

INDOT

Appraisal
Document

9DSE9

Scan Key	377725
LA Code	3777
Parcel No.	25
Owner	LADIKA, FREDDIE L.

owner

STATEMENT OF THE BASIS FOR JUST COMPENSATION

Code: 3777

1. This is a written statement of, and summary of the basis for, the amount established through a valuation process as just compensation for the purchase of this right-of-way for highway purposes. The amount set forth in Item 5 below is not less than the approved estimate of value. Public Law 91-646 provides that this value disregards any decrease or increase in fair market value of the property prior to the date of valuation caused by the public improvement for which the property is acquired other than physical deterioration within reasonable control of the owner.

2. The legal description of this acquisition is set forth in the instrument of conveyance in the following identified parcel and this acquisition is identified in the Acquiring Agency's record as:

Project: STP-291-1 (002) Parcel: 38 Road: USR 641 County: Vigo

Owner(s) Unknown

3. The area and type of interest being acquired: 0.040 ac FS R/W, 0.004 ac RER and the elimination of access rights

The amount in Item 5 below includes payment for the purchase of all interests in the real property and no separately held interest is being acquired separately in whole or part, except as may be explained in Item 8 below.

4. This acquisition is (Check one) a. - A total acquisition of the real property. b. - A partial acquisition of the real property.

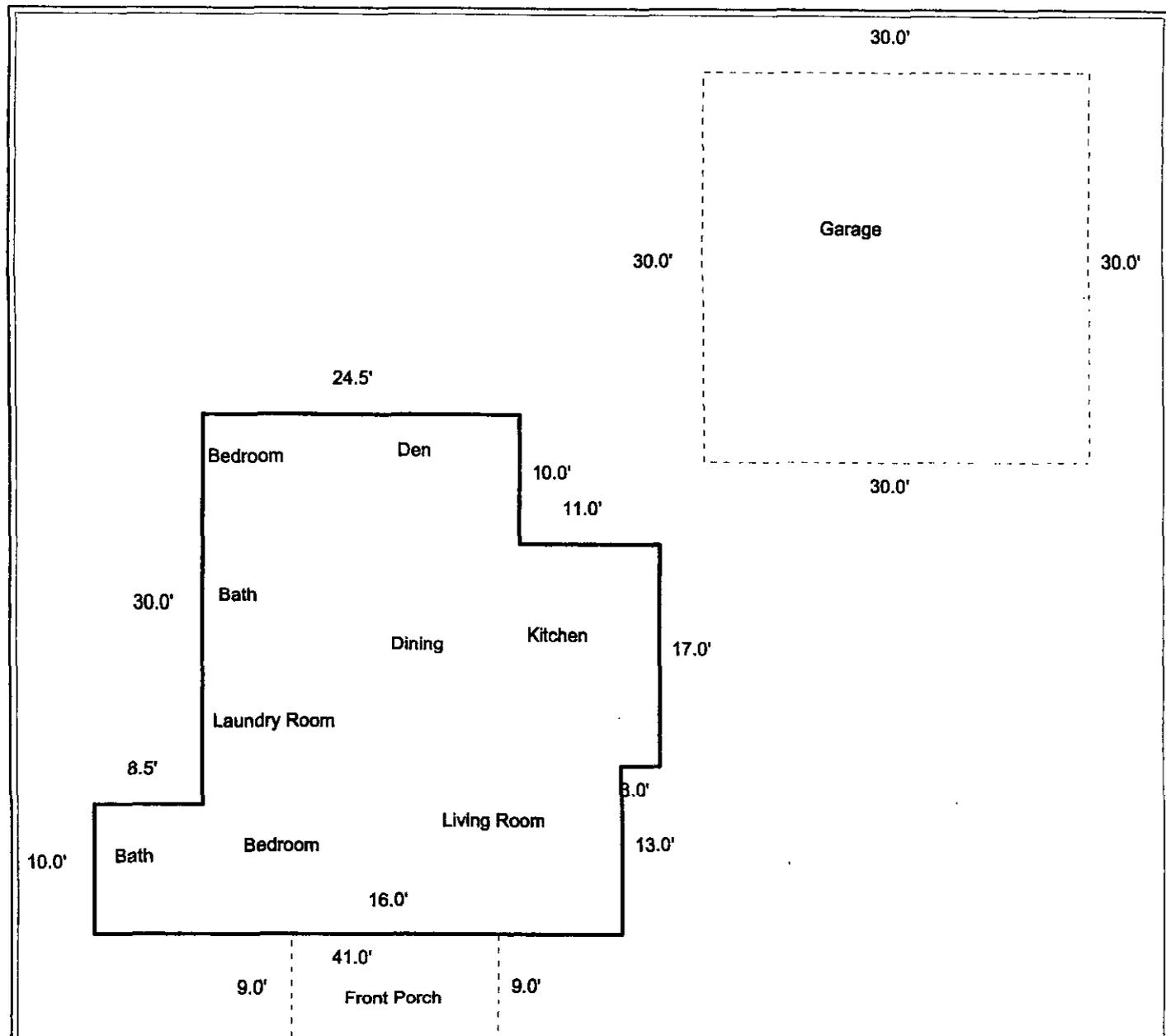
5. The Agency's Offer: Just compensation has been determined to be and the Acquiring Agency's offer for the purchase of this real property is as follows:

a. Total Land, Land Improvements and Buildings	\$ 81.00
b. Severance Damages (i.e.: Setback, Loss in Value to the Residues, etc.)	\$ -
c. Other Damages (Itemize) Cost-To-Cure estimates:	\$ -
_____	\$ -
_____	\$ -
Temporary Right-Of-Way/Perpetual Highway Easement	\$ -
Total Damages	

SKETCH ADDENDUM

File No. Ladi0604

Borrower	Ladika						
Property Address	5715 S McDaniel						
City	Terre Haute	County	Vigo	State	IN	Zip Code	47802
Lender/Client	Fred Ladika	Address	Terre Haute, IN 47802				



16.0' SKETCH CALCULATIONS											
	<table style="width: 100%;"> <tr> <td>A1 : 24.5 x 10.0 =</td> <td style="text-align: right;">245.0</td> </tr> <tr> <td>A2 : 35.5 x 17.0 =</td> <td style="text-align: right;">603.5</td> </tr> <tr> <td>A3 : 32.5 x 3.0 =</td> <td style="text-align: right;">97.5</td> </tr> <tr> <td>A4 : 41.0 x 10.0 =</td> <td style="text-align: right;">410.0</td> </tr> <tr> <td>First Floor</td> <td style="text-align: right;">1356.0</td> </tr> </table>	A1 : 24.5 x 10.0 =	245.0	A2 : 35.5 x 17.0 =	603.5	A3 : 32.5 x 3.0 =	97.5	A4 : 41.0 x 10.0 =	410.0	First Floor	1356.0
A1 : 24.5 x 10.0 =	245.0										
A2 : 35.5 x 17.0 =	603.5										
A3 : 32.5 x 3.0 =	97.5										
A4 : 41.0 x 10.0 =	410.0										
First Floor	1356.0										
	<table style="width: 100%;"> <tr> <td>A5 : 30.0 x 30.0 =</td> <td style="text-align: right;">900.0</td> </tr> <tr> <td>Detached Garage</td> <td style="text-align: right;">900.0</td> </tr> <tr> <td>Total Garage Area</td> <td style="text-align: right;">900.0</td> </tr> </table>	A5 : 30.0 x 30.0 =	900.0	Detached Garage	900.0	Total Garage Area	900.0				
A5 : 30.0 x 30.0 =	900.0										
Detached Garage	900.0										
Total Garage Area	900.0										
	<table style="width: 100%;"> <tr> <td>A6 : 16.0 x 9.0 =</td> <td style="text-align: right;">144.0</td> </tr> <tr> <td>Porch</td> <td style="text-align: right;">144.0</td> </tr> <tr> <td>Total Porch Area</td> <td style="text-align: right;">144.0</td> </tr> </table>	A6 : 16.0 x 9.0 =	144.0	Porch	144.0	Total Porch Area	144.0				
A6 : 16.0 x 9.0 =	144.0										
Porch	144.0										
Total Porch Area	144.0										

DEFINITION OF 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 a sale as of a specified date and 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 adjustments should not be calculated on a mechanical dollar for 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 judgement.

STATEMENT OF LIMITING CONDITIONS AND APPRAISER'S CERTIFICATION

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 made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand.
5. The appraiser has estimated the value of the land in the cost approach at its highest and best use and the improvements at their contributory value. The separate valuations of the land and improvements must not be used in conjunction with any other appraisal and are invalid if they are so used.
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 or she 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 or she 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 or her 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 a workmanlike manner.
10. The appraiser must provide his or her 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.

APPRAISER'S CERTIFICATION: The Appraiser certifies and agrees that:

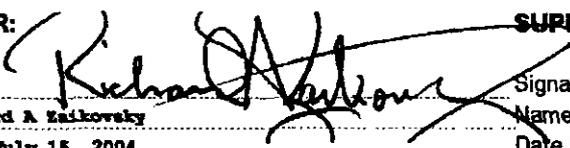
1. I have researched the subject market area and have selected a minimum of three recent sales of properties most similar and proximate to the subject property for consideration in the sales comparison analysis and have made a dollar adjustment when appropriate to reflect the market reaction to those items of significant variation. If a significant item in a comparable property is superior to, or more favorable than, the subject property, I have made a negative adjustment to reduce the adjusted sales price of the comparable and, if a significant item in a comparable property is inferior to, or less favorable than the subject property, I have made a positive adjustment to increase the adjusted sales price of the comparable.
2. I have taken into consideration the factors that have an impact on value in my development of the estimate of market value in the appraisal report. I have not knowingly withheld any significant information from the appraisal report and I believe, to the best of my knowledge, that all statements and information in the appraisal report are true and correct.
3. I stated in the appraisal report only my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the contingent and limiting conditions specified in this form.
4. I have no present or prospective interest in the property that is the subject to this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or the estimate of market value in the appraisal report on the race, color, religion, sex, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property.
5. I have no present or contemplated future interest in the subject property, and neither my current or future employment nor my compensation for performing this appraisal is contingent on the appraised value of the property.
6. I was not required to report a predetermined value or direction in value that favors the cause of the client or any related party, the amount of the value estimate, the attainment of a specific result, or the occurrence of a subsequent event in order to receive my compensation and/or employment for performing the appraisal. I did not base the appraisal report on a requested minimum valuation, a specific valuation, or the need to approve a specific mortgage loan.
7. I performed this appraisal in conformity with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place as of the effective date of this appraisal, with the exception of the departure provision of those Standards, which does not apply. I acknowledge that an estimate of a reasonable time for exposure in the open market is a condition in the definition of market value and the estimate I developed is consistent with the marketing time noted in the neighborhood section of this report, unless I have otherwise stated in the reconciliation section.
8. I have personally inspected the interior and exterior areas of the subject property and the exterior of all properties listed as comparables in the appraisal report. I further certify that I have noted any apparent or known adverse conditions in the subject improvements, on the subject site, or on any site within the immediate vicinity of the subject property of which I am aware and have made adjustments for these adverse conditions in my analysis of the property value to the extent that I had market evidence to support them. I have also commented about the effect of the adverse conditions on the marketability of the subject property.
9. I personally prepared all conclusions and opinions about the real estate that were set forth in the appraisal report. If I relied on significant professional assistance from any individual or individuals in the performance of the appraisal or the preparation of the appraisal report, I have named such individual(s) and disclosed the specific tasks performed by them in the reconciliation section of this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in the report; therefore, if an unauthorized change is made to the appraisal report, I will take no responsibility for it.

SUPERVISORY APPRAISER'S CERTIFICATION: If a supervisory appraiser signed the appraisal report, he or she certifies and agrees that: I directly supervise the appraiser who prepared the appraisal report, have reviewed the appraisal report, agree with the statements and conclusions of the appraiser, agree to be bound by the appraiser's certifications numbered 4 through 7 above, and am taking full responsibility for the appraisal and the appraisal report.

ADDRESS OF PROPERTY APPRAISED:

5715 McDaniel Road, Terra Haute, IN 47802

APPRAISER:

Signature: 
 Name: **Richard A. Zakovsky**
 Date Signed: **July 15, 2004**
 State Certification #: **CR60300397 Certified Residential**
 or State License #: **Appraiser**
 State: **Indiana**
 Expiration Date of Certification or License: **01/01/06**

SUPERVISORY APPRAISER (only if required):

Signature: _____
 Name: _____
 Date Signed: _____
 State Certification #: _____
 or State License #: _____
 State: _____
 Expiration Date of Certification or License: _____

Did Did Not Inspect Property

ENVIRONMENTAL ADDENDUM

APPARENT* HAZARDOUS SUBSTANCES AND/OR DETRIMENTAL ENVIRONMENTAL CONDITIONS

Borrower	Ladika						
Address	5715 McDaniel Road						
City	Terre Haute	County	Vigo	State	IN	Zip Code	47802
Lender/Client	no lender/Ladika per T Modest Att, 12602 Pimento Crcl, Terre Haute, IN 47802						

*Apparent is defined as that which is visible, obvious, evident or manifest to the appraiser.

This universal Environmental Addendum is for use with any real estate appraisal. Only the statements which have been checked by the appraiser apply to the property being appraised.

This addendum reports the results of the appraiser's routine inspection of and inquiries about the subject property and its surrounding area. It also states what assumptions were made about the existence (or nonexistence) of any hazardous substances and/or detrimental environmental conditions. **The appraiser is not an expert environmental inspector** and therefore might be unaware of existing hazardous substances and/or detrimental environmental conditions which may have a negative effect on the safety and value of the property. It is possible that tests and inspections made by a qualified environmental inspector would reveal the existence of hazardous materials and/or detrimental environmental conditions on or around the property that would negatively affect its safety and value.

DRINKING WATER

Drinking Water is supplied to the subject from a municipal water supply which is considered safe. However, the only way to be absolutely certain that the water meets published standards is to have it tested at all discharge points.

- Drinking Water is supplied by a well or other non-municipal source. It is recommended that tests be made to be certain that the property is supplied with adequate pure water.
- Lead can get into drinking water from its source, the pipes, at all discharge points, plumbing fixtures and/or appliances. The only way to be certain that water does not contain an unacceptable lead level is to have it tested at all discharge points.
- The value estimated in this appraisal is based on the assumption that there is an adequate supply of safe, lead-free Drinking Water.**

Comments

SANITARY WASTE DISPOSAL

Sanitary Waste is removed from the property by a municipal sewer system.

- Sanitary Waste is disposed of by a septic system or other sanitary on site waste disposal system. The only way to determine that the disposal system is adequate and in good working condition is to have it inspected by a qualified inspector.
- The value estimated in this appraisal is based on the assumption that the Sanitary Waste is disposed of by a municipal sewer or an adequate properly permitted alternate treatment system in good condition.**

Comments

SOIL CONTAMINANTS

- There are no apparent signs of Soil Contaminants on or near the subject property (except as reported in Comments below). It is possible that research, inspection and testing by a qualified environmental inspector would reveal existing and/or potential hazardous substances and/or detrimental environmental conditions on or around the property that would negatively affect its safety and value.

- The value estimated in this appraisal is based on the assumption that the subject property is free of Soil Contaminants.**

Comments

ASBESTOS

- All or part of the improvements were constructed before 1979 when Asbestos was a common building material. The only way to be certain that the property is free of friable and non-friable Asbestos is to have it inspected and tested by a qualified Asbestos inspector.

The improvements were constructed after 1979. No apparent friable Asbestos was observed (except as reported in Comments below).

- The value estimated in this appraisal is based on the assumption that there is no uncontained friable Asbestos or other hazardous Asbestos material on the property.**

Comments

PCBS (POLYCHLORINATED BIPHENYLS)

- There were no apparent leaking fluorescent light ballasts, capacitors or transformers anywhere on or nearby the property (except as reported in Comments below).

- There was no apparent visible or documented evidence known to the appraiser of soil or groundwater contamination from PCBs anywhere on the property (except as reported in Comments below).

- The value estimated in this appraisal is based on the assumption that there are no uncontained PCBs on or nearby the property.**

Comments

RADON

- The appraiser is not aware of any Radon tests made on the subject property within the past 12 months (except as reported in Comments below).

- The appraiser is not aware of any indication that the local water supplies have been found to have elevated levels of Radon or Radium.

- The appraiser is not aware of any nearby properties (except as reported in Comments below) that were or currently are used for uranium, thorium or radium extraction or phosphate processing.

- The value estimated in this appraisal is based on the assumption that the Radon level is at or below EPA recommended levels.**

Comments

USTS (UNDERGROUND STORAGE TANKS)

- * There is no apparent visible or documented evidence known to the appraiser of any USTs on the property nor any known historical use of the property that would likely have had USTs.
- * There are no apparent petroleum storage and/or delivery facilities (including gasoline stations or chemical manufacturing plants) located on adjacent properties (except as reported in Comments below).
- There are apparent signs of USTs existing now or in the past on the subject property. It is recommended that an inspection by a qualified UST inspector be obtained to determine the location of any USTs together with their condition and proper registration if they are active; and if they are inactive, to determine whether they were deactivated in accordance with sound industry practices.
- * **The value estimated in this appraisal is based on the assumption that any functioning USTs are not leaking and are properly registered and that any abandoned USTs are free from contamination and were properly drained, filled and sealed.**

Comments

NEARBY HAZARDOUS WASTE SITES

- * There are no apparent Hazardous Waste Sites on the subject property or nearby the subject property (except as reported in Comments below). Hazardous Waste Site search by a trained environmental engineer may determine that there is one or more Hazardous Waste Sites on or in the area of the subject property.
- * **The value estimated in this appraisal is based on the assumption that there are no Hazardous Waste Sites on or nearby the subject property that negatively affect the value or safety of the property.**

Comments

UREA FORMALDEHYDE (UFFI) INSULATION

- * All or part of the improvements were constructed before 1982 when UREA foam insulation was a common building material. The only way to be certain that the property is free of UREA formaldehyde is to have it inspected by a qualified UREA formaldehyde inspector.
- The improvements were constructed after 1982. No apparent UREA formaldehyde materials were observed (except as reported in Comments below).
- * **The value estimated in this appraisal is based on the assumption that there is no significant UFFI insulation or other UREA formaldehyde material on the property.**

Comments

LEAD PAINT

- * All or part of the improvements were constructed before 1980 when Lead Paint was a common building material. There is no apparent visible or known documented evidence of peeling or flaking Lead Paint on the floors, walls or ceilings (except as reported in Comments below). The only way to be certain that the property is free of surface or subsurface Lead Paint is to have it inspected by a qualified inspector.
- The improvements were constructed after 1980. No apparent Lead Paint was observed (except as reported in Comments below).
- * **The value estimated in this appraisal is based on the assumption that there is no flaking or peeling Lead Paint on the property.**

Comments

AIR POLLUTION

- * There are no apparent signs of Air Pollution at the time of the inspection nor were any reported (except as reported in Comments below). The only way to be certain that the air is free of pollution is to have it tested.
- * **The value estimated in this appraisal is based on the assumption that the property is free of Air Pollution.**

Comments

WETLANDS/FLOOD PLAINS

- *..... The site does not contain any apparent Wetlands/Flood Plains (except as reported in Comments below). The only way to be certain that the site is free of Wetlands/Flood Plains is to have it inspected by a qualified environmental professional.
- * **The value estimated in this appraisal is based on the assumption that there are no Wetlands/Flood Plains on the property (except as reported in Comments below).**

Comments

MISCELLANEOUS ENVIRONMENTAL HAZARDS

- * There are no other apparent miscellaneous hazardous substances and/or detrimental environmental conditions on or in the area of the site except as indicated below:
 - Excess Noise
 - Radiation & Electromagnetic Radiation
 - Light Pollution
 - Waste Heat
 - Acid Mine Drainage
 - Agricultural Pollution
 - Geological Hazards
 - Nearby Hazardous Property
 - Infectious Medical Wastes
 - Pesticides
 - Others (Chemical Storage & Storage Drums, Pipelines, etc.)
- * **The value estimated in this appraisal is based on the assumption that there are no Miscellaneous Environmental Hazards (except those reported above) that would negatively affect the value of the property.**

When any of the environmental assumptions made in this addendum are not correct, the estimated value in this appraisal may not be valid.

Borrower: Ladika
 Property Address: 5715 McDaniel Road
 City: Terre Haute County: Vigo State: IN Zip Code: 47802
 Lender/Client: no lender/Ladika per T Modasitt Atty, 12602 Pimento Crol, Terre Haute, IN 47802

Only those items checked below apply to this report.

PURPOSE, FUNCTION, AND INTENDED USE OF THE APPRAISAL

- The purpose of the appraisal is to provide an opinion of market value of the subject property as defined in this report, on behalf of the appraisal company facilitating the assignment for the referenced client as the intended user of the report. The only function of the appraisal is to assist the client mentioned in this report in evaluating the subject property for lending purposes. The use of this appraisal by anyone other than the stated intended user, or for any other use than the stated intended use, is prohibited.
- The purpose of the appraisal is to provide an opinion of market value of the subject property, as defined in this report, on behalf of the appraisal company facilitating the assignment for the referenced client as the intended user of this report. The only function of the appraisal is to assist the client mentioned in this report in evaluating the subject property for Real Estate Owned (REO) purposes. The use of this appraisal by anyone other than the stated intended user, or for any other use than the stated intended use, is prohibited.
- The purpose of this appraisal is to determine current market value, on behalf of the appraisal company facilitating the assignment for the referenced client as the intended user of this report. The only function of the appraisal is to assist the client mentioned in this report in evaluating the subject property for potential purchase of subject property value dispute. The use of this appraisal by anyone other than the stated intended user, or for any other use than the stated intended use is prohibited.

TYPE OF APPRAISAL AND APPRAISAL REPORT

- This is a _____ Appraisal written in a _____ Report format and the USPAP Departure Rule has not been invoked.
- This is a Limited Appraisal written in a Summary Report format and the USPAP Departure Rule has been invoked as disclosed in the body or addenda of the report. The client has agreed that a Limited Appraisal is sufficient for its purposes.

SCOPE (EXTENT) OF REPORT

- 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, listings, and/or rentals 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 extent of analysis applied to this assignment may be further imparted within the report, the Appraiser's Certification below and/or any other Statement of Limiting Conditions and Appraiser's Certification such as may be utilized within the Freddie Mac form 439 or Fannie Mae form 1004b (dated 6/93), when applicable.

MARKETING TIME AND EXPOSURE TIME FOR THE SUBJECT PROPERTY

- A reasonable marketing time for the subject property is _____ day(s) utilizing market conditions pertinent to the appraisal assignment.
- A reasonable exposure time for the subject property is 100-200 day(s).

APPRAISER'S CERTIFICATION

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 analysis, 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 present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved, unless otherwise stated within the report.
- 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 the 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 or have not made a personal inspection of the property that is the subject of this report. (If more than one person signs this report, this certification must clearly specify which individuals did and which individuals did not make a personal inspection of the appraised property.)
- No one providing significant professional assistance to the person signing this report. (If there are exceptions, the name of each individual providing significant professional assistance must be stated.)

NOTE: In the case of any conflict with a client provided certification (i.e., Fannie Mae or Freddie Mac), this revised certification shall take precedence.

- **Supervisory Appraiser's Certification:** If a supervisory appraiser signed the appraisal report, he or she certifies and agrees that: I directly supervise the appraiser who prepared the appraisal report, have reviewed the appraisal report, agree with the statements and conclusions of the appraiser, agree to be bound by the appraiser's certifications numbered 2-7 and 9 on the second page of the Freddie Mac Form 439 6 93/Fannie Mae Form 1004b 6 93, or the third page of Form 2055, and am taking full responsibility for the appraisal report.

APPRAISER'S AND SUPERVISORY APPRAISER'S SIGNATURE

<p>APPRAISER: Signature: <u>Richard A. Saikovsky</u> Name: <u>Richard A Saikovsky</u> Date the Report was Signed: <u>July 15, 2004</u> State Certification #: <u>CR60300397 Certified Residential</u> or State License #: <u>Appraiser</u> State: <u>Indiana</u> Expiration Date of Certification or License: <u>01/01/06</u></p>	<p>SUPERVISORY APPRAISER (only if required): Signature: _____ Name: _____ Date the Report was Signed: _____ State Certification #: _____ or State License #: _____ State: _____ Expiration Date of Certification or License: _____</p>
<p><input type="checkbox"/> Did inspect subject property <input type="checkbox"/> Interior & Exterior <input type="checkbox"/> Exterior only</p>	<p><input type="checkbox"/> Inspected Comparables <input type="checkbox"/> Interior & Exterior <input type="checkbox"/> Exterior only</p>

INVOICEDATE **07-15-04**ACCOUNT NUMBER **Lad10604**

**AccuComp Real Estate Appraisers
Richard A Zaikovsky
8057 E Lambert Ave, Terre Haute, In 47805**

**no lender/Ladika per T Modesitt Atty
12602 Pimento Crcl, Terre Haute, IN 47802**

AMOUNT ENCLOSED \$

RETURN THIS STATEMENT WITH YOUR PAYMENT

DATE	CHARGES AND CREDITS	AMOUNT
07-15-04	Ladika 5715 McDaniel Road Terre Haute, IN 47802	325.00
		325.00

PAY LAST AMOUNT
IN THIS COLUMN**Thank You**

REAL ESTATE APPRAISAL

Prepared For:

no lender/Ladika per T Modesitt Atty
12602 Pimento Crol, Terre Haute, IN 47802

Property Appraised:

5715 McDaniel Road
Terre Haute, IN 47802

Prepared By:

Richard A Zaikovsky
8057 E Lambert Ave, Terre Haute, In 47805

SUMMARY OF SALIENT FEATURES

SUBJECT INFORMATION	Subject Address 5715 McDaniel Road Legal Description McDaniel Estates .25 Ac Subj to Cnty Rd Lot 1, S.420 Ac Sec 13-11-9 City Terre Haute County Vigo State IN Zip Code 47802 Census Tract 107 Map Reference attached to report
SALES PRICE	Sale Price n/a Date of Sale n/a
CLIENT	Borrower Ladika Lender/Client no lender/Ladika per T Modesitt Atty
DESCRIPTION OF IMPROVEMENTS	Size (Square Feet) 1356 Price per Square Foot 0 Location rural/ave Age 70 Condition average Total Rooms 6 Bedrooms 2 Baths 2
APPRAISER	Appraiser Richard A Saikovsky Date of Appraised Value June 25, 2004
VALUATION	Final Estimate of Value 90,000

Property Address **5715 McDaniel Road** City **Terre Haute** State **IN** Zip Code **47802**
 Legal Description **McDaniel Estates .25 Ac Subj to Cnty Rd Lot 1, 5.420 Ac Sec 13-11-9** County **Vigo**
 Assessor's Parcel No **102-09-13-300-020** Tax Year **03/04** R.E. Taxes \$ **1388.42** Special Assessments \$ **none knw**
 Borrower **Ladika** Current Owner **Ladika** Occupant: Owner Tenant Vacant
 Property rights appraised Fee Simple Leasehold Project Type PUD Condominium (HUD/VA only) HOA\$ **n/a** /Mo.
 Neighborhood or Project Name **n/a (Honey Crk Jr High dist)** Map Reference **attached to report** Census Tract **107**
 Sale Price \$ **n/a** Date of Sale **n/a** Description and \$ amount of loan charges/concessions to be paid by seller **n/a**
 Lender/Client **no lender/Ladika per T Modanitt Atty** Address **12602 Pimento Crcl, Terre Haute, IN 47802**
 Appraiser **Richard A Zaikovsky** Address **8057 E Lambert Ave, Terre Haute, In 47805**

Location Urban Suburban Rural **Predominant occupancy** Single family housing Present land use % Land use change
 Built up Over 75% 25-75% Under 25% **AGE** One family **50** Not likely Likely
 Growth Rate Rapid Stable Slow Owner **40** Low **01+-** 2-4 family **01** In process
 Property values Increasing Stable Declining Tenant **300+** High **100+** Multi-family **01** To:
 Demand/supply Shortage In balance Over supply Vacant (0-5%) **Predominant** Commercial **03**
 Marketing time Under 3 mos. 3-6 mos. Over 6 mos. Vacant (Over 5%) **100+-** **50+-** (undvl) **45**

Note: Race and the racial composition of the neighborhood are not appraisal factors.
 Neighborhood boundaries and characteristics: **Boundaries for the purposes of this report are considered to be the area contained in southern and southeastern Vigo County south of city limits of Terre Haute also defined as Honey Crk Jr High School district.**
 Factors that affect the marketability of the properties in the neighborhood (proximity to employment and amenities, employment stability, appeal to market, etc.):
Subject is located in southern Vigo County south of city limits of Terre Haute. The area contains homes of various ages and styles including many similar to subject. Other ages and styles in area as well as housing developments (subdivisions) of various ages and styles. Some subdivisions have homes newer in age to present with values exceeding \$250,000 in market value. Remainder of grounds undeveloped in agri/wooded use. Shopping and employment available throughout the Terre Haute metro area with employment considered in balance. Area appeal and stability considered average. Students provided bus service to area schools.
 Market conditions in the subject neighborhood (including support for the above conclusions related to the trend of property values, demand/supply, and marketing time - such as data on competitive properties for sale in the neighborhood, description of the prevalence of sales and financing concessions, etc.):
Market conditions are considered to be stable at this time. Demand and supply ratios appear to be in balance. Most home sales appear to be occurring in an 90-180 day marketing time. Mortgage money is available at favorable rates and terms for qualified borrowers. Buydowns and other seller concessions are not commonplace, however do exist in some reported sales. Most sales are reported as conventional (or insured conventional) with Government backed loans and cash sales also experienced in the market. Average list to sale price ratio is in the 90% to 95% range. These figures gained from local MLS statistics.

