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**IOWA
SEVERANCE DAMAGE STUDY DATA
FOR PROPERTY ALONG THE
INTERSTATE HIGHWAY SYSTEM**

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IOWA
SEVERANCE DAMAGE STUDY DATA
For Property Along The
Interstate Highway System

Prepared April 1962
by the
Traffic and Highway Planning Department
Division of Planning
IOWA STATE HIGHWAY COMMISSION

In Cooperation with the
UNITED STATES DEPARTMENT OF COMMERCE
BUREAU OF PUBLIC ROADS

SEVERANCE DAMAGE STUDY DATA

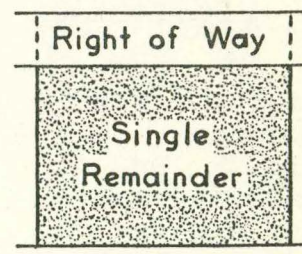
During the past year information has been collected on farm remainder sales along the Interstate System in Iowa. The purpose of accumulating this material was to provide data to evaluate the effect of right of way acquisitions upon the value of the remainder units.

Part I of this report concerns only the disposition of farm remainders. The procedure followed was to search local county records for property transfers and then interview the individuals involved to confirm the purchase price and determine the circumstances surrounding the sale. In many instances additional land trades and contract agreements were discovered during these interviews.

Sale information along with appraisal and contract data from Right of Way Department records are presented in this report. The case studies describing each transaction are segregated into the following groups:

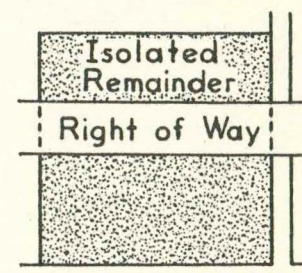
IA. Single Remainders

A strip-taking of right of way along one side of the farm is the typical example of this group. Cases where excess property was purchased to avoid leaving an isolated or landlocked parcel are also included in this group. The remainder unit in each case was sold after the right of way acquisition.



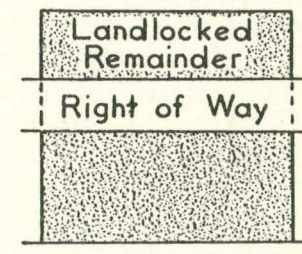
IB. Isolated Remainders

Included in this category are cases where right of way purchases split the farm unit into two tracts with public road access to both remainder parcels.



IC. Landlocked Remainders

Cases with two remainder tracts where one parcel cannot be reached without crossing private property are included here.



ID. Rehabilitation Cases

These cases consist of descriptions of land trades and purchases of additional property by farm remainder owners.

The number of cases reported in each group are tabulated by county in Table 1. No farm remainder sales were found in Pottawattamie County.

Table 1. Distribution of Case Study Reports
by County and Type of Remainder

County	IA. Severed Parcels	IB. Isolated Parcels	IC. Landlocked Parcels	ID. Rehabilitation Cases
Cass	6		2	1
Cedar	2	3	1	2
Clarke	5	1	1	
Jasper	1	1		
Monona	2	2		2
Polk	1	1	1	
Scott	3			4
Warren	8	1	3	
Woodbury	3	1		3
Total	31	10	8	12

Net acres, i.e., gross area of a farm less area in local roads, were used as a base for computing the acreage prices included in the case study summaries. The right of way payments listed in the summaries include consideration for land and damages. Exceptions to this are noted in the particular cases involved. Adjustments for time intervals between the original appraisal and subsequent sale were made using land value figures published in Iowa Farm Science, February 1962 - Volume 16, No. 8, page 4-116, Iowa State University of Science and Technology, Ames, Iowa. In all cases with time intervals of one year or more, the remainder sale price was adjusted back to the date of appraisal.

Part II of this report discusses the development on an industrial area adjacent to the Isabella Street Interchange in Sioux City, Iowa.

IA. SINGLE REMAINDERS

Case Study	Original Size of Farm (Net acres)	Right of Way Acquired (acres)	Size of Remainder (acres)
Clarke County			
20-1	272.5	10.8	261.7
20-2	189.4	77.2	112.2
20-3	133.0	78.8	54.2
20-4	111.1	36.7	74.4
20-7	286.6	67.4	219.2
Warren County			
91-1 (1)	40.0	6.4	33.6
91-1 (2)	77.0	10.5	66.5
91-2 (1)	111.8	5.6	106.2*
91-2 (2)	147.6	28.5	119.1
91-3	78.0	5.9	72.1
91-4	126.0	2.6	123.4
91-6	154.7	47.6	107.1
91-8	171.1	12.0	159.1
Jasper County			
50-1	115.0	24.5	90.5
Polk County			
77-1	73.8	8.7	65.1
Cass County			
15-3	242.4	15.8	226.6
15-4	79.0	11.3	67.7
15-5	118.0	4.6	113.4
15-7	79.0	7.8	71.2
15-8	79.0	8.5	70.5
15-9	118.0	13.0	105.0
Monona County			
67-3	160 (gross)	12.4	147.6*
67-4	55.4	1.6	53.8
Woodbury County			
97-1	119.0	68.8	50.2
97-4	185.5	128.4	57.1
97-7	329.3	103.9	203.0
Cedar County			
16-8	151.5	16.4	135.1
16-9	77.0	2.4	74.6
Scott County			
82-1	156.0	5.1	150.9
82-2	158.0	18.6	139.4
82-7	160.0	34.2	125.8

* remainder sold in two parts

Clarke County

Case Study 20-1
Project I-IG-853(4)
Right of Way Parcel 6

Location: One mile north of Interstate 35 Interchange with U.S. 34 in Clarke County (Parts of Sections 12 & 13-72-26).

Description:

On January 26, 1957, this 280 (272.5 net acres) acre unit was appraised at \$40,700. Right of way in the amount of 10.75 acres forming a triangular area in the southeast forty of this unit was required for the construction of I-35 and the county road grade separation. The cultivated area of 137 acres was reduced by the right of way needs to 126.25 acres. The 26 acres of permanent pasture, 104 acres of timber pasture, 6 acres of lots, and 7 acres in roads remained intact.

An "After" value of \$36,473 was estimated to be the fair market value with the highway in place. A difference of the "Before" and "After" appraisals of \$4227 included \$453 for fencing. On March 27, 1957 the necessary 10.83 acres of right of way was acquired through negotiation with the owner for a consideration of \$5000.

The remainder of this unit was sold in its entirety for \$46,000 on December 30, 1957 to a quarry operator. Crushed rock from the quarry which was opened on the west 90 acres of subject unit was used in the construction of I-35. With the exception of the 90 acres devoted to quarry operations, the farm is rented on a crop share basis.

The purchaser in this case was one of the larger quarry operators in the State of Iowa. The purpose of the purchase was the establishment of a competitive source of rock in anticipation of abnormal demands due to I-35 construction.

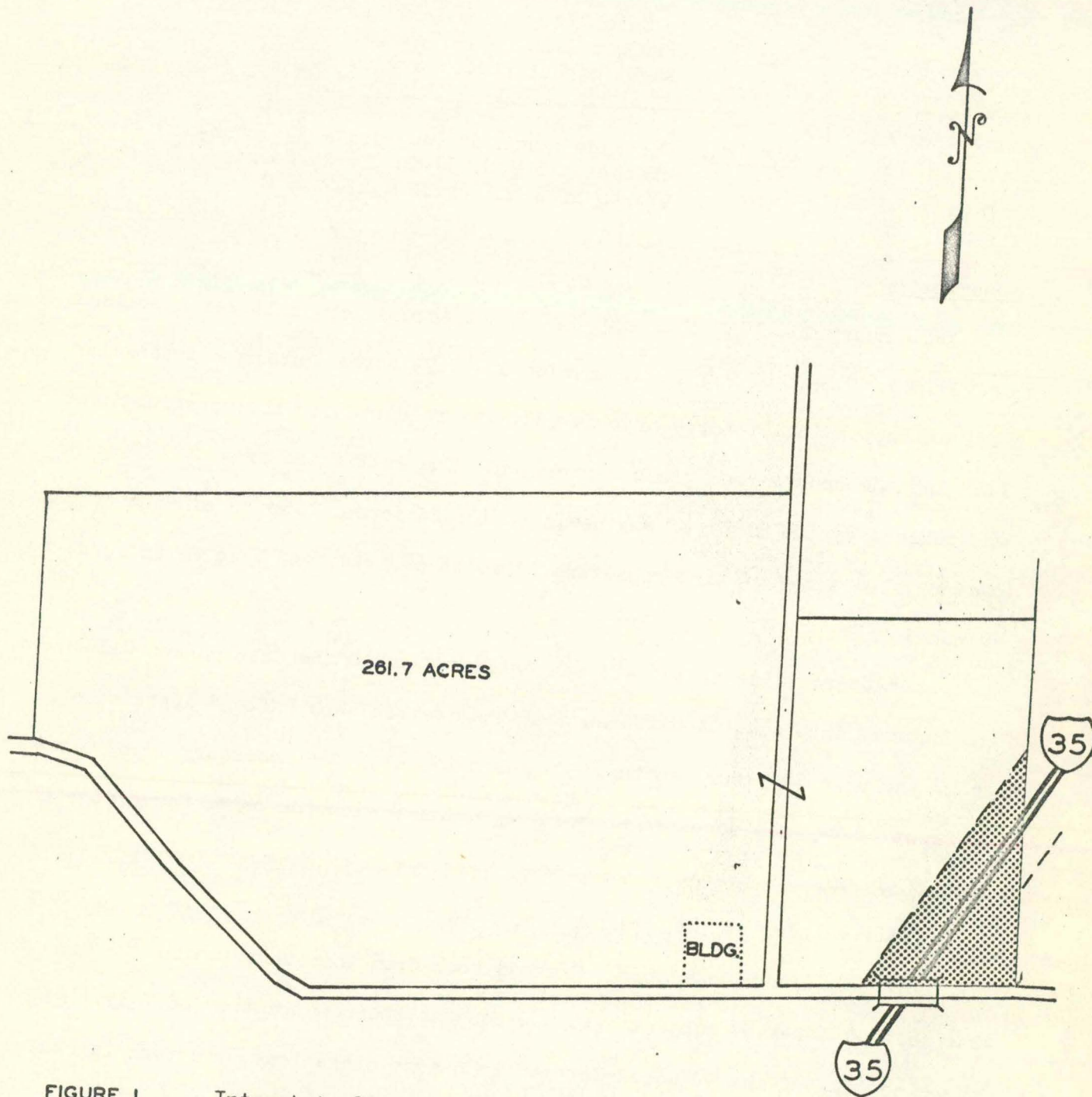


FIGURE 1

Interstate 35 right of way (10.8 acres) was purchased in March 1957. A quarry operator purchased the remainder in December 1957.

Summary:

Appraisal		
January 1957	272.5 acres	\$40,700 (\$149/ac.)
Right of way purchase		
March 1957	10.8 acres	\$ 4,547* (\$421/ac.)
Remainder value	261.7 acres	\$36,153 (\$138/ac.)
Sale of remainder		
December 1957	261.7 acres	\$46,000 (\$176/ac.)

* (exclusive of \$453 for fence)

Clarke County

Case Study 20-2
Project I-IG-853(4)
Right of Way Parcel 7

Location: One mile north of Interstate 35 Interchange with U.S. 34 in Clarke County (NW $\frac{1}{4}$ NW $\frac{1}{4}$ Section 18-72-25, SW $\frac{1}{4}$ Sec 7-72-25).

Description:

An estimated "Before" value of this tenant operated 200 acre unit (189.4 net acres) was estimated at \$29,130 on January 28, 1957. The "Before" unit consisted of 128 acres under cultivation and 66 acres in permanent pasture. The tenant who had farmed the unit for a number of years indicated that approximately 30 acres of the cropland could be cropped one year in three and would have been better left as permanent pasture. Six acres in lots and roads completed the farm. A small modern house and adequate outbuildings complimented the land.

A triangular cut in the northwest corner of the farm was made by I-35 right of way of 26.2 acres. Fifty-one acres were severed and landlocked. A right of way contract bearing date of March 4, 1957 was written with the owner wherein both the right of way and landlocked area, a total of 77.2 acres, were acquired for a consideration of \$15,630. This included \$1,035 for fencing. An "After" value for the buildings, 30 acres of cropland, 40 acres of rough permanent pasture and 50 acres good pasture, lots, etc., of \$13,500 was thereby indicated.

The remainder of 112.2 acres was purchased on contract February 8, 1958 for \$14,000 by a semi-retired farmer who had previously farmed in Marshall County, Iowa. Contract terms recited were \$1,000 on execution, \$3,200 on April 1, 1958 and \$500 per year thereafter with 5% on unpaid balance. The buildings and area have been cleaned up and are in use. The purchaser owns a limited

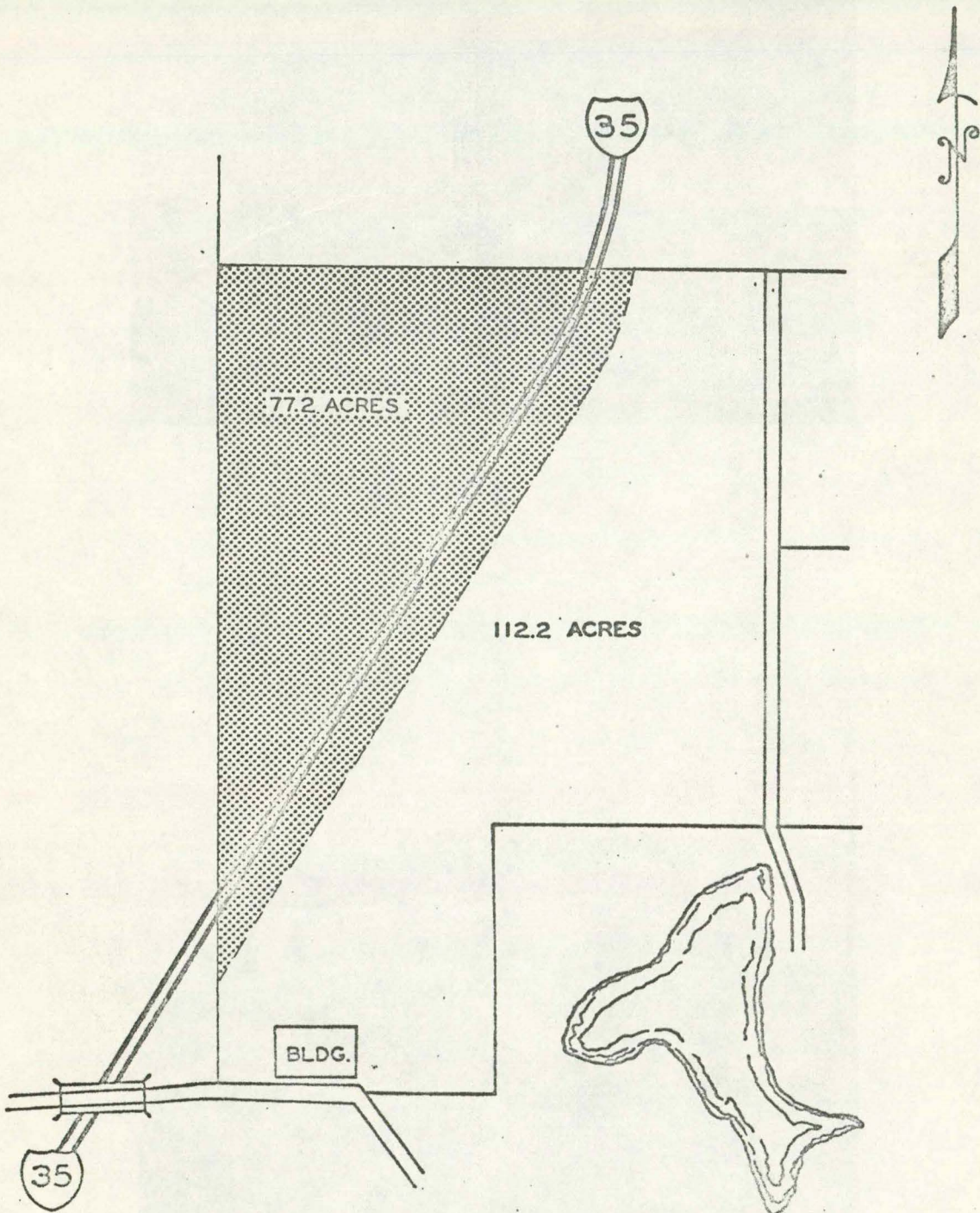


FIGURE 1 The 77.2 acres purchased from this farm included 51 acres of excess land which were purchased in lieu of paying additional severance damages for landlocking.

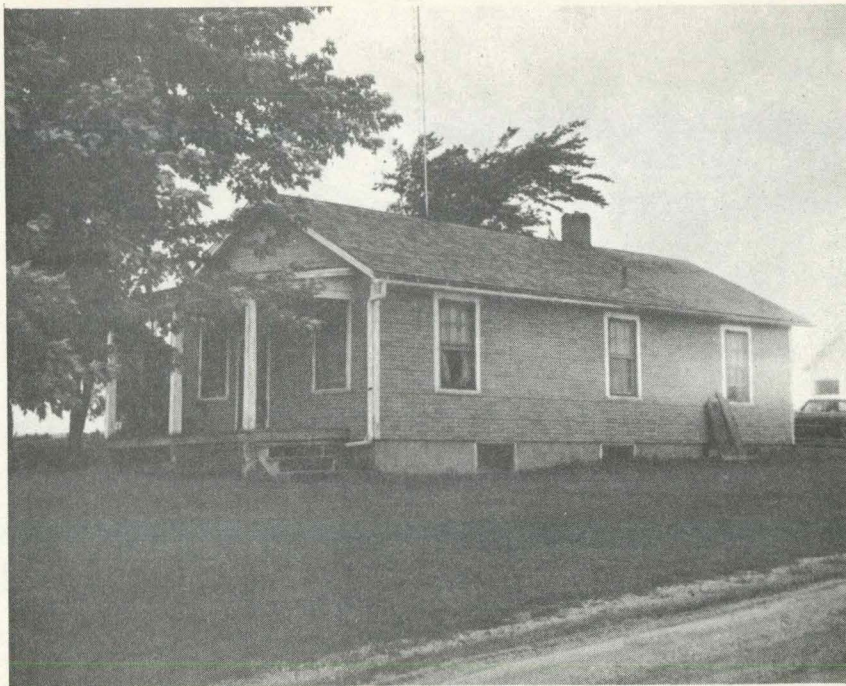


Figure 2. Buildings on 112 acre remainder.

amount of machinery and relies on custom work and exchanging work with neighbors for the operation of the unit. The wife of the purchaser works as a waitress in a cafe in Osceola.

Summary:

Appraisal			
January 1957	189.4 acres	\$29,130	(\$154/ac.)
Right of way purchase			
March 1957	77.2 acres	\$14,595*	(\$189/ac.)
Remainder value	112.2 acres	\$14,535	(\$130/ac.)
Sale of remainder			
February 1958	112.2 acres	\$14,000	(\$125/ac.)
Sale price adjusted to 1957		\$13,327	(\$119/ac.)

* (exclusive of \$1,035 for fence)

Clarke County

Case Study 20-3
Project I-IG-853(4)
Right of Way Parcel 13

Location: About four miles north of Interstate
35 Interchange with U.S. 34 (S $\frac{1}{2}$ NW $\frac{1}{4}$,
SW $\frac{1}{4}$ NE $\frac{1}{4}$, W $\frac{1}{2}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$, Sec 31-73-25).

Description:

On January 29, 1957 the subject 140 acre property (133 net acres) with a common house and inadequate set of buildings was appraised at \$18,130. The buildings were appraised at \$4,050. Construction of I-35 required 8.0 acres of right of way and severed 70.8 acres which could only be reached from the improvements by traveling approximately seven miles. The 78.8 acres were purchased on February 28, 1957 for \$11,045.80. This included \$355.50 for fencing.

The original unit of 44 cultivated acres, 59 acres permanent pasture and 30 acres timber pasture and waste plus buildings was reduced to the westerly unit of 54.2 net acres consisting of 18 \pm cultivated acres and 35 acres pasture plus the original buildings which was given an "After" value of \$7084.

On May 26, 1957 the remaining westerly 54.2 acres were sold for a \$5000 confirmed consideration to a neighbor. The purchaser has remodeled and modernized the house and constructed a new combination garage and machine shed. The purchaser does custom work for other farmers in the area and uses this property as a base of operations. The closing of the East-West road serving this property at the I-35 right of way line did not alter the normal route taken from the improvements to Osceola.

The purchaser sold a rough 120 acres immediately north of subject for \$7000 to a large turkey farmer and invested the proceeds in subject. He had paid \$5000 for this 120 acres in 1954.

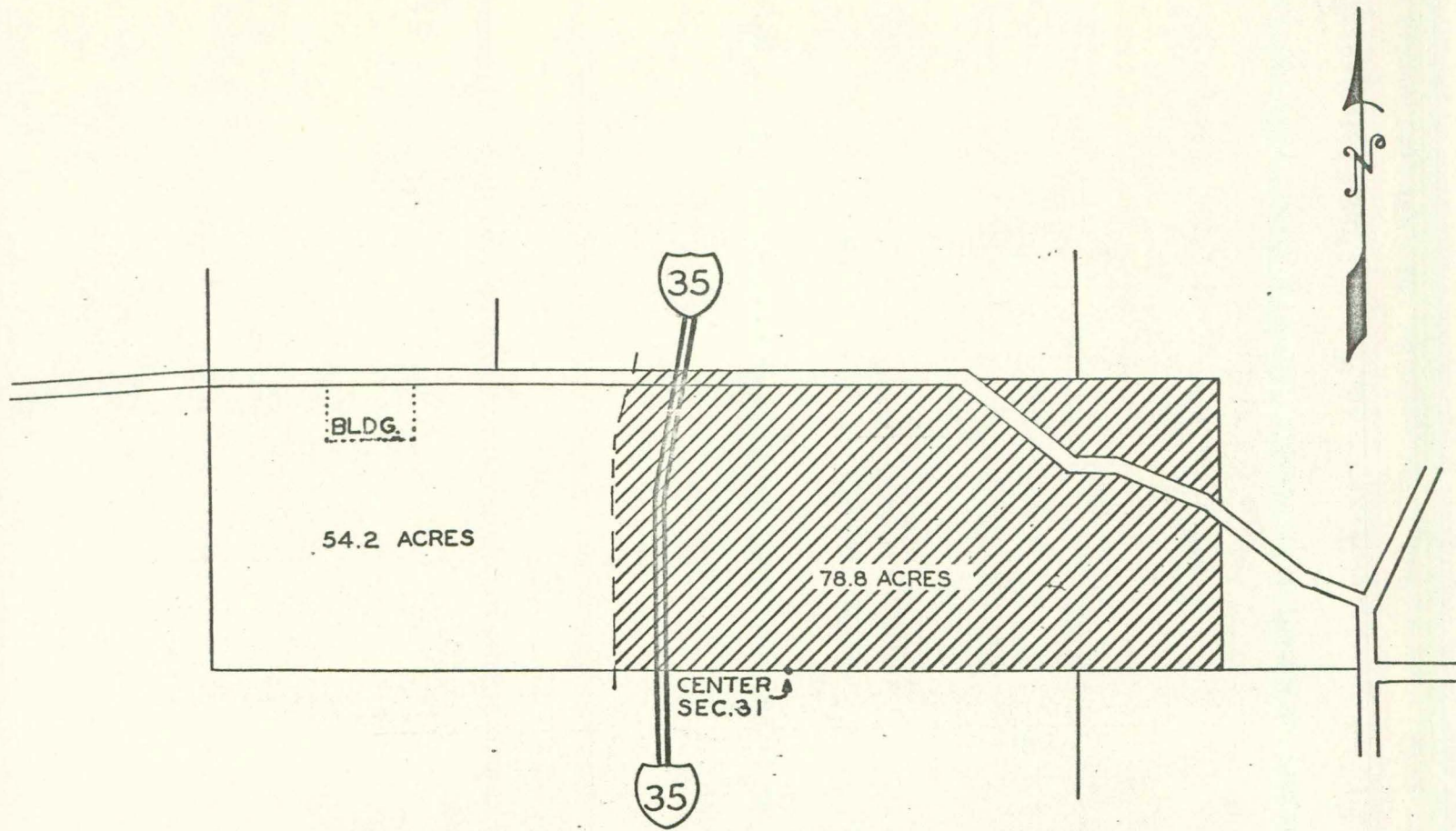


FIGURE 1

The 54.2 acre remainder was sold about four months after the 78.8 acres of right of way was purchased in 1957.

