

Appendix E – Market Impact Analysis



MaROUS & COMPANY

April 27, 2017

Invenergy, LLC
One South Wacker Drive - Suite 1800
Chicago, Illinois 60606

Attention: Mr. Michael S. Blazer, Senior Vice President & General Counsel

Subject: Market Impact Analysis
Proposed Freeborn Wind Farm
Freeborn County, Minnesota

Dear Mr. Blazer:

In accordance with your request, the proposal to develop the Freeborn Wind Farm in Freeborn County, Minnesota, has been analyzed and this market impact analysis has been prepared.

MaRous & Company has conducted similar market impact studies for a variety of clients and for a number of different proposed developments over the last 30 years. Clients have ranged from municipalities, counties, and school districts, to corporations, developers, and citizen's groups. The types of proposals analyzed include: commercial developments such as shopping centers and big-box retail facilities; religious facilities such as mosques and mega-churches; residential developments such as high-density multifamily and congregate-care buildings and large single-family subdivisions; recreational uses such as skate parks and lighted high school athletic fields; and industrial uses such as waste transfer stations, land-fills, and quarries. We also have analyzed the impact of high-tension electric wires on adjacent residential uses. Energy-related projects include a number of proposed natural gas-fired electric plants in various locations, and the proposed Pleasant Ridge Wind Farm in Livingston County, the Walnut Creek Wind Farm in Bureau County, the Twin Forks Wind Farm in Macon County, the Otter Creek Wind Farm in LaSalle County, and existing wind farms in McLean County, all in Illinois.

In addition to this experience, MaRous & Company has appraised a variety of properties in the general market area of the proposed project in Iowa and in Minnesota in the last 3 years, including: industrial facilities, food processing plants, and warehouse and distribution facilities ranging in size from 50,000 to 1,000,000 square feet, and 15 major retail facilities.

Purpose and Intended Use of the Study

The purpose of this appraisal assignment is to analyze the potential impact, if any, on the value of the surrounding residential properties of the development of the proposed wind farm. Potentially, the study could become part of the site permit application. Specifically, this study is designed to address the question of whether the development of the proposed wind farm will have an effect on the value of residential uses and/or agricultural land in proximity to the turbines. Any other use or user of this report is considered to be unintended.

Executive Summary

As a result of the market impact analysis undertaken, it is my opinion that the proposed wind farm will not have a negative impact on the property values in the neighborhood, nor will it impede the orderly development of the area for uses permitted in the zoning districts. Specifically:

- The proposed use will meet or exceed all the required development and operating standards;
- Controls are in place to insure on-going compliance;
- There are significant financial benefits to the local economy and to the local taxing bodies from the development of the proposed wind farm;
- The proposed wind farm will create well-paid jobs in the area which will benefit overall market demand;
- An analysis of recent residential sales proximate to existing wind farms did not support any finding that proximity to a wind turbine had a negative impact on property values;
- An analysis of agricultural land values in the area and in other areas of the state with wind farms did not support any finding that the agricultural land values are negatively impacted by the proximity to wind turbines;
- Reports indicate that wind turbine leases add value to agricultural land;
- A survey of County Assessors in 10 Minnesota counties in which wind farms are located determined that there was no market evidence to support a negative impact upon residential property values as a result of the development of and the proximity to a wind farm, and that there were no reductions in assessed valuations;
- A survey of County Assessors in all 18 Illinois counties in which wind farms are located determined that there was no market evidence to support a negative impact upon residential property values as a result of the development of and the proximity to a wind farm, and that there were no reductions in assessed valuations; and
- There is no evidence that development of or proximity to a wind farm impedes the orderly development in the area.

Definition of Market Value

When discussing market value, the following definition is used:

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
- 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.¹

Scope of Work and Reporting Process

Information was gathered concerning the real estate market generally and the market of the area surrounding the proposed conditional use specifically. The uses in the surrounding area were considered.

The following summarizes the actions taken:

- Review of the Freeborn County Zoning Ordinance, zoning map, and comprehensive plan;
- Review of the preliminary information for the proposed wind farm from Invenergy, LLC, including supporting documents;
- Review of the demographics in the area of the proposed wind farm;
- Data on the general market area of the proposed wind farm, and on the other areas in Freeborn County in which existing wind farms are located;
- Data on the market for single-family houses in the immediate area of the proposed wind farm and from other areas in the county from public sources, and from the Freeborn County public records;
- Local real estate professionals were interviewed concerning recent sales in the area, local market conditions, and the impact of wind turbines on property values in the area;
- Properties used for development of the matched pairs were physically inspected on the

¹ (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)

- exterior, and photographs of the interiors were reviewed where available;
- Inspections of the subject area and the areas in the county with existing wind farms by Michael S. MaRous on February 28, and March 2, 2017.

This document is considered to conform to the requirements of the *Uniform Standards of Professional Appraisal Practice and Advisory Opinions* (USPAP). This letter is a brief recapitulation of the appraisal data, analyses, and conclusions; additional supporting documentation is retained in the MaRous and Company office file. There are no extraordinary assumptions or hypothetical conditions included in the market study.

In order to form a judgment concerning the potential impact, if any, on the value of the surrounding residential properties of the approval of the conditional use for the proposed wind farm, I have considered the following:

- The character and the value of the residential properties in the footprint of the proposed wind farm and properties in the footprint of the existing wind farms in Freeborn County, as well as in similar counties in Illinois;
- Agricultural land values in Freeborn County and in other counties in which wind farms are located;
- Market trends for both residential and agricultural land in the past 4 to 5 years;
- The economic impact on the larger community by the approval of the conditional use as proposed; and
- The impact on the value of the surrounding residential properties by the approval of the proposed wind farm.

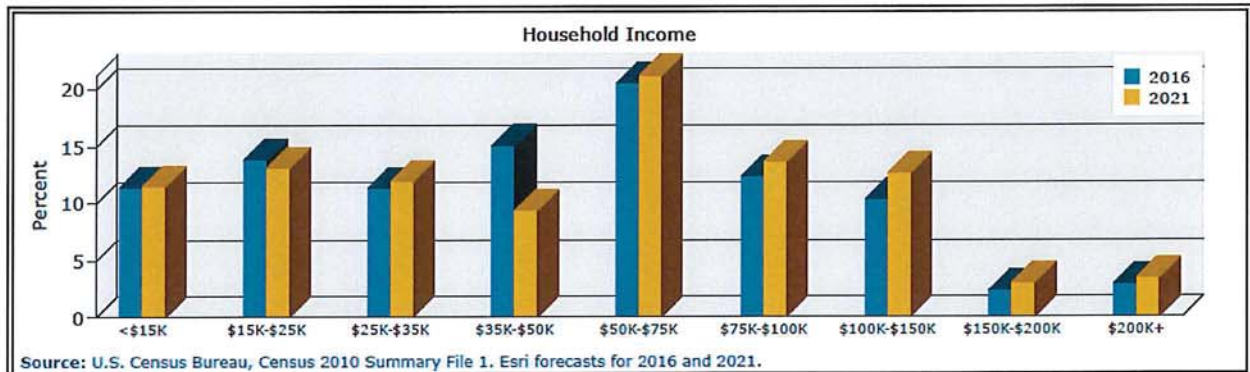
Description of Area and Proposed Development

Area Analysis

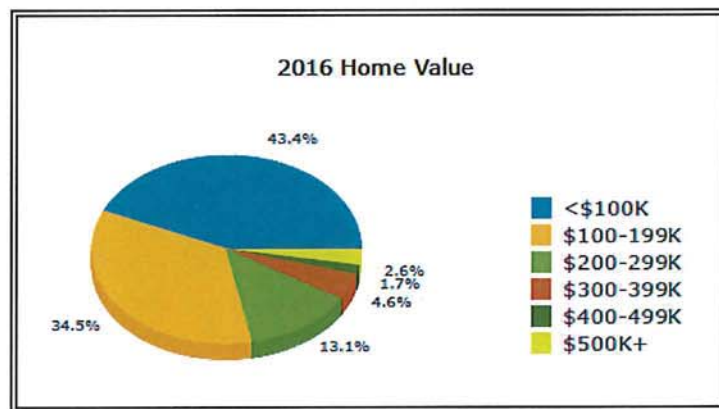
Freeborn County is located along the southern border of Minnesota, directly north of Iowa. The 2016 population was estimated to be 30,977 persons in 13,177 households.² The median household income was estimated to be \$47,814; the following graph illustrates the spread of household incomes in the county.

² The demographic data included in this section of the report is taken from Site to Do Business: www.stdb.com.

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The median single-family house value was \$115,807; the following graph illustrates the distribution of home values in Freeborn County.



Freeborn County is primarily agricultural in nature; the largest city is Albert Lea, which is also the county seat. Consumer spending is lower than the national average with health care, vehicle maintenance and repairs, and food constituting the areas of highest expenditures.

The proposed wind farm is located at the southeast corner of Freeborn County, encompassing the townships of Hayward, Oakland, Shell Rock, and London. A copy of a map of the proposed footprint of the wind farm is located in the addenda to this report.

Like Freeborn County, this area is primarily agricultural in nature. In addition to farms, there are single-family houses situated on either large lots or small farmsteads. The following table summarizes recent sales in the general area of the proposed wind farm in Freeborn County designated as arm's length by the

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Assessor³ and located on lots greater than 2 acres and less than 10 acres in size. A map illustrating the location of each of these sales is included in the addenda to this market impact study.

**RECENT SINGLE-FAMILY SALES SUMMARY
 IN THE AREA OF PROPOSED FREEBORN COUNTY MINNESOTA WIND FARM**

No.	LOCATION	SALE PRICE	SALE DATE	SITE SIZE (ACRES)	YEAR BUILT	BUILDING SIZE SQ. FT. AG/RMS./BRs.	SALE PRICE PER SQ. FT. OF BLDG. AREA INCL. LAND
1	81851 150th St. Glenville	\$100,000	9/16	3.48	1900	1,340 5/3	\$74.63
2	89699 185th St. Austin	\$222,615	11/16	7.16	1949	2,392 9/5	\$93.07
3	16376 880th Ave. Glenville	\$129,010	7/16	5.00	1895	2,004 6/3	\$64.38
4	20792 816th Ave Hayward	\$120,024	6/16	4.00	1940	1,066 7/3	\$112.59
5	17671 810th St. Hayward	\$90,200	10/16	3.25	1912	1,624 7/3	\$55.54

Source: Freeborn County Assessor.

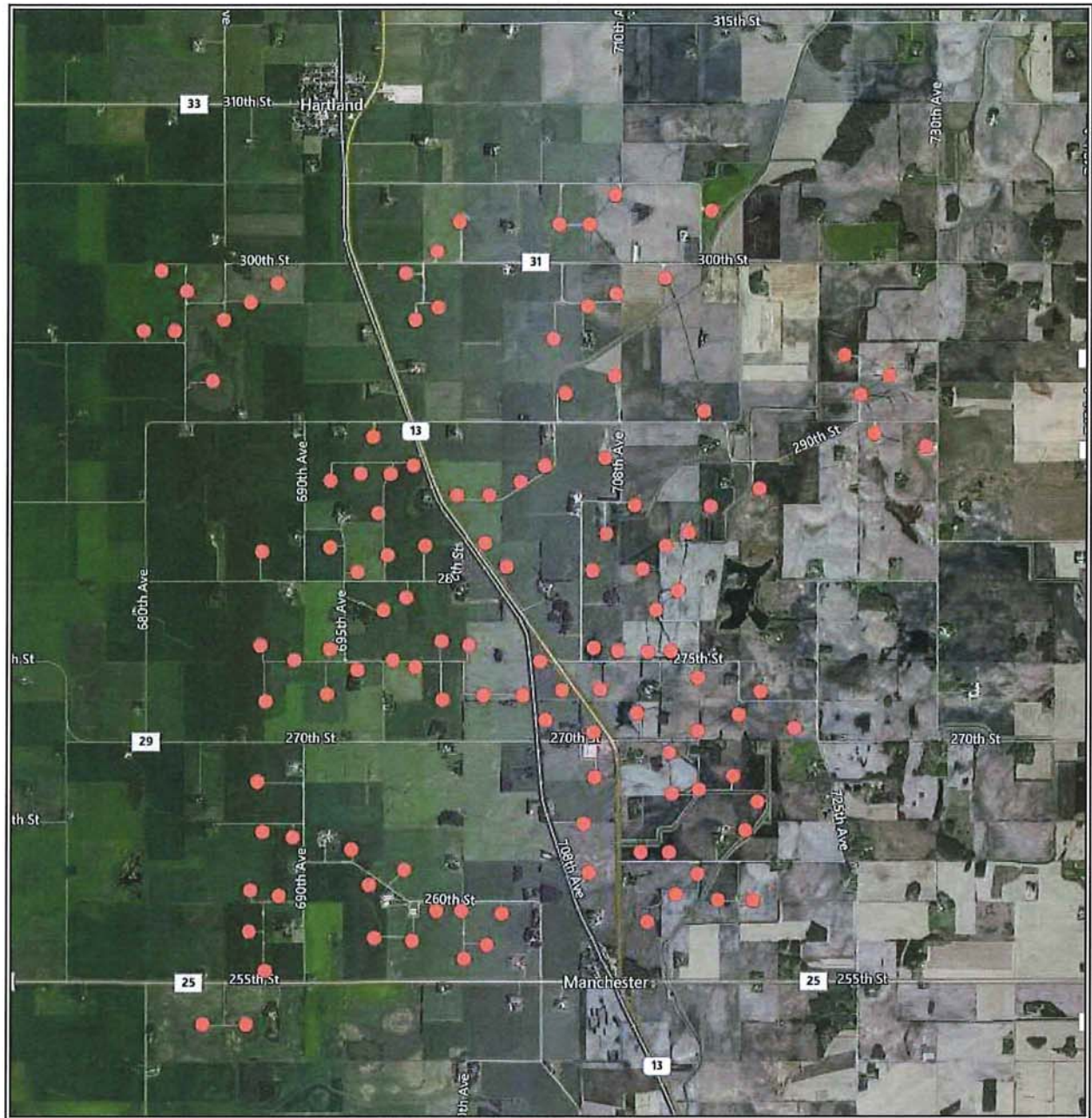
Existing Wind Farms in Freeborn County

A portion of the Bent Tree Wind Farm is located in the northwest corner of the county. Phase I, 201.3 MW, consists of 122 Vestas V82-1.65 MW wind turbines, ranging in height to the tip of the blade from 328 to 396 feet. The project was made public in approximately mid-2008, the permit was issued in October 2009, and the project was constructed in 2010. It went into commercial operation on February 7, 2011.