Project information for PUDs (if applicable) - Is the developer/builder in control of the Home Owners' Association (HOA)? Yes No
 Approximate total number of units in the subject project _____ Approximate total number of units for sale in the subject project _____
 Describe common elements and recreational facilities: **This area does not apply**

Dimensions County records indicate **5.42 acres** Topography **basically level**
 Site area **5.42 acres +-** Corner Lot Yes No Size **average for area**
 Specific zoning classification and description **A-1 (1 fam residential w/ agri permitted)** Shape **rectangular**
 Zoning Compliance Legal Legal nonconforming (Grandfathered use) Illegal No zoning Drainage **appears adequate**
 Highest & best use as improved: Present use Other use (explain) **none** View **resdntl/undvl/ave**
 Utilities Public Other Off-site improvements Type Public Private Landscaping **typical for area**
 Electricity circuit breakers Street blacktop Driveway Surface **rock**
 Gas Curb/gutter none Apparent easements **utility only apparent**
 Water well Sidewalk none FEMA Special Flood Hazard Area Yes No
 Sanitary sewer private Street lights none FEMA Zone **C*** Map Date **11-02-83**
 Storm sewer none noted Alley none FEMA Map No. **180263 0070B**
 Comments (apparent adverse easements, encroachments, special assessments, slide areas, illegal or legal nonconforming zoning use, etc.): **There are no apparent adverse easements, etc. that would affect the continued use of the property. Utility easements are likely to exist. No encroachments are noted. *Some of area is in special flood hazard area. due to this fact Flood Certification is recommended.**

GENERAL DESCRIPTION	EXTERIOR DESCRIPTION	FOUNDATION	BASEMENT	INSULATION
No. of Units one	Foundation concrete block	Slab none	Area Sq. Ft. 576+-	Roof <input type="checkbox"/>
No. of Stories one	Exterior Walls vinyl	Crawl Space partial	% Finished n/a	Ceiling <input type="checkbox"/>
Type (Det./Att.) det	Roof Surface comp shingle	Basement partial	Ceiling exp joists	Walls <input type="checkbox"/>
Design (Style) cottage	Gutters & Dwnspts. yes	Sump Pump none noted	Walls block	Floor <input type="checkbox"/>
Existing/Proposed yes/no	Window Type DE/stary	Dampness none noted	Floor concrete	None <input type="checkbox"/>
Age (Yrs.) 70	Storm/Screens yes	Settlement typical	Outside Entry yes	Unknown <input checked="" type="checkbox"/>
Effective Age (Yrs.) 40-50	Manufactured House no	Infestation unknown		

ROOMS	Foyer	Living	Dining	Kitchen	Den	Family Rm.	Rec. Rm.	Bedrooms	# Baths	Laundry	Other	Area Sq. Ft.
Basement												576+-
Level 1		1	1	1	1			2	2	3		1356
Level 2												

Finished area above grade contains: **6** Rooms: **2** Bedroom(s): **2** Bath(s): **1356** Square Feet of Gross Living Area

INTERIOR	Materials/Condition	HEATING	KITCHEN EQUIP.	ATTIC	AMENITIES	CAR STORAGE:
Floors	opt/vnl/tile/BR/ave	Type etc	Refrigerator <input checked="" type="checkbox"/> p	None <input type="checkbox"/>	Fireplace(s) #none <input type="checkbox"/>	None <input type="checkbox"/>
Walls	pnl/pnt/knt pine/ave	Fuel electric	Range/Oven <input checked="" type="checkbox"/> p	Stairs <input type="checkbox"/>	Patio none <input type="checkbox"/>	Garage <input type="checkbox"/> # of cars
Trim/Finish	wood/ave	Condition not tested	Disposal <input type="checkbox"/>	Drop Stair <input type="checkbox"/>	Deck wood side <input checked="" type="checkbox"/>	Attached <input type="checkbox"/>
Bath Floor	tile/vnl/ave	COOLING	Dishwasher <input type="checkbox"/>	Scuttle <input checked="" type="checkbox"/>	Porch cov front <input checked="" type="checkbox"/>	Detached see below
Bath Wainscot	tub surround/ave	Central none	Fan/Hood <input type="checkbox"/>	Floor <input type="checkbox"/>	Fence none <input type="checkbox"/>	Built-in <input type="checkbox"/>
Doors	steel/wood/h core/A	Other none	Microwave <input type="checkbox"/>	Heated <input type="checkbox"/>	Pool none <input type="checkbox"/>	Carport <input type="checkbox"/>
		Condition	Washer/Dryer <input type="checkbox"/>	Finished <input type="checkbox"/>	Old Barn <input checked="" type="checkbox"/>	Driveway <input type="checkbox"/>

Additional features (special energy efficient items, etc.): **30 x 30 pole building with concrete floor used as garage. Has one auto entrance door however could be considered as 2 car det garage due to size. Den could be used as 3rd BR but does not have closet. Old barn.**
 Condition of the improvements, depreciation (physical, functional, and external), repairs needed, quality of construction, remodeling/additions, etc.:
subject appears to have routine care and upkeep. No abnormal physical, functional nor external depreciations noted other than that which is expected for age and style of home in established area. No deferred maintenance items noted of an amount to affect value.
 Lead paint may exist in homes of this subject age. This report is based on a walk through inspection only.
 Adverse environmental conditions (such as, but not limited to, hazardous wastes, toxic substances, etc.) present in the improvements, on the site, or in the immediate vicinity of the subject property: **None apparent on visual inspection. Appraiser is not qualified to determine hidden defects.**
This appraiser is not qualified nor licensed to perform wood destroying insect inspections nor environmental assessments.

ESTIMATED SITE VALUE				= \$	25,000
ESTIMATED REPRODUCTION COST-NEW OF IMPROVEMENTS:					
Dwelling	1,356 Sq Ft @ \$	52.00 = \$			70,512
	576 barn Sq Ft @ \$	10.00 =			5,760
	barn, porch, deck/imp sum	=			9,000
Garage/Carport	900 Sq Ft @ \$	15.00 =			13,500
Total Estimated Cost New				= \$	98,772
Less	Physical	Functional	External		
Depreciation	35000			= \$	35,000
Depreciated Value of Improvements				= \$	63,772
"As-is" Value of Site Improvements				= \$	6,500
INDICATED VALUE BY COST APPROACH				= \$	95,272

Comments on Cost Approach (such as, source of cost estimate, site value, square foot calculation and, for HUD, VA and FmHA, the estimated remaining economic life of the property):
 Figures to the left estimated from Marshall & Swift Cost Handbook combined with local builder input and data.
 Average quality. Land values based on market data.
 Depreciation allowances noted are considered to be within normal boundaries in this appraiser's opinion for age and style of home in an established area. Per USPAP remaining economic age is not stated in lack of support figures.

ITEM	SUBJECT	COMPARABLE NO. 1	COMPARABLE NO. 2	COMPARABLE NO. 3
Address	5715 McDaniel Road	8251 Bono Road	10821 S Trueblood Place	12746 St Road 159
Proximity to Subject	Terre Haute	Terre Haute	Terre Haute	Terre Haute
Sales Price		\$ 90,000	\$ 82,500	\$ 120,000
Price/Gross Liv. Area	\$ 0	\$ 55.83	\$ 68.75	\$ 85.71
Date and/or Verification Source	County Records insp date 06-25-04 32063	Terre Haute Realtors MLS only	Terre Haute Realtors MLS only	Terre Haute Realtors MLS only
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION + (-) \$ Adjustment	DESCRIPTION + (-) \$ Adjustment	DESCRIPTION + (-) \$ Adjustment
Sales or Financing Concessions		conv/none noted	FHA/none noted	conv/none noted
Date of Sale/Time		10/03 DOM 54	04/04 DOM 125	10/03 DOM 59
Location	rural/ave	similar	similar	similar
Leasehold/Fee Simple	fee simple	equal	equal	equal
Site	5.42 acres	2 acres +6850	5 acres +850	2 acres +6850
View	resdntl/undvl/ave	similar	similar	similar
Design and Appeal	1 sty/ave	1 sty/ave	1 sty/ave	1 sty/ave
Quality of Construction	wynyl	wynyl	alum	brick -5000
Age	70	69	58	58
Condition	average	similar	similar	similar
Above Grade	Total Bdrms Baths	Total Bdrms Baths	Total Bdrms Baths	Total Bdrms Baths
Room Count	6 2 2	7 3 2	5 3 1 +2000	6 3 1 +2000
Gross Living Area	1356 Sq. Ft.	1612 Sq. Ft. -3800	1200 Sq. Ft. +2300	1400 Sq. Ft. -700
Basement & Finished	partial	similar appeal	similar appeal	none noted +1000
Rooms Below Grade	none	none noted	none noted	none noted
Functional Utility	average for age	similar	similar	similar
Heating/Cooling	efa/none	gfa/cent -1250	ebb/window	efa/cent -1250
Energy Efficient Items	unknown	similar	similar	similar
Garage/Carport	(considerd) 2 c det 1 car det +1500	2 car det	2 car att +1000	2 c det/4 c det -6000
Porch, Patio, Deck, Fireplace(s), etc.	porch, wood deck -500	encl porch, deck	porch +1000	porch +1000
Fence, Pool, etc.	old barn +2000	none noted	24x30 pole bldg -3500	45x54 pole bldg -5000
Net Adj. (total)		\$ 4,800	\$ 2,650	\$ 8,100
Adjusted Sales Price of Comparable		\$ 94,800	\$ 85,150	\$ 111,900

Comments on Sales Comparison (including the subject property's compatibility to the neighborhood, etc.): All sales used appear to be best available and in the same general or similar area of subject. Adjustments reflect differences in amenities and other differences. Sales comparison approach is determined by the sales contained with all sales considered. Sale 1 and 2 given most consideration due to developing mode being established. Conclusion also supported by sale 3. It is considered the subject and sales contained may attract the same pool of buyers in the market. The values present a reasonable range of value and appeal and assist in determination of subject estimate of value. The same is considered defensible. The above figures fall within FRMA guidelines.

ITEM	SUBJECT	COMPARABLE NO. 1	COMPARABLE NO. 2	COMPARABLE NO. 3
Date, Price and Data	none found per MLS	none found other than as stated above/MLS	none found other than as stated above/MLS	none found other than as stated above/MLS
Source for prior sales within year of appraisal	in past 3 yrs	stated above/MLS	stated above/MLS	stated above/MLS
Analysis of any current agreement of sale, option, or listing of the subject property and analysis of any prior sales of subject and comparables within one year of the date of appraisal: No listing of subject was found in MLS for past 36 months. No personal property is considered in this report. Digital signatures contained in this report are password protected.				

INDICATED VALUE BY SALES COMPARISON APPROACH \$ 90,000

INDICATED VALUE BY INCOME APPROACH (if Applicable) Estimated Market Rent \$ n/a /Mo. x Gross Rent Multiplier n/a = \$

This appraisal is made "as is" subject to the repairs, alterations, inspections, or conditions listed below subject to completion per plans and specifications.
 Conditions of Appraisal: No warranties are made nor implied as to conditions of the mechanical nor to structural integrity of subject.
 This appraiser is not and should not be considered qualified in these fields. Departure of certain sections of USPAP 1-4 invoked.
 Final Reconciliation: The sales comparison approach is considered the strongest indicator of value. The cost approach is calculated and considered but is not believed to be as reliable to determine subject value, however is considered to support value. Income approach not used due to lack of reliable data to indicate a reliable figure using GRM nor Capitalization; departure applies.
 The purpose of this appraisal is to estimate the market value of the real property that is the subject of this report, based on the above conditions and the certification, contingent and limiting conditions, and market value definition that are stated in the attached Freddie Mac Form 439/Fannie Mae Form 1004B (Revised 6/93).

(WE) ESTIMATE THE MARKET VALUE, AS DEFINED, OF THE REAL PROPERTY THAT IS THE SUBJECT OF THIS REPORT, AS OF June 25, 2004 (WHICH IS THE DATE OF INSPECTION AND THE EFFECTIVE DATE OF THIS REPORT) TO BE \$ 90,000

APPRaiser: *Richard A. Zaikovsky* SUPERVISORY APPRAISER (ONLY IF REQUIRED):
 Signature: *Richard A. Zaikovsky* Signature: _____
 Name: Richard A. Zaikovsky Name: _____
 Date Report Signed: July 15, 2004 Date Report Signed: _____
 State Certification # CR60300397 Certified Residential State IN State Certification # _____
 Or State License # _____ Or State License # _____

Photograph Augment

Borrower Ladika	
Property Address 5715 McDaniel Road	
City Terre Haute	County Vigo
State IN	Zip Code 47802
Lender/Client Ladika per T Modesitt Atty	Lender's Address 12602 Pimento Crcl, Terre Haute, IN 47802
Appraiser Richard A Zaikovsky	Appraiser's Address 8057 E Lambert Ave, Terre Haute, In 47805



Subject Front

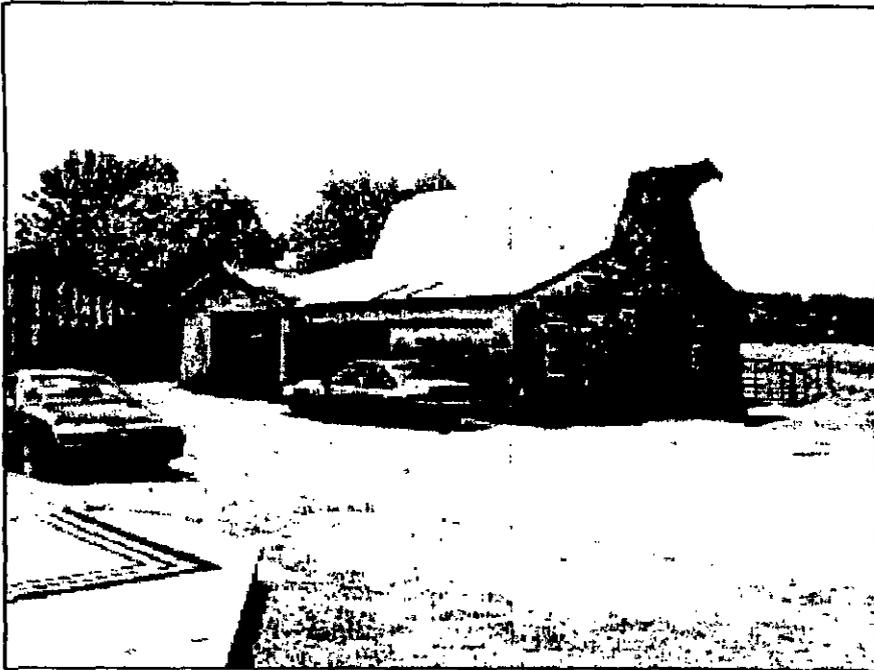


Subject Rear



Subject Street

Borrower Ladika	
Property Address 5715 McDaniel Road	
City Terre Haute	County Vigo
State IN	Zip Code 47802
Lender/Client Ladika per T Modesitt Atty	Lender's Address 12602 Pimento Crcl, Terre Haute, IN 47802
Appraiser Richard A Zaikovsky	Appraiser's Address 8057 E Lambert Ave, Terre Haute, In 47805



Barn



Garage



Addl Rear View

Borrower Ladika	
Property Address 5715 McDaniel Road	
City Terre Haute	County Vigo
State IN	Zip Code 47802
Lender/Client Ladika per T Modesitt Atty	Lender's Address 12602 Pimento Crcl, Terre Haute, IN 47802
Appraiser Richard A Zaikovsky	Appraiser's Address 8057 E Lambert Ave, Terre Haute, In 47805



Comparable 1

8251 Bono Road
Terre Haute



Comparable 2

10821 S Trueblood Place
Terre Haute



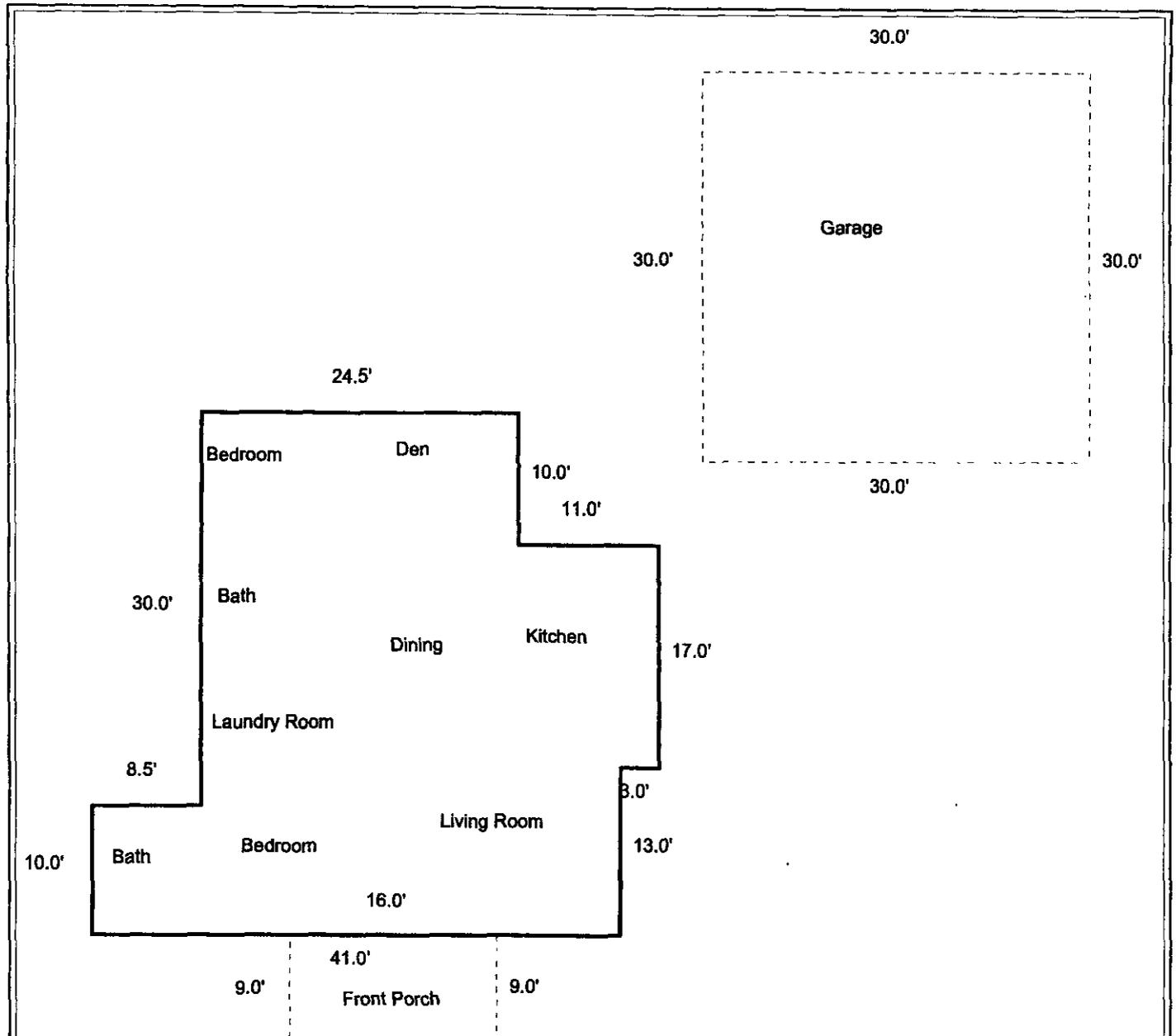
Comparable 3

12746 St Road 159
Terre Haute

SKETCH ADDENDUM

File No. Ladi0604

Borrower	Ladika				
Property Address	5715 S McDaniel				
City	Terre Haute	County	Vigo	State	IN
				Zip Code	47802
Lender/Client	Fred Ladika	Address	Terre Haute, IN 47802		



16.0' SKETCH CALCULATIONS													
	<table style="width: 100%;"> <tr> <td>A1 : 24.5 x 10.0 =</td> <td style="text-align: right;">245.0</td> </tr> <tr> <td>A2 : 35.5 x 17.0 =</td> <td style="text-align: right;">603.5</td> </tr> <tr> <td>A3 : 32.5 x 3.0 =</td> <td style="text-align: right;">97.5</td> </tr> <tr> <td>A4 : 41.0 x 10.0 =</td> <td style="text-align: right;">410.0</td> </tr> <tr> <td>First Floor</td> <td style="text-align: right;">1356.0</td> </tr> <tr> <td>Total Living Area</td> <td style="text-align: right;">1356.0</td> </tr> </table>	A1 : 24.5 x 10.0 =	245.0	A2 : 35.5 x 17.0 =	603.5	A3 : 32.5 x 3.0 =	97.5	A4 : 41.0 x 10.0 =	410.0	First Floor	1356.0	Total Living Area	1356.0
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Total Living Area	1356.0												
	<table style="width: 100%;"> <tr> <td>A5 : 30.0 x 30.0 =</td> <td style="text-align: right;">900.0</td> </tr> <tr> <td>Detached Garage</td> <td style="text-align: right;">900.0</td> </tr> <tr> <td>Total Garage Area</td> <td style="text-align: right;">900.0</td> </tr> </table>	A5 : 30.0 x 30.0 =	900.0	Detached Garage	900.0	Total Garage Area	900.0						
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	<table style="width: 100%;"> <tr> <td>A6 : 16.0 x 9.0 =</td> <td style="text-align: right;">144.0</td> </tr> <tr> <td>Porch</td> <td style="text-align: right;">144.0</td> </tr> <tr> <td>Total Porch Area</td> <td style="text-align: right;">144.0</td> </tr> </table>	A6 : 16.0 x 9.0 =	144.0	Porch	144.0	Total Porch Area	144.0						
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Porch	144.0												
Total Porch Area	144.0												

DEFINITION OF 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 a sale as of a specified date and 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 adjustments should not be calculated on a mechanical dollar for 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 judgement.

STATEMENT OF LIMITING CONDITIONS AND APPRAISER'S CERTIFICATION

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 made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand.
5. The appraiser has estimated the value of the land in the cost approach at its highest and best use and the improvements at their contributory value. The separate valuations of the land and improvements must not be used in conjunction with any other appraisal and are invalid if they are so used.
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 or she 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 or she 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 or her 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 a workmanlike manner.
10. The appraiser must provide his or her 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.

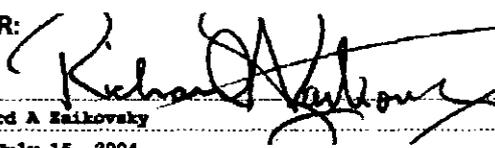
APPRAISER'S CERTIFICATION: The Appraiser certifies and agrees that:

1. I have researched the subject market area and have selected a minimum of three recent sales of properties most similar and proximate to the subject property for consideration in the sales comparison analysis and have made a dollar adjustment when appropriate to reflect the market reaction to those items of significant variation. If a significant item in a comparable property is superior to, or more favorable than, the subject property, I have made a negative adjustment to reduce the adjusted sales price of the comparable and, if a significant item in a comparable property is inferior to, or less favorable than the subject property, I have made a positive adjustment to increase the adjusted sales price of the comparable.
2. I have taken into consideration the factors that have an impact on value in my development of the estimate of market value in the appraisal report. I have not knowingly withheld any significant information from the appraisal report and I believe, to the best of my knowledge, that all statements and information in the appraisal report are true and correct.
3. I stated in the appraisal report only my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the contingent and limiting conditions specified in this form.
4. I have no present or prospective interest in the property that is the subject to this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or the estimate of market value in the appraisal report on the race, color, religion, sex, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property.
5. I have no present or contemplated future interest in the subject property, and neither my current or future employment nor my compensation for performing this appraisal is contingent on the appraised value of the property.
6. I was not required to report a predetermined value or direction in value that favors the cause of the client or any related party, the amount of the value estimate, the attainment of a specific result, or the occurrence of a subsequent event in order to receive my compensation and/or employment for performing the appraisal. I did not base the appraisal report on a requested minimum valuation, a specific valuation, or the need to approve a specific mortgage loan.
7. I performed this appraisal in conformity with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place as of the effective date of this appraisal, with the exception of the departure provision of those Standards, which does not apply. I acknowledge that an estimate of a reasonable time for exposure in the open market is a condition in the definition of market value and the estimate I developed is consistent with the marketing time noted in the neighborhood section of this report, unless I have otherwise stated in the reconciliation section.
8. I have personally inspected the interior and exterior areas of the subject property and the exterior of all properties listed as comparables in the appraisal report. I further certify that I have noted any apparent or known adverse conditions in the subject improvements, on the subject site, or on any site within the immediate vicinity of the subject property of which I am aware and have made adjustments for these adverse conditions in my analysis of the property value to the extent that I had market evidence to support them. I have also commented about the effect of the adverse conditions on the marketability of the subject property.
9. I personally prepared all conclusions and opinions about the real estate that were set forth in the appraisal report. If I relied on significant professional assistance from any individual or individuals in the performance of the appraisal or the preparation of the appraisal report, I have named such individual(s) and disclosed the specific tasks performed by them in the reconciliation section of this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in the report; therefore, if an unauthorized change is made to the appraisal report, I will take no responsibility for it.

SUPERVISORY APPRAISER'S CERTIFICATION: If a supervisory appraiser signed the appraisal report, he or she certifies and agrees that: I directly supervise the appraiser who prepared the appraisal report, have reviewed the appraisal report, agree with the statements and conclusions of the appraiser, agree to be bound by the appraiser's certifications numbered 4 through 7 above, and am taking full responsibility for the appraisal and the appraisal report.

ADDRESS OF PROPERTY APPRAISED:

5715 McDaniel Road, Terre Haute, IN 47802

<p>APPRAISER:</p> <p>Signature: </p> <p>Name: <u>Richard A Raikovsky</u></p> <p>Date Signed: <u>July 15, 2004</u></p> <p>State Certification #: <u>CR60300397 Certified Residential</u></p> <p>or State License #: <u>Appraiser</u></p> <p>State: <u>Indiana</u></p> <p>Expiration Date of Certification or License: <u>01/01/06</u></p>	<p>SUPERVISORY APPRAISER (only if required):</p> <p>Signature: _____</p> <p>Name: _____</p> <p>Date Signed: _____</p> <p>State Certification #: _____</p> <p>or State License #: _____</p> <p>State: _____</p> <p>Expiration Date of Certification or License: _____</p>
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Did Did Not Inspect Property

ENVIRONMENTAL ADDENDUM
APPARENT* HAZARDOUS SUBSTANCES AND/OR DETRIMENTAL ENVIRONMENTAL CONDITIONS

Borrower	Ladika		
Address	5715 McDaniel Road		
City	Terre Haute	County	Vigo
		State	IN
		Zip Code	47802
Lender/Client	no lender/Ladika per T Modesitt Atty, 12602 Pimento Crcl, Terre Haute, IN 47802		

*** Apparent is defined as that which is visible, obvious, evident or manifest to the appraiser.**

This universal Environmental Addendum is for use with any real estate appraisal. Only the statements which have been checked by the appraiser apply to the property being appraised.

This addendum reports the results of the appraiser's routine inspection of and inquiries about the subject property and its surrounding area. It also states what assumptions were made about the existence (or nonexistence) of any hazardous substances and/or detrimental environmental conditions. **The appraiser is not an expert environmental inspector** and therefore might be unaware of existing hazardous substances and/or detrimental environmental conditions which may have a negative effect on the safety and value of the property. It is possible that tests and inspections made by a qualified environmental inspector would reveal the existence of hazardous materials and/or detrimental environmental conditions on or around the property that would negatively affect its safety and value.

DRINKING WATER

Drinking Water is supplied to the subject from a municipal water supply which is considered safe. However, the only way to be absolutely certain that the water meets published standards is to have it tested at all discharge points.

- Drinking Water is supplied by a well or other non-municipal source. It is recommended that tests be made to be certain that the property is supplied with adequate pure water.
- Lead can get into drinking water from its source, the pipes, at all discharge points, plumbing fixtures and/or appliances. The only way to be certain that water does not contain an unacceptable lead level is to have it tested at all discharge points.
- The value estimated in this appraisal is based on the assumption that there is an adequate supply of safe, lead-free Drinking Water.**

Comments

SANITARY WASTE DISPOSAL

Sanitary Waste is removed from the property by a municipal sewer system.