Summary:

Appraisal			
January 1957	133 acres	\$18,130	(\$136/ac.)
Right of way purchase			
February 1957	78.8 acres	\$11,046*	(\$140/ac.)
Remainder value (unfenced)	54.2 acres	\$ 7,084	(\$131/ac.)
Sale of remainder (unfenced)			
May 1957	54.2 acres	\$ 5,000	(\$92/ac.)

* (includes \$356 for fence)

Clarke County

Case Study 20-4
Project I-IG-853(4)
Right of Way Parcel 14

Location: One mile north of Interstate 35 Interchange with U.S. 34 in Clarke County ($S\frac{1}{2}NE\frac{1}{4}$ & part of $SE\frac{1}{4}NW\frac{1}{4}$ Section 13-72-26).

Description:

On January 26, 1957 the "Before" value of this 114.1 acre property was appraised at \$25,180. The 111.1 taxable acres were located on an improved rock road about one mile west of Osceola, Iowa. The improvements (See Figure 2) consisted of a small house which was not modern, barn, crib, and chicken house which remained intact after the right of way taking. The construction of I-35 necessitated the acquisition of 10.9 acres of right of way. Twenty-six acres of pasture land on the east side of I-35, which were accessible from the improvements by the adjacent county road grade separation, were also purchased.

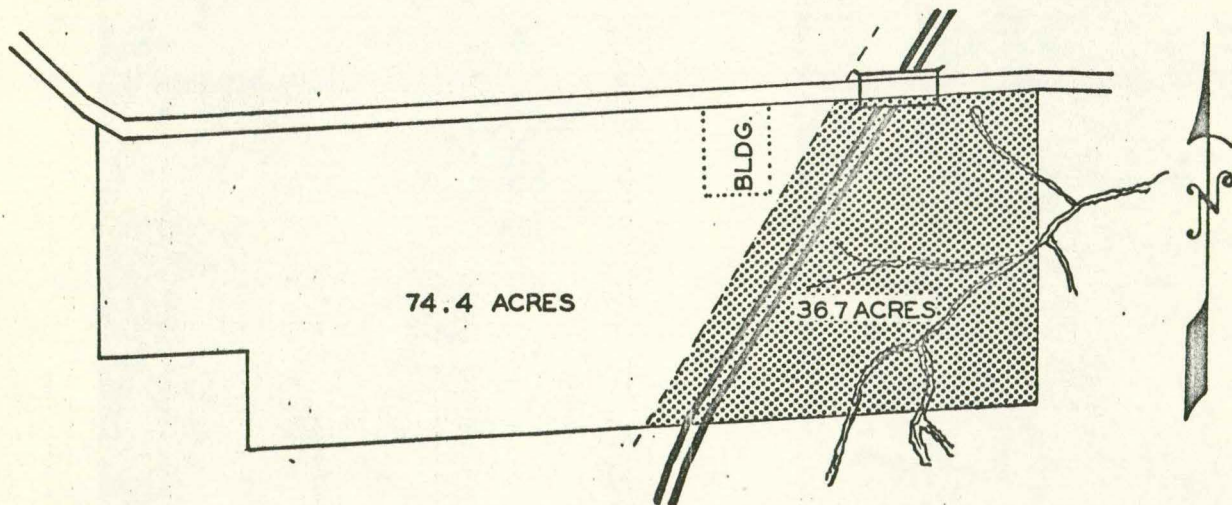


Figure 1. The State of Iowa purchased 36.7 acres of this farm unit in connection with Interstate 35 construction.

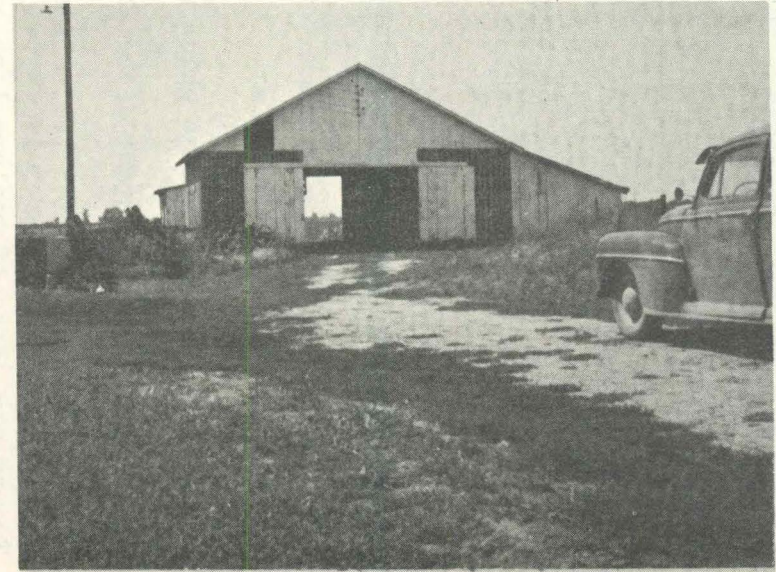
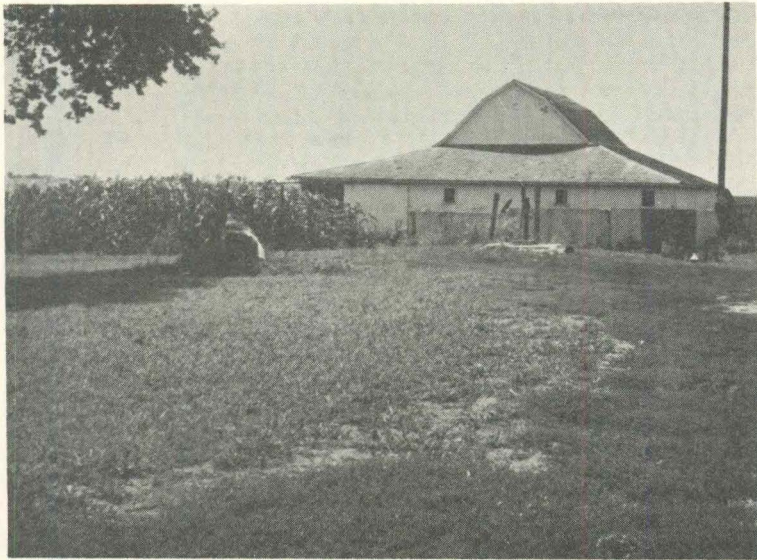
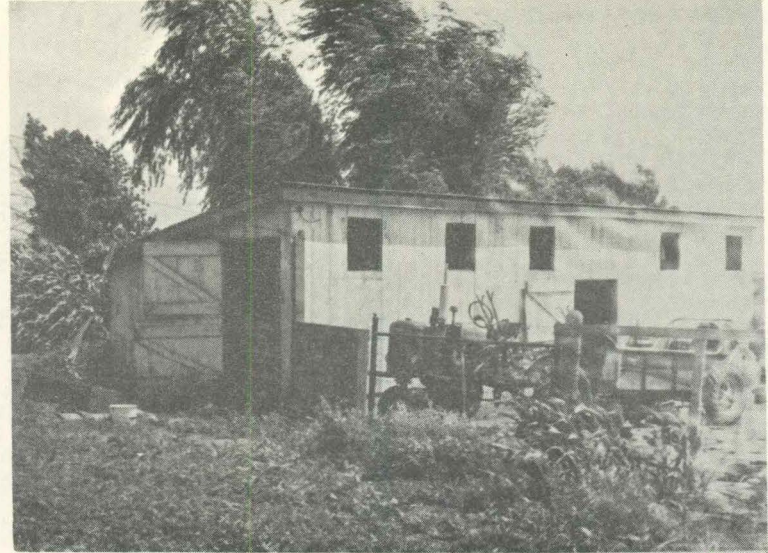


Figure 2

The "Before" appraisal allocated \$7,300 for buildings and \$17,880 for land. Value of the 74.4 acre remainder in the "After" situation was estimated to be \$13,377.80. A contract was negotiated with the owner on March 22, 1957 with a lump sum consideration of \$12,000 for land, fencing and damages. In addition the tenant received \$500 for his leasehold interest which had an unexpired term of three years.

On March 27, 1957 the 74.4 acre remainder was sold to the tenant who had rented the unit for the past ten years for a confirmed consideration of \$13,065. The entire remainder area can be cultivated and the original buildings were left intact by the right of way taking. The right of way area was the poorest land on the farm and consisted mostly of rolling timber and pasture.

An inspection of the premises and an analysis of comparable sales leads to the conclusion that the tenant-purchaser was the person who benefited from this series of transactions. The purchase price of \$13,065 was well below market value.

Summary:

Appraisal			
January 1957	111.1 acres	\$25,180	(\$227/ac.)
Right of way purchase			
March 1957	36.7 acres	\$11,430*	(\$311/ac.)
Remainder value	74.4 acres	\$13,750	(\$185/ac.)
Sale of remainder			
March 1957	74.4 acres	\$13,065	(\$176/ac.)

* (exclusive of \$570 for fence)

Clarke County

Case Study 20-7
Project I-IG-35-2(3)33
Right of Way Parcel 15

Location: About five and one-half miles north of Interstate 80 Interchange with US 34 in Clarke County. (Parts of Sections 29 & 30-73-25).

Description:

This 286.6 acre Clarke County unit was appraised for right of way purposes at \$85 per acre or \$24,760 on January 25, 1957. The unit consisted of 120 acres of cultivated land, 162 acres of timber pasture and 4 acres of lots. Fifty-eight acres were bottomland and 90 acres had gently rolling to rolling topography. The 162 acres were rough broken timber acres.

The right of way appraiser stated in his appraisal: "Soil is Shelby and Wabash and averages inferior in quality and is in inferior condition. The surrounding community is inferior as to general development and comparable farms in the neighborhood are selling from \$40 to \$60 per acre. The buildings are inferior and poor; actually they are nearly salvage. The cropland lays on the bottom and is difficult to get to with machinery. In general it is a poor farm in an inferior territory."

It was also noted that the subject farm was purchased on contract dated February 19, 1951 recorded in Book 33, Page 427 of the office of County Recorder, Clarke County, Iowa. Said contract recited a consideration of \$8,017.99 for the subject property. A consideration of \$28 per acre is thereby indicated. It was further noted that a deed given in conformity with the aforementioned real estate contract was filed 10-23-51 and revenue stamps in the amount of \$9.35 appear thereon.

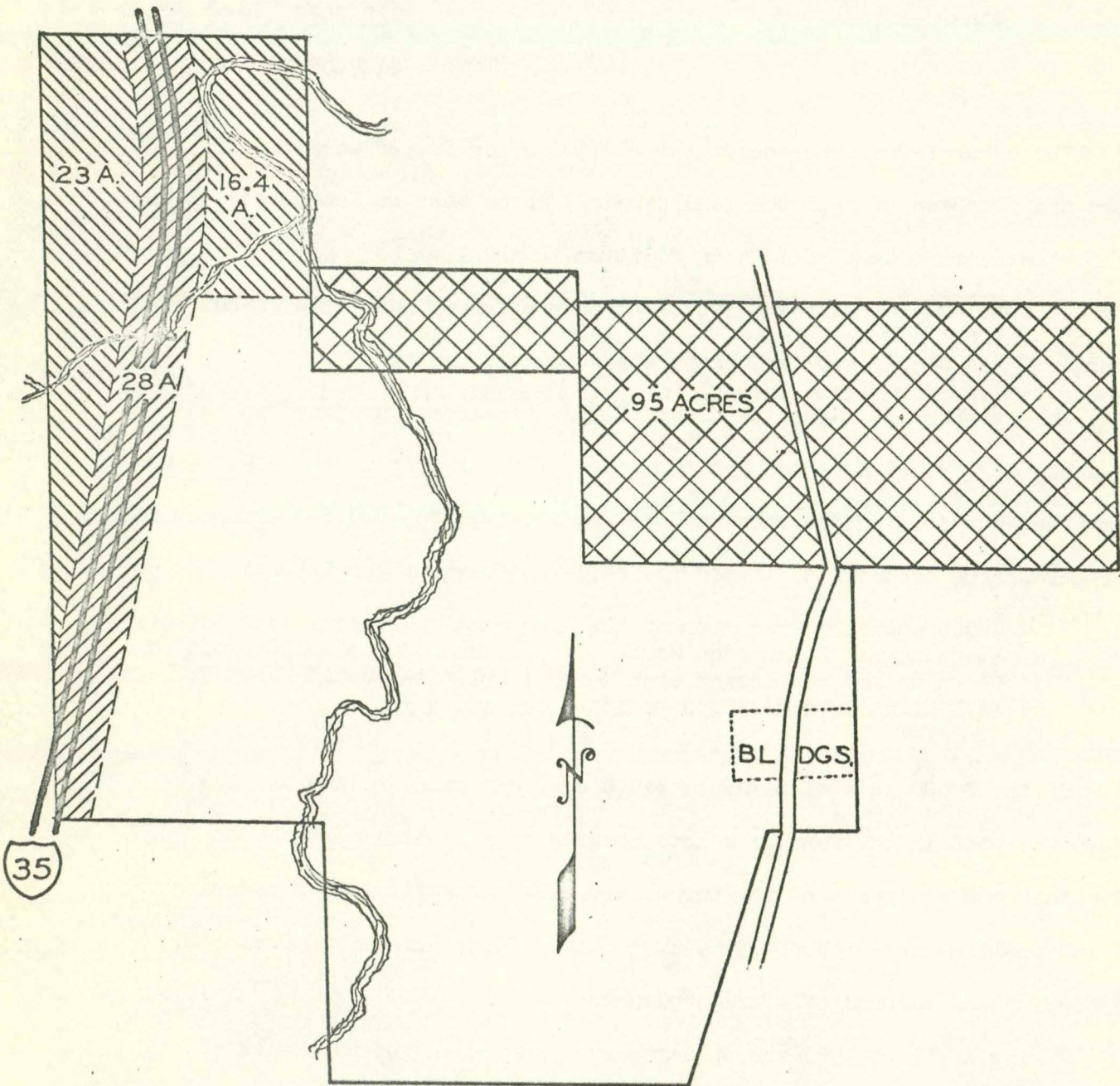


FIGURE 1

A right of way purchase of 67.4 acres from this farm included 23 acres that are landlocked by I-35. The owner bought the adjacent 95 acres nine months later.

The January, 1957 appraisal was made on the basis of acquiring only the 28 acres required for right of way purposes. Included in this appraisal were the following items:

Right of way	28 acres @ \$100	\$2,800
454 rods fence @ \$4.50		2,043
Other damages		<u>7,765</u>
		\$12,608

The owner refused to accept the \$12,608 offer for 28 acres of his farm and proposed to sell the landlocked 23 acres west of Interstate 35 and a 16.4 acre tract east of I-35 in addition to the 28 acres of right of way for \$14,000. On February 28, 1957, the counter-offer was accepted but no appraisal was documented for the purchase on this basis.

On November 12, 1957, the owner of this remainder purchased an adjacent 95 acres for \$3,000 or about \$32 per acre. This tract plus the 219.2 acre remainder was sold on contract on November 15, 1958 for \$20,800 or about \$66 per acre. The contract contained the following payment provisions:

\$4000 upon the execution of the agreement, \$800 plus interest of 5% on unpaid balance on March 1, 1960, and \$800 plus interest of 5% on unpaid balance on each March 1 following until March 1, 1971 at which time \$8000 would be due and payable.

Of the \$4000 initial payment, \$1000 cash was paid and the balance of \$3000 was paid in the form of a note secured by a chattel mortgage on livestock and equipment of the purchaser. The purchaser took possession of the premises in March of 1959, immediately found himself in financial difficulty and secured off-farm employment.

During April of 1961 the seller served notice on the purchaser of foreclosure of chattel mortgage and notice of forfeiture of real estate contract. It appears from the pleadings filed in the foreclosure action

that the purchaser was insolvent at this time. The seller now has the farm back, has collected about \$4000, has lost two years' rent while the purchaser in default had possession, and has paid one year's back taxes that were in arrears at time of forfeiture.

Sentiment in the area is that the defaulting purchaser from East Central Iowa was unfamiliar with the southern Iowa area and the property was grossly oversold.

Summary:

Appraisal			
January 1957	286.6 acres	\$24,760	(\$86/ac.)
Right of way contract offer	28 acres	\$10,565*	(\$377/ac.)
Owner's counter-offer accepted			
February 1957	67.4 acres	\$13,257**	(\$197/ac.)
Remainder value	219.2 acres	\$11,503	(\$52/ac.)
Remainder owner purchases adjacent			
tract November 1957	95 acres	\$ 3,000	(\$32/ac.)
Contract sale, November 1958	314.2 acres	\$20,800	(\$66/ac.)
Less 95 acres		<u>3,665</u>	(\$39/ac.)
Estimated 1958 value	219.2 acres	\$17,135	(\$78/ac.)
Estimated 1957 value	219.2 acres	\$15,162	(\$69/ac.)

* (exclusive of \$2,043 for fence; 23 acres left landlocked)

** (allowing \$743 for 165 rods of new fence)

Warren County

Case Study 91-1 (1)
Project I-853 (5)
Right of Way Parcel 13

Location: About 2.2 miles north of the Bevington Interchange of Interstate 35 and Iowa 92 in Warren County (SW $\frac{1}{4}$ SE $\frac{1}{4}$ Sec 7-76-25).

Description:

The 40 acres of timber pasture was unique in that it was landlocked before and after the right of way acquisition. It was appraised for \$2400 or \$60 per acre on November 14, 1956.

On December 3, 1956, the owner signed a contract selling 6.4 acres of right of way for a lump sum consideration of \$744. The only severance damage included was \$360 for fencing.

The remaining 33.6 acres were sold by court order at public auction on March 29, 1957. An abutting property owner purchased the unfenced remainder for \$1675 or about \$50 per acre. Restoring the fence along the west side of the remainder would increase the buyer's investment to about \$61 per acre.

Summary:

Appraisal	40 acres	\$2,400	(\$60/ac.)
Right of way purchase December 1956	6.4 acres	384*	(\$60/ac.)
Remainder value (fenced)	33.6 acres	\$2,016	(\$60/ac.)
Sale of unfenced remainder March 1957	33.6 acres	\$1,675	(\$50/ac.)
Estimated fence cost		<u>360</u>	
Total Investment		\$2,035	(\$61/ac.)

* (excludes \$360 for fence).

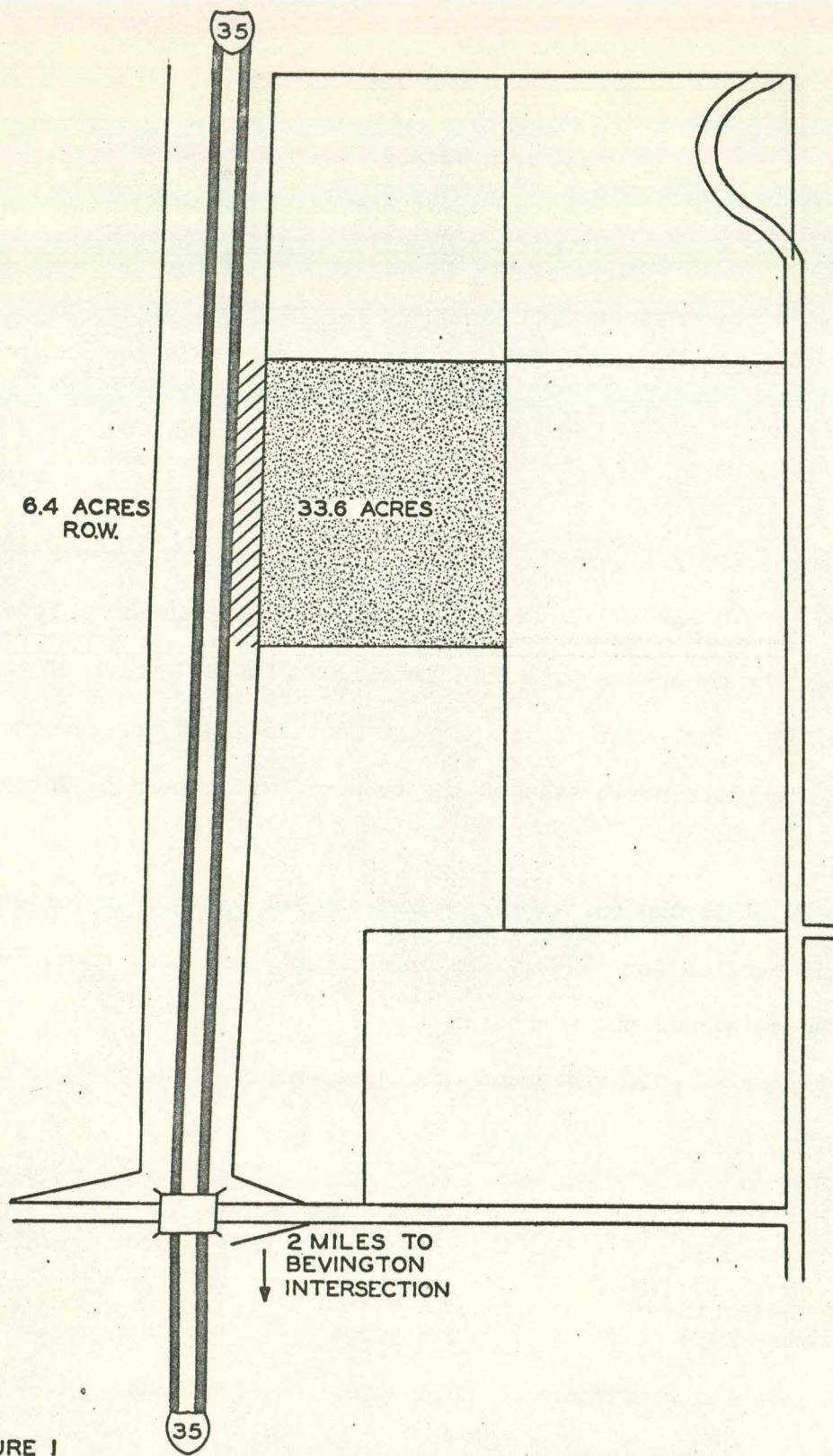


FIGURE 1

This 40 acre tract was landlocked before and after I-35 construction. It sold for about 10 percent less than a comparable tract which was not landlocked.

Warren County
Case Study 91-1(2)
Project I-853(5)
Right of Way Parcel 17

Location: About 2.5 miles north of the Bevington Interchange of Interstate 35 and Iowa 92 in Warren County (N $\frac{1}{2}$ NE $\frac{1}{4}$ Section 7-76-25).

Description:

This 80 acres (77 net acres) of timber pasture was appraised November 14, 1956 for \$4000 or \$50 per acre. For acquisition of 10.5 acres of Interstate 35 right of way the owner was paid \$885 leaving an "After" value of the remainder of \$3,115. The right of way payment included \$360 for fencing. The dirt road along the north side of the property was closed by Interstate 35 construction.

On March 29, 1957 the 66.5 acre remainder tract was sold by order of the court at public auction for \$4050. The property was unfenced along I-35 at the time of the sale. If the purchaser elected to fence the right of way, this property would represent an investment of about \$65 per acre.

Summary:

Appraisal				
November 1956	77 acres	\$4000		(\$52/ac.)
Right of way purchase				
December 1956	10.5 acres	\$ 885*		(\$84/ac.)
Value of unfenced remainder	66.5 acres	\$3115		(\$47/ac.)
Sale of unfenced remainder				
March 1957	66.5 acres	\$4050		(\$61/ac.)
Estimated fence cost		<u>360</u>		
Total investment		\$4410		(\$66/ac.)

