

AN APPRAISAL

OF

RC Cabins, LLC



OWNED BY

Mr. & Mrs. Cook

Located:

295 Panthers Den Road

Makanda, IL 62958

Appraised For:

Mr. Steve Schauwecker

First Southern Bank

301 E. Main Street

Carbondale, IL 62901

Appraiser:

Ronald W. Reeder, ASA, IFAS

Ron Reeder Appraisal Service, Inc.

1837 Walnut Street

Murphysboro, IL 62966

Chapter 1 – Introduction

Transmittal Letter

Table of Contents

Summary of Important Conclusions

Summary of Appraisal Techniques

Ron Reeder Appraisal Service, Inc.
1837 Walnut Street
Murphysboro, IL 62966
618-687-4051

July 29, 2025

Mr. Steve Schauwecker
First Southern Bank
301 E. Main Street
Carbondale, IL 62901

RE: Property Appraisal: RC Cabins, LLC
295 Panthers Den Road
Makanda, IL 62958

Dear Mr. Schauwecker:

Please be advised that I have completed an appraisal report on the above-referred property to estimate the fair market value in Leased Fee and Fee Simple as of July 29, 2025. The appraiser is using an updated income and expense statement provided by Mr. Schauwecker, which was updated with the expertise of Mr. Schauwecker and Mr. Cooks accountant.

As a result of the inspection of the property, my analysis and conclusions from the market data, it is my opinion the estimated fair market value “as is” .

Based on the appraisal described in the accompanying report, subject to the Limiting Conditions and Assumption, I have made the following valuation conclusion for the real estate and FF &E.

\$1,427,000
One Million Four Hundred Twenty-Seven Thousand Dollars

“The America Society of Appraisers has a mandatory program of continuing education for designated members. I have successfully completed this program for the cycle ending December 31, 2028.”

This appraisal has been prepared in conformity with the Code of Ethics of the National Association of Independent Fee Appraisers and USPAP. This appraisal has been prepared in conformity with the Code of Ethics of the National Association of Independent Fee Appraisers and USPAP. I certify I have no present or contemplated future interests in the property beyond this estimate of value. The appraiser has performed an appraisal on this property in the past three (3) years.

The market exposure time preceding March 18, 2025, would have been over 12 months. "Exposure time is a retrospective opinion based on historical data." The estimated marketing period as of March 18, 2025, is over 12 months, Date from sales- Costar. "Marketing time" is a "forecast that is made looking forward from the effective date." ¹

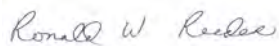
The following appraiser sets forth the pertinent data gathered, the appraisal techniques used, and the reasoning leading to the opinion of value. The analyses, opinions and conclusions were developed based on, and this report has been prepared in conformance with, the guidelines and recommendations set forth in the Uniform Standards of Professional Appraisal Practice (USPAP).

The intended use and user of our reports are specifically identified in our report as per the engagement letter. Any intended user who has not entered into a written agreement with Ron Reeder Appraisal Service, Inc, in connection with this report. No other use of use or users of the report is permitted by any other party for any other purpose. Dissemination of this report by any party to any non-intended users does not extend reliance to any such party, and Ron Reeder Appraisal Service, Inc, will not be responsible for any unauthorized use of such report, its conclusions, or contents or any part of the appraisal report.

Thanks for using Ron Reeder Appraisal Service, Inc. If you have any questions or comments Ron Reeder Appraisal Service, Inc. will glad to assist in any manner. This appraisal has been prepared according to Standard Rule 2-2 of the Uniform Standards of Professional Appraisal Practice.

Thank you for allowing me to be of service.

Sincerely,



Ronald W. Reeder, ASA, IFAS
Certified General Real Estate Appraiser
IL License # 553.000163
Expiration: 09/30/2025

Table of Contents

<u><i>Document</i></u>	<u><i>Page</i></u>
Chapter 1 - Introduction.....	1-2
Transmittal Letter.....	1-3
Table of Contents	1-5
Summary of Important Conclusions.....	1-7
Summary of Appraisal Techniques	1-11
Chapter 2 - Premises of the Appraisal.....	2-1
Statement of Limiting Conditions	2-4
Scope of Work	2-8
Definition of Fair Market Value.....	2-10
Property Rights Appraised	2-11
Extent of the Appraisal Process.....	2-12
Chapter 3 - Presentation of Data	3-22
Description of Realty	3-23
Chapter 4 - Analysis of Data and Conclusions	4-1
Highest and Best Use	4-2

Cost Approach.....	4-4
Income Approach	4-13
Sales Comparison Approach	4-20
Correlation and Market Value Conclusions.....	4-23
 Chapter 5 - Addenda	 5-1
Appraiser's Qualifications.....	5-2
Copy of Appraiser's License.....	5-3
Sketch/Area Table Addendum.....	5-6
FEMA Flood Map.....	5-8
Subject Photos	5-9
Location Map	5-20
Tax Statement.....	5-22
Aerial Photo	5-26
Legal Description	5-29
Property Record Cards	5-32
Engagement Letter	5-37
Multi-Purpose Supplemental Addendum.....	5-43
Certification of Value.....	5-45
Glossary	5-52

Summary of Important Conclusions

Property Location:	295 Panthers Den Road Makanda, IL 62958
Property Rights Appraised:	Leased Fee and Fee Simple
Fee Owner of Record:	RC Cabins, LLC
Buyer:	None
Land:	6.66 acres irregular shaped
Real Property Improvements:	Cabin #1 - 768 square feet. Cabin #2 - 624 square feet Cabin #3 - 728 square feet.
Total Square footage:	2,120 square feet
Age:	Cabin #1, 2013, 12 years Cabin #2, 2015, 10 years Cabin #3, 2015, 10 years
Effective age	10 years
Remaining Economic Life:	40 years
Condition:	Average
Legal:	see in addendum
Flood Zone:	17181C0125, Zone X- 05-02-2008
Sales History:	Has not sold in the past three years Last sales date: 06/22/2015, Comb to

	RC Cabins, LLC
Zoning:	Legal use
Highest and Best Use as Vacant:	Cabins
Highest and Best Use as Occupied:	Cabins
FF & E:	Included with furniture to operate as cabin rentals
Date of Inspection:	March 18, 2025
Effective Date of Appraisal Report:	July 29, 2025
Date of Appraisal Report:	July 29, 2025
Actual Density to Use:	Legal Use
Currently Use Legally Conforming:	Current use legally conforming
Zoning Change Likely:	A zoning change is unlikely
Intended User:	Mr. & Mrs. Cook
Intended Use:	Estimate the market value for personal use
Purpose:	Estimate market value to determine the market value to determine the market value for sale purposes.
Total Units:	Three (3)
Stories:	One (1)
Total Rentable Unit:	Three (3)
Listing Price:	Not listed for sale on the open market at time of the inspection.

Tax ID #:	10-18-2000-011
Taxes:	\$4,094.36
Assessed Value:	\$50,903
Parking:	On-site parking, asphalt
Market:	Local or Regional Investor
Hypothetical Condition:	No
Extraordinary Assumption:	Yes, the site is not contaminated if found to be contaminated the appraiser reserves the right to reappraise the subject property.
Sources:	Union County Assessor Union County Recorder Union County Treasurer Legal Description Measured exterior of building by Appraiser by Ronald W. Reeder, ASA, IFAS Pictures were taken on the interior and exterior of building. Postal Address Egyptian MLS Costar FEMA Flood Map Aerial map, Union County assessor Zoning - Union County Met with Mr. & Mrs. Cook on-site Mr. Schauwecker provided the income updated information to Ronald W Reeder

Exposure Time:

Exposure time is presumed to occur prior to the effective date of the appraisal. It is the estimated time 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. Exposure time is different for various types of real estate and various market conditions or price ranges. Value estimates made in this appraisal assume an exposure period of over twelve months with a reasonable asking price.²

Marketing Period:

The marketing period is defined as an opinion of the amount of time it might take to sell real or personal property interest at the concluded market value level during the period immediately after the effective date of the appraisal.²

² The Dictionary of Real Estate Appraisal, 6th Ed, 2015, page 83

Intended User of Report:

This appraisal is to be used by Mr. Steve Schauwecker and First Southern Bank, Carbondale IL, and no other user may rely on our report unless specifically indicated in the report. Intended User - the intended user is the person (or entity) who is the appraiser. Intends will use the results of the appraisal. The client may provide the appraiser with information about other potential users of the appraisal, but the appraiser determines who the appropriate users are given the appraisal problem to be solved. Identifying the intended users is necessary so that the appraiser can report the opinions and conclusions developed in the appraisal in a manner that is clear and understandable to the intended users. Parties who receive or might receive a copy of the appraisal are not necessarily intended users. Parties who receive or might receive a copy of the appraisal are not necessarily intended users. The appraiser's responsibilities to the intended users are identified in the report, not all readers of the appraisal report.

4. Appraisal Institute, The Appraisal of Real Estate, 14th. ed. (Chicago, Appraisal Institute, 2013,

Summary of Appraisal Techniques

Address:	295 Panthers Den Road, Makanda, IL
Zoning:	None, legal use
Land:	6.66 acres
Real Property Improvements:	One (1) story frame cabin – 768 square feet One (1) story partial inground cabin-624 sq. ft. One (1) story partial inground cabin-728 sq. ft.
Parking:	On-site for each cabin
Construction:	Class D and C
Gross Building:	2,120 sq. ft.
Rentable square footage:	2,120 sq. ft.
Rents:	Sunday through Thursday - \$209/night Friday & Saturday - \$260/night
Non-Realty Items:	FF & E
Date of Appraisal Inspection:	March 18, 2025
Effective Date of Appraisal Report:	July 29, 2025
Date of Appraisal Report:	July 29, 2025
Estimated Values:	
Cost Approach	Considered- Not developed
Income Approach:	\$1,427,000
Sales Comparison Approach:	Considered-not developed

Final Estimate Market Value: \$1,427,000

One Million Four Hundred Twenty-Seven Thousand Dollars

Scope of Work

The client has assigned the appraiser to develop an opinion of the subject's leased fee value, based on the "as is" leased fee value. The appraiser has made a determination as to the scope of work necessary to solve the client's appraisal problem. The appraisal is based on the scope of work in accordance with USPAP Standard 1 (Real Property Appraisal Development). The report has been prepared in accordance with USPAP Standard 2 (Real Property Reporting), is communicated in an Appraisal Report type, and USPAP defines the Scope of Work as:

"The amount and type of information researched, and the analysis applied in an assignment. Scope of includes, but is not limited to, the following: the degree to which the property is inspected or identified; the extent of research into physical or economic factors that could affect the property; the extent of data research; and the type and extent of analysis applied to arrive at opinions or conclusions."

Type and Extent of Inspection:

Physical inspection of the property being appraised was conducted by Appraiser, Ronald W. Reeder, ASA, IFAS on March 18, 2025. The inspection included observation of the subject as well as the neighborhood in which it is located. The land was inspected on the date of viewing. The building was constructed at the time of inspection. The land was inspected for topography, landscaping, potential floodplain issues, utilities, drainage issues, surrounding land uses, and other characteristics that are relevant to the value of the site and improvements. In addition, the appraiser performed

an observation of the market area to determine demographics, land uses, employment, traffic flows and patterns, area factors, zoning, and land use compatibility issues.²

2. McKissock, Report Writing and Cases, 30-hour course.

Chapter 2 - Premises of the Appraisal

Confidentiality/Trade Secrets

Statement of Limiting Conditions/Authenticity

Purpose and Use of the Appraisal

Definition of Fair Market Value

Property Rights Appraised

Extent of the Appraisal Process

Owner of Record

Location of Realty

Legal Description

Areas of the Parcel

Transfers within the Past Three Years

Property Tax Assessment Information

Area Data and Trends

Neighborhood Data

Conclusions: City and Neighborhood Data

Statement of Limiting Condition

Contingent and Limiting Conditions:

The appraiser's certification that appears in the appraisal report is subject to the following conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The appraiser assumes that the title is good and marketable and, therefore, will not render any opinions about the title. The property is appraised on the basis of it being under responsible ownership.
2. The appraiser has provided a sketch in the appraisal report to show approximate dimensions of the improvements, and the sketch is included only to assist the reader of the report in visualizing the property and understanding the appraiser's determination of its size.
3. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in the appraisal report whether the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
4. The appraiser will not give testimony or appear in court because he or she has given an appraisal of the property in question, unless specific arrangements to do so have been made beforehand.
5. The appraiser has considered the cost approach and did not use it due to it is difficult to estimate the depreciation which could mislead the reader of this report. The

appraiser was to estimate the leased fee value and not the sales comparison approach value. This does not mislead the reader of this report.