The following map illustrates the approximate location of the Bent Tree wind turbines in the county.

3 These data are those reported by the public sources, and confirmed using the Freeborn County Assessor's on-line data at <http://www.co.freeborn.mn.us/126/Assessor>. There may have been additional recent sales in the area between private parties not yet reflected in the Assessor's data.

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The Assessor reports only a few recent arm's length residential sales in this general area of the county on lots that range between 2 and 10 acres in size. There have been a few additional transfers in this area; however, these sales included foreclosures and some with business value. They were not considered arm's length by the Assessor, and are not cited in this market study.

**RECENT SINGLE-FAMILY SALES SUMMARY
 IN THE AREA OF THE BENT TREE WIND FARM**

No.	LOCATION	SALE PRICE	SALE DATE	SITE SIZE (ACRES)	YEAR BUILT	BUILDING SIZE SQ. FT. AG/ RMS./BRS.	SALE PRICE PER SQ. FT. BLDG. AREA INCL. LAND
1	77202 235th St. Albert Lea	\$410,000	9/16	2.32	1990	5,743 14/5	\$71.39
2	76709 240th St. Albert Lea	\$198,500	10/16	6.06	1880	2,074 8/3	\$95.71
3	70308 240th St. Albert Lea	\$100,000	5/16	4.01	1925	1,618 7/3	\$61.80
4	69525 305th St Hartland	\$89,000	3/16	5.51	1880	1,558 6/4	\$57.12
5	71074 315th St. Hartland	\$262,500	7/15	5.83	1966	1,768 8/3	\$148.47

Source: Freeborn County Assessor

Sales #1, #2, and #3 are not located in proximity to any wind turbines. Sale #4 is located 2,375 feet from the nearest wind turbine; details of this property are included as Freeborn County Matched Pair #1 later in this market impact study. Sale #5 is approximately 1 mile, or 5,772 feet from the nearest turbine; however, this distance is not considered close enough to be able to form a basis for an analysis.

Proposed Project

The project currently proposes approximately 100 wind turbines of approximately 2 MW each in a project area estimated to comprise approximately 42,000 acres. The project will straddle the state line, and the majority of the turbines will be located in Iowa. All turbines will be new, and none will not be experimental or prototype equipment. Total project cost is estimated at \$320,000,000. Ancillary construction includes gravel access roads, a wind electrical collection system, a substation, interconnection, a meteorological tower, and an Operations and Maintenance building. Agreements with Freeborn County and townships impacted will identify roads to be used, and to repair any damage caused by the project. All Freeborn County setback requirements, including a location at least 1,500 feet from the nearest house, will be met. Commercial operations are expected to commence in 2020.

Project Benefits

In accordance with the State of Minnesota property assessment requirements for wind turbines, real estate tax benefits are estimated to be \$9,500 per year per turbine for those in Freeborn County. The estimated amount in annual payments to participating landowners in both Minnesota and Iowa is

expected to be more than \$1,000,000. The project will generate approximately 200 construction jobs and is expected to create 10 to 12 permanent jobs when fully operational.

Additional direct and indirect impacts from the construction of the project, including permits and construction jobs, as well as “induced impacts” from the increase in household spending also are anticipated.

Market Impact Analysis

A market impact analysis is undertaken to develop an opinion as to whether the proposed wind farm will have an effect on the value of residential uses and/or agricultural land in proximity to the turbines. This analysis includes:

- A matched pair analyzing the impact on value of residential properties proximate to an existing wind farm in Freeborn County, as well as matched pairs developed in similar counties in Illinois, including McLean, LaSalle, Livingston, Bureau, and Lee counties;
- The value of agricultural land in Freeborn County and in other counties with existing wind farms;
- Interviews of local real estate professionals; and
- The results of a survey of the assessors in Minnesota and in Illinois counties with existing wind farms.

Matched Pair Analysis

A matched pair analysis is a methodology which analyzes the importance of a selected characteristic, in this instance proximity to a wind turbine, to the value of a property.⁴ This technique compares the sale of a property in proximity to the selected characteristic to the sale of a similar property in the same market area and under similar market conditions but without the proximity to the selected characteristic.

It is difficult to find properties that are identical except for proximity to a wind turbine, and which also occurred under substantially similar market conditions, especially in rural areas. However, there was a property located in proximity to the Bent Tree Wind Farm in Freeborn County that provided a basis for a

4 See the discussion “Paired Sales Analysis” and “Sale/Resale Analysis” in Bell, Randall, MAI, *Real Estate Damages, Applied Economics and Detrimental Conditions, Second Edition*, Appraisal Institute, 2008, pages 25-27. The ideal is to review a sale and resale of a property in proximity to a selected characteristic, compare it to a sale and resale of a similar property without such proximity, and to then analyze whether the proximity to the selected characteristic influenced the change in value. However, in rural areas it usually is not possible to find data for this type of “pure pair” analysis.

matched pair analysis. Details of the sales included in this analysis are retained in my office files; maps in the addenda to this report illustrate the location of the properties. Unless otherwise indicated, none of the purchasers in these transactions appear to own any other property in proximity, and none of transactions appear to have a wind turbine lease associated with the property.

Freeborn County Matched Pair No. 1

Matched Pair #1 considers the sale of a property in the footprint of the Bent Tree Wind Farm, which has been operational since February 2011. A house located at 69525 305th Street, Hartland, sold in March 2016. This house is approximately 2,375 feet from the nearest turbine; there are several located to the south and southeast. The following photograph is of the turbines visible from the house, located on the far right of this photograph.



This sale is compared with a similar property located at 70308 240th Street, Albert Lea, that sold in May 2016. It is not located near wind turbines; although several are visible from the house, they are more than

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1.5 miles away. The location is very rural in nature. Market conditions are considered to be substantially similar at the dates of sale. The salient details of these two properties are summarized in the table below.

FREEBORN COUNTY MATCHED PAIR NO. 1

	1A - PROXIMATE TO A WIND TURBINE	1B - NOT PROXIMATE TO A WIND TURBINE
Address	69525 305th St. Hartland, MN 56042	70308 240th St. Albert Lea, MN 56007
Ft. from Turbine	2375 (nearest)	NA
Sale Date	March 31, 2016	May 16, 2016
Sale Price	\$89,000	\$100,000*
Sale Price/Sq. Ft. (A.G.)	\$57.12	\$61.80
Year Built	1880	1925
Building Size	1,558 sq. ft.	1,618 sq. ft.
Lot Size	5.51 acres	4.01 acres.
Style	Farm house; frame (vinyl) 6 rms., 3 or 4 bdrms., 2.0 ba.	Farm house; frame 7 rms, 3 bdrms., 2.0 ba.
Basement	Full, unfinished	Partial, unfinished
Utilities	No central air; propane heat well & septic	Central air; natural gas heat well & septic
Other	2-car detached garage deck, out buildings	2.5-car detached garage deck , out buildings

* This is the sale price reported by the Assessor.

69525 305th Street



70308 240th Street



Both properties are older, farm-house style and of frame construction with vinyl siding. They are somewhat similar in size. However, the 240th Street house is superior to the 305th Street house in condition; it is classified by the Assessor as being in better condition, and is described in the on-line listing as having been renovated recently. The 305th Street house does not have central air conditioning, and does not have natural gas available; however, the 240th Street house does. Both the central air conditioning and the availability of natural gas are considered superior factors.

The house on 240th Street has a site size approximately 1 acre smaller than the 305th Street house. However, this is more than off-set by the location on a hard-surface road, as well as the proximity to Interstate 90 access and to the city of Albert Lea.

Taking into consideration the superior condition, the air conditioning, and the availability of natural gas, the sale price of the 240th Street house does not justify a finding that the proximity to the wind turbines had a negative impact on the sale price of the property at 69525 305th Street.

Matched Pair Analysis- Illinois Counties

In addition to analyzing sales in the area of the Bent Tree Wind Farm in Freeborn County, I have researched sales in proximity to several existing wind farms in rural areas of Illinois in order to discover whether residential property values in these areas were impacted by their location. The following are the results of a the most recent of these studies.

As with the Freeborn County research, details of these sales are retained in my office files; maps in the addenda to this report illustrate the location of these matched pairs. Unless otherwise indicated, none of the purchasers in these transactions appear to own any other property in proximity, and none of transactions appear to have a wind turbine lease associated with the property.

McLean County, Illinois Matched Pairs

The Twin Groves Wind Farm is located on the eastern side of the county and was constructed in two phases, with Phase 1 operational in 2007 and Phase 2 in 2008. There are a total of 240 Vesta V82, 1.65 MW turbines, with a height to the hub of approximately 256 feet and a height to the blade tip of 364 feet.

McLean County Matched Pair No. 1 considers the sale of a house located at 29394 E 850 North Road, Ellsworth, that sold in November 2015 for \$207,000. This house is located approximately 1,865 feet from the nearest turbine, and there are several turbines visible to the north and east. The following aerial photograph illustrates the location of the turbines proximate to the house.



This property is compared with a similar property located at 26298 E 1000 North Road, Downs, that sold in March 2015 for \$220,000. This property is not located near wind turbines; however, there are some turbines visible more than 1 mile to the east. Market conditions are considered to be similar. Both properties are situated in rural locations. The salient details of these two properties are summarized in the table below.

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MCLEAN COUNTY MATCHED PAIR NO. 1

	1A PROXIMATE TO A WIND TURBINE	1B NOT PROXIMATE TO A WIND TURBINE
Address	29394 E 850 North Rd. Ellsworth, IL 61737	26298 E 1000 North Rd. Downs, IL 61736
Ft. from Turbine	1,865 (nearest)	NA
Sale Date	November 17, 2015	March 11, 2015
Sale Price	\$207,000	\$220,000
Sale Price/Sq. Ft. (A.G.)	\$86.25	\$82.71
Year Built	1978	1978
Building Size	2,400 sq. ft.	2,660 sq. ft.
Lot Size	1.7 acres	2.49 acres.
Style	2-story; brick & vinyl 12 rms., 4 bdrms., 2.0 ba.	2-story; frame 8 rms, 4 bdrms., 2.0 ba.
Basement	Full, finished	Full, finished
Utilities	Central air; Propane heat Well & septic	Central Air; Propane heat Well & septic
Other	2-car attached garage patio, deck	2.5-car attached garage large storage shed



29394 E 850 North Road

26298 E 1000 North Road



Both houses are of similar construction type, vintage, and size. Both had been updated recently, with the house at 29394 E 850 North Road having been updated more extensively than the other. Both have finished basements; however, basement build-out in the house at 26298 E 1000 North Road is not completely finished. The house at 26298 E 1000 North Road has a larger free-standing shed with a drive-in door. The superior interior features and the shed are offset by the approximately ½-acre larger site size of the property at 26298 E 1000 North Road.

The analysis of the sales at 29394 E 850 North Road and at 26298 E 1000 North Road do not support a finding that the proximity to the wind turbines had a negative impact on value.

Matched Pair No. 2 considers the sale of a house located at 25156 E 1400 North Road, Ellsworth, that sold in November 2015 for \$196,000. This house is located approximately 2,210 feet from the nearest turbine, but there are several turbines proximate to the south, southeast, and southwest. The following aerial photograph illustrates the locations of the turbines proximate to the house.

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This property is compared with a similar property located at 787 E 1300 North Road, Sibley, that sold in March 2015 for \$125,000. This property is not located near wind turbines. Market conditions are considered to be similar. Although this property is located in Ford County, both properties have similar, rural locations. The salient details of these two properties are summarized in the table below.

MCLEAN COUNTY MATCHED PAIR NO. 2

	2A PROXIMATE TO A WIND TURBINE	2B NOT PROXIMATE TO A WIND TURBINE
Address	25156 E 1400 North Rd. Ellsworth, IL 61737	787 E 1300 North Rd. Sibley, IL 61773
Ft. from Turbine	2,210 (nearest)	NA
Sale Date	November 1, 2015	March 13, 2015
Sale Price	\$196,000	\$125,000
Sale Price/Sq. Ft. (A.G.)	\$66.58	\$49.56
Year Built	1890	1900
Building Size	2,944 sq. ft.	2,522 sq. ft.
Lot Size	4.14 acres	3.36 acres.
Style	1.5-story; frame 4 bdrms., 2.0 ba.	2-story; frame 4 bdrms., 2.0 ba.
Basement	Full	Full, partially finished
Utilities	Central air; Propane heat Well & septic	Central Air; Propane heat Well & septic
Other	1-car attached garage porch machine shed with water & electricity	2.-car detached garage deck large shed



25156 E 1400 North Road

787 E 1300 North Road



Both houses are of similar construction type, vintage, and size. Both have been remodeled in the recent past. The E 1400 North Road house has a large freestanding garage/machine shed that has water and electricity, which is superior to the older shed on the site of the E 1300 North Road house. Also, the site size of the E 1400 North Road house is $\frac{3}{4}$ acre larger than the E 1300 North Road house. Both factors are reflected in its higher sale price.

The analysis of the sales at 25156 E 1400 North Road and 787 E 1300 North Road do not support a finding that the proximity to the wind turbines had a negative impact on value.

Matched Pair No. 3 considers the sale of a house located at 25017 E 1400 North Road, Ellsworth, that sold in September 2015 for \$159,000. This house is located approximately 1,573 feet from the nearest turbine, and there are several turbines proximate to the south, southeast, and southwest. The following aerial photograph illustrates the locations of the turbines proximate to the house.