* (includes \$360 for fence)

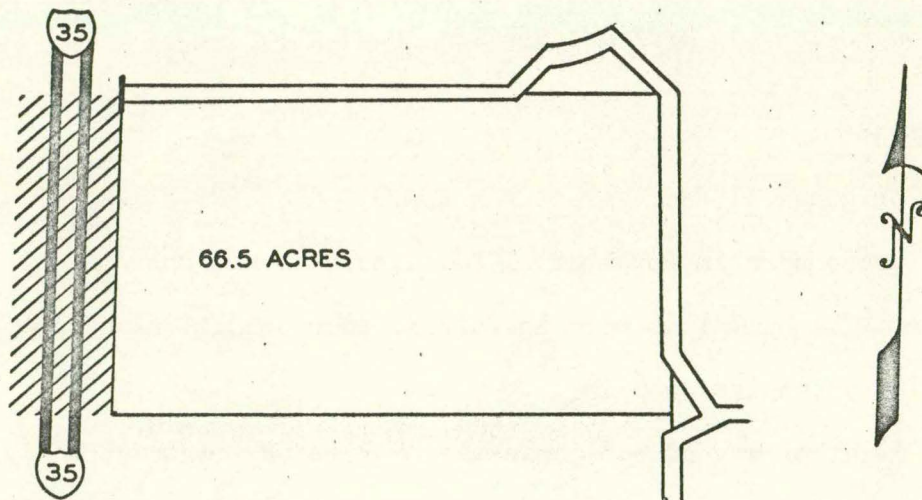


FIGURE 1

The purchase of 10.5 acres of right of way from this eighty acres of timber pasture did not damage the value of the remainder.

Warren County

Case Study 91-2 (1)
Project I-853 (5)
Right of Way Parcel 6

Location: North of Bevington Interchange of Interstate 35
and Iowa 92 in Warren County (W $\frac{1}{2}$ SW $\frac{1}{4}$ and
S $\frac{1}{2}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$ Section 19-76-25).

Description:

The original 115 acre tract was appraised at \$29,011.25 or approximately \$250 per gross acre in November, 1956. The unit was operated by the son of the owner. The buildings were in fair to poor condition and the land showed evidence of intensive cropping.

The right of way of 5.6 acres was acquired by contract on January 28, 1957 for a lump sum consideration of \$2,292. The local road bordering the south of this property was closed at the Interstate 35 right of way line.

Subsequent to the right of way purchase, the owner of this farm died leaving the property to her son who was the tenant at time of right of way acquisition. The son desired to acquire a larger unit with superior improvements and consequently the subject property was offered for sale.

On March 31, 1960, Tract 1 consisting of about 83.3 acres as shown in Figure 1 was sold for a consideration of \$22,000 or approximately \$260 per acre. This tract did not include the improvements and was purchased by a farmer who lives two miles north of the property.

The remaining 23 \pm acres, illustrated in Figure 1 as Tract 1A, was sold June 25, 1960 for \$10,500. Terms of the contract sale were: \$1000 payable on execution, \$500 on July 1, 1960, \$1500 on August 1, 1960 and the balance on payments of \$83.27 per month with six percent interest on the unpaid balance. The area included the modern house as shown in Figure 2, an old barn and several other smaller buildings.

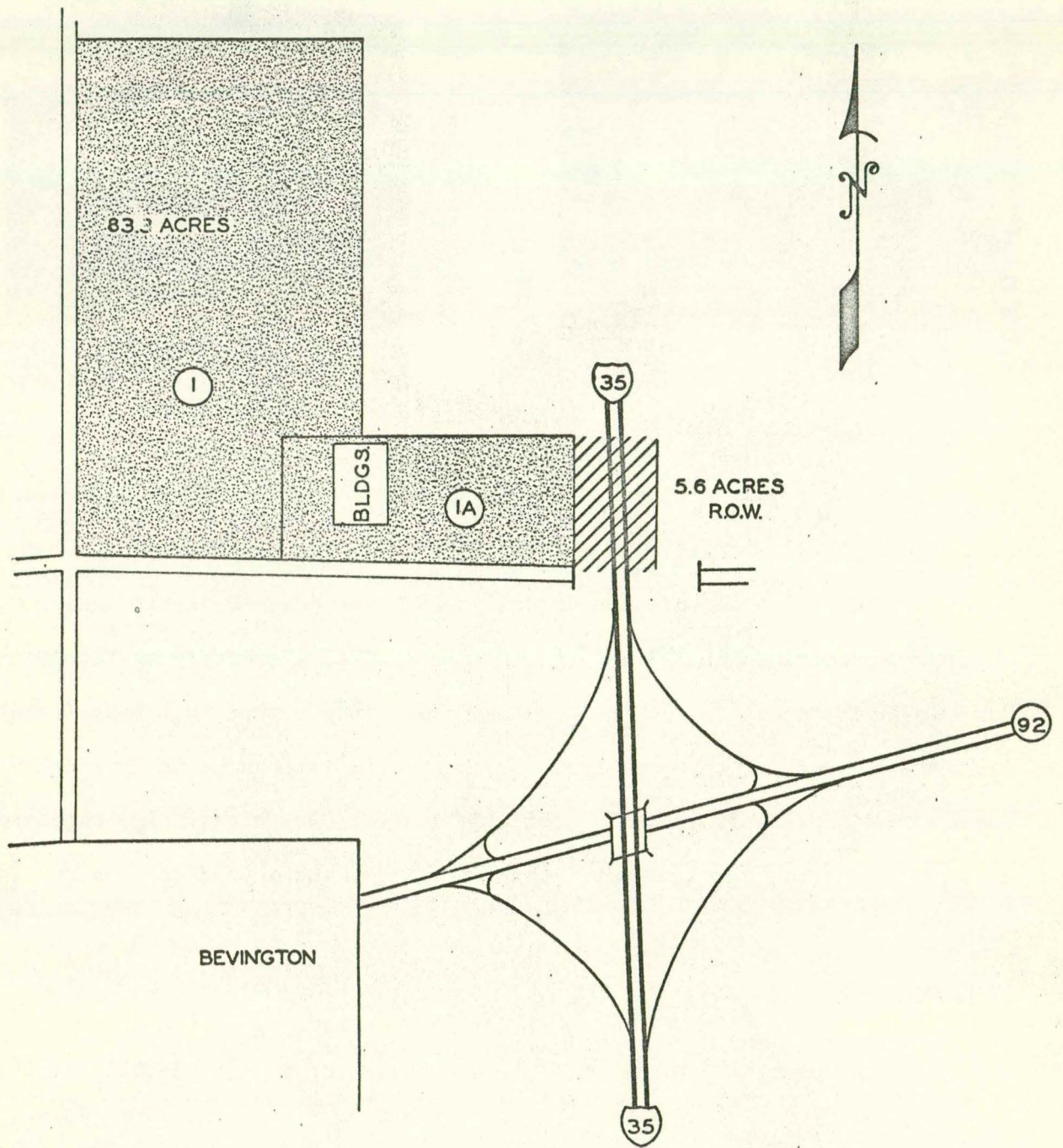


FIGURE 1 The purchaser of Tract IA commutes daily via Interstate 35 to work near Ankeny.



Figure 2

The young couple that purchased the improved tract had previously rented property in the East part of Des Moines. The husband works at the John Deere Plant in Ankeny and commutes on Interstate 35 each day. Prior to making purchase, they compared the 23 acre tract to residential property available in Des Moines and chose to buy the rural parcel. They report that less travel time is required for the work trip to Ankeny from their home in Warren County than from their previous residence in East Des Moines. The purchasers presently rent the cropland out, keep a few hogs, and intend to acquire more livestock.

Summary:

Appraisal November 1956	111.8 acres	\$29,011	(\$260/ac.)
Right of way purchase January 1957	5.6 acres	\$ 2,112*	(\$377/ac.)
Remainder value	106.2 acres	\$26,899	(\$253/ac.)
Sale of remainder March 1960	83.3 acres	\$22,000	
June 1960	22.9 acres	\$10,500	
Total for 106.2 acres		\$32,500	(\$306/ac.)
Sale price adjusted to 1956		\$29,739	(\$280/ac.)

* (exclusive of \$180 for fence)

Warren County
Case Study 91-2 (2)
Project I-853 (5)
Right of Way Parcel 7

Location: About one-half mile North of the Bevington Interchange of Interstate 35 and Iowa 92 in Warren County (S $\frac{1}{2}$ NW $\frac{1}{4}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$ and N $\frac{1}{2}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$ Section 7-76-25).

Description:

This 147.6 acre unit was appraised for right of way purposes in November 1956 for \$39,528.25 or approximately \$267 per acre. Twenty-eight and one-half acres of right-of way were acquired by negotiation from the east side of the property at a cost of \$10,534. The 119.1 acre remainder had an appraised "After" value of \$28,994.25 or about \$243 per acre. The unit has a complete set of good improvements located adjacent to an improved local road.

The remainder of approximately 119.1 acres was sold on March 29, 1957 at public auction under order of court for \$37,000 or approximately \$310 per acre. The auctioneer reported that bidding was active at the sale. The purchaser was an abutting property owner. Also of interest is that the purpose of the auction was to settle the affairs of the estate of the former owner who died intestate, leaving a wife and numerous collateral heirs. The widow and occupant purchased the property.

Summary:

Appraisal		
November 1956	147.6 acres	\$39,528 (\$267/ac.)
Right of way purchase		
December 1956	28.5 acres	\$10,534* (\$370/ac.)
Remainder value (unfenced)	119.1 acres	\$28,994 (\$243/ac.)
Sale of remainder (unfenced)		
March 1957	119.1 acres	\$37,000 (\$311/ac.)

* (includes \$909 for fence)

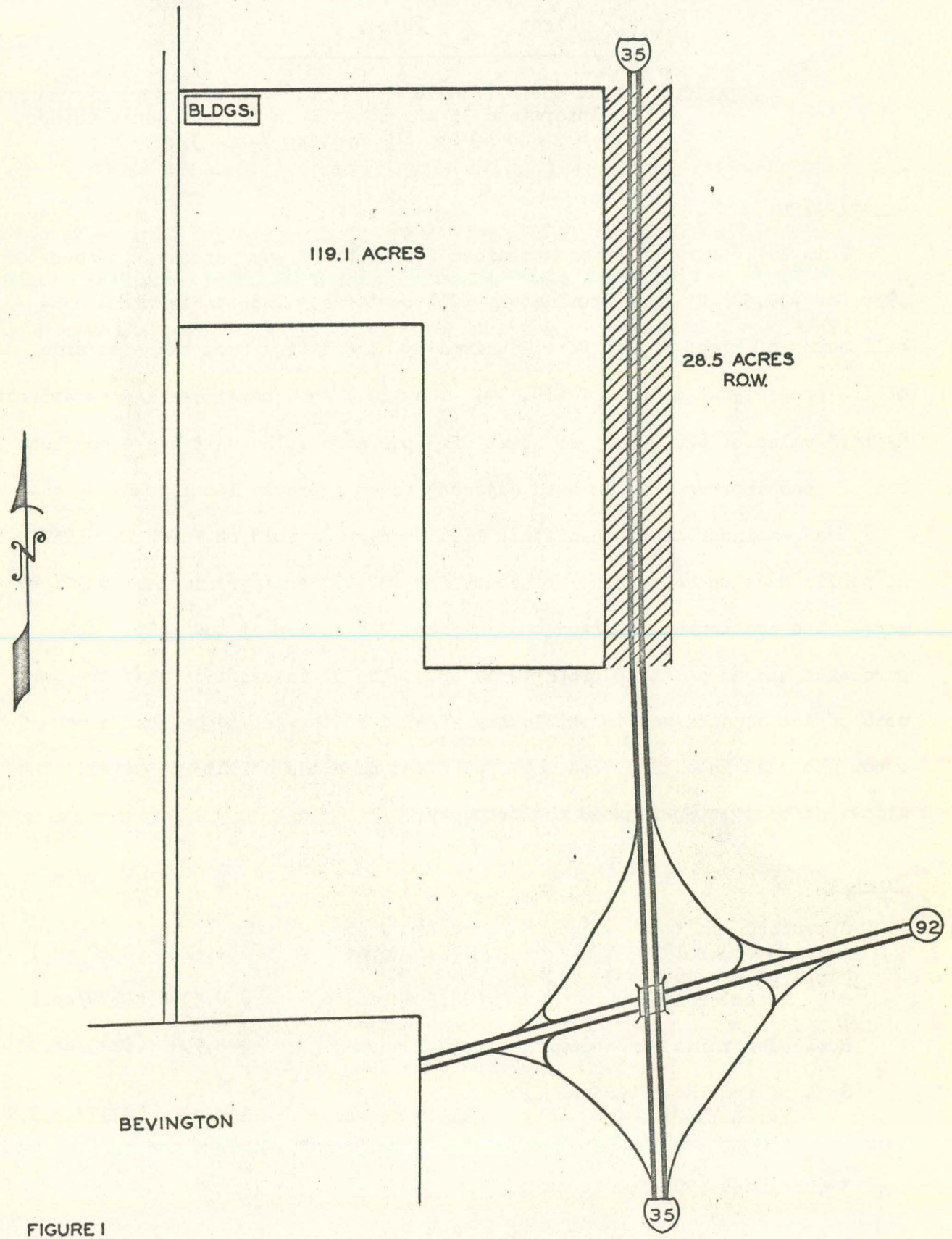


FIGURE I

Warren County

Case Study 91-3
Project IN-I-JG-853(3)
Right of Way Parcel 49

Location: About one-half mile south of Bevington
Interchange of Interstate 35 and Iowa 92
(S $\frac{1}{2}$ SE $\frac{1}{4}$ Section 30-76-25).

Description:

On November 5, 1956 this unimproved 80-acre tract was appraised at \$16,400. The tract consisted of 60 acres of cultivated land, 18 acres of timber pasture and 2 acres in roads. The dirt road serving this tract on the north was nothing more than a trail. A steep grade to the east of this property renders the tract inaccessible in rainy weather. The tract is cut into irregular shapes by a creek and is subject to overflow. The surface drainage is poor.

The 5.9 acres of right of way were acquired by condemnation on April 2, 1957 for \$2,963. The negotiation offer was \$1,835 which did not consider the closing of the county road on the North of this property at the Interstate #35 right of way line as a compensable item. This condemnation hearing was held prior to the Supreme Court's decision in the case of Warren vs. Highway Commission that road closures were non-compensable. The owners advanced the theory that such actions were compensable and that this property would sustain a diminution in market value of \$7,335 as a result of the taking of 5.9 acres of right of way and closing the county road.

The remainder of 74 \pm acres was sold on contract Oct. 29, 1958 for \$17,000. Terms of the sale were \$1000 down and the balance of \$1250 per year, with 6% interest on the unpaid balance. The realtor that handled the sale stated the purchaser was willing to agree to pay more because of the low down-payment

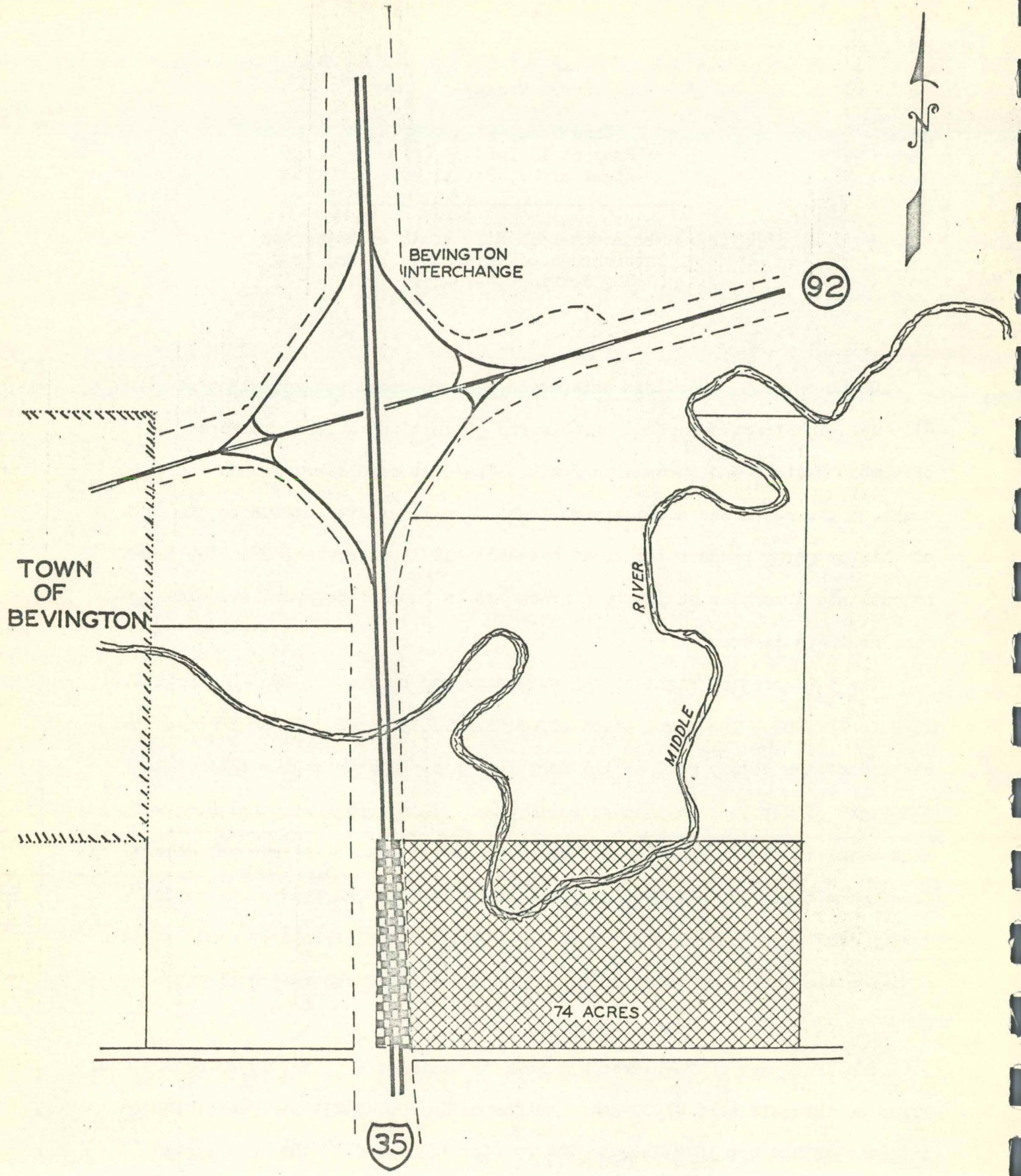


FIGURE 1 Interstate 35 construction required 5.9 acres of this farm.

and had the intention of making the annual payments from the earnings of the land. The purchaser was a young fellow trying to get started through the purchase of this tract.

Because of the weed infestation created by overflow and poor surface drainage, the realtor was of the opinion that the proceeds from this tract will not make the payments. An almost complete crop failure resulted in an agreement between the seller and purchaser to delay an annual payment.

In 1961 the purchaser turned the contract back to the original owner.

Summary:

Appraisal		
November 1956	78 acres	\$16,400 (\$210/ac.)
Right of way contract offer	5.9 acres	1,475* (\$250/ac.)
Condemnation jury award		
April 1957	5.9 acres	2,963 (\$502/ac.)
Remainder Value	72.2 acres	\$13,437 (\$186/ac.)
Contract sale, Oct. 29, 1958	72.1 acres	\$17,000 (\$236/ac.)
" " adjusted to 1957		\$15,918 (\$221/ac.)

* (exclusive of \$360 for fence)

Warren County

Case Study 91-4
Project IN-I-IG-853(3)
Right of Way Parcel 48

Location: Approximately three-fourths mile South of the Bevington Interchange of Interstate 35 and Ia 92 in Warren County. (SE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec 36-76-26, N $\frac{1}{2}$ NW $\frac{1}{4}$ & N $\frac{1}{2}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$ Section 31-76-25)

Description:

This 130 acre unit was appraised at \$19,615 on November 30, 1956. The improvements were located on a dirt road in medium condition. The improvements were poor. Seventy-seven acres were devoted to cultivation, 46 acres in timber pasture, 3 acres were in lots, and 4 acres in roads. The cropland was all bottomland with a large part of it subject to overflow.

On May 7, 1957, 2.6 acres of right of way were acquired by condemnation for \$880 which was the amount offered on negotiation. An "After" value of \$18,735 is thereby indicated. The death of the owner during the negotiation made condemnation necessary to obtain title by the project letting date. The unimproved mud road on the north side of the NW $\frac{1}{4}$ of Section 31 was closed at the Interstate 35 right of way line.

On September 16, 1957 the remaining 123.4 net acres were sold under court order to settle the estate for \$14,000. The real estate man that handled the sale reports that in his opinion the Interstate #35 influence was a negligible factor in this sale. The new owner who lives in Des Moines has salvaged or abandoned the buildings and placed the cropland in the soil bank.

Summary:

Appraisal			
November 1956	126 acres	\$19,615	(\$156/ac.)
Right of way contract offer	2.6 acres	520*	(\$200/ac.)
Condemnation jury award			
May 1957	2.6 acres	880	(\$338/ac.)
Remainder value	123.4 acres	18,735	(\$152/ac.)
Sale of remainder			
September 1957	123.4 acres	14,000	(\$113/ac.)
Sale adjusted to 1956		\$13,630	(\$110/ac.)

* (exclusive of \$360 for fence)

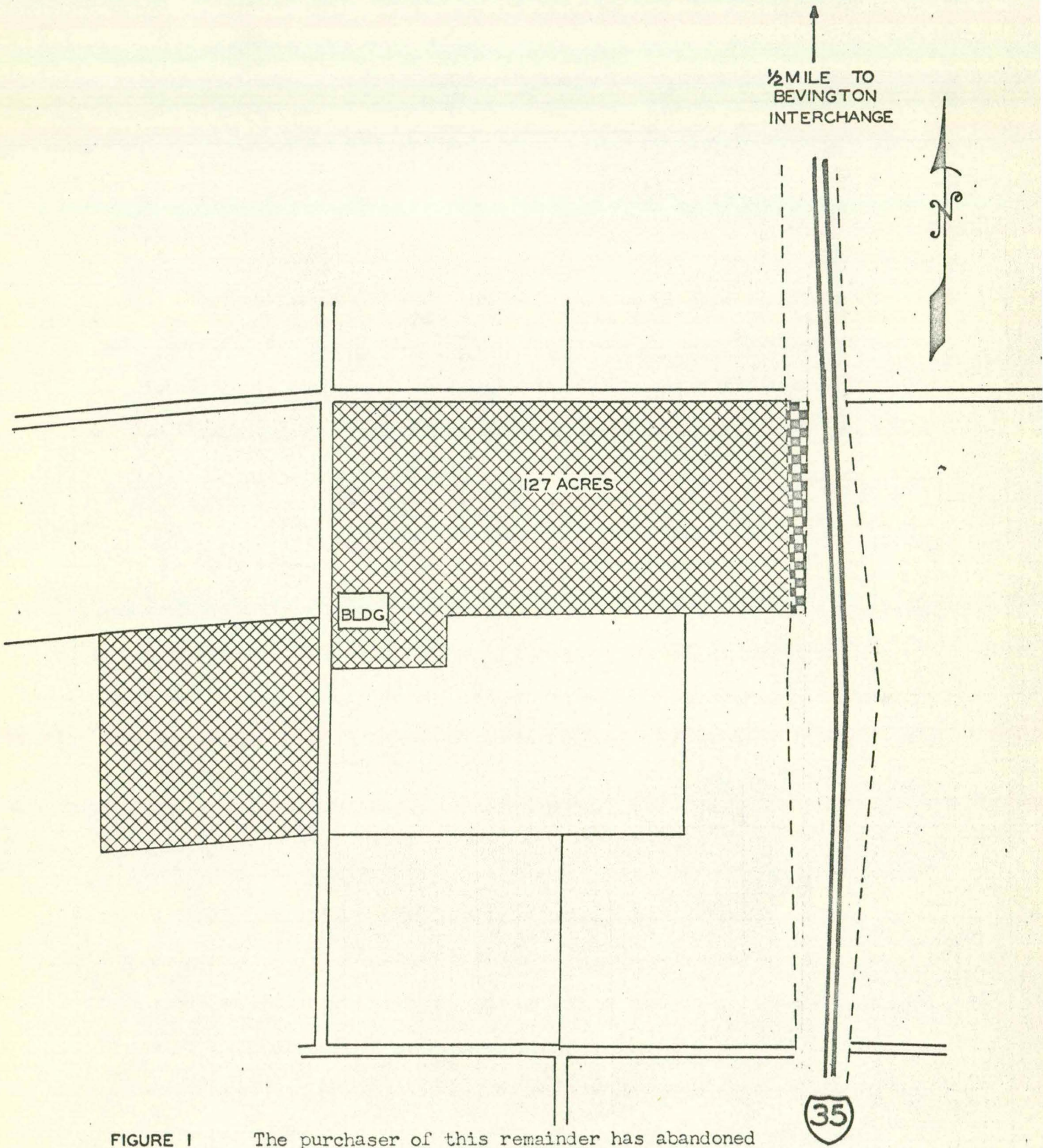


FIGURE 1

The purchaser of this remainder has abandoned the buildings and placed the cropland in the soil bank.

