



Douglas La Follette, *Secretary of State*  
Kurt Schuller, *State Treasurer*  
J.B. Van Hollen, *Attorney General*  
Tia Nelson, *Executive Secretary*

125 S. Webster Street  
Room 200  
PO Box 8943  
Madison, WI 53708-8943

608.266.1370 INFORMATION  
608.266.0034 LOANS  
608.267.2787 FAX  
bcpl.wisconsin.gov

**Managing Wisconsin's trust assets for public education.**

## AGENDA

November 15, 2011

2:00 P.M.

Board of Commissioners of Public Lands  
125 S. Webster Street, Room 200  
Madison, Wisconsin

1. Call to Order
2. Approve Minutes – November 1, 2011
3. Approve Loans
4. Request for Revenue Bond Purchase Authority
5. Proposed Land Bank Sales to the DNR
  - a. Van Vliet Hemlocks (S1201)
  - b. Lehto Bog (S1106)
6. Executive Secretary's Report
7. Adjourn

**BOARD MEETING  
NOVEMBER 15, 2011**

**AGENDA ITEM 2  
APPROVE MINUTES**

Attached for approval are the minutes from the November 1, 2011, board meeting.

Board Meeting Minutes  
November 1, 2011

**ITEM 1. CALL TO ORDER**

Board Chair La Follette called the meeting of the Board of Commissioners of Public Lands to order at 2:00 p.m.

Present were:

Doug La Follette, Board Chair

Kurt Schuller, Commissioner

J.B. Van Hollen, Commissioner

Tia Nelson, Executive Secretary

Tom German, Deputy Secretary

Richard Sneider, Loan Analyst

Secretary of State

State Treasurer

Attorney General

Board of Commissioners of Public Lands

Board of Commissioners of Public Lands

Board of Commissioners of Public Lands

**ITEM 2. APPROVE MINUTES – October 4, 2011**

**MOTION:** Commissioner Schuller moved to approve the minutes; Commissioner Van Hollen seconded the motion. The motion passed 3-0.

**ITEM 3. APPROVE LOANS**

Executive Secretary Nelson said the loans had received legal review.

Municipality	Municipal Type	Loan Amount
1. Cassian Oneida County Application #: 02012046 Purpose: Construct fire department building addition	Town Rate: 3.75% Term: 7 years	\$150,000.00
2. Eagle Lake Prot & Rehab District Racine County Application #: 02012045 Purpose: Recondition weed harvester	Lake District Rate: 3.25% Term: 5 years	\$40,000.00
3. Endeavor Marquette County Application #: 02012044 Purpose: Finance fire protection system	Village Rate: 5.00% Term: 20 years	\$420,000.00
4. Lena Oconto County Application #: 02012036 Purpose: Finance street and utility project	Village Rate: 3.75% Term: 10 years	\$250,000.00
5. Lincoln Monroe County Application #: 02012042 Purpose: Purchase land	Town Rate: 3.75% Term: 10 years	\$30,000.00

6.	Mequon Ozaukee County Application #: 02012041 Purpose: Refinance prior service pension liability	City Rate: 4.25% Term: 10 years	\$1,450,000.00
7.	Mondovi Buffalo County Application #: 02012040 Purpose: Purchase brush cutter	Town Rate: 3.25% Term: 5 years	\$25,000.00
8.	Palmyra Jefferson County Application #: 02012043 Purpose: Purchase fire and rescue equipment	Village Rate: 3.75% Term: 10 years	\$600,000.00
9.	Paris Grant County Application #: 02012037 Purpose: Purchase truck and plow	Town Rate: 3.75% Term: 10 years	\$100,000.00
10.	Pleasant Springs Dane County Application #: 02012039 Purpose: Construct salt shed	Town Rate: 3.25% Term: 1 year	\$54,570.00
11.	Summit Waukesha County Application #: 02012038 Purpose: Finance road maintenance and repair	Village Rate: 3.25% Term: 5 years	\$65,000.00
		TOTAL	\$3,184,570.00

**MOTION:** Commissioner Schuller moved to approve the loans; Commissioner Van Hollen seconded the motion. The motion passed 3-0.

#### ITEM 4. EXECUTIVE SECRETARY'S REPORT

Executive Secretary Nelson reported that AB275, legislation authorizing BCPL to make revenue obligation loans, passed both houses of the legislature unanimously.