6. The appraiser has noted in the appraisal report any adverse conditions (such as needed repairs, depreciation, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he became aware of during the normal research involved in performing the appraisal. Unless otherwise stated in the appraisal report, the appraiser has no knowledge of any hidden or unapparent conditions of the property or adverse environmental conditions (including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, the appraisal report must not be considered as an environmental assessment of the property.
7. The appraiser obtained the information, estimates, and opinions that were expressed in the appraisal report from sources that he considers to be reliable and believes them to be true and correct. The appraiser does not assume responsibility for the accuracy of such items that were furnished by other parties.
8. The appraiser will not disclose the contents of the appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice.

9. The appraiser has based his appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that completion of the improvements will be performed in an efficient manner.
10. The appraiser must provide his prior written consent before the lender/client specified in the appraisal report can distribute the appraisal report (including conclusions about the property value, the appraiser's identity and professional designations, and references to any professional appraisal organizations or the firm with which the appraiser is associated) to anyone other than the borrower; the mortgagee or its successors and assigns; the mortgage insurer; consultants; professional appraisal organizations; any state or federally approved financial institution; or any department, agency, or instrumentality of the United States or any state or the District of Columbia; except that the lender/client may distribute the property description section of the report only to data collection or reporting service(s) without having to obtain the appraiser's prior written consent. The appraiser's written consent and approval must also be obtained before the appraisal can be conveyed by anyone to the public through advertising, public relations, news, sales, or other media.

Authenticity

The original appraisal will be signed in blue ink. If this is not present, the appraisal report is not complete and original.

Scope of Work

According to USPAP-2024-2025, the scope of work is the amount and type of information researched, and the analysis applied in an assignment. Scope of work includes but is not limited to the degree to which the property is inspected or identified; the extent of research into physical or economic factors that would affect the property; the extent of data researched; and the type of analysis applied to arrive at opinions or conclusions. In this assignment, the scope of work is briefly summarized as follows.

The appraiser began the assignment by defining the appraisal problem. This was accomplished by reviewing information relating to the legal description of the subject property, Union County Records, information from the owner and from the Egyptian MLS service. The appraiser physically inspected the subject property and the surrounding market area. Ronald W. Reeder, ASA, IFAS, inspected the property on March 18, 2025.

Ronald W. Reeder, ASA, IFAS, assembled information relating to the subject property including, without limitation location, size and shape, access, shape and relation to other buildings. The appraiser obtained information from the Union County Courthouse, the Assessor's office. The appraiser obtained information from the County of Union regarding the permitted uses under the subject property's current zoning designation. The subject property is of legal use.

The local and regional market was researched for information relating to sales

of similar properties. The appraiser verified the sales with the MLS or the assessor's office.

The appropriate valuation procedures were applied in the development and reconciliation of the market value estimate for the subject property. The appraisal was ordered to estimate the market value for personal use only.

Use of the Appraisal

The use of this appraisal is to aid the client in estimating the market value of the subject property for personal use only. Mr. Steve Schauwecker, First Southern Bank, Carbondale, IL, ordered this appraisal, Carbondale, IL, to estimate the market value of the subject property for loan underwriting purposes only.

INTENDED USER

The Uniform Standards of Professional Appraisal Practice – 2024-2025 Edition (“USPAP”) defines “intended user” as:

“The use or uses of an appraiser’s reported appraisal, appraisal review, or appraisal consulting assignment opinions, and conclusions, as identified by the appraisers based on communication with the client at the time of the assignment.”

The “intended use” of the Appraisal Report is to develop an opinion of market value of the fee simple estate of the subject property, for guidance in estimating the market value of the subject property for loan underwriting purposes only. It is not intended for any other use.

IDENTIFICATION OF THE CLIENT
AND INTENDED USERS

The Uniform Standards of Professional Appraisal Practice-2024-2025 Edition (“USPAP”)

Defines “client” and “intended user” as follows:

1. ***Client***: The client is the party or parties who engage and appraiser (by employment or contract) in a specific assignment. On this basis, the client is identified as Mr. Steve Schauwecker, First Southern Bank, Carbondale, IL.
2. Intended ***User***: The intended user is the client, and any other party as identified, by name or type, as users of the appraisal, appraisal review, or appraisal consulting report by the appraiser on the basis of communication with the client at the time of the assignment. On this basis, the intended user is Mr. Steve Schauwecker, First Southern Bank, Carbondale, IL. All other parties who rely upon this report without written consent do so at their own risk. No other use is acknowledged or anticipated (unless noted herein).

Definition of Fair Market Value

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, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of sales 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 each acting in what he considers his own best interest; (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.

*Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third-party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for the dollar cost of the financing or concession, but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the Appraiser's judgment.

Effective Date of Appraisal:	March 18, 2025
Date of Property Inspection:	July 29, 2025
Date of Appraisal Report:	July 29, 2025

1The Dictionary of Real Estate Appraisal, Appraisal Institute, 6th Edition, 2015, Page141

Property Rights Appraised

This appraisal assignment is based on valuing the Lease Fee Interest.

A leased fee interest is defined as:

6 "The ownership interest held by the lessor, which includes the right to receive the contract rent specified in the lease plus the reversionary right when the lease expires"

A fee simple estate is defined as:

6 "Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the government powers of taxation, eminent domain, police power, and escheat."

⁶ The Dictionary of Real Estate Appraisal, 6th ed. (Chicago: The Appraisal Institute), 2015, P-90.

Extent of the Appraisal Process

Real Estate Valuation Approaches Considered:

The value conclusions herein are based upon review and analysis of market conditions affecting real property value including listing and sale prices, costs of construction and depreciation, and the attributes of competitive properties. This information has been obtained from public records, real estate salespeople and brokers, buyers and sellers, builders and engineers, national cost services, other appraisers, and personal research, inspection and market experience. In addition, the subject property has been inspected and photographed by the appraiser.

The sales comparison approach, cost approach, and income approach were considered for applicability for estimating value. The appraiser will consider all recognized methods and techniques, as a check and balance to ensure that a credible appraisal is produced and the report is not misleading to the reader, based on their acceptance of the assumptions and limiting conditions and the exceptions stated in this report.

Owner of Record:	RC Cabins
Contract Purchaser:	None
Location of Realty:	295 Panthers Den Road, Makanda, IL
Legal Description:	See attached in addendum
Tax ID #:	01-09-00-042-2 01-09-00-052-E
Taxes:	\$4,174.28
Tax Rate:	4.0900
Assessment:	\$72,010

Real estate is assessed at one-third of the market value estimated by the County Assessor of Anna County. The assessed value of 2023 is \$72,010, indicating the market value of \$216,030.

TAXING BODIES AND RATES

Taxing Body	Tax Rate
Anna-Jonesboro CHS 18	2.074510
Lick Creek School 16	1.678990
County of Union	1.341360
Shawnee CC 531	0.370190
Stinson M Library	0.175760
County Unit Road District	0.156000
Total	5.796810

Area Data and Trends:

The subject property is located on the north side of Panthers Den Road located in Makanda IL. The subject property is located in Union County on the south side of Blue-Sky Vineyard. The subject property has Makanda address and is located close proximity to Carbondale, IL and Cobden, IL. The population of Union County has increased from 2010 to 2023. The population has increased from 16,653 to 16,886. The average winter temperature is 35.00 degrees, summer temperature is 77.0 degrees, and annual rainfall is 43.63 inches.

The nearest airport is Williamson County Regional Airport which has one commercial airline with flights to Chicago. Ameren/Illinois is the supplier as well as the electrical supplier. There is one local public hospital in Carbondale, IL. There is a Veterans Hospital located in Marion, IL with a 130-bed hospital for US Veterans. There is one elementary school, one middle school and one High School located in Cobden, IL.

Major employers are Marion Pepsi Cola, Blue Cross/Blue Shield, Primex Corporation, United Parcel Service, Heartland Regional Medical Center, US Department of Justice, Frontier, Ameren/CIPS, Union County, and Veterans Administration.

Neighborhood Data:

Jonesboro is the County Seat of Union County, IL. Carbondale and Marion, IL serves as the largest retail trade center in Southern Illinois with its central location along Interstate 57 and IL Route 13. Marion is the home of a professional baseball team. Located in Carbondale is Southern Illinois University. The subject property is located in close proximity to Sky View Vineyard, Shawnee National Forest, Panthers Den, Giant

City State Park, Marion, IL, Carbondale, IL, Cobden, IL, Little Grassy Lake, Devils Kitchen Lake, Crab Orchard Lake, Lake of Egypt, IL, and Shawnee Bluffs Canopy Tour and Rock Climbing. The cabins are located on the Shawnee Wine Trail.

The neighborhood is defined as an area that is bound by roads, railroads or other permanent structures. The subject property is bound by IL. Rt. 13 to the north, Interstate 57 to the east, US Highway 51 to the west and Panthers Den Road to the south. The neighborhood consists of Sky View Vineyards, single family residential, cabins, wooded land, tillable land, pastureland and vineyards.

Marion and Carbondale are located near many venues for outdoor activities, including some 14 parks in the immediate vicinity. These include the Crab Orchard National Wildlife Refuge, the Shawnee National Forest, Giant City State Park, Little Grand Canyon, Piney Creek Ravine, Pomona Natural Bridge, the Garden of the Gods Wilderness area, and Trail of Tears State Park. These areas offer opportunities for hiking, boating, biking, and horseback riding.

Five minutes south of Carbondale is the city reservoir, Cedar Lake, which is open to kayaking, canoeing and fishing. Other lakes include Little Grassy Lake, Devils Kitchen Lake, Crab Orchard Lake and Kinkaid. South of Marion, IL is Lake of Egypt which is used for fishing and boating. This is a private lake owned by South

The average winter temperature is 29.90 degrees; summer temperature is 86.5 degrees. Annual rainfall is 47.20 inches, including an average 11 inches of snow. Carbondale is located in Jackson County which is located in the southern portion of Illinois adjacent to US Highway Rt. 51 which runs north and south. Illinois Rt. 13 which runs east and west. Both highways run through the center of Carbondale, Illinois. Carbondale is home of Southern Illinois University, a state university.

The nearest airport is Southern Illinois Airport which has no commercial airlines, and the Veterans Memorial Airport located on the northeast corner of IL Route 148 and IL Route 13. Carbondale Airport is a local airport used for private aircraft and Southern Illinois University School of Aviation. The subject is 16 miles from Williamson County Regional Airport, where one commercial airlines service provides passenger service to Chicago, IL.

Rail service is provided by Amtrack, the US passenger system provides service from Carbondale to Chicago, three trains per day and one train daily to and from Memphis, Tenn. The Saluki Express provides a bus service around the city. SIUC students, faculty, and staff as well as the greater Carbondale community, are

encouraged to use the service. This system offers eleven routes operating seven days a week while the university is in session, and a “break route” operating during semester breaks. Carbondale has one licensed taxi company, Jet Taxi. Greyhound offers an intercity bus service for Carbondale.

Major employers are SIH Hospital Services, Heartland Hospital, Southern Illinois University, City of Carbondale, City of Marion, Union County, Williamson County, several retail establishments, Marion Federal Penitentiary, and Southern Illinois University.

Carbondale is in the watershed of the Big Muddy River, at 415 feet above sea level. Carbondale has a total area of 17.519 square miles, of which 17.09 square miles is land and 0.429 square miles is water.

Carbondale lies in the northern limits of a humid subtropical climate, with four distinct seasons.