Warren County

Case Study 91-6
Project IN-I-IG-853(3)
Right of Way Parcel 19

Location: Adjacent to the Truro Interchange on Interstate #35 in Warren County (SW $\frac{1}{4}$ Section 7-74-25).

Description:

Prior to the highway construction this farm was tenant-operated and served by a gravel road on two sides. In 1950 the 154.7 net acres sold for \$19,000. The 160 acres less 5.3 acres in roads was valued at \$32,929.70 on January 25, 1957. Forty-seven and six-tenths acres were acquired off the east side of this property which left the owner with a tract of 107.1 acres and the buildings.

Simultaneously with the acquisition of the Interstate 35 right of way, necessary right of way was acquired for the improvement of Primary Road No. Iowa 400 into Truro, Iowa. The total payment to the owner exclusive of the estimated cost of moving 77 rods of existing fence along Iowa 400 was \$14,638.15, indicating an appraised value (unfenced along I-35) to the remainder of \$18,291.55.

On October 30, 1959 the remainder was sold for \$19,000 to a young couple. The husband's parents advanced the purchase price and are being repaid in annual installments. The purchasers previously farmed 320 acres near Martensdale, Iowa about ten miles away. This 320 acre farm belonged to the husband's parents. The purchasers now reside on the subject farm and drive their equipment between the subject and the 320 acre unit which they continue to operate. The purchasers state that the presence of Interstate #35 and Iowa 400 was a favorable factor which they considered in purchasing the property. They are in the process of a moderate remodeling program of the dwelling.

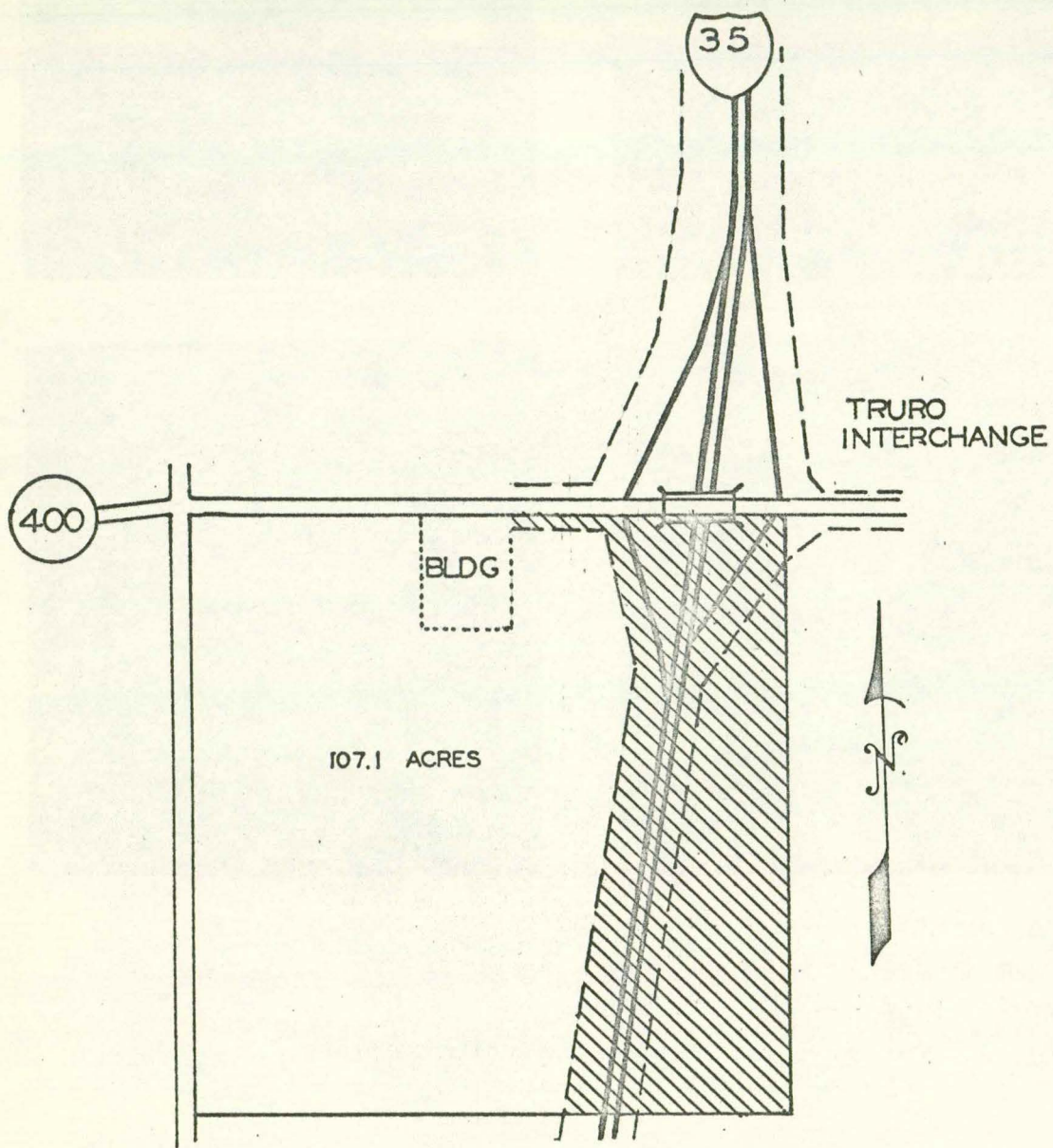


FIGURE 1 Purchasers of this remainder said the location adjacent to Iowa 400 and I-35 influenced them in buying the property.

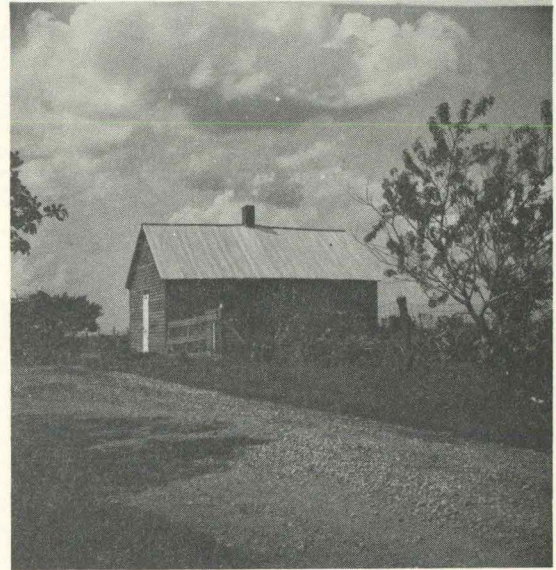
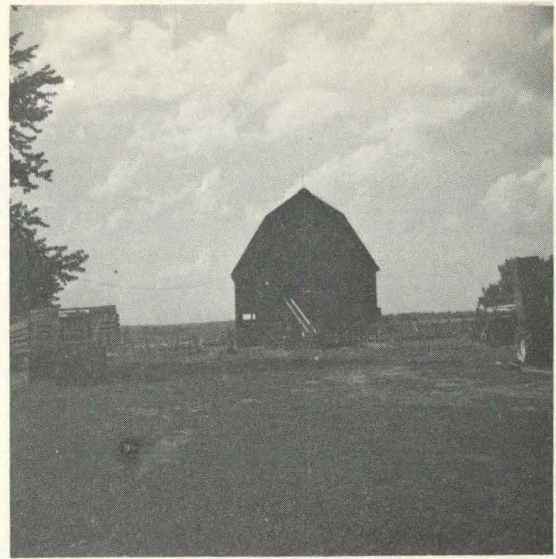


Figure 2. The above farm buildings on this unit are adjacent to Iowa 400.

Summary (I-35 taking only):

Appraisal			
January 1957	154.7 acres	\$32,930	(\$213/ac.)
Right of way purchase			
December 1957	47.6 acres	\$13,541*	(\$284/ac.)
Value of remainder	107.1 acres	\$19,389	(\$181/ac.)
Sale of remainder			
October 30, 1959	107.1 acres	\$19,000	(\$177/ac.)
Sale price adjusted to 1957 values		\$16,856	(\$157/ac.)

* (exclusive of \$828 for fence)

Warren County

Case Study 91-8
Project IN-I-IG-853 (3)
Right of Way Parcel 21

Location: One mile north of Interstate 35 and Iowa 400 Interchange in Warren County (SE $\frac{1}{4}$ NW $\frac{1}{4}$ and W $\frac{1}{2}$ SW $\frac{1}{4}$, Section 6-74-25; also east 60 acres of S $\frac{1}{2}$ SE $\frac{1}{4}$ Section 1-74-26).

Description:

On January 9, 1957, this 171 acre rolling to rough pasture farm was appraised at \$15,898 or at \$93 per acre. Fifty-six acres were in permanent pasture and 54 acres were in timber pasture and about 60 acres of cropland were scattered in small irregular fields.

It was noted in the "Before" appraisal that the Shelby and Wabash silt loam soil on this farm was in inferior condition. The house in medium condition and the inferior buildings were assigned a utility value of \$3,150. General development of the surrounding community was also rated inferior and comparable farms were noted as selling from \$50 to \$75 per acre.

A consideration of \$2,300 was paid for 12 acres of right of way. An unfenced "After" value of \$13,598 or \$85 per acre is thereby indicated.

On January 21, 1961, the 159 acre remainder was sold on contract for \$11,000 or \$69 per acre with payments to be made as follows: \$1,000 down with the balance payable at \$100 per month with 6% interest on unpaid balance. The original owner moved from this remainder to a larger farm acquired from the estate of his father.

The purchaser formerly lived in Des Moines. Both he and his wife had been raised on a farm and before purchasing they compared this farm to available residential properties in the City of Des Moines. They are both employed in a manufacturing plant in Des Moines and commute daily. They stated "that it

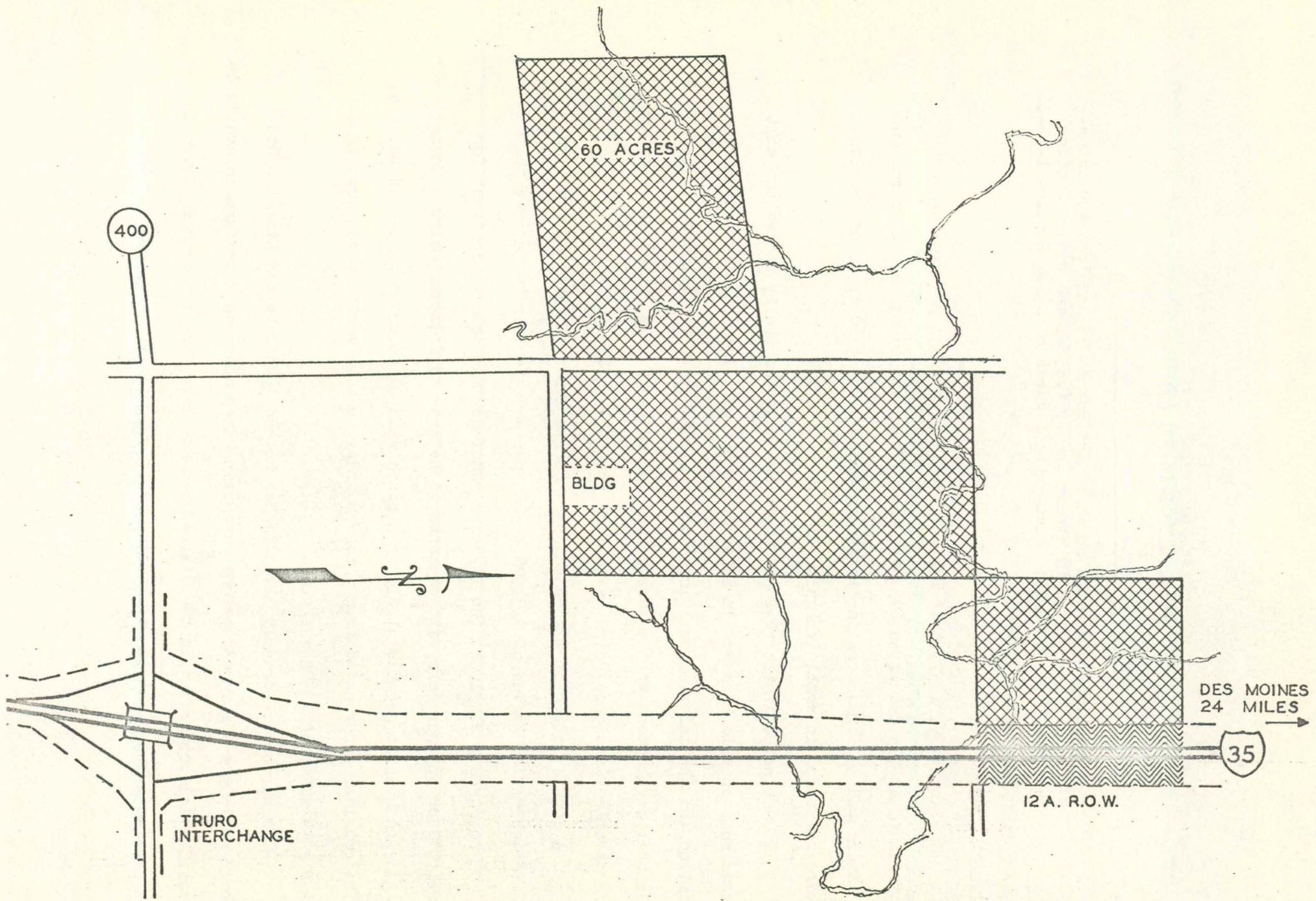


Figure 1. Purchasers of this Warren County farm commute daily to work in Des Moines.

took less time to go to and from home to work via I-35 than it previously had to drive across the city of Des Moines to work". The purchasers occupy the unmodern house and have purchased an old tractor and other used farm equipment but have made little progress in cleaning the place up or controlling the weeds. The route to Des Moines is over a rock road for 3/4 mile to Iowa 400, on Iowa 400 for 1/2 mile to I-35 and then 25 miles to work. The purchaser stated that he felt he got more for his money purchasing subject than he could get in Des Moines. He expects the farming operation to supplement his income in the future.

Summary:

Appraisal			
January 1957	171.1 acres	\$15,898	(\$93/ac.)
Right of way purchase			
January 1957	12.0 acres	\$ 1,940*	(\$162/ac.)
Value of remainder	159.1 acres	\$13,958	(\$88/ac.)
Sale of remainder			
January 1961	159.1 acres	\$11,000	(\$69/ac.)
Sale price adjusted to 1957		\$ 9,568	(\$60/ac.)

* (exclusive of \$360 for fence)

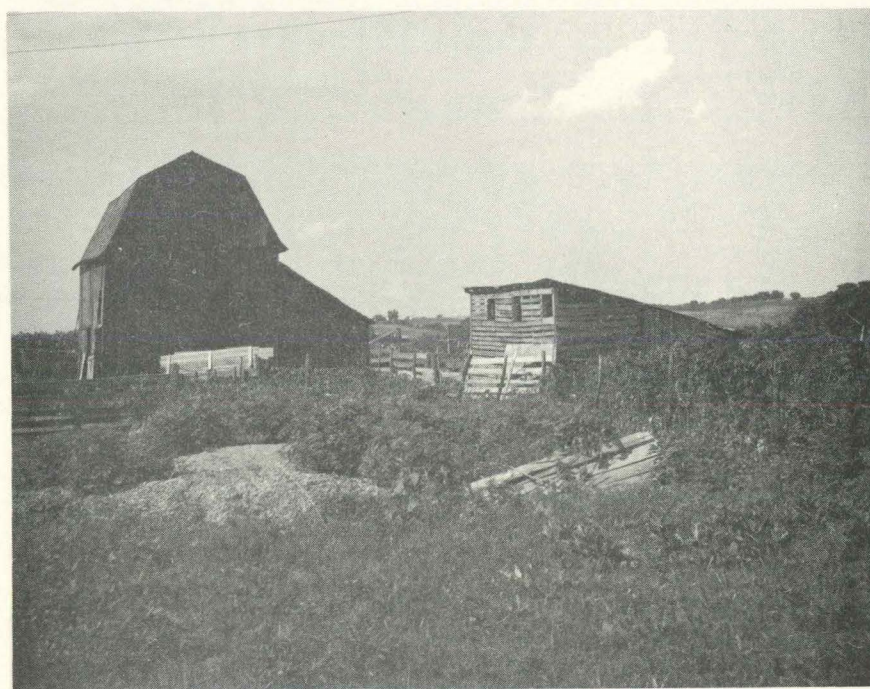


Figure 2. The buildings on this farm are in medium to inferior condition.

Jasper County

Case Study 50-1
Project I-01-5(3)Jasper
Right of Way Parcel 10

Location: One-half mile west of Colfax Interchange of Interstate 80 and Iowa 117 in Jasper County (SE $\frac{1}{4}$ SW $\frac{1}{4}$, S $\frac{1}{2}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$, SW $\frac{1}{2}$ SE $\frac{1}{4}$ and S $\frac{1}{2}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 35-80-21) .

Description:

This unit consists of 115 net acres and improvements. On October 21, 1958 the land was appraised at \$34,910 and the utility value of the improvements at \$5,450 for a total "Before" value of \$40,360 or \$351 per acre. The house was small and modern with a good garage. The barn and other buildings had fallen into a state of disrepair. The unit consisted of 90 acres cultivated land, 22 acres timber pasture and 3 acres lots, etc.

The right of way requirements necessitated the acquisition of 17 acres for the construction of I-80 and a relocated county road parallel to the north right of way line of I-80. The taking crossed the property diagonally and resulted in the severance and isolation of 7.5 acres on the south side of I-80. The total area of 24.5 acres to be acquired included 5 acres of timber pasture and 19.5 acres of cultivated land.

On April 4, 1959, the 24.5 acres of right of way was condemned for \$10,658.50 which was the amount offered in negotiation. This left an "After" value of \$29,701.50. The condemnation commissioners agreed with the state's "Difference" figure. However, there is no indication that the condemnation commissioners either agreed or disagreed with the "Before" or "After" appraisal.

This unit was in an estate at the time of condemnation. Numerous heirs were involved, several of whom desired to liquidate their holdings. An attempt

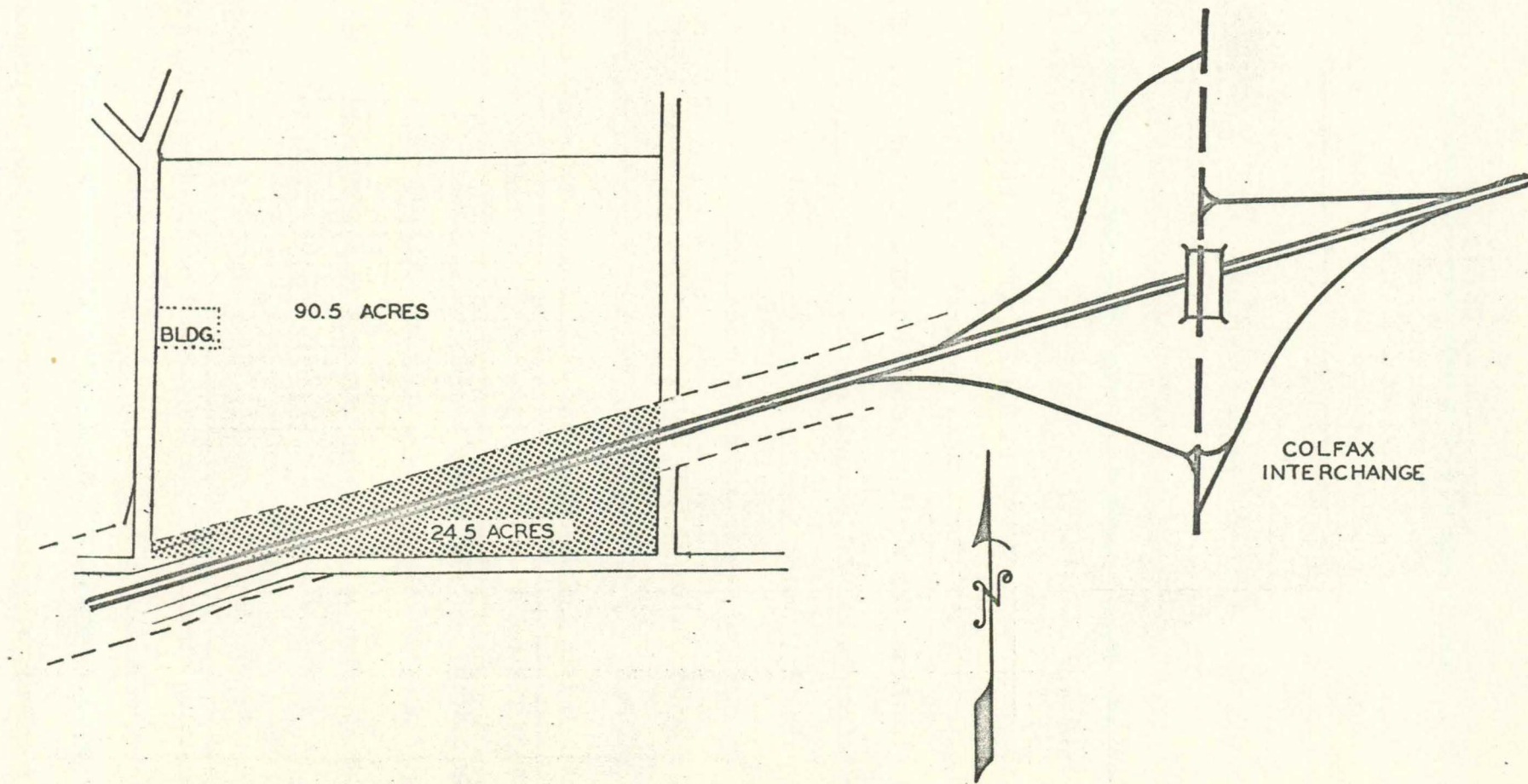


FIGURE I. The 24.5 acres of I-80 right of way was acquired by condemnation in 1958.

was made to sell the remainder at public auction. The highest bid received was \$260 per acre which was declined by the owners. Further attempts to sell at private sale resulted in inquiries by persons who desired to purchase on long term contract or bargain hunters.

On September 24, 1960, one of the heirs who already owned an undivided one-sixth interest purchased the other owners' interests for a consideration indicating a value of \$26,160 or \$289/acre for the whole. In addition, the purchaser received the landlord's share of the 1960 crop.

The purchaser owns 130 acres 3.5 miles away and rents an additional 130 acres from his sister. The house on the remainder unit is rented to an employee of Maytag in Newton for \$25 per month. The house tenant is six months in arrears in his rent.