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This property is compared with a similar property located at 10837 Yankee Town Road, Farmer City, that sold in October 2016 for \$134,000. This property is not located near wind turbines. Market conditions are considered to be slightly superior at the date of sale of this property. Although this house is located in DeWitt County, both properties have similar rural locations. The salient details of these two properties are summarized in the table below.

MCLEAN COUNTY MATCHED PAIR NO. 3

	3A PROXIMATE TO A WIND TURBINE	3B NOT PROXIMATE TO A WIND TURBINE
Address	25017 E 1400 North Rd. Ellsworth, IL 61737	10837 Yankee Town Rd. Farmer City, IL 61842
Ft. from Turbine	1,573 (nearest)	NA
Sale Date	September 3, 2015	October 3, 2016
Sale Price	\$159,000	\$134,000
Sale Price/Sq. Ft. (A.G.)	\$81.45	\$68.37
Year Built	1880	1908
Building Size	1,952 sq. ft.	1,960 sq. ft.
Lot Size	2.87 acres	4.0 acres
Style	2-story; vinyl sided 9 rms; 4 bdrms., 2.0 ba.	2-story; vinyl sided 7 rms; 4 bdrms., 2.0 ba.
Basement	Full	Full
Utilities	Central air; Propane heat Well & septic	Central Air; Propane heat Well & septic
Other	No separate garage large shed with drive-in doors; other farm buildings	No separate garage large shed with drive-in doors; other farm buildings



25017 E 1400 North Road

10837 Yankee Town Road



Both houses are of similar construction type, vintage, and size. Both have been remodeled and updated. Neither property has a garage; both have large buildings with drive-in doors for cars and other equipment. Both properties have other farm buildings on the site. The Yankee Town Road house has a site that is approximately 1.25 acres larger than the E 1400 North Road house.

The analysis of the sales at 25017 E 1400 North Road and 10837 Yankee Town Road do not support a finding that the proximity to wind turbines had a negative impact on value.

LaSalle County, Illinois Matched Pairs

In addition to these matched pairs, I also have examined properties located in proximity to the existing wind farms in southeast LaSalle County that provided a basis for a matched pair analysis.

LaSalle County Matched Pair #1 considers the sale of a property proximate to the Top Crop Wind Farm (Horizon) located at the southeast corner of Freeborn County. Both phases of this operation have been operational since October 2010. A house located at 1631 East 29th Road, Ransom, sold in July 2016, after approximately two months on the market. This house is approximately 3,160 feet from the nearest turbine. Trees block the view of the turbines from the house; however, dozens of turbines are visible to the east and south. There is no wind farm lease on this property. The following photograph is of the turbines visible from the street in front of the house.

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This property sold previously in June of 2014 for \$165,000. There were no significant changes in the house between sales. The increase in value between the 2014 sale and 2016 sale was \$20,000 or approximately 12 percent. MRED data previously cited indicated that the increase in average sale price for single-family properties, excluding REO and short sales, between June 2014 and July 2016 in LaSalle County as a whole was 9 percent.

This sale is compared with a similar property located at 21653 E 3100 North Road, Dwight, that sold in February 2016. It sold with a similar marketing time, and is not located near wind turbines. Market conditions are considered to be substantially similar at the dates of sale. This property is located in Livingston County. Both are very rural locations. The salient details of these two properties are summarized in the table below.

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LASALLE COUNTY MATCHED PAIR NO. 1

	1A - RESALE PROXIMATE TO A WIND TURBINE	1A - PRIOR SALE	1B NOT PROXIMATE TO A WIND TURBINE
Address	1631 East 29th Rd. Ransom, IL 60470	1631 East 29th Rd. Ransom, IL 60470	21653 E 3100 N Rd. Dwight, IL 60420
Ft. from Turbine	3,160 (nearest)	3,160 (nearest)	NA
Sale Date	July 21, 2016	June 27, 2014	February 29, 2016
Sale Price	\$185,000	\$165,000	\$188,750
Sale Price/Sq. Ft. (A.G.)	\$121.71	\$108.55	\$109.93
Year Built	1918	1918	1918
Building Size	1,520 sq. ft.	1,520 sq. ft.	1,717 sq. ft.
Lot Size	3.24 acres	3.24 acres	3.32 acres.
Style	farm house; frame 6 rms., 3 bdrms., 2.0 ba.	farm house; frame 6 rms., 3 bdrms., 2.0 ba.	Farm house; frame 9 rms, 4 bdrms., 2.0 ba.
Basement	Full, unfinished	Full, unfinished	Full, finished
Utilities	Central air; elec. & propane heat well & septic	Central air; elec. & propane heat well & septic	Central air; propane heat reverse osmosis system well & septic
Other	6-car detached garage weck w/ whirlpool 1st floor laundry	6-car detached garage deck w/ whirlpool 1st floor laundry	Two out-buildings large, multilevel deck and pond



1631 East 29th Road

21653 E 3100 N Road



Both properties are older, farm-house style and of frame construction. The improvements are situated on similar-sized sites. Both have been renovated, and have modern kitchens and updated bathrooms. The house on 3100 N Road is somewhat superior to the 29th Road property; it is larger, and one of the four bedrooms is on the first floor. Further, the finished basement includes a small kitchen and a family room. These superior features are offset by the 800-square foot, six-car garage of the 29th Road property. The 3100 N Road property has an older barn with two drive-in doors, and an older wood corn crib. The superior characteristics of the 29th Road house also are offset by the fact that the house is situated on a gravel-covered road; 3100 N Road is paved in front of the house, and is gravel covered to the east.

The analysis of the sale and resale of the 29th Road house does not support a finding that the proximity to the wind turbines had a negative impact on value. The analysis of the matched pair does not justify a finding that the proximity to the wind turbines had a negative impact on the sale price of the property at 1631 East 29th Road.

LaSalle County Matched Pair #2 considers the sale of a house located at 2076 N 15th Road, Streator, that is proximate to the Grand Ridge Wind Farm, Phase Three (Invenergy.) Grand Ridge is located at the southeast corner of LaSalle County, and Phase Three has been operational since 2009. The house sold in October 2015, after approximately six months on the market. This house is approximately 2,325 feet from the nearest turbine to the east and north. Trees substantially block the visibility of this turbine and approximately a dozen additional turbines are located within approximately 1.5 miles. There is no wind turbine lease on this property. The following photograph is of the turbines visible from the road in front of this house.

Proposed Freeborn County Wind Farm
April 27, 2017



It is compared with two similar properties that are not located near wind turbines. The first is located at 1856 N 31st Road, Ottawa, sold in February 2105 for \$253,500. It sold with a marketing time of four months. The second property is located at 2265 E 20th Road, Grand Ridge, and sold in November 2015 for \$230,000. It sold with a similar marketing time of five months. Market conditions are considered to be substantially similar at the dates of sale. The salient details of these properties are summarized in the table below.

LASALLE COUNTY MATCHED PAIR NO. 2

	2A PROXIMATE TO A WIND TURBINE	2B NOT PROXIMATE TO A WIND TURBINE	2C NOT PROXIMATE TO A WIND TURBINE
Address	2076 N. 15th Rd. Streator, IL 61364	1856 N. 31st Rd. Ottawa, IL 61350	2265 E. 20th Rd. Grand Ridge, IL 61325
Ft. from Turbine	2,325	NA	NA
Sale Date	October 2, 2105	February 20, 2015	November 17, 2015
Sale Price	\$254,000	\$253,500	\$230,000
Sale Price/Sq. Ft. (A.G.)	\$79.38	\$81.22	\$75.71
Year Built	1997	1995	1998
Building Size	3,200 sq. ft.	3,121 sq. ft.	3,038 sq. ft.
Lot Size	2.00 acres	1.4 acres.	2.51 acres.
Style	2-story; vinyl siding & brick 8 rms., 3 bdrms., 3.1 ba.	2-story; brick 10 rms, 3 bdrms., 3.1 ba.	2-story; vinyl siding 6 rms, 3 bdrms., 2.0 ba.
Basement	Full, partially finished walkout	Full, partially finished	Full, unfinished
Utilities	Central air; Natural gas heat; zoned Well & septic	Central air; Natural gas heat Well & septic	Central air; Propane gas heat Well & septic
Other	2.5-car attached garage 1st floor master suite	2-car attached garage concrete patio with brick fence in-ground pool	2-car attached garage dog kennel creek on property



2076 N. 15th Road

1856 N. 31st Rd.



2265 E. 20th Rd.

Although all three properties are of two-story, modern construction, they represent very different construction styles. The improvements are situated on similar-sized sites; however, the house on 31st Road has a smaller site size, and the house on 20th Road has a larger site size. The 31st Road property is proximate to a golf course community; however, it does not border the course itself.

The 15th Road house is the largest of the three houses in terms of square footage, and has an area on the second floor that could be finished for a fourth bedroom. The walk-out basement adds an attractive family room which is above ground on the rear elevation, and which is included in the building size. Also, this house features a first-floor master bedroom suite.

The house on 31st Road has more total rooms, as well as a first-floor family room. The house has two very attractive patio areas with brick surrounds, and an in-ground pool.

Proposed Freeborn County Wind Farm
April 27, 2017

The 20th Road house is the smallest of the three properties, the size differential of the house is somewhat offset by the dog kennel, and by the larger site size.

The analysis of these matched pairs does not justify a finding that the proximity to the wind turbines had a negative impact on the sale price of the property at 2076 N. 15th Road.

Livingston County, Illinois Matched Pair

Livingston County Matched Pair #1 considers the sale of a property in Livingston County that is located proximate to the Cayuga Ridge Wind Farm. Cayuga Ridge construction began in 2009, and the wind farm came fully on line in March 2010. The house at 23090 N 2500 E Road, Odell, is 2,322 feet east of a wind turbine, 3,229 feet west of a wind turbine, and 3,440 feet south of a wind turbine. The following photograph illustrates the location of this house (on the right in the picture) relative to the nearest turbines. This property is being compared to a house at 16101 E 1400 N Road in Pontiac that is not proximate to a wind turbine.



LIVINGSTON COUNTY MATCHED PAIR NO. 1

	3A PROXIMATE TO A WIND TURBINE	3B NOT PROXIMATE TO A WIND TURBINE
Address	23090 N 2500 E Rd. Odell, IL 60460	16101 E 1400 N Rd. Pontiac, IL 61764
Ft. from Turbine	2,322 (nearest)	NA
Sale Date	August 15, 2013	November 18, 2013
Sale Price	\$205,000	\$167,500
Sale Price/Sq. Ft. (A.G.)	\$108.41	\$89.33
Year Built	1971	1967
Building Size	1,891 sq. ft.	1,875 sq. ft.
Lot Size	3.63 acres	3.27 acres.
Style	ranch; brick 6 rms., 4 bdrms., 1.5 ba.	ranch, brick 6 rms, 3 bdrms., 2 ba.
Basement	Full, partial finish	Crawl
Utilities	Central air; electric heat	Central air; propane heat
Other	2.5-car attached garage 2 pole barns; 60 x 90 shed (subsequently demolished)	1-car attached garage 30 x 40 shed; 64 x 42 machine shop



23090 N 2500 E Road

16101 E 1400 N Road



Both properties are located in the Pontiac High School district. The lot sizes are similar, although the Odell property is approximately $\frac{1}{3}$ acre larger. The houses are of similar construction vintage, and are of similar size. The condition of each is assumed to be similar. The Odell property has an additional bedroom, and also is superior in that it has a full, partially finished basement and a larger garage. However, the Pontiac property has two full bathrooms, a first-floor laundry room, and propane gas heat. The outbuildings of the Odell property were in poor condition and were demolished subsequent to the sale; therefore, the Pontiac property is considered superior in that regard, which offsets the smaller size of the garage.

Overall, although the Odell property is somewhat superior to the Pontiac property, the differences do not justify a finding that there is any diminution in value resulting from the proximity of the Odell sale to wind turbines.

Agricultural Land Values

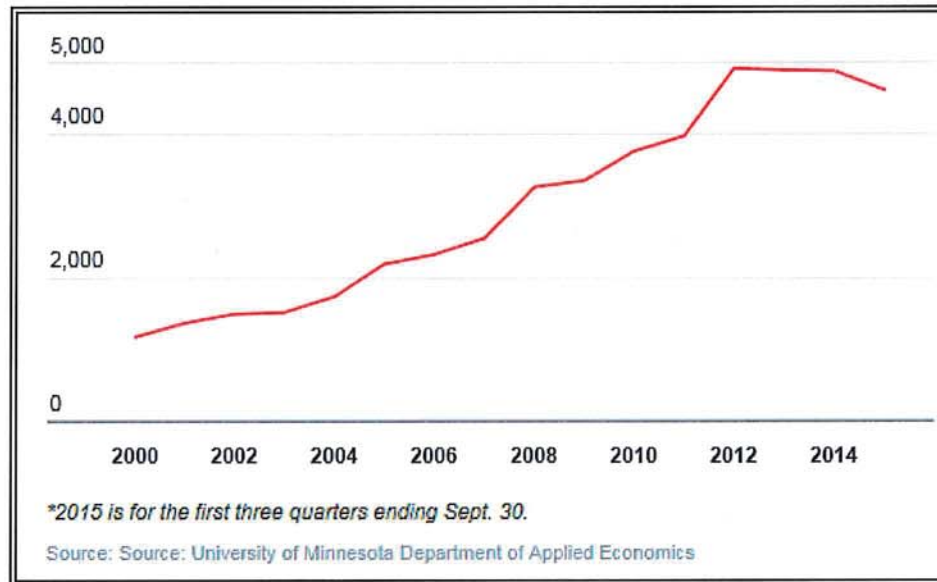
Agricultural land values are typically tied to the productivity of the land and to the commodity prices of crops like corn and soy beans. Agricultural land values in Freeborn County were reported by the Assessor to average \$6,416 per acre for the year ending November 16, 2016. The Assessor reported the 2015 average to be \$6,547. This compares to the average for the state of \$5,673 per acre for the state. The average Crop Productivity Index (CPI) for Freeborn County is 78; the statewide average is somewhat lower, at 56.