#### ITEM 5. ADJOURN

**MOTION:** Commissioner Schuller moved to adjourn the meeting; Commissioner Van Hollen seconded the motion. The motion passed 3-0.



\_\_\_\_\_  
Tia Nelson, Executive Secretary

These minutes have been prepared from a tape recording of the meeting. The summaries have not been transcribed verbatim. Anyone wishing to listen to the tape may do so at the Board of Commissioners of Public Lands, 125 S. Webster Street, Suite 200, Madison, Wisconsin.

**BOARD MEETING  
NOVEMBER 15, 2011****AGENDA ITEM 3  
APPROVE LOANS**

<u>Municipality</u>	<u>Municipal Type</u>	<u>Loan Amount</u>
1. Hazel Green Grant and Lafayette Counties Application #: 02012047 Purpose: Refinance outstanding debt	Village Rate: 3.75% Term: 9 years	\$138,419.29
2. Hortonville Outagamie County Application #: 02012048 Purpose: Refinance well #1 loan	Village Rate: 3.25% Term: 5 years	\$284,742.00
3. Ladysmith Rusk County Application #: 02012049 Purpose: Refinance BCPL loan #20090081	City Rate: 5.00% Term: 17 years	\$594,000.00
	<b>TOTAL</b>	<hr/> <b>\$1,017,161.29</b>

**BOARD MEETING  
NOVEMBER 15, 2011**

**AGENDA ITEM 4  
REQUEST FOR REVENUE BOND PURCHASE AUTHORITY**

**Description of Request**

BCPL staff is requesting that the Board authorize the purchase of up to \$25 million in revenue bonds rated Aa or higher that have been issued by the State of Wisconsin.

**Summary Explanation**

BCPL staff previously requested and received Board authority to invest \$125 million in State of Wisconsin General Obligation (G.O.) Bonds in addition to \$75 million in G.O. Bonds issued by Wisconsin municipalities and school districts rated Aa or higher. Staff has been successful employing the existing authority, and the addition of state and municipal bonds to the BCPL investment portfolio has improved trust fund earnings, increased diversification within trust fund portfolios, and broadened the number of communities served by BCPL. Demand for state trust fund loans continues to be limited, and approximately \$99 million of trust funds are still held in the State Investment Fund (SIF) earning nominal interest. Increasing staff authority for bond investments will provide BCPL with the ability to take advantage of additional opportunities to reduce cash holdings and improve portfolio returns within acceptable risk parameters.

Current volatility and uncertainty in the financial markets has created a 'flight to quality' where investors have moved more of their money into U.S. Treasury notes and bonds. As the demand for these notes and bonds has gone up, the yield has gone down. The result has been record low yields on U.S. Treasury securities and an increase in the spread between the yields obtainable on U.S. Treasury bonds and the yield on other investment quality bonds. In particular, the yields on high quality state revenue bonds have increased significantly relative to Treasury Bonds. This situation presents an opportunity for prudent investment of Trust Funds in higher yielding revenue bonds. BCPL staff recommends that the Board authorize the investment of up to \$25 million in high grade state revenue bonds.

**Analysis**

BCPL currently manages approximately \$873 million in trust fund assets, of which approximately \$583 million is invested in BCPL State Trust Fund Loans to municipalities and school districts, \$191 million is invested in bonds, and \$99 million is invested in the State Investment Fund (SIF).

During 2011, loan demand has declined significantly from the record levels experienced during 2009 and 2010. Staff does not anticipate a dramatic increase in loan demand in the foreseeable future. Therefore, it is possible to invest more trust fund principal in state bonds and still be able to meet the expected loan requests for the foreseeable future.

Expanding the bond purchase authority to include revenue bonds will provide staff with the ability to take advantage of additional opportunities to reduce cash holdings and improve portfolio returns within acceptable risk parameters. Adding revenue bonds to the current portfolio of General Obligation Bonds and State Trust Fund Loans will also improve diversification of the trust fund investment portfolios. While investing in revenue bonds will require additional staff analysis regarding the source and stability of the underlying revenues, limiting investment to revenue bonds rated Aa or higher will help ensure that default risks will remain within acceptable levels.

