

PURCHASE AGREEMENT
(Ascom Building and Vacant Lot)

This Purchase Agreement ("Agreement") is made and entered into this 17 day of November, 2023 ("Effective Date"), by and between **ACME CREEK COMMONS, LLC**, a Michigan limited liability company, whose address is 6100 US 31 North, Acme, Michigan 49610 ("Seller"), and **ACME TOWNSHIP**, a Michigan general law township organized and operating under the provisions of the Michigan General Township Act, MCL 41.1, *et seq.*, as amended, whose address is 6042 Acme Road, Williamsburg, Michigan 49690 ("Purchaser"), for the transfer of real property commonly known as the "Ascom Building and Vacant Lot" located at 6042 Acme Road, Williamsburg, Michigan 49690, within the Township of Acme, County of Grand Traverse, Michigan.

I. Property Transferred. The Purchaser shall purchase and receive and the Seller shall sell the above-referenced property, which is comprised of Tax Parcel No. 01-300-033-00 and 01-300-043-04 and legally described in Exhibit "A", along with the building(s) thereon and, if any, all easements and all other interests and rights of the Seller which are appurtenant to the real estate, including, but not limited to, all right, title, and interest, if any, of the Seller in and to any land lying in street, road, or avenue in front of, within, or adjacent to, or adjoining such land (collectively, the "Property").

II. Personal Property. Seller shall provide to Purchaser an inventory of personal property that is located at the Property that it does not want to retain no later than 10 days after entering into this Agreement. Purchaser will then review the inventory to determine what, if any, personal property Purchaser would like to retain. Any personal property remaining on the Property within seven (7) calendar days of the Closing will be reviewed by Purchaser. All remaining personal property that Purchaser does not retain shall be removed by Seller prior to closing. At Closing, the Seller shall provide a Bill of Sale for any such remaining personal property the Purchaser chooses to retain at no additional cost to Purchaser.

III. Purchase Price. The Property shall be purchased for the sum of Six Hundred Ninety Five Thousand and 00/100 Dollars (\$695,000.00) (the "Purchase Price"), in cash or certified funds at Closing. In the event the Seller desires to spread the payments out over time, Acme Township would be willing to enter into an Agreement with Seller regarding same.

IV. Deposit. Within fourteen (14) days of the execution of this Purchase Agreement, Purchaser shall place Five Thousand and 00/100 Dollars (\$5,000.00) in escrow with the Title Company as an Earnest Money Deposit pursuant to this Agreement. At closing, the deposit amount shall be credited to the Purchase Price. In the event this Agreement is rescinded and terminated under Article VIII of this Agreement, then the Earnest Money Deposit shall be returned to Purchaser within five (5) business days.

V. Closing. The Closing of the sale described herein shall take place at the Talon Group Title Agency, located at 415 Munson Avenue, Ste. 102, Traverse City, Michigan 49686, as required in Paragraph VI. Closing shall be held not later than February 29, 2024, unless the parties agree in writing to another date (the "Closing"). The Purchaser shall take possession of the Property upon Closing, subject to any existing leases in place. Seller represents to Purchaser that all existing leases on the subject Property are on a month-to-month basis and can be terminated by Purchaser after Closing on 30 days written notice. At Closing, Seller agrees to assign any existing leases with respect to the Property to Purchaser and prorate any rent and transfer any security deposits to Purchaser.

VI. Evidence of Title. The Seller shall, as soon as practical and in any event within ten (10) days from the Effective Date of this Agreement, provide Purchaser with a commitment for an owner's policy of title insurance in an amount of the Purchase Price showing seller's title to be in good and marketable condition, with standard printed exceptions removed at closing. The title company is the Talon Group Title Agency (the "Title Company"). The title commitment shall be updated as of the date of the closing. Prior to the expiration of the Inspection Period, the Purchaser shall notify the Seller of any restrictions, reservations, limitations, easements, liens and other conditions of record (together the "Title Defects"), disclosed in such commitment all Title Defects which are objectionable to the Purchaser. Should the Purchaser notify the Seller of any such Title Defects, the Seller shall have until Closing to cure or remove the same. If such Title Defects are not cured by Closing, the Purchaser may, at the Purchaser's option, terminate this Agreement, or alternatively, set a date with the Seller to extend the closing date to a mutually agreed upon closing date so as to provide the Seller with an additional opportunity to cure said Title Defects. In the event such Title Defects are not cured by the closing date, or any extension thereof, and the Purchaser elects not to waive its title objections, the Purchaser may terminate this Agreement or may renegotiate the terms with the Seller. Seller and Purchaser agree to negotiate in good faith if Purchaser chooses to renegotiate.

VII. Survey. During the Inspection Period, as defined below, the Purchaser may obtain, at its sole expense, a survey of the Property (the "Survey"). The Survey, if obtained, shall be certified to the Purchaser and the Title Company. If the Purchaser objects in writing as to the condition of the Survey during the Inspection Period, the Seller shall have ten (10) days after receipt of notification of such objections, or such greater period of time as may be mutually agreed in writing between the Seller and the Purchaser (the "Cure Period") within which the Seller may (but shall not be required to) cure or remove each such objection or obtain title insurance against such objection in a manner acceptable to the Purchaser. If the Seller fails to either cure or remove an objection or obtain such title insurance with respect to the Property to the sole satisfaction of the Purchaser prior to the expiration of the Cure Period, Purchaser shall have the choice of moving forward with closing, renegotiating any terms with Seller, or terminating this Agreement without penalty or liability. Seller and Purchaser agree to negotiate in good faith if Purchaser chooses to renegotiate.

VIII. Inspections; Tests. Seller agrees to provide Purchaser with copies of all relevant records in its possession regarding the Property within fourteen (14) days of execution of this Agreement. These records include, but are not limited to, maintenance records for the roof and HVAC units for the last five (5) years, copies of any existing surveys, environmental assessment reports, and executed leases for the Property. The Purchaser shall have the right and license to enter upon the Property for the purposes of making any and all surveys, appraisals, explorations, soil tests, inspections, environmental reports, wetlands and flood plain evaluations, water and perk tests, mechanical and electrical system inspections, architectural review, structural and engineering inspections, and any other inspections desired by Purchaser, and zoning and rezoning approvals, all of which inspections and approvals shall be completed on or before January 31, 2024 (the "Inspection Period"). The Purchaser shall then have ten (10) days after expiration of the Inspection Period to determine whether it is satisfied with the condition of the Property, and has received all applicable reports, results, and approvals. In the event the Purchaser is dissatisfied with the results of the inspections, Purchaser shall have the option to rescind and terminate this Agreement without penalty or liability by notifying Seller prior to the expiration of Purchaser's ten (10) day determination period. Prior to expiration of the ten (10) day determination period, Purchaser may also request Seller to address or remediate any issues that Purchaser is dissatisfied with and Seller may attempt to cure the same. If Seller is unable to or refuses to address or remediate the issues then Purchaser shall have the choice of moving forward with closing, renegotiating any terms with Seller, or rescinding and terminating this Agreement without penalty or liability.

IX. Environmental Testing. To the extent permitted by law, the Purchaser will indemnify and hold harmless the Seller from any claims, damages, or causes of action which might occur as a result of Purchaser's activities on the Property during the Inspection Period and the Purchaser shall restore the Property to the existing condition before said test or investigations were conducted.

X. Warranty Deed. At the Closing, the Seller shall deliver to the Purchaser a Warranty Deed, subject only to any and all easements, covenants, and restrictions of record. The Warranty Deed shall transfer all permitted land divisions under the Land Division Act, PA 288 of 1967, as amended.

XI. Closing Costs. The Seller shall pay the transfer tax (if any), the costs of the title insurance, and any attorneys' fees incurred by the Seller. At the Closing, the Purchaser shall pay the costs of the recording fees for the Warranty Deed, attorneys' fees incurred on behalf of the Purchaser, and any inspection costs initiated by the Purchaser. Also at the Closing, the parties shall each pay 1/2 of the closing costs required by the Title Company to close this transaction.

XII. Time of Essence. Time is of the essence with respect to all dates and times set forth in this Agreement.

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XV. Confidentiality. The Parties agree that any press releases or other public announcements concerning the transactions provided herein shall be issued jointly by the Parties. Seller agrees to keep confidential the terms and conditions of this Purchase Agreement until such time as Purchaser has the opportunity to have its Board of Trustees approve the Agreement at a township public meeting.

XVI. Default. In the event of a default by Purchaser hereunder, Seller shall be entitled to terminate this Agreement and receive as liquidated damages the deposit amount of \$5,000.00. In the event of default by Seller hereunder, prior to or on the Closing, then in either event, Purchaser may, at its option: (a) specifically enforce the terms and conditions of this Agreement; or (b) exercise any other right or remedy, all of which rights and remedies shall be cumulative.

XVII. Property "As-Is." Purchaser represents, warrants, and covenants to Seller that Purchaser will have the opportunity to independently inspect the Property prior to Closing. In the event that Purchaser elects to close on the purchase of the Property after its Inspection Period set forth in Article VIII of this Agreement, Purchaser agrees that it is purchasing and will accept the Property in its then condition, as-is and with all faults.

XVIII. Disclosure and Disclaimer of Warranties. Seller represents and warrants to Purchaser that it has no knowledge of any condition, release, storage, use or disposal of hazardous or toxic substances on the property.

XIX. Notices. All notices required or given under this Agreement shall be in writing and either delivered personally or mailed by regular mail addressed to the parties at their addresses specified above. Mailed notices shall be effective upon mailing.

XX. Whole Agreement. This Agreement constitutes the entire agreement between the parties and shall be deemed to supersede and cancel any other agreement between the parties relating to the transactions herein contemplated. Each party acknowledges that no representation, inducement, or condition not set forth herein has been made or relied upon by either party. This Agreement may be amended or modified only by a document in writing executed by each of the parties named above.

XXI. Successors and Assigns. This Agreement shall bind and benefit the parties hereto and their respective successors and assigns.


XXII. Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Michigan.

XXIII. Counterpart Signatures. This Agreement may be executed in one or more counterparts, including facsimile copies, each of which shall be deemed an original, but all of which shall together constitute one and the same instrument.


IN WITNESS WHEREOF, the parties have signed and delivered this Purchase Agreement on the last date set forth below.