The University of Minnesota, Department of Applied Economics, Minnesota Land Economics Division, collects and publishes data on agricultural land values on a yearly basis. It reported three sales in 2016 and six sales in 2015 in the townships where the Bent Tree Wind Farm is situated. These sales averaged \$6,933 per acre and ranged from a minimum of \$6,250 to a high of \$7,441 per acre in 2016. In 2015, the average was \$7,228 per acre, with a range from \$5,898 to \$9,043. In the larger area in southeast corner of the county, there were three sales in 2016 and 10 sales in 2015. The sales in 2016 averaged \$6,584 per acre, with a range of \$4,102 to \$8,000 per acre, and the sales in 2015 averaged \$7,198 per acre, with a range of \$5,105 to \$9,106 per acre. Based on these averages and ranges, it does not appear that the location of wind turbines in Hartland and Manchester townships has had a negative impact on agricultural land values. The following table summarizes these data.

**AGRICULTURAL LAND VALUES
 FREEBORN COUNTY**

	2015			2016		
	No. Of Sales	Range in Sale Price/Ac.	Average Sale Price/Ac.	No. Of Sales	Range in Sale Price/Ac.	Average Sale Price/Ac.
Bent Tree Wind Farm	6	\$5,898 to \$9,043	\$7,228	3	\$6,250 to \$7,441	\$6,033
SEC of County	10	\$5,105 to \$9,106	\$7,198	3	\$4,102 to \$8,000	\$6,584

In February 2016, the *StarTribune* reported an overall weakening in the prices of farmland due to a drop in grain and soy bean prices. The following chart taken from that article illustrates the trends reported.⁵

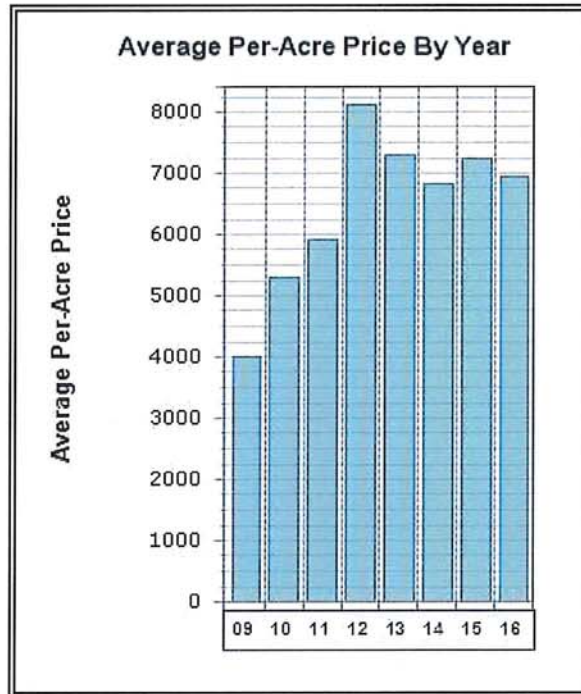


The following tables compare sales from 2009 to 2016 in Hartland and Manchester townships where the Bent Tree Wind Farm is located with townships in the southeast corner of the county where the proposed wind farm is to be located.⁶

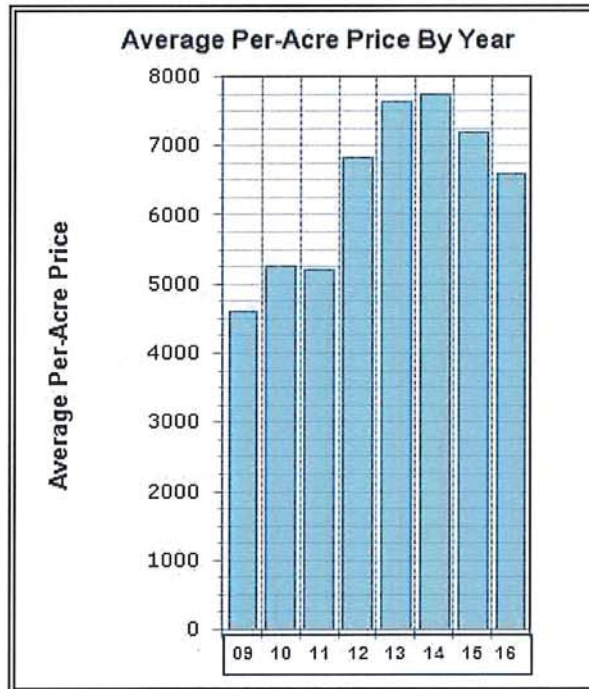
5 Meersman, Tom, "Farmland prices on the downturn in Minnesota," *StarTribune*, February 22, 2016. <http://www.startribune.com/farmland-prices-on-the-downturn-in-minnesota/369465672/> Accessed January 25, 2017.

6 The Bent Tree Wind Farm was approved in 2009, was constructed in 2010, and came on-line in 2011. Note that the first chart has a slightly higher range to accommodate the higher average sale price in those townships in 2012. Both tables have been slightly edited for clarity.

Hartland and Manchester Townships



Hayward, Oakland, Shell Rock, and London Townships



These data illustrate the same general trends in agricultural land values state-wide, and do not support a finding that the wind turbines have had a negative impact on land values.

According to the 2015 and 2016 data developed by the Freeborn County Assessor, there have been three recent sales of farm land upon which a wind turbine is located in Hartland and Manchester townships. A 60-acre parcel sold in April 2016 for \$7,011 per acre. In January 2015, a 38-acre parcel sold for \$9,502 per acre, and in February 2015, 149 acres sold for \$7,525 per acre. All three of the sales are above average for Freeborn County as a whole for both years. These sales do not indicate any negative impact on agricultural property values by the location of wind turbines on the sites, and may indicate a premium for parcels with those leases.

**AGRICULTURAL LAND VALUES WITH TURBINES
 FREEBORN COUNTY**

	2015			2016		
	No. Of Sales	Range in Sale Price/Ac.	Average Sale Price/Ac.	No. Of Sales	Range in Sale Price/Ac.	Average Sale Price/Ac.
Bent Tree Wind Farm	2	\$7,011 to \$9,502	\$8,257	1	\$7,011	\$7,011
County Average			\$6,547			\$6,416

Although there has been no study of the impact of wind turbines on agricultural land sales for Minnesota that I could discover, a report in Illinois, the *2016 Illinois Land Values and Lease Trends*, indicated that the impact of wind turbine leases is being felt in McLean, Livingston, and Woodford counties, where turbine leases have provided “income diversification, beyond agriculture, which makes these tracts more attracting to an outside investor.”⁷ Further, they noted that “investors are still paying a little more of a premium for the wind turbines just as they had in the past few years.”⁸ The report notes that the premium is related directly to the number of years left on the lease.

Overall, it appears that there is little or no relationship between agricultural land values and the location of wind farms, with productivity being the driving force behind land values. However, wind farm lease revenue does appear to add to the marketability and value.

7 Klein, David E., and Schnitkey, Gary, *2016 Illinois Land Values and Lease Trends*, Illinois Society of Professional Farm Managers and Rural Appraisers, Page 38.

8 Ibid. Page 42.
 MaRous & Company

Local Real Estate Professionals

Local Minnesota real estate professionals were contacted to discuss market conditions, specific market transactions, and to investigate whether they had experience with, or knowledge of any impact of wind farms on residential property values. Rick Mummert of Ron Holton Real Estate reported that residential conditions in both Freeborn and Mower counties had been stable the last 3 years, primarily due to the very rural nature of the area but benefitting from the low interest rates. He reported that the Highway 14 corridor had seen increases in residential values; in his opinion the difference was the more developed nature of the area and the availability of jobs.

Interviews with brokers proximate to wind farms in Illinois yielded similar results. A number of them wished to remain anonymous, but stated that they did not believe that the proximity to wind turbines had any bearing on the sale prices of residential properties in the area. Stephen Stangland, Advantage Realty, and Rick Beeler, Coldwell Banker Honig-Bell, were the selling brokers for the sale and resale of the property at 1631 E 29th Road, Ransom. (LaSalle County Matched Pair No. 1, 1A.) Neither broker reported that the proximity of that house to wind turbines had any impact on the sale price. Tami Ferguson was the listing agent for the 2016 sale of this house. She reported that the proximity of the house to wind turbines had no impact on the sale; the house had been remodeled prior to the 2014 sale, and was situated on a nice site. She reported that the house sold quickly, and that she had several calls after the contract was signed.

Michael Crowley, Sr., SRA of Real Estate Consultants, Ltd., Spring Valley, Illinois, has had extensive experience with wind farm development in Central Illinois, including projects in Bureau, Whiteside, and Lee counties. Mr. Crowley has been unable to document any loss in property values attributable to the proximity of wind turbines.

Minnesota Assessors Survey - January/February 2017

In late January 2017, my office conducted a survey of the Assessors or a staff member in eight Minnesota counties where large numbers of wind turbines currently are operational. There are several counties with small numbers of wind turbines that were not included in the survey. As of 2015, there were approximately 97 wind farms with more than 2,400 wind turbines in the state. The interviews were intended to allow the assessment officials to share their experience regarding the wind farm(s) impact upon the market values and/or assessed values of surrounding properties. The following is a summary of the results of that survey:

- With one exception, the interviewees reported that there was no market evidence to support a finding that there has been a negative impact upon residential property values as a result of the development

of and the proximity to a wind farm facility. In some counties, the assessors believed this to be the result of the very rural nature of the area in which the projects are located.

- The exception, the Dodge County Assessor, reported receiving two complaints from residential property owners regarding the value impact of proximity to wind turbines; however, the Assessor was unable to find data to support their contentions.
- Without exception, where there was sufficient data to analyze, the County Assessors reported that both residential and agricultural assessed property values within the wind farm footprints have fluctuated consistently within counties as influenced by market conditions, with no regard for proximity to a wind farm.

Bruce Nielson, Lincoln County Assessor reported a recent residential sale in a township in which wind turbines are located that sold \$70,000 higher than the assessor's opinion of market value.

Illinois Assessors Survey - Updated October 6 - 19, 2016

A similar survey originally was conducted of 18 Illinois County Assessors in March 2015, and was updated in October 2016. As of the date of this report, there are more than 46 wind farms with 2,348 wind turbines and more than 1,000,000 properties in these counties. The following is a summary of the results of that survey:

- Without exception, the interviewees reported that there was no market evidence to support a negative impact upon residential property values as a result of the development of and the proximity to a wind farm facility. In some counties, this results from the very rural nature of the area in which the projects are located;
- In the past 18 months, the assessor's offices have not experienced a real estate tax appeal based upon wind farm-related concerns; there have been no reductions in assessed valuations related to wind turbines.
- As the available market data do not support the claim of a negative impact upon residential values, residential assessed values have fluctuated consistently within counties as influenced by market conditions, with no regard for proximity to a wind farm.

The McLean County Assessor reported the construction of a 4,821-square-foot single-family residence subsequent to the construction of the Twin Groves wind farm. The residence, located at 8144 North 3100 East Road is located 1,113 feet from a wind turbine. The residential building and surrounding site improvements including a swimming pool have an assessor's opinion of market value of \$878,467. The following photograph and the aerial photograph depict the residence and the nearby wind turbine(s).

Proposed Freeborn County Wind Farm
April 27, 2017



The proximity of the wind turbine does not appear to have had a negative influence on the development of this single-family residence. According to public records, the owners of this property also own three other large parcels in McLean County which are in the immediate area. None of these parcels include easements for wind turbines.

Lee County Assessor Wendy Ryerson reported that an 11-lot subdivision was developed in the area of the Mendota Hills Wind Farm subsequent to the announcement of the wind farm. All 11 lots were sold, and 9 of them were developed.

Conclusions

Based on this analysis of the market, it is my opinion that the approval of the proposed wind farm will not have a negative impact on the property values in the neighborhood, nor will it impede the orderly development of the area for uses permitted in the zoning districts. Specifically:

- The proposed use will meet or exceed all the required development and operating standards;
- Controls are in place to insure on-going compliance;
- There are significant financial benefits to the local economy and to the local taxing bodies from the development of the proposed wind farm;
- The proposed wind farm will create well-paid jobs in the area which will benefit overall market demand;
- An analysis of residential sales proximate to wind farms did not support any finding that proximity to a wind turbine had a negative impact on property values;
- An analysis of agricultural land values in Freeborn County did not support any finding that agricultural land values are negatively impacted by the proximity to wind turbines;
- Reports from Illinois indicate that wind turbine leases add value to agricultural land;
- A survey of County Assessors in 10 Minnesota counties in which wind farms are located determined that there was no market evidence to support a negative impact upon residential property values as a result of the development of and the proximity to a wind farm, and that there were no reductions in assessed valuation; and
- There is no evidence that development of or proximity to a wind farm impedes the orderly development in the area.

Proposed Freeborn County Wind Farm
April 27, 2017

This report is based on market conditions existing as of March 1, 2017. This market impact study has been prepared specifically for the use of the client and to potentially support an application to allow the development of the Freeborn Wind Farm in Freeborn County, Minnesota. Any other use or user of this report is considered to be unintended.

Respectfully submitted,

MaRous & Company



Michael S. MaRous, MAI, CRE
Minnesota Certified General #40330656 (8/31/18 expiration)
Illinois Certified General - #553.000141 (9/17 expiration)

CERTIFICATE OF REPORT

I do hereby certify that:

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, conclusions, and recommendations;
3. I have no present or prospective personal 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 the work under review 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 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 consulting assignment;
9. My analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the *Uniform Standards of Professional Appraisal Practice*;
10. I have made a personal inspection of the subject of the work under review;
11. Anita Rifkind provided significant appraisal review assistance to the person signing this certification;
12. The reported analysis, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Foundation;
12. The use of the report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives; and
13. As of the date of this report, Michael S. MaRous, MAI, CRE, has completed the continuing education requirements for Designated Members of the Appraisal Institute.