1. [Mayor Henry in State of the City address: It's time to 'boldly envision a brighter future'](#)
2. [^ "2016 U.S. Gazetteer Files". United States Census Bureau. Retrieved June 30, 2017.](#)
3. [^ Jump up to:^a ^b "Population and Housing Unit Estimates". Retrieved July 25, 2019.](#)
4. [^ Illinois Population Estimates 2009](#)
5. [^ Jump up to:^a ^b City of Carbondale – A Short History](#) Archived December 23, 2007, at the Way back
6. [^ Armyhistory.org](#)
7. [^ History.com](#)
8. [^ February 24, 1921. "Slogans of the Various Illinois Cities," Woodland Daily Democrat \(Woodland, California\), p. 2](#)
9. [^ January 7, 1903. "Local Items." The Free Press \(Carbondale, Ill.\) 3. A social item was reprinted from the Mt. Vernon News:"Mrs. Dr. McAnally, née Pace, of Carbondale has returned to the Athens of Egypt after a week's visit with her sisters..."](#)
10. [^ Carbondale Free Press \(Carbondale, Ill.\), March 31, 1922, p. 1](#)
11. [^ "Southern Illinois: eclipse crossroads of America". Southern Illinois University. May 5, 2016. Archived from the original on March 24, 2017. Retrieved August 25, 2017.](#)
12. [^ "US Gazetteer files: 2010, 2000, and 1990". United States Census Bureau. February 12, 2011. Retrieved April 23, 2011.](#)
13. [^ "G001 – Geographic Identifiers – 2010 Census Summary File 1". United States Census Bureau. Retrieved December 25, 2015.](#)
14. [^ Jump up to:^a ^b "NowData – NOAA Online Weather Data". National Oceanic and Atmospheric Administration. Retrieved March 24, 2013.](#)
15. [^ "Station Name: IL CARBONDALE SEWAGE PLT". National Oceanic and Atmospheric Administration. Retrieved March 24, 2013.](#)

16. [[^] "Census of Population and Housing"](#). Census.gov. Archived from [the original](#) on April 26, 2015. Retrieved June 4, 2015.
17. [[^] "American FactFinder"](#). [United States Census Bureau](#). Archived from [the original](#) on September 11, 2013. Retrieved January 31, 2008.
18. [[^] "Archived copy"](#). Archived from [the original](#) on August 1, 2013. Retrieved November 10, 2014.
19. [[^] "Policyblognh.org"](#). Archived from [the original](#) on November 10, 2014. Retrieved November 10, 2014.
20. [[^] "Carbondale.il.us"](#). Archived from [the original](#) on August 26, 2010. Retrieved September 14, 2010.
21. [[^] "Carbondale.il.us"](#) (PDF). Archived from [the original](#) (PDF) on March 12, 2012. Retrieved December 26, 2011.
22. [[^] Wsiltv.com](#)^(permanent dead link)
23. [[^] Thesouthern.com](#)
24. [[^] Thesouthern.com](#)
25. [[^] "Archived copy"](#). Archived from [the original](#) on January 24, 2011. Retrieved September 14, 2010.
26. [[^] Faingold, Scott; Otwell, Rachel \(2016\). "The Scene: Lost Cross House & 30 Years of DIY Punk in Carbondale"](#). NPR Illinois.
27. [[^] Allen, Shannon \(September 1, 2016\). "Carbondale punk rock house celebrating 30 years of music"](#). Daily Egyptian.
28. [[^] Carbondale Main Street – Lights Fantastic](#) Archived October 19, 2007, at the Way back
29. [[^] Thesouthern.com](#)
30. [[^] Thesouthern.com](#)
31. [[^] Thesouthern.com](#)
32. [[^] Wsiltv.com](#)
33. [[^] Spring 1970: A season of protests](#) Archived June 23, 2007, at the Way back
34. [[^] "Remembering the Days of May"](#). The Daily Egyptian.
35. [[^] Chicago Tribune, November 10, 2011, "Strike ends at SIU's Carbondale campus"](#)
36. [[^] Jump up to:](#) ^a ^b [[^] "Archived copy"](#). Archived from [the original](#) on July 6, 2011. Retrieved September 14, 2010.
37. [[^] SIU Transportation Education Center](#) Archived January 29, 2011, at the Way back. SIU website.
38. [[^] Amtrak Routes – Midwest – Illinois Service](#).
39. [[^] SIU Student Center | Saluki Express](#). Archived February 9, 2011, at the Way back
40. [[^] Greyhound.com](#)
41. [[^] "Carbondale.il.us"](#). Archived from [the original](#) on August 10, 2011. Retrieved December 8, 2018.
42. [[^] "City of Carbondale – Sister Cities"](#). Archived from [the original](#) on August 21, 2017. Retrieved August 21, 2017.

Chapter 3 - Presentation of Data

Description of Realty

Description of Realty

Zoning: Conforms to zoning

Land Description

Size: 6.66 acres

Useable: 6.66 acres

Utilities: Municipal water and private sewage.

propane and public Electric

Street Improvements: Maintained by the public

Access: Direct from Panthers Den Road

Topography: Somewhat level to sloping to the north, south, east and west

Visibility: To land and road

Flood Plain: No - Flood Map #17181C0125C.

Zone X; Dated: 05/02/2008

Easements: Utility

Environmental Factors: None Observed (no tests were taken), the appraiser is not an expert on environmental issues. If the lender needs additional information an environmental expert needs to be consulted. The appraiser has assumed there are no environmental issues in estimating the market value. The appraiser is using an extraordinary assumption there are no environmental issues on the subject site. If found to exist this could alter the value of the subject property. The appraiser reserves the right to reappraise the subject property if any contamination is found to exist.

Site Improvements: Three (3)- one (1) story cabins

Location: Rural

Corner Lot: No

Easements: Utility

Environmental Factors:	None Observed visibility, in any found the appraiser reserves the right to reappraise the subject property.
Marketing Time:	Over twelve (12) months
Exposure Time:	Over twelve (12) months
Hypothetical Conditions:	None, 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 the analysis.
Extraordinary Assumptions:	Yes, an assignment-specific assumption as of the effective date regarding uncertain information used In the analysis which, if found to be false, could alter the appraiser's opinions or conclusions. If there are any contamination found the appraiser reserves the right to reappraise the subject property. The appraiser is using an extraordinary assumption the information furnished to the appraiser is correct.
Soil Conditions:	The soil conditions observed in the subject appears to be typical of the region and to support development.
Earthquake Zone:	The subject property is located in the New Madrid Earthquake Zone.
Comments:	The site is average and typical utilities.

Improvements:

Building number one (1) is a French Colonial, one-story (1) frame detached building with a total of 768 square feet with a wraparound covered porch five (5) feet wide for use to enjoy the outdoor surroundings. Located to the southwest corner of the dwelling is a covered deck with a hot tub to enjoy the year around with a fire pit. The foundation is concrete block, and the exterior walls are wood siding. The roof surface is metal with aluminum gutters surrounding the house for rain and snow runoff. There are partial solar panels on the roof.

The interior floors are ceramic tiles and pine floors. The walls and ceiling are taped and painted drywall. The trim finish is wood, and the bath floors are tile and the showers are tile. The building consists of a living room, kitchen, and a sitting area and gas fireplace, two bathrooms and one bedroom. The kitchen has a gas range, microwave, refrigerator and a built-in freezer. The heat and air are a central system. The home has public water, electricity, propane gas and an aeration system for sewage. The home is in average/good condition.

Building number two (2) is a “Hobbit” inspired cabin, located on the northwest part of the property. This is a one-story (1) cabin by backing the living room, with the structure built onto the hillside for privacy. The dwelling has a total of 624 square feet with a covered patio and a hot tub for year-round use. The foundation is on a concrete slab, and the exterior walls are concrete. The windows are fixed with a door featuring craftsmanship with a round feature. There are partial solar panels on the roof.

The interior floors are ceramic tiles over concrete. The walls and ceiling are

taped and painted drywall. The trim finish is wood, and the bath floor is tile, bath shower is tile with a sliding glass door. The home consists of a living room, kitchen, gas fireplace, one bathroom and one bedroom. You can see the gas fireplace from the bedroom. The kitchen has a range, microwave, and a refrigerator. The heating and air system is a mini split. The home has public water, electricity, propane gas and an aeration system for sewage. The home is in average/good condition.

Building number three (3) is a “Hobbit” inspired cabin located on the east side of the property. This is a one-story (1) cabin by backing the living roof, with the structure built into the hillside for privacy. The dwelling has a total of 728 square feet with a covered patio and a hot tub for year-round use. The foundation is on a concrete slab, and the exterior walls are concrete. The windows are fixed with a door featuring craftsmanship with a round feature. There are partial solar panels on the roof.

The interior floors are ceramic tiles over concrete. The walls and ceiling are taped and painted drywall. The trim finish is wood, and the bath floor is tile, bath shower is tile with a sliding glass door. The home consists of a living room, kitchen, gas fireplace, one bathroom and one bedroom. You can see the gas fireplace from the bedroom. The kitchen has a range, microwave, and a refrigerator. The heating and air system is a mini split. The home has public water, electricity, propane gas and an aeration system for sewage. The home is in average/good condition.

Chapter 4 - Analysis of Data and Conclusions

Highest and Best Use

Cost Approach

Income Approach

Market Approach

Correlation & Market Value Conclusions

Highest and Best Use

Highest and best use are defined as follows:

¹"The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value."

"The highest and best use of a specific parcel of land is not determined through subjective analysis by the property owner, a developer, or the appraiser; rather, the highest and best use is shaped by the competitive forces within the market where the property is located. Therefore, the analysis and interpretation of highest and best use is an economic study of market forces focused on the subject property."²

Determination of the highest and best use of a property considers four important factors: 1) adaptability, based on its physical features; 2) availability, or the adaptable uses that are permitted by governmental zoning and development codes; 3) effective demand, financially feasible uses that are reasonably probable, based on supply and demand factors and market growth patterns; and 4) intensity of use, or the most likely use that will produce the maximum profit to the land based on all other factors.

The highest and best use is based on the important fact that land is the essence of real estate value. This value is relative to each parcel's location. Each specific location is immovable making it unique and scarce. These characteristics together with utility and effective demand for the specific uses are the primary factors of land value. Land value is dependent upon the development of proper improvements and uses. For this reason, land is said to have value while improvements contribute value to the land. Therefore, all real estate valuation processes must focus on the land. The highest and best use analysis first considers the property as if vacant and available for development to its highest and best use. Secondly, for improved properties, the highest and best use analysis must be made of the property as improved. Generally, if the value of the property as improved is greater than the value of the land as vacant, the highest and best use is its use as improved. But when the value of the vacant land exceeds the value of the improved property, the highest and best use becomes that of the land as though vacant

¹The Appraisal of Real Estate, Appraisal Institute, 14th ed., 2013

²The Appraisal of Real Estate, Appraisal Institute, 14th ed., 2013, 37

Adaptability (Physical Possible Use)

The physical terrain of the main area of the subject property, the availability of utilities and access to public roads, and its location to many wine vineyards, lakes, and outdoor activities in the Shawnee National Forest are all positive features. The subject property is in a good location for single family residential and cabins.

Availability (Legally Permissible Use)

The subject property is legal to be used for single family residential and rental cabins.

Effective Demand (Financially Feasible Use)

Any reasonable use that is expected to produce a positive return is regarded as financially feasible. The “reasonably probable” uses that are physically possible and legally permissible area analyzed to determine their feasibility. Analyses of supply and demand and location area necessary to identify those uses that area financially feasible and, finally, the highest and best use of the property.

The determination of feasible uses involves the anticipation of “effective” demand for each specific use that a person or ordinary prudence would deem reasonably probable over the near future. A review of the Area and Neighborhood Trends section, as well as the discussion on zoning and allowable use density, provides data to assist in making this decision.

The physically possible and legally permissible land uses that have a reasonable possibility are for single family residential and rental cabins.

The size of the subject property makes it feasible for the above-mentioned use.

In my opinion, the most reasonably probable immediate land use for the subject property is for single family residential and rental cabins.

Intensity of Use (Maximally Productive Use)

The final step in determining the highest and best use of the property is to estimate the use that will produce the maximum return to the land of all the financially feasible uses. This use will be for single family residential and rental cabins.

Conclusion of Highest and Best Use

Based on an analysis of the above factors, it is my opinion that the highest and best use of the subject property is for single family residential and cabins.

As Vacant: Single family residential or cabins.

As Occupied: Rental cabins

COST APPROACH

Cost Approach

Under the Cost Approach the fair market value of the land is determined as if vacant by comparison with recent sales of vacant land similar in location and use. Then the replacement cost of the improvements is calculated as of a specified date. The replacement cost of the improvements is calculated as of a specified date. The replacement cost is then depreciated for age, physical deterioration, functional and economic obsolescence, if any. The fair market value of the property by this approach is the sum of the land value and the depreciated improvement replacement value.

This approach is based upon the assumption that the reproduction cost new normally sets the upper limits of the improvement value provided that the improvements represent the highest and best use of land.

The following definitions are explained in order to aid the reader more clearly to understand depreciation terminology:

Age of Building: Chronological Age.

Effective Age: The number of years of age, which are indicated by the condition of the structure.

Physical Deterioration: Wear and tear of materials due to physical factors such as exposure to natural elements.

Economic Obsolescence: Loss in value caused by unfavorable economic influences occurring outside the lot or land line where structure is located.

Functional Obsolescence: Value loss within a structure caused by design changes, overcapacity, inadequacy, etc.

Accrued Depreciation: Total loss in value from the three causes of depreciation; physical, economic and functional as of a specific date; difference between cost new and present value.

Normal Life or Life Expectancy: Reasonable economic life expectancy of a structure based on average experiences, normal wear, obsolescence, hazard factors, and estimates derived from mortality data and study of properties operating under average conditions.

Depreciation

Depreciation is the loss from the upper limit of value due to all causes. It is the difference between the cost of a property and what that property sells.

Depreciation may be estimated either theoretically or observation. Theoretical depreciation is based on formulas derived from historical information, with no attempt to account for the variation of depreciation between properties. This type of measurement assumes normal depreciation in all cases, when, in reality, depreciation is rarely normal.

Observed depreciation takes into consideration individual variations between properties, and is, therefore, more representative of existing conditions. Observed depreciation provides far better measurement than theoretical depreciation and is the preferred method of estimating depreciation. However, the observed measurement is only as good as the individual's powers of observation, knowledge of construction, and ability to relate the two.

In order to accurately recognize and measure depreciation, the appraiser must be able to estimate the effective age and the remaining economic life of the property. Effective age can best be described as the age the property appears to be. A property BUILT TEN YEARS ago would have a chronological age of ten years. If the property is in average condition, then its effective age would also be ten years. However, if the property has been abused, the effective age could be fifteen years, more or less. If the property has received special care and been well maintained, the effective age could be around six or seven years.