SELLER:

ACME CREEK COMMONS, LLC, a
Michigan limited liability company

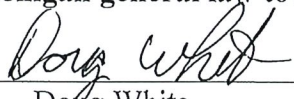

By: DAVID N. DARTH
Its: ACME CREEK COMMONS

And


By: DAVE WINKLER
Its: ACME CREEK COMMONS
Dated: 11/14/23

PURCHASER:

ACME TOWNSHIP,
a Michigan general law township

By: 
Doug White
Its: Township Supervisor

Dated: 11-14-2023

EXHIBIT "A"

Legal Description of Property

Property located in the Township of Acme, County of Grand Traverse, and State of Michigan more particularly described as:

I Property Transferred - two parcels (building is on one; additional vacant parcel included)

01-300-033-00

LOT 1 BLK 25 VILLAGE OF ACME & ALSO COM NW CNR LT 1 BLK 25 TH N 21.85', N 38 DEG E 10.49' TH N 38 DEG 22' E 75' M/L TO ACME CREEK TH NELY ALG ACME CR TO A PT 149.7' N & 40' W OF NW CRN LOT 8 BLK 26 TH S 149.7' TH W 30' TO NE CNR LOT 1 BLK 25 TH S 89 DEG 20' W 156.58' TO POB

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THAT PART OF LOT 8 BLOCK 26 VILLAGE OF ACME COM AT SE CNR SEC 34 T28N R10W TH N 00 DEG 42'00" W 561' TH S 89 DEG 25'00" W 377' TO POB TH S 00 DEG 40'26" E 41.92' TH S 89 DEG 24'30" W 156.49' TH N 00 DEG 37'21" W 84.66' TH N 89 DEG 24'30" E 130.07' TH S 00 DEG 01'30" W 42.42' TH N 89 DEG 25'00" E 26.86' TO POB

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SELLER:

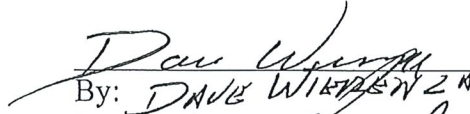
ACME CREEK COMMONS, LLC, a
Michigan limited liability company



By: DAVID H. BARTH

Its: ACME CREEK COMMONS

And



By: DAVE WITZEL

Its: ACME CREEK COMMONS

Dated: 11/14/23

PURCHASER:

ACME TOWNSHIP,
a Michigan general law township



By: Doug White

Its: Township Supervisor

Dated: 11-14-2023

EXHIBIT "A"

Legal Description of Property

Property located in the Township of Acme, County of Grand Traverse, and State of Michigan more particularly described as:

I Property Transferred - two parcels (building is on one; additional vacant parcel included)

01-300-033-00

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G. D. ZACHRITZ
Real Estate Appraiser

8482 Peninsula Drive
Traverse City, Michigan 49686
231-922-9441 voice
Garry@gdzachritz.com

Certified General
Michigan

Appraisal Report



<u>Location</u>	6100 U.S.31 North – Acme Twp. Acme/Williamsburg, Michigan
<u>Date of Report</u>	December 12, 2023
<u>Effective Date of Appraisal</u>	November 30, 2023
<u>Value Conclusion</u>	\$ 739,500
<u>Client</u>	Acme Township 6042 Acme Road Williamsburg, Michigan
<u>Appraiser</u>	Garry D. Zachritz Certified General #1205001543

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ADDENDA

Photos
Comparable Sales
Qualifications

SUMMARY OF SALIENT FACTS – EXECUTIVE SUMMARY

<u>Address</u>	6100 U.S.31 North Acme Township Acme/Williamsburg, Michigan
<u>Type of Property</u>	Commercial Office
<u>Present Use</u>	Office
<u>Highest and Best Use</u>	Present Use
<u>Interest Appraised</u>	Fee simple estate
<u>Zoning</u>	C commercial main west parcel - MHN, east parcel
<u>Site</u>	The subject is located on the east side of U.S.31 N and consists of two adjacent tracts. The west parcel is highly irregular in shape, the east parcel more rectangular.
<u>Building Overview</u>	One Story frame office building, containing 4,608 square feet with full basement. The basement is part wolmanized wood, and part concrete.
<u>Scope of Appraisal</u>	The scope of this assignment is to prepare a complete appraisal per USPAP.
<u>Date of Report</u>	December 12, 2023
<u>Effective Appraisal Date</u>	November 30, 2023
<u>Value Conclusion</u>	\$ 739,500

ASSUMPTIONS AND LIMITING CONDITIONS

This appraisal report, the letter of transmittal and the certification of value are made expressly subject to the following assumptions and limiting conditions and any special limiting conditions contained in the report, which are incorporated herein by reference.

1. The legal description furnished is assumed to be correct. I assume no responsibility for matters legal in character, nor do I render any opinion as to the title, which is assumed to be good. All existing liens and encumbrances, if any, have been disregarded and the property is appraised as though free and clear, under responsible ownership and competent management.
2. The sketch in this report is included to assist the reader in visualizing the property. I have made no survey of the property and assume no responsibility for its accuracy.
3. I believe to be reliable the information which was furnished by others, but I assume no responsibility for its accuracy.
4. Possession of this report, or a copy thereof, does not carry with it the right of publication, nor may it be used for any purpose by any but the client without the previous written consent of the appraiser or the client and then only with proper qualification.
 1. I am not required to give testimony or to appear in court by reason of preparing this appraisal report. Any testimony with reference to the subject property would require additional and future arrangements between the client and appraiser.
6. Subsurface rights (minerals and oil) were not considered in making this appraisal.
7. The comparable sales data relied upon in this appraisal is believed to be from reliable sources, however, it was necessary to rely on information furnished by others as to said data. Therefore, the value conclusions are subject to the correctness and verifications of said data.
8. Neither all or any part of the contents of this report shall be conveyed to the public through advertising, public relations, news, sales or other media, without the written consent and approval of the author, particularly as to valuation conclusions, the identity of the appraiser or firm with which he is connected, or any reference to the Appraisal Institute or its designations.
9. It is a basic assumption that should the date of valuation be other than the last date of inspection, the condition of the property is believed to be unchanged for that time period.
10. This report is prepared in compliance with the Appraisal Institute & is subject to the conformity and standards of the above organization.

ASSUMPTIONS AND LIMITING CONDITIONS

11. It is a basic assumption that should the date of valuation be other than the last date of inspection, the condition of the property is believed to be unchanged for that time period.

12. Limit of Liability. The liability of G.D. Zachritz is limited to the client only and, except as occasioned by negligence, fraud, or wrongful act, to the fee actually received. Further there is no accountability, obligation, or liability to any third party.

SECTION I

SCOPE OF THE APPRAISAL

This appraisal report complies with the report writing requirements of the Uniform Standards of Professional Appraisal Practice. I was contacted by Acme Township, concerning an appraisal on the subject with a current valuation date, consistent with the inspection November 30, 2023.

No readily apparent adverse environmental conditions were observed during the inspection, and it is assumed none exist. If any were discovered, the value estimate would likely require modification.

I have no special expertise regarding environmental hazards and this report *must not be considered as an environmental assessment* of the property. Likewise, the appraisal is based upon surface rights. I have no special expertise regarding mineral rights. No soil tests were performed. The appraisal is based upon surface rights. I have no special expertise regarding mineral rights.

Furthermore, I am *not a licensed building inspector* and the building condition is based upon the general inspection, and should not be considered as a structural analysis. The basement is part wolmanized wood, and part concrete. If any structural issues were discovered, the value estimate would likely require modification.

The appraisal problem is primarily the issue of determining the market value that the subject would have to a non-specified purchaser considering all of the benefits that accrue to the ownership, as it exists as of the date of the appraisal.

The subject's fee simple estate is the topic of this report.

The steps in the appraisal process include:

- identification of the problem,
- preliminary analysis and data collection,
- analysis of the highest and best use,
- the application of the three recognized approaches to value, then
- reconciliation to a final value estimate

The first step in the valuation is to estimate its highest and best use. The subject is a commercial office and its present use is its highest and best use.

SECTION I

SCOPE OF THE APPRAISAL

Next, the three valuation approaches are considered. The three recognized approaches in appraising real property are the

- Sales Comparison Approach,
- The Income Capitalization Approach, and
- Cost Approach.

The three approaches are independent, although consistent and supportive of each other. While each approach is considered, only those approaches applicable, depending upon the nature of the property and the market in which it competes, are utilized in determining value.

Applicability of the Approaches in the Subject's Valuation:

The sales comparison approach is valid for this analysis. It reflects market behavior in that it simulates the actions of a typical purchaser of the subject property as he compares alternative properties.

The cost approach and the income approach were not developed since there are adequate sales to fully develop the sales comparison approach.

Market research for this appraisal was gathered from numerous sources. These sources included but are not limited to the local MLS system, conversations with brokers active in this market, as well as, Acme Twp. assessing office, and my own work files.

SECTION I

SALES HISTORY

None in the past three years. The subject is presently under a current buy/sell agreement. Effective the day of inspection, I have not been made privy to its details.

INTENDED USER

Acme Township, the Client, is the intended user of the report.

INTENDED USE

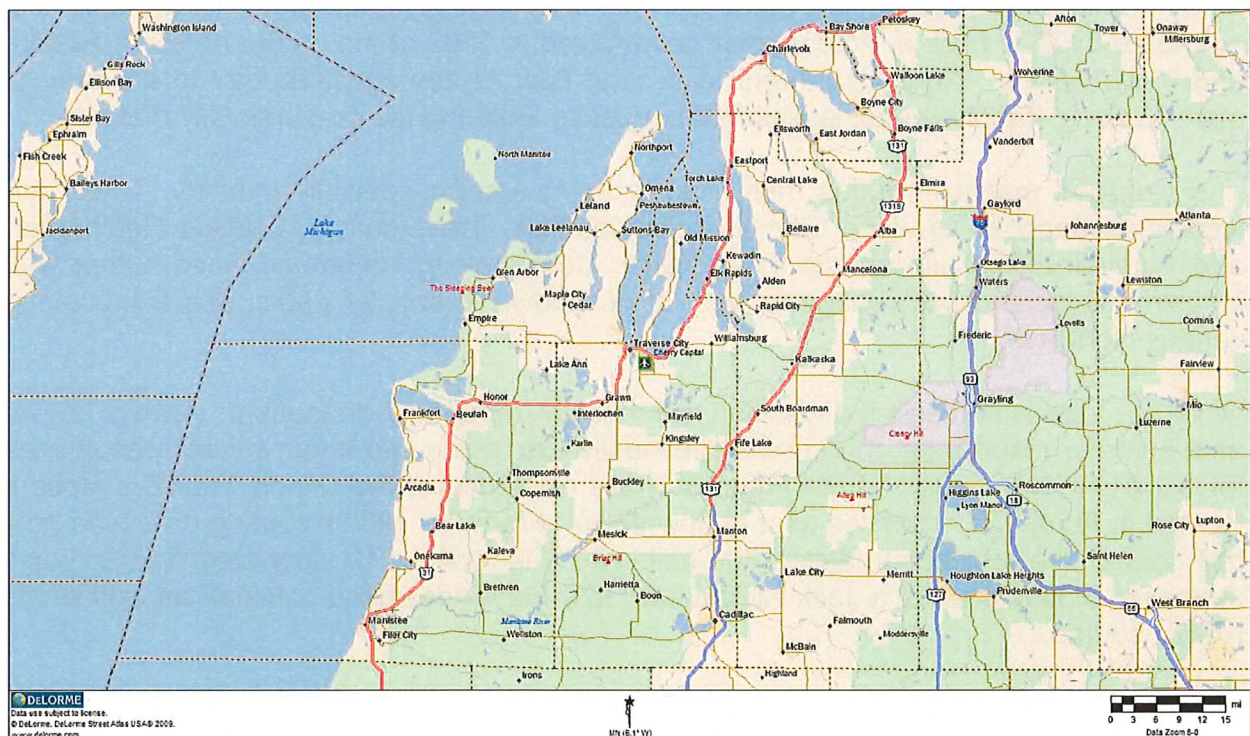
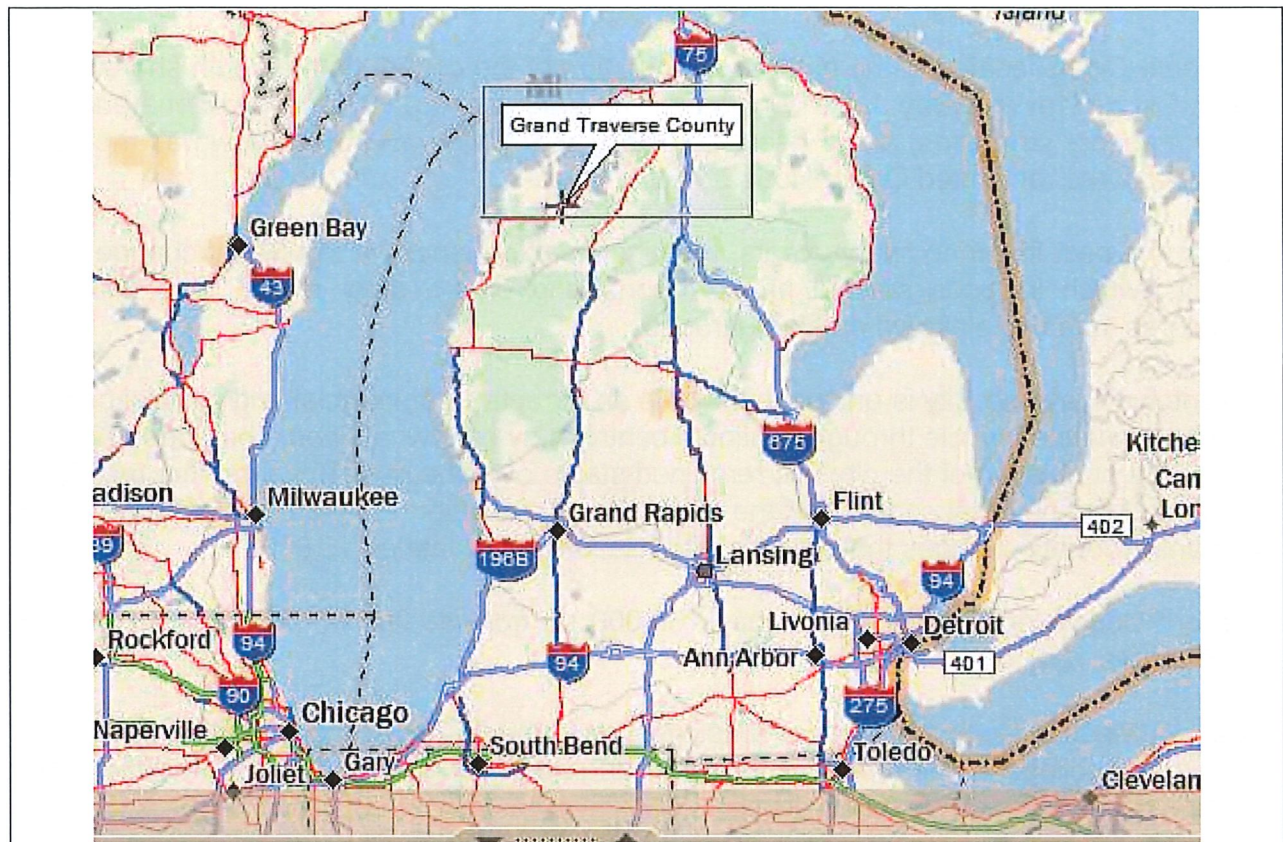
The intended user of the appraisal report is my client.