There are currently three types of revenue bonds that will be targeted by staff because of favorable risk/reward profiles in the current market. These bonds are considered as safe (or nearly as safe - depending on the bond) as the general obligation bonds current authorized as Trust Fund investments, yet offer a yield premium to current investors:

- 1. State of Wisconsin Transportation Revenue Bonds** - These Bonds have a first claim on vehicle registration fees, which continue to provide a stable revenue stream to the State of Wisconsin. These bonds were issued under extremely conservative underwriting standards with estimated program revenue exceeding estimated bond debt service by an approximately 3:1 coverage ratio. These bonds are rated Aa2, the same as Wisconsin General Obligation Bonds.
- 2. States of Wisconsin General Appropriation Bonds** – Issued to refinance bonds that originally funded state contributions to the Wisconsin Retirement System, these bonds are subject to annual appropriations at the discretion of the Wisconsin Legislature. The Legislature has recognized a moral obligation to appropriate money, but this recognition does not create a legally enforceable obligation. Beyond the moral argument, the most compelling reason for continued annual appropriations is that the failure to appropriate funds in a timely manner would create a default scenario which would have extremely serious consequences for future State of Wisconsin access to capital markets. Although the lack of a general obligation may make future appropriations subject to political drama, the Enabling Acts and Bond Indentures provide that bond debt service payments have the highest possible priority permitted by law. Given the low risk of default, these bonds have been rated Aa3, one notch below the current rating of Wisconsin General Obligation Bonds (Aa2).
- 3. State of Wisconsin Clean Water Revenue Bonds** – These bonds were issued to finance the Clean Water Fund, which a revolving loan fund available to communities throughout Wisconsin for local water and sewer projects. The Clean Water Fund program is managed by the DNR with financial administration provided by DOA Capital Finance. Because of additional security pledged to back up these bonds, Clean Water Fund bonds are rated Aa1 by Moody's Investor Service, which is one notch higher than State of Wisconsin General Obligation bonds.

The above list represents some of the safest types of revenue bonds available, and also presents some excellent opportunities to invest Trust Funds at a good rate of return within acceptable risk parameters. This request for \$25 million in Revenue Bond investment authority represents slightly less than 3% of total trust fund principal managed by BCPL.

### **Proposed Resolution**

**NOW, THEREFORE BE IT RESOLVED**, that the Board of Commissioners of Public Lands authorizes the purchase of up to Twenty-Five Million Dollars (\$25,000,000) of Transportation Revenue Bonds, General Appropriation Bonds and Clean Water Revenue Bonds issued by the State of Wisconsin, where such bonds are rated Aa or higher by Moody's (or equivalent) at the time of purchase. Purchases shall be made in accordance with Chapter 24 of the Wisconsin Statutes on such terms and conditions as the Executive Secretary determines to be reasonable and necessary. This purchase authority shall be in addition to any previous authority granted by the Board of Commissioners of Public Lands, and shall also include the authority to sell these bonds prior to maturity. The Executive Secretary is authorized and directed to execute any documents reasonably necessary to complete such transactions.

**BOARD MEETING  
NOVEMBER 15, 2011**

**AGENDA ITEM 5A  
PROPOSED LAND BANK SALE TO DNR – VAN VLIET HEMLOCKS (S1201)**

The Wisconsin Department of Natural Resources (“DNR”) has determined that 432.5 acres of BCPL land in Vilas County is required for state use.

BCPL staff recommends the sale of the property to the DNR for the following reasons:

- The Property is a deferred natural area inside the Consolidated Zone.
- The Property contains an old growth northern hardwood-hemlock forest that is rare in Wisconsin, representing less than 1% of its original range.
- The Property is home to a great diversity of bird species, many of them rare, endangered and dependent upon this unique habitat.
- The Property also hosts a wide variety of plant species including rare carnivorous plants and bog orchids.
- Sale of the Property to the DNR would allow the DNR to protect a diverse natural area containing a variety of rare species and secure its number one acquisition priority.
- Sale of the Property would provide BCPL with funds to purchase other lands that would provide better access to its existing lands, produce timber revenue, improve management efficiency, reduce forest fragmentation, or all of the above.