MaRous & Company

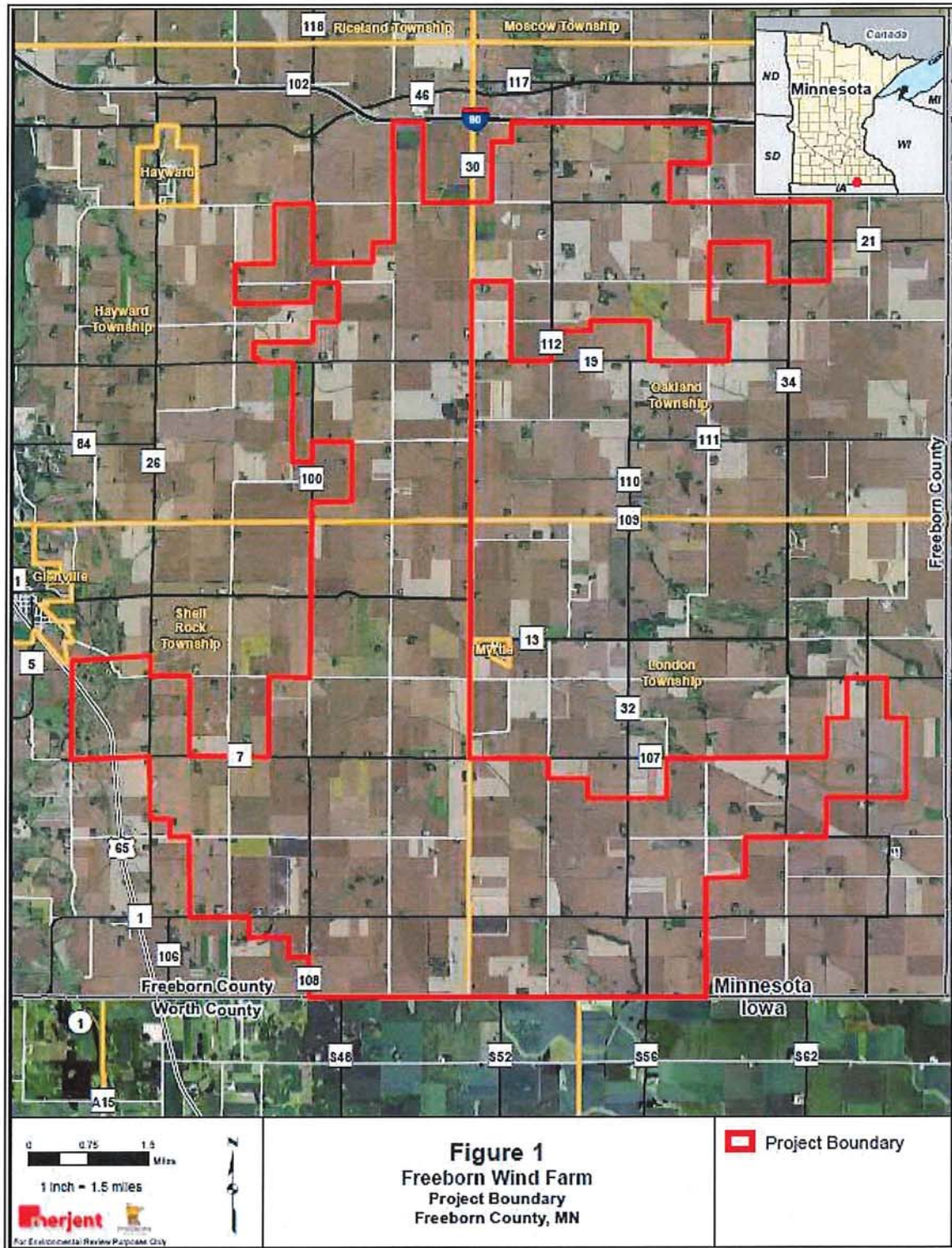


Michael S. MaRous, MAI, CRE

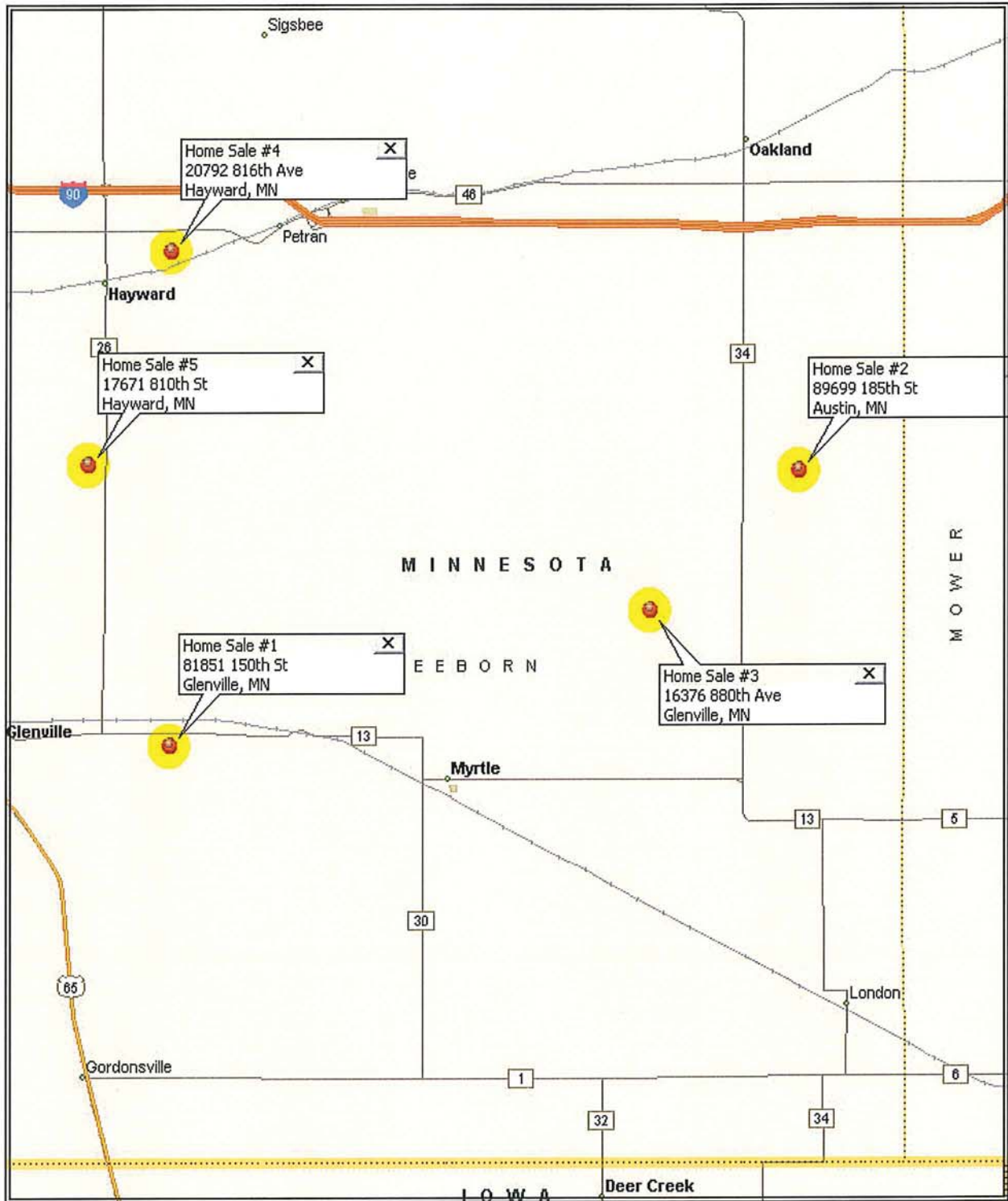
Minnesota Certified General #40330656 (8/31/18 expiration)

Illinois Certified General - #553.000141 (9/17 expiration)

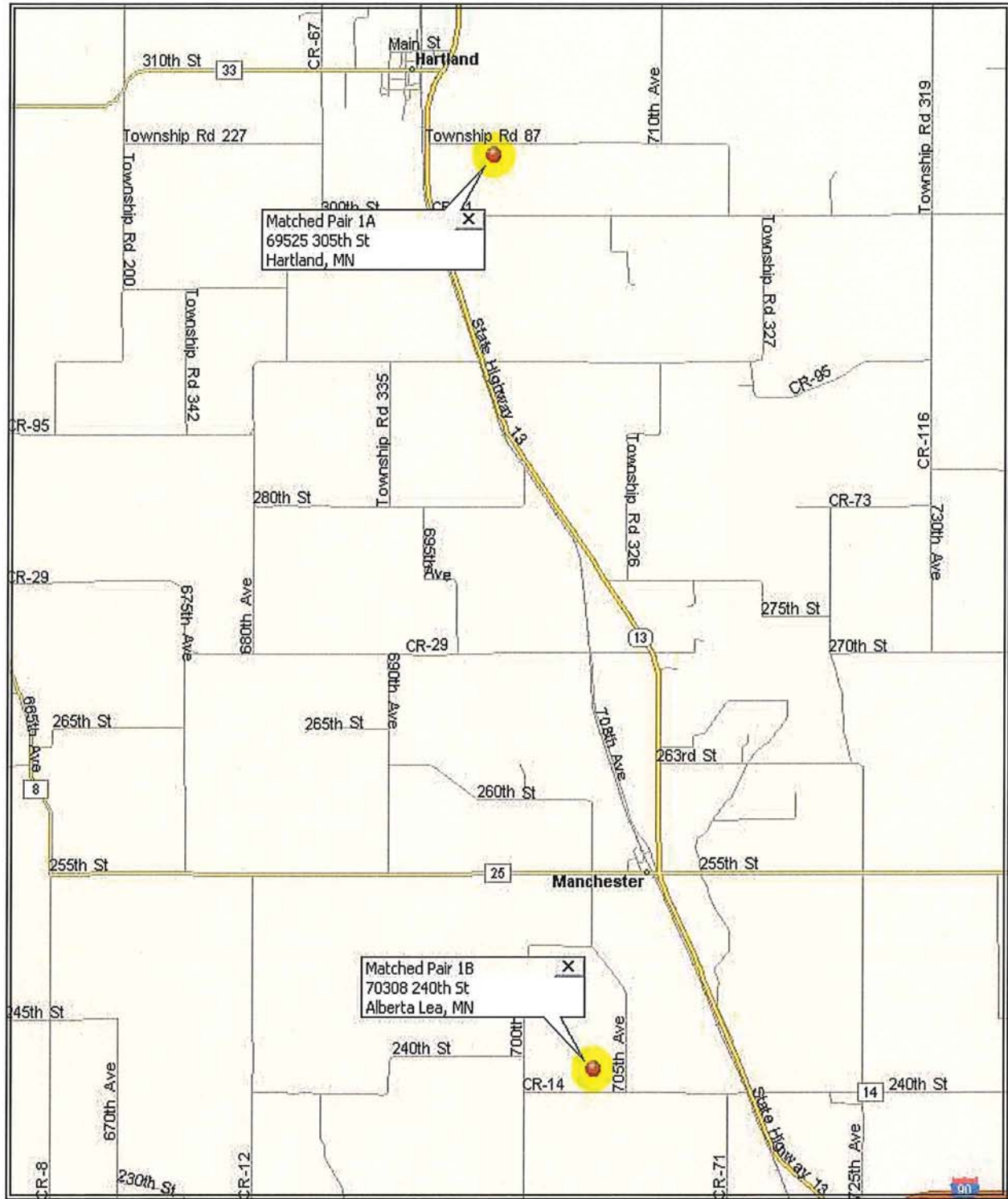
ADDENDA



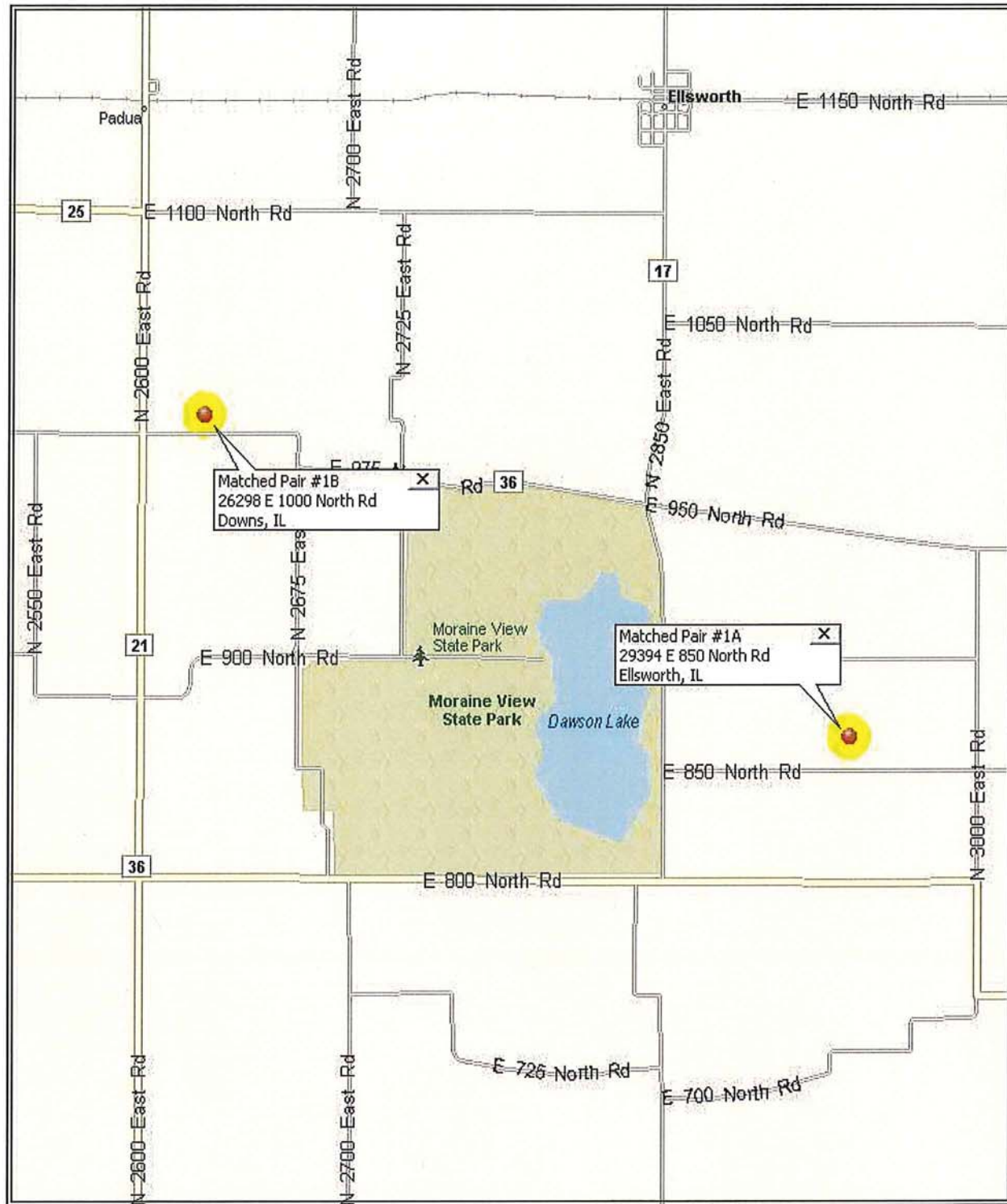
Freeborn County Proposed Wind Farm Footprint