The remaining economic life is defined as that remaining period the property can economically justify its existence. Few properties actually fall down and come to the end of their physical life. But many properties cease to earn sufficient income to justify their existence; its economic life has ended. The appraiser must judge the effective age to estimate current depreciation, and must consider remaining economic life, as value is based on the anticipation of the use of the property over the remaining life.

Depreciation is broken down into three primary classifications according to the origin and cause. These classifications are:

1. Physical deterioration
2. Functional obsolescence
3. Economic obsolescence

Physical deterioration is the loss of value occurring within the property lines. It is caused by such factors as wear and tear, exposure to the elements, and structural defects. Examples of physical deterioration could be torn screens, peeling paint, damaged roof, broken glass, ragged or worn carpet, faulty plumbing, or any other item of the property which is subject to wear and tear.

Physical deterioration can be curable or incurable. The determination is based on economics. If the cost to cure the defect can be recovered in value or sales process, the items are rated as curable. If the cost is more than the value is increased, then the item is said to be incurable. The rating does not relate to whether the repair can be completed, but only if it is economically feasible.

Incurable deterioration is also broken down into short-lived and long-lived items. Items in the property that have a shorter life expectancy than the basic structure are related as short lived. Examples of the short-lived items are built-in appliances, roofs, heating and air conditioning equipment, carpet, plumbing fixtures, and any other item that will generally wear out faster than the basic structure.

Long lived items are the remaining parts of the structure, such as the foundation, the rafters, the wall studs and so forth.

Functional obsolescence deals with inutility or super-adequacy in the property. It can consist of styling that is outdated and no longer desired by the buying public, or items that cost more than the typical buyer is willing to pay. Examples could be poor room arrangement, high ceilings, lack of central air, or only one bath when the market requires more. Super adequacies could be pools, spas, tennis courts, extremely expensive carpets, hardwood floors in some cases, and any other item that costs more than it contributes to the value of a property. The marketplaces indicate what the typical buyer wants and is willing to pay for. Items better than that can cause functional obsolescence.

Functional obsolescence takes place within the property lines and is classified as curable or incurable.

Economic obsolescence is a loss of value caused by influences outside of the property lines. Examples could be a busy street, railroad tracks, poorly maintained property in the area, undesirable orders from a plant or operation in the area, the local or national money situation, or any other outside influence that causes a loss in value to a property.

In theory, economic obsolescence is always incurable. That is not to say that outside influences cannot be changed, but individual owners have little effect in changing the influences outside their own property lines.

After individually estimating physical deterioration, functional obsolescence and final sum must be expressed. This total sum of depreciation for a property is termed *accrued depreciation*.³

3 The appraisal of Real Estate, Appraisal Institute, 14th Addition, Pages 576-577

Cost Approach Omission

Appraisal Institute, “The Dictionary of Real Estate Appraisal. 6th. Edition (Chicago; Appraisal Institute, 2015.

The cost approach is defined as a set of procedures through which a value indication is derived for the fee simple interest in a property by estimating the current cost to construct a reproduction of (or replacement for) the existing structure, including an entrepreneurial incentive, deducting depreciation for the total cost, and adding the estimated land value.

The cost approach is limited due to the difficulty in measuring the total depreciation as properties age. This is incredibly significant in the instance due to the age of the improvements, with considerable potential for improper estimation of total

depreciation, which could result in a misleading estimate of value. As a result, the cost approach has therefore been omitted from the valuation process in this appraisal.

The development of the cost approach may potentially result in a different value estimate than one developed in this appraisal. The development of the approach is not considered to represent a necessity for the development of a cost approach.

INCOME APPROACH

Income Approach

The value of a property is often related to the income that it can produce. This is the premise of the income capitalization approach. In this approach, the appraiser determines the annual rent the property could demand on the open market. Then the appropriate expenses are estimated and subtracted to arrive at an estimate of the net operating income. The net operating income is then converted into a value estimate using one of several capitalization techniques.

The first step is to estimate the potential gross income the subject property could command if leased on the open market. The potential gross income is the income the property could be expected to bring with no vacancies.

Capitalization

The future net benefit accruing to an investor in income-producing property is quite obviously, income (Occasionally such matters as pride of ownership or the erection of a monument to the owner's ego constitute "amenities" for which the investor may have paid, but which add nothing to market value and contribute nothing to the production of income). Typically, income generated by the investor's apartment house, shopping center, office building, etc., consists of an income stream or cash flow over a period of years.⁴

⁴The Appraisal of Real Estate, 14th. Addition, Appraisal Institute, 2013, Page 439-440

The subject property is occupied as rental cabins. The area consists of single family residential, rental cabins, woods, tillable land, pastureland, and a winery. The population is estimated to be in the vicinity of 30,000 to 50,000 within an eight-mile radius. There are other rental cabins in the same area as the subject property. The income of existing properties is based on historical data. The appraiser was provided with historical data (income and expenses) from Mr. Steve Schauwecker.

Profit and Loss Statement:

Cabin Revenue:

<i>Cabin Rents:</i>	\$247,575
<i>Less 5% Vacancy:</i>	<u>-\$ 12,329</u>
Net Rents:	\$235,196
Retail Revenue:	\$12,282
Travel Protection:	<u>\$2,500</u>
Gross Income:	\$249,978

Expenses:

Management Fees:	\$24,758
Housekeeping Wages:	\$19,190
Payroll Taxes:	\$1,467,99
Bank/Credit Card Fees:	\$337.37
Office Supplies:	\$739.69
Telephone:	\$1,500
Utilities:	\$7,500
Licenses:	\$150
Dues/Subscriptions:	\$500
Repairs/Maintenance:	\$15,760
Booking Fees:	\$10,981.67
Advertising/Promotions:	\$1,500
Insurance:	\$5,316
Taxes:	\$18,643
Operating Supplies:	\$10,000
Trash Service:	\$384
State Replacement Tax:	\$811
Professional Fees:	\$2,000

Real Estate Taxes:	<u>\$4,184</u>	
Total Expenses:	\$125,255.28	\$125,255.28
Net Income:		\$124,255.28
		(Call \$124,255.00)

Expense Ratio: 50.10%

Net Income: \$124,255.00

Capitalization Rate

The net income must be capitalized at a capitalization rate to arrive at an estimate of value for the subject property. The most accurate capitalization rate is derived from market sales in which investors purchase on a basis of anticipated benefits to the property owner. The appraiser based the Overall Capitalization Rate on the analysis of the following multi-family sales.

Sale #:	Address:	Sales Price	Capitalization Rate
1.	703 N. Market Street Marion, IL 62959	\$2,600,000	6.8%
2.	1210 E Reeves Street Marion, IL 62959	\$725,000	7.01%
3.	308 W. Cherry Carbondale, IL	\$357,000	11.48%
4.	500 N. Westridge Dr. Carbondale, IL	\$900,000	11.00%
5.	6221 Bayer Circle Carterville, IL 62918	\$1,700,000	8.11%
6.	1100 W. Polk Street Herrin, IL 62948	\$130,000	6.57%
7.	1801 Janna Lane Sparta, IL 62286	\$1,200,000	10.00%

Conclusion of the Market Capitalization Rates:

The market capitalization rate went from 6.57% to 11.48%. The average is 8.71% and the median is 8.11%. After considering all the above capitalization rates, the appraiser has concluded that the capitalization rate for the subject is estimated to be 8.71%.

INCOME VALUATION:

To establish value, the direct capitalization method will be used. This method converts a single year's income into a value indication by dividing the net income estimate by an appropriate income rate. For this purpose of valuation, an 8.71% capitalization rate will be used.

Net Income/Cap Rate = Income Approach Value

$$\frac{\$124,255}{.0871} = \$1,426,578 \text{ (Call } \$1,427,000)$$

The adjusted net income was estimated for one (1) year of \$124,255. The appraiser divided the net income of \$124,255 by the capitalization rate of 8.71% to equal an income approach value of \$1,426,578. The appraiser then rounded this off to the nearest \$1,000 and estimated the income approach value to be \$1,427,000. The appraiser is using an extraordinary assumption that the information provided is accurate.

Direct Capitalization Analysis Conclusion

Based on the above analysis detailed above, as of July 29, 2025, I have reconciled the direct capitalization approach value is estimated to be:

\$1,427,000

One Million Four Hundred Twenty-Seven Thousand Dollars

Note: The income approach includes the real estate and FF&E.

SALES COMPARISON APPROACH

Sales Comparison Approach

The process of deriving a value indication for the subject property by comparing sales of similar properties to the property being appraised, identifying appropriate units of comparison, and making adjustments to the sales prices (or unit prices, as appropriate) of comparable properties based on relevant, market-derived elements of comparison. The sales comparison approach may be used to value improved properties, vacant land, or land being considered as though vacant when adequate supply of comparable sales is available.¹

Based on the subject's character for continued use as commercial building, the Sales Comparison Approach is considered the most appropriate and applicable approach to valuation.

The sales comparison approach is based on the premises that a buyer would pay no more.

for a specific property than the cost of obtaining a property with the same quality,

utility, and perceived benefits of ownership. It is based on the principles of supply and

demand, balance, substitution, and externalities. The following steps describe the process.

applied to the sales comparison approach.

1. The market in which the subject competes is investigated, comparisons, sale contracts and current offerings are reviewed.
2. The most pertinent data is further analyzed and the quality of the transaction is determined.
3. The most meaningful unit of value for the subject property is determined.

1. The Dictionary of Real Estate Appraisal, 6th Edition, Appraisal Institute, page 207

Conclusion of Sales Comparison Approach:

The sales comparison approach was considered but not developed due to the inability to obtain comparable income and expenses for rental cabins in the area that have sold. Buyers are primarily concerned with the net income of such properties. Therefore, the appraiser considered the Sales Comparison Approach and did not develop this approach. This does not mislead the reader of this report

Correlation and Market Value Conclusions

Sales Comparison Approach:	Considered-not developed
Cost Approach:	Considered – not developed
Income Approach:	\$1,427,000

An appraisal is done to determine an estimate of value. To find this value, the appraiser follows the valuation process. According to this process, the appraiser identifies, gathers, and analyzes general and specific property data; determines the highest and best use; and then applies the sales comparison, income capitalization and cost approaches as needed by the question and as determined by the available data.

When more than one approach is used, each results in a separate, usually different, indication of value. If two or three approaches to value are used, an appraiser will have derived at least two or three value indications.

Resolution of the differences among the various value indications is called reconciliation. In short, reconciliation is the analysis of alternative conclusions to arrive at a final estimation of value.

The reconciliation step is one in which the appraisers' professional experience, expertise, and judgment is exercised more than any other part of the appraisal process. The appraiser weighs the relative significance, applicability, and defensibility of each value indication and relies most heavily on that which is most appropriate to the appraiser's purpose. All influences are brought in relation to the valuation problem.

The Income approach to value is used as adequate income data is available for this type of property. The appraiser used the actual income and expenses in estimating the income over a four-year period. The appraiser has estimated the capitalization rate from market sales of multi-family sales. The subject property is income producing property and the income approach is the best indicator

of value. Therefore, this was given consideration in the final estimation of value.

The Sales Comparison approach is traditionally the best indication of value when there are good sales in the market. This approach is generally perceived to be highly reliable when good information is available and good data on land sales are available. The appraiser did not find any sales similar to the subject property. Therefore, this approach was not developed and does not mislead the reader of this report.

The Cost Approach to Value was considered and not used since it is exceedingly difficult to estimate the depreciation due to the improvements have been maintained and updated since the original construction. Therefore, this approach was not developed and does not mislead the reader of this report.

The appraiser concluded that the income approach is the best indicator of value for the subject property. Therefore, the appraiser has estimated the market value to be \$692,000 for real estate and FF&E.

Estimated Fair Market Value

Real Estate and FF &E: \$1,427,000

Market Value Definition

Market value, often referred to as Value in Exchange, is the most sought value in real estate appraising. It is an objective value because it represents the most typical price that a property will command in the market.

As defined by most governmental agencies, it is.

The most probable price in terms of money that 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, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition are the consummation of a sale as of a specified date and the passing of the 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 each acting in what he considers his own best interest.
- (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 sales.

The Dictionary of Real Estate Appraisal, 6th, Ad., Appraisal Institute, 2015, page 63

The Appraisal of Real Estate, Appraisal Institute, 14th. Ad, 2013, Pages 576-579

Chapter 5 – Addend

Appraiser's Qualifications

Copy of Appraiser's License

Sketch/Area Table Addendum

FEMA Flood Map

Location Map

Subject Photos

Tax Statement

Aerial Maps

Legal Description

Property Record Card

Traffic Count Map

Sales Contract

Engagement Letter

Multi-Purpose Supplemental Addendum

Certification of Value

Glossary

APPRAISER'S QUALIFICATIONS

Ron Reeder Appraisal Service, Inc.