EXPOSURE TIME

The specified date as contemplated by the market value definition is the date of value indicated in this report for the real property interest appraised. The "reasonable time... allowed for exposure in the open market" refers to the marketing time leading up to the valuation date. Hence, the value estimated presumes a sale on the date of value. The appraised value for market value, assumes an exposure time of 12 months.

SECTION I

REGIONAL SUMMARY



SECTION I

REGIONAL SUMMARY

Traverse City is located in the north central portion of the county on the south shoreline of West Grand Traverse Bay, Lake Michigan. The CBD is comprised mostly of one and two story masonry structures, a mid rise office bldg. and downtown hotel, known as the Park Place, and the renovated Opera House.

Within the past fifteen to twenty years, the city has experienced a significant change in its skyline, which includes several projects consisting of 4-5 story mixed used Class A structures, and two elevated parking garages.

Downtown Traverse City is unique in that it is an attractive commercial and cultural center, and has remained viable through continual controversy over what should be done to better itself. The population of the city has remained stable over the past 15 years, due mainly to the fact of the physical confines of the city limits. Annexation of lands to the northwest in Leelanau County changes that statistic. Population approximates 15,000.

Current County population approaches 100,000 up from 40,000 in 1970 and the region approaches 150,000.

Munson Medical Center is a major employer, as is the TCAPS school system. NMC, the local junior college is expanding its four year degree offerings through its association with Central Michigan and Ferris University.

Much of the region's recent growth is due primarily to retail trade and ancillary services. Anchored by G.T. Mall, a regional mall constructed in 1992 at the corner of South Airport, and M-37/U.S.31. While it's current state is in flux, its development lead to an array of other National franchise businesses following suite, entering the Traverse City market.

The industrial market includes mostly an array of smaller specialty industry. These are located primarily in Traverse City Air Industrial Park, Traversefield, Garfield Heidbreder, and a newer mixed use named Trade winds Centre along Hammond Road. Other light industrial is located both east and west of downtown in smaller parks, and linear along various highways.

While the area is somewhat diversified, it is heavily dependent on tourism. Always known as a summer resort area, the area is continually expanding into a four-season resort area for sometime now. Part of the impetus is the existence of the Grand Traverse Resort, located in Acme, Mi. ten miles east of downtown. From the 1980's starting as a nine hole golf course, the project introduced 800 units which includes a 13 story steel framed glass structure. Today there is a Jack Nicklaus & Gary Player designed courses, as well as, its Resort course.

Still known as the "Cherry Capital" of the World, the traditional cherry industry is being replaced by vineyards, as demand for the end product out paces other fruit.

SECTION I

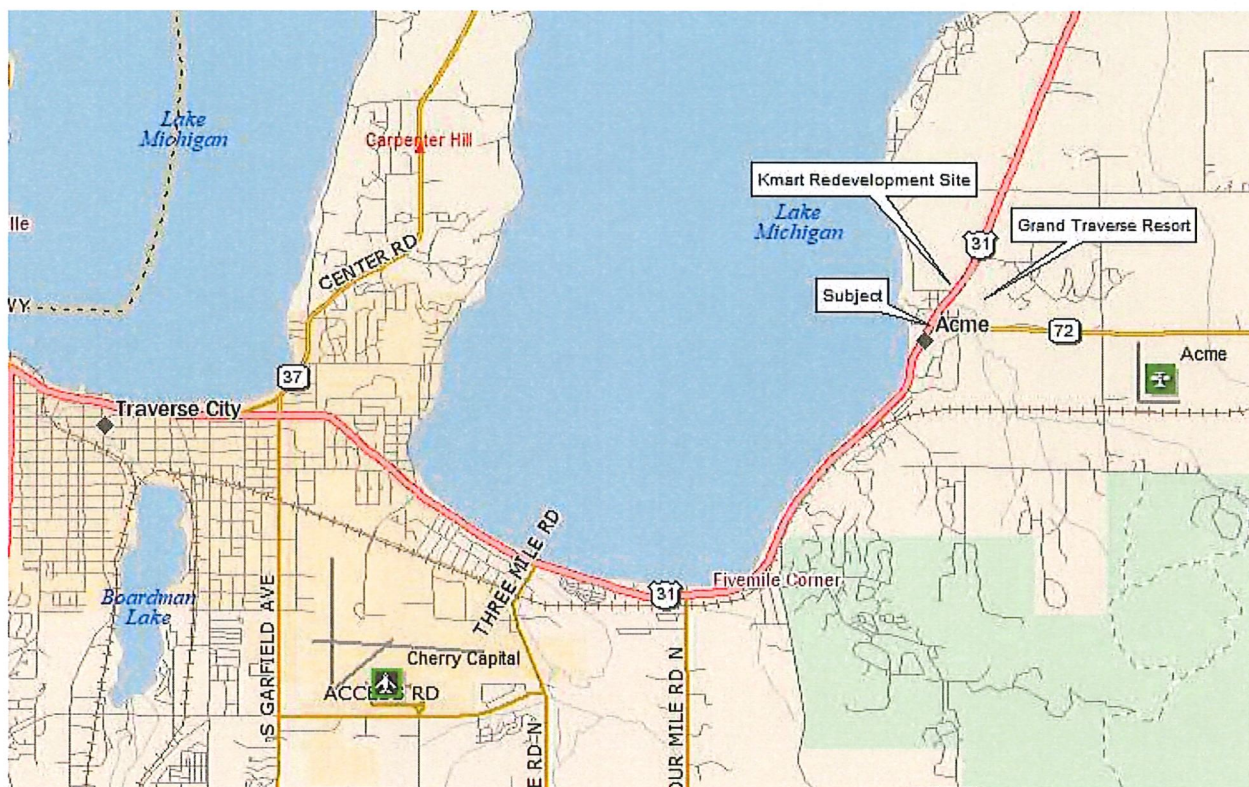
REGIONAL SUMMARY

SUMMARY

The region, especially Traverse City is recognized as being a dynamic community, which has exhibited growth exceeding State averages. The area dominates traits for shopping and eating establishments.

Overall the community is expected to continue to experience moderate growth. It has been acknowledged as one of the most dynamic communities in the State of Michigan.

NEIGHBORHOOD



The subject neighborhood is Acme Township, anchored by Acme Corners at the intersection of U.S.31 N & M-72 E, about 10 miles east of downtown Traverse City.

U.S.31N is built-up with a variety of freestanding commercial buildings from Five Mile Road, to the Acme Corner intersection.

The NE intersection is the location of the Grand Traverse Resort, a 400-acre resort and convention center, anchored by a Jack Nicklaus, and Gary Player golf course.

NEIGHBORHOOD

Across the highway from the G.T. Resort, the former Kmart and adjacent tract is being redeveloped into a major mixed use project – this consists of renovation of the former Kmart structure and new construction consisting of additional commercial and added housing mix.

M72 E runs east 50 miles to I-75. Its first four miles east of the intersection has experienced more recent commercial development. It is the location of a newer Meijer's grocery and retail center, and Turtle Creek Casino.

From the intersection, U.S.31 N. turns southwest and is the eastern gateway into Traverse City.

There are no adverse influences.