- Sanitary Waste is disposed of by a septic system or other sanitary on site waste disposal system. The only way to determine that the disposal system is adequate and in good working condition is to have it inspected by a qualified inspector.
- The value estimated in this appraisal is based on the assumption that the Sanitary Waste is disposed of by a municipal sewer or an adequate properly permitted alternate treatment system in good condition.**

Comments

SOIL CONTAMINANTS

- There are no apparent signs of Soil Contaminants on or near the subject property (except as reported in Comments below). It is possible that research, inspection and testing by a qualified environmental inspector would reveal existing and/or potential hazardous substances and/or detrimental environmental conditions on or around the property that would negatively affect its safety and value.
- The value estimated in this appraisal is based on the assumption that the subject property is free of Soil Contaminants.**

Comments

ASBESTOS

- All or part of the improvements were constructed before 1979 when Asbestos was a common building material. The only way to be certain that the property is free of friable and non-friable Asbestos is to have it inspected and tested by a qualified Asbestos inspector.
- The improvements were constructed after 1979. No apparent friable Asbestos was observed (except as reported in Comments below).
- The value estimated in this appraisal is based on the assumption that there is no uncontained friable Asbestos or other hazardous Asbestos material on the property.**

Comments

PCBS (POLYCHLORINATED BIPHENYLS)

- There were no apparent leaking fluorescent light ballasts, capacitors or transformers anywhere on or nearby the property (except as reported in Comments below).
- There was no apparent visible or documented evidence known to the appraiser of soil or groundwater contamination from PCBs anywhere on the property (except as reported in Comments below).
- The value estimated in this appraisal is based on the assumption that there are no uncontained PCBs on or nearby the property.**

Comments

RADON

- The appraiser is not aware of any Radon tests made on the subject property within the past 12 months (except as reported in Comments below).
- The appraiser is not aware of any indication that the local water supplies have been found to have elevated levels of Radon or Radium.
- The appraiser is not aware of any nearby properties (except as reported in Comments below) that were or currently are used for uranium, thorium or radium extraction or phosphate processing.
- The value estimated in this appraisal is based on the assumption that the Radon level is at or below EPA recommended levels.**

Comments

USTS (UNDERGROUND STORAGE TANKS)

- * There is no apparent visible or documented evidence known to the appraiser of any USTs on the property nor any known historical use of the property that would likely have had USTs.
- * There are no apparent petroleum storage and/or delivery facilities (including gasoline stations or chemical manufacturing plants) located on adjacent properties (except as reported in Comments below).
- There are apparent signs of USTs existing now or in the past on the subject property. It is recommended that an inspection by a qualified UST inspector be obtained to determine the location of any USTs together with their condition and proper registration if they are active; and if they are inactive, to determine whether they were deactivated in accordance with sound industry practices.
- * **The value estimated in this appraisal is based on the assumption that any functioning USTs are not leaking and are properly registered and that any abandoned USTs are free from contamination and were properly drained, filled and sealed.**

Comments

NEARBY HAZARDOUS WASTE SITES

- * There are no apparent Hazardous Waste Sites on the subject property or nearby the subject property (except as reported in Comments below). Hazardous Waste Site search by a trained environmental engineer may determine that there is one or more Hazardous Waste Sites on or in the area of the subject property.
- * **The value estimated in this appraisal is based on the assumption that there are no Hazardous Waste Sites on or nearby the subject property that negatively affect the value or safety of the property.**

Comments

UREA FORMALDEHYDE (UFFI) INSULATION

- * All or part of the improvements were constructed before 1982 when UREA foam insulation was a common building material. The only way to be certain that the property is free of UREA formaldehyde is to have it inspected by a qualified UREA formaldehyde inspector.
- The improvements were constructed after 1982. No apparent UREA formaldehyde materials were observed (except as reported in Comments below).
- * **The value estimated in this appraisal is based on the assumption that there is no significant UFFI insulation or other UREA formaldehyde material on the property.**

Comments

LEAD PAINT

- * All or part of the improvements were constructed before 1980 when Lead Paint was a common building material. There is no apparent visible or known documented evidence of peeling or flaking Lead Paint on the floors, walls or ceilings (except as reported in Comments below). The only way to be certain that the property is free of surface or subsurface Lead Paint is to have it inspected by a qualified inspector.
- The improvements were constructed after 1980. No apparent Lead Paint was observed (except as reported in Comments below).
- * **The value estimated in this appraisal is based on the assumption that there is no flaking or peeling Lead Paint on the property.**

Comments

AIR POLLUTION

- * There are no apparent signs of Air Pollution at the time of the inspection nor were any reported (except as reported in Comments below). The only way to be certain that the air is free of pollution is to have it tested.
- * **The value estimated in this appraisal is based on the assumption that the property is free of Air Pollution.**

Comments

WETLANDS/FLOOD PLAINS

- * The site does not contain any apparent Wetlands/Flood Plains (except as reported in Comments below). The only way to be certain that the site is free of Wetlands/Flood Plains is to have it inspected by a qualified environmental professional.
- * **The value estimated in this appraisal is based on the assumption that there are no Wetlands/Flood Plains on the property (except as reported in Comments below).**

Comments

MISCELLANEOUS ENVIRONMENTAL HAZARDS

- * There are no other apparent miscellaneous hazardous substances and/or detrimental environmental conditions on or in the area of the site except as indicated below:
 - Excess Noise
 - Radiation & Electromagnetic Radiation
 - Light Pollution
 - Waste Heat
 - Acid Mine Drainage
 - Agricultural Pollution
 - Geological Hazards
 - Nearby Hazardous Property
 - Infectious Medical Wastes
 - Pesticides
 - Others (Chemical Storage & Storage Drums, Pipelines, etc.)
- * **The value estimated in this appraisal is based on the assumption that there are no Miscellaneous Environmental Hazards (except those reported above) that would negatively affect the value of the property.**

When any of the environmental assumptions made in this addendum are not correct, the estimated value in this appraisal may not be valid.

Borrower: Ladika
 Property Address: 5715 McDaniel Road
 City: Terre Haute County: Vigo State: IN Zip Code: 47802
 Lender/Client: no lender/Ladika per T Modesitt Atty, 12602 Pimento Crcl, Terre Haute, IN 47802

Only those items checked below apply to this report.

PURPOSE, FUNCTION, AND INTENDED USE OF THE APPRAISAL

- The purpose of the appraisal is to provide an opinion of market value of the subject property as defined in this report, on behalf of the appraisal company facilitating the assignment for the referenced client as the intended user of the report. The only function of the appraisal is to assist the client mentioned in this report in evaluating the subject property for lending purposes. The use of this appraisal by anyone other than the stated intended user, or for any other use than the stated intended use, is prohibited.
- The purpose of the appraisal is to provide an opinion of market value of the subject property, as defined in this report, on behalf of the appraisal company facilitating the assignment for the referenced client as the intended user of this report. The only function of the appraisal is to assist the client mentioned in this report in evaluating the subject property for Real Estate Owned (REO) purposes. The use of this appraisal by anyone other than the stated intended user, or for any other use than the stated intended use, is prohibited.
- The purpose of this appraisal is to determine current market value, on behalf of the appraisal company facilitating the assignment for the referenced client as the intended user of this report. The only function of the appraisal is to assist the client mentioned in this report in evaluating the subject property for potential purchase of subject property value dispute. The use of this appraisal by anyone other than the stated intended user, or for any other use than the stated intended use is prohibited.

TYPE OF APPRAISAL AND APPRAISAL REPORT

- This is a _____ Appraisal written in a _____ Report format and the USPAP Departure Rule has not been invoked.
- This is a Limited Appraisal written in a Summary Report format and the USPAP Departure Rule has been invoked as disclosed in the body or addenda of the report. The client has agreed that a Limited Appraisal is sufficient for its purposes.

SCOPE (EXTENT) OF REPORT

- 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, listings, and/or rentals 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 extent of analysis applied to this assignment may be further imparted within the report, the Appraiser's Certification below and/or any other Statement of Limiting Conditions and Appraiser's Certification such as may be utilized within the Freddie Mac form 439 or Fannie Mae form 1004b (dated 6/93), when applicable.

MARKETING TIME AND EXPOSURE TIME FOR THE SUBJECT PROPERTY

- A reasonable marketing time for the subject property is _____ day(s) utilizing market conditions pertinent to the appraisal assignment.
- A reasonable exposure time for the subject property is 100-200 day(s).

APPRAISER'S CERTIFICATION

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 analysis, 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 present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved, unless otherwise stated within the report.
- 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 the 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 or have not made a personal inspection of the property that is the subject of this report. (If more than one person signs this report, this certification must clearly specify which individuals did and which individuals did not make a personal inspection of the appraised property.)
- No one provided significant professional assistance to the person signing this report. (If there are exceptions, the name of each individual providing significant professional assistance must be stated.)

NOTE: In the case of any conflict with a client provided certification (i.e., Fannie Mae or Freddie Mac), this revised certification shall take precedence.

- **Supervisory Appraiser's Certification:** If a supervisory appraiser signed the appraisal report, he or she certifies and agrees that: I directly supervise the appraiser who prepared the appraisal report, have reviewed the appraisal report, agree with the statements and conclusions of the appraiser, agree to be bound by the appraiser's certifications numbered 2-7 and 9 on the second page of the Freddie Mac Form 439 or 93/Fannie Mae Form 1004b 6 93, or the third page of Form 2055, and am taking full responsibility for the appraisal report.

APPRAISER'S AND SUPERVISORY APPRAISER'S SIGNATURE

APPRAISER:	SUPERVISORY APPRAISER (only if required):
Signature: <u>Richard A. Saikovsky</u>	Signature: _____
Name: <u>Richard A. Saikovsky</u>	Name: _____
Date the Report was Signed: <u>July 15, 2004</u>	Date the Report was Signed: _____
State Certification #: <u>CR60300397 Certified Residential</u>	State Certification #: _____
or State License #: <u>Appraiser</u>	or State License #: _____
State: <u>Indiana</u>	State: _____
Expiration Date of Certification or License: <u>01/01/06</u>	Expiration Date of Certification or License: _____
<input type="checkbox"/> Did inspect subject property	<input type="checkbox"/> Inspected Comparables
<input type="checkbox"/> Interior & Exterior	<input type="checkbox"/> Interior & Exterior
<input type="checkbox"/> Exterior only	<input type="checkbox"/> Exterior only

STATEMENT OF THE BASIS FOR JUST COMPENSATION

1. This is a written statement of, and summary of the basis for, the amount established through a valuation process as just compensation for the purchase of this right-of-way for highway purposes. The amount set forth in Item 5 below is not less than the approved estimate of value. Public Law 91-646 provides that this value disregards any decrease or increase in fair market value of the property prior to the date of valuation caused by the public improvement for which the property is acquired other than physical deterioration within reasonable control of the owner.

2. The legal description of this acquisition is set forth in the instrument of conveyance in the following identified parcel and this acquisition is identified in the Acquiring Agency's record as:

Project: STP-291-1 (002) Parcel: 25 Road: USR 641 County: Vigo

Owner(s) Ladika, Freddie L.

3. The area and type of interest being acquired: 1.549 ac FS R/W and .2939 ac Temp R/W

The amount in Item 5 below includes payment for the purchase of all interests in the real property and no separately held interest is being acquired separately in whole or part, except as may be explained in Item 8 below.

4. This acquisition is (Check one) a. - A total acquisition of the real property.
b. - A partial acquisition of the real property.

5. The Agency's Offer: Just compensation has been determined to be and the Acquiring Agency's offer for the purchase of this real property is as follows:

a. Total Land, Land Improvements and Buildings	\$ <u>65,125.00</u>
b. Severance Damages (i.e.: Setback, Loss in Value to the Residues, etc.)	\$ <u>13,812.00</u>
c. Other Damages (Itemize) Cost-To-Cure estimates:	
<u>Septic</u>	\$ <u>4,465.00</u>
_____	\$ _____
<u>Temporary Right-Of-Way/Perpetual Highway Easement</u>	\$ <u>223.00</u>
Total Damages	\$ <u>18,500.00</u>

Total Just Compensation offered for this Acquisition is: \$ 83,625.00

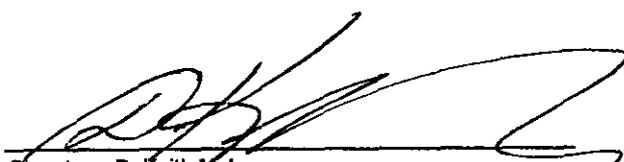
6. The amount in Item 5 above may include payment for the purchase of certain buildings and improvements and their ownership shall pass to the Acquiring Agency. These buildings and improvements are identified as follows:
Buildings on Lot 1 (Rental property)

7. The amount in Item 5 above may include payment for the purchase of certain Land Improvements, Fixtures, Equipment, Machinery, Signs, Etc., and their ownership shall pass to the Acquiring Agency. These items are identified as follows:
All land improvements in the area of acquisition such as concrete, crushed rock, landscaping and grass ground covering.

8. Items owned by others (i.e.: lessee, tenants, etc.) included in Item 5 above are identified as follows:

9. Remarks:

Date: 10/03/2003

Signature:  D. Keith Moberg

REMARKS (Cont'd) I EXPLAINED THE 25 DAY CON-
SIDERATION PERIOD, THE 90 DAY PAYMENT
PERIOD IF THE OFFER IS ACCEPTED AND
CLEAR TITLE IS OBTAINED, AND THE STATE
WILL TAKE POSSESSION 30 DAYS AFTER
PAYMENT. I ALSO SAID THAT I WOULD
GET BACK TO HIM IN ABOUT TWO WEEKS.

BEFORE LEAVING I PRESENTED
COPIES OF 1) THE PRIVATE APPRAISAL LETTER,
EXPLAINING THE RIGHT TO A PRIVATE APPRAISAL
AT THE FEE OWNER'S EXPENSE, 2) THE LAND
ACQUISITION BOOKLET W/PRINT OF PLAN, 3)
OFFER LETTER W/LEGAL DESCRIPTION AND
PLOT PLAN ATTACHED, AND 4) THE STATE-
MENT OF THE BASIS FOR JUST COMPENSATION.

I ALSO EXPLAINED TO THE OWNER(S)
THAT IN CASE A PARTIAL OR FULL MORTGAGE
RELEASE IS NECESSARY, THE MORTGAGEE
HAS THE RIGHT TO HAVE ITS NAME ON
THE CHECK.

OWNERS HAVE DISPUTE ON OR OWNERSHIP
OF RENTAL HOUSE + WEST PROPERTY. ALSO
I WILL CHECK INTO MAKING WEST PART OF
PROPERTY (RENTAL HOUSE) A TOTAL WITH DUE
TO CREEKS LANDLOCKING IT.



COPY

Signature: Blatter Date: 10/14/03

INDIANA DEPARTMENT OF TRANSPORTATION, LAND ACQUISITION DIVISION

BUYER'S REPORT

PROJECT: STP-291-1(002) PARCEL: 25 COUNTY: Vigo CODE: 3777

Name & Address of Owner: Freddie L Ladika
5837 McDaniel Road Terre Haute, IN 47802

Name & Address of Person Contacted: _____
 Phone: 812-299-5872

(List other interested parties on reverse side including nature of their interest)

Date Assigned: 10/7/2003 Date of Contact: 10/14/03 Time of Contact: _____

Offer: \$83,625.00 Type of Contact (Personal Visit () Phone () Mail

Write: Yes, No, or N/A (for not applicable), as appropriate in each numbered blank space:

- | | |
|--|---|
| 1. <input checked="" type="checkbox"/> Checked Abstract w/ owner? | 14. _____ Secured W-9 form? |
| 2. _____ Any affidavits taken? | Left following papers w/ owners: |
| 3. _____ Any mortgage(s)? | |
| 4. _____ Any liens, judgments, etc.? | 15. <input checked="" type="checkbox"/> Written offer? |
| 5. <input checked="" type="checkbox"/> Showed plans? Exp. take? | 16. <input checked="" type="checkbox"/> Land Acquisition Brochure? |
| 6. <input checked="" type="checkbox"/> Explained about retentions? | 17. _____ Retention Letter? |
| 7. _____ Any major item retained? | 18. <input checked="" type="checkbox"/> Statement of Just Compensation? |
| 8. _____ Any minor item retained? | 19. _____ Tax memo (interim period)? |
| 9. <input checked="" type="checkbox"/> Walked over property? | 20. _____ Receipt of Conveyance Instrument? |
| 10. <input checked="" type="checkbox"/> Owner to pay taxes? | 21. <input checked="" type="checkbox"/> Copy of Conveyance Instrument? |
| 11. _____ Secured Right-of-Entry | 22. <input checked="" type="checkbox"/> Owner's Appraisal Letter? |
| 12. _____ Secured Driveway R/E | 23. _____ Brochure, "Relocation & You"? |
| 13. _____ Sent Daily Notice to Relocation? | 24. _____ E.D.D.? |

REMARKS: WHILE MEETING WITH FREDDIE L. LADIKA
I CONFIRMED OWNERSHIP AND MORTGAGE INFOR-
MATION AS PER INDOT'S ABSTRACTING. I ALSO
REMINDERD THE OWNER(S) THAT THE 2002 PROPERTY
TAX DUE IN 2003 IS HIS RESPONSIBILITY
SINCE HE OWNED THE PROPERTY IN 2002.
WE REVIEWED THE PLANS TO SEE THAT
THE 1.549 ACRE(S) OF PERMANENT ACQUISITION
IS NEEDED FOR THIS PROJECT ALONG WITH 0.2939A
OF TEMPORARY EASEMENT FOR DRIVEWAY ENLARGEMENT WORK
THE OFFER AMOUNT IS \$83,625.00 OF WHICH
\$65,125.00 IS FOR LAND, RENTAL DWELLING, GRASS,
ROUTE, CONCRETE, LANDSCAPING.
THIS PROJECT IS TO BUILD A LIMITED ACCESS
4 LANE HIGHWAY BETWEEN US 41 @ DALLAS ROAD
TO I 70 @ SR 46.

Status of Parcel: () Secured, () Condemned, (Other FIRM OFFER GIVEN)
 Distribution: (Parcel (Owner () Weekly Summary () Attorney
 () Specify Other _____

COPY

Property Owner Initials _____ Signature _____

STATE OF INDIANA) IN THE VIGO SUPERIOR COURT NO. 4
) SS:
COUNTY OF VIGO) CAUSE NO. 84D04-0410-PL-9765

STATE OF INDIANA,)
)
Plaintiff,)
)
v.)
)
FREDDIE L. LADIKA, DEBBIE HALL,)
TERRE HAUTE FIRST NATIONAL BANK)
and VIGO COUNTY, INDIANA,)
)
Defendants.)

REPORT OF APPRAISERS

The undersigned appraisers, being duly appointed, sworn and instructed by the Court, have honestly, fairly and impartially assessed the total amount of just compensation due Defendants in this case as follows:

1. On October 12, 2004 the "fair market value" of the land taken by the Plaintiff in this case is **Seventeen Thousand Six Hundred Dollars (\$17,600).**
2. On October 12, 2004 the "fair market value" of the improvements, if any, to the land taken by the Plaintiff in this case is **Fifty Four Thousand Nine Hundred Dollars (\$54,900).**
3. On October 12, 2004 the damages, if any, to the residue of the Defendants' real estate caused by the Plaintiffs appropriation amounted to **Zero Dollars (\$0).**
4. Other damages, if any, that will be caused by the construction of the Plaintiffs proposed road improvements are **Zero Dollars (\$0).**

5. The benefits, if any, to the residue of Defendants' real estate, which result from the Plaintiffs appropriation or will result from the construction of the plaintiffs proposed road improvements are Zero Dollars (\$0).

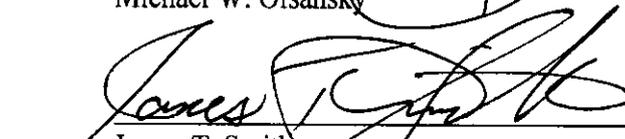
6. Total just compensation, which is the residue damages plus damages resulting from the construction of the proposed road improvements minus benefits plus the "fair market value" of the land and improvements taken, amount to Seventy Two Thousand Five Hundred Dollars (\$72,500).



Brian F. Conley



Michael W. Ofsansky



James T. Smith

Dated: October 20, 2005

INVOICE

DATE **07-15-04**

ACCOUNT NUMBER **Ladi0604**

**AccuComp Real Estate Appraisers
Richard A Zaikovsky
8057 E Lambert Ave, Terre Haute, In 47805**

**no lender/Ladika per T Modesitt Atty
12602 Pimento Crcl, Terre Haute, IN 47802**

AMOUNT ENCLOSED \$

RETURN THIS STATEMENT WITH YOUR PAYMENT

DATE	CHARGES AND CREDITS	AMOUNT
07-15-04	Ladika 5715 McDaniel Road Terre Haute, IN 47802	325.00
		325.00

PAY LAST AMOUNT
IN THIS COLUMN

Thank You

REAL ESTATE APPRAISAL

Prepared For:

no lender/Ladika per T Modasitt Atty
12602 Pimento Crol, Terre Haute, IN 47802

Property Appraised:

5715 McDaniel Road
Terre Haute, IN 47802

Prepared By:

Richard A Zaikovsky
8057 E Lambert Ave, Terre Haute, In 47805

SUMMARY OF SALIENT FEATURES

SUBJECT INFORMATION	Subject Address	5715 McDaniel Road
	Legal Description	McDaniel Estates .25 Ac Subj to Cnty Rd Lot 1, 5.420 Ac Sec 13-11-9
	City	Terre Haute
	County	Vigo
	State	IN
	Zip Code	47802
	Census Tract	107
	Map Reference	attached to report
SALES PRICE	Sale Price	n/a
	Date of Sale	n/a
CLIENT	Borrower	Ladika
	Lender/Client	no lender/Ladika per T Modasitt Atty
DESCRIPTION OF IMPROVEMENTS	Size (Square Feet)	1356
	Price per Square Foot	0
	Location	rural/ave
	Age	70
	Condition	average
	Total Rooms	6
	Bedrooms	2
	Baths	2
APPRAISER	Appraiser	Richard A Zaikovsky
	Date of Appraised Value	June 25, 2004
VALUE	Final Estimate of Value	90,000

Property Address **5715 McDaniel Road** City **Terre Haute** State **IN** Zip Code **47802**
 Legal Description **McDaniel Estates .25 Ac Subj to Cnty Rd Lot 1, 5.420 Ac Sec 13-11-9** County **Vigo**
 Assessor's Parcel No **102-09-13-300-020** Tax Year **03/04** R.E. Taxes \$ **1388.42** Special Assessments \$ **none knw**
 Borrower **Ladika** Current Owner **Ladika** Occupant: Owner Tenant Vacant
 Property rights appraised Fee Simple Leasehold Project Type PUD Condominium (HUD/VA only) HOA \$ **n/a** /Mo.
 Neighborhood or Project Name **n/a (Honey Crk Jr High dist)** Map Reference **attached to report** Census Tract **107**
 Sale Price \$ **n/a** Date of Sale **n/a** Description and \$ amount of loan charges/concessions to be paid by seller **n/a**
 Lender/Client **no lender/Ladika per T Modesitt Atty** Address **12602 Fimanto Crcl, Terre Haute, IN 47802**
 Appraiser **Richard A Zaikovsky** Address **8057 E Lambert Ave, Terre Haute, In 47805**

Location Urban Suburban Rural **Predominant occupancy** Single family housing Present land use % Land use change
 Built up Over 75% 25-75% Under 25% **PRICE \$ (000)** **AGE (yrs)** One family **50** Not likely Likely
 Growth Rate Rapid Stable Slow Owner **40** Low **01+-** 2-4 family **01** In process
 Property values Increasing Stable Declining Tenant **300+** High **100+** Multi-family **01** To:
 Demand/supply Shortage In balance Over supply Vacant (0-5%) **Predominant** Commercial **03**
 Marketing time Under 3 mos. 3-6 mos. Over 6 mos. Vacant (Over 5%) **100+-** **50+-** (undvl) **45**

Note: Race and the racial composition of the neighborhood are not appraisal factors.

Neighborhood boundaries and characteristics: **Boundaries for the purposes of this report are considered to be the area contained in southern and southeastern Vigo County south of city limits of Terre Haute also defined as Honey Crk Jr High School district.**
 Factors that affect the marketability of the properties in the neighborhood (proximity to employment and amenities, employment stability, appeal to market, etc.):
Subject is located in southern Vigo County south of city limits of Terre Haute. The area contains homes of various ages and styles including many similar to subject. Other ages and styles in area as well as housing developments (subdivisions) of various ages and styles. Some subdivisions have homes newer in age to present with values exceeding \$250,000 in market value. Remainder of grounds undeveloped in agri/wooded use. Shopping and employment available throughout the Terre Haute metro area with employment considered in balance. Area appeal and stability considered average. Students provided bus service to area schools.
 Market conditions in the subject neighborhood (including support for the above conclusions related to the trend of property values, demand/supply, and marketing time -- such as data on competitive properties for sale in the neighborhood, description of the prevalence of sales and financing concessions, etc.):
Market conditions are considered to be stable at this time. Demand and supply ratios appear to be in balance. Most home sales appear to be occurring in an 90-180 day marketing time. Mortgage money is available at favorable rates and terms for qualified borrowers. Buydowns and other seller concessions are not commonplace, however do exist in some reported sales. Most sales are reported as conventional (or insured conventional) with Government backed loans and cash sales also experienced in the market.
Average list to sale price ratio is in the 90% to 95% range. These figures gained from local MLS statistics.

Project information for PUDs (if applicable) -- Is the developer/builder in control of the Home Owners' Association (HOA)? Yes No
 Approximate total number of units in the subject project _____ Approximate total number of units for sale in the subject project _____
 Describe common elements and recreational facilities: **This area does not apply**

Dimensions **County records indicate 5.42 acres** Topography **basically level**
 Site area **5.42 acres +-** Corner Lot Yes No Size **average for area**
 Specific zoning classification and description **A-1 (1 fam residential w/ agri permitted)** Shape **rectangular**
 Zoning Compliance Legal Legal nonconforming (Grandfathered use) Illegal No zoning Drainage **appears adequate**
 Highest & best use as improved: Present use Other use (explain) **none** View **resdntl/undvl/ave**
Utilities Public Other **Off-site improvements** Type Public Private Landscaping **typical for area**
 Electricity circuit breakers Street **blacktop** Driveway Surface **rock**
 Gas Curb/gutter **none** Apparent easements **utility only apparent**
 Water well Sidewalk **none** FEMA Special Flood Hazard Area Yes No
 Sanitary sewer private Street lights **none** FEMA Zone **C+** Map Date **11-02-83**
 Storm sewer none noted Alley **none** FEMA Map No. **180263 0070B**
 Comments (apparent adverse easements, encroachments, special assessments, slide areas, illegal or legal nonconforming zoning use, etc.): **There are no apparent adverse easements, etc. that would affect the continued use of the property. Utility easements are likely to exist. No encroachments are noted. *Some of area is in special flood hazard area. due to this fact Flood Certification is recommended.**

GENERAL DESCRIPTION	EXTERIOR DESCRIPTION	FOUNDATION	BASEMENT	INSULATION
No. of Units one	Foundation concrete block	Slab none	Area Sq. Ft. 576+-	Roof <input type="checkbox"/>
No. of Stories one	Exterior Walls vinyl	Crawl Space partial	% Finished n/a	Ceiling <input type="checkbox"/>
Type (Det./Att.) det	Roof Surface comp shingle	Basement partial	Ceiling exp joists	Walls <input type="checkbox"/>
Design (Style) cottage	Gutters & Dwnspts. yes	Sump Pump none noted	Walls block	Floor <input type="checkbox"/>
Existing/Proposed yes/no	Window Type DB/stary	Dampness none noted	Floor concrete	None <input type="checkbox"/>
Age (Yrs.) 70	Storm/Screens yes	Settlement typical	Outside Entry yes	Unknown <input checked="" type="checkbox"/>
Effective Age (Yrs.) 40-50	Manufactured House no	Infestation unknown		

ROOMS	Foyer	Living	Dining	Kitchen	Den	Family Rm.	Rec. Rm.	Bedrooms	# Baths	Laundry	Other	Area Sq. Ft.
Basement												576+-
Level 1		1	1	1	1			2	2	X		1356
Level 2												

Finished area above grade contains: **6** Rooms: **2** Bedroom(s): **2** Bath(s): **1356** Square Feet of Gross Living Area

INTERIOR	Materials/Condition	HEATING	KITCHEN EQUIP	ATTIC	AMENITIES	CAR STORAGE:
Floors	cpt/vnl/tile/HW/ave	Type efa	Refrigerator <input checked="" type="checkbox"/> p	None <input type="checkbox"/>	Fireplace(s) none <input type="checkbox"/>	None <input type="checkbox"/>
Walls	pl/pnt/knt pine/ave	Fuel electric	Range/Oven <input checked="" type="checkbox"/> p	Stairs <input type="checkbox"/>	Patio none <input type="checkbox"/>	Garage <input type="checkbox"/> # of cars
Trim/Finish	wood/ave	Condition not tested	Disposal <input type="checkbox"/>	Drop Stair <input type="checkbox"/>	Deck wood side <input checked="" type="checkbox"/>	Attached <input type="checkbox"/>
Bath Floor	tile/vnl/ave	COOLING	Dishwasher <input type="checkbox"/>	Scuttle <input checked="" type="checkbox"/>	Porch cov front <input checked="" type="checkbox"/>	Detached <input type="checkbox"/> see below
Bath Wainscot	tub surrnd/ave	Central none	Fan/Hood <input type="checkbox"/>	Floor <input type="checkbox"/>	Fence none <input type="checkbox"/>	Built-In <input type="checkbox"/>
Doors	steel/wood/h core/A	Other none	Microwave <input type="checkbox"/>	Heated <input type="checkbox"/>	Pool none <input type="checkbox"/>	Carport <input type="checkbox"/>
		Condition	Washer/Dryer <input type="checkbox"/>	Finished <input type="checkbox"/>	Old Barn <input checked="" type="checkbox"/>	Driveway <input type="checkbox"/>

Additional features (special energy efficient items, etc.): **30 x 30 pole building with concrete floor used as garage. Has one auto entrance door however could be considered as 2 car det garage due to size. Den could be used as 3rd BR but does not have closet. Old barn.**
 Condition of the improvements, depreciation (physical, functional, and external), repairs needed, quality of construction, remodeling/additions, etc.:
Subject appears to have routine care and upkeep. No abnormal physical, functional nor external depreciations noted other than that which is expected for age and style of home in established area. No deferred maintenance items noted of an amount to affect value.
Lead paint may exist in homes of this subject age. This report is based on a walk through inspection only.
 Adverse environmental conditions (such as, but not limited to, hazardous wastes, toxic substances, etc.) present in the improvements, on the site, or in the immediate vicinity of the subject property: **None apparent on visual inspection. Appraiser is not qualified to determine hidden defects.**
This appraiser is not qualified nor licensed to perform wood destroying insect inspections nor environmental assessments.

Table with columns for Valuation Section, COST APPROACH, and ESTIMATED SITE VALUE. Includes rows for Dwelling, barn, porch, deck/lump sum, Garage/Carport, Total Estimated Cost New, and Depreciation.

Table with columns for ITEM, SUBJECT, COMPARABLE NO. 1, COMPARABLE NO. 2, and COMPARABLE NO. 3. Includes rows for Address, Proximity to Subject, Sales Price, Price/Gross Liv. Area, Data and/or Verification Sources, VALUE ADJUSTMENTS, Date of Sale/Time, Location, Leasehold/Fee Simple, Site, View, Design and Appeal, Quality of Construction, Age, Condition, Above Grade, Room Count, Gross Living Area, Basement & Finished Rooms Below Grade, Functional Utility, Heating/Cooling, Energy Efficient Items, Garage/Carport, Porch, Patio, Deck, Fireplace(s), etc., Fence, Pool, etc., Net Adj. (total), Adjusted Sales Price, and of Comparable.