Resume:

Name: Ronald W. Reeder, ASA, IFAS

Address: 1837 Walnut Street, Murphysboro, IL 62966

Phone: 618-687-4051

Email: ronreederappraisal@gmail.com

EXPERIENCE:

Real Estate Appraiser - 1975 to present, 47 years

Specializing in commercial, industrial and farm appraisals.

Certified General Real Estate Appraiser:

ILLINOIS: 553.000163, expires: 09/30/2025

MISSOURI: RA002971, expires: 06/30/2024

Education:

SIU-Carbondale, Illinois, B.S. Degree, Administrative Science/Business, 1975

American Society of Appraisers, Member

National Association of Independent Fee Appraisers, Senior Member

Classes: Over 500 hours of appraising residential, commercial, industrial, hotels, and farms

Court Testimony:

State and Federal Courts

Clients:

Banks

Attorneys

Individuals

RECERTIFICATION DESIGNATION STATUS:

American Society of Appraisers – I am recertified through December 31, 2028

APPRAISER'S LICENSE



Cut on Dotted Line ✂

For future reference, IDFPR is now providing each person/business a unique identification number, 'Access ID', which may be used in lieu of a social security number, date of birth or FEIN number when contacting the IDFPR. Your Access ID is: 1833067



Cut on Dotted Line ✂

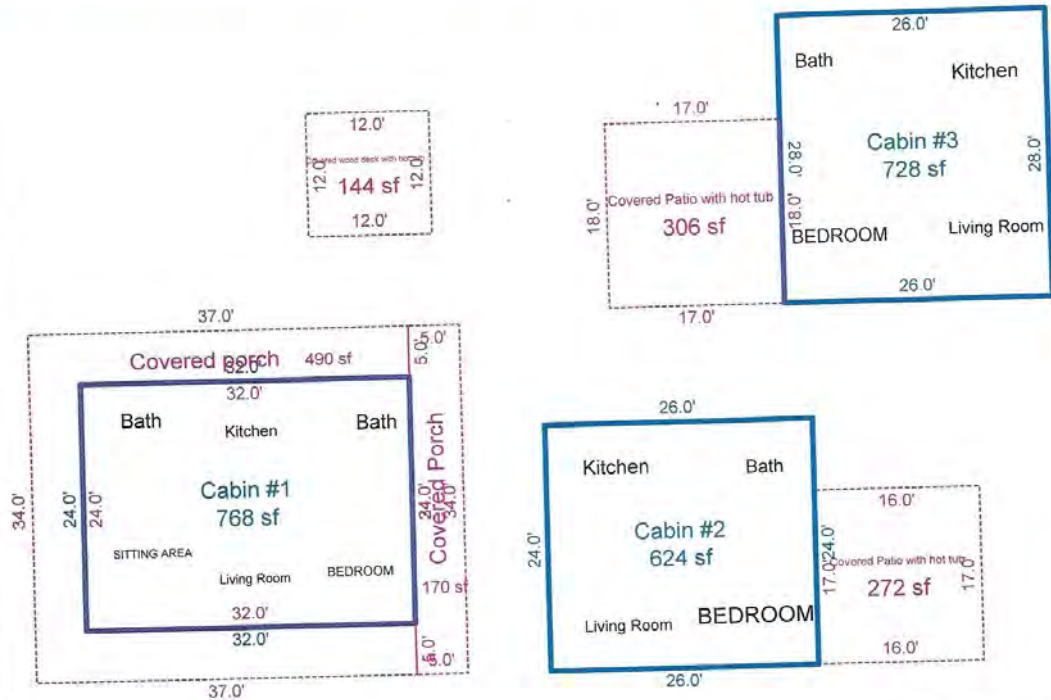
SKETCH

SKETCH/AREA TABLE ADDENDUM

SUBJECT INFO

File No.: Parcel No.:
 Property Address: 295 Panthers Den Road State: IL ZipCode: 62958
 City: Makanda County: Union
 Owner: RC Cabins, LLC
 Client: Mr. & Ms. Cook Client Address: 1505 Bradford Lane, Carbondale, IL
 Appraiser Name: Ronald W. Reeder, ASA, IFAS Inspection Date: 03/18/2025

SKETCH



Sketch by ApexSketch

AREA CALCULATIONS SUMMARY

Code	Description	Factor	Net Size	Perimeter	Net Totals
GBA1	Cabin #1	1.0	768.0	112.0	
	Cabin #3	1.0	728.0	108.0	
	Cabin #2	1.0	624.0	100.0	2120.0
P/P	Covered Porch	1.0	170.0	78.0	
	Covered porch	1.0	490.0	206.0	
	Covered Patio wit	1.0	272.0	66.0	
	Covered wood dec	1.0	144.0	48.0	
	Covered Patio wit	1.0	306.0	70.0	1382.0

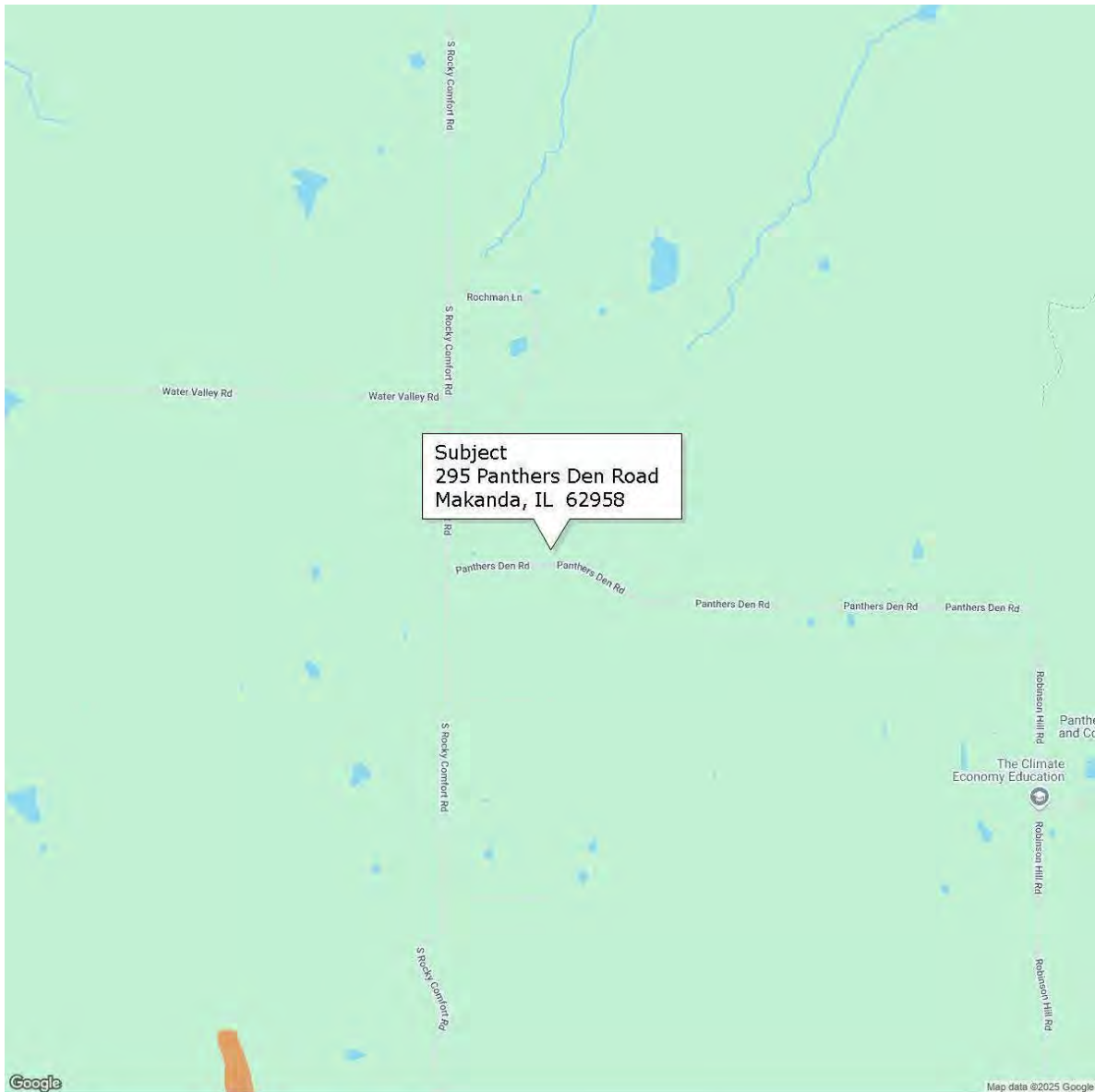
Net BUILDING cnt 3 (rounded) 2,120

COMMENT TABLE 1

COMMENT TABLE 2

COMMENT TABLE 3





FLOOD MAP



FLOOD INFORMATION

Community: Shawnee National Forest
Property is NOT in a FEMA Special Flood Hazard Area
Map Number: 17181C0125C
Panel: 17181C0125
Zone: X
Map Date: 05-02-2008
FIPS: 17181
Source: FEMA DFIRM

LEGEND

-  = FEMA Special Flood Hazard Area – High Risk
-  = Moderate and Minimal Risk Areas
- Road View:**
 -  = Forest
 -  = Water

Sky Flood™

No 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 is implied or provided. Visual scaling factors differ between map layers and are separate from flood zone information at marker location. No liability is accepted to any third party for any use or misuse of this flood map or its data.

SUBJECT PHOTOS

SUBJECT PROPERTY PHOTO ADDENDUM

Client: Mr. & Mrs. Cook	File No.: 25032901
Property Address: 295 Panthers Den Road	Case No.:
City: Makanda	State: IL Zip: 62958



**FRONT VIEW OF
SUBJECT PROPERTY**

Appraised Date: March 12, 2025
Appraised Value: \$ 64,000



**REAR VIEW OF
SUBJECT PROPERTY**



STREET SCENE

Client: Mr. & Mrs. Cook	File No.: 25032901
Property Address: 295 Panthers Den Road	Case No.:
City: Makanda	State: IL Zip: 62958



PANTHERS DEN ROAD LOOKING WEST.



BEDROOM



BATHROOM

Produced using A2i software, 800.234.8727 www.a2iweb.com

PH172 06/21/2013

Client: Mr. & Mrs. Cook	File No.: 25032901
Property Address: 295 Panthers Den Road	Case No.:
City: Makanda	State: IL Zip: 62958



GAS FIREPLACE IN LIVING ROOM



ELECTRIC PANEL



HOT WATER HEATER AND WATER
FILTER SYSTEM

Produced using A2J software, 800.234.8721 www.a2jweb.com

PH073025013

Client: Mr. & Mrs. Cook	File No.: 25032901
Property Address: 295 Panthers Den Road	Case No.:
City: Makanda	State: IL Zip: 62958



LAUNDRY



CABIN ON THE HILL-FRONT



HOT TUB

Produced using A2i software, 800.234.8787 www.a2iweb.com

PV119 25032901

Client: Mr. & Mrs. Cook	File No.: 25032901
Property Address: 295 Panthers Den Road	Case No.:
City: Makanda	State: IL Zip: 62958



REAR



LIVING ROOM & KITCHEN

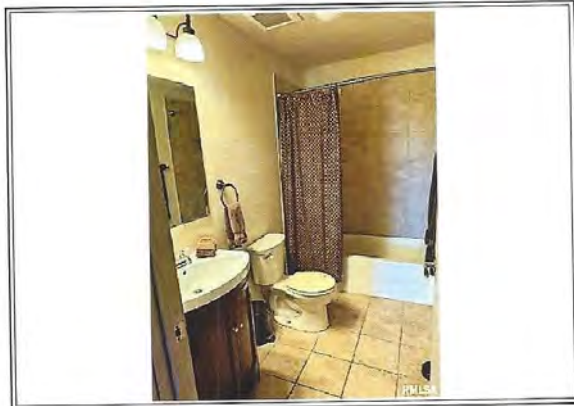


SITTING AREA

Produced using ACSI software, 800.234.8727 www.acsiweb.com

PH171 06/22/2013

Client: Mr. & Mrs. Cook	File No.: 25032901
Property Address: 295 Panthers Den Road	Case No.:
City: Makanda	State: IL Zip: 62958



BATHROOM



FIREPLACE/INSERT



LIVING ROOM AND KITCHEN

Produced using A3 software, 800.234.8771 www.a3web.com

PHOTO 0022003

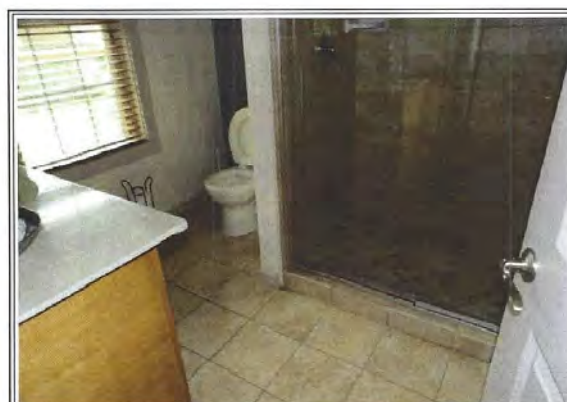
Client: Mr. & Mrs. Cook	File No.: 25032901
Property Address: 295 Panthers Den Road	Case No.:
City: Makanda	State: IL Zip: 62958



