

ATTACHMENT IX-D

ATTACHMENT IX-D: Boone County Special Education Building Proposal

Suggested Motion: Approve the Boone County Special Education Building Proposal as presented

Recommended Action: Approve as presented.

Attached is the proposed final valuation for the Boone County Center.

Kirk Appraisal Services conducted a third appraisal of the building which came back at \$210,000, of which we are entitled to 16%, equaling \$33,600. The current cash on hand is \$134,911, and our portion would be \$21,586 for a total \$55,186. Belvidere Community Unit School District 200 is proposing a final dissolution amount of \$55,186 paid to NBCUSD to close out and dissolve the Boone County Center.

The 16% figure resulted from looking at average actual past student enrollments.

Proposed Final Valuation for Boone County Center				
Appraisal from Jeff Kirk			<u>\$ 210,000</u>	Fair Market Value
Split By District				
District 100 Share	84%		\$ 176,400	
District 200 Share	16%		<u>\$ 33,600</u>	✗
Total For Value of Building			<u>\$ 210,000</u>	
Current Cash on Hand for Co-op				
			\$ 135,911	
Less: Outstanding Invoice for appraisal			<u>\$ (1,000)</u>	
Net Cash			<u>\$ 134,911</u>	
Split By District				
District 100 Share	84%		\$ 113,325	
District 200 Share	16%		<u>\$ 21,586</u>	✗
Total Cash			<u>\$ 134,911</u>	
Proposal to Finalize Dissolution				
District 200 Share of Cash			\$ 21,586	
District 200 Share of Building			\$ 33,600	Paid from District 100's share of Cash on Hand
District 100 Share of remaining Cash			\$ 79,725	Plus we take title to the building
			<u>\$ 134,911</u>	

Appraisal Report of the
Assembly/Classroom Facility
Located at:
1320 East Avenue
Belvidere, Illinois



Prepared for:

Mr. Greg Brown
Chief Financial Officer
Belvidere CUSD#100
1201 5th Avenue
Belvidere, Illinois 61008

Kirk Appraisal Services

2521 Driftwood Lane
Rockford, Illinois 61107

Real Estate Appraisals

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January 9, 2016

Mr. Greg Brown
Chief Financial Officer
Belvidere CUSD#100
1201 5th Avenue
Belvidere, IL 61008

**RE: Appraisal Report – Transmittal Letter
Assembly/Classroom Facility
1320 East Avenue
Belvidere, Illinois**

Dear Mr. Brown,

As requested, I have personally inspected and performed an appraisal of the above-mentioned property. The purpose of this appraisal is to develop opinions of the market value and the Value in Use of the real estate only, for this 13,754/SF Assembly/Classroom facility, which is located on one hypothetical 87,500/SF, +-2.01 acre, rounded, site.

The following are pertinent issues, which directly affect the subject property and values and which are discussed in detail in this report.

- This is a hypothetical property, because it has not yet been deeded separately from the overall 541,886/SF or 12.44 acre parcel. An analysis of the overall parcel and the remainder after the hypothetical property is removed are beyond the scope of this appraisal.
- This is a limited market property by design and includes a defining combination of features, which is classroom, assembly and office areas with a kitchen.
- There is an unfinished mechanicals mezzanine area of 936/SF located in the building, which is not included in the overall building square footage. For the purposes of analysis, adjustments are made in the analysis portions of this report in order to consider the presence of this unfinished mechanicals mezzanine area.
- The appraiser observed severe drainage issues along the easterly side of the structure and the easterly paved areas near the easterly adjacent portion of the overall property. The subject building site appears to be approximately 2 feet lower than the easterly adjacent improvements. This report is therefore subject to a hydrological study to determine the cause and the cost of remediation for the drainage problem.

Greg Brown

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Based upon my field inspection and the analysis of the market data, it is my opinion that the market value of the Fee Simple interest in this improved single-tenant Assembly/Classroom property is \$210,000, not including furniture, fixtures or equipment, nor business value. It is also my opinion that the Value in Use for this Assembly/Classroom facility is \$770,000, considering real estate only, but not including furniture, fixtures, equipment or business value. The effective date of these values is December 23, 2015, which coincides with the date of inspection. It is my opinion that the reasonable exposure time for the subject property would be 12 to 24 months. This is further discussed in the Exposure Time analysis of this report. These values are supported in the appraisal in the attached Appraisal Report, which summarizes discussions of the data, reasoning, and analyses that were used in the appraisal process. This Appraisal Report is subject to the assumptions and limiting conditions, which are attached.

Sincerely,



Jeffrey T. Kirk, MAI
IL State Certified General Appraiser
License #553.001285 (9/30/17 exp)