Summary:

Appraisal		
October 1958	115 acres	\$40,360 (\$351/ac.)
Right of way contract offer	24.5 acres	\$ 9,815.50 * (\$401/ac.)
Condemnation jury award		
April 1959	24.5 acres	\$10,658.50 (\$435/ac.)
Remainder value	90.5 acres	\$29,701.50 (\$328/ac.)
Sale of remainder		
September 1960	90.5 acres	\$26,160 (\$289/ac.)
Sale price adjusted to 1958		\$26,432 (\$292/ac.)

* (exclusive of \$835 for fence)

Polk County

Case Study 77-1
Project I-IG-02-3(1)
Right of Way Parcel 4

Location: Near Rider Interchange of Interstate 35
and Iowa 141 in Polk County (E $\frac{1}{2}$ NE $\frac{1}{4}$, Sec-
tion 17-79-25).

Description:

The subject property, a bare 73.8 acre farm, was purchased on contract in 1956 for a reputed \$365 per acre. This farm was bisected by a railroad at the time of purchase. It was appraised for right of way purposes on February 26, 1957 for \$27,306. The value of the remainder after purchase of 8.7 acres of right of way was appraised at \$22,569 or \$370 per acre. The owner would not accept the difference of \$4,737 for the 8.7 acres.

On July 27, 1957, 8.7 acres of right of way was condemned from the property for the construction of Iowa 141 and Interstate 35. The award of the Condemnation Commission was appealed to the District Court. Prior to trial the case was settled for \$6,062.50 and the owners were granted two field entrances to Iowa 141.

This section of Interstate 35 was completed and opened to traffic in November 1958. On December 23, 1960 the remaining 65.1 acres were sold for a confirmed consideration of \$100,000. A modern sewer pipe plant now under construction will replace Iowa Pipe & Tile Company's present plant which was acquired as a part of the Des Moines Urban Renewal Project. Nineteen acres in the northwest corner of the site will be devoted to the operation of the new plant. The purchaser has no definite plans for the use of the remainder. No change in use of the field entrances to Iowa 141 has been granted at the time of this survey.

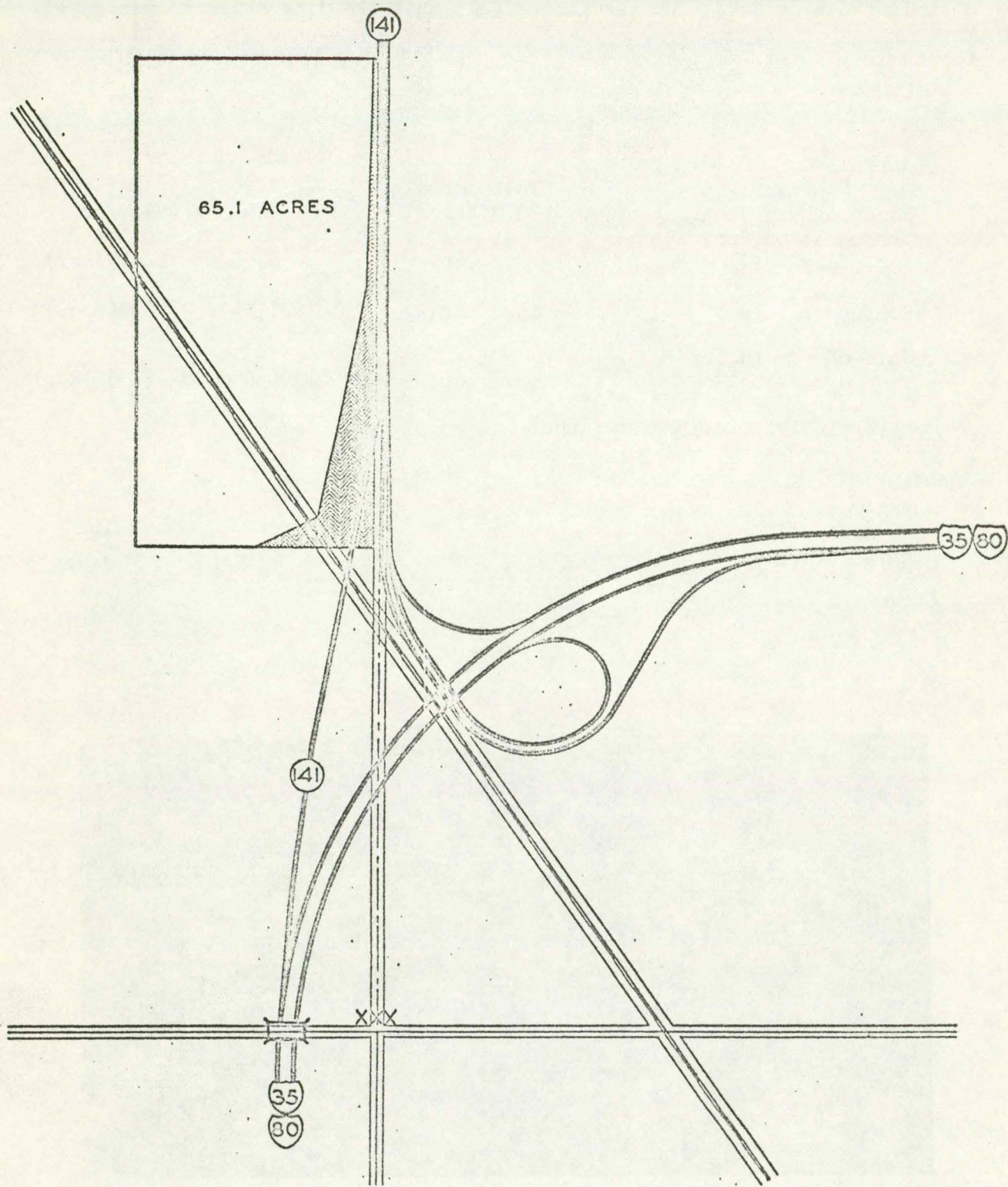


FIGURE I.

The source of clay to be used in the manufacture of the product of this plant is at Redfield, Iowa. If satisfactory arrangements cannot be made with the railroad, the clay will be trucked to the plant from Redfield, Iowa via Iowa #92 and Interstate #35. A large part of the finished product is distributed by truck. The purchasers felt that the site selected was ideal for their purpose.

Summary:

Appraisal			
February 1957	73.8 acres	\$27,306	(\$370/ac.)
Right of Way contract offer	8.7 acres	3,999*	(\$460/ac.)
Condemnation Jury award			
July 1957	8.7 acres	6,062.50	(\$697/ac.)
Remainder value	65.1 acres	\$21,243.50	(\$326/ac.)
Sale of remainder			
December 1960	65.1 acres	\$100,000.00	(\$1536/ac.)

* (exclusive of \$738 for fence)

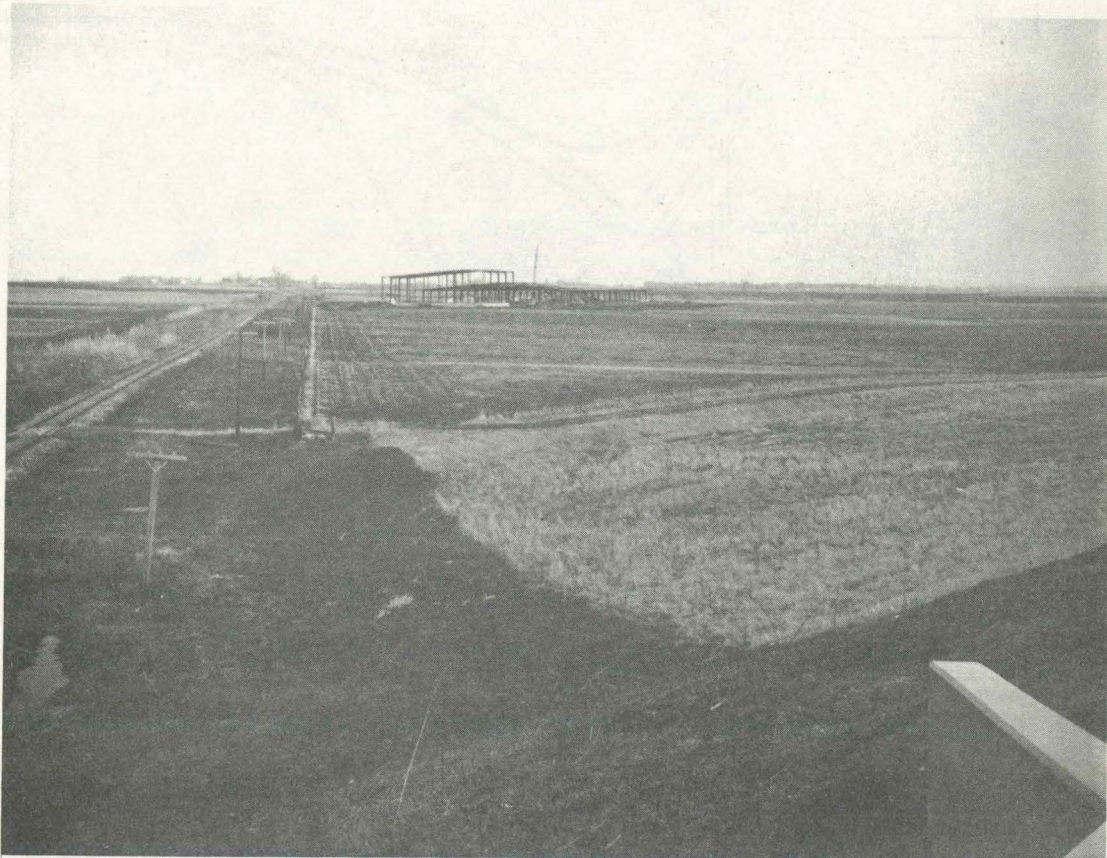


Figure 2. Looking northwesterly along railroad towards pipe plant under construction.

Cass County

Case Study 15-3
Project I-IG-01-2 (1)
Right of Way Parcel 12

Location: 1.5 miles East of Interstate 80 & U.S. 71
Interchange in Cass County (NE $\frac{1}{4}$, NW $\frac{1}{4}$ Section
6-77-35).

Description:

This Cass County farm consisted of 242.4 net acres when it was appraised for right of way purposes on February 27, 1958 for \$52,537.40 or \$217 per acre. The unit had been purchased in April 1951 for \$32,000 or \$132 per acre. Two hundred rolling acres were devoted to cropland, 10 acres in permanent pasture, 30 acres in timber pasture and 2.4 acres of lots. The farm was located on a rock road in good condition. The modern house (appraised at \$4000) was complimented by a good 64x26x8 machine shed, a good 12 pen hoghouse, two cribs, and a 56x56 barn in medium condition. The utility value of the buildings was estimated at \$12,218 or \$50 per acre. The unit was tenant-operated on a crop-share basis.

The I-80 right of way requirements consisted of a 15.8 acre strip on the south side of the unit. A right of way contract of March 12, 1958 was signed by the non-resident owner wherein he agreed as part of the consideration of \$6,825 to construct and maintain a hog tight fence of 292 rods between his remaining property and I-80. An estimated fencing cost of \$4.50 per rod or \$1,314 was contemplated. A value after the construction of the fence \$47,026 is thereby indicated.

The remainder unit of 226.6 net acres was sold on contract in the fall of 1960 for \$54,000 or \$238 per acre. Contract terms were: \$2,000 on execution, \$9,000 on March 1, 1961, \$2,000 on March 1, 1962, and \$1,200 per year

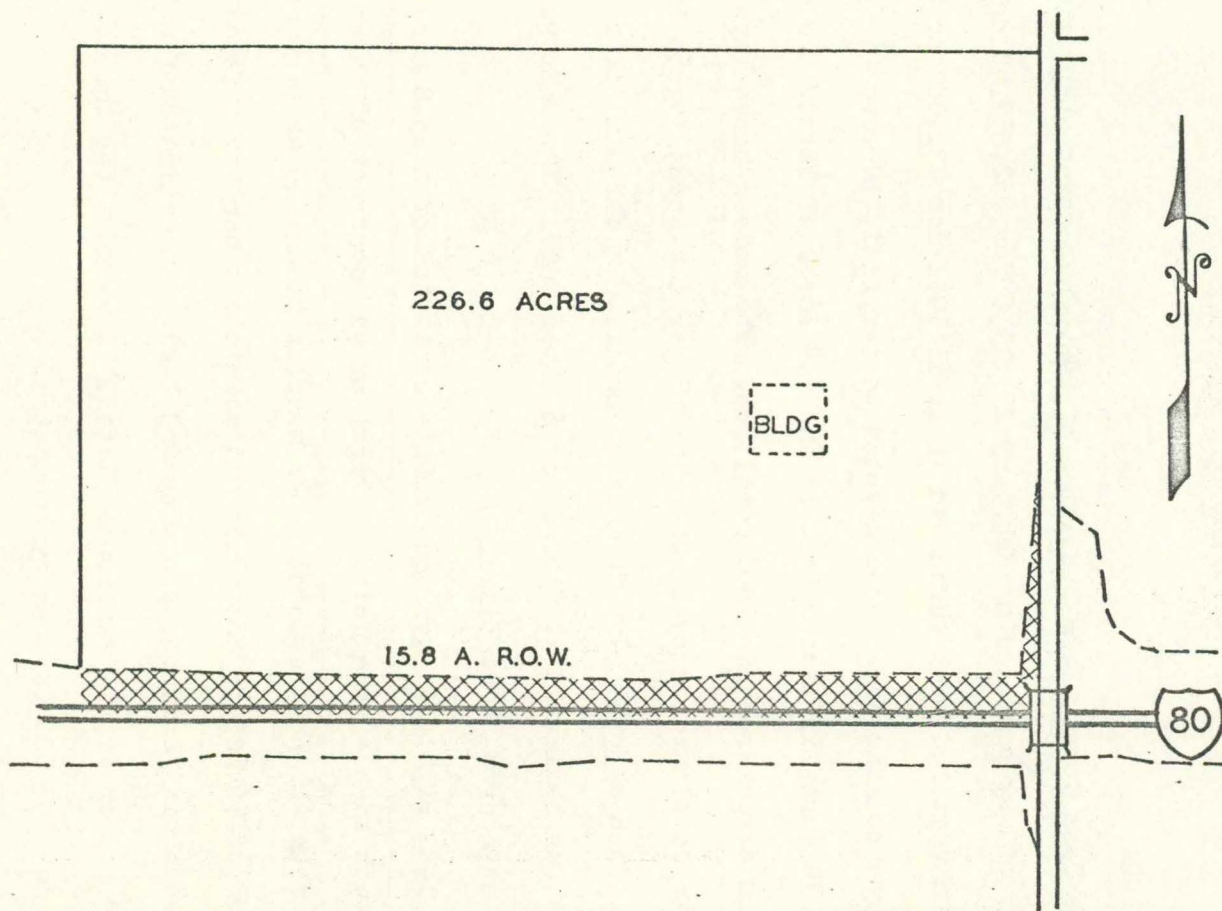


Figure 1. Interstate 80 construction required 15.8 acres of right of way from this farm unit.

thereafter until March 1, 1974, when all amounts shall become due and payable. A 5½ percent interest rate applied to the unpaid balance.

The right of way breakdown shows 15.8 acres at \$215 per acre for \$3,397 plus a damage item of \$2,114. An analysis of comparable sales in the area since I-80 construction indicates that the price of \$238 per acre was high, perhaps because of the contract sale and terms thereof. On an unpaid balance of \$41,000 the purchaser will be retiring only \$1200 per year for a period of twelve years. A mortgage of approximately \$20,000 was on the unit at the time of right of way acquisition. If the right of way payment exclusive of fence payment in the amount of \$5,500 were applied against the mortgage, an unpaid balance of \$14,500 would remain. The initial contract payments of \$2,000, \$9,000 and \$2000 would reduce the balance to \$1,500. The terms of the contract appear to have been drawn to provide a retirement income to the seller.

Summary:

Appraisal			
February 1958	242.4 acres	\$52,537	(\$217/ac.)
Right of way purchase			
March 1958	15.8 acres	5,511*	(\$349/ac.)
Remainder value	226.6 acres	\$47,026	(\$208/ac.)
Contract sale of remainder			
Fall 1960	226.6 acres	\$54,000	(\$238/ac.)
Sale Price adjusted to 1958		\$51,054	(\$225/ac.)

* (exclusive of \$1314 for fence)

Cass County

Case Study 15-4
Project I-IG-01-2(1)
Right of Way Parcel 20

Location: One mile West of Interstate 80 and County
Trunk Road "K" Interchange in Cass County
(N $\frac{1}{2}$ SW $\frac{1}{4}$, Section 4-77-35)

Description:

This Cass County 80 acre tract was valued at \$9,200 or \$115 per gross acre on February 27, 1958. The east forty of this unit is good land although it has had rather poor care. The west forty had much erosion on it. The buildings consisted of a quonset house valued at \$750 and two or three other buildings of little or no value. The appraisal indicates the 55 acres of cultivated land and 23 acres of pasture had been under poor management. The well and windmill were adequate. A dirt road passed along the west side of the unit.

After the proposed taking of 11.3 acres (7.3 acres cultivated, 4 acres pasture) of right of way from the north side of this farm, an "After" appraisal value of \$6,187 or \$79 per acre was assigned to the remainder. Restoration of fence would increase the worth of the 67.7 acres to \$6907.

The right of way was condemned, resulting in an award of \$2,762. This indicates an "After" value of \$6438. Because of poor health, the owner-operator sold the 67.7 acre remainder on April 2, 1959 for a confirmed consideration of \$8,250 or \$122 per acre. The purchaser, a bachelor, took possession of the unit, occupied the house and operated the unit.

In August 1961 the remainder was sold to an abutter who owned an improved 120 acres (Farm "A", Figure 1) for a confirmed consideration of \$8,250. This abutting purchaser intends to wreck the buildings on subject. His original

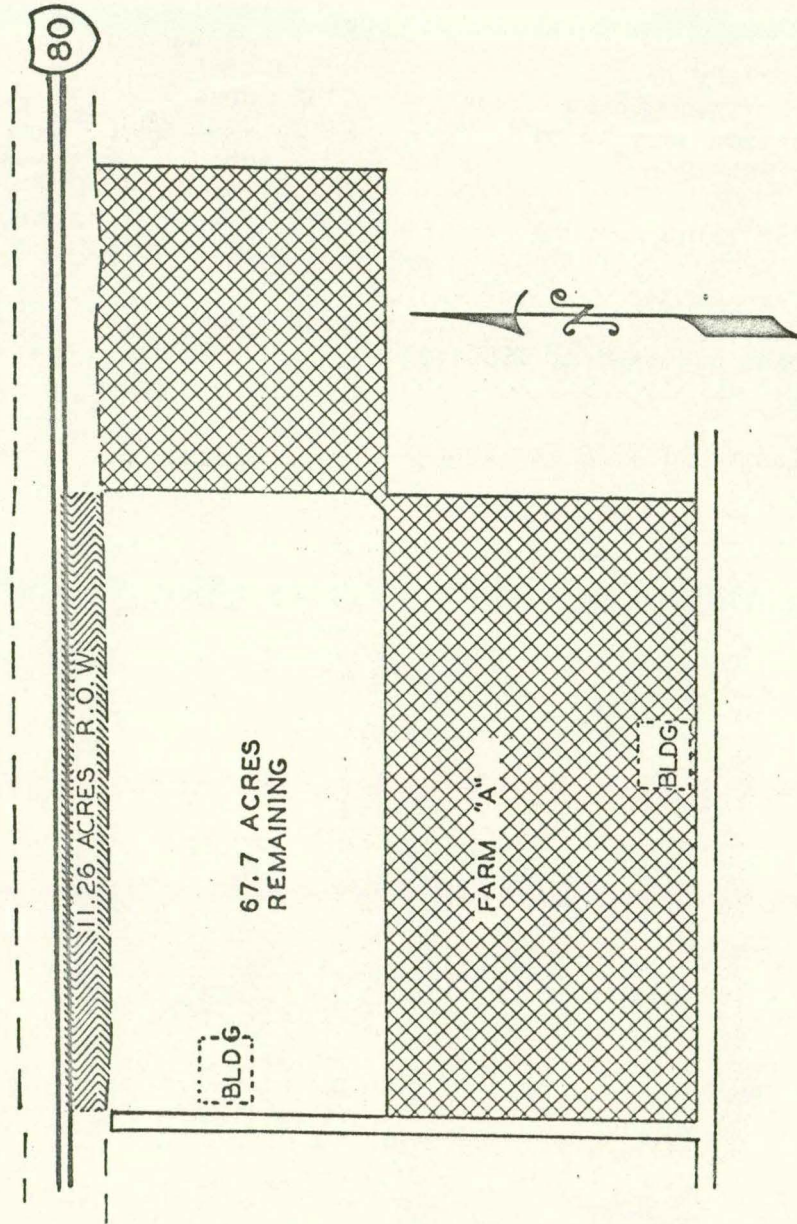


Figure 1. The 67.7 acre remainder unit has sold twice since I-80 right of way was condemned.

120 acre unit was reduced by 4.9 acres as a result of I-80 construction.

The bachelor-owner who purchased the remainder in 1959 bought another eighty acres in the area for \$160 per acre.

Summary:

Appraisal			
February 1958	79 acres	\$9,200	(\$116/ac.)
Right of way contract offer	11.3 acres	2,293*	(\$203/ac.)
Condemnation jury award			
August 1958	11.3 acres	\$2,762	(\$244/ac.)
Remainder value	67.7 acres	\$6,438	(\$95/ac.)
Sale of remainder			
April 1959	67.7 acres	\$8,250	(\$122/ac.)
Sale price adjusted to 1958 values		\$7,234	(\$107/ac.)

* (exclusive of \$720 for fence)

Cass County

Case Study 15-5
Project I-IG-01-2 (1)
Right of way parcel 23

Location: About 0.5 mile West of Interstate 80 and County Trunk Road "K" Interchange in Cass County (S $\frac{1}{2}$ SE $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$, Section 4-77-35)

Description:

On February 26, 1958 this 120 acre unit (118 acres net) was appraised at \$18,000 or \$150 per gross acre. Of the \$18,000, \$13,800 or \$115 per acre was allocated to land and \$4,200 or \$35 per acre to buildings. The unit is cut by ditches and draws and lays in several irregular fields.

Right of way of 4.6 acres was needed for I-80 construction as shown in Figure 1. The right of way contract payment was made at the rate of \$150 per acre or \$690 for land plus \$257 for other damages. In addition to the \$947, payment was made for 80 rods of fence at \$4.50 per rod to be built and maintained by the land owner. The "After" appraisal value of the 113.4 acre remainder with fencing completed would be \$17,053.

The remainder was sold under order of court to settle an estate on April 7, 1960 for a confirmed consideration of \$22,200. Information from interviews in the area indicates that the owners of farms reduced by right of way acquisitions have gone into the market and "bid up" the land that was for sale.

This purchaser operates 360 acres in the area. He lives on an improved 120 acre unit, farms another unimproved 120 acres and has a hired man living on the subject remainder. The purchaser has spent \$1,000 on the house on subject for water and a bath and plans to erect a new concrete stave silo this fall.

