

The Town of Perry has additional authority over land use planning and land divisions involving the subject property. This includes approval of driveways and siting of improvements. Properties may not be developed without town approval. Additionally, the Town of Perry does not allow for farmstead splits without impacting the zoning density for the overall tract. As such, the owner's entire 63.39 acres may only be developed with the existing residence or its replacement. Development of a second residence would require additional land.

Land uses permitted within this district generally include a broad range of agricultural, single-family residential, outdoor recreational and forestry (timber management) uses. Land uses that are prohibited generally include commercial, industrial and intensive residential subdivision. The current uses of the subject property conform to zoning.

The easement is divided into three zones. A forest zone, a grassland zone and a prairie remnant zone. The subject's easement provisions adversely impact on the otherwise legal private estate interests in the easement encumbered lands on the subject in the following areas:

- Relocating the existing residence to the encumbered lands is prohibited.
- Nonresidential buildings and structures are restricted.
- Commercial and industrial uses of the property are prohibited.
- Agricultural uses of the property are restricted.
- Outdoor recreational uses of the property are restricted.
- Timber management uses of the property are restricted.
- Motorized vehicle access (including snowmobiles and ATV's) is restricted.
- Dumping and outside storage are restricted
- Advertising signs and billboards are prohibited. Signage is restricted.
- Mineral and surface alterations are restricted.
- Land divisions and subdivisions (legal and *de facto*) of the property or property rights are prohibited on the encumbered lands.

A 10 acre m/l remainder area is excluded from the easement encumbrance. The existing residence is permitted on this area. Market absorption of parcels with the subject's combination of easement provisions will be negatively impacted through altered and reduced levels of buyer demand. A significant number of buyers will find the easement provisions unacceptable and will terminate their interest in purchasing an eased property. Other buyers will simply discount their offering prices for the property. This lack of market acceptance must be recognized in any analysis.

ACQUISITION ANALYSIS

RECAPITULATION

My final opinions of fee simple estate market value for the 63.39 acre m/l subject property, as of February 29, 2016, are:

Larger parcel before easement acquisition	\$830,400
Less remainder interests after easement acquisition	- \$697,300
Difference	\$139,600