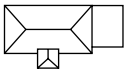
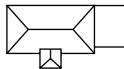
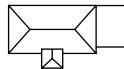
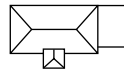
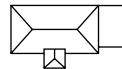
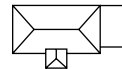
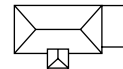
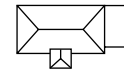


Highest and Best Use Worksheet

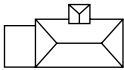
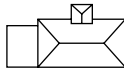
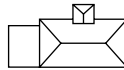
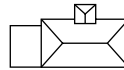
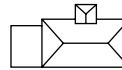
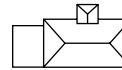
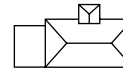
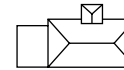
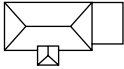
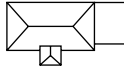
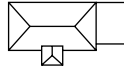
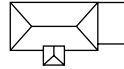
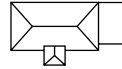
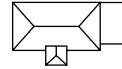
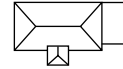
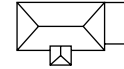
Highest and best use as though vacant and as improved may change depending on the land value of the subject property. Remember that land is always valued as though vacant and available to be put to its highest and best use.

- State Road 47 is a busy thoroughfare with commercial potential. Wagner Street is not a busy street and has no commercial potential.
- The lots along State Road 47 and along Wagner Street are improved with nearly identical homes (by a tract production builder). All the lots are the same size (23,700 square feet).
- All improvements are physically the same (e.g., age, condition, quality).
- All sales are current and no sales have financing concessions.
- The properties on the south side of State Road 47 and adjacent to Wagner Street are zoned residential only (commercial not allowed).
- The properties adjacent to and on the north side of State Road 47 are zoned residential/commercial, which allows both residential and commercial uses.
- It will cost about \$3,000 to raze any of these homes.
- The subject property is Lot 4 in the Greenland Addition, a 23,700-sq-ft. site with the same improvements as all the other lots in both additions. The site is zoned residential/commercial.

Greenland Addition (residential/commercial zoning)

Lot 1	Lot 2 \$100,000	Lot 3	Lot 4 Subject	Lot 5	Lot 6 \$100,000	Lot 7	Lot 8
							

----- State Road 47 (four lanes, high traffic) -----

Lot 20	Lot 21 \$100,000	Lot 22	Lot 23	Lot 24	Lot 25	Lot 26 \$100,000	Lot 27
							
Lot 28	Lot 29 \$110,000	Lot 30 \$100,000	Lot 31	Lot 32	Lot 33	Lot 34 \$110,000	Lot 35
							

----- Wagner Street (two lanes, asphalt) -----

Blue Lake Addition (residential zoning)

Comparable Sales

1. Lot 2 in the Greenland Addition sold for \$100,000 to a family that moved in and still lives there.
2. Lot 6 in the Greenland Addition sold for \$100,000 to a family that moved in and still lives there.
3. Lot 21 in the Blue Lake Addition sold for \$100,000.
4. Lot 29 in the Blue Lake Addition sold for \$110,000.
5. Lot 30 in the Blue Lake Addition sold for \$110,000.
6. Lot 34 in the Blue Lake Addition sold for \$110,000.

Fill in the blanks in the table based on the lot descriptions and the land values given:

Commercial Land Value	Residential Land Value	Land Value of Subject Property	Building Value of Subject Property	Highest and Best Use of Subject Site as Though Vacant	Highest and Best Use of Subject Property as Improved
\$1.00 per sq. ft.	\$0.50 per sq. ft.	_____	_____	_____	_____
\$2.00 per sq. ft.	\$0.50 per sq. ft.	_____	_____	_____	_____
\$3.00 per sq. ft.	\$0.50 per sq. ft.	_____	_____	_____	_____
\$4.00 per sq. ft.	\$0.50 per sq. ft.	_____	_____	_____	_____
\$5.00 per sq. ft.	\$0.50 per sq. ft.	_____	_____	_____	_____

See the Solutions section of the handbook for the correct answers.