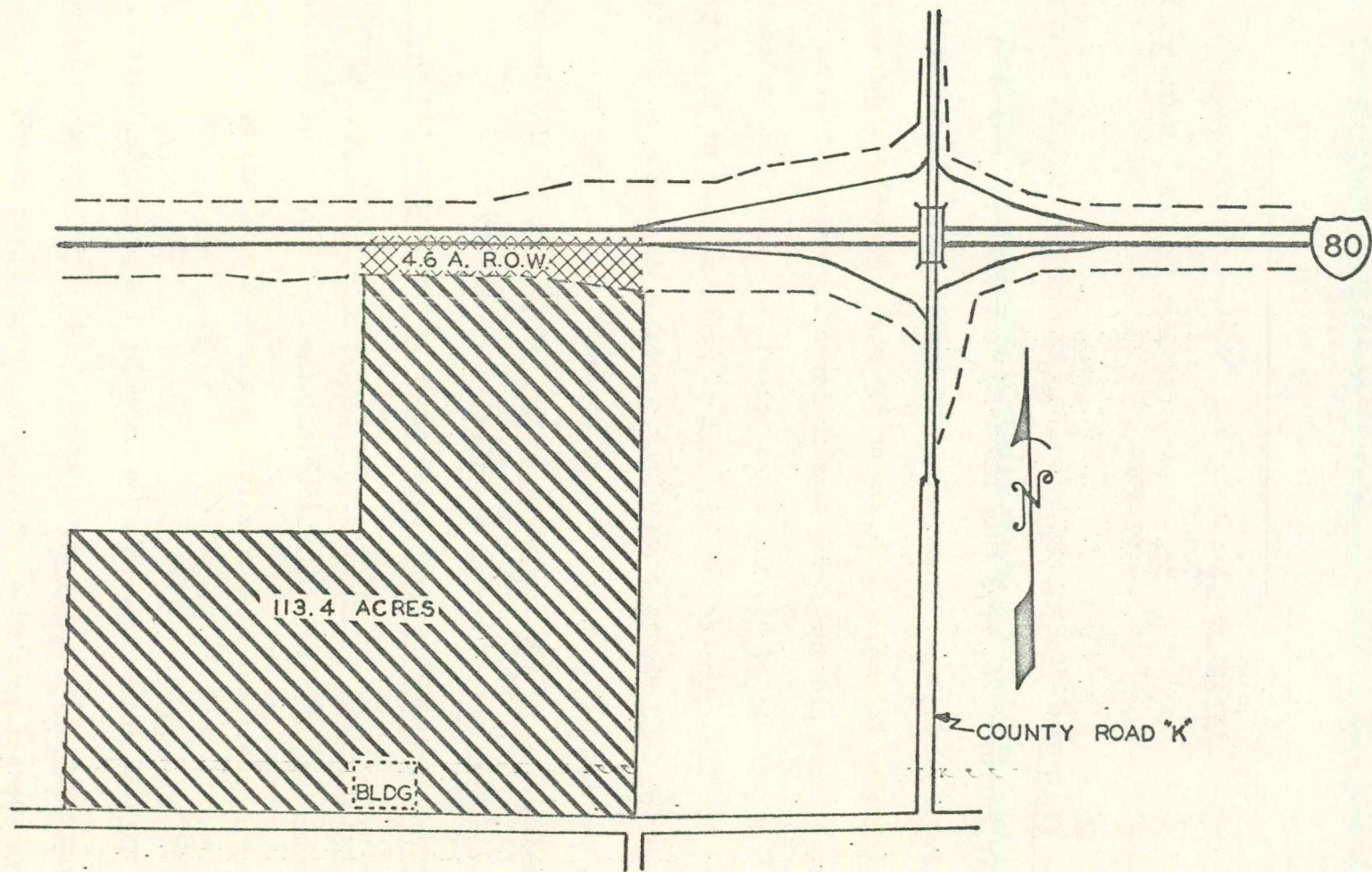


Figure 1. This 113.4 acre remainder was sold in 1960 to settle an estate.

Summary:

Appraisal			
February 1958	118 acres	\$18,000	(\$153/ac.)
Right of way purchase			
April 1958	4.6 acres	947*	(\$206/ac.)
Remainder value	113.4 acres	\$17,053	(\$150/ac.)
Sale of remainder			
April 1960	113.4 acres	\$22,200	(\$196/ac.)
Sale price adjusted to 1958 values		\$20,500	(\$181/ac.)

* (exclusive of \$360 for fence)

Cass County

Case Study 15-7
Project I-01-2(2)
Right of Way Parcel 4

Location: 2.5 miles west of Interstate 80 and County
Trunk Road "J" Interchange in Cass County
(E $\frac{1}{2}$ SW $\frac{1}{4}$ Section 6-77-34)

Description:

This improved 80 acres was given a "Before" value of \$14,000 or approximately \$175 per acre for the 79 net acres involved. Of this value \$50 per acre was contributed by the modern house, barn and two cribs. The improvements were above average for the community. Seventy-seven acres of the rolling farmland were under cultivation.

A 7.75 acre strip along the north end of the farm was needed for the construction of I-80. The appraiser valued the remainder at \$12,224.50 after the construction of 81 rods of new fence parallel to I-80. Fence payment was made at the rate of \$4.50 per rod and constructed by the owner under the terms of the right of way contract.

The right of way payment was as follows:

7.75 acres land @ \$175	\$1,356.25
Damages	419.25
Fence	<u>364.50</u>
	\$2,140.00

On June 6, 1961, the remainder was sold to an owner in the area for a confirmed consideration of \$15,000 or \$210 per acre. The purpose of the sale was to settle an estate. The unit has been incorporated into the prior 300 ± acre operation of the purchaser. The son of the purchaser occupies the dwelling on subject and farms with his father.

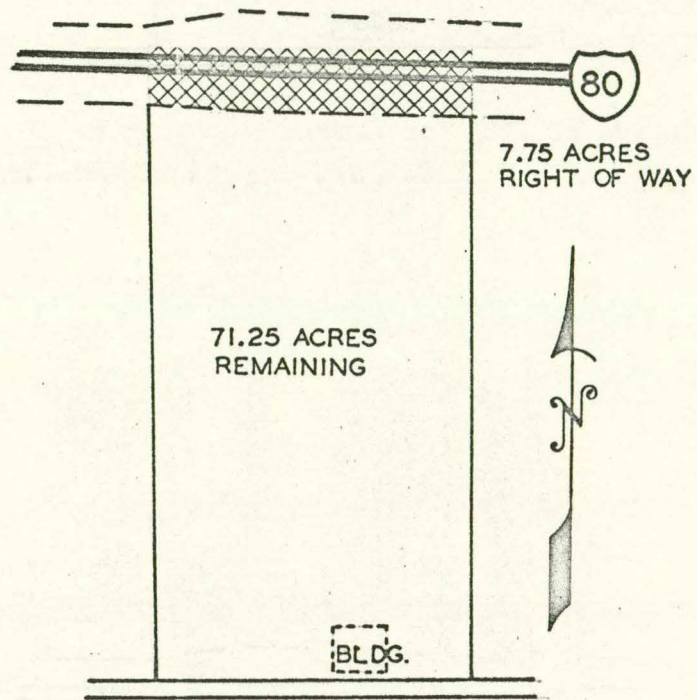


Figure 1. This 71 acre remainder was sold to settle an estate.

The purchaser of subject received \$38,000 for 47 acres of I-80 right of way (Parcel #24, I-IG-01-2 (1)). His original 300 acre operation is 3 3/4 miles distant from the subject remainder.

Summary:

Appraisal			
February 1958	79 acres	\$14,000	(\$177/ac.)
Right of way purchase			
January 1958	7.8 acres	1,775*	(\$228/ac.)
Remainder value	71.2 acres	12,225	(\$172/ac.)
Sale of remainder			
June 1961	71.2 acres	15,000	(\$211/ac.)
Sale price adjusted to 1958		14,288	(\$201/ac.)

* (exclusive of \$365 for fence)

Cass County
Case Study 15-8
Project I-01-2(2)
Right of Way Parcel 6

Location: 2.25 miles West of Interstate 80 and County
Trunk Road "J" Interchange in Cass County
(W $\frac{1}{2}$ SE $\frac{1}{4}$ Section 6-77-34)

Description:

This tenant operated 80 acres consisted of 75 cultivated acres, 4 acres of lots, and an acre for roads, it was appraised at \$10,400 or \$132 per net acre on January 15, 1958. Ten thousand dollars was allocated to land an \$400 salvage value to a complete set of buildings which were in very poor condition.

Interstate 80 construction required an 8.5 acre strip along the north end of the farm. The appraisal indicated payment of \$1745 for the right of way, fencing and damages.

Because of difficulty over price in reaching a settlement with the owner, the right of way was condemned on April 24, 1958. The offered price of \$1,745 was raised to an award of \$1,965 by the condemnation commissioners. The owner appealed therefrom to District Court. The matter was settled prior to trial for \$2,750. The State's local witnesses would have testified at the trial as follows:

<u>Witness</u>	<u>Before</u>	<u>After</u>	<u>Difference</u>
#1	\$16,000	\$13,490	\$2,510
#2	\$15,200	\$12,780	\$2,420

On May 28, 1960, the remainder was sold to a farmer $\frac{1}{2}$ mile away, who already owned 160 acres (Farm A, Figure 1) for a confirmed consideration of \$223 per acre or \$15,750. The purchaser and his son who farm together have salvaged or abandoned the buildings and removed the cross fences on the 70-acre remainder.

Since purchasing subject, \$1,000 has been spent on tiling plus additional amounts for grading and grubbing. The purchaser didn't feel that Interstate 80

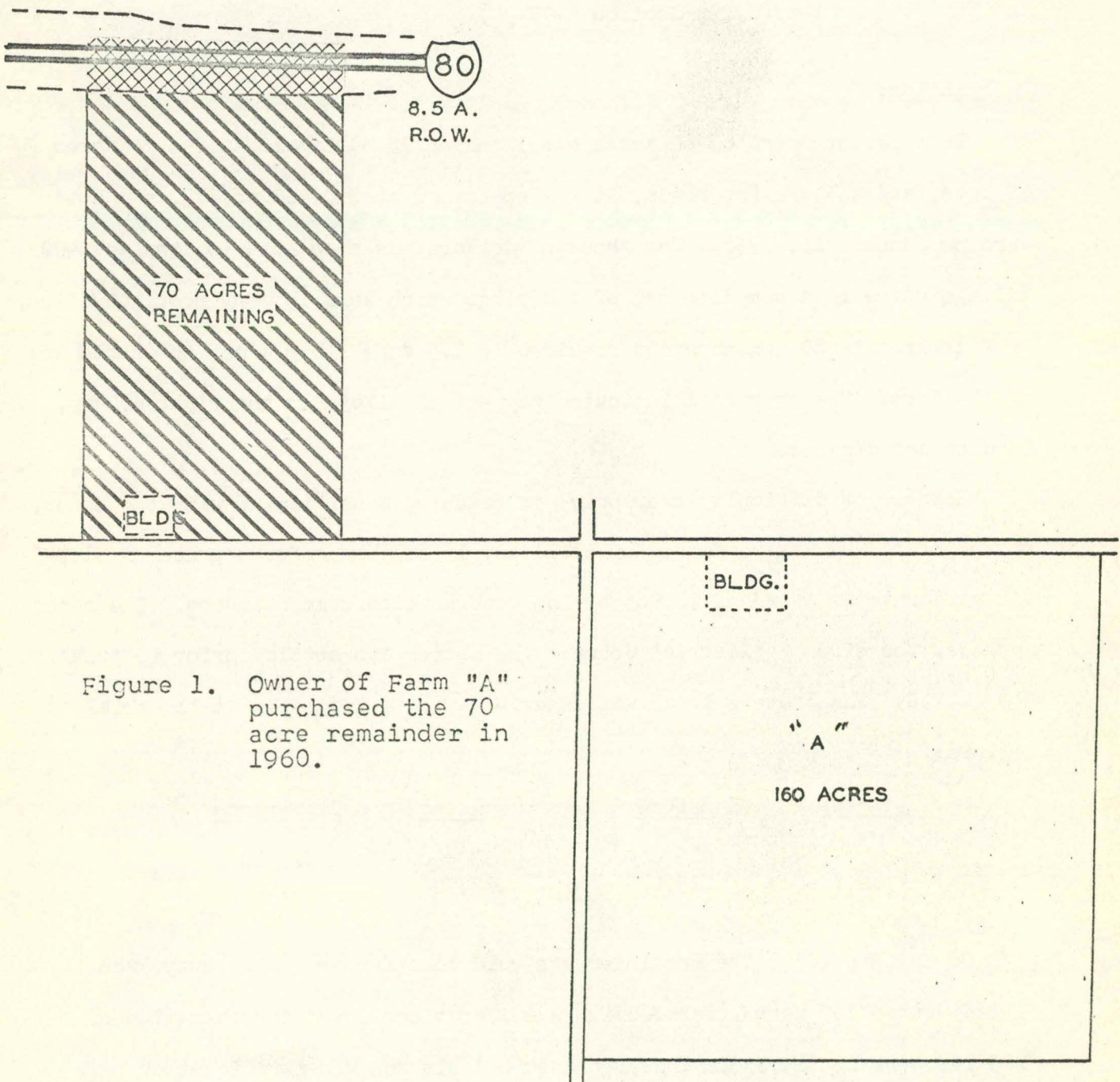


Figure 1. Owner of Farm "A" purchased the 70 acre remainder in 1960.

was a benefit to the farming area. However, in the opinion of the purchaser, the I-80 right of way payments had resulted in more competition for available land and a consequent higher sale price for available tracts.

Summary:

Appraisal, January 15, 1958	79 acres	\$10,400 (\$132/ac.)
Right of way contract offer	8.5 acres	1,385*(\$163/ac.)
Condemnation jury award April 24, 1958	8.5 acres	1,965 (\$231/ac.)
Condemnation appeal March 16, 1959	8.5 acres	2,390*(\$281/ac.)
Remainder value	70.5 acres	8,010 (\$114/ac.)
Sale of remainder May 28, 1960	70.5 acres	\$15,750 (\$223/ac.)
Sale price adjusted to 1958 values		\$14,481 (\$205/ac.)

* (exclusive of \$360 for fencing)

Cass County
Case Study 15-9
Project I-01-2(2)
Right of Way Parcel 9

Location: 1.5 miles West of Interstate 80 and County Trunk Road "J" Interchange in Cass County (W $\frac{1}{2}$ SE $\frac{1}{4}$ Section 5-77-34, and NW $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 8-77-34).

Description:

A value of \$14,400 or \$122 per net acre was assigned to this estate owned-tenant operated 120 acre unit on January 14, 1958. Of the 120 rolling acres, 97 were cultivated, 18 were permanent pasture, 3 acres were lots, and 2 acres were for roads. I-80 construction required 13 acres of cropland from the north edge of this unit. An "After" value of \$11,925 or \$114 per acre was assigned to the remaining 105 acres. The right of way was acquired at the appraised price by negotiation for the difference of \$2475.

On September 8, 1960, the remainder was sold for \$105 per acre or \$11,025 to an owner in the area (See Case Study 15-6) who had sold land for Interstate 80 right of way. The buildings valued at \$3,000 in the "Before" appraisal have been abandoned.

Lack of competition played some part in the lower price of this unit. One of the abutters had recently purchased an I-80 remainder (Case 15-8) for \$15,750 and could not handle the financial aspect, otherwise he stated "he would have bid it up". Another abutter was not interested in going together with a second abutter to purchase the remainder unit and dividing the property between them.

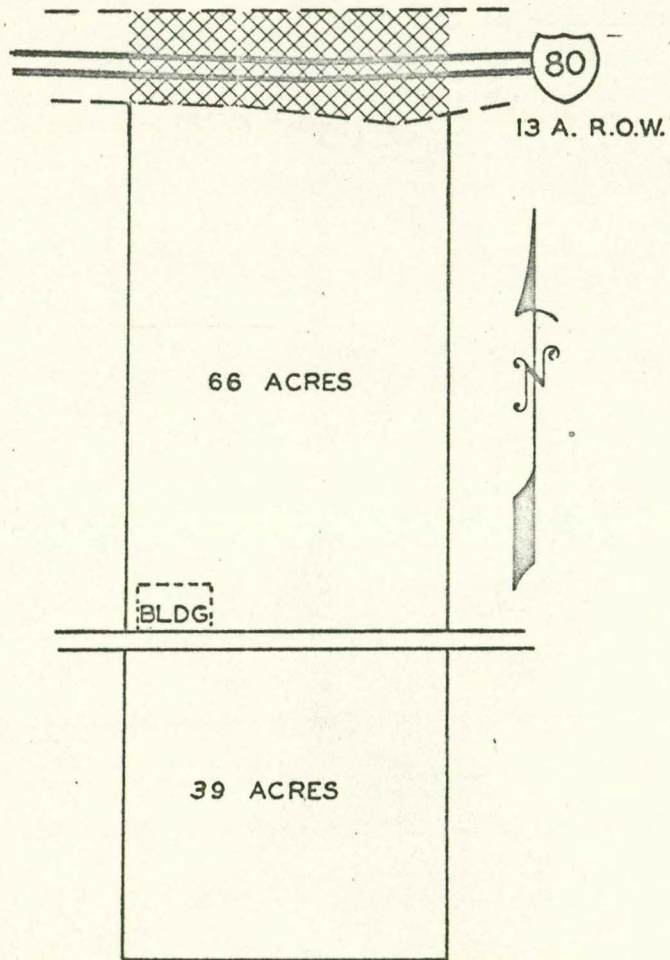


Figure 1. This 105 acre remainder was purchased by a Cass County farmer to offset his acreage reduction by a previous sale of an I-80 landlocked parcel.

Summary:

Appraisal, January, 1958	118 acres	\$14,400	(\$122/ac.)
Right of way purchase January, 1958	13.0 acres	\$ 2,110*	(\$162/ac.)
Remainder value	105 acres	\$12,290	(\$117/ac.)
Sale of remainder September, 1960	105 acres	\$11,025	(\$105/ac.)
Sale price adjusted to 1958 values		\$10,080	(\$ 96/ac.)

*(exclusive of \$365 for fence)

Monona County
Case Study 67-3
Project I-03-6(1)
Right of Way Parcel 9

Location: 1.1 miles northerly of the Onawa Interchange
on Interstate 29 (W $\frac{1}{2}$ SE $\frac{1}{4}$, Section 36-84-45).

Description:

The tendency to reinvest proceeds from right of way payments in land to avoid payment of capital gains tax was apparent from interviews conducted with the purchasers of this remainder.

The entire area of 220 acres shown in Figure 1 had been owned by the same individual for an extended period. Approximately a year before the I-29 right of way was acquired the owner died. Under his will 160 acres of the property were devised to the children of the decedent. The remaining 58+ acres were devised to his grandchildren. The distribution is shown in Figure 1.

On November 4, 1957, the 160 acres devised to the children were valued for tax purposes at \$225.00 per acre. The 58 acres passing to the grandchildren were likewise valued by local court appointed appraisers at \$225.00 per acre. The tax appraisal value was in all probability low; however, both units were assigned an identical per acre value.

The 160 acres owned by the children were appraised for right of way purposes at \$52,000 or \$325 per acre on August 4, 1958. The unit was bare, "except for an inferior crib and granery." The right of way requirements consisted of 12.4 acres which included the purchase of 5 acres landlocked by the construction of Interstate 29. A contract was signed August 29, 1958 with a consideration of \$4975 for the 12.4 acres, damages and fencing.

The remainder of the eighty acres shown as 9A in Figure 2 was sold on March 2, 1959 for \$20,280 or \$300 per acre. The eighty designated as 9B in Figure 2 which was unaffected by the Interstate 29 construction sold on

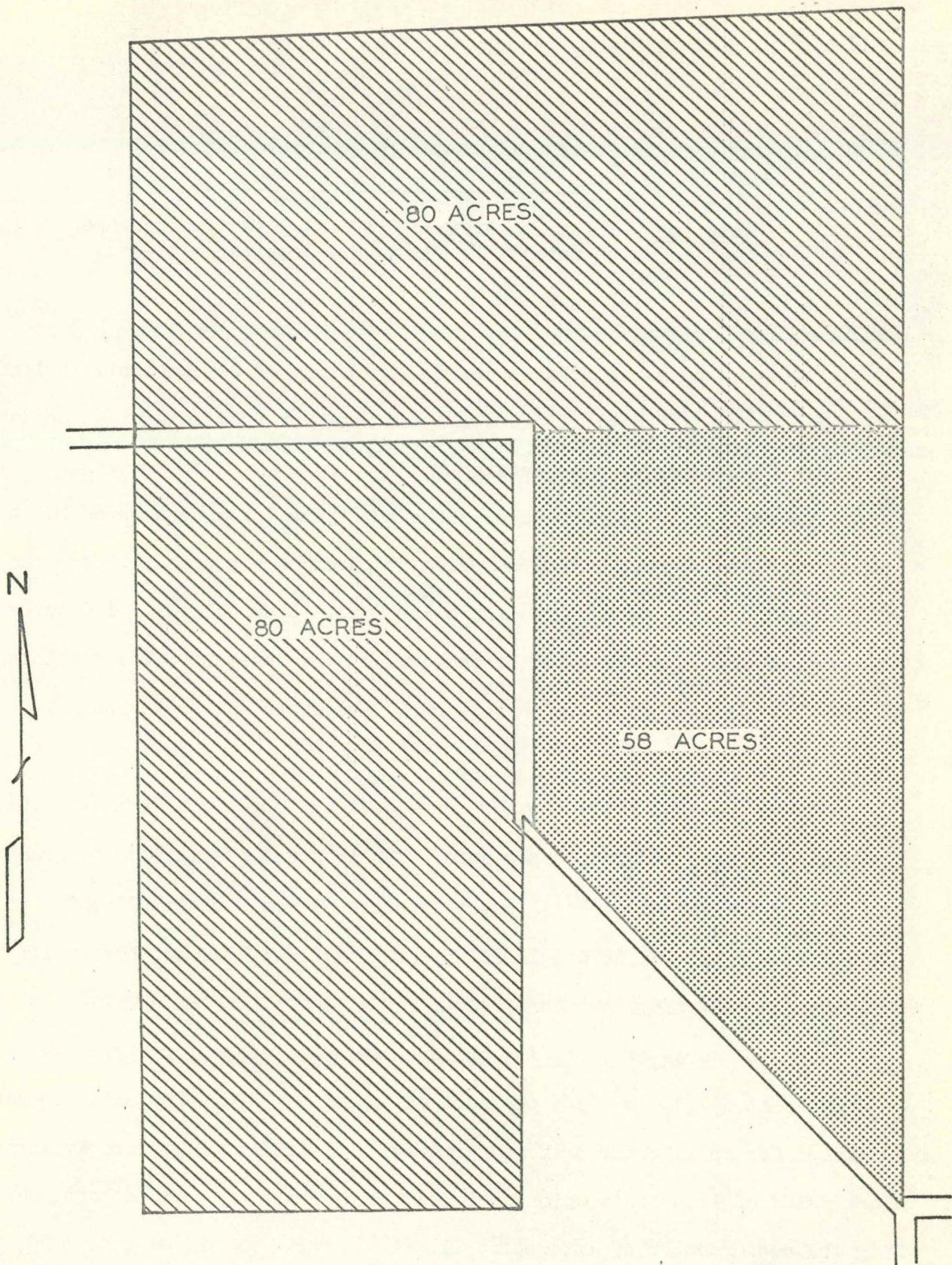


FIGURE 1. This farm unit was divided among heirs about 12 months prior to Interstate 29 construction.

