Sales Data

Presented on a following page is a summary of the selected land transaction data, all sales located within the subject's expanded Rivergate / Airport Way / East Columbia Corridor submarket areas. All were reasonably similar in terms of zoning, and all had similar potential for various light industrial uses. Hence, the data was considered sufficient to provide a reasonable estimate of subject land value. Our presentation of the land sales is presented in the chart at the end of this subsection.

Insert Data Analysis merge of individual comparables here

Additional Quantitative Analysis

In addition to the preceding, an adjustment grid for the comparable sales is provided as additional analysis following the summary chart. The adjusted comparables indicate an adjusted unit prices of between $10.31 and $11.78 per SF with an average price of $11.11 per SF and median price of $11.13 per SF. Note that a market conditions adjustment of 3.0% per year was applied in this analysis. The adjusted value range provides additional support for the following final land value conclusion.

Recent Subject Sale Activity

Not applicable.

- Or -

Copy from Subject Ownership & Sales History section

Overall, the subject’s recent sale price appears to be reasonably bracketed and supported by the preceding comparable land sale analysis, and therefore is considered at market.

Secondary Listing Activity

During our research, two additional, current light industrial zoned parcel listings were noted during our research, and these are analyzed as follows:

Provide discussions on any relevant current listings and how they relate to the subject land.

Concluded Market Land Value

The appraiser has considered the characteristics of each comparable, with primary emphasis on the middle portion of the range indicated by Land Sales 1, 3 and 4 ($7.84, $9.71 and $9.20 per SF), which also reasonably brackets and supports the subject’s recent sale price of $9.17 per SF. Secondary consideration and bracketing support placed near average and median adjusted comparable range of ($9.22 and $9.13 per SF). Hence, a unit land value of **$\_\_\_\_\_\_ per SF** is concluded in this assignment, which is consistent with the subject’s pending unit price.

Based on the preceding, it is the appraiser’s opinion that the **overall concluded market value of the fee simple interest for the subject land** (${netacre} acres / ${netsf} SF) is as follows (rounded to the nearest $5,000):

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| **Concluded Market Land Value - Overall** | **$\_\_\_\_\_\_ / SF** | **$\_\_\_\_\_\_\_\_\_\_\_** |

Concluded Primary Site and Surplus Land Values

Overall, the subject’s primary site and surplus land areas are considered to have the same utility as the master site, and as such, are concluded to have similar unit values. Based on the preceding, it is the appraiser’s opinion that the **concluded market values** of the fee simple interest for the **subject primary site** (${primsf} SF) and the **subject surplus land** (${sursf} SF) are as (rounded to the nearest $5,000).

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| **Concluded Primary Site Value** | **$9.17 / SF** | **$1,325,000** |
| **Concluded Surplus Land Value** | **$9.17 / SF** | **$775,000** |

The primary site value conclusion will be used as part of the following Cost Approach. At the end of the report, the concluded surplus land value will be added to the reconciled prospective market value of the primary site / building in arriving at the final prospective stabilized market value of the subject project.





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| **Land Sales Location Map** |
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Insert Land Sale Aerial Plats or Comp Write-ups