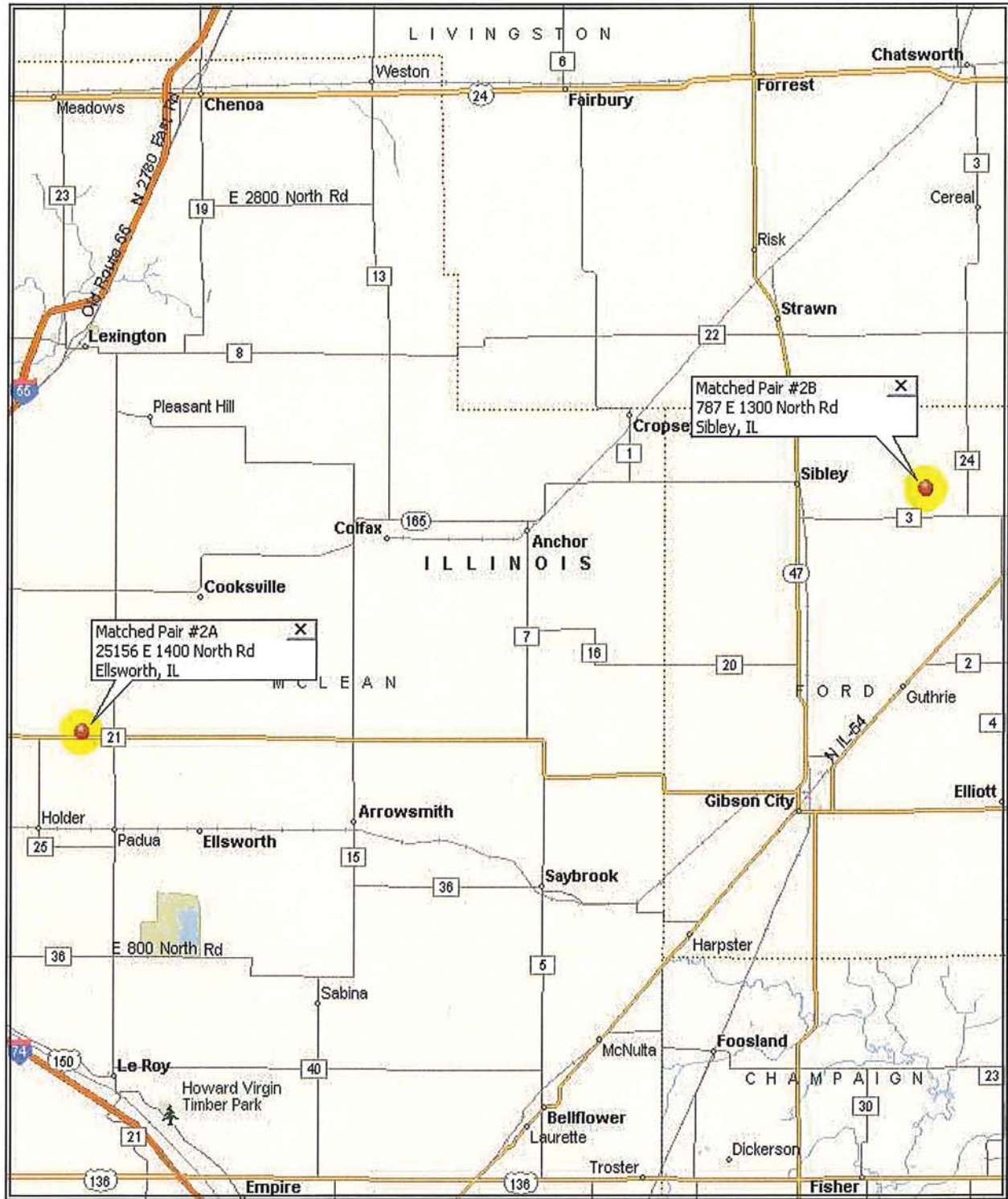
RECENT RESIDENTIAL SALES LOCATION MAP



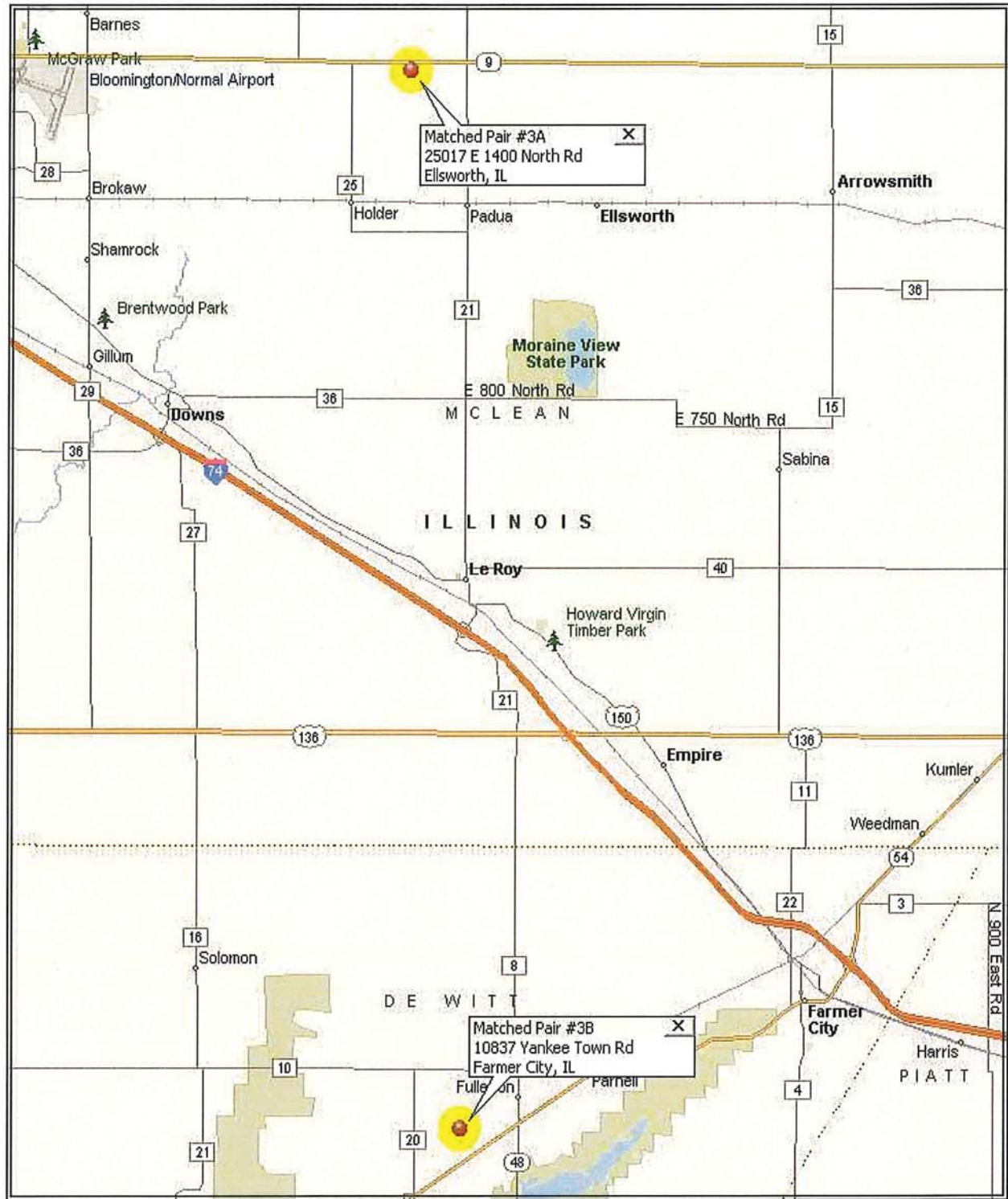
FREEBORN COUNTY MATCHED PAIR #1 LOCATION MAP



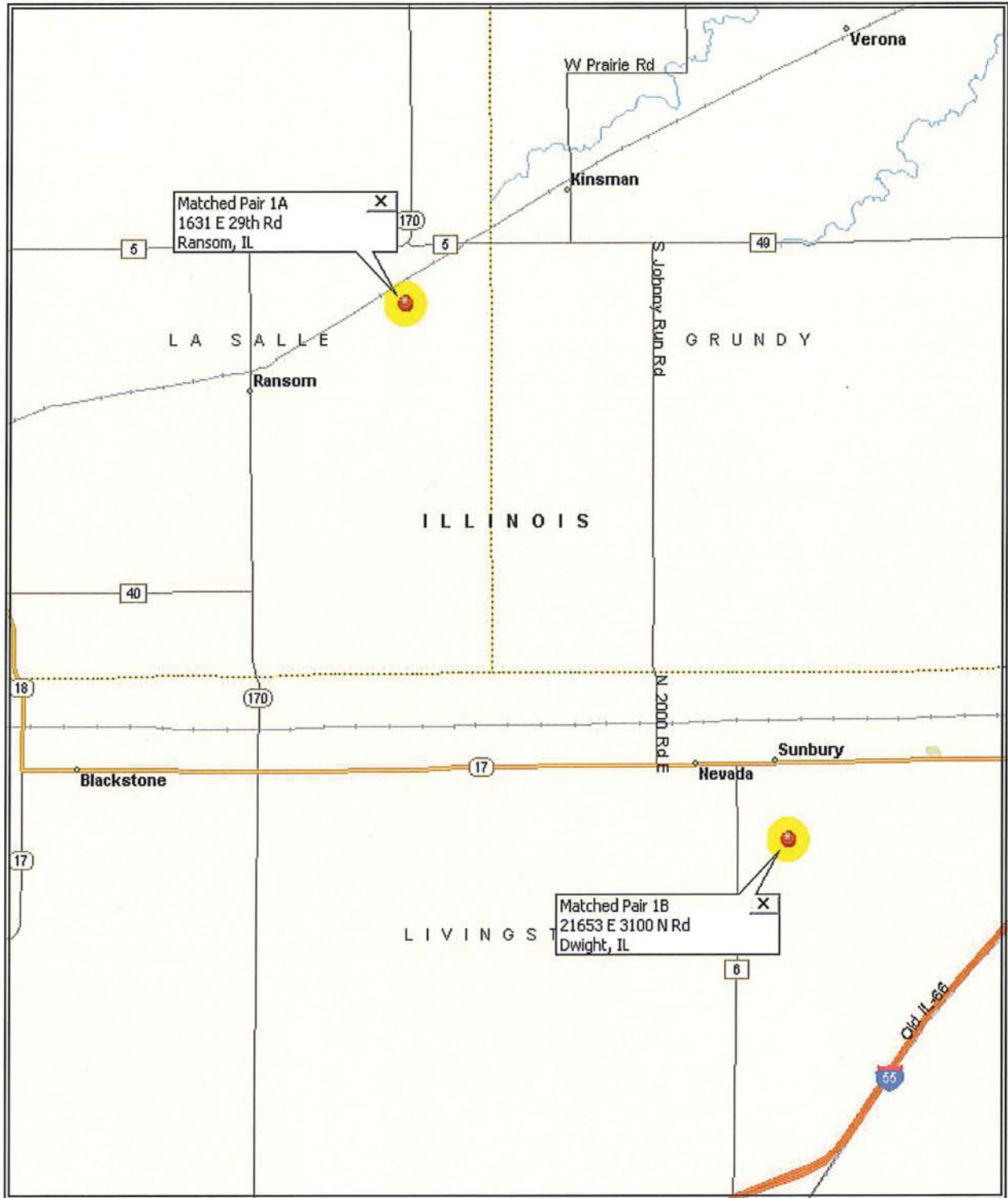
MCLEAN COUNTY MATCHED PAIR #1 LOCATION MAP