SECTION I

LEGAL DESCRIPTION

West parcel improved with office

LOT 1 BLK 25 VILLAGE OF ACME & ALSO COM NW CNR LT 1 BLK 25 TH N 21.85', N 38 DEG E 10.49' TH N 38 DEG 22' E 75' M/L TO ACME CREEK TH NELY ALG ACME CR TO A PT 149.7' N & 40' W OF NW CRN LOT 8 BLK 26 TH S 149.7' TH W 30' TO NE CNR LOT 1 BLK 25 TH S 89 DEG 20' W 156.58' TO POB

Vacant tract

THAT PART OF LOT 8 BLOCK 26 VILLAGE OF ACME COM AT SE CNR SEC 34 T28N R10W TH N 00 DEG 42'00" W 561' TH S 89 DEG 25'00" W 377' TO POB TH S 00 DEG 40'26" E 41.92' TH S 89 DEG 24'30" W 156.49' TH N 00 DEG 37'21" W 84.66' TH N 89 DEG 24'30" E 130.07' TH S 00 DEG 01'30" W 42.42' TH N 89 DEG 25'00" E 26.86' TO POB SPLIT ON 10/10/2001 FROM 01-300-043-00; SPLIT ON 11/24/2004 FROM 01-300-043-02;

Per on line Assessor tax card

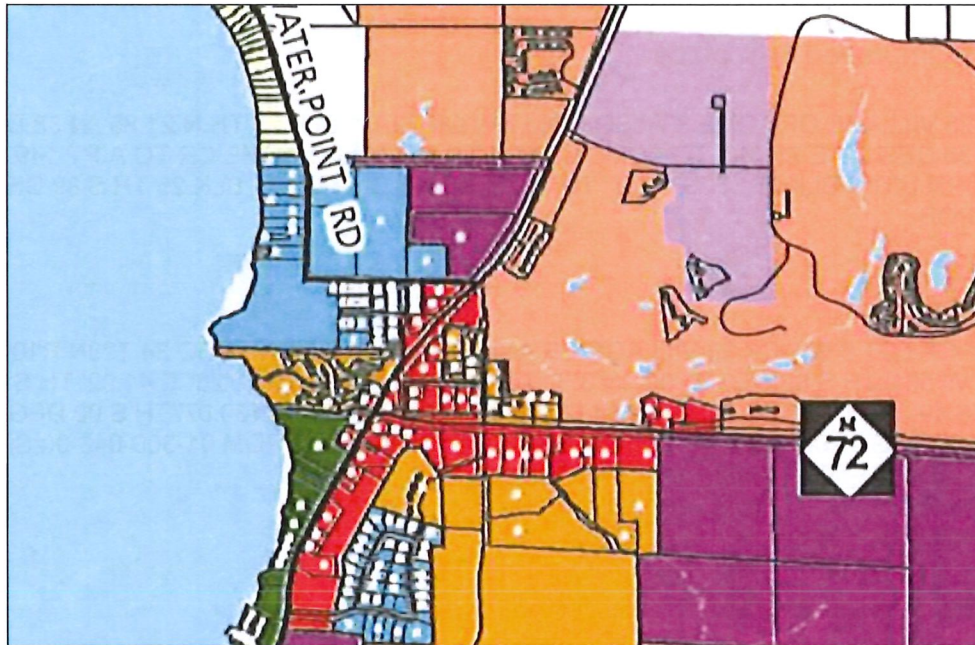
ASSESSED VALUE & TAXES

As a result of Proposal A, passed on March 15, 1994, the property assessment process in the State of Michigan has changed drastically. The Assessor for each community is now responsible for the calculation of an assessed value, state equalized value, capped value and a taxable value for each property in the community. The Assessed Value for a property is determine by the local assessor and is intended to represent 50% of the market value of the subject property. The State Equalized Value (SEV) for a property is determined by multiplying the assessed value by the State Equalization Factor for the local community in which the subject property is located. The Capped Value for a property is determined by multiplying the previous year's taxable value by the lesser of the CPI, Consumers Price Index, or 5% plus any additions or losses to the property. The Taxable Value for a property is determined to be the lesser of the SEV or the capped value. However, when a transfer of property occurs the taxable value will be based on the SEV of the subject property. Taxes are determined on the basis of a tax rate per \$1,000 multiplied by the current taxable value.

The subject is identified under two separate tax parcels as # 28-01-300-033-00 – & 01-300-043-04

Parcel ID	033-00	043-04
Assesed Value	\$203,900	\$8,500
State Equalized Value	\$203,900	\$8,500
Taxable Value	\$155,292	\$8,500
Non Homestead	44.9056	44.9056
Taxes (if Homestead)		
(if Non Homestead)	\$6,973	\$382

ZONING-

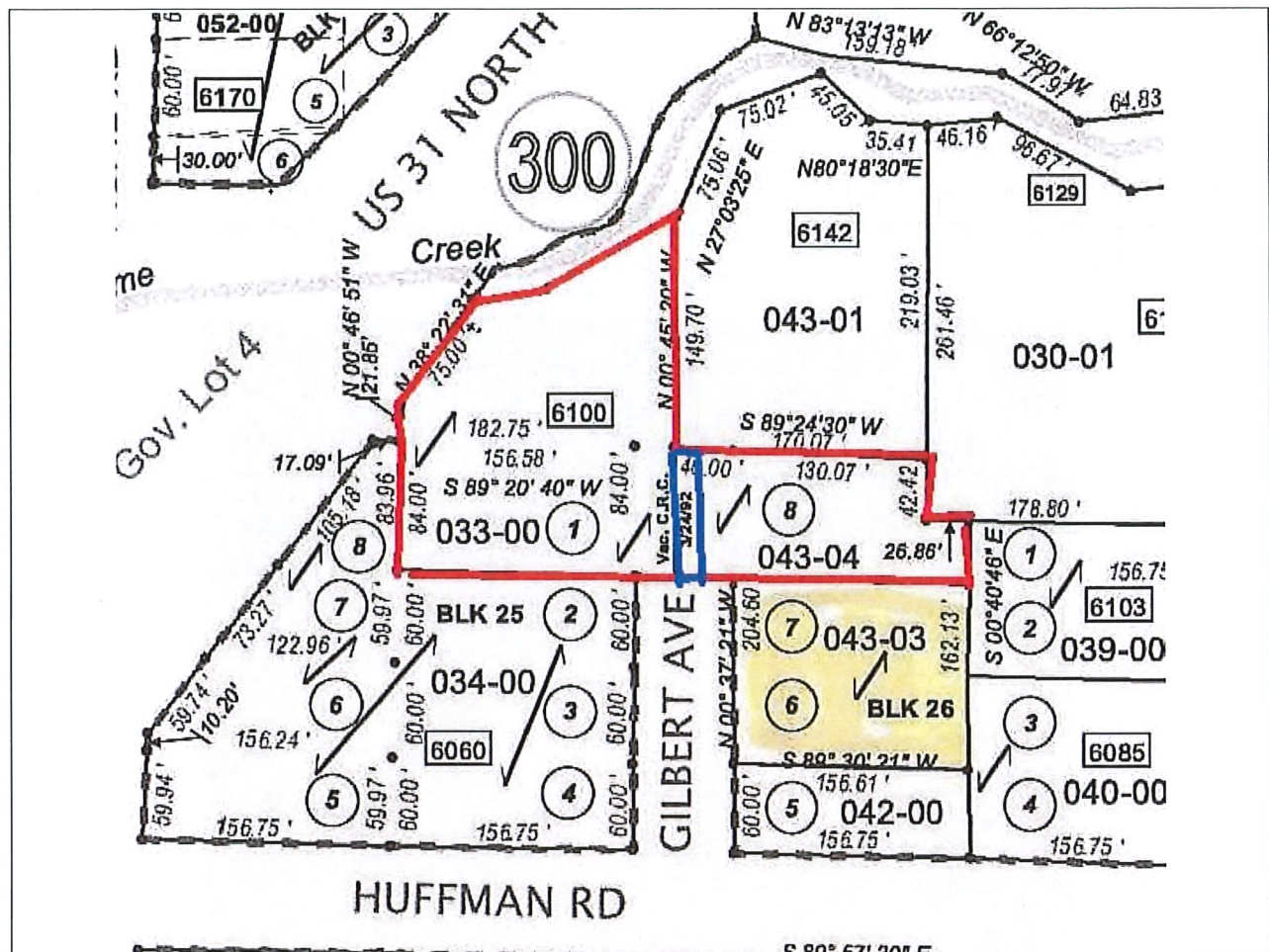


The west and primary parcel fronting on U.S.31N. improved with an office, is zoned C, commercial corridor. This district is broad based, with its intent to provide “a traditional commercial district”. It allows a wide range of commercial, and retail development.

Setbacks and minimums as follows:

Setback Requirements:	C	MHN
<i>Front</i>	20	25
<i>Side</i>	3	8
<i>Rear</i>	25	30
<i>Minimum lot size</i>	3,500	3630
<i>Minimum lot width</i>	40	50

SITE DESCRIPTION



The subject is located on the east side of U.S.31 N in Acme Township, Grand Traverse County. U.S.31. North is four lane in front of the subject. It also include road frontage on Gilbert Ave.

The site is slightly above road grade, level then for the front parking lot, building location, then to the east drops in elevation. The site consists of two adjacent parcels, each with a separate tax number.

The west segment (site of the building) is quite irregular shaped and contains 0.71 acres based from public records. The actual road frontage appears as 96.85' plus the meander line along its north boundary for Acme Creek.

Its rear line abuts the next subject tract to the east, and as displayed on the red outlined parcel on the above map. The east parcel contains .302 acres based on public records, about 84' width, with approximately 40' road frontage on its south boundary along Gilbert Ave. North of the south line of the subject, Gilbert had been abandoned as a public road in 1992. The blue rectangle depicts a 33' access easement on the west line of the east parcel for the adjacent property to the north.

SECTION I –

SITE DESCRIPTION

Utilities & Site Improvements

Public records indicate 1400/sf concrete, and 6,000/sf asphalt. The site is served by telephone, electric, and natural gas, Per Dave Barth, owner/seller, it has private water and municipal sewer.



Soils



SECTION I –

SITE DESCRIPTION

Soil Map

Consulting the USDA Soil Service map, depicts the following subsoils.

Map Unit Symbol	Map Unit Name	Acres in AOI	Percent of AOI
CrA	Croswell-Rubicon sands, 0 to 2 percent slopes	1.1	69.3%
KaE	Kalkaska loamy sand, 18 to 25 percent slopes	0.2	11.5%
MeA	Mancelona-East Lake loamy sands, 0 to 2 percent slopes	0.3	19.2%
Totals for Area of Interest		1.6	100.0%

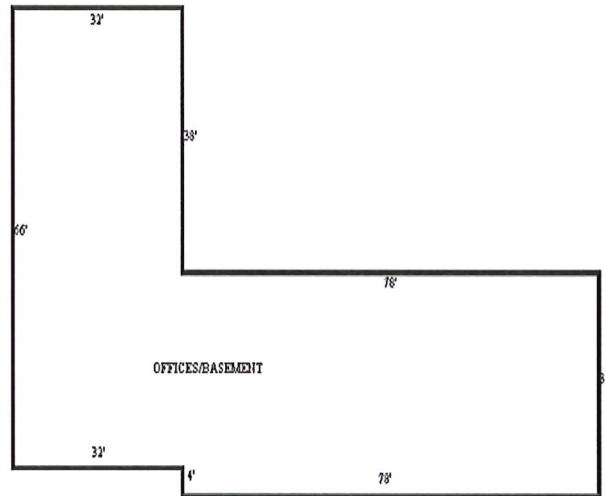
Toxics

The existence of hazardous substances or potentially hazardous materials or environmental conditions on or near a property may affect its value. The existence of hazardous substances, including without limitation asbestos, polychlorinated biphenyls, petroleum leakage, agricultural chemicals, or other hazardous environmental conditions was not reported, nor were any such conditions observed or indicated during the inspection of the Subject, nor was the knowledge of the existence of such materials or conditions on, in or near the Subject obtained in developing the valuation of the Subject.

The ability to test or detect the existence of potentially hazardous material that may be present on or near a property is not included in the specialized education and training of a real estate appraiser, who is therefore unqualified to make representations concerning such conditions. This valuation is predicated on the assumption that conditions do not exist on or in the property, or in such proximity thereto that would cause a loss in value. No responsibility is assumed for such conditions or for the expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field to undertake further investigation, if desired.