KITCHEN



BEDROOM



SECOND BATHROOM

Produced using ACSI software, 800.234.8727 www.acsiweb.com

PH173 05212013

Client: Mr. & Mrs. Cook	File No.: 25032901
Property Address: 295 Panthers Den Road	Case No.:
City: Makanda	State: IL Zip: 62958



CABIN ON EAST SIDE - FRONT



REAR



HOT TUB AREA

Produced using A2 software, 800.234.8727 www.a2web.com

PNT3-0512013

Client: Mr. & Mrs. Cook	File No.: 25032901
Property Address: 295 Panthers Den Road	Case No.:
City: Makanda	State: IL Zip: 62958



LIVING ROOM



KITCHEN



BEDROM

Produced using ACSI software, 606.224.3727 www.acsiweb.com

PWT3 06222023

Client: Mr. & Mrs. Cook	File No.: 25032901
Property Address: 295 Panthers Den Road	Case No.:
City: Makanda	State: IL Zip: 62958



BATHROOM



WASHER AND DRYER

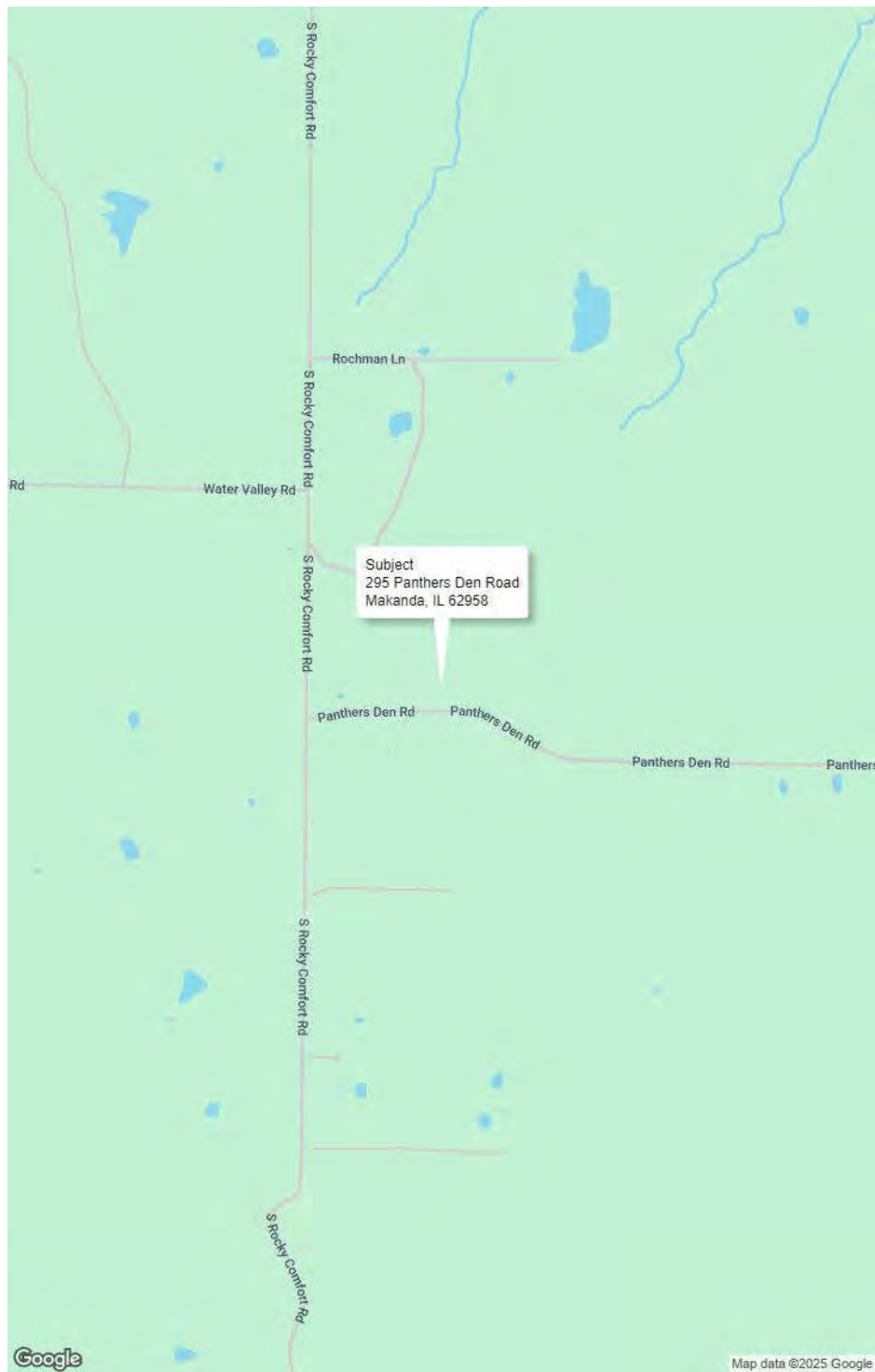


FIREPLACE IN LIVING ROOM

Produced using ACSI software. 800.234.8727 www.acsiweb.com

PH173 05/2/2013

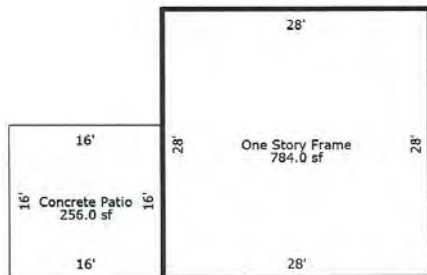
LOCATION MAP



TAX STATEMENT

Photos & Sketches

One Story/One Story Frame/Concrete Patio



Sketch by: [Name]

Imported Image



Imported Image



Billing

Installment	Date Due	Tax Billed	Penalty Billed	Cost Billed	Drainage Billed	Total Billed	Amount Paid	Date Paid	Total Unpaid
1	07/25/2024	\$742.57	\$0.00	\$0.00	\$0.00	\$742.57	\$742.57	9/16/2024	\$0.00
2	09/25/2024	\$742.57	\$0.00	\$10.00	\$0.00	\$752.57	\$752.57	12/4/2024	\$0.00
Total		\$1,485.14	\$0.00	\$10.00	\$0.00	\$1,495.14	\$1,495.14		\$0.00

Property Information		
Parcel Number 01-09-00-052-E	Site Address 295 PANTHERS DEN RD MAKANDA, IL 62958	Owner Name & Address RC CABINS LLC 1505 BRADFORD LANE CARBONDALE, IL, 62902
Tax Year 2023 (Payable 2024) ▾		
Sale Status None		
Property Class 0040 - Improved Residential Lot	Tax Code 01004 -	Tax Status Taxable
Net Taxable Value 46,390	Tax Rate 5.796810	Total Tax \$2,689.14
Township 11-1E	Acres 4.0900	Mailing Address
Legal Description S9 T11 R1E PT S 1/2 SW SURVEY 361-738 03/26/13 PARCEL A		

Parcel Owner Information		
Name	Tax Bill	Address
RC CABINS LLC	Y	1505 BRADFORD LANE CARBONDALE, IL, 62902

Photos & Sketches

One Story Frame/Crawl Foundati

One Story Frame/Crawl Foundati

Open Framing Porch

One Story Frame

864 sf

1216.0 sf

12' x 12' = 144.0 sf

One Story Frame/Wood Deck/Slab

One Story Frame/Wood Deck/Slab

One Story Frame

784.0 sf

1152.0 sf

16' x 16' = 256.0 sf

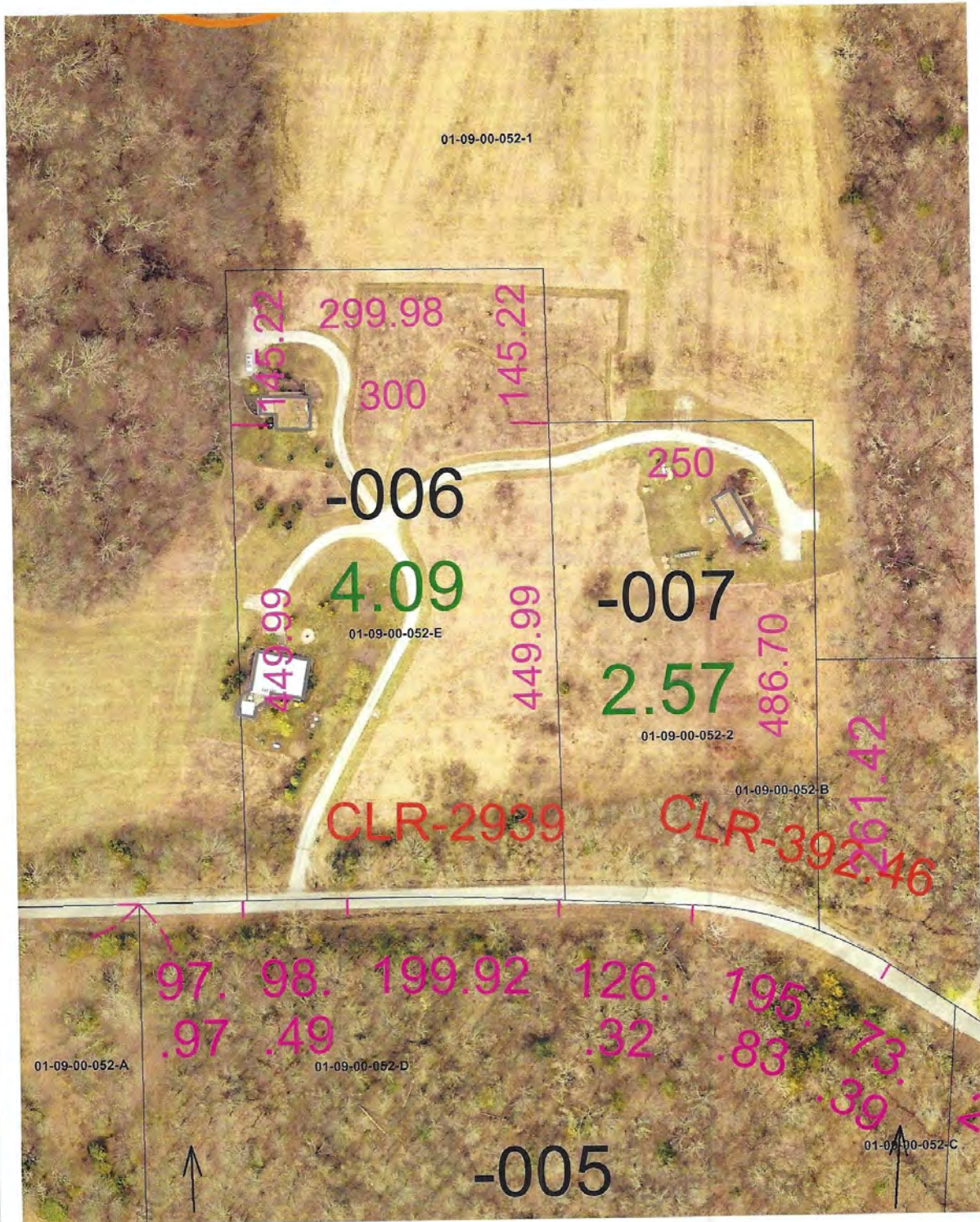
Billing									
Installment	Date Due	Tax Billed	Penalty Billed	Cost Billed	Drainage Billed	Total Billed	Amount Paid	Date Paid	Total Unpaid
1	07/25/2024	\$1,344.57	\$0.00	\$0.00	\$0.00	\$1,344.57	\$1,344.57	9/16/2024	\$0.00
2	09/25/2024	\$1,344.57	\$0.00	\$0.00	\$0.00	\$1,344.57	\$1,344.57	10/18/2024	\$0.00
Total		\$2,689.14	\$0.00	\$0.00	\$0.00	\$2,689.14	\$2,689.14		\$0.00

Property Information		
Parcel Number 01-09-00-052-2	Site Address PANTHERS DEN RD MAKANDA, IL 62958	Owner Name & Address RC CABINS LLC 1505 BRADFORD LANE CARBONDALE, IL, 62902
Tax Year 2023 (Payable 2024) ▼		
Sale Status None		
Property Class 0040 - Improved Residential Lot	Tax Code 01004 -	Tax Status Taxable
Net Taxable Value 25,620	Tax Rate 5.79681%	Total Tax \$1,485.14
Township 11-1E	Acres 2.5700	Mailing Address
Legal Description S9 T11 R1E PT S1/2 SW		

Parcel Owner Information		
Name	Tax Bill	Address
RC CABINS LLC	Y	1505 BRADFORD LANE CARBONDALE, IL, 62902

AERIAL PHOTO





LEGAL DESCRIPTION

Exhibit "A" (TWO-PAGES)