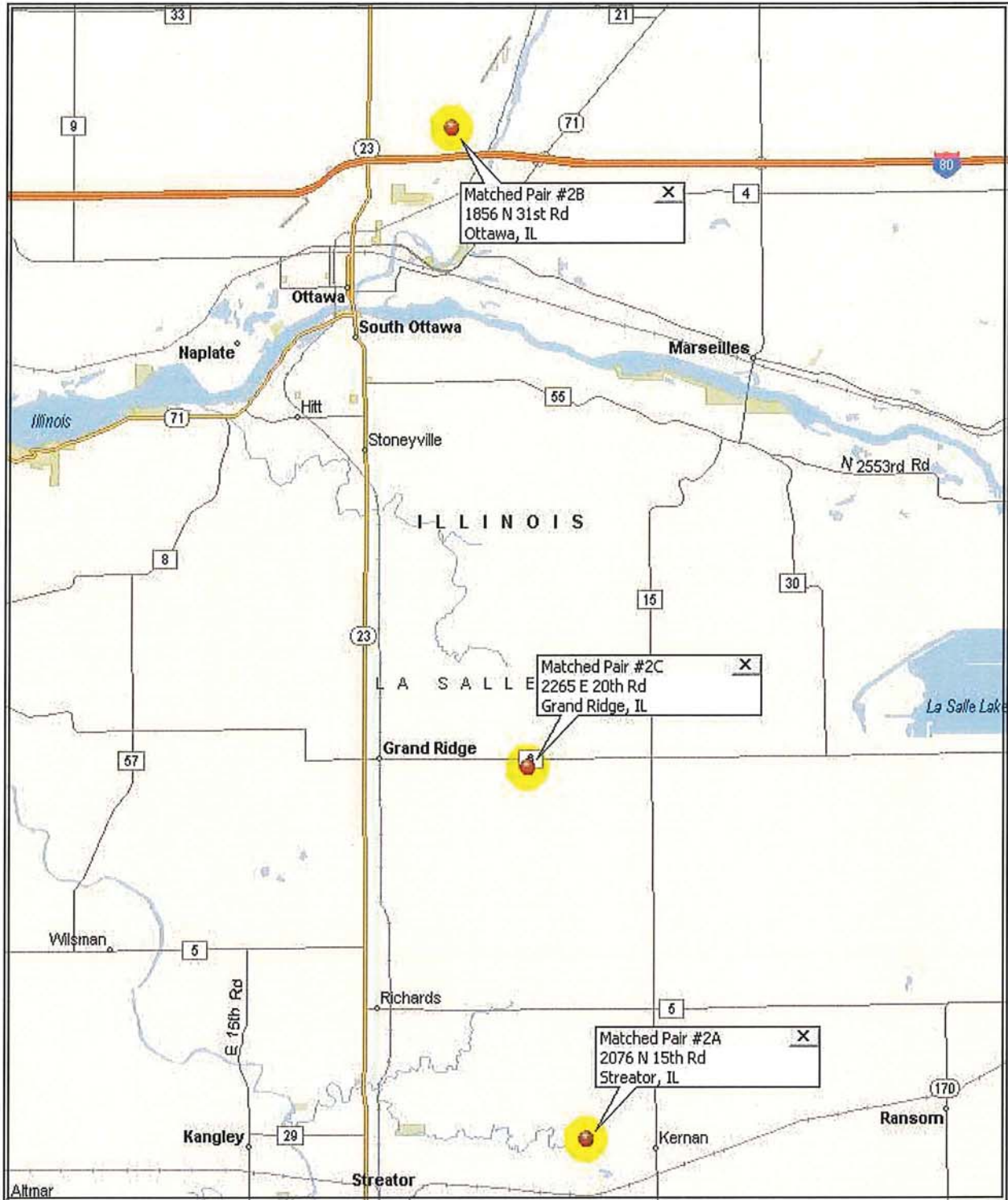
MCLEAN COUNTY MATCHED PAIR #2 LOCATION MAP



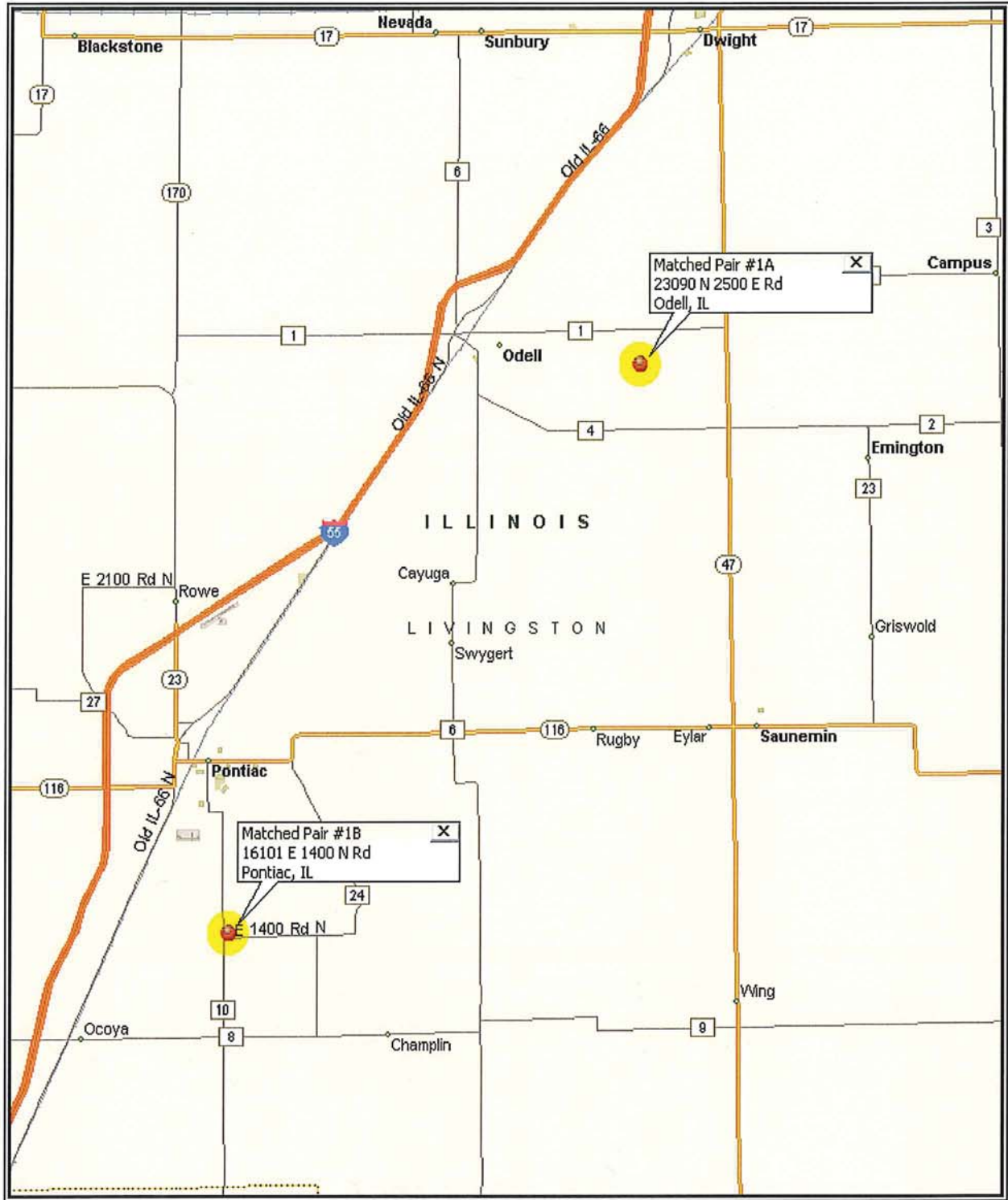
MCLEAN COUNTY MATCHED PAIR #3 LOCATION MAP



LASALLE COUNTY MATCHED PAIR #1 LOCATION MAP



LASALLE COUNTY MATCHED PAIR #2 LOCATION MAP



LIVINGSTON COUNTY MATCHED PAIR #1 LOCATION MAP

MICHAEL S. MAROUS
STATEMENT OF QUALIFICATIONS

Michael S. MaRous, MAI, CRE, is president and owner of MaRous and Company. He has appraised more than \$15 billion worth of primarily investment-grade real estate in more than 25 states. In addition to providing documented appraisals, he has served as an expert witness in litigation proceedings for many law firms; financial institutions; corporations; builders and developers; architects; local, state, county, and federal governments and agencies; and school districts in the Chicago metropolitan area. His experience in partial interest, condemnation, damage impact, easement (including aerial and subsurface), marital dissolutions, bankruptcy proceedings, and other valuation issues is extensive. He has provided highest and best use, marketability, and feasibility studies for a variety of properties. Many of the largest redevelopment areas and public projects, including Interstate 355, the O'Hare International Airport expansion, the Midway Airport expansion, and the McCormick Place expansion, are part of Mr. MaRous' experience. Mr. MaRous also has experience in regard to mediation and arbitration proceedings. Also, he purchases and develops real estate for his own account.

APPRAISAL AND CONSULTATION EXPERIENCE

<ul style="list-style-type: none"> Business Parks Distribution Centers 	<p style="text-align: center;">Industrial Properties</p> <ul style="list-style-type: none"> Manufacturing Facilities Research Facilities 	<ul style="list-style-type: none"> Self-storage Facilities Warehouses
<ul style="list-style-type: none"> Auto Sales/Service Facilities Banquet Halls Big Box Stores 	<p style="text-align: center;">Commercial Properties</p> <ul style="list-style-type: none"> Gasoline Stations Hotels and Motels Office Buildings 	<ul style="list-style-type: none"> Restaurants Shopping Centers Theaters
<ul style="list-style-type: none"> Bowling Alleys Cemeteries Farms Golf Courses 	<p style="text-align: center;">Special-Purpose Properties</p> <ul style="list-style-type: none"> Lumber Yards Nurseries Riverboat Gambling Facilities Schools Stadium Expansion Issues 	<ul style="list-style-type: none"> Tank Farms Underground Gas Aquifers Utility Corridors Waste Transfer Facilities Wind Farms
<ul style="list-style-type: none"> Apartment Complexes Condominium Conversions 	<p style="text-align: center;">Residential Properties</p> <ul style="list-style-type: none"> Condominium Developments Single-family Residences 	<ul style="list-style-type: none"> Subdivision Developments Townhouse Developments
<ul style="list-style-type: none"> Agricultural Alleys Commercial 	<p style="text-align: center;">Vacant Land</p> <ul style="list-style-type: none"> Easements Industrial Residential 	<ul style="list-style-type: none"> Right of Ways Streets Vacations
<ul style="list-style-type: none"> Corporations Financial Institutions 	<p style="text-align: center;">Clients</p> <ul style="list-style-type: none"> Law Firms Not-for-profit Associations 	<ul style="list-style-type: none"> Private Parties Public Entities

EDUCATION

B.S., Urban Land Economics, University of Illinois, Urbana-Champaign
 Continuing education seminars and programs through the Appraisal Institute
 and the American Society of Real Estate Counselors and real estate brokerage classes

PUBLIC SERVICE

Mayor, City of Park Ridge, Illinois (2003-2005)
 Alderman, City of Park Ridge, including Liaison to the Zoning Board of Appeals and Planning and Zoning and
 Chairman of the Finance and Public Safety Committees (1997-2005)

PROFESSIONAL AFFILIATIONS AND LICENSES

Appraisal Institute, MAI designation, Number 6159
Counselors of Real Estate, CRE designation
Illinois Certified General Real Estate Appraiser, License Number 553.000141 (9/17)
Wisconsin Certified General Real Estate Appraiser, License Number 1874-10 (12/17)
Minnesota Certified General Real Estate Appraiser, License Number 40330656 (8/18)
Pennsylvania Certified General Real Estate Appraiser, License Number GA004181 (6/17)
Iowa Certified General Real Estate Appraiser, License Number CG03468 (6/17)
Licensed Real Estate Broker (Illinois)

PROFESSIONAL ACTIVITIES

Mr. MaRous is past president of the Chicago Chapter of the Appraisal Institute. He is former chair and vice chair of the National Publications Committee and has sat on the board of *The Appraisal Journal*. In addition, he has served on and/or chaired more than fifteen other committees of the Appraisal Institute, the Society of Real Estate Appraisers, and the American Institute of Real Estate Appraisers.

Mr. MaRous served as chair of the Midwest Chapter of the Counselors of Real Estate in 2006 and 2007 and has served on the National Board since 2011. He has sat on the Chicago Chapter Board of Directors, the Editorial Board of *Real Estate Issues*, and on various other committees.

Mr. MaRous also is past president of the Illinois Coalition of Appraisal Professionals. He also has been involved with many other professional associations, including the Real Estate Counseling Group of America, the Northwest Suburban Real Estate Board, the National Association of Real Estate Boards, and the Northern Illinois Commercial Association of Realtors.

PUBLICATIONS AND PROFESSIONAL RECOGNITION

Mr. MaRous has spoken at more than 20 programs and seminars related to real estate appraisal and valuation.

Author

"Low-income Housing in Our Backyards," *The Appraisal Journal*, January 1996
"The Appraisal Institute Moves Forward," *Illinois Real Estate Magazine*, December 1993
"Chicago Chapter, Appraisal Institute," *Northern Illinois Real Estate Magazine*, February 1993
"Independent Appraisals Can Help Protect Your Financial Base," *Illinois School Board Journal*, November-December 1990
"What Real Estate Appraisals Can Do For School Districts," *School Business Affairs*, October 1990

Awards

Appraisal Institute - George L. Schmutz Memorial Award, 2001
Chicago Chapter of the Appraisal Institute - Heritage Award, 2000
Chicago Chapter of the Appraisal Institute - Herman O. Walther, 1987 (Distinguished Chapter Member)

Reviewer or Citation in the Following Books

Appraisal of Real Estate, Fourteenth Edition, 2013
Appraisal of Real Estate, Thirteenth Edition, 2008
Appraisal of Real Estate, Twelfth Edition, 2001
Subdivision Valuation, 2008
Real Estate Damages, 2008
Valuation of Apartment Properties, 2007
Valuation of Billboards, 2006
Appraising Industrial Properties, 2005
Valuation of Market Studies for Affordable Housing, 2005
Valuing Undivided Interest in Real Property: Partnerships and Cotenancies, 2004
Analysis and Valuation of Golf Courses and Country Clubs, 2003
Dictionary of Real Estate Appraisal, Fourth Edition, 2002
Dictionary of Real Estate Appraisal, Sixth Edition, 2015
Valuing Contaminated Properties: An Appraisal Institute Anthology, 2002
Hotels and Motels: Valuation and Market Studies, 2001
Land Valuation: Adjustment Procedures and Assignments, 2001
Appraisal of Rural Property, Second Edition, 2000
Capitalization Theory and Techniques, Study Guide, Second Edition, 2000
Guide to Appraisal Valuation Modeling Land, 2000
Appraising Residential Properties, Third Edition, 1999
Business of Show Business: The Valuation of Movie Theaters, 1999
GIS in Real Estate: Integrating, Analyzing and Presenting Locational Information, 1998
Market Analysis for Valuation Appraisals, 1995

REPRESENTATIVE WORK OF MICHAEL S. MAROUS

Headquarters/Corporate Office Facilities in Illinois

Fortune 500 corporation facility, 200,000 sq. ft., Libertyville
Corporate headquarters, 300,000 sq. ft. and 500,000 sq. ft., Chicago
Fortune 500 corporation facility, 450,000 sq. ft., Northfield
Major airline headquarters, 1,100,000 million sq. ft. on 47 acres, Elk Grove Village
Former communications facility, 1,400,000 million sq. ft. on 62 acres, Skokie and Niles
Corporate Headquarters, 1,500,000+ sq. ft., Lake County
Former Sears Headquarters Redevelopment Project, Chicago

Office Buildings in Chicago

401 South LaSalle Street, 140,000 sq. ft.
134 North LaSalle Street, 260,000 sq. ft.
333 North Michigan Avenue, 260,000 sq. ft.
171 West Randolph Street, 360,000 sq. ft.
20 West Kinzie Street, 405,000 sq. ft.
55 East Washington Street, 500,000 sq. ft.
10 South LaSalle Street, 870,000 sq. ft.
222 West Adams, 1,000,000 sq. ft.
141 West Jackson Boulevard, 1,065,000 sq. ft.
333 S. Wabash, 1,125,000 sq. ft.
155 N. Wacker, 1,406,000 sq. ft.
70 West Madison Street, 1,430,000 sq. ft.
111 S. Wacker, 1,454,000 sq. ft.
175 West Jackson Boulevard, 1,450,000 sq. ft.
227 West Monroe, 1,800,000 sq. ft.
10 South Dearborn Street, 1,900,000 sq. ft.