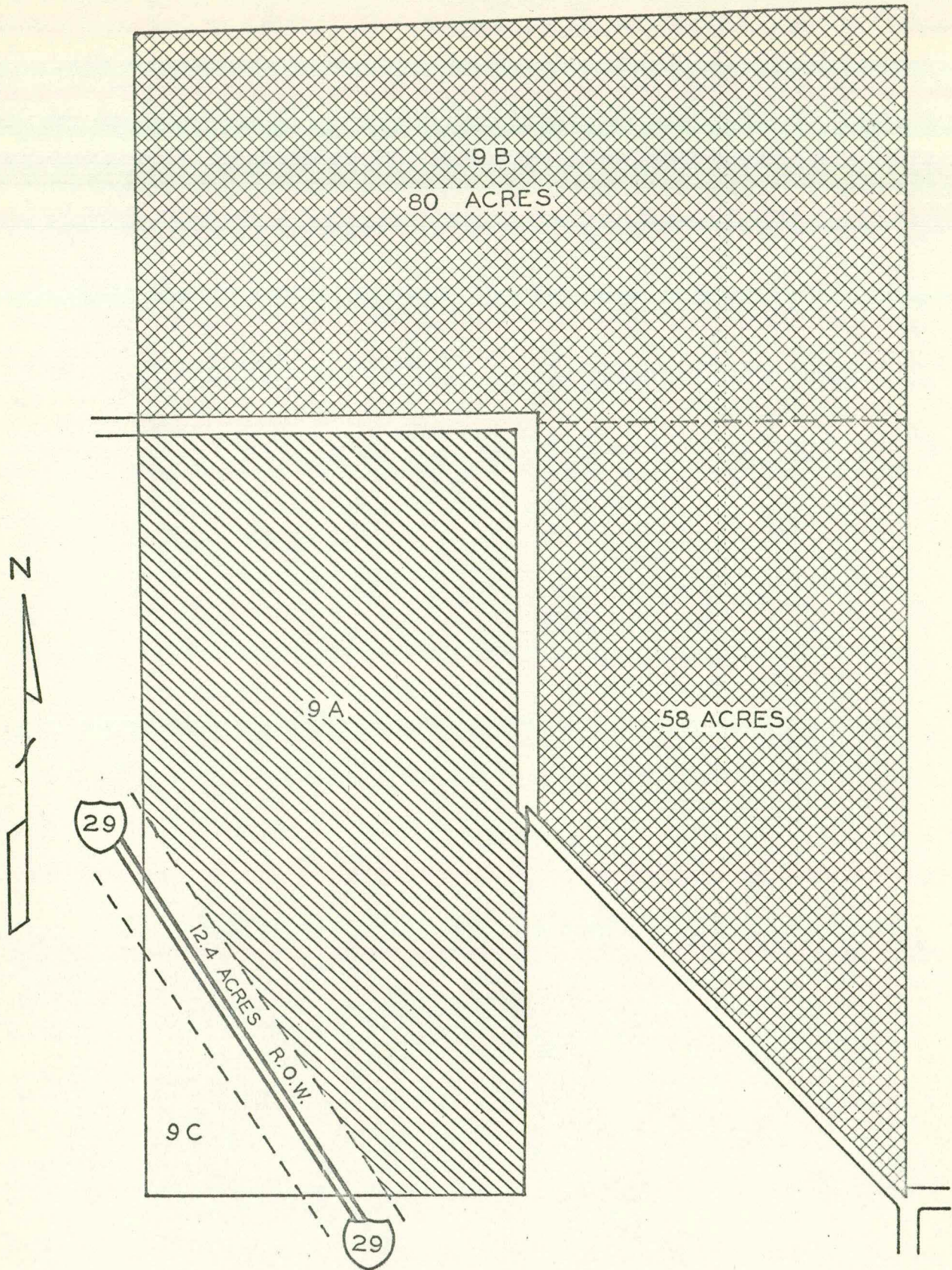


FIGURE 2. Five acres (9C) landlocked by I-29 was purchased along with the required right of way area.

March 6, 1959 for \$24,000 or \$300 per acre. On March 16, 1959 the 58 acres owned by the grandchildren sold for \$16,200 or at \$280 per acre.

It is noteworthy that the 58 acre tract sold for \$20 per acre less than Tracts 9A and 9B. The elements of diminution in size, irregular fields, point rows, diagonal severance, etc., frequently considered and evaluated as items of damage already existed in this 58 acre tract as compared to the eighty.

Summary of Sale Data:

	<u>Gross Area</u>	
Appraisal		
August, 1958	160 acres	\$52,000 (\$325/ac.)
Right of way purchase		
August, 1958	12.4 acres	4,552*(\$367/ac.)
Remainder Value	147.6 acres	\$47,448 (\$321/ac.)
Sale of remainder		
March, 1959	67.6 acres	\$20,280 (\$300/ac.)
March, 1959	80 acres	\$24,000 (\$300/ac.)
		<hr/>
		\$44,280
Sale prices adjusted to 1958 values		\$42,804 (\$290/ac.)

*(exclusive of \$423 for fence)

Monona County
Case Study 67-4
Project I-29-6(2)114
Right of Way Parcel 13

Location: About 2.1 miles north of the Onawa Interchange of Interstate 29 in Monona County (Part of E $\frac{1}{2}$ NE $\frac{1}{4}$ Sec. 35-84-46).

Description:

"This is an acreage with improvements. The improvements are common and in need of repair, there are 55.4+ acres in the unit." The foregoing remarks were the observations of the appraiser when he placed a "Before" value of \$18,380 or \$332 per acre on the unit. The unit was tenant operated.

Right of way area of 1.6 acres was required for the construction of Interstate 29 and the relocation of a local road. A "difference" appraisal was made in this instance in the amount of \$850 which included payment for 1.6 acres of R.O.W., 43 rods of fence and all damage to the remainder of the unit due to irregular fence and field. The payment of \$850 is allocated under the right of way contract dated July 23, 1958 as follows:

1.6 acres of R.O.W. at \$330 per acre	\$528.00
Building 43 rods of new fence at \$4.50/rd.	193.50
General (Damage)	128.50
	<hr/>
Total	\$850.00

On July 1, 1960 the remaining 53.8 acres were sold for \$15,500 or at \$288 per acre. The purchaser was a nearby landowner who had an eighty acre unit severed by I-29, resulting in a loss of 15.3 acres and a payment of \$14,100. Proceeds from this transaction were reinvested in the 53.8 acres.

The purchaser lived in town and farmed the eighty acres which was unimproved except for grain storage and a machine shed. Upon purchasing the subject remainder, he advised his son-in-law that he could use the house rent-free in order to have it in use.

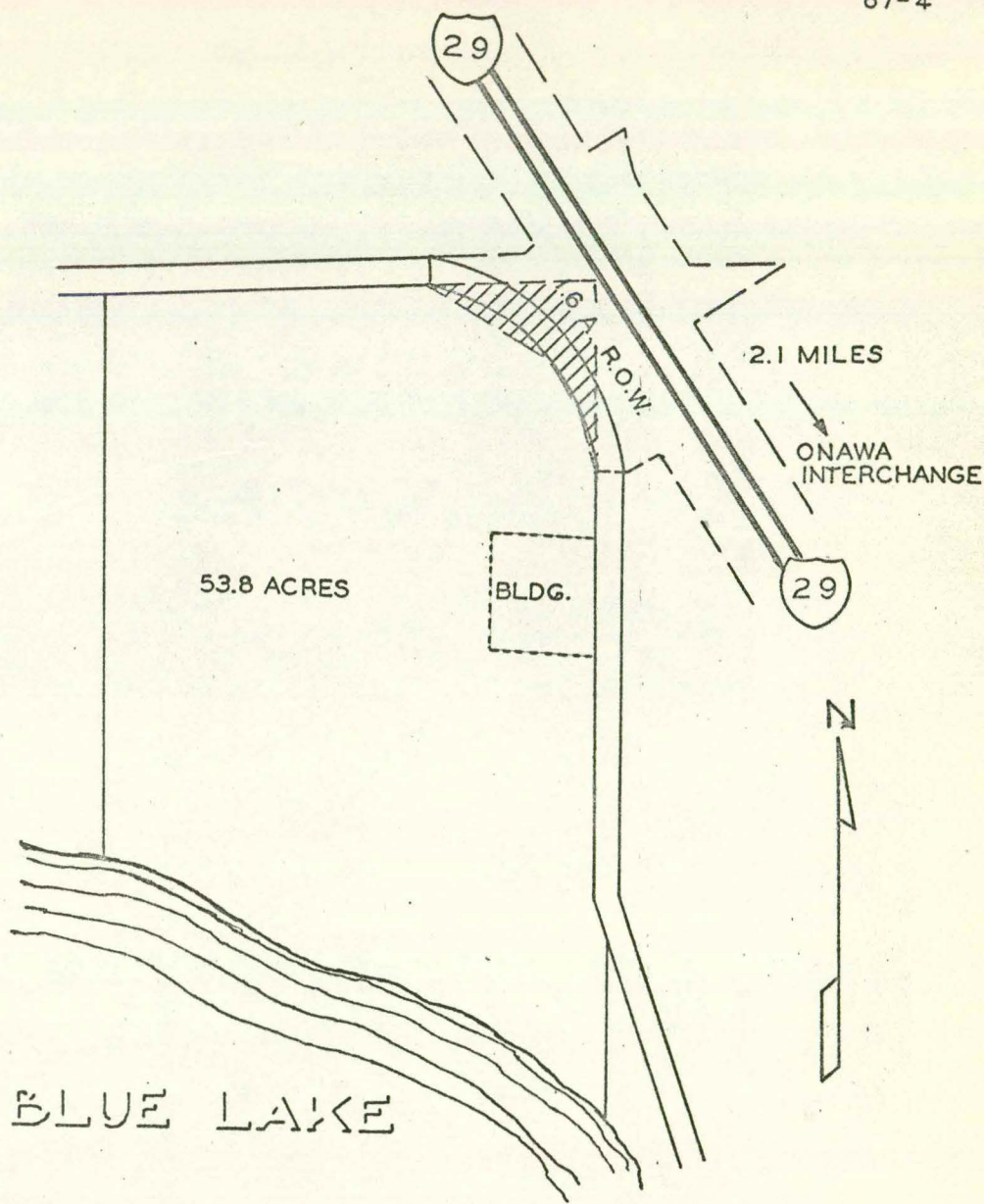


FIGURE 1. Right of way was purchased from this 55.4 acre farm for construction of I-29 and relocation of an adjacent county road.

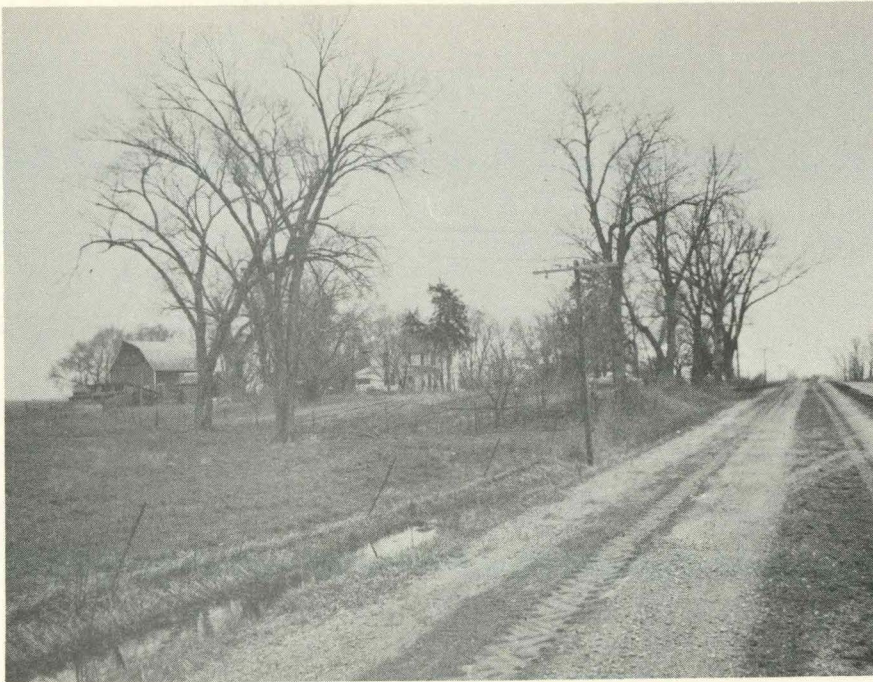


Figure 2. This picture of the farmstead area was taken in 1958.

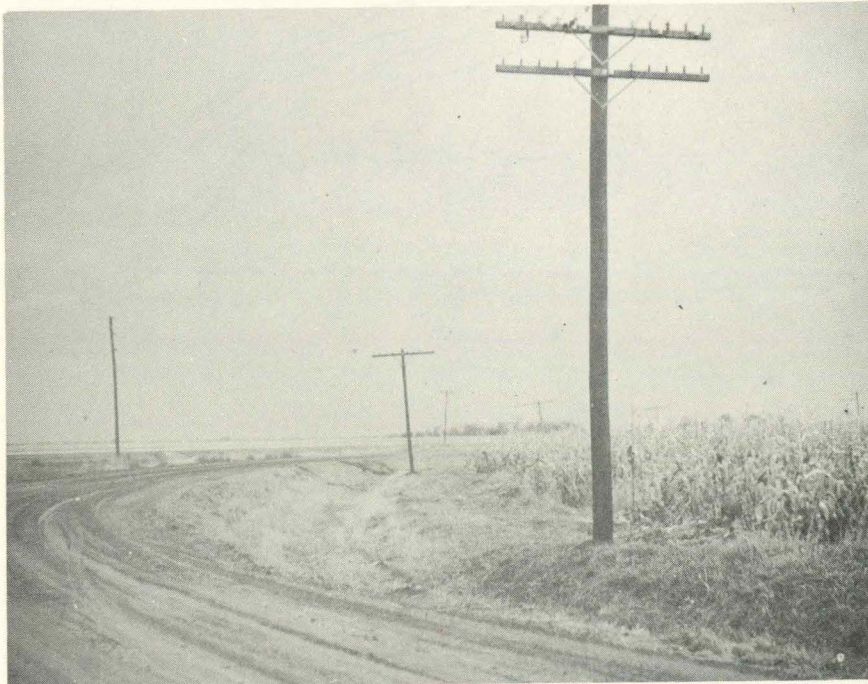


Figure 3. No fence has been constructed at the northeast corner of this farm where 1.6 acres of right of way was acquired. The relocated county road is in the foreground and I-29 is in the background of this picture.

In the fall of 1960, the purchaser was involved in a farm accident. The son-in-law now farms subject, the adjacent eighty acres severed by I-29 and rents two eighty acre tracts about a mile west of the subject remainder. Subject farm is now used as a headquarters and the operator drives about eight miles to reach the northeast tract of the 80 acres severed by I-29. He is considering moving to a house in town because of the condition of the residence on the subject.

Summary:

Appraisal	55.4 acres	\$18,380 (\$332/ac.)
Right of way purchase		
July, 1958	1.6 acres	\$ 850
Remainder value (unfenced)	53.8 acres	\$17,530 (\$326/ac.)
Sale of remainder (unfenced)		
July, 1960	53.8 acres	\$15,500 (\$288/ac.)
Sale price adjusted to 1958 values		\$14,962 (\$278/ac.)

Woodbury County
Case Study 97-1
Project I-03-6(2)
Right of Way Parcel 2

Location: At Sloan Interchange of Interstate 29 in
Woodbury County (E $\frac{1}{2}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 31-86-46)

Description:

Subject property consisted of 119 acres of silt and clay loam. The soil "averages good in quality and is in good condition." The unit was located on a gravel road one mile west of Sloan. The buildings shown in Figure 1 were occupied by the owner. No livestock was kept; the owner cropped the land and had off the farm employment. The house had been recently remodeled and modernized.

The "Before" value of the 119 acres was estimated at \$51,600 or \$434 per acre for the purpose of negotiation on a partial taking basis. The appraisal also recommended: "Consideration should be given to the purchase of this unit in its entirety for around \$48,000."

Right of way and borrow area in the amount of 66.8 acres, as shown in Figure 2, was necessary for the construction of I-29. The farm buildings were in the construction area.

In this case a determination was made that the owner should be paid \$43,563. The determination of payment to be made was computed as follows:

68 acres of right of way at \$360 per acre	\$24,480.00
New fence 194 rods @ \$4.50 per rod	873.00
Other damage (if any) Itemized Below:	
Reduction in unit-Diminution in size	
Change in operation and utilization	
Moving and loss of buildings and	
Odd shape tract left	18,210.00
	<hr/>
Total R.O.W. Appraisal	\$ 43,563.00

It was also noted that the property owner should be allowed to move or salvage any or all improvements.



Figure 1A - This farmhouse in the construction area of the Sloan Interchange was sold by the owner and moved five miles to a new location.

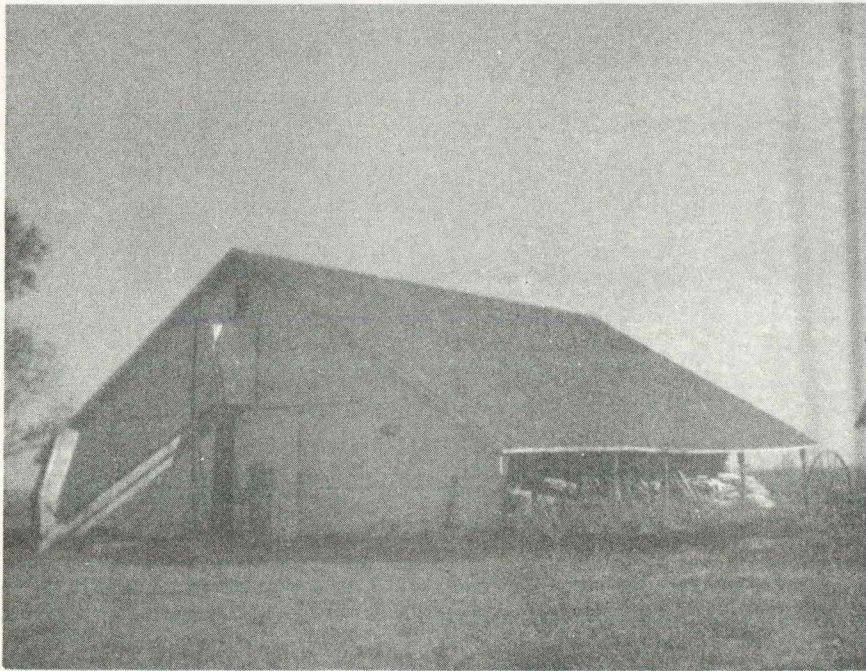


Figure 1B. The above barn, crib and machinery storage buildings were also in the Sloan Interchange right of way area.

Negotiation was commenced on the basis of payment to the owner of \$43,563 plus the owner retaining the option to the salvage of the buildings or proceeds therefrom. The negotiator reported after his first contact with the owner: "They made it quite clear that they would not settle for the above figure, that they would take their case to Ames and talk to my superiors; they did not give any amount as to their damages. No future appointment was made."

An administrative settlement was made with the owners on January 17, 1958 for \$45,000 on a partial taking basis. This included payment for 68.8 acres of right of way and \$895.50 for fencing. Under the terms of the contract, the owner was to receive the proceeds from the sale of the house and access to the 50 acre remainder would be via an entrance to be constructed at the northwest corner of the tract. Upon completion of the right of way transaction, the owner sold the house for \$5600. According to the purchaser, the agreement was as follows:

House	\$4500
Wall to wall carpet	1000
Venetian Blinds	100
	<hr/>
	\$5600

Since the carpet and blinds were attached to the dwelling, they are commonly considered as items of real estate.

The house was moved about five miles to a new location. The cost of moving, concrete block basement, plumbing, etc., incident to moving the house was stated by the purchaser to be \$2500.

On March 15, 1958, the remaining 50 acres were sold for a recited and confirmed consideration of \$24,225 or \$483 per acre. The purchaser owned property on the north side of the county road adjacent to the remainder. (See Case Study 97-9).

The original owner of the 119 acres had received \$73,830 in these transactions:

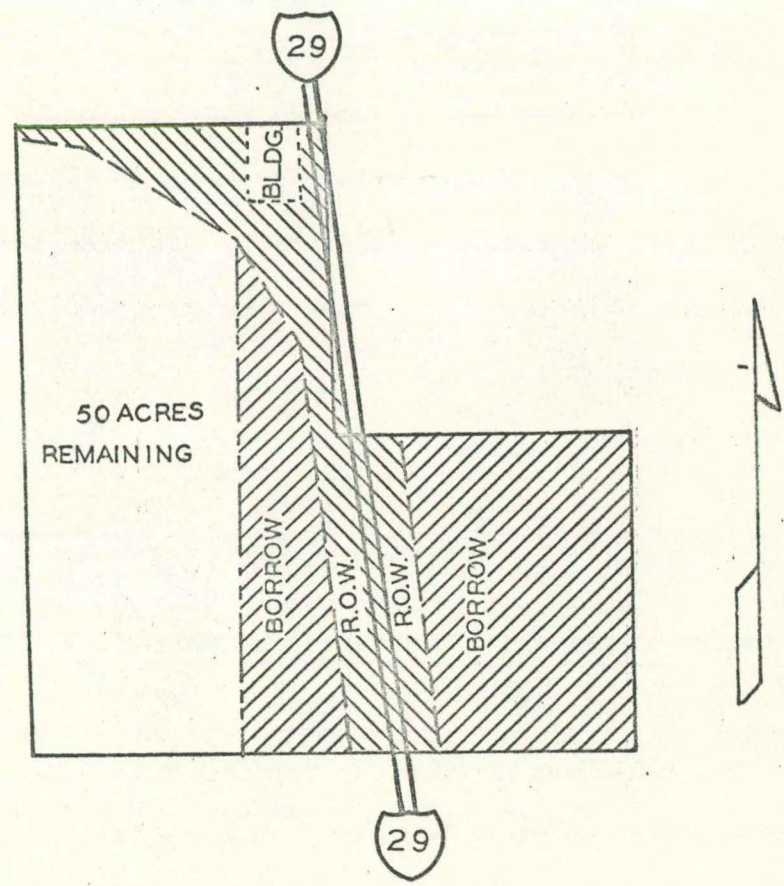


FIGURE 2. Some 68.8 acres of right of way and borrow were purchased from the owner of this farm for I-29 construction.

January 1958 sale of 68.8 acres of right of way	\$44,005*
January 1958 sale of house	5,600
March 1958 sale of 50.2 acres	24,225
	<hr/>
	\$73,830

*exclusive of \$895 for fencing.

On April 7, 1958, the subject owner purchased 175 acres of high grade land for a confirmed consideration of \$79,750 or \$456 per acre. This unit located 1.5 miles East of Sergeant Bluff has much better improvements than the subject 119 acre farm. The buildings are shown in Figure 3. Aluminum combination windows have been added to the eight-room modern house since purchase. No other alterations or improvements have been made to any of the buildings since the farm was purchased in April 1958.

Summary:

Appraisal	119 acres	\$51,600 (\$434/ac.)
Right of way purchase January, 1958	68.8 acres	\$45,000 (\$654/ac.)
Remainder value (unfenced)	50.2 acres	\$ 5,600 (\$112/ac.)
Sales of house, January 1958		\$ 5,600
Sale of remainder (unfenced) March, 1958	50.2 acres	\$24,225 (\$483/ac.)

Figure 3. Farm buildings shown on the following pages are located on the 175 acre farm which was purchased after the owner-operator sold 69 acres of right of way and the 50 acre remainder of his original farm near the Sloan Interchange.



a. Eight-room modern house

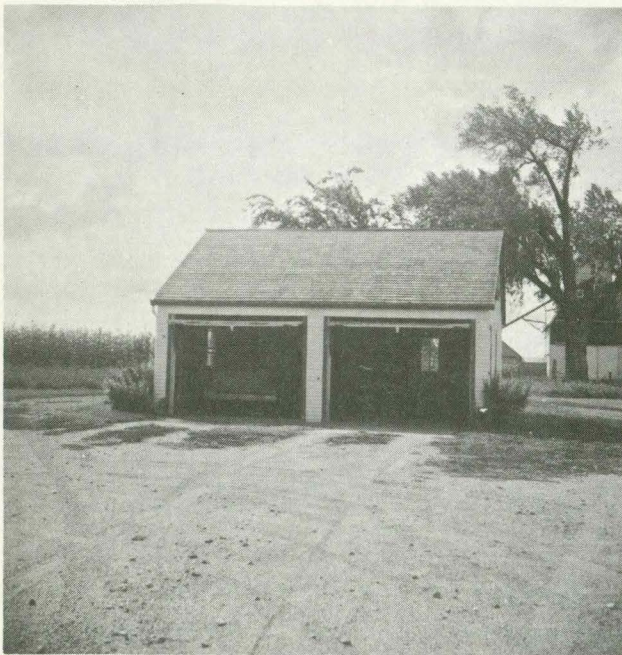


b. 24,000 bushel crib and grain dryer.

Figure 3, Continued....