Comments on Sales Comparison (including the subject property's compatibility to the neighborhood, etc.): All sales used appear to be best available and in the same general or similar area of subject. Adjustments reflect differences in amenities and other differences. Sales comparison approach is determined by the sales contained with all sales considered. Sale 1 and 2 given most consideration due to developing mode being established. Conclusion also supported by sale 3. It is considered the subject and sales contained may attract the same pool of buyers in the market. The values present a reasonable range of value and appeal and assist in determination of subject estimate of value. The same is considered defensible. The above figures fall within FMA guidelines.

Table with columns for ITEM, SUBJECT, COMPARABLE NO. 1, COMPARABLE NO. 2, and COMPARABLE NO. 3. Includes rows for Date, Price and Data, Source for prior sales, and Analysis of any current agreement of sale, option, or listing of the subject property and analysis of any prior sales of subject and comparables within one year of the date of appraisal.

INDICATED VALUE BY SALES COMPARISON APPROACH \$ 90,000

INDICATED VALUE BY INCOME APPROACH (If Applicable) Estimated Market Rent \$ n/a / Mo. x Gross Rent Multiplier n/a = \$

This appraisal is made [x] "as is" subject to the repairs, alterations, inspections, or conditions listed below subject to completion per plans and specifications. Conditions of Appraisal: No warranties are made nor implied as to conditions of the mechanical nor to structural integrity of subject. This appraiser is not and should not be considered qualified in these fields. Departure of certain sections of USPAP 1-4 invoked. Final Reconciliation: The sales comparison approach is considered the strongest indicator of value. The cost approach is calculated and considered but is not believed to be as reliable to determine subject value, however is considered to support value. Income approach not used due to lack of reliable data to indicate a reliable figure using GRM nor Capitalization; departure applies. The purpose of this appraisal is to estimate the market value of the real property that is the subject of this report, based on the above conditions and the certification, contingent and limiting conditions, and market value definition that are stated in the attached Freddie Mac Form 439/Fannie Mae Form 1004B (Revised 6/93).

I (WE) ESTIMATE THE MARKET VALUE, AS DEFINED, OF THE REAL PROPERTY THAT IS THE SUBJECT OF THIS REPORT, AS OF June 25, 2004 (WHICH IS THE DATE OF INSPECTION AND THE EFFECTIVE DATE OF THIS REPORT) TO BE \$ 90,000

APPRaiser: Signature: Richard A. Zaikovsky, Date Report Signed: July 15, 2004, State Certification #: CR60300397 Certified Residential, Or State License #: Appraiser. SUPERVISORY APPRAISER (ONLY IF REQUIRED): Signature: [Blank], Name: [Blank], Date Report Signed: [Blank], State Certification #: [Blank], Or State License #: [Blank].

Photograph Addendum

Borrower **Ladika**

Property Address **5715 McDaniel Road**

City **Terre Haute**

County **Vigo**

State **IN**

Zip Code **47802**

Lender/Client **Ladika per T Modesitt Atty**

Lender's Address **12602 Pimento Crcl, Terre Haute, IN 47802**

Appraiser **Richard A Zaikovsky**

Appraiser's Address **8057 E Lambert Ave, Terre Haute, In 47805**



Subject Front



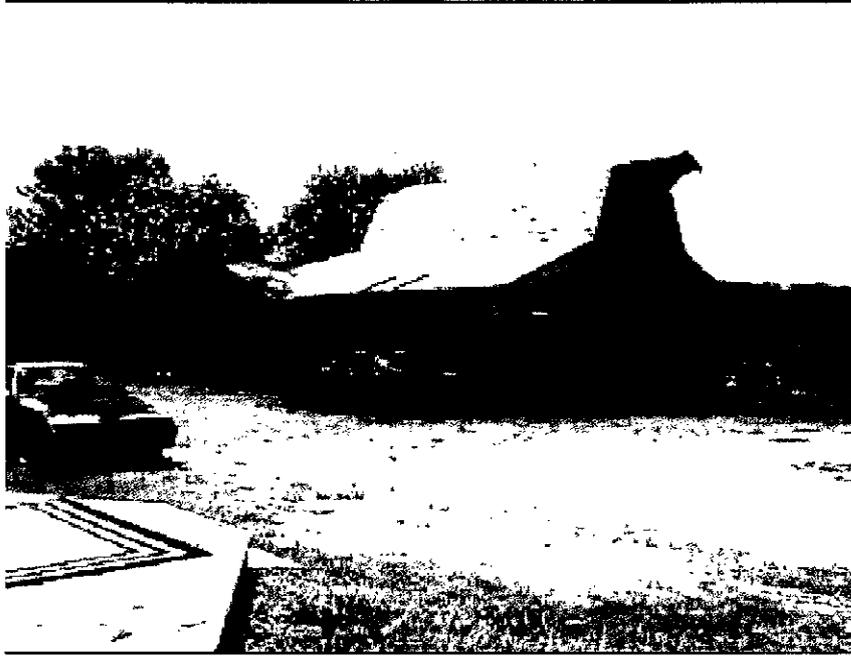
Subject Rear



Subject Street

Photograph Addendum

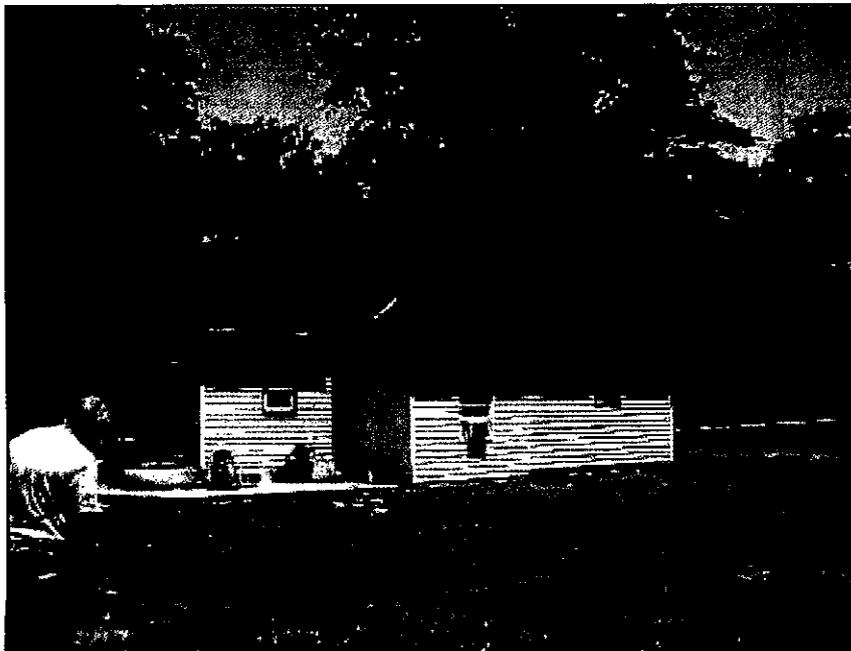
Borrower Ladika	
Property Address 5715 McDaniel Road	
City Terre Haute	County Vigo
State IN	Zip Code 47802
Lender/Client Ladika per T Modesitt Atty	Lender's Address 12602 Pimento Crcl, Terre Haute, IN 47802
Appraiser Richard A Zaikovsky	Appraiser's Address 8057 E Lambert Ave, Terre Haute, In 47805



Barn



Garage



Addl Rear View

Photograph Addendum

Borrower Ladika	
Property Address 5715 McDaniel Road	
City Terre Haute	County Vigo
State IN	Zip Code 47802
Lender/Client Ladika per T Modesitt Atty	Lender's Address 12602 Pimento Crcl, Terre Haute, IN 47802
Appraiser Richard A Zaikovsky	Appraiser's Address 8057 E Lambert Ave, Terre Haute, In 47805



Comparable 1

8251 Bono Road
Terre Haute



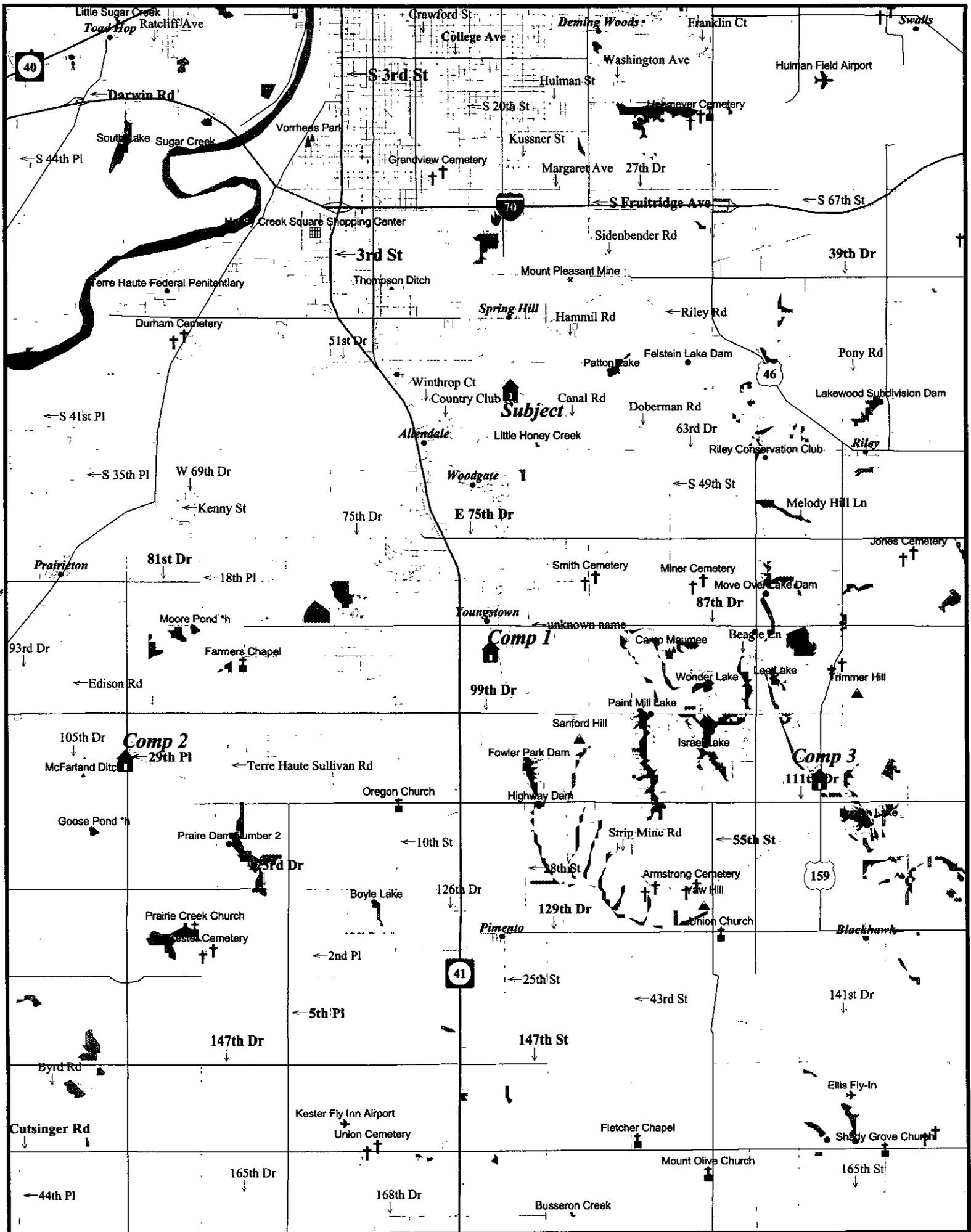
Comparable 2

10821 S Trueblood Place
Terre Haute



Comparable 3

12746 St Road 159
Terre Haute

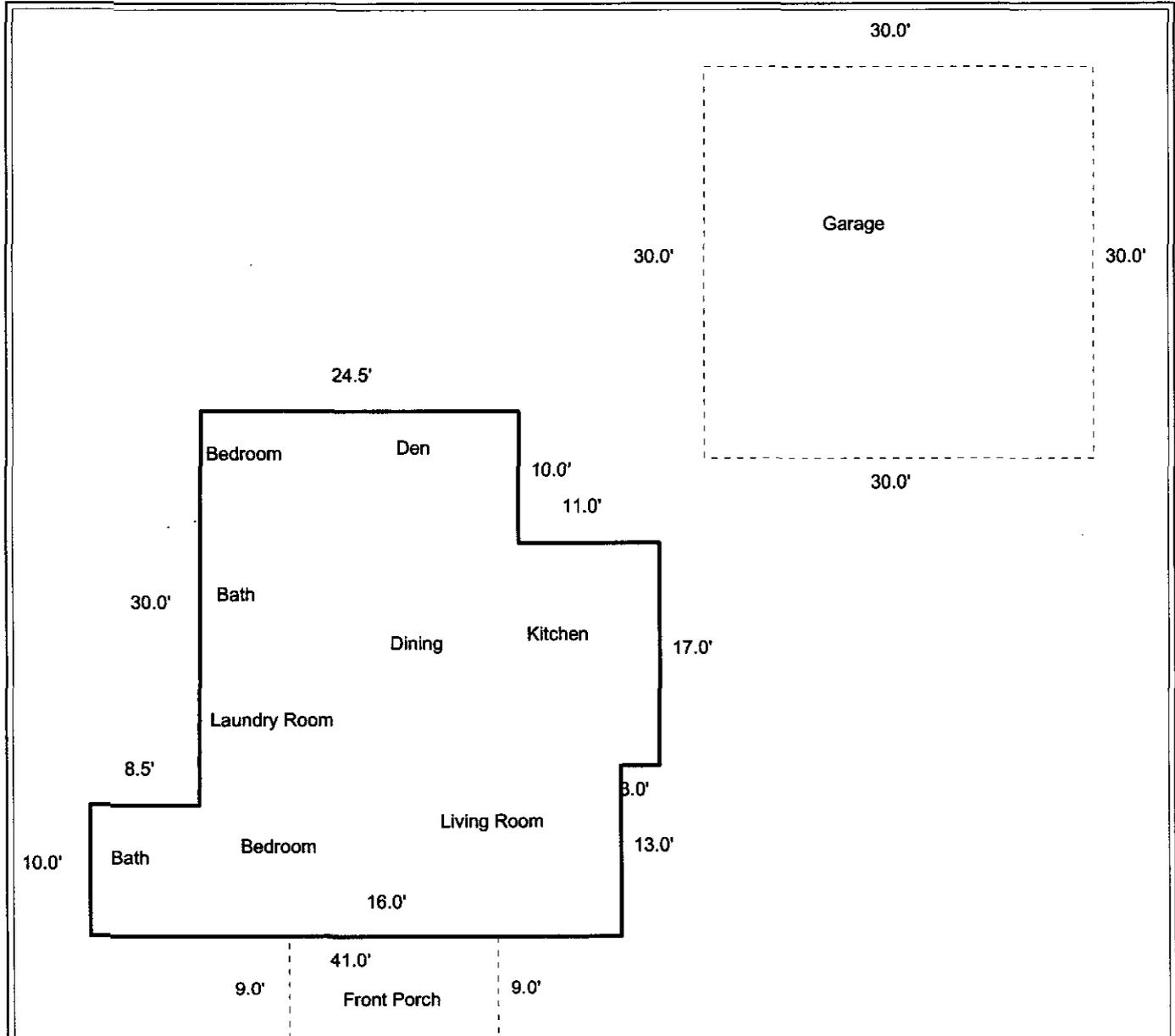


Street Wizard

SKETCH ADDENDUM

File No. Ladi0604

Borrower	Ladika		
Property Address	5715 S McDaniel		
City	Terre Haute	County	Vigo
		State	IN
		Zip Code	47802
Lender/Client	Fred Ladika	Address	Terre Haute, IN 47802



SKETCH CALCULATIONS	
	<p>A1 : 24.5 x 10.0 = 245.0</p> <p>A2 : 35.5 x 17.0 = 603.5</p> <p>A3 : 32.5 x 3.0 = 97.5</p> <p>A4 : 41.0 x 10.0 = 410.0</p> <p>First Floor 1356.0</p>
	<p>A5 : 30.0 x 30.0 = 900.0</p> <p>Detached Garage 900.0</p> <p>Total Garage Area 900.0</p>
	<p>A6 : 16.0 x 9.0 = 144.0</p> <p>Porch 144.0</p> <p>Total Porch Area 144.0</p>

DEFINITION OF 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 a sale as of a specified date and 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 adjustments should not be calculated on a mechanical dollar for 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 judgement.

STATEMENT OF LIMITING CONDITIONS AND APPRAISER'S CERTIFICATION

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 made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand.
5. The appraiser has estimated the value of the land in the cost approach at its highest and best use and the improvements at their contributory value. The separate valuations of the land and improvements must not be used in conjunction with any other appraisal and are invalid if they are so used.
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 or she 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 or she 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 or her 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 a workmanlike manner.
10. The appraiser must provide his or her 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.

APPRAISER'S CERTIFICATION: The Appraiser certifies and agrees that:

1. I have researched the subject market area and have selected a minimum of three recent sales of properties most similar and proximate to the subject property for consideration in the sales comparison analysis and have made a dollar adjustment when appropriate to reflect the market reaction to those items of significant variation. If a significant item in a comparable property is superior to, or more favorable than, the subject property, I have made a negative adjustment to reduce the adjusted sales price of the comparable and, if a significant item in a comparable property is inferior to, or less favorable than the subject property, I have made a positive adjustment to increase the adjusted sales price of the comparable.
2. I have taken into consideration the factors that have an impact on value in my development of the estimate of market value in the appraisal report. I have not knowingly withheld any significant information from the appraisal report and I believe, to the best of my knowledge, that all statements and information in the appraisal report are true and correct.
3. I stated in the appraisal report only my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the contingent and limiting conditions specified in this form.
4. I have no present or prospective interest in the property that is the subject to this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or the estimate of market value in the appraisal report on the race, color, religion, sex, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property.
5. I have no present or contemplated future interest in the subject property, and neither my current or future employment nor my compensation for performing this appraisal is contingent on the appraised value of the property.
6. I was not required to report a predetermined value or direction in value that favors the cause of the client or any related party, the amount of the value estimate, the attainment of a specific result, or the occurrence of a subsequent event in order to receive my compensation and/or employment for performing the appraisal. I did not base the appraisal report on a requested minimum valuation, a specific valuation, or the need to approve a specific mortgage loan.
7. I performed this appraisal in conformity with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place as of the effective date of this appraisal, with the exception of the departure provision of those Standards, which does not apply. I acknowledge that an estimate of a reasonable time for exposure in the open market is a condition in the definition of market value and the estimate I developed is consistent with the marketing time noted in the neighborhood section of this report, unless I have otherwise stated in the reconciliation section.
8. I have personally inspected the interior and exterior areas of the subject property and the exterior of all properties listed as comparables in the appraisal report. I further certify that I have noted any apparent or known adverse conditions in the subject improvements, on the subject site, or on any site within the immediate vicinity of the subject property of which I am aware and have made adjustments for these adverse conditions in my analysis of the property value to the extent that I had market evidence to support them. I have also commented about the effect of the adverse conditions on the marketability of the subject property.
9. I personally prepared all conclusions and opinions about the real estate that were set forth in the appraisal report. If I relied on significant professional assistance from any individual or individuals in the performance of the appraisal or the preparation of the appraisal report, I have named such individual(s) and disclosed the specific tasks performed by them in the reconciliation section of this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in the report; therefore, if an unauthorized change is made to the appraisal report, I will take no responsibility for it.

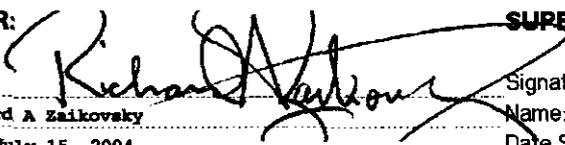
SUPERVISORY APPRAISER'S CERTIFICATION: If a supervisory appraiser signed the appraisal report, he or she certifies and agrees that: I directly supervise the appraiser who prepared the appraisal report, have reviewed the appraisal report, agree with the statements and conclusions of the appraiser, agree to be bound by the appraiser's certifications numbered 4 through 7 above, and am taking full responsibility for the appraisal and the appraisal report.

ADDRESS OF PROPERTY APPRAISED:

5715 McDaniel Road, Terre Haute, IN 47802

APPRAISER:

SUPERVISORY APPRAISER (only if required):

Signature: 	Signature: _____
Name: <u>Richard A. Zaikovsky</u>	Name: _____
Date Signed: <u>July 15, 2004</u>	Date Signed: _____
State Certification #: <u>CR60300397 Certified Residential</u>	State Certification #: _____
or State License #: _____	or State License #: _____
State: <u>Indiana</u>	State: _____
Expiration Date of Certification or License: <u>01/01/06</u>	Expiration Date of Certification or License: _____

Did Did Not Inspect Property

ENVIRONMENTAL ADDENDUM

APPARENT* HAZARDOUS SUBSTANCES AND/OR DETRIMENTAL ENVIRONMENTAL CONDITIONS

Borrower	Ladika						
Address	5715 McDaniel Road						
City	Terre Haute	County	Vigo	State	IN	Zip Code	47802
Lender/Client	no lender/Ladika per T Modesitt Atty, 12602 Pimento Crol, Terre Haute, IN 47802						

***Apparent is defined as that which is visible, obvious, evident or manifest to the appraiser.**

This universal Environmental Addendum is for use with any real estate appraisal. Only the statements which have been checked by the appraiser apply to the property being appraised.

This addendum reports the results of the appraiser's routine inspection of and inquiries about the subject property and its surrounding area. It also states what assumptions were made about the existence (or nonexistence) of any hazardous substances and/or detrimental environmental conditions. **The appraiser is not an expert environmental inspector** and therefore might be unaware of existing hazardous substances and/or detrimental environmental conditions which may have a negative effect on the safety and value of the property. It is possible that tests and inspections made by a qualified environmental inspector would reveal the existence of hazardous materials and/or detrimental environmental conditions on or around the property that would negatively affect its safety and value.

DRINKING WATER

- Drinking Water is supplied to the subject from a municipal water supply which is considered safe. However, the only way to be absolutely certain that the water meets published standards is to have it tested at all discharge points.
- Drinking Water is supplied by a well or other non-municipal source. It is recommended that tests be made to be certain that the property is supplied with adequate pure water.
- Lead can get into drinking water from its source, the pipes, at all discharge points, plumbing fixtures and/or appliances. The only way to be certain that water does not contain an unacceptable lead level is to have it tested at all discharge points.
- **The value estimated in this appraisal is based on the assumption that there is an adequate supply of safe, lead-free Drinking Water.**

Comments

SANITARY WASTE DISPOSAL

- Sanitary Waste is removed from the property by a municipal sewer system.
- Sanitary Waste is disposed of by a septic system or other sanitary on site waste disposal system. The only way to determine that the disposal system is adequate and in good working condition is to have it inspected by a qualified inspector.
- **The value estimated in this appraisal is based on the assumption that the Sanitary Waste is disposed of by a municipal sewer or an adequate properly permitted alternate treatment system in good condition.**

Comments

SOIL CONTAMINANTS

- There are no apparent signs of Soil Contaminants on or near the subject property (except as reported in Comments below). It is possible that research, inspection and testing by a qualified environmental inspector would reveal existing and/or potential hazardous substances and/or detrimental environmental conditions on or around the property that would negatively affect its safety and value.
- **The value estimated in this appraisal is based on the assumption that the subject property is free of Soil Contaminants.**

Comments

ASBESTOS

- All or part of the improvements were constructed before 1979 when Asbestos was a common building material. The only way to be certain that the property is free of friable and non-friable Asbestos is to have it inspected and tested by a qualified Asbestos inspector.
- The improvements were constructed after 1979. No apparent friable Asbestos was observed (except as reported in Comments below).
- **The value estimated in this appraisal is based on the assumption that there is no uncontained friable Asbestos or other hazardous Asbestos material on the property.**

Comments

PCBS (POLYCHLORINATED BIPHENYLS)

- There were no apparent leaking fluorescent light ballasts, capacitors or transformers anywhere on or nearby the property (except as reported in Comments below).
- There was no apparent visible or documented evidence known to the appraiser of soil or groundwater contamination from PCBs anywhere on the property (except as reported in Comments below).
- **The value estimated in this appraisal is based on the assumption that there are no uncontained PCBs on or nearby the property.**

Comments

RADON

- The appraiser is not aware of any Radon tests made on the subject property within the past 12 months (except as reported in Comments below).
- The appraiser is not aware of any indication that the local water supplies have been found to have elevated levels of Radon or Radium.
- The appraiser is not aware of any nearby properties (except as reported in Comments below) that were or currently are used for uranium, thorium or radium extraction or phosphate processing.
- **The value estimated in this appraisal is based on the assumption that the Radon level is at or below EPA recommended levels.**

Comments

USTS (UNDERGROUND STORAGE TANKS)

- ✖ There is no apparent visible or documented evidence known to the appraiser of any USTs on the property nor any known historical use of the property that would likely have had USTs.
- ✖ There are no apparent petroleum storage and/or delivery facilities (including gasoline stations or chemical manufacturing plants) located on adjacent properties (except as reported in Comments below).
- There are apparent signs of USTs existing now or in the past on the subject property. It is recommended that an inspection by a qualified UST inspector be obtained to determine the location of any USTs together with their condition and proper registration if they are active; and if they are inactive, to determine whether they were deactivated in accordance with sound industry practices.
- ✖ **The value estimated in this appraisal is based on the assumption that any functioning USTs are not leaking and are properly registered and that any abandoned USTs are free from contamination and were properly drained, filled and sealed.**

Comments

NEARBY HAZARDOUS WASTE SITES

- ✖ There are no apparent Hazardous Waste Sites on the subject property or nearby the subject property (except as reported in Comments below). Hazardous Waste Site search by a trained environmental engineer may determine that there is one or more Hazardous Waste Sites on or in the area of the subject property.
- ✖ **The value estimated in this appraisal is based on the assumption that there are no Hazardous Waste Sites on or nearby the subject property that negatively affect the value or safety of the property.**

Comments

UREA FORMALDEHYDE (UFFI) INSULATION

- ✖ All or part of the improvements were constructed before 1982 when UREA foam insulation was a common building material. The only way to be certain that the property is free of UREA formaldehyde is to have it inspected by a qualified UREA formaldehyde inspector.
- The improvements were constructed after 1982. No apparent UREA formaldehyde materials were observed (except as reported in Comments below).
- ✖ **The value estimated in this appraisal is based on the assumption that there is no significant UFFI Insulation or other UREA formaldehyde material on the property.**

Comments

LEAD PAINT

- ✖ All or part of the improvements were constructed before 1980 when Lead Paint was a common building material. There is no apparent visible or known documented evidence of peeling or flaking Lead Paint on the floors, walls or ceilings (except as reported in Comments below). The only way to be certain that the property is free of surface or subsurface Lead Paint is to have it inspected by a qualified inspector.
- The improvements were constructed after 1980. No apparent Lead Paint was observed (except as reported in Comments below).
- ✖ **The value estimated in this appraisal is based on the assumption that there is no flaking or peeling Lead Paint on the property.**

Comments

AIR POLLUTION

- ✖ There are no apparent signs of Air Pollution at the time of the inspection nor were any reported (except as reported in Comments below). The only way to be certain that the air is free of pollution is to have it tested.
- ✖ **The value estimated in this appraisal is based on the assumption that the property is free of Air Pollution.**

Comments

WETLANDS/FLOOD PLAINS

- ✖ The site does not contain any apparent Wetlands/Flood Plains (except as reported in Comments below). The only way to be certain that the site is free of Wetlands/Flood Plains is to have it inspected by a qualified environmental professional.
- ✖ **The value estimated in this appraisal is based on the assumption that there are no Wetlands/Flood Plains on the property (except as reported in Comments below).**

Comments

MISCELLANEOUS ENVIRONMENTAL HAZARDS

- ✖ There are no other apparent miscellaneous hazardous substances and/or detrimental environmental conditions on or in the area of the site except as indicated below:
 - Excess Noise
 - Radiation & Electromagnetic Radiation
 - Light Pollution
 - Waste Heat
 - Acid Mine Drainage
 - Agricultural Pollution
 - Geological Hazards
 - Nearby Hazardous Property
 - Infectious Medical Wastes
 - Pesticides
 - Others (Chemical Storage & Storage Drums, Pipelines, etc.)
- ✖ **The value estimated in this appraisal is based on the assumption that there are no Miscellaneous Environmental Hazards (except those reported above) that would negatively affect the value of the property.**

When any of the environmental assumptions made in this addendum are not correct, the estimated value in this appraisal may not be valid.

USPAP COMPLIANCE ADDENDUM

File No.

Ladi0604

Borrower: Ladika
Property Address: 5715 McDaniel Road
City: Terre Haute County: Vigo State: IN Zip Code: 47802
Lender/Client: no lender/Ladika per T Modasitt Atty, 12602 Pimento Crcl, Terre Haute, IN 47802

Only those items checked [X] below apply to this report.

PURPOSE, FUNCTION, AND INTENDED USE OF THE APPRAISAL

- The purpose of the appraisal is to provide an opinion of market value of the subject property as defined in this report, on behalf of the appraisal company...
The purpose of the appraisal is to provide an opinion of market value of the subject property, as defined in this report, on behalf of the appraisal company...
The purpose of this appraisal is to determine current market value on behalf of the appraisal company...

TYPE OF APPRAISAL AND APPRAISAL REPORT

- This is a Appraisal written in a Report format and the USPAP Departure Rule has not been invoked.
This is a Limited Appraisal written in a Summary Report format and the USPAP Departure Rule has been invoked as disclosed in the body or addenda of the report. The client has agreed that a Limited Appraisal is sufficient for its purposes.

