

MEMORANDUM

TO: Robert Yandow
FROM: Rick Mace
DATE: January 7, 2013
SUBJ: Davis Property

Based on the three scenarios put forth on the Davis' preliminary plans, I feel that the most practical and marketable use of their property would be a residential single family subdivision. According to their plan they could squeeze in 67 lots, which I would value at between \$90,000 and \$135,000 per lot.

Using this range of value would put the median lot price at \$112,500 per lot with a total market value at \$7,537,500. The infrastructure costs would probably fall into the \$2,000,000 price range, putting the wholesale value at \$5,537,500. This would make the asking price of \$5,500,000 appear to be dead on. Based on my sales analysis of the York Village neighborhood I feel that the \$5,500,000 is reflective of the fair market value of the Davis property.

As you know the current assessed value of the property is based on the present use with the undeveloped back land being priced out at \$7,000 per acre. This value would change as soon the infrastructure is in place and lots begin to sell.