SECTION I –

BUILDING DESCRIPTION



From Twp. Assessing

Exterior

The subject is a one story frame office building, circa 1988 for the original segment, 1992 for its addition. It contains 4,608 square feet ground floor area, with full basement. The original basement is wolmanized wood construction under the south two suites, the 1982 addition to the north, basement is poured concrete.

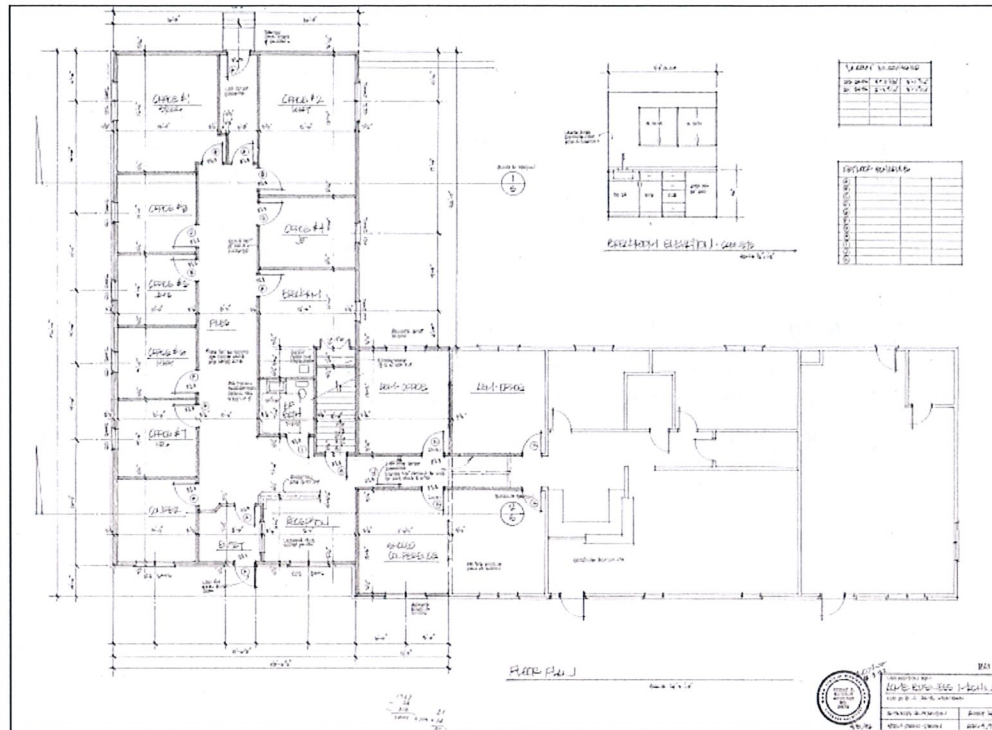
The exterior is vinyl siding, with brick accent wainscot, gable style roof with asphalt roof shingles. The windows are vinyl clad, aluminum soffit and gutters and downspouts.

The front elevation has sidewalk and three entry doors. The rear elevation has an at grade entry door on the south suite. The rear elevation has a driveway ramp down to the north basement with an overhead garage door, and entry door. The drive ramp down is bordered by concrete retaining walls.

There are three outside a/c units, each serving a suite, with three gas fwa furnaces located in the basement.

SECTION I -

BUILDING DESCRIPTION



Interior

Presently the property has three exterior doors along its west or curb elevation leading to three suites. Each suite has varying layout and partitions, yet the general overall finish is for the flooring a mix of ceramic tile, commercial grade carpet, and laminate style wood flooring. There are drywall walls and ceilings with fluorescent lighting. Doors and trim are natural stained wood.

There are four restrooms each two piece handicap, sinks include a pedestal, wall hung and vanity sink, all with handicap bars. There is a kitchenette with laminate style cabinets. Stairs lead down to the basement from the suite B. There is some partitioning in the basement with 3 offices, built out with drywall.

SECTION I –

BUILDING DESCRIPTION

Condition

Overall the condition is average, to average minus with some deferred maintenance. Per the seller, the roof shingles were replaced in 1992, as were the three front doors. The parking lot was upgraded circa 2018. Two of the three A/C units are newer, year not stated. Suite B has a newer gas fired forced air furnace, year not stated. There are two – 200 amp mains in the basement, one 100-amp main in Suite a. There is one 40 gallon, and two 10 gallon hot water heaters, one of the 10 gallon is newer.

There was water leaking at the front door sill of Suite B. The sill was replaced, and leak repaired. The water damaged drywall in the basement is not repaired. The north suite (C) exhibits the greatest wear and tear for carpeting, walls. Suite B, has the most recent upgrades with carpeting, paint, laminate flooring etc. Suite A is average overall.

SECTION I –

PURPOSE OF THE APPRAISAL

The purpose of the appraisal is to estimate the Market Value of the property. Market Value may be defined as:

"The most probable price in terms of money which a property will 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 a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated.
2. Both parties are well informed or well advised, and each acting in what they consider their 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

INTEREST APPRAISED

The rights appraised are the fee simple estate, as if free and clear of all liens, mortgages, and encumbrances subject to the rights for public utilities, road easements, and deed restrictions.

SECTION II

HIGHEST AND BEST USE OF PROPERTY

Defined: (1)

"That reasonable and probable use that will support the highest present values, as defined, as of the effective date of the appraisal."

"Alternatively that use, from among reasonable, probable and legal alternative uses found to be physically possible, appropriately supported, financially feasible and which results in highest land value."

"That definition immediately above applies specifically to the highest and best use of land. It is to be recognized that in cases where a site has existing improvements on it, the highest and best use may very well be determined to be different from the existing use. The existing use will continue, however, unless and until land value in its highest and best use exceeds the total value of the property in its existing use."

In estimating the highest and best use, there are four stages of analysis:

1. What uses of the site are physically possible
(Possible use).
2. What uses are permitted by zoning and deed restriction
(Permissible legal use).
3. Which possible and permissible uses will produce a net return to the owner of the site
(feasible use)?
4. among the feasible uses, which use will return produce the highest net return or the highest present worth?
(Highest and best use).

As Vacant

Physical

Physically the west subject is located along a major corridor, with a four lane asphalt road, in front of the site. It is slightly above road grade. The soils are suited for vertical construction. Is north line partly abuts Acme Creek. The east parcel is adjacent, drops in elevation to the east.

SECTION II

HIGHEST AND BEST USE OF PROPERTY

If vacant

Legal

The primary site, the west site, is zoned C commercial and the east parcel is zoned MHN.

Possible and - financially feasible

If vacant the west site it is suited for a variety of commercial uses under its current zoning.

The east site has 40' street frontage, but also noted is its west 33' is encumbered by an access easement for the property to the north. Realizing this, its likely use is assemblage with the west subject tract, its present use, or assemblage with either adjacent parcel to the north or south.

Two options exist to sell the east tract as a standalone. One is the owner could ask for a zoning variance for the minimum road frontage requirement. Second, someone would petition the G.T. C. Road Commission and request Gilbert Street to once again be extended as a public road, across both subject tracts. In 1992 Gilbert Road was abandoned by the Road Commission, and the lands to each side of centerline were conveyed to the west and east subject. An access easement for a property north of the subject tracts now encumbers the west 33' of the west boundary of the east tract.

I contacted Steve Barry at G.T.C Road Commission questioning the procedure to turn this former county road, back into a public county road. He stated that the owner needs to make application to go before the board. The road would have to be upgraded to current county standards.

Best

The only conclusion if the subject is vacant is speculation for development.

As Improved

Physically the (west) site is improved with a one story office. Its present use is a legal conforming use, and its continued use is its most probable use. It is equally suited for its three door multi tenanted use, or for a single user. Its value as improved is greater than its value as if vacant, so it is my conclusion that its present office use is its highest and best use.

The east lot is presently improved with gravel over a portion of the site, used for surface storage.

SECTION II

HIGHEST AND BEST USE OF PROPERTY

As Improved

Possible and - financially feasible

Surface parking is a likely continued use. Its sell off to an adjacent parcel is one likely alternative use. Sell off for an independent separate tract requires variances, time delays and possible road commission approvals.

Best

Based on this, its present office use with the added excess or surplus land to the east, is its highest and best use.

SECTION II

SALES COMPARISON APPROACH

In the sales comparison approach, market sales are compiled, verified, and then compared to the subject property utilizing adjustments taken from the marketplace to compensate for dissimilarities.

The sales comparison approach employs the Principle of Substitution, which states:

That a willing and well informed buyer and seller in the market will pay no more for an existing property than has generally been accepted for an equally desirable substitute property.

The sales comparison approach reflects market behavior in that it simulates the actions of a typical purchaser of the subject property as he compares alternative properties to the subject property.

Certain limitations are inherent in the Market Data Comparison Approach:

1. There must be adequate current sales data of truly comparable properties, which require a minimum of adjustments.
2. This approach is based on historical data, which requires the basic assumption that the market forces and behavior in the past will continue in the same relationship in the future.
3. Market conditions and terms of sales as well as physical comparison must be used to judge true comparability.

Properties are compared and based upon a unit rate of comparison. Typical unit rates vary in markets, and can include such measures as overall sale price, sale price per square foot - building area, including land; or other common denominators.

The appraiser has researched the market to find properties reasonably comparable to the subject property. Commercial office sales considered applicable are summarized on the next page, with full write-ups in the addenda

SECTION II SALES COMPARISON APPROACH

Table 1: Commercial Office Building Sales

ITEMS CONSIDERED	SUBJECT	SALE 1	SALE 2	SALE 3
ADDRESS	U.S.31N	Logan Valley	815 Biz ParkDr	Carriage Hill
LOCATION:	Acme/Wmsburg	Garfield	East Bay	Garfield
DATE:of APPRAISAL	Dec-23	Aug-23	May-21	Oct-20
PRICE (\$):	Mkt Value	\$552,000	\$650,000	\$590,000
TERMS:	Consider Cash	Cash	Cash	Cash
TOTAL SIZE (SQ.FT.):	4,608	3,904	4,396	6,526
CASH EQUIVALENT PRICE:		\$552,000	\$650,000	\$590,000
RIGHTS CONVEYED				
PRICE/SQ.FT.:		\$141.39	\$147.86	\$90.41
MARKET CONDITIONS:		1.03	1.26	1.32
INDICATED VALUE AFTER				
TIME ADJUSTMENT:		\$145.64	\$186.31	\$119.34
RIGHTS CONVEYED		1.00	1.00	1.00
LOCATION:		1.00	1.00	1.00
SITE CHARACTERISTICS		1.00	1.00	1.00
PHYSICAL CHARACTERISTICS:				
AGE/CONDITION:		0.90	0.85	0.95
SIZE:		1.00	1.00	1.10
QUALITY		1.00	0.90	1.00
OTHER		1.15	1.15	1.20
NET ADJUSTMENT:		1.04	0.88	1.25
INDICATED VALUE OF SUBJECT:				
		\$150.73	\$163.90	\$149.65

Narrative overview sale comparable

Sale 1 is the most recent sale of the sampling from August 2023, located SW of the subject in Logan's Landing Office park. This is a one story frame office with full brick veneer exterior, and hip roof. It is circa 1985 so similar in age, quality, and design. It is slightly smaller (704/sf) than the subject, built on a crawl space. It has some recent updating, so its condition is superior to the subject.