SCOPE (EXTENT) OF REPORT

- 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, listings, and/or rentals within the subject market area.

MARKETING TIME AND EXPOSURE TIME FOR THE SUBJECT PROPERTY

- A reasonable marketing time for the subject property is day(s) utilizing market conditions pertinent to the appraisal assignment.
A reasonable exposure time for the subject property is 100-200 day(s).

APPRAISER'S CERTIFICATION

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 analysis, 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 present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved, unless otherwise stated within the report.
- 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 the 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 [X] or have not [] made a personal inspection of the property that is the subject of this report. (If more than one person signs this report, this certification must clearly specify which individuals did and which individuals did not make a personal inspection of the appraised property.)
- No one provided significant professional assistance to the person signing this report. (If there are exceptions, the name of each individual providing significant professional assistance must be stated.)
NOTE: In the case of any conflict with a client provided certification (i.e., Fannie Mae or Freddie Mac), this revised certification shall take precedence.

Supervisory Appraiser's Certification: If a supervisory appraiser signed the appraisal report, he or she certifies and agrees that: I directly supervise the appraiser who prepared the appraisal report, have reviewed the appraisal report, agree with the statements and conclusions of the appraiser, agree to be bound by the appraiser's certifications numbered 2-7 and 9 on the second page of the Freddie Mac Form 439 6 93/Fannie Mae Form 1004b 6 93, or the third page of Form 2055, and am taking full responsibility for the appraisal report.

APPRAISER'S AND SUPERVISORY APPRAISER'S SIGNATURE

APPRAISER: Signature: Richard A Zaikovsky Name: Richard A Zaikovsky Date the Report was Signed: July 15, 2004 State Certification #: CR60300397 Certified Residential or State License #: Appraiser State: Indiana Expiration Date of Certification or License: 01/01/06
SUPERVISORY APPRAISER (only if required): Signature: Name: Date the Report was Signed: State Certification #: or State License #: State: Expiration Date of Certification or License:
Did inspect subject property Interior & Exterior Exterior only Inspected Comparables Interior & Exterior Exterior only

records

ALA-REV-27
FORM 36549

**AMENDED CERTIFICATE OF REVIEW APPRAISER
AND CONCLUSION OF FAIR MARKET VALUE**

Code: ~~3377~~
Parcel: 25.amend

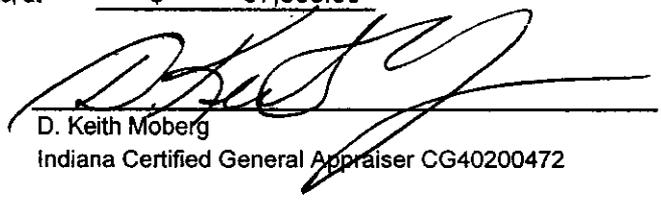
Additional review completed this date 02/20/04. Review forms without this date considered null and void.
Project: STP-291-1 (002) Road: USR 641 County: Vigo Owner: Ladika, Freddie L.

	1st APPRAISAL	2nd APPRAISAL	3rd APPRAISAL	4th APPRAISAL	REVIEWER'S VALUE IF DIFFERENT FROM APPRAISAL
APPRaiser	Newlin, John S.	review 11/21/03			
FEE (F), STAFF (S), OWNER (O)	F				
DATE OF APPRAISAL	06/10/2003	06/10/2003		review 02/20/04	06/10/2003
BEFORE VALUE	\$ 189,000.00	\$ 189,000.00			\$ 189,000.00
AFTER VALUE	\$ 105,375.00	\$ 97,005.00			\$ 91,450.00
DIFFERENCE	\$ 83,625.00	\$ 91,995.00			\$ 97,550.00
LAND &/OR LAND IMPROVEMENTS	\$ 16,954.00	\$ 16,954.00	INDOT to acquire lot 1 excess land add \$5,581.00		\$ 22,535.00
BUILDING IMPROVEMENTS	\$ 48,171.00	\$ 48,171.00			\$ 48,171.00
LOSS IN VALUE TO REMAINDER	\$ 18,500.00	The property owner indicates remaining land to Lot 1 will be landlocked as a result of the acquisition.			\$ 26,844.00
ESTIMATED COMPENSATION (DUE PROPERTY OWNER)	\$ 83,625.00	A portion of the remaining land allocated to Lot 2 is landlocked prior to and not as a result of the acquisition. No loss is value as a result of the acquisition considered.			\$ 97,550.00
IF APPROVED AS IS, ENTER (X)	X	91995			

REVIEWERS COMMENTS AND/OR CORRELATION (Also see attached sheets)
 See ALA-REV-28 for additional information. **Amended review completed 02/20/2004. The property owner does not wish to retain the uneconomic remnant of lot 1 (excess land). INDOT to acquire excess land add the allocation of \$5,581.00 to land acquired. Temporary area 25C removed from acquisition. See attached summary sheet for allocations. Tenant Relocation Required. Prior review 11/21/2003-** The original appraisal considered the remaining land area to Lot 1 to be accessible from Lot 2. The buying representative provided from the owner that the remaining land to Lot 1 would not be accessible from the land identified as Lot 2. This is due to the creek separating lots 1 & 2. The area remaining to Lot 1 is considered to be an uneconomic remnant and excess land. The opinion of value remaining to the excess land of lot 1 is \$5,581.00. The property owner may elect not to retain the excess land to lot 1. If the property owner elects to have INDOT acquire the remainder to Lot 1 the remainder to Lot 1 should be added to amount due owner. **The property identified as Lot 2 is bisected by another creek. This creek separates Lot 2 prior to the acquisition and cuts off the remaining land to Lot 2 not as a result of the acquisition. Thus the access is not effected by the acquisition and no damages result from the acquisition of parcel 25**

I HEREBY CERTIFY:

- . That I have made an exterior visual inspection of the subject property from the road;
- . That I did (did not) personally inspect the comparable sales utilized in the appraisal report by an exterior visual inspection from the road
- . That I have no past, present or contemplated future personal interest in the property being appraised.
- . That my analyses, opinions and conclusions were developed and this report was prepared in conformity with applicable state laws governing the Appraisal Review process.
- . This appraisal assignment may have called for less than would otherwise be required by the specific guidelines of the Uniform Standards of Professional Appraisal Practice (USPAP), but is not so limited in scope that it may tend to mislead the users of the report, or the public.
- . That my estimate of fair market value has been reached independently, based on factual data without collaboration or direction from others.
- . That to the best of my knowledge, the facts and data provided in the appraisal report are true and correct.
- . That I have no bias with respect to any property that is the subject of this report or to the parties involved with this assignment.
- . That items compensable under state law but not eligible for federal reimbursement, if any, are set out in this Review.
- . That I understand that the value estimate may be used in connection with a Federal-Aid highway project.
- . That my opinion of the fair market value of the part taken, plus loss in value to the remainder (if any), as of 06/10/2003
- . is based on the attached appraisal, subject to the review comments, at \$ 97,550.00

Signature 
 Name Printed: D. Keith Moberg
 Appraisal License # Indiana Certified General Appraiser CG40200472

Prior Review Date 10/03/2003
Amended Review date 02/20/2004

APPROVED APPRAISAL AMOUNT FOR <u>1.549 ac FS RW and .2624 ac Temp RW</u> (area size)	REQUIRED RW	\$ <u>91,969.00</u>
APPROVED APPRAISAL AMOUNT FOR <u>4.43+/- (area computations sheet) (INDOT to acqu</u> (area size) INDOT to acquire excess land	EXCESS LAND	\$ <u>5,581.00</u>
	TOTAL	\$ <u>97,550.00</u>

Property owner does not wish to retain excess land. Allocation \$5,581.00 added to amount due owner for total of \$97,550.00.

Potentially hazardous materials: Present Possible Nothing Indicated X

IF PRESENT, WHAT TYPE AND WHERE LOCATED:

Additional review completed this date 02/20/04. Review forms without this date considered null and void.

Appraiser: Newlin, John S. Fee [X] Staff []

Project: STP-291-1 (002) Parcel: 25 amend County: Vigo Owner: Ladika, Freddie L.

LEGEND Partial [X] Total [] Access Rights [] Form [] Short [] Long [X] Narrative []
Acceptable (X) Not Acceptable-See Comments (N) Not Applicable (-)

Table with columns for appraisal methods (COST APPROACH, MARKET APPROACH, INCOME APPROACH, COST-TO-CURE) and comparables (R, I, B, L, 28, 29, 30, 31, 5, 8). Rows include Project and Parcel Number, Location-Address, Owner and Address, etc.

NOTE: If the comparable has previously been reviewed and considered acceptable for another parcel, only the Comp. Accept needs to be marked.

Comments: (See ALA-REV-27 for additional information and analysis). The client and users of the appraisal report and appraisal review report are Indiana Department of Transportation (INDOT) personnel and those allowed by law and appropriate governing policy.

Mr. John S. Newlin has conducted this Long Form assignment in accordance with INDOT policy and practice as described in the Land Acquisition Appraisal manual, in accordance with State and Federal guidelines.

The appraisal and appraisal review have been accomplished in accordance with State and Federal guidelines to include USPAP Standards rule 3-1 and 3-2. Based on a review of the appraisal report as well as an exterior inspection of the subject property and an exterior inspection of the comparable market data, I concur with the appraiser's final conclusion with the exceptions noted below.

I have examined the appraisal report on the subject parcel and project relative to State and Federal appraisal requirements and have found it to be:

- 1- unacceptable for review; see reasons set out above and make appropriate revisions
2- acceptable for review

Review Signature: D. Keith Moberg
Name Printed: D. Keith Moberg
Appraisal License #: Indiana Certified General Appraiser CG40200472

Date: 10/03/2003
Prior review date 11/21/2003
Amended review 02/20/04

AMENDED

STATEMENT OF THE BASIS FOR JUST COMPENSATION

Code: 3777

ALA-REV-29

Form 36551 (Rev 9/97)

Additional review completed this date 02/20/2004. Review forms without this date considered null and void.

1. This is a written statement of, and summary of the basis for, the amount established through a valuation process as just compensation for the purchase of this right-of-way for highway purposes. The amount set forth in Item 5 below is not less than the approved estimate of value. Public Law 91-646 provides that this value disregards any decrease or increase in fair market value of the property prior to the date of valuation caused by the public improvement for which the property is acquired other than physical deterioration within reasonable control of the owner.

2. The legal description of this acquisition is set forth in the instrument of conveyance in the following identified parcel and this acquisition is identified in the Acquiring Agency's record as:

Project: STP-291-1 (002) Parcel: 25 amend Road: USR 641 County: Vigo

Owner(s) Ladika, Freddie L.

3. The area and type of interest being acquired: 1.549 ac FS R/W and .2624 ac Temp R/W

The amount in Item 5 below includes payment for the purchase of all interests in the real property and no separately held interest is being acquired separately in whole or part, except as may be explained in Item 8 below.

4. This acquisition is (Check one) a. [] - A total acquisition of the real property. b. [X] - A partial acquisition of the real property.

5. The Agency's Offer: Just compensation has been determined to be and the Acquiring Agency's offer for the purchase of this real property is as follows:

Table with 2 columns: Description and Amount. Rows include: a. Total Land, Land Improvements and Buildings (\$ 70,706.00); b. Severance Damages (i.e.: Setback, Loss in Value to the Residues, etc.) (\$ 22,182.00); c. Other Damages (Itemize) Cost-To-Cure estimates: Septic (\$ 4,465.00); Temporary Right-Of-Way/Perpetual Highway Easement (\$ 197.00); Total Damages (\$ 26,844.00).

Total Just Compensation offered for this Acquisition is: \$ 97,550.00

6. The amount in Item 5 above may include payment for the purchase of certain buildings and improvements and their ownership shall pass to the Acquiring Agency. These buildings and improvements are identified as follows: Buildings on Lot 1 (Rental property)

7. The amount in Item 5 above may include payment for the purchase of certain Land Improvements, Fixtures, Equipment, Machinery, Signs, Etc., and their ownership shall pass to the Acquiring Agency. These items are identified as follows: All land improvements in the area of acquisition such as concrete, crushed rock, landscaping and grass ground covering.

8. Items owned by others (i.e.: lessee, tenants, etc.) included in Item 5 above are identified as follows:

9. Remarks:

The remaining land of Lot 1 is considered to be landlocked as a result of the acquisition of INDOT parcel 25A with the allocation reflected in damages considered. The remaining land of Lot 2 is bisected by a creek prior to the acquisition and not as a result of the acquisition. Thus no loss in value is considered to the remainder of Lot 2 as a result of the acquisition.

INDOT to acquire uneconomic remnant of lot 1 as excess land.

Prior Review Date: 10/03/2003 Prior Review Date 11/21/2003 Amended review 02/20/2004

Signature: D. Keith Moberg

Records

ALA-REV-27
FORM 36549

**CERTIFICATE OF REVIEW APPRAISER
AND CONCLUSION OF FAIR MARKET VALUE**

Code:
Parcel:

Project: STP-291-1 (002) Road: USR 641 County: Vigo Owner: Ladika, Freddie L.

	1st APPRAISAL	2nd APPRAISAL	3rd APPRAISAL	4th APPRAISAL	REVIEWER'S VALUE IF DIFFERENT FROM APPRAISAL
APPRAISER	Newlin, John S.				
FEE (F), STAFF (S), OWNER (O)	F				
DATE OF APPRAISAL	06/10/2003				
BEFORE VALUE	\$ 189,000.00				
AFTER VALUE	\$ 105,375.00				
DIFFERENCE	\$ 83,625.00				
LAND &/OR LAND IMPROVEMENTS	\$ 16,954.00				
BUILDING IMPROVEMENTS	\$ 48,171.00				
LOSS IN VALUE TO REMAINDER	\$ 18,500.00				
ESTIMATED COMPENSATION (DUE PROPERTY OWNER)	\$ 83,625.00				
IF APPROVED AS IS, ENTER (X)	X				

REVIEWERS COMMENTS AND/OR CORRELATION (Also see attached sheets)

See ALA-REV-28 for additional information. Tenant Relocation Required.

I HEREBY CERTIFY:

- . That I have made an exterior visual inspection of the subject property from the road;
- . That I did (did not) personally inspect the comparable sales utilized in the appraisal report by an exterior visual inspection from the road
- . That I have no past, present or contemplated future personal interest in the property being appraised.
- . That my analyses, opinions and conclusions were developed and this report was prepared in conformity with applicable state laws governing the Appraisal Review process.
- . This appraisal assignment may have called for less than would otherwise be required by the specific guidelines of the Uniform Standards of Professional Appraisal Practice (USPAP), but is not so limited in scope that it may tend to mislead the users of the report, or the public.
- . That my estimate of fair market value has been reached independently, based on factual data without collaboration or direction from others.
- . That to the best of my knowledge, the facts and data provided in the appraisal report are true and correct.
- . That I have no bias with respect to any property that is the subject of this report or to the parties involved with this assignment.
- . That items compensable under state law but not eligible for federal reimbursement, if any, are set out in this Review.
- . That I understand that the value estimate may be used in connection with a Federal-Aid highway project.
- . That my opinion of the fair market value of the part taken, plus loss in value to the remainder (if any), as of 06/10/2003
- . is based on the attached appraisal, subject to the review comments, at \$ 83,625.00

Signature [Signature]
Name Printed: D. Keith Moberg
Appraisal License # Indiana Certified General Appraiser CG40200472

Date 10/03/2003

APPROVED APPRAISAL AMOUNT FOR 1.549 ac FS R/W and .2939 ac Temp R/W REQUIRED R/W \$ 83,625.00
(area size)
APPROVED APPRAISAL AMOUNT FOR EXCESS LAND _____
(area size)

Potentially hazardous materials: Present _____ Possible _____ Nothing Indicated X

IF PRESENT, WHAT TYPE AND WHERE LOCATED: _____

APPRAISAL EVALUATION SHEET

Appraiser: Newlin, John S. Fee Staff

Project: STP-291-1 (002) Parcel: 25 County: Vigo Owner: Ladika, Freddie L.

Type Take: Partial Total Access Rights Form: Short Long Narrative
LEGEND: Acceptable (X) Not Acceptable-See Comments (N) Not Applicable (-)

Project and Parcel Number	<input checked="" type="checkbox"/>	COST APPROACH	<input checked="" type="checkbox"/>	Comparable	R	R	R	R	R	R	I	I	I	I	I	I
Location-Address	<input checked="" type="checkbox"/>	Land Compared To Sales	<input checked="" type="checkbox"/>	Sales Used	B	B	B	B	B	B	R	R	R	R	R	R
Owner and Address	<input checked="" type="checkbox"/>	Land Adj.'s Explained	<input checked="" type="checkbox"/>	Comp. No.	L	L	L	L	L	L	28	29	30	31	5	8
Contract Buyer-Tenant	<input checked="" type="checkbox"/>	Impr. Costs & Source	<input checked="" type="checkbox"/>		6	14	19	21	20	22						
Summary of Values	<input checked="" type="checkbox"/>	Depreciation Explained	<input checked="" type="checkbox"/>													
Effective Date/Signatures	<input checked="" type="checkbox"/>	Pertinent Calculations	<input checked="" type="checkbox"/>	Before	X	X	X	X	X	X	X	X	X	X	X	X
Certification	<input checked="" type="checkbox"/>	MARKET APPROACH	<input checked="" type="checkbox"/>	After	X	X	X	X	X	X	X	X	X	X	X	X
Purpose of Appraisal	<input checked="" type="checkbox"/>	Direct Comp. To Sales	<input checked="" type="checkbox"/>	Sev. Study	-	-	-	-	-	-	-	-	-	-	-	-
Areas and Rights Acquired	<input checked="" type="checkbox"/>	Adjustments Explained	<input checked="" type="checkbox"/>	Comp. Accept	X	X	X	X	X	X	X	X	X	X	X	X
5 Year Sales Record	<input checked="" type="checkbox"/>	Reasonable Correlation	<input checked="" type="checkbox"/>	Photo	X	X	X	X	X	X	X	X	X	X	X	X
Area and Neighborhood Influence	<input checked="" type="checkbox"/>	Pertinent Calculations	<input checked="" type="checkbox"/>	Sketch	X	X	X	X	X	X	X	X	X	X	X	X
Table of Contents Complete	<input type="checkbox"/>	INCOME APPROACH	<input type="checkbox"/>	Date Sold	X	X	X	X	X	X	X	X	X	X	X	X
Appraisers Sketch	<input checked="" type="checkbox"/>	Income Explained	<input type="checkbox"/>	Sale Price	X	X	X	X	X	X	X	X	X	X	X	X
Engineering Land Plat	<input checked="" type="checkbox"/>	Expenses	<input type="checkbox"/>	Size	X	X	X	X	X	X	X	X	X	X	X	X
Insp.-Owner Contact	<input checked="" type="checkbox"/>	Capitalization Techniques	<input type="checkbox"/>	Vendor	X	X	X	X	X	X	X	X	X	X	X	X
Effective Date=Inspection Date	<input checked="" type="checkbox"/>	Pertinent Calculations	<input type="checkbox"/>	Vendee	X	X	X	X	X	X	X	X	X	X	X	X
Legal Description	<input checked="" type="checkbox"/>	FINAL CORRELATION	<input checked="" type="checkbox"/>	Addr. & Loc.	X	X	X	X	X	X	X	X	X	X	X	X
Zoning-Deed Restrictions	<input checked="" type="checkbox"/>	Each Estimate Shown	<input checked="" type="checkbox"/>	Deed Number	X	X	X	X	X	X	X	X	X	X	X	X
Description of Property	<input checked="" type="checkbox"/>	Reasonable Explanation	<input checked="" type="checkbox"/>	Verified	X	X	X	X	X	X	X	X	X	X	X	X
Location	<input checked="" type="checkbox"/>	Value Estimate Reasonable	<input checked="" type="checkbox"/>	Financing	X	X	X	X	X	X	X	X	X	X	X	X
Type and Areas	<input checked="" type="checkbox"/>	Description of Part Taken	<input checked="" type="checkbox"/>	Zoning	X	X	X	X	X	X	X	X	X	X	X	X
Type of Improvements	<input checked="" type="checkbox"/>	Temp. and Prov. R/W	<input checked="" type="checkbox"/>	Cond. of Sale	X	X	X	X	X	X	X	X	X	X	X	X
Size of Improvements	<input checked="" type="checkbox"/>	COST-TO-CURE	<input checked="" type="checkbox"/>	H & B Use	X	X	X	X	X	X	X	X	X	X	X	X
Condition of Improvements	<input checked="" type="checkbox"/>	Special Benefits	<input type="checkbox"/>	Prop. Desc.	X	X	X	X	X	X	X	X	X	X	X	X
Other	<input type="checkbox"/>	Compensation Breakdown	<input checked="" type="checkbox"/>	On. Loc. Map	X	X	X	X	X	X	X	X	X	X	X	X
Present Use	<input checked="" type="checkbox"/>	Pages Numbered	<input checked="" type="checkbox"/>	Analysis	X	X	X	X	X	X	X	X	X	X	X	X
Highest and Best Use	<input checked="" type="checkbox"/>	Photographs	<input checked="" type="checkbox"/>	Comparability	X	X	X	X	X	X	X	X	X	X	X	X
Valuation Procedure	<input checked="" type="checkbox"/>		<input type="checkbox"/>		X	X	X	X	X	X	X	X	X	X	X	X

NOTE: If the comparable has previously been reviewed and considered acceptable for another parcel, only the Comp. Accept needs to be marked.

Comments: (See ALA-REV-27 for additional information and analysis). The client and users of the appraisal report and appraisal review report are Indiana Department of Transportation (INDOT) personnel and those allowed by law and appropriate governing policy. The purpose of this appraisal is to establish a base of compensation for items being acquired (land, land improvements, building improvement, etc.) as part of this parcel. This amount is considered to be compensation to the owner for the acquisition. This appraisal is for a partial acquisition of the owner's property. It considers the acquisition as it relates to the physical segment of the land as the whole, as allowed, and may consider the total property if required. The rights in realty are as noted in the body of the appraisal report. Compensation is based on market sales located in the Comparable Sales Docket and made a part of this report.

Mr. John S. Newlin has conducted this Long Form assignment in accordance with INDOT policy and practice as described in the Land Acquisition Appraisal manual, in accordance with State and Federal guidelines. The appraisal is considered to be a complete appraisal process presented in a summary report format. The descriptive information, plats and photographs yield an accurate accounting of the subject property, and elements for this appraisal assignment that are required by appropriate guidelines have been included and discussed. Of any noted inconsistencies, mistakes and/or typographical errors, only those items that have a significant effect on the final value conclusion will be changed in review as allowed. Simple inconsistencies and clerical errors will be noted here and in the Reviewer's notes.

The appraisal and appraisal review have been accomplished in accordance with State and Federal guidelines to include USPAP Standards rule 3-1 and 3-2. Based on a review of the appraisal report as well as an exterior inspection of the subject property and an exterior inspection of the comparable market data, I concur with the appraiser's final conclusion with the exceptions noted below. This appraisal is acceptable for review with the noted changes, if any. The review appraisal is subject to items noted in the original appraisal and other project documents.

I have examined the appraisal report on the subject parcel and project relative to State and Federal appraisal requirements and have found it to be:

- 1- unacceptable for review; see reasons set out above and make appropriate revisions
- 2- acceptable for review

Review Signature: [Signature] Date: 10/03/2003
Name Printed: D. Keith Moberg
Appraisal License #: Indiana Certified General Appraiser CG40200472

STATEMENT OF THE BASIS FOR JUST COMPENSATION

1. This is a written statement of, and summary of the basis for, the amount established through a valuation process as just compensation for the purchase of this right-of-way for highway purposes. The amount set forth in Item 5 below is not less than the approved estimate of value. Public Law 91-646 provides that this value disregards any decrease or increase in fair market value of the property prior to the date of valuation caused by the public improvement for which the property is acquired other than physical deterioration within reasonable control of the owner.

2. The legal description of this acquisition is set forth in the instrument of conveyance in the following identified parcel and this acquisition is identified in the Acquiring Agency's record as:

Project: STP-291-1 (002) Parcel: 25 Road: USR 641 County: Vigo

Owner(s) Ladika, Freddie L.

3. The area and type of interest being acquired: 1.549 ac FS R/W and .2939 ac Temp R/W

The amount in Item 5 below includes payment for the purchase of all interests in the real property and no separately held interest is being acquired separately in whole or part, except as may be explained in Item 8 below.

4. This acquisition is (Check one) a. - A total acquisition of the real property.
b. - A partial acquisition of the real property.

5. The Agency's Offer: Just compensation has been determined to be and the Acquiring Agency's offer for the purchase of this real property is as follows:

a. Total Land, Land Improvements and Buildings	<u>\$ 65,125.00</u>
b. Severance Damages (i.e.: Setback, Loss in Value to the Residues, etc.)	<u>\$ 13,812.00</u>
c. Other Damages (Itemize) Cost-To-Cure estimates:	
<u>Septic</u>	<u>\$ 4,465.00</u>
_____	<u>\$ -</u>
<u>Temporary Right-Of-Way/Perpetual Highway Easement</u>	<u>\$ 223.00</u>
Total Damages	<u>\$ 18,500.00</u>
Total Just Compensation offered for this Acquisition is:	<u>\$ 83,625.00</u>

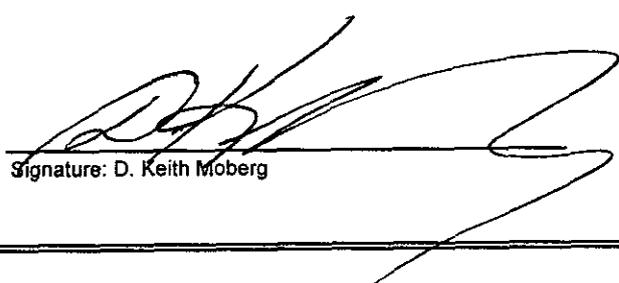
6. The amount in Item 5 above may include payment for the purchase of certain buildings and improvements and their ownership shall pass to the Acquiring Agency. These buildings and improvements are identified as follows:
Buildings on Lot 1 (Rental property)

7. The amount in Item 5 above may include payment for the purchase of certain Land Improvements, Fixtures, Equipment, Machinery, Signs, Etc., and their ownership shall pass to the Acquiring Agency. These items are identified as follows:
All land improvements in the area of acquisition such as concrete, crushed rock, landscaping and grass ground covering.

8. Items owned by others (i.e.: lessee, tenants, etc.) included in Item 5 above are identified as follows:

9. Remarks:

Date: 10/03/2003


Signature: D. Keith Moberg

APPRAISAL REPORT

Value Findings Short Form Long Form

Partial Acquisition Total Acquisition Page 1 of 35

Type of Property Residential Project STP-291-1(002)
Indicate: (Residential, Commercial, Bareland, Farm, Special, Industrial)

Location On the south side of McDaniel Road located around Honey Creek and Little Honey Creek Parcel 25

Owner Freddie L. Ladika, 5837 McDaniel Rd. Phone 812-299-5872 Road 641
Dad 812-466-5627

Address 5837 McDaniel Road, Terre Haute, IN. 47802 County Vigo

Tenant Contract Buyer Debbie Hall, Phone 812-298-1425

Address 5715 McDaniel Road, Terre Haute, IN 47802

Land Areas: Before: 24.350 acres After: 22.802 acres Acquisition 25 - .7789 acres
25a - .7697 acres
Total 1.549 acres

Temp. R/W 25b .2625 ac Provisional R/W None Access Rights Yes
25c .0314 ac
Total .2939 ac

CERTIFICATION OF APPRAISER

I hereby certify:

That I have personally inspected the property herein appraised and that I have personally made a field inspection of the comparable sales relied upon in making said appraisal. The property being appraised and the comparable sales were as represented or referenced within the appraisal.

That to the best of my knowledge and belief the statements contained in the appraisal herein set forth are true, and the information upon which the opinions expressed herein are based is correct; subject to the limiting conditions herein set forth.

That I understand that such appraisal MAY be used in connection with the acquisition of right-of-way for a project utilizing Federal funds. That such appraisal has been made in conformity with appropriate laws, regulations, policies and procedures applicable to the appraisal of property for such purposes; and that to the best of my knowledge no portion of the value assigned to such property consists of such items which are noncompensable under appropriate established law.

That this appraisal assignment may have called for less than would otherwise be required by the specific guidelines of the Uniform Standards of Professional Appraisal Practices (USPAP), but is not so limited in scope that it may tend to mislead the users of the report, or the public.

That neither my employment nor my compensation for making this appraisal and report are in any way contingent upon the values reported herein.

That any decrease or increase in the fair market value of real property prior to the date of valuation caused by the public improvement for which said property is acquired, or by the likelihood that the property would be acquired for such improvement, other than that due to physical deterioration within the reasonable control of the owner, was disregarded in determining the compensation for the property.

That I have no direct or indirect present or contemplated future personal interest in such property or in any benefit from the acquisition of such property appraised.

That the owner or a designated representative was afforded the opportunity to accompany me on the property inspection.

That I have not revealed the findings and results of such appraisal to anyone other than the proper officials of the Acquiring Agency or officials of the Federal Highway Administration and I will not do so until authorized by said officials or until I am required to do so by due process of law, or until I am released from this obligation by having publicly testified as to such findings.

That I have not given consideration, or included in my appraisal, any allowance for relocation assistance benefits.

That no one provided significant professional assistance to the person signing this report with the exception of those signing below.

That my opinion of fair market value for the property to be acquired and residue damages, if any, as of the 10th day of June, 2003, which is the effective date of this appraisal is \$ 83,625 based upon my independent appraisal and the exercise of my professional judgment.