Attachments:

*Resolution w/Exhibits*

*Exhibit A - BCPL Sale Criteria*

*Exhibit B - Appraisal Certification*

*BCPL Project Map*

**BOARD MEETING  
NOVEMBER 15, 2011**

**AGENDA ITEM 5A  
PROPOSED LAND BANK SALE TO DNR - VAN VLIET HEMLOCKS (\$1201)**

**RECITALS**

- A. The Wisconsin Department of Natural Resources (“DNR”) has determined that certain property more particularly described as the Southeast ¼ of the Southeast ¼ (SESE), Government Lots Three (3), Four (4), Five (5), Six (6), Seven (7), Eight (8), Nine (9), Ten (10), Eleven (11), Twelve (12), Thirteen (13), Fourteen (14), Fifteen (15), and Sixteen (16) of Section Sixteen (16), located in Township Forty-three (43) North, Range Six (6) East, Town of Presque Isle, Vilas County, Wisconsin totaling **432.5** acres in size (the “Van Vliet Hemlocks Property”) is required for state use.
- B. The Van Vliet Hemlocks Property is currently owned by the Board of Commissioners of Public Lands.
- C. The Van Vliet Hemlocks Property has been evaluated by BCPL staff against sale criteria previously adopted by the Board. The Van Vliet Hemlocks Property has been determined by BCPL staff to be appropriate for sale according to such criteria. A copy of the sale analysis is attached to this resolution as Exhibit A.
- D. The Van Vliet Hemlocks Property has been independently appraised by Brod Appraisal Services, LLC at a value of Three Thousand Six Hundred Dollars (\$3,600) per acre for a total of One Million Five Hundred Fifty-seven Thousand Dollars (\$1,557,000). A copy of the Certification of the Appraisal has been attached to this resolution as Exhibit B.
- E. The DNR has offered to pay the sum of Two Million Dollars (\$2,000,000) to acquire the Van Vliet Hemlocks Property.
- F. The offered price is greater to the appraised value.

**NOW, THEREFORE BE IT RESOLVED**, that the Board of Commissioners of Public Lands approves the sale of the Van Vliet Hemlocks Property to the Wisconsin Department of Natural Resources at the price of Two Million Dollars (\$2,000,000) in accordance with Chapter 24 of the Wisconsin Statutes on such terms and conditions as the Executive Secretary determines to be reasonable and necessary. The Executive Secretary is authorized and directed to execute any documents reasonably necessary to complete such transaction.

Board of Commissioners of Public Lands  
Summary Analysis of Potential Property Sale  
Transaction ID#: S/301

Item 5A  
Exhibit A

Common Name for Land Parcel Van Vliet Hemlocks

County Vilas Township Presque Isle

Legal Description The SESE, GL-3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, and 16 all located in Section 16, T43N, R6E, Town of Presque Isle, Vilas County, Wisconsin

GLO Acres 432.5

**Sale Criteria**

**1. Title**

- Ownership verified with Register of Deeds  
 Title appears merchantable

**2. Timber Management**

- Parcel is located outside of Consolidation Zone  
 Parcel is an isolated or unproductive parcel within the Consolidation Zone  
 Parcel is a deferred natural area

**3. Access**

- Parcel does not provide the only reasonable access to other BCPL parcels that will be retained.  
 If parcel does provide the only reasonable access to other BCPL parcels to be retained, a public access easement across the parcel has been reserved.  
 Parcel has no current access

**4. Parcel Required By Other Government Entity**

- The parcel is located within a project boundary of another government agency or adjacent to a parcel of land owned by another unit of government.  
 Parcel is otherwise required by another unit of government.

I recommend that BCPL sell the above property on terms and conditions acceptable to BCPL:

- Yes  
 No

  
Signature of Forest Land Supervisor

7/11/11  
Date

I accept the recommendation of the Trust Lands Forestry Supervisor and direct the staff to proceed accordingly.

- Yes  
 No

  
Executive Secretary

July 26, 2011  
Date

## CERTIFICATION OF THE APPRAISAL

The undersigned appraiser does hereby certify that, except as otherwise noted in the appraisal report:

I have made a personal inspection of the appraised property which is the subject of this report. The date of inspection was August 03, 2011, and the method of inspection was field inspection. All comparable sales were inspected on the indicated date in the individual sale sheets, unless otherwise noted.

To the best of my knowledge and belief, the facts and data cited in this report, upon which the analysis, conclusions and opinions expressed herein are based, are true and correct.

The reported analyses, opinions and conclusions represent my best and unbiased judgment and the reported analyses, opinions and conclusions are limited only by the reported assumptions, limiting conditions and legal instructions.

I have no present or contemplated future interest in the real estate that is the subject matter of this appraisal report or personal interest or bias with respect to the parties involved. Also, I have not discussed the matter of price or value with the owner or his/her representative.

Neither the employment nor the compensation for this report is contingent upon the analyses, opinions and conclusions contained within this report.