SECTION II SALES COMPARISON APPROACH

Narrative overview of sale comparable

Sale 2 is located off Three Mile Road in Peninsula Business Park, on Business Park Drive. This is a newer, circa 1997 one story frame office, with brick veneer with both hip and opposing gable roof lines. It is similar in design, and appeal, better quality construction. Its slightly smaller (212/sf) than the subject built over concrete slab. Its interior build out is superior compared to the subject.

Sale #3 is the oldest sale of the sampling, located off Garfield, on Carriage Hill. This is a circa 1999 one story frame office, with brick veneer wainscot. It is divided into five separate suites each with an exterior entry, varying in size. Each suite is each metered separately. It is similar in design, and appeal. Its larger (1,919/sf) than the subject, built over concrete slab. Its interior build out is similar quality and condition overall compared to the subject. It has its original roof shingles which displayed wear, at sale date.

Discussion of Adjustments –

Adjustments are made from the comparable properties to the subject. Adjustments are made for those items of significant variation between the subject and the comparable properties. If a significant item in the comparable property is superior to , or more favorable than the subject property, a minus (-) adjustment is made, thus reduction the indicated value to the subject; if a significant item in the comparable is inferior to, or less favorable than the subject, a plus (+) adjustment is made, thus increasing the indicated value of the subject.

Adjustments

Cash Equivalent

Each sale, sold for cash to the seller, so no adjustment is warranted.

Rights Conveyed

Each sold fee simple, or with short term leases which didn't affects value considerations, so no adjustments

SECTION II

SALES COMPARISON APPROACH

Adjustments

Market Condition and Time

None of the sales occurred at the date of appraisal. This adjustment accounts for the change in market conditions, from the date of the comparable sale, to the subject date of appraisal.

Overall the area has experienced increased demand, and rising values. A paired sales analysis depicts the difference in sale price over two times to account for the change in the market. The following is local market evidence.

Sale #1 sold in July 2021 for \$450,000 again in August 2023 for \$552,000 indicating an annual change rate of 10.75%. Sale #3 sold for \$451,500 in July 2012 and \$590,000 in October 2020 indicating an annual change rate of 3.4%

I used this data, for the basis of my adjustment to each of the comparable sales. Most emphasis is placed on the upward trend from Sale #1, which is a more recent pairing.

Location

Each comparable shares similar location features, so no adjustments are applicable.

Site

Each comparable shares similar size and site characteristics compared to the subject west and primary site with the office. The subject does have added land to its rear identified under a separate parcel and legal description. This is excess land, and is addressed after the analysis of the primary site and building. Its value conclusion reflects its contribution to the whole, under a single sale premise.

Age/condition

Each comparable is superior to the subject in age, and condition. I have estimated these differences.

Size

Sometimes the market reacts to significant size differences with an inverse relationship of size to unit rate. I have used the size depicted in the local MLS, which varies slightly from public assessing records. This is the data most purchasers rely upon. Sale #1 and #2 are is similar in size, and so no adjustment is market warranted. Sale #3 is larger, hence, my estimate for its size difference.

SECTION II

SALES COMPARISON APPROACH

Adjustments

Quality

Sale #1 & #3 share similar quality, Sale #2 is superior and I have estimated this difference.

Other

This adjustment accounts for the fact that each comparable lacks a basement, compared to the subject with basement. I have estimated this difference for the contributory value for an office building basement.

Summary & Comments

None of the sales are identical to the subject, yet collectively help form value parameters.

After adjustments, the office building sales display the following:

Sampling	Unit Rate
MEAN - \$/S.F.:	\$154.76
HIGH - \$/SF	\$163.90
LOW - \$/SF	\$149.65

Based on this, it is my opinion that a unit rate akin to the developed mid-range is applicable and reasonably supported.

Subject indicated	Market	Value
<u>Size</u>	<u>Unit Rate</u>	<u>Market Value</u>
4,608	\$154.76	\$713,142

The next item to address is the subject east parcel's contribution to the whole, under a single sale premise.

SECTION II

SALES COMPARISON APPROACH

Excess Land

I have viewed a variety of nearby sales, all but one are commercial. The adjacent property to the south is zoned MHN, like the subject. It sold in 2022 for \$50,000 or \$2.67 square foot.

It is near identical to the subject in many aspects, other than the fact that it has direct road frontage on Gilbert, meeting zoning standards, plus it is not encumbered by an access easement, across it.

These features of the sale comparable, are superior to the subject, indicating the subject less valuable. Based on the above, it is my conclusion that a unit rate at \$2/sf is applicable for the subject, considering its contribution to the whole, and reasonably supported.

<u>Size</u>	<u>Unit Rate</u>	<u>Value</u>
13,155	\$2.00	\$26,310

Recap of Sales Comparison Approach

After consideration of all the above, the findings from the sales comparison approach are.

<u>Subject indicated</u>	<u>Market</u>	<u>Value</u>
<u>Size</u>	<u>Unit Rate</u>	<u>Market Value</u>
4,608	\$154.76	\$713,142
<i>Excess land</i>		\$26,310
		\$739,452
	<i>rounded</i>	\$739,500

SECTION II

RECONCILIATION

Approaches	
Sales Comparison	\$739,500
Cost Approach	Not Applicable
Income Approach	Not Applicable

Recap of Approaches

The cost approach and income approaches were not applicable, so were not developed.

The sales comparison approach is the most valid valuation technique for the subject. It is predicated upon the *Principle of Substitution*, which states: "That a willing and well informed buyer and seller in the market will pay no more for an existing property than has generally been accepted for an equally desirable substitute property." It reflects market behavior in that it simulates the actions of a typical purchaser of the subject property as he compares alternative properties to the subject property

Therefore, after weighing all factors affecting value, it is my opinion to stress the findings from the sales comparison approach, subject to the assumptions and limiting conditions of this report.

Rounding to the most significant integer, effective this date, the subject has a market value of its fee simple estate of:

\$ 739,500

CERTIFICATION

The undersigned hereby certifies that to the best of my knowledge and belief, except as otherwise noted in this appraisal report:

The statements of fact contained herein and upon which the expressed analyses, opinions and conclusions are based, are true and correct.

The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions in accord with the terms of the assignment as specified therein, and my personal, unbiased professional analyses, opinions and conclusions.

I have neither present nor prospective interest in the property that is the subject of the analysis, and no personal interest or bias with respect to the parties involved. I have not appraised this property within the past three years.

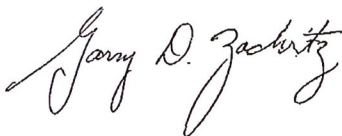
My compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.

My analyses, opinions, and conclusions were developed, and this analysis has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation and the Appraisal Institute and the Federal financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA) and its regulations.

Robert Follett, Michigan Certified General Appraiser, made the current November 30, 2023 inspection. I did not make a current inspection, but have previously viewed the subject. Follett is not a licensed building inspector.

Appraisers are required to be licensed and are regulated by the Michigan Department of Licensing and Regulatory Affairs. I am currently licensed as a Certified General Real Estate Appraiser with the State of Michigan, License #1205001543

No one, other than the undersigned, prepared the analyses, conclusions and opinions concerning the real estate as set forth in this report, unless specific contribution of other professionals is acknowledged within applicable sections of the report.

A handwritten signature in black ink, reading "Garry D. Zachritz". The signature is written in a cursive, flowing style.

Garry D. Zachritz

Subject Photo Page



Look north –U.S.31N curb elevation



NW segment of subject site look west – Acme Creek

Subject Photo Page



Looking east Overview of curb elevation



Look toward north suite then center suite

Subject Photo Page



North elevation look east – brick veneer wainscot, vinyl siding, gutters and Downspout - retention area to left



Center and south suite entry - look east

Subject Photo Page



Rear entry to south suite



Overview of south elevation – basement with drive,
OH garage door & retaining wall

Subject Photo Page



Looking east from above photo at excess land.



Look north up Gilbert Street toward subject parcels.