TRACT I:

A PARCEL OF LAND BEING A PART OF THE SOUTH HALF OF THE SOUTHWEST QUARTER SECTION 8, TOWNSHIP 11 SOUTH, RANGE 1 EAST OF THE THIRD PRINCIPAL MERIDIAN. SAID PARCEL IS PART OF PROPERTY DESCRIBED AND RECORDED IN DOCUMENT NUMBER 20080821 IN THE UNION COUNTY COURT HOUSE IN THE NAME OF MISTERIOBO, LLC. SAID PARCEL BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT AN IRON ROD SET AT THE SOUTHEAST CORNER OF SAID SOUTH HALF; THENCE N 00° 14' 30" E, 708.91 FEET ALONG THE EAST LINE OF SAID SOUTH HALF TO AN IRON ROD SET AT THE NORTHEAST CORNER OF THE EWE'S PROPERTY (BOOK 03, PAGE 223); THENCE ALONG SAID EWE'S PROPERTY THE FOLLOWING TWO (2) CALLS: THENCE N 89° 40' 00" W, 300.00 FEET TO AN IRON ROD SET; THENCE S 00° 14' 30" W, 281.42 FEET, PASSING AN IRON ROD SET AT 238.62 FEET, TO AN IRON ROD SET IN THE CENTERLINE OF PANTHER'S DEN ROAD; THENCE ALONG SAID CENTERLINE THREE (3) CALLS: THENCE ALONG A CURVE TO THE LEFT WITH CHORD BEARING N 77° 39' 40" W 185.95 FEET, A RADIUS OF 380.00 FEET, AND AN ARC LENGTH OF 167.30 FEET TO A POINT; THENCE S 89° 33' 38" W, 77.22 FEET TO AN IRON ROD SET, THIS BEING THE POINT OF BEGINNING; THENCE S 89° 33' 38" W, 300.03 FEET TO AN IRON ROD SET; THENCE ALONG NEW LINES THE FOLLOWING THREE (3) CALLS: THENCE N 01° 03' 30" W, 448.99 FEET, PASSING AN IRON ROD FOUND AT 34.11 FEET, TO AN IRON ROD SET; THENCE N 89° 33' 37" E, 300.00 FEET TO AN IRON ROD SET; THENCE S 01° 03' 47" E, 448.99 FEET, PASSING AN IRON ROD SET AT 394.94 FEET, TO THE POINT OF BEGINNING.

SAID PARCEL TO CONTAIN 3.089 ACRES, MORE OR LESS, PER SURVEY BY JOHN M. WALLACE, ILLINOIS PROFESSIONAL LAND SURVEYOR NO. 3820, DATED 12/20/2012.

SAID PARCEL BEING SUBJECT TO THE EXISTING RIGHTS-OF-WAY OF PANTHER'S DEN ROAD AND ALL OTHER RIGHTS-OF-WAY AND EASEMENTS, RECORDED OR OTHERWISE, ALL SITUATED IN THE COUNTY OF UNION, STATE OF ILLINOIS.

All in accordance with "New Parcel A" on a plat of survey dated December 20, 2012 and recorded March 26, 2013 in Record Book 361, Page 738, and further indexed at Plat Book 11, Page 857, made by John M. Wallace, Illinois Professional Land Surveyor No. 3820, in the Union County Recorder's Office, situated in the County of Union and State of Illinois.

TRACT II:

A PARCEL OF LAND BEING A PART OF THE SOUTH HALF OF THE SOUTHWEST QUARTER SECTION 8, TOWNSHIP 11 SOUTH, RANGE 1 EAST OF THE THIRD PRINCIPAL MERIDIAN. SAID PARCEL IS PART OF PROPERTY DESCRIBED AND RECORDED IN DOCUMENT NUMBER 2008R0821 IN THE UNION COUNTY COURT HOUSE IN THE NAME OF MISTERIOSO, LLC. SAID PARCEL BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT AN IRON ROD SET AT THE SOUTHEAST CORNER OF SAID SOUTH HALF; THENCE N 00° 14' 30" E, 708.91 FEET ALONG THE EAST LINE OF SAID SOUTH HALF TO AN IRON ROD SET AT THE NORTHEAST CORNER OF THE EWERS PROPERTY (BOOK 63, PAGE 223); THENCE ALONG SAID EWERS PROPERTY THE FOLLOWING TWO (2) CALLS: THENCE N 89° 40' 06" W, 800.00 FEET TO AN IRON ROD SET; THENCE S 00° 14' 30" W, 281.42 FEET, PASSING AN IRON ROD SET AT 236.82 FEET, TO AN IRON ROD SET IN THE CENTERLINE OF PANTHER'S DEN ROAD; THENCE ALONG SAID CENTERLINE THREE (3) CALLS: THENCE ALONG A CURVE TO THE LEFT WITH CHORD BEARING N 77° 39' 40" W 165.95 FEET, A RADIUS OF 380.00 FEET, AND AN ARC LENGTH OF 167.30 FEET TO A POINT; THENCE S 89° 33' 35" W, 77.22 FEET TO AN IRON ROD SET; THENCE S 89° 33' 35" W, 300.03 FEET TO AN IRON ROD SET; THENCE N 01° 05' 30" W, 449.89 FEET, PASSING AN IRON ROD FOUND AT 34.11 FEET, TO AN IRON ROD SET, THIS BEING THE POINT OF BEGINNING; THENCE ALONG NEW LINES THE FOLLOWING THREE CALLS: THENCE N 01° 05' 30" W, 145.22 FEET TO A POINT; THENCE N 89° 33' 37" E, 299.98 FEET TO A POINT; THENCE S 01° 05' 47" E, 145.22 FEET TO AN IRON ROD SET; THENCE S 89° 33' 37" W 300.00 FEET TO THE POINT OF BEGINNING.

SAID PARCEL TO CONTAIN 1.000 ACRES, MORE OR LESS, AND BEING SUBJECT TO ALL RIGHTS-OF-WAY AND EASEMENTS, RECORDED OR OTHERWISE. ALL SITUATED IN THE COUNTY OF UNION, STATE OF ILLINOIS.

PROPERTY RECORD CARD

Property Record — Residential — Rural

Ownership & Mailing Address		Township		Volume	Tax Code	Area	Sect.	Block	Parcel	Unit	
		11-1E			0105-1			07	300	4.091C	
Property Address		Property Class	Land Use	Zoning	NH Code		Card No.	Condo Comm.			
		40									
Record of Ownership		Date		Deed Stamps		Sale Price					
2nd deed # 159		3-26-13		361,739		15,400					
Edward J. Park		5-27-14		2014 RD943		5,000					
Kobayashi Park # 152		6-22-15		2015 RD1208							
RC Parks LLC											
Building Permit Record		Street		Nghbhd.	Utilities	Topo.	Level	Division			
		Private Rd.		Improved	Water		High				
		Cul-de-sac		Static	Sewer		Low				
		Alley		Decline	Gas		Rolling				
		Traffic Lt.		Blighted	Electric		View				
		Traffic Hwy.									
Land Computations		Date	Number	Amount	Yr. Assessed	N/C	PIU Year	Purpose			
Roll Backs		Year	Unit	Unit Value	Full Value	App. File	Year	Unit	Unit Value	Full Value	
Summary of Assessed Values		Year 2013		Year 2014		Year 2015		Year 2016		Year 2017	
Orig. Asmt.	Full Value	Assessed Value	Full Value	Assessed Value	Full Value	Assessed Value	Full Value	Assessed Value	Full Value	Assessed Value	Full Value
Land	590	590	3840	3840	3840	3840	3840	3840	3840	3840	3840
Bldgs.	0	0	17370	17370	17370	17370	17370	17370	17370	17370	17370
Total	590	590	21210	21210	21210	21210	21210	21210	21210	21210	21210
Rev. by:	Full Value	Assessed Value	Full Value	Assessed Value	Full Value	Assessed Value	Full Value	Assessed Value	Full Value	Assessed Value	Full Value
Land											
Bldgs.											
Total											
Rev. by:	Full Value	Assessed Value	Full Value	Assessed Value	Full Value	Assessed Value	Full Value	Assessed Value	Full Value	Assessed Value	Full Value
Land											
Bldgs.											
Total											

[illegible]

052-E

01-09-00-052-E Rocky Canyon Building Record — Residential — Rural (Property — Type 1) 14 15

RE: Cabins LLC 1505 Drake Rd. W. Carbondale IL 62902

Occupancy		Interior Finish		Remodeled		Sold Date		Age		Adj. Age	
1 2 3 4 5 6 7		B 1 2 3		NH		Amount \$		CDU A		Grade C	
Living Accommodations		Plaster/dry wall		Floorboard		Paneling		Memo: 2nd floor deck		Dwelling Computations	
Total rooms		Bedrooms		Family room		Features		SF		SF	
Foundation		Type		Quality		Type		SF		SF	
Plaster/dry wall		Brk. 1		Stone 2		Att 3		SF		SF	
Basement		Living		Recreation		Stacks #		SF		SF	
1 Full		3 Crawl		4 Slab		On grade 1		Below 2		Carport 3	
Area without bsmt.		SF		Frm. 1		Msy 2		Carport 3		Total	
Heating		1 None		2 Central		3 Air condition		4 Other		Total	
Warm air		Hot water/Steam		Floor furnace		Unit heaters		Other		Total	
Plumbing		Standard (5)		Bathroom (3)		Half bath (2)		Sink/Lavatory water closet		Total	
Attic		1 None		2 Unfinished		3 Part		4 Full		Total	
Exterior walls		Wood/succo/aluminum/vinyl siding		Concrete block		Brick/stone		Other		Total	
Roof		Shingle - asphalt/asbestos/wood		Slate/tile		Composition		Other		Total	
Floors		B 1 2 3		Concrete		Wood		Tile		Carpet	
Summary of Other Buildings		Type		No.		Construction		Size		Rate	
Garage (detached)		1		12 x 12		Frm 1		Msy 2		Carport 3	
1		1		1		1		1		1	
Total full value other buildings		220,000		220,000		220,000		220,000		220,000	
Total full value all buildings		220,000		220,000		220,000		220,000		220,000	

Listed by: RC Date: 11-14

Engagement Letter



Ron Reeder <ronreederappraisal@gmail.com>

Cabin Appraisal

6 messages

Stephen Schauwecker <stephen.schauwecker@firstsouthernbank.net>
 To: "ronreederappraisal@gmail.com" <ronreederappraisal@gmail.com>
 Cc: Nancy Russell-Trude <nancyruss@rccreates.com>

Tue, Jul 22, 2025 at 8:40 AM

Hello Ron,

Here is the updated information for you to review to reevaluate your value estimation.

Thanks for your help on this!

Steve



Rocky Comfort Cabins.xlsx
 13K

Ron Reeder <ronreederappraisal@gmail.com>
 To: Stephen Schauwecker <stephen.schauwecker@firstsouthernbank.net>
 Cc: Nancy Russell-Trude <nancyruss@rccreates.com>

Tue, Jul 22, 2025 at 12:40 PM

Thanks, I'll take a look after they pay. He said he never received one but his partner acknowledge back in April that she received it and would send check. I don't like it when people want to play games. Any questions call me or text.
 (Quoted text hidden)

Nancy Russell-Trude <nancyruss@rccreates.com>
 To: Ron Reeder <ronreederappraisal@gmail.com>, Stephen Schauwecker <stephen.schauwecker@firstsouthernbank.net>, Rocky Comfort Cabins <rclbiss@rockycomfortcabins.com>

Tue, Jul 22, 2025 at 1:14 PM

Hi Ron,

The new file is a pdf which is perfect. The previous file/invoice was an .aci file which I emailed back in April that I could not open. Ed called and asked if you could please send us the invoice in a format we could open for our accounting purposes.

However, you are correct in that we should have taken the verbal amount you gave us or at least followed up with another call and brought a check to you. I apologize that we obviously dropped the ball.

When I looked at the previous thread, I hope there was not confusion in that *Nancy Watkins* said she would send a check, which we declined and said we would pay you directly.
 I am *Nancy Russell-Trude*, Ed's wife and business partner.

The pdf file I received at rclbiss@rockycomfortcabins.com opened perfectly. Thank you.

Multi-Purpose Supplemental Addendum

Purpose and Function of Appraisal

The purpose of the appraisal is to estimate the market value of the subject property as defined herein. The function of the appraisal is to estimate the market value with the use of income approach. This is a Federally related transaction.

Extent of Appraisal Process

The appraisal is based on the information gathered by the appraiser from public records, other identified sources, inspection of the subject property and neighborhood, and selection of comparable sales within the subject market area. The original source of the comparables is shown in the Data Source section of the market grid along with the source of confirmation, if available. The original source is presented first. The sources and data are considered reliable. When conflicting information was provided, the source deemed most reliable has been used. Data believed to be unreliable was not included in the report nor used as a basis for the value conclusion. The Reproduction Cost was considered and not used due to it having no relationship with the market value in the Carbondale and Marion market. It is difficult to estimate the correct depreciation due to the age of the improvements. If the depreciation is incorrectly estimated, then the cost approach could be misleading. Therefore, this approach was not used.