SUMMARY

BEFORE VALUE	\$	<u>189,000</u>
AFTER VALUE	\$	<u>105,375</u>
Land Taken	\$	<u>4,451</u>
Land Improvements	\$	<u>12,503</u>
Improvements	\$	<u>48,171</u>
Cost-to-Cure	\$	<u>4,465</u>
Damages to Residue	\$	<u>13,812</u>
Temp.-Prov. R/W	\$	<u>223</u>
TOTAL DUE OWNER	\$	<u>83,625</u>

PRIMARY APPRAISER

Signature John S Newlin
 Named Typed John S. Newlin
 Appraisal License # CG69200793
 Broker # AB51318537
 Date: June 18, 2003

ASSISTED BY

Signature TC Newlin
 Named Typed Thomas Charles Newlin II
 Appraisal License # TR40100297
 Broker # AB20300419
 Date: June 18, 2003

Signature _____
 Name Typed _____
 Appraisal License # _____
 Broker # _____
 Date: _____

The purpose of this appraisal is to estimate the fair market value of the subject property before the right-of-way acquisition and, as of the same date, the fair market value of the residue property as if the new highway facility had been constructed. The interest appraised is "FEE SIMPLE ESTATE" unless otherwise stated.

Fair market value is defined as: "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."

Highest and best use is defined as: "That use of land which is lawful, practicable and proximate, which will produce the greatest return to land after satisfying all requirements of any improvements which must necessarily be placed on the land in order to bring it into the use. Legal restrictions such as zoning or deed restrictions are recognized to the degree that they would affect value to a prospective buyer in contemplation of any attempt to change or defeat the restrictions."

IDENTIFICATION OF PARCELS TO BE ACQUIRED								
PARCEL NO.		AMOUNT OF ACQUISITION			RIGHTS TO BE ACQUIRED			
25		.7789 acres			Fee Simple			
25 a		.7697 acres			Fee Simple			
25 b		.2625 acres			Temporary, driveway construction			
25 c		.0314 acres			Temporary, house demolition			
SALES RECORD (5 YEARS MINIMUM REQUIRED)								
GRANTOR	GRANTEE	DATE	BOOK	PAGE	SIZE	REC. PRICE	VER. PRICE	VERIFICATION
Ladika	Ladika	4/23/97	442	1366	24.35 a	\$1 & OVC	N/A	N/A

Area and Neighborhood:

Description of Region:

The property is located south of Terre Haute, Indiana. Terre haute is a city of 58,614. It is the county seat of Vigo County. Vigo County has a population of 105,848 (2000 census). Terre Haute serves a metropolitan area with a population of about 400,000.

Interstate 70 passes around the south side of the City. US 41 and St. Rod. 63 provide four-lane highway service north and south to the west side of the City.

The February unemployment rate for the Terre Haute MSA was 6.4%. This is the second highest of the twelve Indiana MSAs. Indiana's rate was 4.7%.

The economy is one of slow growth and relatively stable values.

There is a trend for commercial growth to develop along US 41 south of Interstate 70.

There are industrial and institutional uses in the south suburban area of Terre Haute. Pfizer has a large pharmaceutical facility on a site of several hundred acres about four miles southwest of the appraised property.

Vigo County Industrial Park is about 5 miles southwest of the appraised property. It has a major steel finishing facility, two or three smaller manufacturing facilities, a beer distributor, and a plastic fabrication company. A large distribution center for Staple Office Supply Co. and an automotive parts manufacturer have opened recently.

The south suburban area also has several well-regarded residential subdivisions.

The south portion of Terre Haute is exhibiting strong growth patterns.

Description of the Neighborhood:

The neighborhood is east of US 41 bounded on the north by I 70 and on the south by Woodsmall Road.

The property is located on the south side of McDaniel Road.

1997 traffic counts for Vigo County show 1,656 vpd on McDaniel Road and 3,497 vpd on Springhill Road east of McDaniel Road.

Electricity is available. In close proximity are scattered single family residences to suburban living.

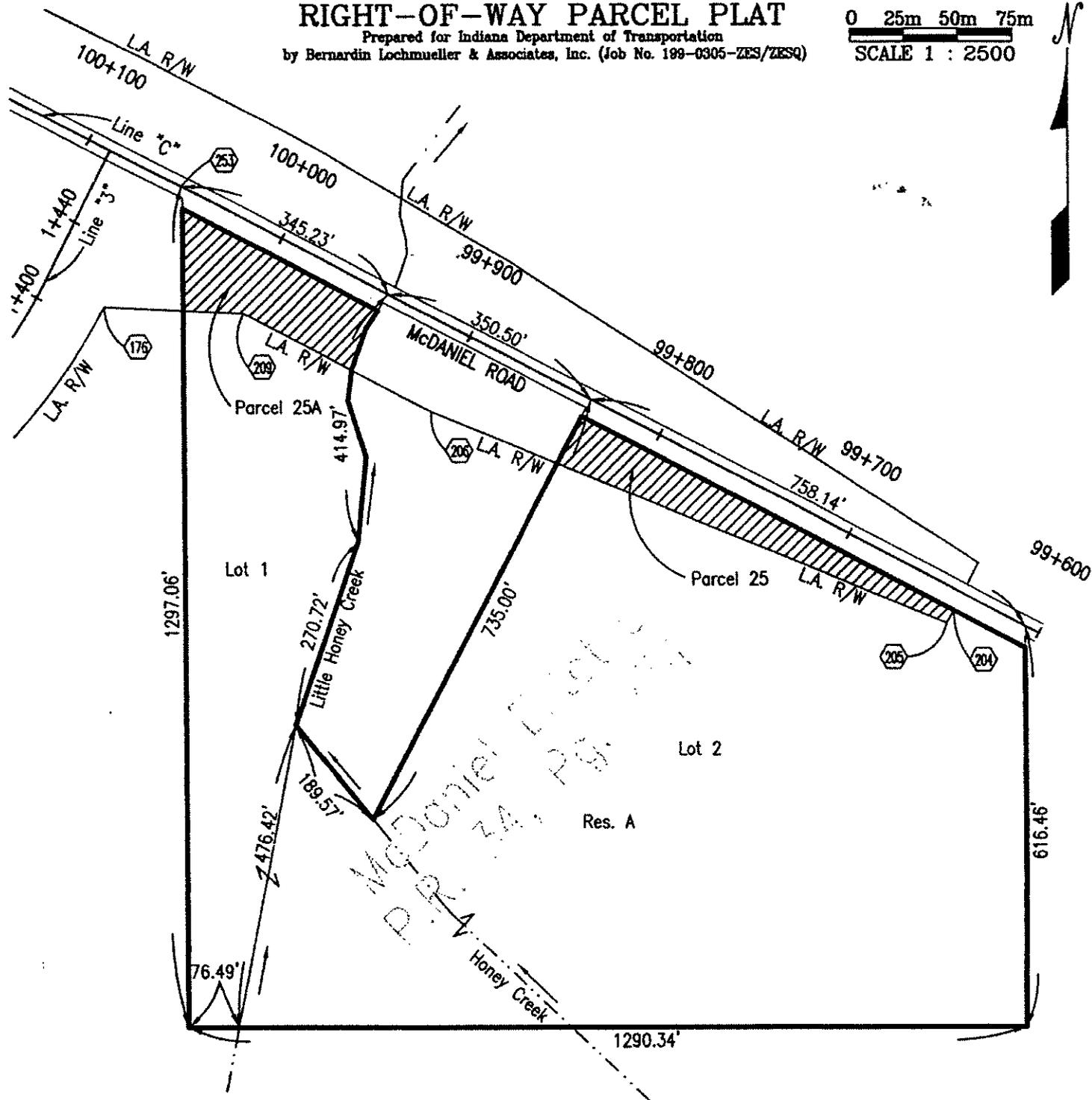
EXHIBIT "B"

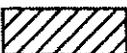
SHEET 1 OF 2

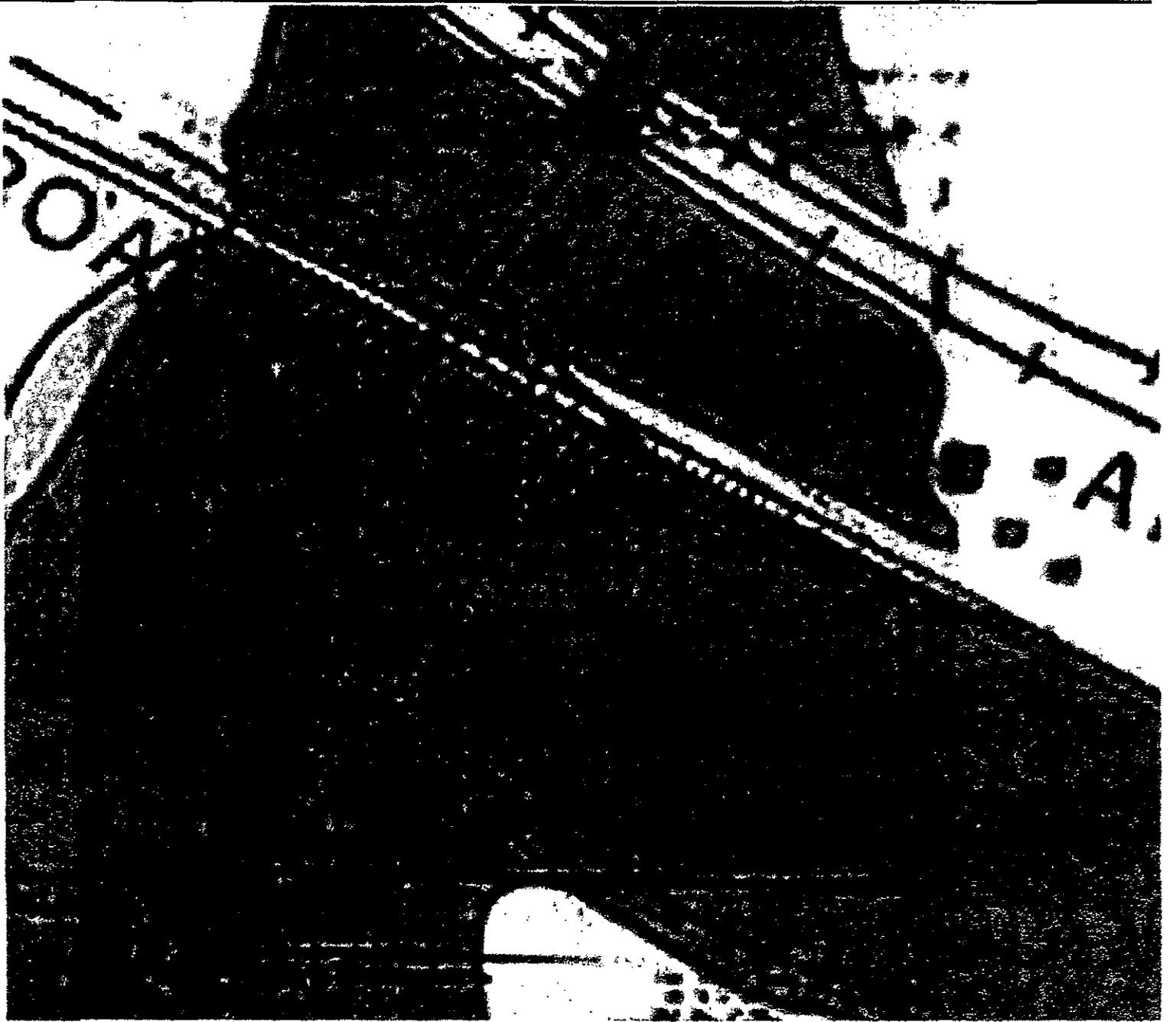
RIGHT-OF-WAY PARCEL PLAT

Prepared for Indiana Department of Transportation
 by Bernardin Lochmueller & Associates, Inc. (Job No. 199-0305-ZES/ZESQ)

0 25m 50m 75m
 SCALE 1 : 2500



PARCEL: 25	OWNER: Ladika, Freddie L.	DRAWN BY: K.M. Johnson 6/20/2002
CODE: 3777		CHECKED BY: R.F. Lewis 7/1/2002
PROJECT: STP-291-1(002)		DES. NO.: 9138220
ROAD: U.S.R. 641	 HATCHED AREA IS THE APPROXIMATE TAKING	DEED RECORD 442, PAGE 1366, DATED 4/21/97
COUNTY: Vigo		
SECTION: 13		
TOWNSHIP: 11 N.	NOTE: PROPERTY LINE DIMENSIONS ARE SHOWN IN ENGLISH	
RANGE: 9 W.		



See attachments for site drawings and interior layouts

OWNER CONTACT AND PROPERTY INSPECTION:

TC Newlin met with Fred and Sam Ladika on June 10, 2003 at 9:00 am. Newlin inspected both dwellings and was able to answer any questions that either of them had. Joe Hayworth, Hayworth Construction, met the owner at the site to estimate the cost of replacing the septic finger system.

LEGAL DESCRIPTION:

The subject consists of two separate tax parcels;
102-09-13-300-003; This is the east most dwelling – McDaniel Estates .540 acres subject to county road. Containing 18.56 acres, Lot 2 in Section 13-11-9.
101209-13-300-020; This is the west rental dwelling – McDaniel Estates .25 ac subject to county road. Containing 5.420 acres, Lot 1 in Section 13-11-9.

ZONING:

A-1 – Agriculture – The purpose of this district is to provide for and preserve viable agricultural lands and operations. One single family home site per tax parcel is allowed under this zoning classification.

FIVE YEAR SALES HISTORY:

On April 21, 1997, Paul Fred Ladika conveyed and warranted the subject to Frddie L. Ladika. This transaction was recorded in deed record 442, page 1366.

DESCRIPTION OF PROPERTY BEFORE ACQUISITION (Include description of land, improvements, land improvements, etc., as pertinent):

Land or Site Description

The property being appraised is 24.35 acres with no existing right of way. The site is irregular. It was originally rectangle except for the angle of McDaniel Road. In 1982 it was subdivided into McDaniel Estates. 4.304 acres fronting on McDaniel Road was sold to Jack Johnson. The balance of the site is the subject and consists of lots 1 and 2 in McDaniel Estates. They are contiguous along the south end of the two lots. Lot 1 has 345.23' of McDaniel Road frontage. Lot 2 has 758.14' of McDaniel Road frontage. The overall site is 1,297.06' deep on the west and 616.46' deep on the east. This difference is due to the angling of McDaniel Road. The rear or south line is 1,290.34' in length. Shape of the site can be seen on the attached survey.

The county calls the site 23.980 acres. The state calls it 24.350 acres. For our purposes we will assume the state is correct and use 24.350 acres. This will be allocated 5.420 acres to lot 1 and 18.930 acres to lot 2.

The site appears to be mostly level. There are ravines along Little Honey Creek and Honey Creek. These two creeks run throughout the site. Location of the creeks can also be seen on the attached survey. The entire site is in a 100-year flood hazard area as defined by FEMA. The drawing is attached. The entire site except for the road frontage is in the flood way. Land in a floodway cannot be developed. Any building in a 100-year flood hazard must be built 2 feet above the 100-year elevation. The flood maps were made available November 1983. All but about the northwest 2 acres and about 1 1/2 acres along the north east McDaniel's Road frontage are in the flood way. It appears likely that both houses are in the 100 year flood hazard, not the flood way.

The only available utility is electricity. There are septic systems and wells for each of the two homes.

Street improvements consist of McDaniel Road. It is an average to below average two-lane road. There are no stoplights, streetlights, or sidewalks. It has open ditches and no curbs.

From a functional point of view the site is poor due to the flood hazard. It is large enough for multiple single family home sites. Access is good. The current use is as two single family home sites. The shape is irregular and the entire site is in a flood hazard. Any building must be built 2 feet above the 100-year flood elevation. No development can occur in the flood way.

The soils will not be described in detail. They likely are clay-based soils similar to other sites in the neighborhood. The soils are dense and have slow percolation rates. They are difficult to use for field disposal systems.

Access: The site has access to McDaniel Rd. along its entire road frontage.

Description of the Improvements

There are two homes on the site. The owner's home is on the east end (lot 2) of the site and the rental home is on the west end (lot 1) of the site.

Owner's Home (lot 2)

According to my measurements, the dwelling is 1,622 sq.ft. in size. The county assessor indicates that dwelling was built in 1954. A detached two-car garage was built in 1991. I believe this is when they converted the attached one car garage into living area. The home has vinyl siding and Ladika is in the process of re-roofing with 3 in 1 asphalt shingles. There is a propane gas forced air furnace and a central air conditioner. The home is built on a crawl space. There is 200-amp electric service. There are 6 rooms of which 2 are bedrooms; there are two full baths in the house. Overall condition of the home is good. It is carpeted except for the kitchen and bathrooms. Interior walls are finished in paint.

The septic system is north of the home, between the house and McDaniels Rd. About 50% of the field disposal system is in the acquisition. The records of the Vigo County Health Department show that the owner did not have a permit to install the septic system and that no inspection was made to the system when it was installed in 1986. The system is then an "illegal" septic system. It was however approved by the Health Department after it was installed. The Health Department then has no record as to the design of the system. Because the field disposal system does not satisfy current design criteria it cannot be added to in order to replace that part in the acquisition. The entire field disposal system must be upgraded.

The detached two-car garage is in good condition. There is an overhead door and concrete drive leading to the garage.

Based on INDOT's drawings the garage converted to a family room is about 79 feet from the existing right of way.

Land improvements consist of naturally occurring trees and grass. For our purposes we will assume 1 acre of lawn. There is landscaping around the home. The driveway is partly in the existing right of way. I calculate 1,740 sq. ft. of concrete driveway on the subject site and 54 sq. ft. of concrete sidewalk. Total concrete is then 1,794 sq. ft.

Rental Home, 5715 McDaniel Rd (lot 1)

According to my measurements the house is 1,399 sq. ft. in size. The county assessor indicates that the dwelling was built in 1934. There are two large barns on the site. They are probably the same era. The home has vinyl siding and a 3 in 1 asphalt shingle roof. There is a lp gas forced air furnace and a central air conditioner. The home is on a full basement. At the time of inspection there was probably 3 inches of water throughout the basement. There is 200 amp electric service. In my opinion the basement does not contribute to value.

The home has 7 rooms of which 3 are bedrooms. There are 2 full baths. The home is in average to below average condition. The interior is carpeted with the exception of the bathrooms and kitchen.

According to Ladika, the rental home rents for \$600 a month. It was occupied at the time of inspection.

There is a septic system and a well in use with the rental home.

The outbuildings are in poor condition and contribute little if any value to the overall site.

Land improvements consist of naturally occurring trees and grass. We will assume 1 acre of lawn. There is a 1,680 sq. ft. crushed rock driveway on the site.

In my opinion the two sites act as individuals and should be valued separately.

Before Acquisition After Acquisition**PRESENT USE AND/OR HIGHEST AND BEST USE ANALYSIS:**

Owner's home and site (lot 2 18.930 acres)

Highest and best use as if vacant

Physically Possible – The site is 18.930 acres in size. It is large enough for development. Such developments could include residential and small commercial. The site is entirely in the 100-year flood hazard. Any development must be built 2 feet above the flood plain. All but about 1 ½ acres is in the flood way. No developments can occur in the flood way.

Legal Limitations – The subject is zone A-1. This zoning allows one single family dwelling per tax parcel. Legal limitations exclude multifamily, industrial, and commercial uses. County ordinances require any building to be built 2 feet above the 100 year flood elevation. Only about 1 ½ acres is out of the flood way.

Economic Limitations – The neighborhood supports residential uses as well as agricultural uses. The cost of building a single family house in a flood hazard probably excludes residential construction from the highest and best use.

Most Profitable Use – The most profitable use of the property would be for agricultural use.

Highest and Best Use – The highest and best use of the property would be for agricultural use.

Highest and best use as improved

Physically Possible – The home is 1,622 sq.ft. in size. The room arrangements would make conversion into commercial use difficult.

Legal Limitations – The subject is zoned A-1. This zoning allows one single family dwelling per tax parcel. Legal limitations exclude multifamily, industrial, and commercial use.

Economic Limitations – The neighborhood supports residential uses as well as agricultural uses. The location in a flood hazard requires flood insurance for mortgage loans. This plus the risk due to the flood hazard reduces the selling price.

Most Profitable Use – The most profitable use of the property would be for continued use as a single family home.

Highest and Best Use – The highest and best use of the property is for continued use as a single family home.

The highest and best use as improved and as if vacant is different. If the site were vacant a home would not be built. The flood hazard is a negative influence on value.

Rental home and site (lot 1 5.420 acres)

Highest and best use as if vacant

Physically Possible – The site is 5.420 acres in size. It is large enough for small development. Such developments could include residential and small commercial. The site is entirely in a 100-year flood hazard. All but about 2 acres are in a flood way.

Legal Limitations – The subject is zoned A-1. This zoning allows one single family dwelling per tax parcel. Legal limitations exclude multifamily, industrial, and commercial uses. County ordinances require any building to be built 2 feet above the flood plain. Land in a flood way can not legally be developed.

Economic Limitations – The neighborhood supports residential uses as well as agricultural uses. The cost of building a single-family house in a flood hazard probably excludes residential development.

Most Profitable Use – the most profitable use of the property would be for agricultural use.

Highest and Best Use – The highest and best use of the property would be for agricultural use.

Highest and best use as improved

Physically Possible – The home is 1,399 sq.ft. in size. The room arrangements would make conversion into commercial use difficult.

Legal Limitations – The subject is zoned A-1. this zoning allows one single family dwelling per tax parcel. Legal limitations exclude multifamily, industrial, and commercial use.

Economic Limitations – the neighborhood supports residential uses as well as agricultural. The location in a flood hazard requires flood insurance for mortgage loans. This plus the risk due to the flood hazard reduces the selling price.

Most Profitable Use – The most profitable use of the property would be as a single family home site.

Highest and Best Use – The highest and best use of the property as improved would be for a single family dwelling.

The highest and best use as improved and as if vacant is different. If the site were vacant a home would not be built. The flood hazard is a negative influence on value.

VALUATION PROCEDURE:

The rental site and the home owner's site will both be valued separately.

The cost approach will be used to estimate the value of the land improvements. The age of the homes would make estimating depreciation difficult and therefore will not be used.

The sales comparison approach will be used. I will compare the subject to similar land and improved sales.

The income approach is not applicable.

The estimate of value by the sales comparison approach will be allocated to land, land improvements, and buildings.

MARKET GRID

IMPROVED
 UNIMPROVED

BEFORE ACQUISITION
 AFTER ACQUISITION

Adjustments (Use Plus if subject is better or Minus if subject is poorer)					
Comparable Number	Subject	RBL 6	RBL 14	RBL 19	RBL 21
Date of Sale	X X X X	1998	1992	1998	1999
Size (acres)	18.930	19.360	16.000	5.900	12.270
Sale Price	XXXXX	\$ 110,000	\$ 65,000	\$ 20,000	\$ 35,000
Sale Price (acres)	X X X X	\$ 5,681.82	\$ 4,062.50	\$ 3,389.83	\$ 2,852.49
Property Rights	Fee Simple				
Financing	Conventional				
Condition of Sale	Arm's Length				
Market Conditions (Time)	2003	\$ 852.27	\$ 1,340.63	\$ 508.47	\$ 342.30
Adjusted Sale Price (per sq. ft.)	X X X X	\$ 6,534.09	\$ 5,403.13	\$ 3,898.31	\$ 3,194.78
Shape	Awkward	Good	Good	Awkward	Awkward
Shape adjustment		\$ (653.41)	\$ (540.31)		
Location	McDaniel	US 41	Viscaya P	Springhill	Payne
Location adjustment		\$ (1,633.52)			
Size Adjustment					
Flood Hazard	Yes	No	No	No	No
		\$ (1,633.52)	\$ (1,350.78)	\$ (974.58)	\$ (798.70)
Utility	None	None	None	None	None
Utility adjustment					
Net Adjustment (+ or -)		\$ (3,920.45)	\$ (1,891.09)	\$ (974.58)	\$ (798.70)
Indicated Value of Subject	X X X X	\$ 2,613.64	\$ 3,512.03	\$ 2,923.73	\$ 2,396.09
Average		\$ 2,861.37			

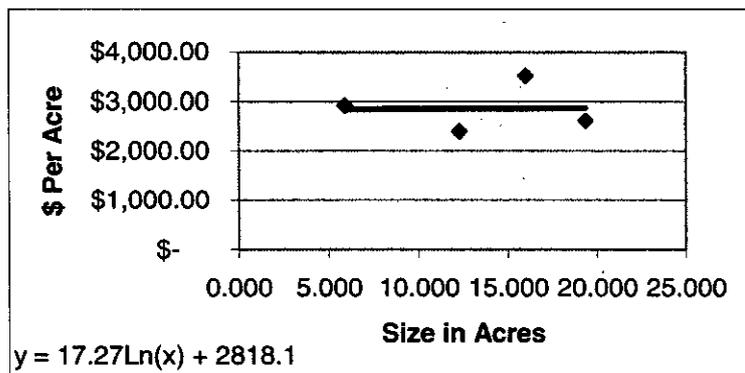
Explanation and Justification of Adjustments:

Even though it was determined that the highest and best use of the site is as agriculture, I elected to use residential comparables. The size of the subject is smaller than most agricultural tracts. I accounted for the flood hazard making the conclusions reasonable. Date of sale adjustments were based on an average annual increase in price of 3%. This is near the rate of inflation. Location adjustments were made assuming that sites on US 41 are about 25% better than sites off of US 41. Utility adjustments were not needed. Size adjustments were done graphically below. Looking at the comparables before adjustments for size shows that size adjustments are not needed. Flood adjustments were done assuming that land in flood hazard is 25% poorer. I believe that adjusting for the flood way is not required. The flood way area is excess land used for recreation purposes. No development would be considered for this area. Shape adjustments were done assuming awkward shaped sites are 10% poorer than sites of good shape.

Correlation:

All comparables are of equal importance. The range in values before accounting for size is \$2,396 to \$3,512 with a mean of \$2,861. Below you can see the graph adjusting for size. It doesn't appear as though an adjustment is needed. I believe that \$2,750 per acre is a reasonable estimate of value per acre for the site. For 18.930 acres x \$2,750/acre = \$52,058

Correlated Value \$52,058



Rental Home Site

ALA-CF-6
Rev 5-97
State Form 24671

PROJECT STP-291-1(002) PARCEL 25

MARKET GRID

IMPROVED
 UNIMPROVED

BEFORE ACQUISITION
 AFTER ACQUISITION

Adjustments (Use Plus if subject is better or Minus if subject is poorer)					
Comparable Number	Subject	RBL 20	RBL 22	RBL 19	RBL 21
Date of Sale	X X X X	2000	1999	1998	1999
Size (acres)	5.420	7.710	4.000	5.900	12.270
Sale Price	XXXXX	\$ 32,500	\$ 19,000	\$ 20,000	\$ 35,000
Sale Price (acres)	X X X X	\$ 4,215.30	\$ 4,750.00	\$ 3,389.83	\$ 2,852.49
Property Rights	Fee Simple				
Financing	Conventional				
Condition of Sale	Arm's Length				
Market Conditions (Time)	2003	\$ 379.38	\$ 570.00	\$ 508.47	\$ 342.30
Adjusted Sale Price (per sq. ft.)	X X X X	\$ 4,594.68	\$ 5,320.00	\$ 3,898.31	\$ 3,194.78
Shape	Awkward	Good	Good	Awkward	Awkward
Shape adjustment		\$ (459.47)	\$ (532.00)		
Location	McDaniel	Oregon Ch	Oregon Ch	Springhill	Payne
Location adjustment					
Size Adjustment					
Flood Hazard	Yes	No	No	No	No
		\$ (1,148.67)	\$ (1,330.00)	\$ (974.58)	\$ (798.70)
Utility	None	None	None	None	None
Utility adjustment					
Net Adjustment (+ or -)		\$ (1,608.14)	\$ (1,862.00)	\$ (974.58)	\$ (798.70)
Indicated Value of Subject	X X X X	\$ 2,986.54	\$ 3,458.00	\$ 2,923.73	\$ 2,396.09
	Average	\$ 2,941.09			

Explanation and Justification of Adjustments:

Even though it was determined that the highest and best use of the site is as agriculture, I elected to use residential comparables. The size of the subject is smaller than most agriculture tracts. I accounted for the flood hazard making the conclusions reasonable.

Date of sale adjustments were based on an average annual increase in price of 3%. This is near the rate of inflation.

Location adjustments were made assuming that sites on US 41 are about 25% better than sites off of US 41.

Utility adjustments were not needed.

Size adjustments were done graphically below. Looking at the comparables before adjustments for size shows that size adjustments are not needed.

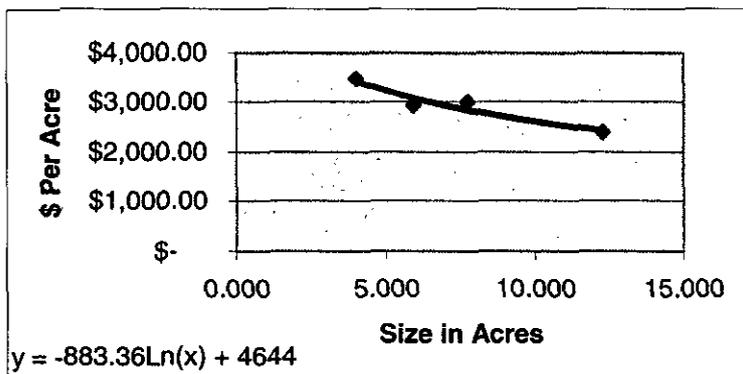
Flood adjustments were done assuming that land in flood hazard is 25% poorer and land in a flood way is 50% poor than those sites not in the flood hazard. The subject is about 65% in the flood way. The adjustment will be 40%.

Shape adjustments were done assuming awkward shaped sites are 10% poorer than sites of good shape.