Subject Photo Page



Typical entry foyer - Suite C



Typical Office

Subject Photo Page



B – more recently updated



Stairs to basement

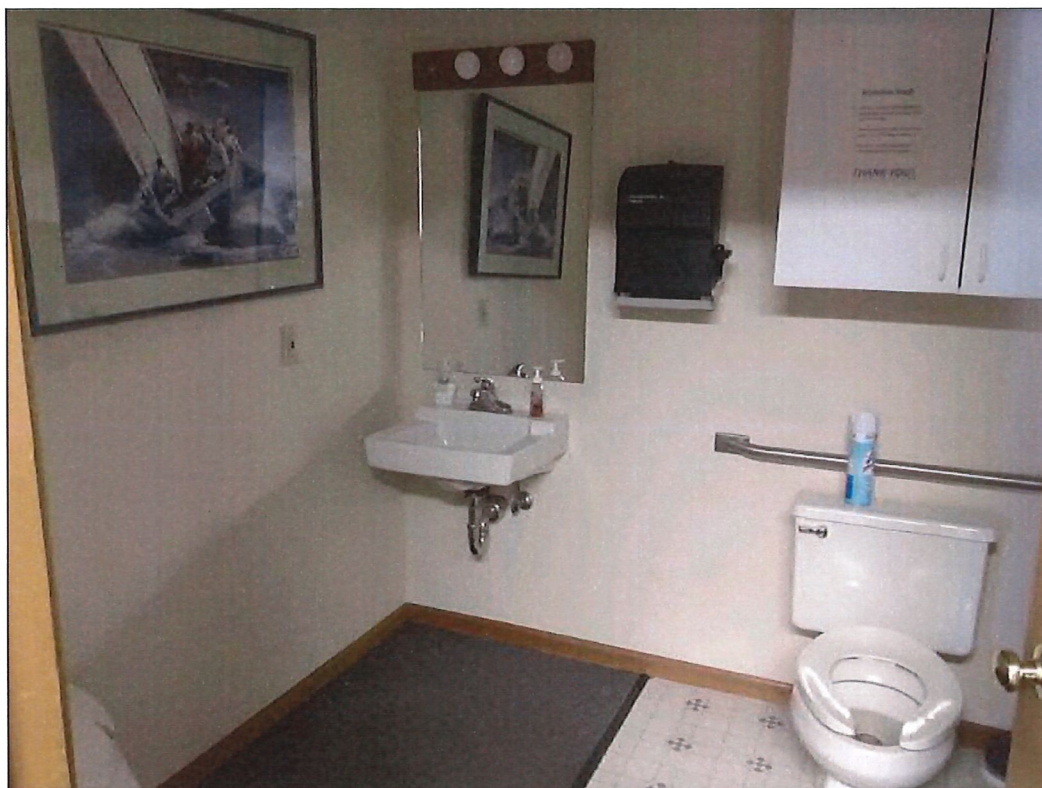
Subject Photo Page



Typical office finish and build out



Subject Photo Page



Restrooms –each 2 piece handicap various build outs



Subject Photo Page



Kitchenette

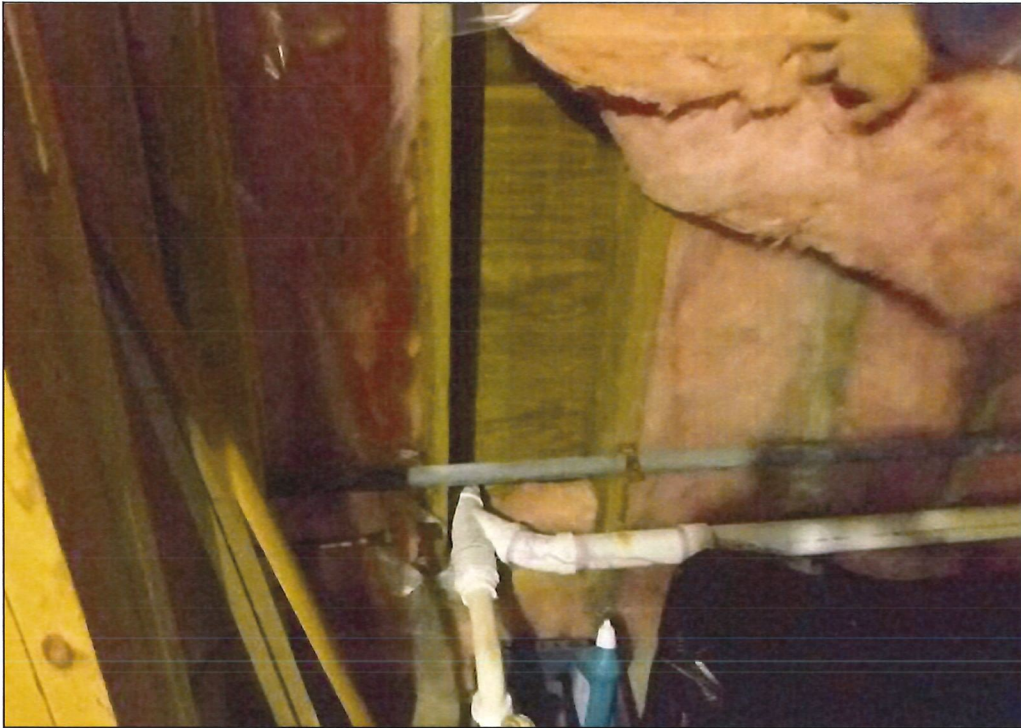
Subject Photo Page



Overview - concrete basement



Subject Photo Page



Overview – wood basement



Water damage below B in basement

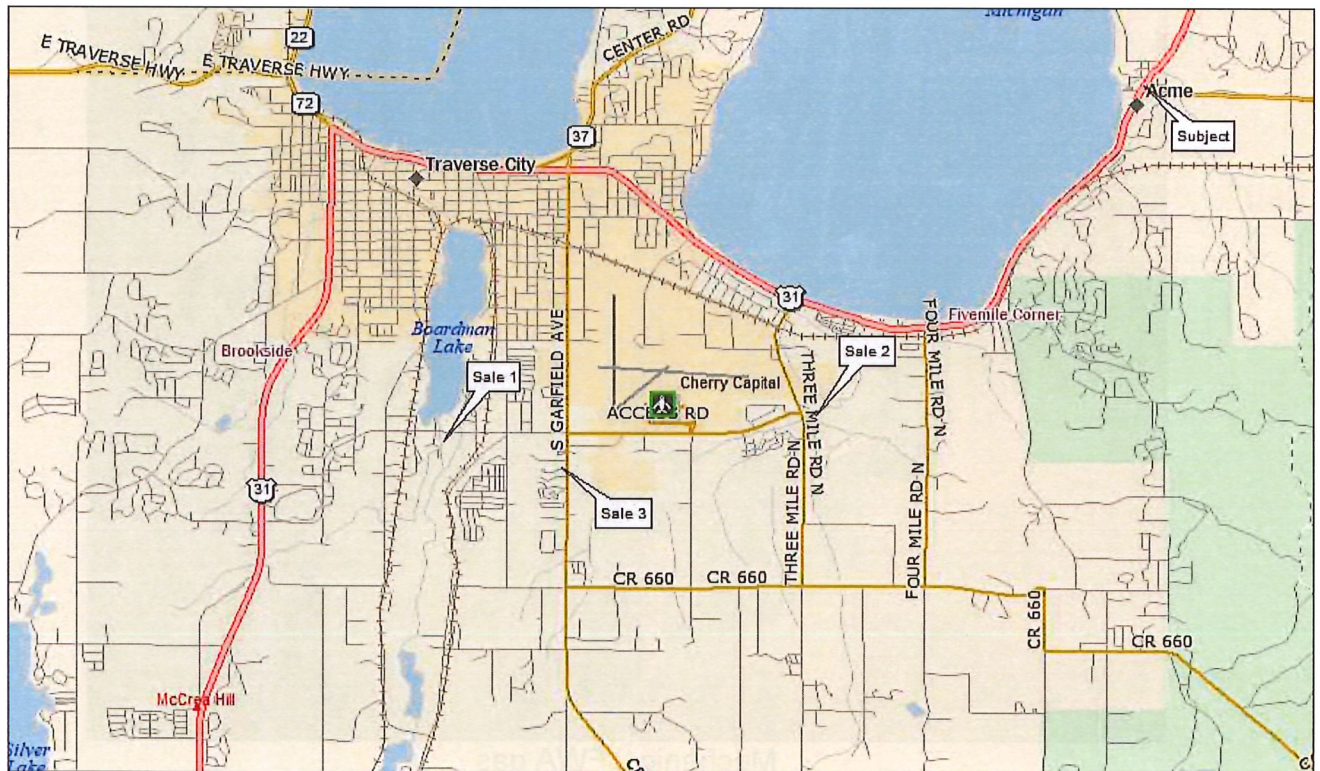
Subject Photo Page



Mechanical FWA gas



Location Map



Comparable Commercial Office Sale –2



Photo from MLS

<u>Location</u>	815 Business Park Drive – East Bay Twp. Traverse City, Michigan
<u>Sale Price</u>	\$ 650,000
<u>Terms of Sale</u>	Cash to seller
<u>Date of Sale</u>	May 27, 2021
<u>Legal</u>	-03-555-001-00
<u>Site</u>	226' x 297' contains 1.58 acres level at road grade partly wooded
<u>Building</u>	Circa 1997 one story frame office above average fenestration with brick veneer, and siding, gable roof design contains 4,396/sf Concrete slab foundation.
<u>Utilities</u>	Telephone, electric, municipal water & sewer, gas
<u>Zoning</u>	Commercial
<u>Highest and</u>	Present office use

Best Use

Verification

Kevin Endres, broker 3 West to GDZ

Comments

Center entry two tenanted at sale. Kitchen, and smaller kitchenette for second suite.

Unit Rate

\$147.86/sf building area w/ land



Comparable Commercial Office Sale 3



Photo from MLS

<u>Location</u>	1055 Carriage Hill Road, Garfield Twp. Traverse City, Michigan
<u>Sale Price</u>	\$ 590,000
<u>Terms of Sale</u>	Cash to seller
<u>Date of Sale</u>	October 19, 2020
<u>Legal</u>	-05-023-039-10
<u>Site</u>	150' x 200' – site is below road grade, but level. Asphalt parking to front.
<u>Building</u>	One story circa 1999 one story wood frame office 6,526/sf divided into 5 suites. 1-(1,920/sf) - 2-(960/sf) – 2-(1,320/sf). Each suite has separate meters, kitchenette, and 2 piece restroom.
<u>Utilities</u>	Telephone, electric, municipal water & sewer, gas
<u>Zoning</u>	Commercial
<u>Highest and Best Use</u>	Present office use

Verification

Bill Somerville 3West, agent to GDZ

Comments

In 2020 three a/c furnaces were replaced. Original roof shingles per agent to GDZ

Unit Rate

\$90.41/sf building area w/ land



Comparable –Vacant Land Sale



Photo Aerial G.T. Webpage.

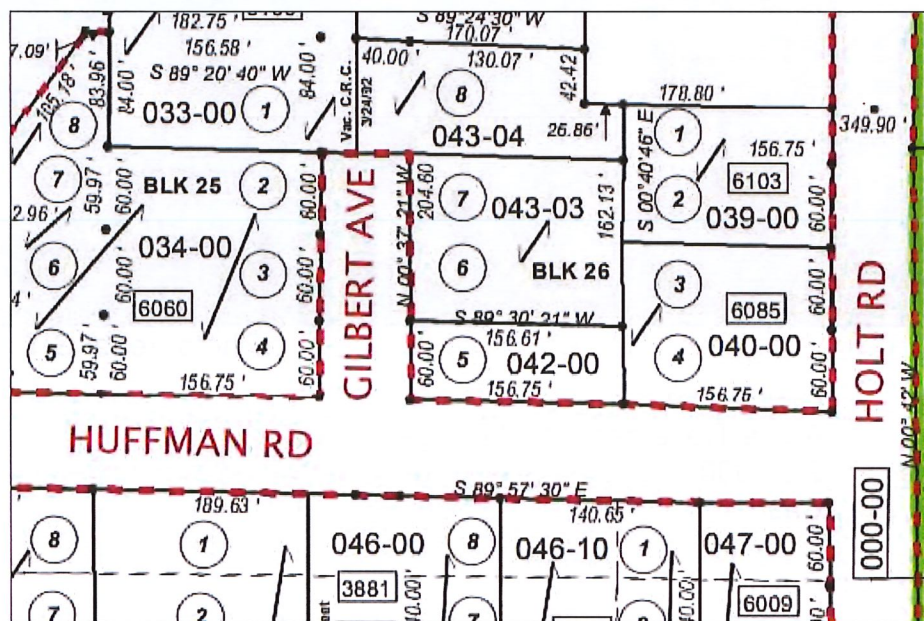
<u>Location</u>	Gilbert Ave Acme Traverses City, Michigan
<u>Sale Price</u>	\$ 50,000
<u>Terms of Sale</u>	Cash
<u>Date of Sale</u>	July 8, 2022
<u>Legal</u>	01-300-043-03 PARCEL A: LOTS 6 AND 7 BLOCK 26 VILLAGE OF ACME SPLIT ON 10/10/2001 FROM 01-300-043-00; SPLIT ON 11/24/2004 FROM 01-300-043-02;
<u>Site</u>	Rectangular shaped parcel 120'+/- x 156'+/- avg. per public records containing 0.431 acres
<u>Utilities</u>	Telephone, electric, natural gas , sewer would be available
<u>Zoning</u>	MHN – Mixed Housing Neighborhood

Comparable **Vacant Land Sale**

Verification Public records

Comments Adjacent and south of the subject excess land parcel.