I have not previously performed any prior services regarding the subject property, as an appraiser, or in any other capacity, within the 3-year period immediately preceding acceptance of this appraisal assignment.

The appraisal was made and the appraisal report prepared in accordance with Standards 1 and 2 of the Uniform Standards of Appraisal Practice (USPAP), the Uniform Appraisal Standards for Federal Land Acquisition (Yellow Book) and the Wisconsin Department of Natural Resources Appraisal Report Guidelines.

The interest appraised in this report is fee simple. Subject to known reversions and/or limiting conditions as stated in this report.

I did not receive any significant professional assistance in the development of the analyses, opinions and conclusions contained in this report.

Terry Hess, Real Estate Specialist/Forester, Wisconsin Board of Commissioners of Public Lands, was contacted and accompanied the appraiser on the property inspection. Jeff Pennucci, Real Estate Specialist, Wisconsin Department of Natural Resources and two additional DNR employees were present during the inspection. The subject property was inspected on August 03, 2011.

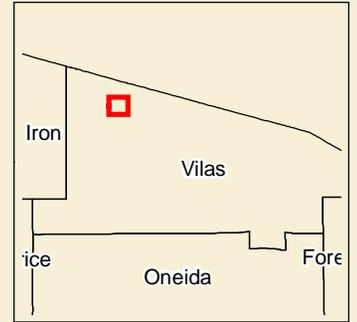
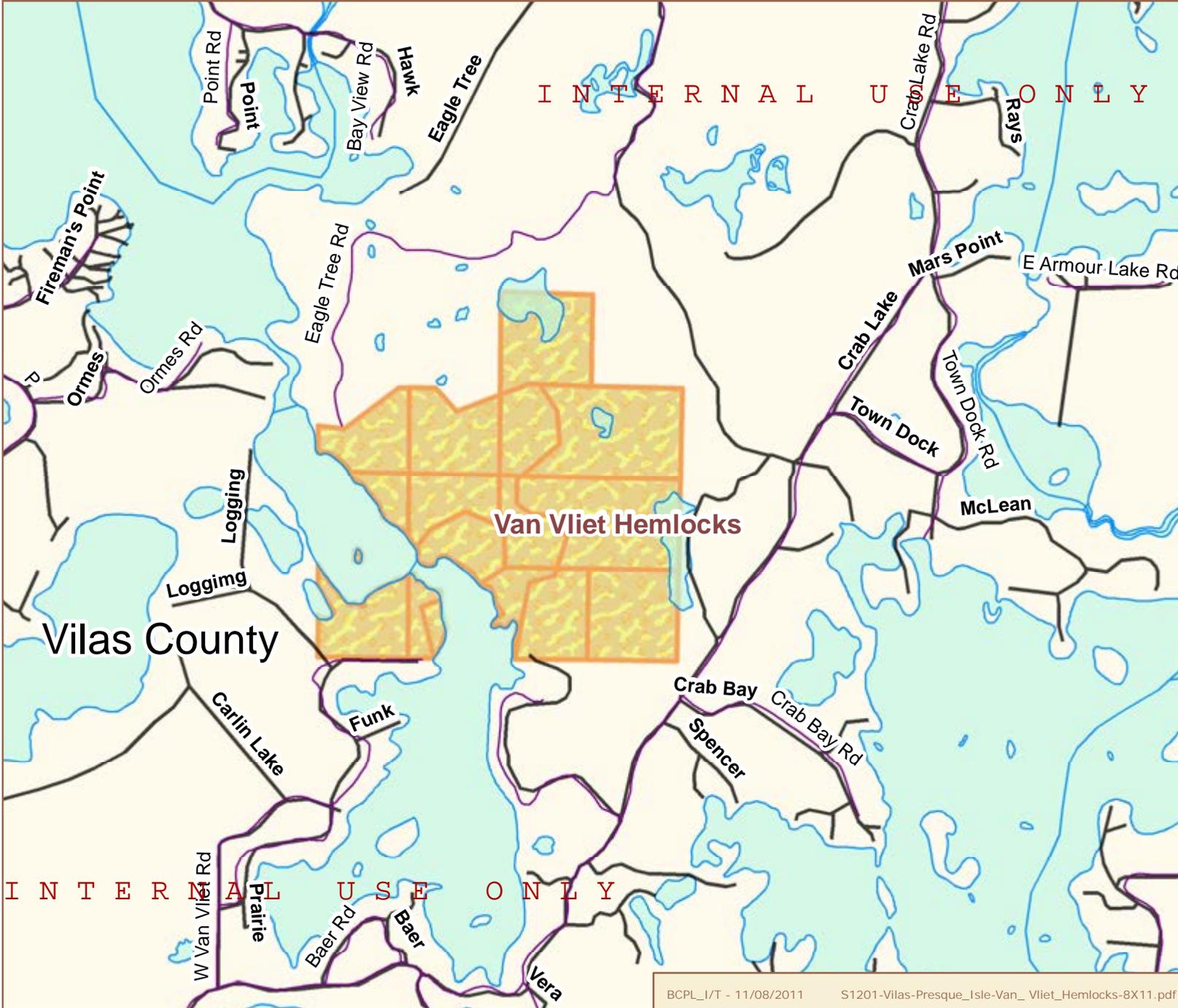
In my opinion, the market value of the described real estate, subject to conditions stated in the legal description, is:

**\$1,557,000** as of August 03, 2011.

Appraised Subject Value/Valuation Date

Signed: Jolene M. Brod 9/19/11  
Jolene M. Brod Date Report Submitted  
Wisconsin Certified General Appraiser #1339

# VAN VLIET HEMLOCKS



BCPL Project #:  
S1201

County: Vilas

Town: Presque Isle

Common Name

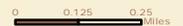
Van Vliet Hemlocks

Acres - 432.50

Fund 744



-  Outgoing
-  Other BCPL Land
-  COUNTY FOREST



**BOARD MEETING  
NOVEMBER 15, 2011**

**AGENDA ITEM 5B  
PROPOSED LAND BANK SALE TO THE DNR – LEHTO BOG (S1106)**

The Wisconsin Department of Natural Resources (“DNR”) has determined that 984.27 acres of BCPL land in Iron County is required for state use.

BCPL staff recommends the sale of the property to the DNR for the following reasons:

- The Property is an isolated, deferred natural area inside the Consolidated Zone.
- More than 69% of the Property is lowland and swamp.
- The Property is landlocked and does not provide access to other BCPL lands;
- Sale of the Property would provide BCPL with funds to purchase other lands that would provide better access to its existing lands, produce timber revenue, improve management efficiency, reduce forest fragmentation, or all of the above; and
- Sale of the Property to the DNR would allow the DNR to protect a diverse natural area containing a variety of rare species.

Attachments:

*Resolution w/Exhibits*

*Exhibit A - BCPL Sale Criteria*

*Exhibit B - Appraisal Certification*

*BCPL Project Map*

**BOARD MEETING  
NOVEMBER 15, 2011**

**AGENDA ITEM 5B  
PROPOSED LAND BANK SALE TO THE DNR – LEHTO BOG (S1106)**

**RECITALS**

- A. The Wisconsin Department of Natural Resources (“DNR”) has determined that certain property more particularly described as the Northeast ¼ of the Northeast ¼ (NENE) of Section Twenty-five (25), located in Township Forty-one (41) North, Range Three (3) East, the East ½ of the Northeast ¼ (NENE, SENE), the East ½ of the Southeast ¼ (NESE, SESE), the North ½ of the Northwest ¼ (NENW, NWNW) of Section Seventeen (17), the South ½ of the Northeast ¼ (SWNE, SENE), the SE ¼ (NESE, NWSE, SWSE, SESE), the Southeast ¼ of the Northwest ¼ (SENW), the East ½ of the Southwest ¼ (NESW, SESW) of Section Eighteen (18), the Northeast ¼ of the Northwest ¼ (NENW), the Northwest ¼ of the Northwest ¼ (NWNW), the Southwest ¼ of the Northwest ¼ (SWNW), the Southwest ¼ (NESW, NWSW, SWSW, SESW) of Section Nineteen (19), the Northwest ¼ of the Northwest ¼ (NWNW) of Section Thirty (30), located in Township Forty-one (41) North, Range Four (4) East, Town of Sherman, Iron County, Wisconsin totaling **984.27** acres in size (the “Lehto Bog Property”) is required for state use.
- B. The Lehto Bog Property is currently owned by the Board of Commissioners of Public Lands.
- C. The Lehto Bog Property has been evaluated by BCPL staff against sale criteria previously adopted by the Board. The Lehto Bog Property has been determined by BCPL staff to be appropriate for sale according to such criteria. A copy of the sale analysis is attached to this resolution as Exhibit A.
- D. The Lehto Bog Property has been independently appraised by Steigerwaldt Land Services, Inc at a value of Five Hundred and Fifty Dollars (\$550) per acre for a total of Five Hundred Twenty-two Thousand Dollars (\$522,000). A copy of the Certification of the Appraisal has been attached to this resolution as Exhibit B.
- E. The DNR has offered to pay the sum of Five Hundred Fifty-six Thousand Five Hundred Dollars (\$556,500) to acquire the Lehto Bog Property.
- F. The offered price is greater than the appraised value.