Correlation:

All comparables are of equal importance. The range in values before accounting for size is \$2,396 to \$3,458 with a mean of \$2,941. Below you can see the graph adjusting for size. I believe that \$3,000 per acre is a reasonable estimate of value per acre for the site. For 5.420 acres x \$3,000/acre = \$16,260

Correlated Value \$16,260



The total estimate of land value before the acquisition is then

Lot 2, owner's site	\$52,058
Lot 1, rental site	\$16,260
Total	\$68,318

COST APPROACH BEFORE ACQUISITION AFTER ACQUISITION (If no changes do not repeat)

BASIS FOR UNIT COSTS

Marshall Valuation Services

VALUATION OF LAND IMPROVEMENTS

Owner's Home Site

Land Improvements	No. of Items	Cost	Dep	Dep. Cost	Total Dep. Cost
Concrete	1794	\$ 3.50	50%	\$ 1.75	\$ 3,139.50
Grass	43560	\$ 0.43	75%	\$ 0.11	\$ 4,682.70
Landscaping	Ample	\$ -	25%	\$ -	\$ 5,000.00
Total					\$ 12,822.20

Rental Home Site

Land Improvements	No. of Items	Cost	Dep	Dep. Cost	Total Dep. Cost
Crushed Rock	1680	\$ 0.46	50%	\$ 0.23	\$ 386.40
Grass	43560	\$ 0.43	75%	\$ 0.11	\$ 4,682.70
Landscaping	Ample	\$ -	50%	\$ -	\$ 2,500.00
Total					\$ 7,569.10

TOTAL \$ 20,391

SUMMARY OF COST APPROACH

LAND	\$ 68,318
LAND IMPROVEMENTS	\$ 20,391
BUILDINGS	\$ N/A
TOTAL INDICATED VALUE BY COST APPROACH	\$ N/A

ALA-CF-13

5/97

State form 25125

INCOME APPROACH

Project

STP-291-1(002)

Parcel

25

BEFORE ACQUISITION

AFTER ACQUISITION

Net Income

N/A

Rate

N/A

Value

N/A

Support:

The rental house is rented at \$600 per month. Its highest and best use is as an owner occupied dwelling. The income approach is then not applicable.

MARKET GRID

IMPROVED
 UNIMPROVED

BEFORE ACQUISITION
 AFTER ACQUISITION

		Adjustments					
Comparable Number	Subject	IR 28	IR 29	IR 30	IR 23	IR 5	IR 8
Date of Sale	X X X X	2000	2002	2002	2002	1999	2000
Size sq.ft.	1,622	1,608	1,276	1,848	882	1,531	2,030
Sale Price	X X X X	\$ 89,000	\$ 92,500	\$ 90,000	\$ 120,000	\$ 83,000	\$ 87,000
Property Rights	Fee Simple	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Financing	Conventional	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Condition of Sale	Arm's Length	\$ -	\$ -				
Market Conditions (Time)	2003	\$ 4,800	\$ 1,950	\$ 2,200	\$ 2,400	\$ 6,640	\$ 5,220
Concessions				\$ -	\$ -	\$ -	\$ -
Adjusted Sale Price	X X X X	\$ 84,200	\$ 90,550	\$ 87,800	\$ 117,600	\$ 76,360	\$ 81,780
All Price for Land	X X X X	\$ 24,000	\$ 45,000	\$ 48,000	\$ 66,000	\$ 3,300	\$ 21,000
All Price for Home	X X X X	\$ 60,800	\$ 45,550	\$ 39,800	\$ 51,400	\$ 73,060	\$ 60,780
All Price for Basement	X X X X		\$ 3,000		\$ 2,000		
Living Area Size (in sq.ft.)	1,622	1,608	1,276	1,848	882	1,531	2,030
	\$ -	\$ 353	\$ 9,291	\$ (5,229)	\$ 30,397	\$ 3,022	\$ (9,533)
Date Built	1954	1964	1900	1967	1960	1918	1964
		\$ (3,040)	\$ 13,892	\$ (4,173)	\$ (1,632)	\$ 13,741	\$ (3,561)
Condition	Average	Average	Average	Average	Good	Good	Average
					(5,440.0)	(7,634.0)	
Room Count	6,2,2	6,3,2	5,3,1	5,4,2	5,2,1	5,2,2	8,4,1.5
Bathroom Adjustment		\$ -	\$ 2,000.00	\$ -	\$ 2,000.00	\$ -	\$ 1,000.00
Site Value Adjust		\$ 28,058	\$ 7,058	\$ 4,058	\$ (13,942)	\$ 38,758	\$ 31,058
Location	McDaniel	Harlan	Oregon Chur	Rio Grande	Curry	Bono	Moyer
		0	0	0	0	0	0
Basement, sq. ft.	0	0	600	0	400	0	0
		\$ -	\$ (3,000)	\$ -	\$ (2,000)	\$ -	\$ -
Finished Bsmt area	0	0	0	0	0	0	0
		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Outbuildings	2-Car Det	None	2 Car Det	1-Car Det	1-Car Att	2 car det	2 Car Det
		\$ 4,000	\$ -	\$ 2,000	\$ -	\$ -	\$ -
	Shed	None	None	None	None	None	None
		\$ -			\$ -	\$ -	\$ -
Deck/Porch/Pool	Deck	Porch	Porch	Porch	Porch	Porch	Porch
		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Utilities	No Sewer/water	No Sew	No Sew/wat	No Sew/Wat	No Sew/Wat	All	All
		\$ (1,000)	\$ -	\$ -	\$ -	\$ (2,000)	\$ (2,000)
Exterior	Vinyl	Brick	Vinyl	Vinyl	Vinyl	Vinyl	Vinyl
		\$ (2,000)			\$ -	\$ -	\$ -
Flood Hazard	Yes	\$ (4,020)	\$ (3,190)	\$ (4,620)	\$ (2,205)	\$ (3,828)	\$ (5,075)
Net Adjustment (+/-)		\$ 22,351	\$ 26,051	\$ (7,964)	\$ (7,173)	\$ 42,060	\$ 11,889
Value of Subject	X X X X	\$ 107,151	\$ 125,501	\$ 104,236	\$ 129,578	\$ 131,700	\$ 104,109

Mean = \$ 117,046

Explanation and Justification of Adjustments:

Date of sale adjustments are slowly increasing in Terre Haute, say 2% per year on average.
 Living area size adjustments are based on 66% of the allocated price per sq. ft. of the comparable's living area.
 Date built adjustments are based on .5% per year of age difference times the allocated sales price of the house.
 Condition adjustments are based on 10% of the house allocation for differences in condition.
 Room Count adjustments are primarily used to account for differences in the number of bathrooms. \$2,000 for a full bath and \$1,000 for a 1/2 bath.
 Site value adjustments are based on the difference between the subject's estimated land value and the comparable's allocated land value.
 Location adjustments were not needed.
 Basement adjustments are based on allocated value differences or about \$5.00 per sq. ft. of basement area and \$3.00 per sq. ft. for finished area.
 Outbuildings are generally based on attached garages being better than detached and large garages being better than small garages.
 Utility adjustments are based on sewers being \$2,000 better than septic.
 Exterior adjustments are based on brick being \$2,000 better than aluminum and vinyl and \$3,000 better than wood and \$4,000 better than asphalt siding.
 Flood hazard adjustments are based on capitalizing at .10 the estimated premium of flood insurance. The premium is about \$5 per \$1000 of replacement cost. If we estimate replacement cost at \$50 per sq. ft. then the premium is about \$.25 per sq. ft. and the loss in value is about \$2.50 per sq. ft.

Correlation:

All comparables are of equal importance. The range in values is \$104,236 to \$131,700 with a mean of \$117,046. I estimate the value as improved to be \$117,000.

Correlated Value \$117,000

MARKET GRID

IMPROVED
 UNIMPROVED

BEFORE ACQUISITION
 AFTER ACQUISITION

Adjustments					
Comparable Number	Subject	IR 4	IR 5	IR 9	IR 10
Date of Sale	X X X X	1999	1999	2000	2000
Size sq. ft.	1,399	1,335	1,531	850	1,274
Sale Price	X X X X	\$ 65,000	\$ 83,000	\$ 49,000	\$ 69,900
Property Rights	Fee Simple	\$ -	\$ -	\$ -	\$ -
Financing	Conventional	\$ -	\$ -	\$ -	\$ -
Condition of Sale	Arm's Length	\$ -	\$ -		
Market Conditions (Time)	2003	\$ 5,200	\$ 6,640	\$ 2,940	\$ 4,194
Concessions				\$ -	\$ -
Adjusted Sale Price	X X X X	\$ 70,200	\$ 89,640	\$ 51,940	\$ 74,094
All Price for Land	X X X X	\$ 16,260	\$ 16,400	\$ 18,000	\$ 10,000
All Price for Home	X X X X	\$ 53,940	\$ 73,240	\$ 33,940	\$ 64,094
All Price for Basement	X X X X	\$ 2,000		\$ 4,250	\$ 12,740
Living Area Size (in sq. ft.)	1,399	1,335	1,531	850	1,274
	\$ -	\$ 1,654	\$ (4,384)	\$ 17,073	\$ 3,356
Date Built	1934	1912	1918	1927	1957
		\$ 5,698	\$ 6,107	\$ 1,389	\$ (5,906)
Condition	Average	Average	Good	Average	Average
			(7,634.0)		
Room Count	7,3,2	6,3,1	5,2,2	4,2,1	5,2,1
Bathroom Adjustment		\$ 2,000.00		\$ 2,000.00	\$ 2,000.00
Site Value Adjust		\$ (140)	\$ 2,960	\$ 8,260	\$ 6,260
Location	McDaniel	Bono	Bono	Springhill	Bono
		0	0	0	0
Basement, sq. ft.	0	400	0	850	1274
		\$ (2,000)	\$ -	\$ (4,250)	\$ (6,370)
Finished Bsmt area	0	0	0	0	0
		\$ -	\$ -	\$ -	\$ -
Outbuildings	Barn	2-Car Det	2 Car Det	None	None
		\$ (4,000)	\$ (4,000)		\$ -
	Garage	2-Car Det	None	None	None
		\$ (4,000)			\$ -
Deck/Porch/Pool	Deck	Porch	Porch	Porch	Porch
		\$ -	\$ -	\$ -	\$ -
Utilities	No Sewer/water	All	All	All	All
		\$ (2,000)	\$ (2,000)	\$ (2,000)	\$ (2,000)
Exterior	Vinyl	Alum	Vinyl	Wood	Wood
				\$ 1,000	\$ 1,000
Flood Hazard	Yes	\$ (3,338)	\$ (3,828)	\$ (2,125)	\$ (3,185)
Net Adjustment (gross)		\$ (2,126)	\$ (12,978)	\$ 21,317	\$ (4,845)
Value of Subject	X X X X	\$ 68,074	\$ 76,862	\$ 73,287	\$ 69,249

Mean = \$ 71,868

Explanation and Justification of Adjustments:

Date of sale adjustments are slowly increasing in Terre Haute, say 2% per year on average.
 Living area size adjustments are based on 66% of the allocated price per sq. ft. of the comparable's living area.
 Date built adjustments are based on .5% per year of age difference times the allocated sales price of the house.
 Condition adjustments are based on 10% of the house allocation for differences in condition.
 Room Count adjustments are primarily used to account for differences in the number of bathrooms. \$2,000 for a full bath and \$1,000 for a 1/2 bath.
 Site value adjustments are based on the difference between the subject's estimated land value and the comparables allocated land value.
 Location adjustments were not needed.
 Basement adjustments are based on allocated value differences or about \$5.00 per sq. ft. of basement area and \$3.00 per sq. ft. for finished area. The subject basement has standing water. It does not contribute to value.
 Outbuildings are generally based on attached garages being better than detached and large garages being better than small garages.
 Utility adjustments are based on sewers being \$2,000 better than septic.
 Exterior adjustments are based on brick being \$2,000 better than aluminum and vinyl and \$3,000 better than wood and \$4,000 better than asphalt siding.
 Flood hazard adjustments are based on capitalizing at .10 the estimated premium of flood insurance. The premium is about \$5 per \$1000 of replacement cost. If we estimate replacement cost at \$50 per sq. ft. then the premium is about \$.25 per sq. ft. and the loss in value is about \$2.50 per sq. ft.

Correlation:

All comparables are of equal importance. The range in values is from \$68,074 to \$76,862. The average is \$71,868. I believe this is reasonable. Say \$72,000.

Correlated Value \$72,000

VALUE ESTIMATE BEFORE R/W ACQUISITION

COST APPROACH	MARKET APPROACH	INCOME APPROACH
	\$185,000	

CORRELATION AND FINAL VALUE ESTIMATE

	Before
Land	
Owner's	\$ 52,058
Rental	\$ 16,260
Total	\$ 68,318
Land Improvements	
Owner's	\$ 12,822
Rental	\$ 7,569
Total	\$ 20,391
Buildings	
Owner's	\$ 52,120
Rental	\$ 48,171
Total	\$ 100,291
Grand Totals	
Owner's	\$ 117,000
Rental	\$ 72,000
TOTAL	\$ 189,000

DESCRIPTION OF R/W TO BE ACQUIRED

DESCRIBE R/W TO BE ACQUIRED-Land, land and building improvements, temporary and provisional r/w

Owner's site; Parcel 25
 The right of way to be acquired is a triangular shape off of the north end of the site. It is 82.32' off of the west and 22.49' off of the east end. Total size of the acquisition is 33,930 sq.ft. or .7789 acres in size. The residual will be 18.930 acres - .7789 acres = 18.1511 acres.

Items in the acquisition consist of 840 sq. ft. of concrete driveway, 32,610 sq. ft. of grass, and about 50% of the septic field disposal system.

The setback of the home will be reduced by about 42' or from 79' to 37'. This is a 53% reduction.

Access to the home will be limited to the extreme east end of the site. The acquisition extends to within 114.07 feet of the east line. The new right of way will be limited access.

The cost to remove the existing driveway and replace it with a new driveway will be part of the contract to build the new road. It will not be a cost to cure item. The new driveway would extend about 260 east along the south side of the acquisition and then about 60 feet north to McDaniel Road for a total of about 320 feet.

Cost to cure would also include replacing the existing septic field disposal system.

Severance damages would consist of damages done to the home for the 56% reduction in setback.

Severance damages may also be present due to the awkward access to the home.

Parcel 25 b is a .2625 acres temporary easement for driveway construction. This is on the east end of the owner's site along the remaining frontage on McDaniel's Road.

Rental Site Parcel 25a
 The right of way to be acquired is somewhat awkward in shape, it is off of the north end of the site. It is 156.81' off of the west line and for our purposes 100' off of the east line. Total area is 33,529 sq. ft. in size or .7697 acres in size. The residual will be 5.42 acres - .7697 acres = 4.6503 acres.

The home is in the proposed right of way. The land and building improvements will be treated as a total take.

Access will be from the owner's site, lot 2. The right of way will be limited access.

Parcel 25 c is a .0314 acre temporary easement to demolish the rental house.

VALUE ESTIMATE AFTER R/W ACQUISITION

DESCRIPTION OF PROPERTY AFTER ACQUISITION

The property after the take is highly different than it is before the acquisition.

Owner's Site

The owner's site is awkward after the acquisition. Frontage has been lost. Access is now only available on the far east end of the site. The site still appears to be level except for the ravines along the creeks on the site. Drainage is into Little Honey Creek and Honey Creek. The entire site is in the 100 year flood plain. The available utility is electric. Street improvements consist of McDaniels Road. An average to below average two lane road. Access is on the far east end of the site. Overall the site is poor. Access is poor limiting development. The entire site is in the 100 year flood plain. Much of the site is in the flood way. The area in the flood plain would require earthwork to allow development. Any development is required to be 2 feet above the flood plain. No development can occur in the flood way. Improvements in the take consist of about 840 sq. ft. of concrete driveway and 32,220 sq.ft. of grass.

Rental Site

The rental site is awkward after the acquisition. The frontage has been lost. There is no access. The frontage on McDaniel Road is a limited access right of way. Only access is from the east end of the overall site. The site still appears to be mostly level except for the ravines along the creeks on the site. Drainage is into Little Honey Creek and Honey Creek. The entire site is in the 100 year flood plain. The available utility is electric. Street improvements consist of McDaniels Road. It is an average to below average quality two lane road. The improvements on the site will be considered a total loss. The acquisition goes through the rental home. It will be demolished by the state. Although the site is land locked, it can be reached by the adjoining tract owned by Ladika.

In summary the site will have the owner's house. The rental house will be demolished. Access to the owner's house will be via a new curb cut about 260 feet east of the existing driveway. The only access to the entire site will be from the 114.04 feet of remaining frontage on McDaniel's Road.

Before Acquisition After Acquisition**PRESENT USE AND/OR HIGHEST AND BEST USE ANALYSIS:**Owner's home and site**Highest and best use as if vacant**

Physically Possible – The site will be 18.1511 acres in size. It is large enough for development. Such developments could include residential and small commercial. The site is entirely in the 100-year flood hazard. Any development must be built 2 feet above the flood plain. Most of the site is in the flood way. No development can occur in the flood way. Access is on the far east end of the site. The awkward access greatly limits development possibilities. With all these negative influences development is very difficult and expensive from a physically possible point of view.

Legal Limitations – The subject is zoned A-1. This zoning allows one single family dwelling per tax parcel. Legal limitations exclude multifamily, industrial, and commercial uses. County ordinances require any building to be built 2 feet above the 100 year flood elevation. No development can occur in the flood way. Legal limitation then make development even more unlikely.

Economic Limitations – The neighborhood supports residential uses as well as agricultural uses. The cost of building a single-family house in a flood hazard and the poor access excludes residential construction from the highest and best use. Some type of agricultural use is the only remaining potential use.

Most Profitable Use – The most profitable use of the property would be for agricultural use.

Highest and Best Use – The highest and best use of the property would be for agricultural use.

Highest and best use as improved

Physically Possible – The home is 1,622 sq.ft. in size. The room arrangements would make conversion into commercial use difficult. A new septic would be required as the current one was lost in the acquisition. About 320 feet of driveway would be required to get access to the home. Access will only be available on the far east end of the site. Setback on the existing house is reduced from 75' to 33'.

Legal Limitations – The subject is zoned A-1. This zoning allows one single family dwelling per tax parcel. Legal limitations exclude multifamily, industrial, and commercial use.

Economic Limitations – The neighborhood supports residential uses as well as agricultural uses. The location in a flood hazard requires flood insurance for mortgage loans. This plus the risk due to the flood hazard reduces the selling price. From an economic point of view the cost of curing the driveway and septic systems plus the damages to the house due to the reduction in set back may be in excess of the contribution to value of the house. If so the house should be demolished.

Most Profitable Use – The most profitable use of the property after the acquisition will depend on the value of the damages and the cost to cure items.

Highest and Best Use – The highest and best use of the property may be continued use as a single family dwelling or it may be the demolition of the improvements.

The highest and best use as improved and as if vacant are different. This is a negative influence on value.

Rental home and site**Highest and best use as if vacant**

Physically Possible – The site is 4.6503 acres in size. It is large enough for small development. Such developments could include residential and small commercial. The site is entirely in a 100-year flood hazard and most of it is in the flood way. The site is land locked. The only use of the site is as a side lot addition to Ladika's adjacent home site.

Legal Limitations – The subject is zoned A-1. This zoning allows one single family dwelling per tax parcel. Legal limitations exclude multifamily, industrial, and commercial uses. County ordinances require any building to be built 2 feet above the flood plain.

Economic Limitations – The neighborhood supports residential uses as well as agricultural uses. The const of building a single-family house in a flood hazard probably excludes residential development.

Most Profitable Use – the most profitable use of the property would be for agricultural use.

Highest and Best Use – The highest and best use of the property would be for agricultural use.

Highest and best use as improved

The home will be lost in the acquisition.

VALUATION PROCEDURE:

The rental site and the home owner's site will both be valued separately.

The cost approach will be used to estimate the value of the land improvements. The age of the homes would make estimating depreciation difficult and therefore will not be used.

The sales comparison approach will be used. I will compare the subject to similar land and improved sales.

The income approach is not applicable.

The estimate of value by the sales comparison approach will be allocated to land, land improvements, and buildings.

MARKET GRID

IMPROVED
 UNIMPROVED

BEFORE ACQUISITION
 AFTER ACQUISITION

Adjustments (Use Plus if subject is better or Minus if subject is poorer)					
Comparable Number	Subject	RBL 6	RBL 14	RBL 19	RBL 21
Date of Sale	X X X X	1998	1992	1998	1999
Size (acres)	18.151	19.360	16.000	5.900	12.270
Sale Price	XXXXX	\$ 110,000	\$ 65,000	\$ 20,000	\$ 35,000
Sale Price (per acre)	X X X X	\$ 5,681.82	\$ 4,062.50	\$ 3,389.83	\$ 2,852.49
Property Rights	Fee Simple				
Financing	Conventional				
Condition of Sale	Arm's Length				
Market Conditions (Time)	2003	\$ 852.27	\$ 1,340.63	\$ 508.47	\$ 342.30
Adjusted Sale Price (per sq. ft.)	X X X X	\$ 6,534.09	\$ 5,403.13	\$ 3,898.31	\$ 3,194.78
Shape	Awkward	Good	Good	Awkward	Awkward
Shape adjustment		\$ (653.41)	\$ (540.31)		
Location	McDaniel	US 41	Viscaya P	Springhill	Payne
Location adjustment		\$ (1,633.52)			
Size Adjustment					
Flood Hazard	Yes	No	No	No	No
		\$ (1,633.52)	\$ (1,350.78)	\$ (974.58)	\$ (798.70)
Utility	None	None	None	None	None
Utility adjustment					
Net Adjustment (+ or -)		\$ (3,920.45)	\$ (1,891.09)	\$ (974.58)	\$ (798.70)
Indicated Value of Subject	X X X X	\$ 2,613.64	\$ 3,512.03	\$ 2,923.73	\$ 2,396.09
	Average	\$ 2,861.37			

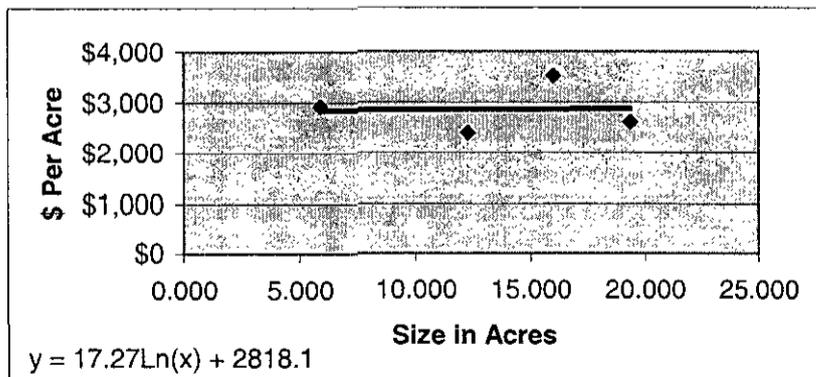
Explanation and Justification of Adjustments:

Even though it was determined that the highest and best use of the site is as agriculture, I elected to use residential comparables. The size of the subject is smaller than most agriculture tracts. I accounted for the flood hazard making the conclusions reasonable. Date of sale adjustments were based on an average annual increase in price of 3%. This is near the rate of inflation. Location adjustments were made assuming that sites on US 41 are about 25% better than sites off of US 41. Utility adjustments were not needed. Size adjustments were done graphically below. Looking at the comparables before adjustments for size shows that size adjustments are not needed. Flood adjustments were done assuming that land in flood hazard is 25% poorer and a flood way is 50% poorer than those sites not in the flood hazard. The subject is over 90% in the floodway. Shape adjustments were done assuming awkward shaped sites are 10% poorer than sites of good shape.

Correlation:

All comparables are of equal importance. The range in values before accounting for size is \$2,396 to \$3,514 with a mean of \$2,861. Below you can see the graph adjusting for size. It doesn't appear as though an adjustment is needed. Before the acquisition the value per acre was \$2,750. For 18.151 acres, this indicates a value of \$49,915.53

Correlated Value \$49,916



Value Before the Acquisition \$52,058
Value After the Acquisition \$49,916
Lost in the Acquisition \$ 2,142

Rental Home Site

ALA-CF-6
Rev 5-97
State Form 24671

PROJECT STP-291-1(002) PARCEL 25

MARKET GRID

IMPROVED
 UNIMPROVED

BEFORE ACQUISITION
 AFTER ACQUISITION

Adjustments (Use Plus if subject is better or Minus if subject is poorer)					
Comparable Number	Subject	RBL 20	RBL 22	RBL 19	RBL 21
Date of Sale	X X X X	2000	1999	1998	1999
Size (acres)	4.650	7.710	4.000	5.900	12.270
Sale Price	XXXXX	\$ 32,500	\$ 19,000	\$ 20,000	\$ 35,000
Sale Price (acres)	X X X X	\$ 4,215.30	\$ 4,750.00	\$ 3,389.83	\$ 2,852.49
Property Rights	Fee Simple				
Financing	Conventional				
Condition of Sale	Arm's Length				
Market Conditions (Time)	2003	\$ 379.38	\$ 570.00	\$ 508.47	\$ 342.30
Adjusted Sale Price (per sq. ft.)	X X X X	\$ 4,594.68	\$ 5,320.00	\$ 3,898.31	\$ 3,194.78
Shape	Awkward	Good	Good	Awkward	Awkward
Shape adjustment		\$ (459.47)	\$ (532.00)		
Location	McDaniel	Oregon Ch	Oregon Ch	Springhill	Payne
Location adjustment					
Size Adjustment					
Flood Hazard	Yes	No	No	No	No
		\$ (1,148.67)	\$ (1,330.00)	\$ (974.58)	\$ (798.70)
Utility	None	None	None	None	None
Utility adjustment					
Net Adjustment (+ or -)		\$ (1,608.14)	\$ (1,862.00)	\$ (974.58)	\$ (798.70)
Indicated Value of Subject	X X X X	\$ 2,986.54	\$ 3,458.00	\$ 2,923.73	\$ 2,396.09
	Average	\$ 2,941.09			

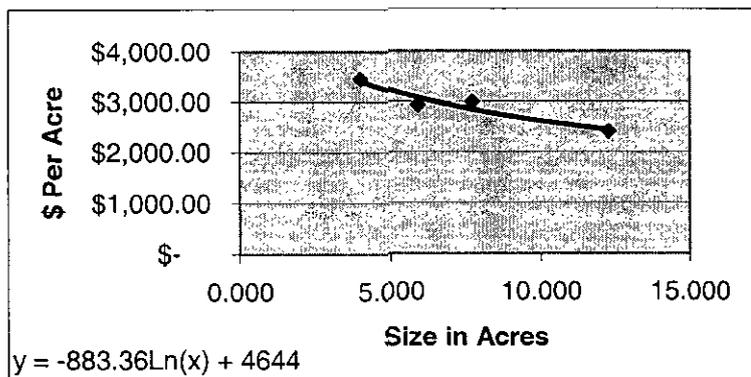
Explanation and Justification of Adjustments:

Even though it was determined that the highest and best use of the site is as agriculture, I elected to use residential comparables. The size of the subject is smaller than most agriculture tracts. I accounted for the flood hazard making the conclusions reasonable. Date of sale adjustments were based on an average annual increase in price of 3%. This is near the rate of inflation. Location adjustments were made assuming that sites on US 41 are about 25% better than sites off of US 41. Utility adjustments were not needed. Size adjustments were done graphically below. Looking at the comparables before adjustments for size shows that size adjustments are not needed. Flood adjustments were done assuming that land in flood hazard is 25% poorer and land in a flood way is 50% poor than those sites not in the flood hazard. The subject is about 65% in the flood way. The adjustment will be 40%. Shape adjustments were done assuming awkward shaped sites are 10% poorer than sites of good shape.

Correlation:

All comparables are of equal importance. The range in values before accounting for size is \$2,396 to \$3,458 with a mean of \$2,941. Below you can see the graph adjusting for size. Before the acquisition, the land was valued at \$3,000 per acre. For 4.6503 acres x \$3,000/acre = \$13,951

Correlated Value \$13,951



Total land value after the acquisition	
Owner's Site	\$49,916
Rental Site	\$13,951
Total	\$63,867

COST APPROACH BEFORE ACQUISITION AFTER ACQUISITION (If no changes do not repeat)

BASIS FOR UNIT COSTS

VALUATION OF LAND IMPROVEMENTS

All of the land improvements for the rental house will be considered a total loss.