Unit Rate \$ 2.67/sf Land are



Qualifications of Garry D. Zachritz

Appraisal Organization	Appraisal Institute-Great Lakes Chapter Through December 2022, retired from organization.
Professional Designation	MAI, #8214 awarded in 1989. Retired 2022.
Professional Positions	Admissions Committee State Level - MAI Regional Ethics & Counseling Panel
State License	State of Michigan Certified General Appraiser License #1205001543
Formal Education	Miami University, Oxford Ohio - B.S. Business Administration
Appraisal Education	
Yellow Book Seminar	Report Writing SREA
Std. Of Professional Appraisal Practice	Case Studies
Business Practice & Ethics	Highest and Best Use
Risk Analysis	Rate Extraction
Impact of Money Markets	Valuation of leases
Easement Valuation	Retail Properties
Expert Witness seminar	Appraisal of Problem Properties
Capitalization Techniques A& B	Appraising from Blueprints
Valuation of Convenience Stores	Motel Valuation seminar
Mock Trial seminar	Income Properties SREA 201
Condemnation Appraisal	Capitalization Techniques
Valuation of Partial Interests	Valuation of Lease fee
Market Analysis & Highest and Best Use	Conservation Easement Appraisal
Appraisal Experience	
Penn Central Railroad	Penn Central Real Estate Division – 1973-1976. This included a multi-state territory (Ohio, Indiana, Ky., & Ill). Evaluation of leases, lease updates. Staff appraisals and special assignment with the U.S. Rail Association in conjunction with the Conrail takeover of the Penn.
Terra Field Services Inc.	Appraisal trainee and staff appraiser – Traverse City – 1977-1983
G. D. Zachritz	Self-employed. 1983 to present
Lecture Experience	
Condominium Appraisal	Michigan Equalization Directors Conference
Valuation of Abandoned RR ROW	American Right of Way Association MI Chapter
Partial Interest Conservation Easements	Leelanau Land Conservancy
Valuation of Conservation Easements	Great Lakes Chapter - Appraisal Institute

Types of Property Appraised

Water Categories	Marinas, retail dockominiums, proposed residential waterfront condominium projects, Downtown waterfront development, Mixed use waterfront development, deep harbor dock, recreational waterfront resorts.
	Waterfront Acreage Parcels – inland and Great Lakes
Land Development	Proposed detached residential subdivisions, MH park, Industrial Park, both residential, RV and commercial Condominium Development
Land	Orchards, wooded recreational acreage
Conservation Easements	Variety of partial interest analysis for water and farm and recreational lands with and without improvements.
Commercial	Office buildings, strip malls, free standing commercial, branch banks, CBD properties, general retail, restaurants, mini warehouses, C-stores with gas. Enclosed shopping mall.
Right of Way - Corridor	Railroad right of way; partial interest for highway, oil/gas pipeline, sewer.
Industrial	Warehouse, distribution facilities, manufacturing, proposed parks.
Special Purpose	BSA (Boys Scouts) – camp 5,000 acres w/ 230 buildings. Hospital Campus – Traverse City Psychiatric Hospital, 1Mil/SF buildings & 300 acres. Consumers Power 6,500/acres development scenario. Hangers, Golf course, tower site (GWEN), commercial fishery.
Other	Summer estates, cottages, unique homes.

Partial Client List

Government - United States	Dept. of Justice, Treasury, National Park, Forest Service, Army Corp. of Engineers, FDIC
State - Michigan County- Township- Village City	Dept. of Transportation, DNR, DEQ, Dept. Mgt. & Budget Various including Road Commission, Equalization, townships & various departments
Financials	Various State and Federal Financials

Best Use

Verification Steve Scheppe, agent C/21 Northland to GDZ

Comments Listed at \$575,000

Unit Rate \$141.39/sf building area w/ land



From MLS



Comparable Commercial Office Sale – 1



Photo from MLS

<u>Location</u>	3135 Logan Valley Drive – Garfield Twp Traverse City, Michigan
<u>Sale Price</u>	\$ 552,000
<u>Terms of Sale</u>	Cash to seller
<u>Date of Sale</u>	August 22, 2023
<u>Legal</u>	-05-015-059-44
<u>Site</u>	Irregular shaped .52 acres level at road grade 22 parking spaces
<u>Building</u>	Circa 1985 one story frame office above average fenestration with brick veneer, and siding, hip roof design contains 3,904/sf Nine office, 3 restrooms, kitchenette two conference rooms plus shipping and handling area. Crawl foundation. Security system in place, phone system.
<u>Utilities</u>	Telephone, electric, municipal water & sewer, gas
<u>Zoning</u>	Commercial
<u>Highest and</u>	Present office use

Phase I Environmental Site Assessment

6100 US-31 North

Williamsburg, Michigan

Parcel IDs: 01-300-033-00 and 01-300-043-04

January 8, 2024

Prepared For:

Acme Township

6042 Acme Road

Williamsburg, MI 49690

Gosling Czubak Project # 2023390006



GoslingCzubak
engineering sciences, inc.



CIVIL ENGINEERING

SURVEYING

ENVIRONMENTAL SERVICES

CONSTRUCTION SERVICES

GEOTECHNICAL

DRILLING

LANDSCAPE ARCHITECTURE

WWW.GOSLINGCZUBAK.COM

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ATTACHMENTS

Att. 1	Site Location Map	Att. 6	Aerial Photographs
Att. 2	User Questionnaire	Att. 7	Sanborn Fire Insurance Maps
Att. 3	Property Tax Record Card	Att. 8	Owner Questionnaire
Att. 4	Site Photographs	Att. 9	City Directories
Att. 5	EDR Environmental Database Search Report		

Executive Summary

Gosling Czubak Engineering Sciences, Inc. (Gosling Czubak) conducted a Phase I Environmental Site Assessment (ESA) for Acme Township pursuant to our proposal dated November 29, 2023. The approximate 1-acre property addressed to 6100 US-31 North (subject property), Acme Township, Grand Traverse County, Michigan is located east of US-31 North. This Phase I ESA was performed in general accordance with the scope and limitations of American Society for Testing and Materials (ASTM) Standard Practice E 1527-21 (Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process). Any exceptions to or deletions from this practice are described in Section 9.0 of this report.

The subject property is currently developed and occupied by a multi-tenant commercial space. Adjoining properties currently consist of a mix of commercial properties, vacant land, and residential properties. A review of government databases did not identify sites of environmental concern for the subject property. Historical aerial photographs indicate that the subject property was once developed for farm or residential use with a small structure as early as 1938. The subject property appeared to be used for a small farm or residential used until sometime between 1986 and 1993, when it was commercially developed as it exists today. City directories indicated that commercial tenants included Acme Business Machines, Double Check, Top of the Line Crane Service, East Bay Medical and Ascom North.

The Phase I ESA has revealed no recognized environmental conditions (RECs) associated with the subject property.



PROPOSAL FOR PROFESSIONAL SERVICES

From: Adam Biteman

Prepared For

Mr. Doug White
Acme Township
6042 Acme Road
Williamsburg, Michigan 49690

Project Name and Location

Environmental Due Diligence
6100 US-31 North (and east adjoining lot)
Williamsburg, Michigan 49690

Proposed Scope of Work

Gosling Czubak Engineering understands that Acme Township is considering the purchase of two parcels, known as 6100 US-31 North and an east adjoining lot (Parcel ID Numbers 01-300-033-00 and 01-300-043-04) in February 2024 and is requesting a Phase I Environmental Site Assessment (ESA) to be completed. Based on your request for a Phase I Environmental Site Assessment (ESA) we present the following scope of services.

Phase I Environmental Site Assessment

Gosling Czubak will perform a Phase I ESA in general accordance with the American Society for Testing and Materials (ASTM) E 1527-21 in the Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process.

The scope of work will include the following:

- An evaluation of historical property usage from first developed use to present. Information from County, State, and Federal records will be researched and reviewed. Contact will be made with local and/or state health and environmental agencies to determine if any hazardous materials incidents have occurred on or in the area of the subject property, including storage; treatment; disposal; or release of hazardous materials. Others who are knowledgeable about the property or local area and who are made available to Gosling Czubak will be interviewed to determine prior use of the subject property and assess whether hazardous substances have been used or released at the site.
- A site visit will be conducted to assess current conditions, including the identification of on-site hazardous or harmful materials. Observations and assessment of stressed vegetation, evidence of waste discharge or collection, fill materials, sink holes, wells, etc. will be included in the final report. Representative photographs will be taken to document observed conditions.
- Identification of potential underground storage tanks (USTs). The locations of fill ports, vents, pumps, concrete pads, etc. will be included in the final report.
- Identification of electrical or other equipment likely to contain Polychlorinated Biphenyls (PCBs). The following information will be noted with respect to each: evidence of leakage; identification as containing PCBs; the name of the utility company and identifying serial numbers or other marks; and date of manufacture (if applicable).



- A review of adjacent properties for current use and conditions that may adversely affect the subject property.
- A final report will be submitted in a format that details the contacts made, the information obtained, data findings, and other pertinent information. Based upon these findings, the report will include an opinion regarding the potential for recognized environmental conditions associated with the subject property.

This ESA scope of work does not include assessment for ASTM “non-scope” items like asbestos or lead-containing paint, or certain additional items required by the Michigan State Housing Development Authority (MSHDA). Please contact us to revise this proposal if MSHDA funding may be requested for this project, or if additional items are needed by your specific lender.

It should be noted that based upon the findings of the above Phase I ESA scope of services, additional work may be recommended to further evaluate recognized environmental conditions if identified. The additional work may include Phase II ESA testing and if appropriate, completion of a Baseline Environmental Assessment and a Due Care Plan. If additional work is recommended, we will submit to you a proposal outlining the environmental concerns, the services proposed to substantiate or rule out those concerns, and the additional cost associated with our increased level of effort.

Proposed Schedule and Fee

Based on the current backlog, we can complete the Phase I ESA within three to four weeks of written authorization to proceed (signed and returned proposal). Our estimated lump sum fee for completing the Phase I ESA is \$2,300.

Approval

Thank you for the opportunity to provide this proposal. Gosling Czubak Engineering Sciences, Inc. (GCES) and **ACME TOWNSHIP** (CLIENT) agree that GCES will perform the professional services described in the Proposed Scope of Work, subject to GCES’s Terms and Conditions, attached.

ACME TOWNSHIP

Signed by:

Signature: _____

Title:

Date:

Gosling Czubak Engineering Sciences, Inc.

Adam R. Biteman, C.P.G., P.G.

Director of Environmental Services



January 8, 2024

Mr. Doug White
Acme Township Supervisor
6042 Acme Road
Williamsburg, MI 49690

**Re: Budget Summary - Renovation for Acme Township Hall (Former Ascom Building)
Acme Township, MI**

This summary is based on Architecture Technology Summary of Building Code Requirements for Change of Occupancy and Interior Alterations Using the 2015 Michigan Rehabilitation Code dated Nov 28, 2023, site and virtual meetings and in conjunction with Spicer Design Group (mechanical, electrical & plumbing).

The figures presented are a budget range of cost for 2024 construction. They are not bids. They are based on the information noted and can be updated as necessary for the work anticipated. The budget includes design fees, contractor management fees, permitting costs & contingency and is meant to provide a "starting point" for the group to determine next steps forward.

BASE BUDGET - \$290,000 - \$350,000 (does not include Optional Items below)

North Wing - will remain office space use, no significant work planned

- Remove wall covering, patch gypsum board, paint walls & ceilings
- Clean carpet

South Wing - major interior reconfiguration

- Demolish walls
- In fill stair opening
- Reinforce floor trusses to bring capacity to 100 psf LL
- In fill window openings, film windows
- New walls, doors, hardware
- Add panic hardware to (3) exterior doors
- LVT flooring & new base
- Patch and paint gypsum board & ceilings
- (2) barrier free Toilet Rooms
- Relocate site sign
- Relocate electrical panel
- Emergency lighting & exit signage
- Lighting & controls, wiring of new mech eqpt
- Replace existing return air ducting to meet code
- New mini split system & outdoor condensing unit for Meeting Room AC
- Bathroom exhausts

Optional Items

- Double Entry Door - South Wing - \$10,000
- Remove & replace shingles on entire building & add eyebrow - \$35,000
- Install new ductwork & new furnace/ERV - South Wing - \$80,000
- Sump pit upgrade - \$6,000

Please call if you have questions.



Steven J Steimel, P.E.
Apex Engineering & Management, Inc.