**NOW, THEREFORE BE IT RESOLVED**, that the Board of Commissioners of Public Lands approves the sale of the Lehto Bog Property to the Wisconsin Department of Natural Resources at the price of Five Hundred Fifty-six Thousand Five Hundred Dollars (\$556,500) in accordance with Chapter 24 of the Wisconsin Statutes on such terms and conditions as the Executive Secretary determines to be reasonable and necessary. The Executive Secretary is authorized and directed to execute any documents reasonably necessary to complete such transaction.

Board of Commissioners of Public Lands  
Summary Analysis of Potential Property Sale  
Transaction ID#: S 1106

Item 5B  
Exhibit A

Common Name for Land Parcel Lehto Lake

County Iron Township Sherman

Legal Description The NENE of S25, T41N, Range 3E, the E 1/2 of the NE 1/4, the E 1/2 of the SE 1/4, the N 1/2 of the NW 1/4 of S17, the S 1/2 of the NE 1/4, the SE 1/4, the SENW, the E 1/2 of the SW 1/4 of S 18, the NENW, NWNW, SWNW, SW 1/4 of S19, the NWNW of S30, all in T41N, R4E Iron County

GLO Acres 984.27

**Sale Criteria**

**1. Title**

- Ownership verified with Register of Deeds  
 Title appears merchantable

**2. Timber Management**

- Parcel is located outside of Consolidation Zone  
 Parcel is an isolated or unproductive parcel within the Consolidation Zone  
 Parcel is a deferred natural area

**3. Access**

- Parcel does not provide the only reasonable access to other BCPL parcels that will be retained.  
 If parcel does provide the only reasonable access to other BCPL parcels to be retained, a public access easement across the parcel has been reserved.  
 Parcel has no current access

**4. Parcel Required By Other Government Entity**

- The parcel is located within a project boundary of another government agency or adjacent to a parcel of land owned by another unit of government.  
 Parcel is otherwise required by another unit of government.

I recommend that BCPL sell the above property on terms and conditions acceptable to BCPL:

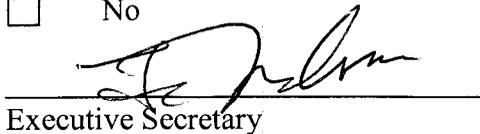
- Yes  
 No

  
Signature of Forest Land Supervisor

6/14/2010  
Date

I accept the recommendation of the Trust Lands Forestry Supervisor and direct the staff to proceed accordingly.

- Yes  
 No

  
Executive Secretary

6-18-2010  
Date

CERTIFICATION

Item 5B  
Exhibit B

I certify that, to the best of my knowledge and belief:

- a. The statements of fact contained in this report are true and correct and no important facts have been withheld.
- b. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, unbiased professional analyses, opinions, and conclusions.
- c. I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
- d. My compensation is not contingent on an action or event resulting from the analyses, opinions, or conclusions in, or the use of, this report.
- e. My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the "Uniform Standards of Professional Appraisal Practice."
- f. Scott T. Zaremba conducted a personal inspection of the appraised property on September 8, 2010. Terry Hess met with the appraiser on the inspection date and participated in the field inspection. Lee A. Steigerwaldt did not inspect the subject property. All of the comparable sales were inspected within the last two years by the appraiser or other qualified staff of Steigerwaldt Land Services, Inc.
- g. Lee A. Steigerwaldt and Scott T. Zaremba prepared this report. No one provided significant professional assistance to the appraiser signing this certification.
- h. The appraiser did not discuss the subject property's value with the owners or the owners' representatives. I am not aware that the property is listed for sale.
- i. Within the prior three years, the appraiser has not performed any other services with regard to the subject property, and no services except this appraisal assignment are currently in progress.
- j. It is my opinion that the market value of the subject property is \$522,000.00, as of September 8, 2010.