Hotels in Chicago

One West Wacker Drive (Renaissance Chicago Hotel)
10 E. Grand Avenue (Hilton Garden Inn)
106 East Superior Street (Peninsula Hotel)
120 East Delaware Place (Four Seasons)
140 East Walton Place (The Drake Hotel)
160 East Pearson Street (Ritz Carlton)
301 East North Water Street (Sheraton Hotel)
320 North Dearborn Street (Westin Chicago River North)
401 North Wabash Avenue (Trump Tower)
505 North Michigan Avenue (Hotel InterContinental)
676 North Michigan Avenue (Omni Chicago Hotel)
800 North Michigan Avenue (The Park Hyatt)

Large Industrial Properties in Illinois

Large industrial complexes, 400,000 sq. ft., 87th Street and Greenwood Avenue, Chicago
Distribution warehouse, 580,000 sq. ft. on 62 acres, Champaign
Publishing house, 700,000 sq. ft. on 195 acres, U.S. Route 45, Mattoon
AM Chicago International, 700,000± sq. ft. on 41 acres, 1800 West Central, Mt. Prospect
Nestlé distribution center, 860,000 sq. ft. on 153 acres, DeKalb
U.S. Government Services Administration distribution facility, 860,000 sq. ft., 76th Street and Kostner Avenue, Chicago
Fortune 500 company distribution center, 1,000,000 sq. ft., Elk Grove Village
Caterpillar Distribution Facility, 2,231,000 sq. ft., Morton
Self-storage facilities, various Chicago metropolitan locations

Airport Related Properties

Mr. MaRous has done valuations on more than 100 parcels in and around O'Hare International Airport, Chicago Midway Airport, Palwaukee Municipal Airport, Chicago Aurora Airport, DuPage Airport, and Lambert-St. Louis International Airport

Vacant Land in Illinois

15 acres, office, Northbrook	250 acres, Island Lake
20 acres, residential, Glenview	450 acres, residential, Wauconda
25 acres, Hinsdale	475± acres, various uses, Lake County
55 acres, mixed-use, Darien	650 acres, Hawthorne Woods
68 acres, Roosevelt Road and the Chicago River	650 acres, Waukegan/Libertyville
75 acres, I-88 at I-355, Downers Grove	800 acres, Woodridge
100± acres, various uses, Lake County	900 acres, Matteson
100 acres, Western Springs	1,000± acres, Batavia area
140 acres, Flossmoor	2,000± acres, Northern Lake County
142 acres, residential, Lake County	5,000 acres, southwest suburban Chicago area
160 acres, residential, Cary	Landfill expansion, Lake County
200 acres, mixed-use, Bartlett	

Retail Facilities

20 Community shopping centers, various Chicago, Metropolitan locations
Big-box uses, various Chicago metropolitan locations and the Midwest
Gasoline Stations, various Chicago metropolitan locations
More than 50 single-tenant retail facilities larger than 80,000 sq. ft., various Midwest metropolitan locations

Residential Projects

Federal Square townhouse development project, 118 units, \$15,000,000+ sq. ft. project, Dearborn Place, Chicago
Marketability and feasibility study, 219 East Lake Shore Drive, Chicago
Riverview II, Chicago, Old Town East and West, Chicago, Museum Park Lofts II, Museum Park Tower 4, University Commons, Two
River Place, River Place on the Park, Chicago
Timber Trails, Western Springs, Illinois

Market Impact Studies

Land fill projects in various locations
Quarry expansions in Boone and Kendall counties
Commercial development and/or parking lots in various communities
Zoning changes in various communities
Waste transfer stations in various communities

Energy Projects

Oakwood Hills Energy Center, McHenry County Illinois, market impact analysis
Walnut Ridge Wind Farm, Bureau County, Illinois, market impact analysis
Twin Forks Wind Farm, Macon County, Illinois, market impact analysis
Twin Groves Wind Farm, McLean County, Illinois, market impact analysis
Otter Creek Wind Farm, LaSalle County, Illinois, market impact analysis
Pleasant Ridge Wind Farm, Livingston County, Illinois, consulting
Commonwealth Edison, high tension lines, market impact analysis
Lackawanna Power Plant, Lackawanna County, Pennsylvania, market impact analysis
Brookhaven, New York, solar energy production facility, consulting

Business and Industrial Parks

Chevy Chase Business Park, 30 acres, Buffalo Grove
Carol Point Business Center, 300-acre industrial park, Carol Stream, \$125,000,000+ project
Internationale Centre, approximately 1,000 acre-multiuse business park, Woodridge

Properties in Other States

330,000 sq. ft., Newport Beach, California
Former government depot/warehouse and distribution center, 2,500,000 sq. ft. on 100+ acres, Ohio
Shopping Center, St. Louis, Missouri
Office Building, Clayton, Missouri
Condominium Development, New York, New York
Hormel Foods, various Midwest locations
Wisconsin Properties including Lowes, Menards, Milwaukee Zoo, CVS Pharmacies in Milwaukee, Dairyland Race Track, Major Industrial Property in Manawa, Class A Office Buildings and Vacant Land

REPRESENTATIVE CLIENT LISTING OF MICHAEL S. MAROUS

Law Firms

Alschuler, Simantz & Hem LLC
Ancel, Glink, Diamond, Bush,
DiClanni & Krafthefer
Arnstein & Lehr LLP
Berger, Newmark & Fenchel P.C.
Berger Schatz
Botti Law Firm, P.C.
Carmody MacDonald P.C.
Carr Law Firm
Crane, Heyman, Simon, Welch & Clar
Daley & Georges, Ltd.
Dentons US LLP
DiMonte & Lizak LLC
DLA Piper
Dreyer, Foote, Streit, Furgason &
Slocum, P.A.
Drinker, Biddle & Reath LLP
Figliulo & Silverman, P.C.
Foran, O'Toole & Burke LLC
Franczek Radelet P.C.
Fredrikson & Byron, P.A.
Freeborn & Peters LLP
Gould & Ratner LLP

Greenberg Traurig LLP
Helm & Wagner
Robert Hill Law, Ltd.
Hinshaw & Culbertson LLP
Holland & Knight LLP
Ice Miller LLP
Jenner & Block
Katz & Stefani, LLC
Kinnally, Flaherty, Krentz, Loran, Hodge
& Mazur PC
Kirkland & Ellis LLP
Klein, Thorpe & Jenkins, Ltd.
McDermott, Will & Emery
Mayer Brown
Michael Best & Friedrich LLP
Morrison & Morrison, Ltd.
Bryan E. Mraz & Associates
Neal, Gerber & Eisenberg, LLP
Neal & Leroy LLC
O'Donnell Haddad LLC
Prendergast & DelPrincipe
Rathje & Woodward, LLC
Righeimer, Martin & Cinquino, P.C.

Robbins, Salomon & Patt, Ltd.
Rosenfeld Hafron Shapiro & Farmer
Rosenthal, Murphey, Coblentz & Donahue
Rubin & Associates, P.C.
Ryan and Ryan, P.C.
Reed Smith LLP
Sarnoff & Baccash
Scariano, Himes & Petrarca, Chtd.
Schiff Hardin LLP
Schiller, DuCanto & Fleck LLP
Schirott, Luetkehans & Garner, LLC
Schuyler, Roche & Crisham, P.C.
Sidley Austin LLP
Storino, Ramello & Durkin
Thomas M. Tully & Associates
Thompson Coburn, LLP
Tuttle, Vedral & Collins, P.C.
Vedder Price
von Briesen & Roper, SC
Winston & Strawn LLP
Worsek & Vihon LLP

Financial Institutions

AmericaUnited Bank Trust
BMO Harris Bank
Charter One
Citibank
Cole Taylor Bank
First Bank of Highland Park
First Financial Northwest Bank

First Midwest Bank
First State Financial
Glenview State Bank
Itasca Bank & Trust Co.
Lake Forest Bank & Trust Co.
MB Financial Bank

Midwest Bank
Northern Trust
Northview Bank & Trust
The Private Bank
Wintrust

Corporations

Advocate Health Care System
Alliance Property Consultants
American Stores Company
Archdiocese of Chicago
Arthur J. Rogers and Company
Avangrid Renewables, LLC
BHE Renewables
BP Amoco Oil Company
Christopher B. Burke Engineering, Ltd.
Cambridge Homes
Canadian National Railroad
Capital Realty Services, Inc.
Chicago Cubs
Children's Memorial Hospital
Chrysler Realty Corporation

Citgo Petroleum Corporation
CorLands
CVS
Edward R. James Partners, LLC
Enterprise Development Corporation
Enterprise Leasing Company
Exxon Mobil Corporation
Hamilton Partners
Hollister Corporation
Imperial Realty Company
Invenergy LLC
Kimco Realty Corporation
Kinder Morgan, Inc.
Lakewood Homes

Lowe's Companies, Inc.
Loyola University Health System
Marathon Oil Corporation
Meijer, Inc.
Menards
Mesirow Stein Real Estate, Inc.
Paradigm Tax Group
Prime Group Realty Trust
Public Storage Corporation
RREEF Corporation
Shell Oil Company
Union Pacific Railroad Company
United Airlines, Inc.

Public Entities

Illinois Local Governments and Agencies

Village of Arlington Heights	Glenview Park District	City of Palos Hills
Village of Barrington	Village of Harwood Heights	City of Peoria
Village of Bartlett	City of Highland Park	City of Prospect Heights
Village of Bellwood	Village of Hinsdale	City of Rolling Meadows
Village of Brookfield	Village of Inverness	Village of Rosemont
Village of Burr Ridge	Village of Kenilworth	City of St. Charles
City of Canton	Village of Kildeer	Village of Schaumburg
Village of Cary	Village of Lake Zurich	Village of Schiller Park
City of Chicago	Leyden Township	Village of Skokie
Village of Deer Park	Village of Lincolnshire	Village of South Barrington
City of Des Plaines	Village of Lincolnwood	Village of Streamwood
Des Plaines Park District	Village of Morton Grove	Metropolitan Water Reclamation
Downers Grove Park District	Village of Mount Prospect	District of Greater Chicago
City of Elgin	Village of North Aurora	City of Waukegan
Elk Grove Village	Village of Northbrook	Village of Wheeling
City of Elmhurst	City of North Chicago	Village of Wilmette
Village of Elmwood Park	Village of Northfield	Village of Willowbrook
City of Evanston	Northfield Township	Village of Winnetka
Village of Forest Park	Village of Oak Brook	Village of Woodridge
Village of Franklin Park	Village of Orland Park	
Village of Glenview		

County Governments and Agencies

Boone County State's Attorney's Office	Forest Preserve District of DuPage County	Lake County
Forest Preserve of Cook County	Kane County	Lake County Forest Preserve District
Cook County State's Attorney's Office	Kendall County Board of Review	Lake County State's Attorney's Office
DuPage County Board of Review		Morton Township
		Peoria County

State and Federal Government Agencies

Federal Deposit Insurance Corporation	Illinois Housing Development Authority	Internal Revenue Service
U.S. General Services Administration	Illinois State Toll Highway Authority	The U.S. Postal Service

Schools

Argo Community High School District No. 217	Elk Grove Community Consolidated District No. 59	Northwestern University
Arlington Heights District No. 25	Elmhurst Community Unit School District No. 205	Orland Park School District No. 135
Township High School District No. 214, Arlington Heights	Glen Ellyn School District No. 41	Palatine High School District #211
Barrington Community Unit District No. 220	Glenbard High School District No. 87	Rhodes School District No. 84-1/2
Chicago Board of Education	Indian Springs School District No. 109	Riverside-Brookfield High School District No. 208
Chicago Ridge District No. 127½	LaGrange School District No. 105	Rosalind Franklin University
College of Lake County	Lake Forest Academy	Roselle School District No. 12
Community Consolidated School District No. 15	Leyden Community High School District No. 212	Schaumburg Community Consolidated District No. 54
Community Consolidated School District No. 146	Loyola University	Sunset Ridge School District No. 29
Community School District No. 200	Lyons Township High School District No. 204	Township High School District No. 211
Consolidated High School District No. 230	Maine Township High School District No. 207	Township High School District No. 214
Darien District No. 61	Niles Elementary District No. 71	Triton College
DePaul University	North Shore District No. 112, Highland Park	University of Illinois
		Wheeling Community Consolidated District No. 21
		Wilmette District No. 39