Land Improvements	No. of Items	Cost	Dep	Dep. Cost	Total Dep. Cost
Concrete	840	\$ 3.50	50%	\$ 1.75	\$ 1,470.00
Grass	32220	\$ 0.43	75%	\$ 0.11	\$ 3,463.65
Total					\$ 4,933.65

Land Improvements Owner's Site

Value Before \$12,822
 Lost in the Acquisition \$ 4,934
 Value After the Acquisition \$ 7,066

TOTAL \$ 7,888

SUMMARY OF COST APPROACH

LAND \$ 63,867
 LAND IMPROVEMENTS \$ 7,888
 BUILDINGS \$

TOTAL INDICATED VALUE BY COST APPROACH \$

ALA-CF-13

5/97

State form 25125

INCOME APPROACH

Project

STP-291-1(002) Parcel

25

BEFORE ACQUISITION

AFTER ACQUISITION

Net Income

N/A

Rate

N/A

Value

N/A

Support:

MARKET GRID

IMPROVED
 UNIMPROVED

BEFORE ACQUISITION
 AFTER ACQUISITION

		Adjustments					
Comparable Number	Subject	IR 28	IR 29	IR 30	IR 23	IR 5	IR 8
Date of Sale	X X X X	2000	2002	2002	2002	1999	2000
Size sq.ft.	1,622	1,608	1,276	1,848	882	1,531	2,030
Sale Price	X X X X	\$ 30,000	\$ 97,500	\$ 110,000	\$ 120,000	\$ 83,000	\$ 87,000
Property Rights	Fee Simple	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Financing	Conventional	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Condition of Sale	Arm's Length	\$ -	\$ -				
Market Conditions (Time)	2003	\$ 4,800	\$ 1,950	\$ 2,200	\$ 2,400	\$ 6,640	\$ 5,220
Concessions				\$ -	\$ -	\$ -	\$ -
Adjusted Sale Price	X X X X	\$ 34,800	\$ 99,450	\$ 112,200	\$ 122,400	\$ 89,640	\$ 92,220
All Price for Land	\$ 52,058	\$ 24,000	\$ 45,000	\$ 48,000	\$ 66,000	\$ 13,900	\$ 21,000
All Price for Home	X X X X	\$ 60,800	\$ 54,450	\$ 64,200	\$ 56,400	\$ 76,340	\$ 71,220
All Price for Basements	X X X X	\$ -	\$ 3,000	\$ -	\$ 2,000		
Living Area Size (in sq.ft.)	1,622	1,608	1,276	1,848	882	1,531	2,030
	\$ -	\$ 353	\$ 9,291	\$ (5,229)	\$ 30,397	\$ 3,022	\$ (9,533)
Date Built	1954	1964	1900	1967	1960	1918	1964
		\$ (3,040)	\$ 13,892	\$ (4,173)	\$ (1,632)	\$ 13,741	\$ (3,561)
Condition	Average	Average	Average	Average	Good	Good	Average
					(5,440.0)	(7,634.0)	
Room Count	6,2,2	6,3,2	5,3,1	5,4,2	5,2,1	5,2,2	8,4,1.5
Bathroom Adjustment		\$ -	\$ 2,000.00	\$ -	\$ 2,000.00	\$ -	\$ 1,000.00
Site Value Adjust		\$ 28,058	\$ 7,058	\$ 4,058	\$ (13,942)	\$ 38,758	\$ 31,058
Location	McDaniel	Harlan	Oregon Chur	Rio Grande	Curry	Bono	Moyer
		0	0	0	0	0	0
Basement, sq. ft.	0	0	600	0	400	0	0
		\$ -	\$ (3,000)	\$ -	\$ (2,000)	\$ -	\$ -
Finished Bsmt area	0	0	0	0	0	0	0
		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Outbuildings	2-Car Det	None	2 Car Det	1-Car Det	1-Car Att	2 car det	2 Car Det
		\$ 4,000	\$ -	\$ 2,000	\$ -	\$ -	\$ -
	Shed	None	None	None	None	None	None
		\$ -			\$ -	\$ -	\$ -
Deck/Porch/Pool	Deck	Porch	Porch	Porch	Porch	Porch	Porch
		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Utilities	No Sewer/water	No Sew	No Sew/wat	No Sew/Wat	No Sew/Wat	All	All
		\$ (1,000)	\$ -	\$ -	\$ -	\$ (2,000)	\$ (2,000)
Exterior	Vinyl	Brick	Vinyl	Vinyl	Vinyl	Vinyl	Vinyl
		\$ (2,000)			\$ -	\$ -	\$ -
Flood Hazard	Yes	\$ (4,020)	\$ (3,190)	\$ (4,620)	\$ (2,205)	\$ (3,828)	\$ (5,075)
Less Loss in Land		\$ (2,142)	\$ (2,142)	\$ (2,142)	\$ (2,142)	\$ (2,142)	\$ (2,142)
Less Loss in Improvements		\$ (4,933)	\$ (4,933)	\$ (4,933)	\$ (4,933)	\$ (4,933)	\$ (4,933)
Net Adjustment (±)		\$ 15,270	\$ 13,970	\$ (15,039)	\$ 103	\$ 34,985	\$ 8,844
Value of Subject	X X X X	\$ 100,076	\$ 118,426	\$ 97,161	\$ 122,503	\$ 124,625	\$ 97,034

Mean = \$ 109,971

Explanation and Justification of Adjustments:

Date of sale adjustments are slowly increasing in Terre Haute, say 2% per year on average.
 Living area size adjustments are based on 66% of the allocated price per sq.ft. of the comparable's living area.
 Date built adjustments are based on .5% per year of age difference times the allocated sales price of the house.
 Condition adjustments are based on 10% of the house allocation for differences in condition.
 Room Count adjustments are primarily used to account for differences in the number of bathrooms. \$2,000 for a full bath and \$1,000 for a 1/2 bath.
 Site value adjustments are based on the difference between the subject's estimated land value and the comparables allocated land value.
 Location adjustments were not needed.
 Basement adjustments are based on allocated value differences or about \$5.00 per sq.ft. of basement area and \$3.00 per sq.ft. for finished area.
 Outbuildings are generally based on attached garages being better than detached and large garages being better than small garages.
 Utility adjustments are based on sewers being \$2,000 better than septic.
 Exterior adjustments are based on brick being \$2,000 better than aluminum and vinyl and \$3,000 better than wood and \$4,000 better than asphalt siding.
 Flood hazard adjustments are based on capitalizing at .10 the estimated premium of flood insurance. The premium is about \$5 per \$1000 of replacement cost. If we estimate replacement cost at \$50 per sq. ft. then the premium is about \$.25 per sq. ft. and the loss in value is about \$2.50 per sq. ft.

Correlation:

All comparables are of equal importance. I estimated the value as improved before the acquisition to be \$117,000. \$117,000 less loss in land of \$2,142 and loss in land improvements of \$4,933 leads to a value after the acquisition of \$109,925.

Correlated Value \$109,925

Rental Site

ALA-CF-6
Rev 5-97
State Form 24671

PROJECT STP-291-1(002) PARCEL 25

MARKET GRID

IMPROVED
 UNIMPROVED

BEFORE ACQUISITION
 AFTER ACQUISITION

Explanation and Justification of Adjustments:

The rental home is lost in the acquisition.

Correlation:

Correlated Value _____

OTHER COMPENSABLE ITEMS

COST-TO-CURE

Cost to cure items include; moving the septic system to the south of the home.

Cost to Construct a New Driveway

This is included in the contract to build the road. It is not a cost to cure item.

Cost to Move Septic South of the Dwelling

The septic system is located north of the home. About 50% of the field disposal system is in the acquisition and will be treated as a cost to cure item. The records of the Vigo County Health Department show that the owner did not have a permit to install the septic system and that no inspection was made to the system when it was installed in 1986. The system is then an "illegal" septic system. It was however approved by the Health Department after it was installed. The Health Department then has no record as to the design of the system. A new field disposal system will be required. The site is in a 100 year flood hazard area as defined by FEMA. The soil survey for Vigo County shows the soil on the site as having poor pecculation. The combination of these two factors requires an usually large system with a perimeter drain. The attached proposal from Hayworth Construction Co., Inc is for \$4,465.

Total cost to cure items are then \$4,465

\$ 4,465

TEMPORARY R.W AND /OR PROVISIONAL R/W

There are two temporary easements

Parcel 25b is a temporary easement on Lot 2 containing .2625 acres.

Parcel 25c is a temporary easement on Lot 1 containing .0314 acres

Parcel 25b (lot 2 - owner's site)

Size in acres	.2625
Estimate of land value	\$21,750
Construction period	3 years
Estimated fair rate of return	10%
Present worth factor @ 10% for 3 years payable in advance	2.7355

The value of the proposed temporary easement is calculated as follows:
 .2625 acres x \$2,750 per acre x 10% x 2.7355 = \$197.47

Parcel 25c (lot 1 - rental site)

Size in acres	.0314
Estimate of land value	\$3,000
Construction period	3 years
Estimated fair rate of return	10%
Present worth factor @ 10% for 3 years payable in advance	2.7355

The value of the proposed temporary easement is calculated as follows:
 .0314 acres x \$3,000 per acre x 10% x 2.7355 = \$25.77

\$ 223

SPECIAL BENEFITS

\$ _____

EXCESS LAND

\$ _____

SEVERANCE DAMAGES

Owner's Site

Severance damages to the owner's home in terms of loss in access and reduction in set back.

Reduction in setback.

Damages to the house is present due to the reduction in setback. Studies by others and provided to me by INDOT suggest that a reduction in setback causes a reduction in the value of the affected building. This reduction is equal to about half of the percentage reduction in setback. For example, if setback is reduced from 100 feet to 90 feet or 10%, then the contribution to value of the buildings is reduced by 5% (50% x 10%). The subject house contributes \$52,120. Setback was 79 feet, after the acquisition it is 37 feet. This is a 53% reduction in set back.

$50\% \times 53\% \times \$52,120 = \mathbf{\$13,812}$

Loss in Access

I am not aware of any studies done that show damages caused by awkward access. The driveway will be 320' long after the acquisition. Access will require a longer drive to reach the public road. Probably any loss in value is included in the above estimate of set back damages. In my opinion no loss in value due to the longer driveway is present.

The rental site does not suffer damages. The highest and best use after the acquisition is agricultural. Access to the lot is via the adjoining land owned by Ladika. Access from McDaniel Road is not required. The access will be suitable for the highest and best use of the land which will be some sort of agricultural use.

\$ 13,812

Value of the owner's house after the acquisition

Value Before	\$52,120
Less Septic Replacement	\$ 4,465
Less Setback Damages	<u>\$13,812</u>
Total loss in value	\$18,277
Value after the acquisition	\$33,843

	Before	After	Due to Owner
Land			
Owner's	\$ 52,058	\$ 49,916	\$ 2,142
Rental	\$ 16,260	\$ 13,951	\$ 2,309
Total	<u>\$ 68,318</u>	<u>\$ 63,867</u>	<u>\$ 4,451</u>
Land Improvements			
Owner's	\$ 12,822	7888	\$ 4,934
Rental	\$ 7,569	0	\$ 7,569
Total	<u>\$ 20,391</u>	<u>\$ 7,888</u>	<u>\$ 12,503</u>
Buildings			
Owner's	\$ 52,120	\$ 33,843	\$ 18,277
Rental	\$ 48,171	\$ -	\$ 48,171
Total	<u>\$ 100,291</u>	<u>\$ 33,843</u>	<u>\$ 66,448</u>
Grand Totals			
Owner's	\$ 117,000	\$ 91,647	\$ 25,353
Rental	\$ 72,000	\$ 13,951	\$ 58,049
TOTAL	<u>\$ 189,000</u>	<u>\$ 105,598</u>	<u>\$ 83,402</u>
		Plus Temporary right of way	\$ 223
	Total Due to Owner		<u><u>\$ 83,625</u></u>

VALUE ESTIMATE AFTER R/W ACQUISITION

COST APPROACH	MARKET APPROACH	INCOME APPROACH
	\$105,598	

CORRELATION AND FINAL VALUE ESTIMATE

Land	\$63,867
Land Improvements	\$ 7,888
Buildings	\$33,843
CORRELATED FAIR MARKET VALUE AFTER ACQUISITION	\$105,598
Less Any Cost-to-Cure, Temporary or Provisional R/W	\$ 223
ESTIMATE OF FAIR MARKET VALUE AFTER ACQUISITION	\$105,375

BREAKDOWN OF ESTIMATED COMPENSATION

Estimate of Fair Market Value Before Acquisition	\$189,000
Estimate of Fair Market Value After Acquisition	\$105,375
DIFFERENCE	\$83,625

VALUE OF ACQUISITION

Land (\$/Unit X No. Units)		
\$2,750 x .7789 acres	\$2,142	
\$3,000 x .7697 acres	\$2,309	
Total Land		\$4,451

Land Improvements (\$/Unit X No. Units)

Owner's		
Concrete	\$1,470	
Grass	\$3,464	
Rental		
Crushed Rock	\$ 386.40	
Grass	\$4,682.70	
Landscaping	\$2,500.00	
Total Land Improvements		\$12,503

Buildings

Rental	\$48,171	
Total Buildings		\$48,171
Total Value of Acquisition		\$65,125

INDICATED LOSS IN VALUE TO RESIDUE;

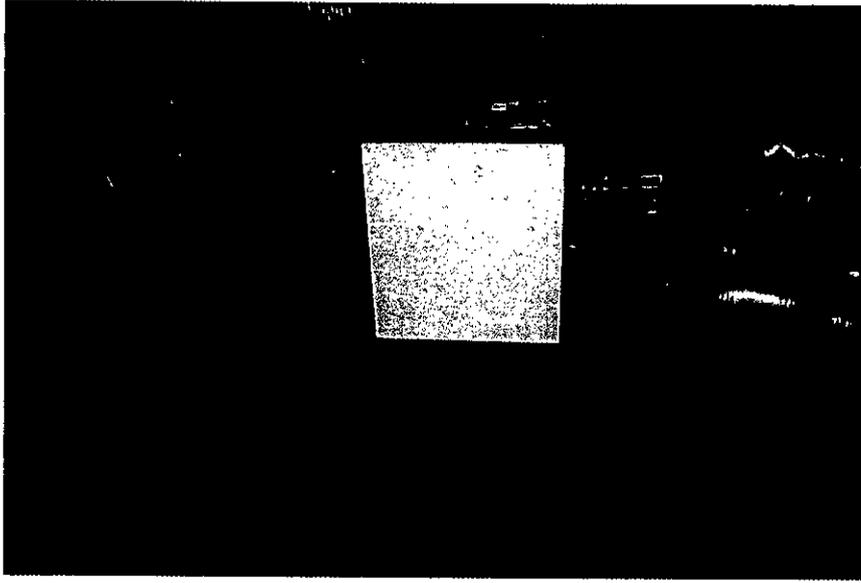
Cost-to-Cure	\$4,465
Severance Damage	\$13,182
Less Special Benefits	\$ 0
Indicated Loss in Value	\$18,277

COMPENSATION FOR USE OF R/W:

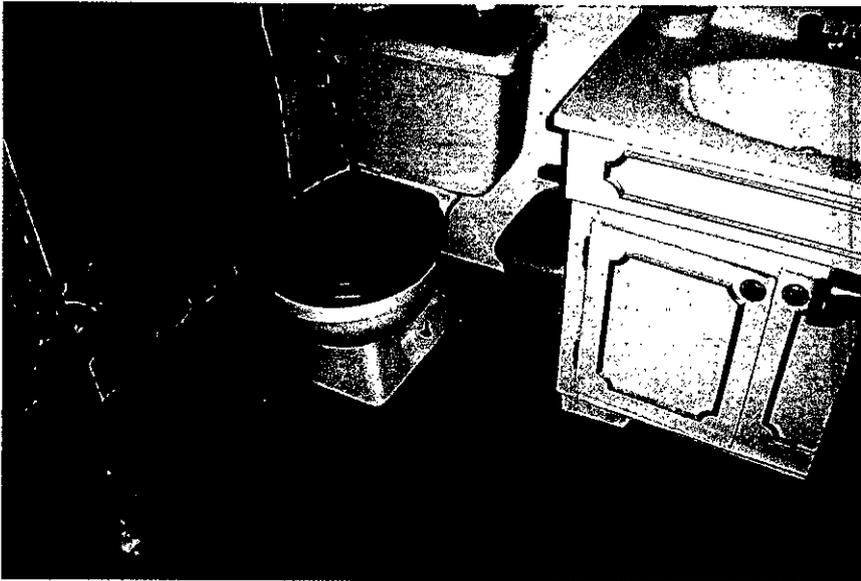
Total Temporary R/W	\$ 223
Total Provisional R/W	\$ 0

ESTIMATE OF FAIR MARKET VALUE FOR ALL R/W ACQUIRED	\$83,625
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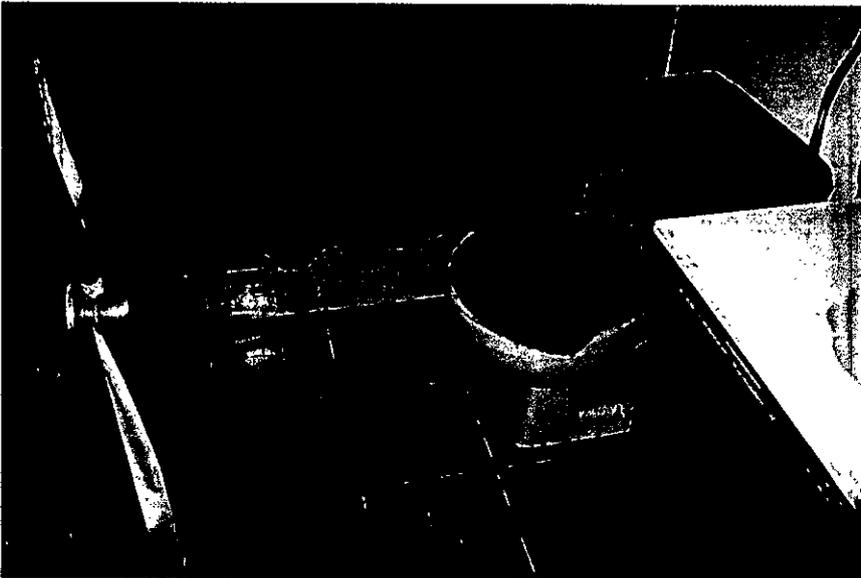
OWNER



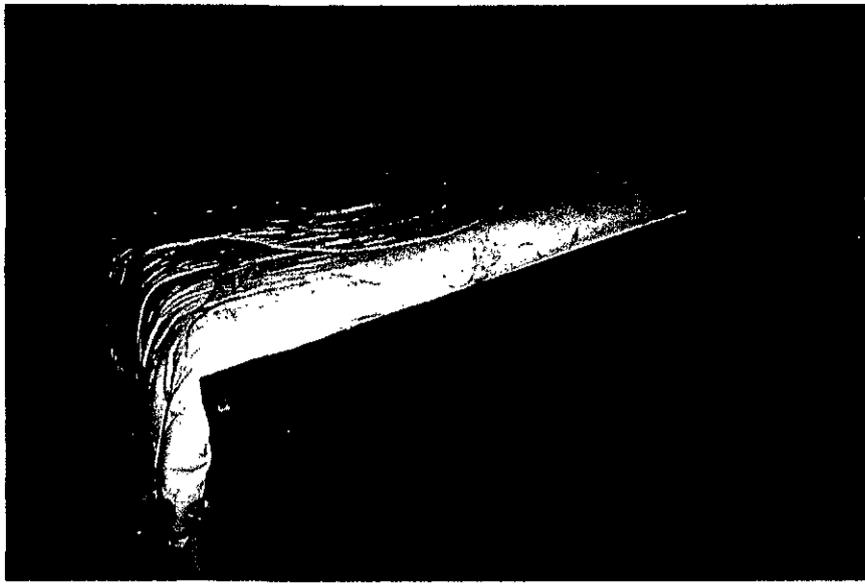
Game room



Bath



Bath



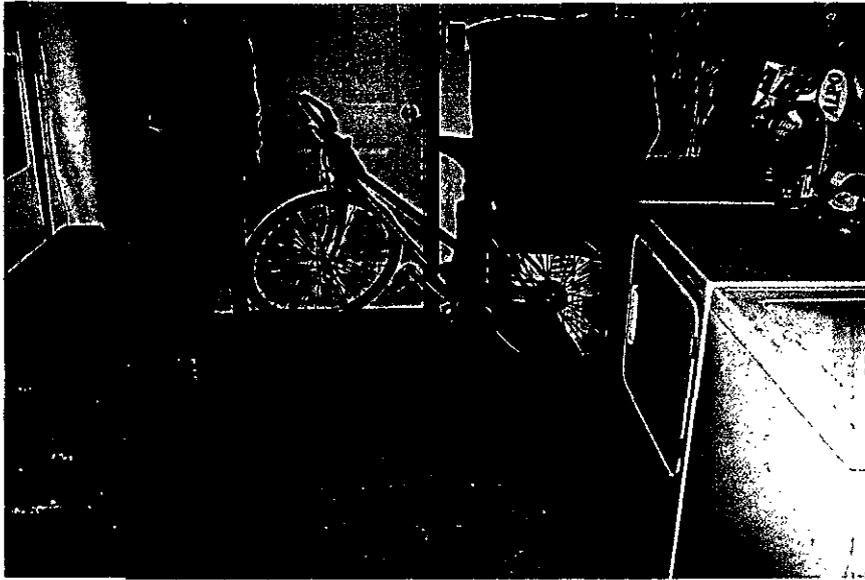
Bedroom



Kitchen



Family room



Utility



Looking north from the subject.



Looking south at the subject.

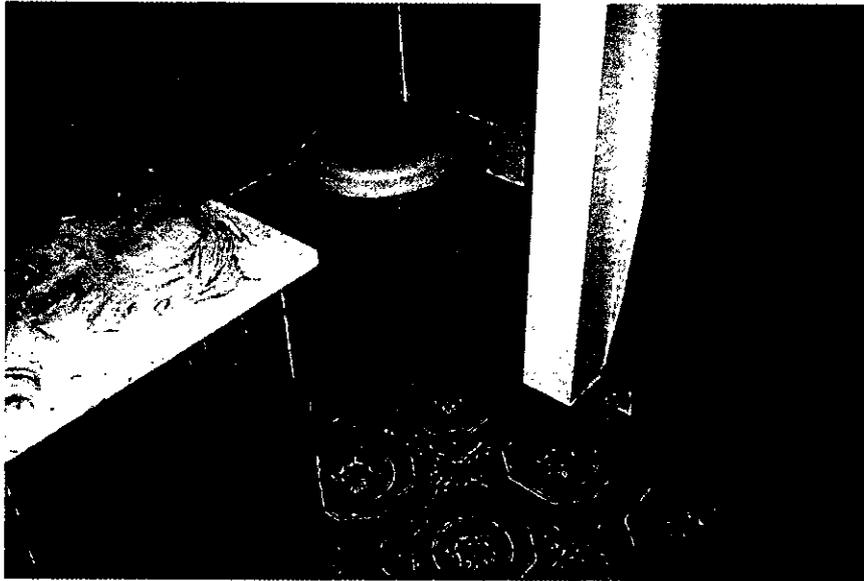


Looking east along McDaniel's Road

RENTAL



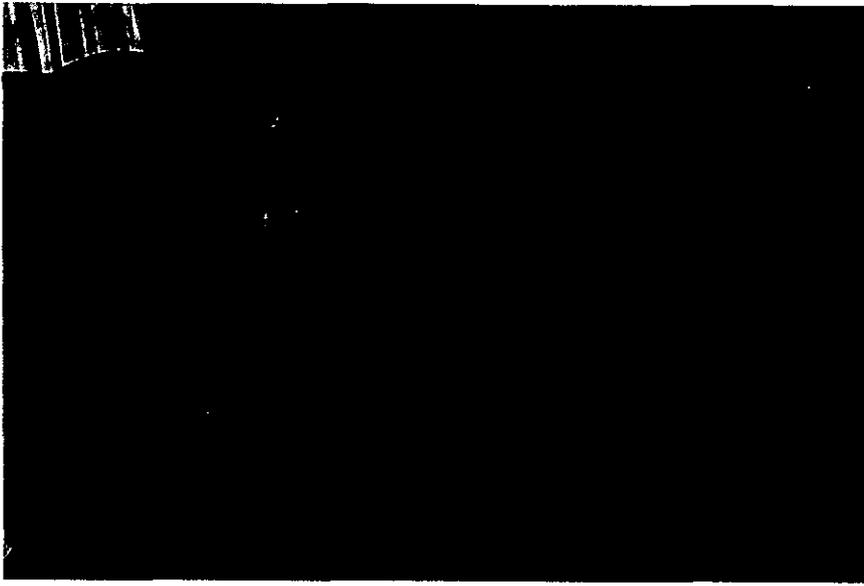
Bedroom



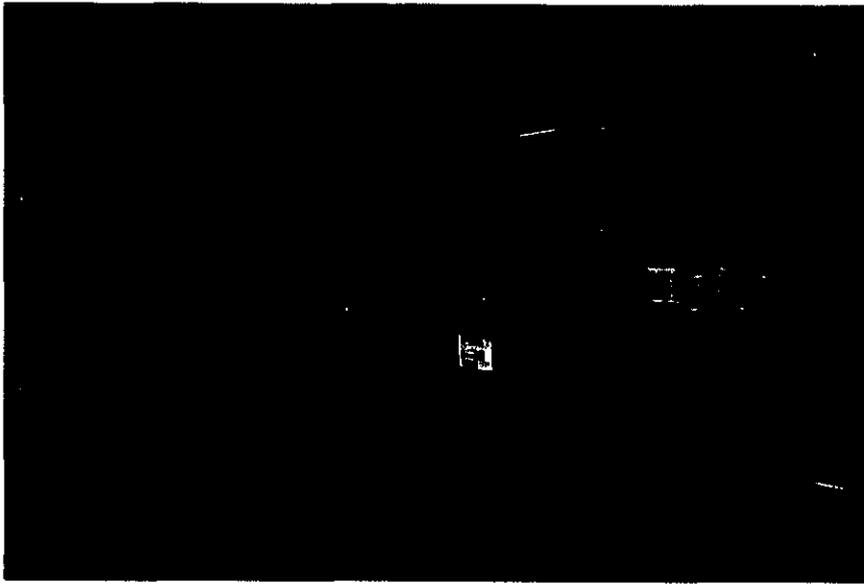
Bath



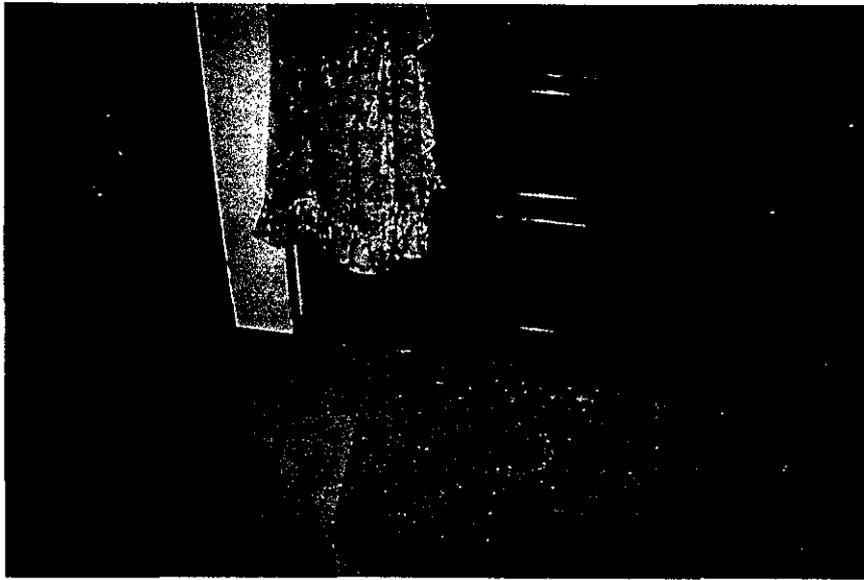
Utility Room



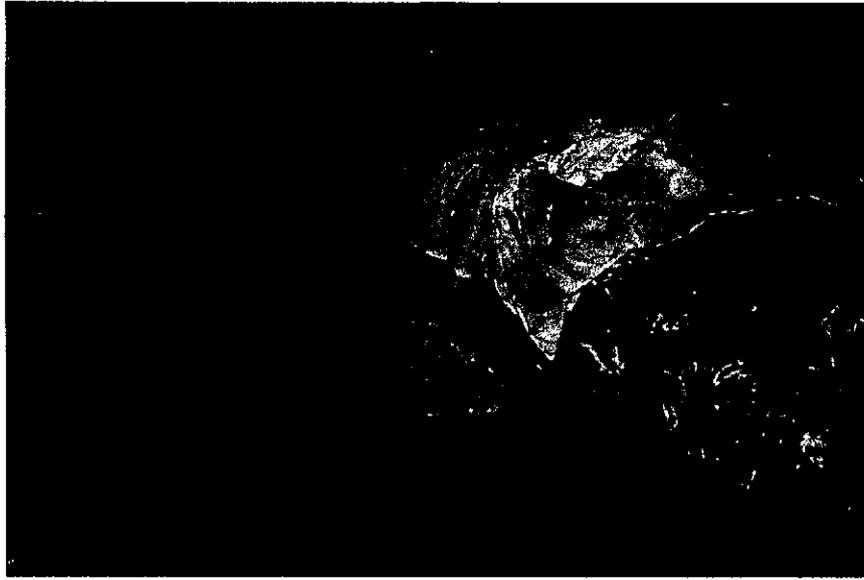
Family room



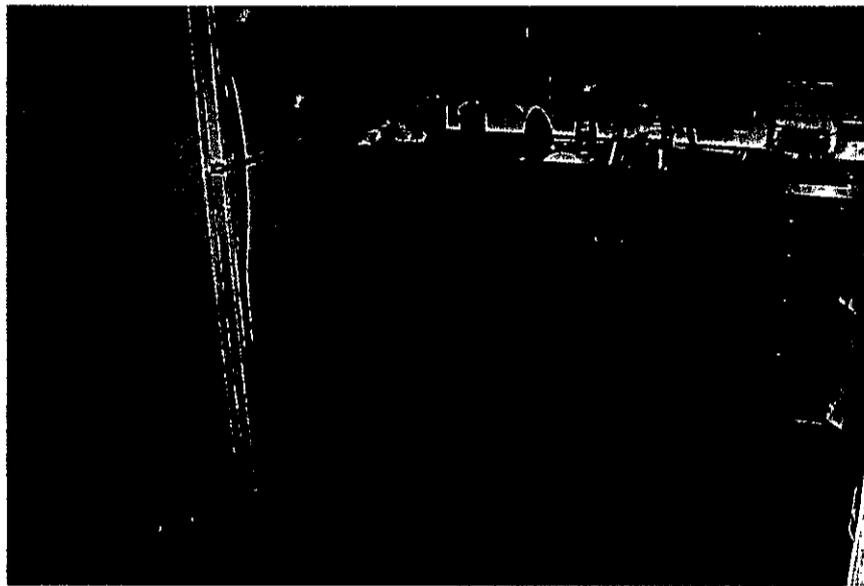
Living room



Bath



Bedroom



Kitchen



Looking south at the subject.



Looking north from the subject.



Looking west along McDaniel's Road



Looking east along McDaniel's Road



Looking south at the outbuildings.