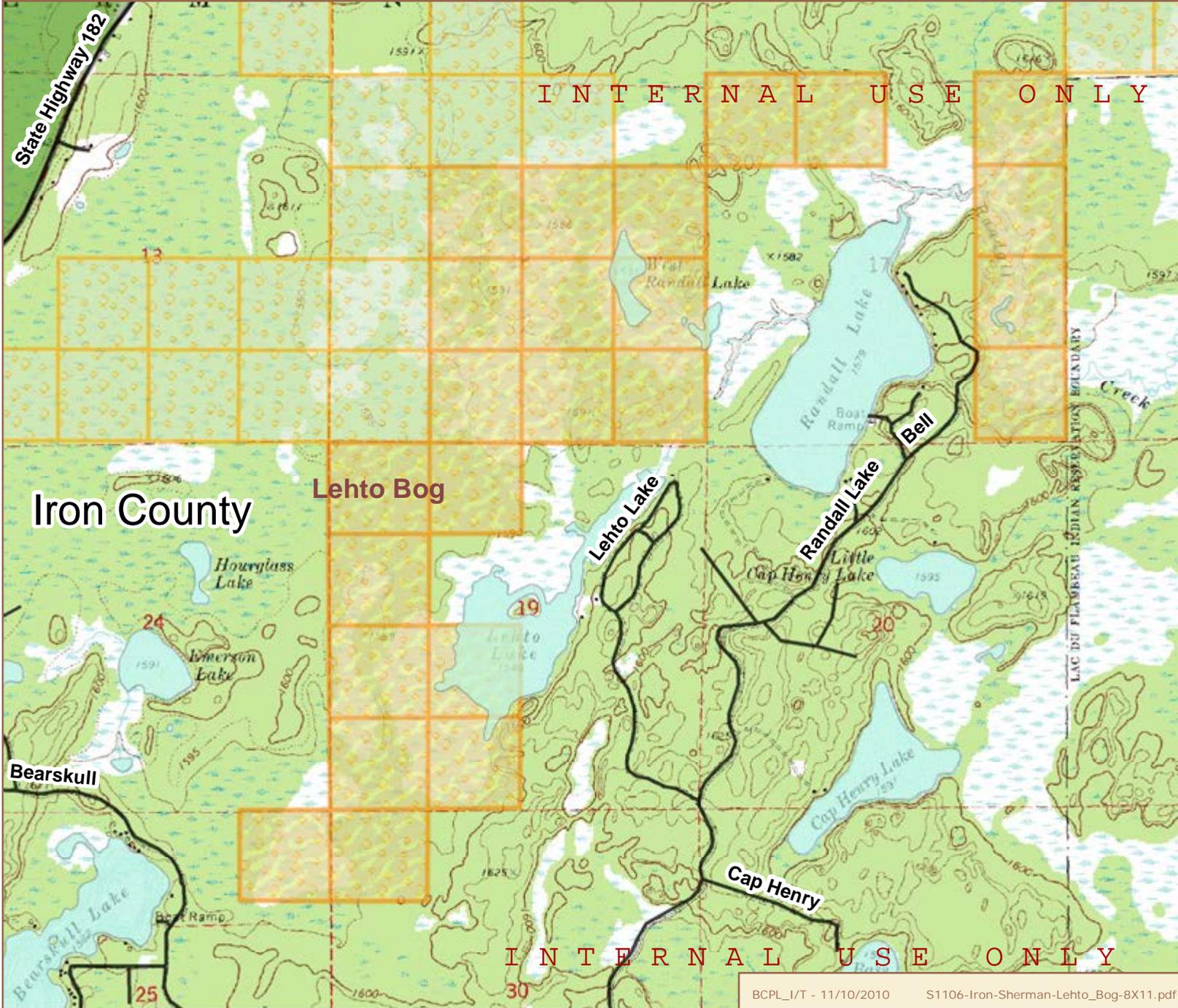


Lee A. Steigerwaldt, ACF  
Wisconsin Certified General Appraiser #1516



Scott T. Zaremba  
Appraisal Assistant  
**STEIGERWALDT LAND SERVICES, INC.**

# LEHTO BOG SALE TO DNR



BCPL Project #: S1106  
County: Iron  
Town: Sherman  
Common Name: Lehto Bog  
Acres - 984.27  
Fund 745



- Outgoing
- Other BCPL Land
- DNR PROJECT LANDS

