Attachment D

HEARTLAND PROPERTIES, INC.
HeartlandProperties.com

712.325.0445
535 W Broadway, Suite 100
Council Bluffs, IA 51503

July 28, 2021

Mr. Richard Wade
Council Bluffs City Attorney
209 Pearl Street
Council Bluffs, Iowa 51503

Dear Mr. Wade,

As per your request, I have created a Real Estate Broker's Opinion on the market value of the public right-of-way located adjacent and east of **4220 Gifford Road, Council Bluffs, Iowa, 51501** (currently known as Twin Cities Christian Church).

**Taxes:** None as it is public right-of-way.

**Utilities:** Electricity, gas, city water and city sewer serve the property.

**Land Size:** 1.28 Acres m/l (55,756 sq. ft.)

**Location:** Good. The property is in an area where there is a lot of industrial development occurring.

**Site Improvements:** None. The site is encumbered with utility easements and a driveway entrance crossing the right-of-way as the primary access to the church. It also has a wetlands designation on a majority of the property which will have to be delineated by the Rock Island Corp of Engineers to allow any construction of any type to occur.

The site would need 1.5 to 2 feet of dirt fill to blend into the existing church property, which sits much higher. That cost would run approximately $50,000.00 to complete.

**Zoning:** R-2. Churches are allowed to go into about any zoning that is allowed in Council Bluffs.

**Highest and Best Use:** I-2 Industrial and potentially I-1 Industrial. We would need to go through rezoning to allow the property to be sold.

**Determination of Value:** There are three approaches to determine market value. They are as follows: cost approach, income approach and sales comparison approach. I recommend we use the sales comparison approach and incorporate development costs that would be required to do to it to make it a marketable property and use it for its highest and best use.

**Assessed Valuation:** The property is currently not on the tax rolls but is assessed as a non-taxable entity at $114,000.00.

**Site Discussion:** In order to make this site developable, it would require somewhere to $1.00 to as much as $1.50 per sq. ft. to get it site ready. There is a fill issue, utility easements, driveway easement and it is a designated wetlands area. Remember, I am valuating the site that contains 1.28 acres only. The analysis must contain that site only and it alone is probably not developable unless joined with the site abutting to the west which includes the current church property. You cannot compare it to a site ready parcel and the configuration and easements make it alone non developable.

An important factor to acknowledge is that none of the properties, including the City of Council Bluffs and Twin City Christian Church are on the property tax rolls paying property taxes. You should look at this as an opportunity to take three parcels, of which two you own and one owned by the church and are putting it back on the tax rolls. It will eventually be a minimum of $2,000,000 to $5,000,000 development on assessed valuation basis. This will generate on the low end of $72,666.00 per year to as high or higher potentially $181,665.00 per year in property taxes. You are currently receiving zero dollars in property taxes on all three of these parcels. In the big picture, the development will create jobs also.

In summary, the property is not a site ready building pad and has numerous issues. The fact alone, it is not buildable in its current state and that is legally how you appraise a parcel is how it sits alone and what is worth today.

I am happy to present my analysis and verbally explain before the Planning Commission and City Council, as on paper alone it is hard to paint the actual picture. I would prefer to do that as I really pride myself in being knowledgeable and fair to all.

Therefore, subject to the above analysis and attached sales, I find **Fair Market Value of the subject property to be $27,878.40 per acre to no higher than $30,665.80 per acre.** That is range of $0.50 to $0.55 cents per sq. ft. I believe this is as fair as one can be if you look at the entire picture and unfortunately, a lot of people do not.

Please see attached comparable properties that are currently pending with closing soon to occur, sold properties and active listings all in the general area of the subject property. They all have the same intended use.

This is not intended to be a Certified Appraisal as I am not a certified appraiser. This is an opinion of value only by a licensed Real Estate Broker.

Sincerely,

John H. Jerkovich
President – Broker

Qualifications: I, John H. Jerkovich, have been actively involved in listing and selling real estate since 1984.

Attachments: Comparable properties and assessor cards.