There were no similar sales of cabins in the local and regional market, which were similar in construction, location and income. Therefore, this approach was not developed, and this does not mislead the reader of this report.

Subject Property Offering Information

The subject has not been offered for sale in the past 12 months.
--

Sales History of Subject Property

According to the owner, the subject property has not transferred in the past three years.

FEMA Flood Hazard Data

The subject property is not located in the FEMA Special Flood Hazard Area.
--

Zone: X; FEMA Map/Panel : 17181C0125; Map Date: 05/02/2008; Name of Community: Makanda, Illinois.
--

The community does participate in the National Flood Insurance Program.

Current Sales Contract

Subject property is not under contract at the time of the inspection.

Market Overview

Over 12 months is considered a reasonable marketing period for the subject property based on past sales of similar properties.
--

Additional Certification

The appraiser certifies and agrees that:
--

- | |
|--|
| 1) The analyses, opinions and conclusions were developed, and this report was prepared, in |
|--|

Market Overview

conformity with the Uniform Standards of Professional Appraisal Practice (USPAP”).

2.) The appraiser’s compensation is not contingent upon the predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.

3). This appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.

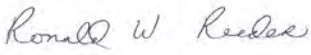
Additional (Environmental) Limiting Conditions

The value estimated is based on the assumption that the property is not negatively affected by the existence of hazardous substances or detrimental environmental conditions unless otherwise stated in this report. The appraiser is not an expert in the identification of hazardous substances or detrimental environmental conditions. The appraiser’s routine inspection of and inquiries about the subject property did not develop any information that indicated any apparent significant hazardous substances or detrimental environmental conditions which would affect the property negatively unless otherwise stated in this report. It is possible that tests and inspections made by a qualified hazardous substance and environmental expert would reveal the existence of hazardous substances or detrimental environmental conditions on or around the property that would negatively affect its value.

Additional Comments

This appraisal is a complete appraisal report. This appraisal contains 108 pages and is not a complete appraisal without all the pages attached.

Appraiser:

Signature:  _____ Date: July 29, 2025

Ronald W. Reeder, ASA, IFAS

Certified General Real Estate Appraiser

IL. License # 553.000163

Expiration: 09/30/2025

Certification of Value

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

The statements of fact contained in this report are true and correct.

The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.

I have no (or the specified) present or prospective interest in the property that is the subject of this report, and no (or the specified) personal interest with respect to the parties involved.

I have performed services, as an appraiser or in any other capacity, regarding the property that is the subject of the report within the three-year period immediately preceding acceptance of this assignment.

I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.

My engagement in this assignment was not contingent upon developing or reporting predetermined results.

My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.

I have conducted a personal inspection of the property that is the subject of this report. (If more than one person signs the report, this certification must clearly specify which individuals did and which individuals did not make a personal inspection of this property.)

No one provided significant real property appraisal assistance to the person signing this certification. (If there are exceptions, the name of each individual providing significant professional assistance must be stated.)

Ronald W. Reeder

July 29, 2025

Ronald W. Reeder, ASA, IFAS
Certified General Real Estate Appraiser
IL. License # 553.000163
Expiration: 09/30/2025

Glossary

This glossary contains the definitions of common words and phrases, used throughout the appraisal industry, as applied within this document. Please refer to the publications listed in the **Works Cited** section below for more information.

Works Cited:

- Appraisal Institute. *The Appraisal of Real Estate*. 13th ed. Chicago: Appraisal Institute, 2008. Print.
- Appraisal Institute. *The Dictionary of Real Estate Appraisal*. 5th ed. 2010. Print.

Band of Investment

A technique in which the capitalization rates attributable to components of a capital investment are weighted and combined to derive a weighted-average rate attributable to the total investment. (Dictionary, 5th Edition)

Common Area

1. The total area is within a property that is not designed for sale or rental but is available for common use by all owners, tenants, or their invitees, e.g., parking and its appurtenances, malls, sidewalks, landscaped areas, recreation areas, public toilets, truck and service facilities.
2. In a shopping center, the walkways and areas onto which the stores face and which conduct the flow of customer traffic. (ICSC) (Dictionary, 5th Edition)

Common Area Maintenance (CAM)

1. The expense of operating and maintaining common areas may or may not include management charges and usually does not include capital expenditures on tenant improvements or other improvements to the property.
 - CAM can be a line-item expense for a group of items that can include maintenance of the parking lot and landscaped areas and sometimes the exterior walls of the buildings.
 - CAM can refer to all operating expenses.
 - CAM can refer to the reimbursement by the tenant to the landlord for all expenses reimbursable under the lease. Sometimes reimbursements have what is called an administrative load. An example would be a 15% addition to total operating expenses, which are then prorated among tenants. The administrative load, also called an administrative and marketing fee, can be a substitute for or an addition to a management fee.
2. The amount of money charged to tenants for their shares of maintaining a center's common area. The charge that a tenant pays for shared services and facilities such as electricity, security, and maintenance of parking lots. The area is maintained in common by all tenants, such as parking lots and common passages. The area is often defined in the lease and may or may not include all physical area to be paid for by all tenants. Items charged to common area maintenance may include cleaning services, parking lot sweeping and maintenance, snow removal, security, and upkeep. (ICSC) (Dictionary, 5th Edition)
- 3.

Debt Coverage Ratio (DCR)

The ratio of net operating income to annual debt service ($DCR = NOI/Im$), which measures the relative ability of a property to meet its debt service out of net operating income; also called debt service coverage ratio (DSCR). A larger DCR indicates a greater ability for a property to withstand a downturn in revenue, providing an improved safety margin for a lender. (Dictionary, 5th Edition)

Discount Rate

A yield rate is used to convert future payments or receipts into present value; usually considered to be a synonym for yield rate. (Dictionary, 5th Edition)

Effective Age

The age of property that is based on the amount of observed deterioration and obsolescence it has sustained, which may be different from its chronological age. (Dictionary, 5th Edition)

Effective Date

1. The date on which the analysis, opinion, and advice in an appraisal, review, or consulting service apply.
2. In a lease document, the date upon which the lease goes into effect. (Dictionary, 5th Edition)

Exposure Time

1. The time a property remains on the market.
2. The estimated length of time 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; a retrospective estimate based on an analysis of past events assuming a competitive and open market. (Dictionary, 5th Edition)

External Obsolescence

An element of depreciation; a diminution in value caused by negative externalities and generally incurable on the part of the owner, landlord, tenant. (Dictionary, 5th Edition)

Extraordinary Assumption

An assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser's opinions or conclusions. Extraordinary assumptions presume as facts otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property such as market conditions or trends; or about the integrity of data used in an analysis. (USPAP, 2010-2011 ed.) (Dictionary, 5th Edition)

Fee Simple Estate

Absolute ownership is 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. (Dictionary, 5th Edition)

Functional Obsolescence

The impairment of functional capacity of a property according to market tastes and standards. (Dictionary, 5th Edition)

Functional Utility

The ability of a property or building to be useful and to perform the function for which it is intended according to current market tastes and standards, the efficiency of a building's use in terms of architectural style, design and layout, traffic patterns, and the size and type of rooms. (The Appraisal of Real Estate, 13th Edition)

Gross Building Area (GBA)

Total floor area of a building, excluding unenclosed areas, measured from the exterior of the walls of the above-grade area. This includes mezzanines and basements if and when typically included in the region. (Dictionary, 5th Edition)

Gross Leasable Area (GLA)

Total floor area designed for the occupancy and exclusive use of tenants, including basements and mezzanines; measured from the center of joint partitioning to the outside wall surfaces. (Dictionary, 5th Edition)

Highest & Best Use

The reasonably probable and legal use of vacant land or an improved property that is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity. Alternatively, the probable use of land or improved property—specific with respect to the user and timing of the use—that is adequately supported and results in the highest present value. (Dictionary, 5th Edition)

Highest and Best Use of Land or a Site as Though Vacant

Among all reasonable, alternative uses, the use that yields the highest present land value, after payments are made for labor, capital, and coordination. The use of property is based on the assumption that the parcel of land is vacant or can be made vacant by demolishing any improvements. (Dictionary, 5th Edition)

Highest and Best Use of Property as Improved

The use that should be made of a property as it exists. An existing improvement should be renovated or retained as it continues to contribute to the total market value of the property, or until the return from a new improvement would more than offset the cost of demolishing the existing building and constructing a new one. (Dictionary, 5th Edition)

Hypothetical Condition

That is contrary to what exists but is supposed for the purpose of analysis. Hypothetical conditions assume conditions contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis. (Dictionary, 5th Edition)

Leased Fee Interest

A freehold (ownership interest) where the possessory interest has been granted to another party by creation of a contractual landlord-tenant relationship (i.e., a lease). (Dictionary, 5th Edition)

Market Area

The area associated with a subject property that contains its direct competition. (Dictionary, 5th Edition)

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Market Rent

The most probable rent that a property should bring is a competitive and open market reflecting all conditions and restrictions of the lease agreement, including permitted uses, use restrictions, expense obligations, term, concessions, renewal and purchase options, and tenant improvements (TIs). (Dictionary, 5th Edition)

Market Value

The major focus of most real property appraisal assignments. Both economic and legal definitions of market value have been developed and refined.

1. The most widely accepted components of market value are incorporated in the following definition: The most probable price that the specified property interest should sell for in a competitive market after a reasonable exposure time, as of a specified date, in cash, or in terms equivalent to cash, under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, for self-interest, and assuming that neither is under duress.
2. Market value is described in the Uniform Standards of Professional Appraisal Practice (USPAP) as follows: A type of value, stated as an opinion, that presumes the transfer of a property (i.e., a right of ownership or a bundle of such rights), as of a certain date, under specific conditions set forth in the definition of the term identified by the appraiser as applicable in an appraisal. (USPAP, 2014 ed.) USPAP also requires that certain items be included in every appraisal report. Among these items, the following are directly related to the definition of market value:
 - Identification of the specific property rights to be appraised.

- Statement of the effective date of the value opinion.
 - Specification as to whether cash, terms equivalent to cash, or other precisely described financing terms are assumed as the basis of the appraisal.
 - If the appraisal is conditioned upon financing or other terms, specification as to whether the financing or terms are at, below, or above market interest rates and/or contain unusual conditions or incentives. The terms of above—or below—market interest rates and/or other special incentives must be clearly set forth; their contribution to, or negative influence on, value must be described and estimated; and the market data supporting the opinion of value must be described and explained.
3. The following definition of market value is used by agencies that regulate federally insured financial institutions in the United States: The most probable price that a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and the 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:
 - Buyers and sellers are typically motivated.
 - Both parties are well informed or well advised, and act in what they consider their 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. (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)
 4. The International Valuation Standards Council defines market value for the purpose of international standards as follows: The estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently, and without compulsion. (International Valuation Standards, 8th ed., 2007)
 5. Market value is the amount in cash, or on terms reasonably equivalent to cash, for which in all probability the property would have sold on the effective date of the appraisal, after a reasonable exposure of time on the open competitive market, from a willing and reasonably knowledgeable seller to a willing and reasonably knowledgeable buyer, with neither acting under any compulsion to buy or sell, giving due consideration to all available economic uses of the property at the time of the appraisal. (Uniform Standards for Federal Land Acquisitions) (Dictionary, 5th Edition)

Marketing Time

An opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of the appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal. (Advisory Opinion 7 of the Standards Board of The Appraisal

Foundation and Statement on Appraisal Standards No. 6, “Reasonable Exposure Time in Real Property and Personal Property Market Value Opinions” address the determination of reasonable exposure and marketing time). (Dictionary, 5th Edition)

Net Operating Income (NOI)

The actual or anticipated net income that remains after all operating expenses is deducted from effective gross income but before mortgage debt service and book depreciation are deducted. (Dictionary, 5th Edition)

Obsolescence

One cause of depreciation; an impairment of desirability and usefulness caused by new inventions, changes in design, improved processes for production, or external factors that make a property less desirable and valuable for continued use; may be either functional or external. (Dictionary, 5th Edition)

Parking Ratio

A ratio of parking area or parking spaces to an economic or physical unit of comparison. Minimum required parking ratios of various land uses are often stated in zoning ordinances. (Dictionary, 5th Edition)

Rentable Area

For office buildings, the tenant’s pro rata portion of the entire office floor, excluding elements of the building that penetrate through the floor to the areas below. The rentable area of a floor is computed by measuring to the inside finished surface of the dominant portion of the permanent building walls, excluding any major vertical penetrations of the floor. Alternatively, the amount of space on which the rent is based; calculated according to local practice. (Dictionary, 5th Edition)

Replacement Cost

The estimated cost to construct, at current prices as of the effective appraisal date, a substitute for the building being appraised, using modern materials and current standards, design, and layout. (Dictionary, 5th Edition)