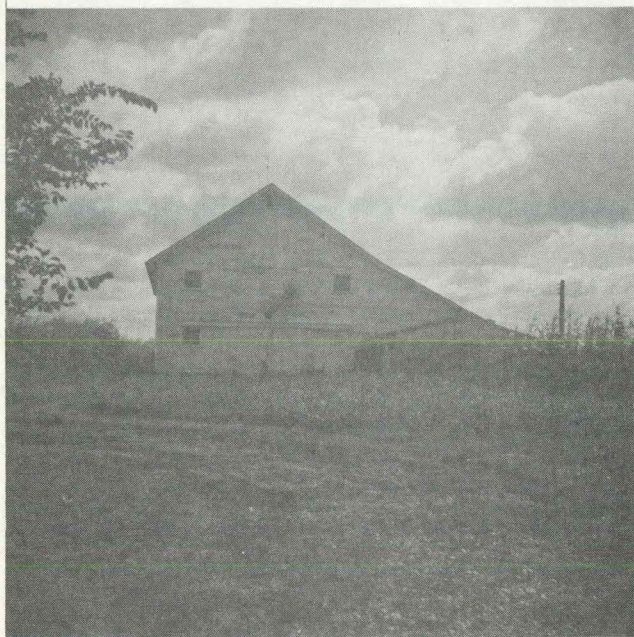


c. Steel machine shed.

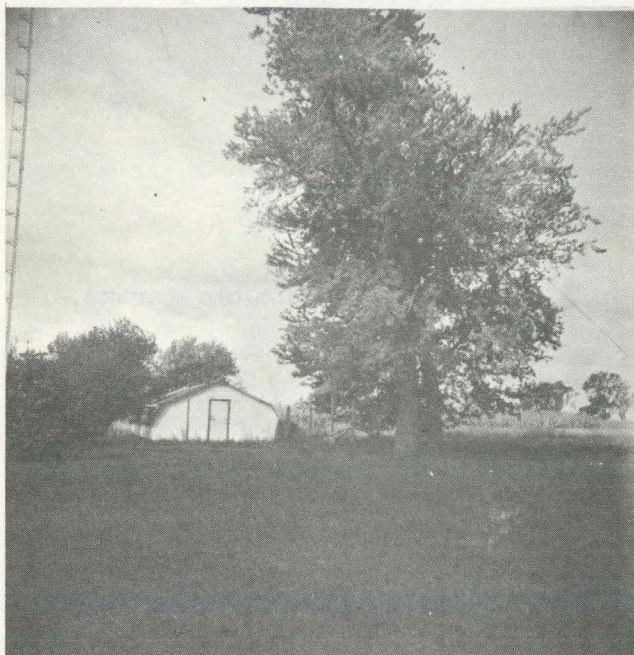


d. Double garage.

Figure 3, Continued...



e. Barn with modern milking parlor and milk cooling room.



f. Chicken house.

Woodbury County
Case Study 97-4
Project I-29-6(2) 114
Right of Way Parcel 19

Location: About 3.4 miles northerly of the Sloan Interchange of Interstate 29 in Woodbury County (Parts of Sections 11, 12, 13 & 14-86-47)

Description:

This 185.5 acre property had been purchased in 1953 and the deed was recorded January 11, 1954 in Book 734, Page 432 of Woodbury County records. Attached thereto are revenue stamps of \$14.30. The following provision was incorporated in the deed dated October 8, 1953:

"The grantees herein assume and agree to pay the real estate mortgage running to the Atlas Life Insurance Company in the amount of \$13,100 and filed for record in the office of the County Recorder of Woodbury County, Iowa in Book 649 on Page 332."

The indicated purchase price is therefore \$26,100. A purchase price of \$26,000 or \$140/acre was confirmed by the purchaser.

On September 25, 1957, the tenant operated farm was appraised for right of way purposes at \$42,600. The appraiser noted, "this farm is located on the edge of an old lake bed, and has considerable wet land and slow drainage, which results in poor tilth. The house has been completely renewed and modernized inside, but the outbuildings are, for the most part, in poor state of repair and inadequate."

The appraisal valued the original farm as follows:

Cultivated land		
26 acres	@ \$300/ acre	\$7,800
50 acres	@ \$220/acre	11,000
80 acres	@ \$180/acre	14,400
Pasture		
permanent (wet)	14 acres)	
timber	11 acres) @ \$60/acre	\$1,500
lots	4.5 acres @ \$300/ acre	<u>1,350</u>
Total Land		\$ 36,050
Buildings		<u>6,550</u>
Total Before Value		\$42,600

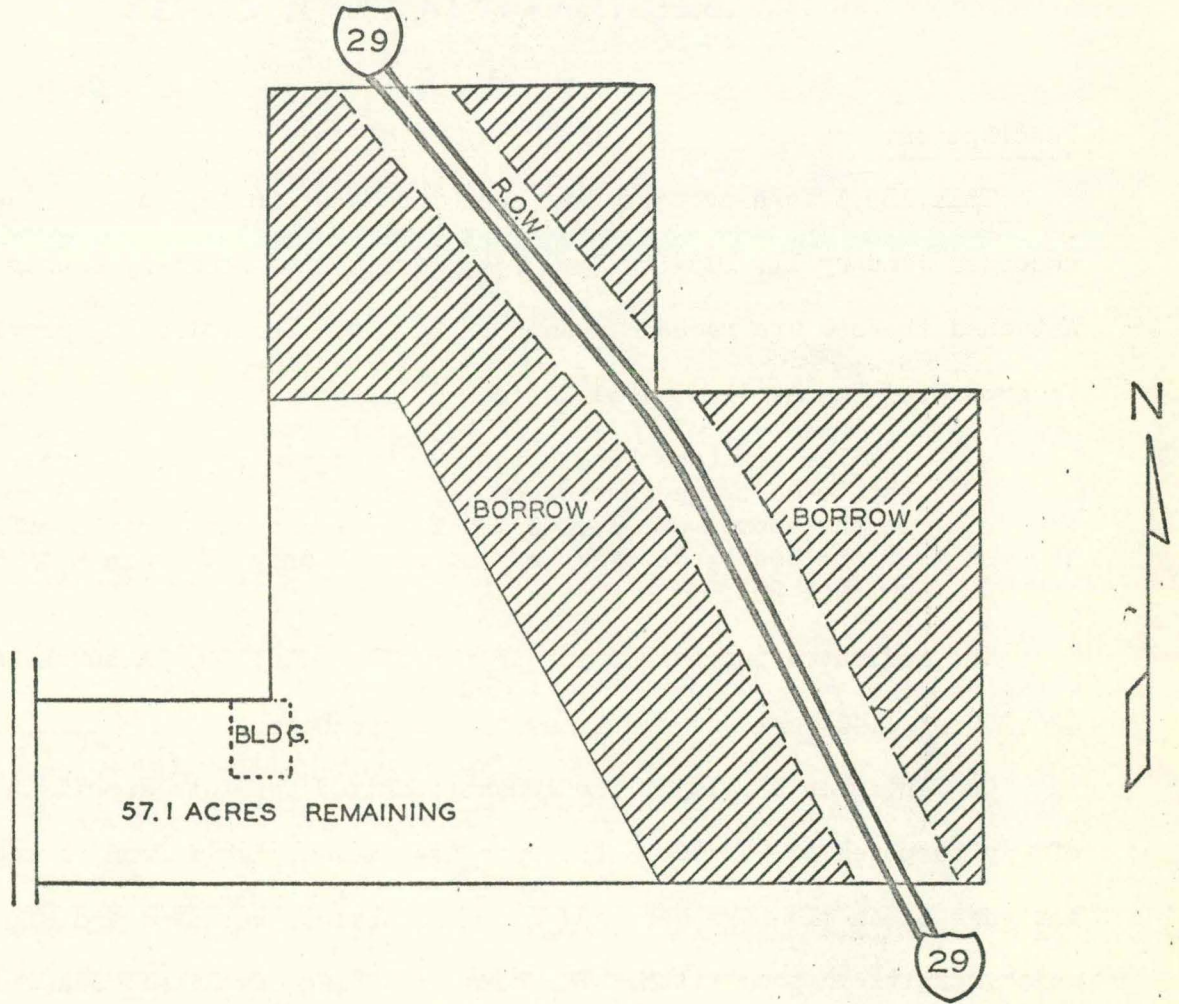


FIGURE 1. 128.4 acres of right of way, borrow and land-locked area were acquired from the owner of this 185.5 acre farm unit.

A total of 128.4 acres was to be acquired for the construction of Interstate 29. The determination for payment included these items:

128.4 Acres R.O.W. @ \$200	\$25,680.00
173 rods fence @ \$4.50	778.50
Damage	4,276.00
	<hr/>
	\$30,734.50

The appraiser noted: "This is a large taking, but the buildings are light with the house being the only good building. Therefore, full depreciation was figured on the building efficiency." On October 9, 1957 the owner signed a contract for \$30,734.50.

On July 29, 1958 the remaining area of 57 acres and buildings was sold for \$18,000. The purchaser, a widow, owned a farm one mile north of subject and had previously sold 25½ acres for I-29 right of way.

The units are operated by her son and son-in-law. The son-in-law occupies the modern dwelling of subject and has off-farm employment in one of the Sioux City packing houses. The entire 57 acre remainder, exclusive of lots, is cropland.

The original owner has received \$47,956 from the right of way and remainder sale. He reinvested \$42,000 in a 160-acre Harrison County farm and supervises its operation from his home in Onawa.

Summary:

Appraisal		
September, 1957	185.5 acres	\$42,600 (\$230/ac.)
Right of Way purchase		
October, 1957	128.4 acres	\$29,956*(\$233/ac.)
Remainder value	57.1 acres	\$12,644 (\$221/ac.)
Sales of remainder		
July, 1958	57.1 acres	\$18,000. (\$315/ac.)
Sale price adjusted to 1957		\$17,543 (\$307/ac.)

*(exclusive of \$778.50 for fence)

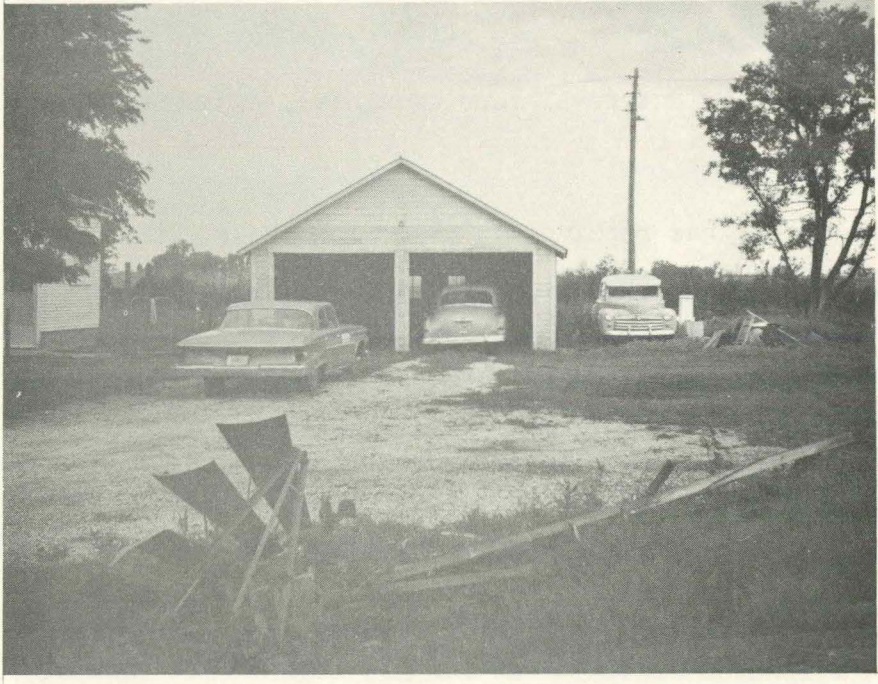
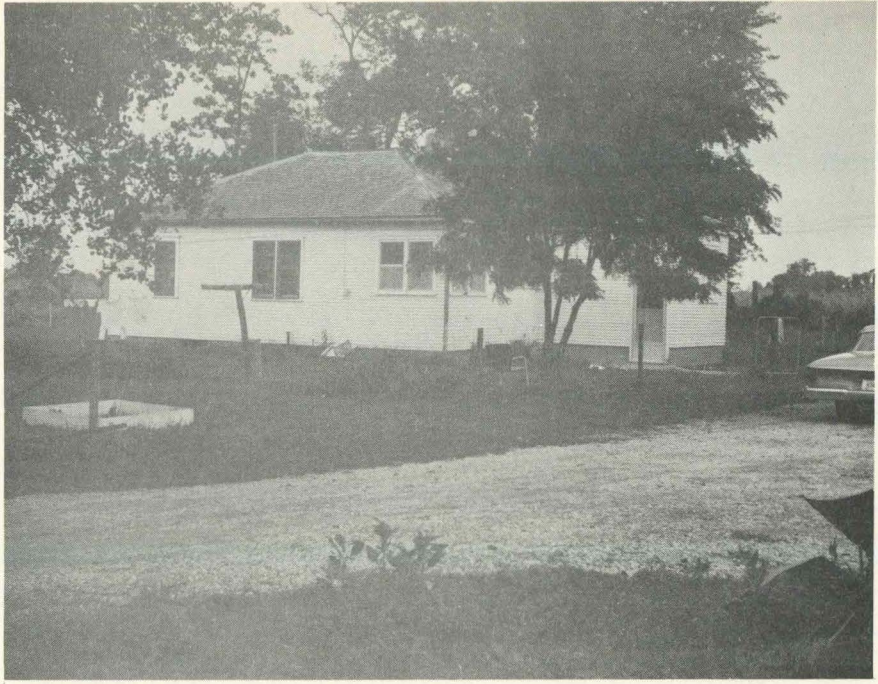


Figure 2. The above house and garage were appraised at \$5450 in the before appraisal.

Woodbury County
Case Study 97-7
Project I-29-6(2) 114
Right of Way Parcel 50

Location: About 1.5 miles south of the Sergeant Bluff Interchange of Interstate 29 in Woodbury County (NW $\frac{1}{4}$ Sec. 5-87-47; E $\frac{1}{2}$ NE $\frac{1}{4}$ & SE $\frac{1}{4}$ Sec. 6-87-47).

Description:

An impressive colonial home compliments the farming unit under consideration. Photographs of the home and outbuildings are shown in Figure 1. With the exception of the concrete stave crib which was constructed after the right of way was acquired, the structures appear as they did at the time of right of way acquisition. The unit was appraised as a 329.3 acre farming unit on July 3, 1957. The land was classified for value as follows:

Cultivated land:	158 acres @ \$380 =	\$60,040
	30 acres @ \$225 =	6,750
Uncultivated land:	7.3 acres @ \$380 =	2,774
	120 acres @ \$125 =	15,000
	14 acres @ \$ 50 =	700
		<hr/>
	Land	\$85,264
	Buildings	19,800
		<hr/>
	Total - Before Appraisal	\$105,064

The appraiser noted:

"This unit is set up for livestock feeding with 2 large barns, so additional reduction in building value was allowed, although the barns and feed yards have apparently not been used in recent years. The taking is mostly cheaper land so does not affect the unit greatly from a cropping standpoint."

"This unit is very well located near good roads, town, industrial development and high priced property. The large brick home and houseyard is exceptionally nice. There is two large barns and silos which accommodate a large scale feeding operation."

"The west quarter section should remain in pasture."

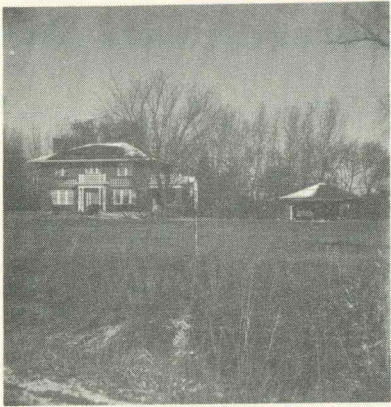
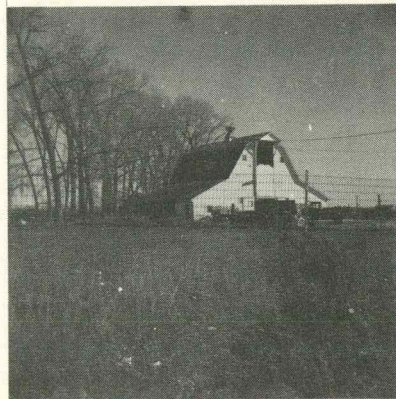


Figure 1. A utility value of \$19,800 was assigned to the farm buildings on the subject unit.



Prior to 1938, this farm was used for extensive livestock operations. The pasture land on the unit is south and west of the building area. A portion of this area was under water. The top quality crop land is north and east of the buildings.

Some 103.9 acres of the pasture land area was needed for Interstate 29 construction. A large portion of the 103.9 acres was loose sand covered with underbrush. The owners refused an offer of \$28,548.76.

In December, 1957 the 103.9 acres were condemned and the owners were awarded \$27,461.

In September of 1958, the remainder unit was sold for \$73,000. A survey made of the remainder unit for basis of payment indicated the area to be 203 acres.

Purchaser of subject remainder had part of a farm and buildings condemned by the United States for a military housing project. The owner bought both houses back and moved them to town. From the condemnation he received \$52,000. After repurchase of the buildings he had a new of \$50,500. He also sold 3.74 acres for Interstate 29 right of way for \$3725. With the combined proceeds, he purchased subject remainder and another \$6,000 tract.

The purchaser's son-in-law previously lived in one of the houses and operated the tract acquired by the United States which served as a headquarters for the operation of 360 ± acres of cropland. The subject remainder now serves as the headquarters of operation for the son-in-law.

In the opinion of the purchaser of this remainder and of the buyer of an adjacent remainder, the sand and brush area acquired for right of way was not worth \$125 per acre. The purchaser of subject remainder stated: "I wouldn't have paid any more for the farm if what the State got was there. What you got was nothing but sand." The buyer of an abutting remainder stated he figured the comparable sand and trees at \$50 per acre and that the land under water had no value.

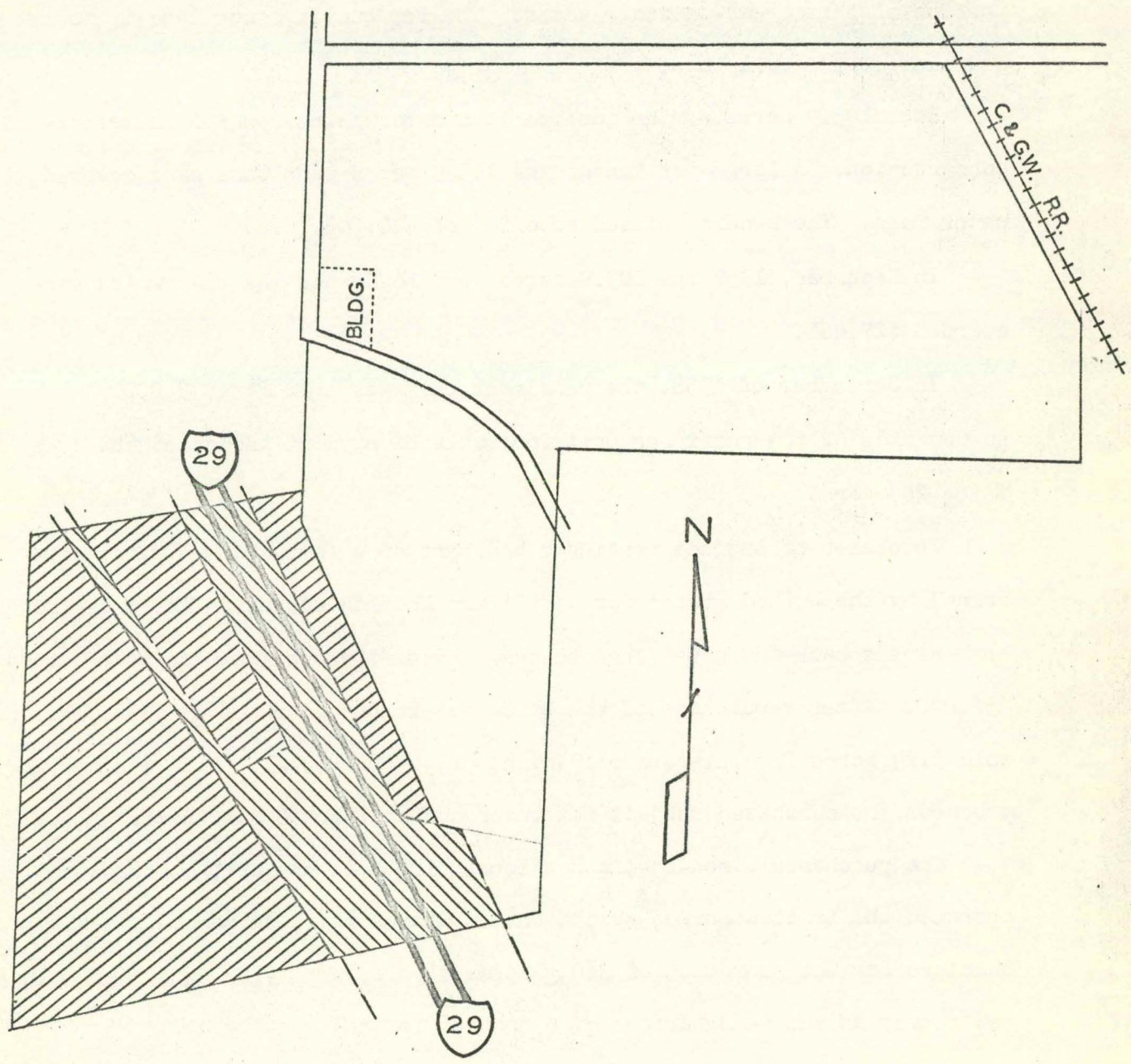


FIGURE 2. The 203 acre remainder of this farm sold in 1958 for \$73,000.

The 103.9 acre right of way area and the measured remainder area of 203 acres make up a 306.9 acre original unit as compared to the 329.3 acres used in the original appraisal. An examination of county records, the 1958 land survey and the appraisal figures indicate that the appraisal included 17.3 acres more cropland than existed.

Summary:

Appraisal July 3, 1957	329.3 acres	\$105,064 (\$319/ac.)
Right of way contract offer	103.9 acres	\$ 28,549
Condemnation jury award December 17, 1957	103.9 acres	\$ 27,461 (\$264/ac.)
Value of remainder		\$ 77,603
Sale of remainder September 1958	203 acres	\$ 73,000 (\$360/ac.)
Sale price adjusted to 1957		\$ 70,970 (\$350/ac.)

Cedar County
Case Study 16-8
Project I-80-8(9)273
Parcel 6

Location: At Durant Interchange of Interstate 80
in Cedar County (NW $\frac{1}{4}$ Section 24-79-1)

Description:

The original 155 acre farm (151.5 net acres) was appraised in November 1958 for \$82,150 or \$530 per gross acre. In establishing a "Before" value the following computations were made:

149 acres land @ \$450	\$67,050
6 acres land @ \$500	3,000
<hr/>	<hr/>
155 acres Total land value:	\$70,050
Value of Improvements	12,100
<hr/>	<hr/>
Total Value of Unit	\$82,150

Comparable sales used were:

1956 sale	
200 acres @ \$400/acre	
1957 sale	
160 acres @ \$400/acre	
1958 sales	
160 acres @ \$425/acre	
160 acres @ \$437.50/acre	
160 acres @ \$437.50/acre	
160 acres @ \$485.25/acre	

The appraiser noted that the topography and soil quality was similar on the comparable farms and subject. The subject farm had a more attractive building site and better buildings than the comparable farms.

The value of the remainder "After" purchase of the 16.4 acres of right of way for Interstate 80 was calculated as follows:

The \$490 per acre after value was computed as follows:

100 acres land @ \$450	\$45,000
5.6 acres land @ \$450	2,520
32 acres land @ \$300	9,900
<hr/>	<hr/>
Total land value	\$57,420
Value of Improvements	10,460
<hr/>	<hr/>
Total Value of Unit	\$67,880

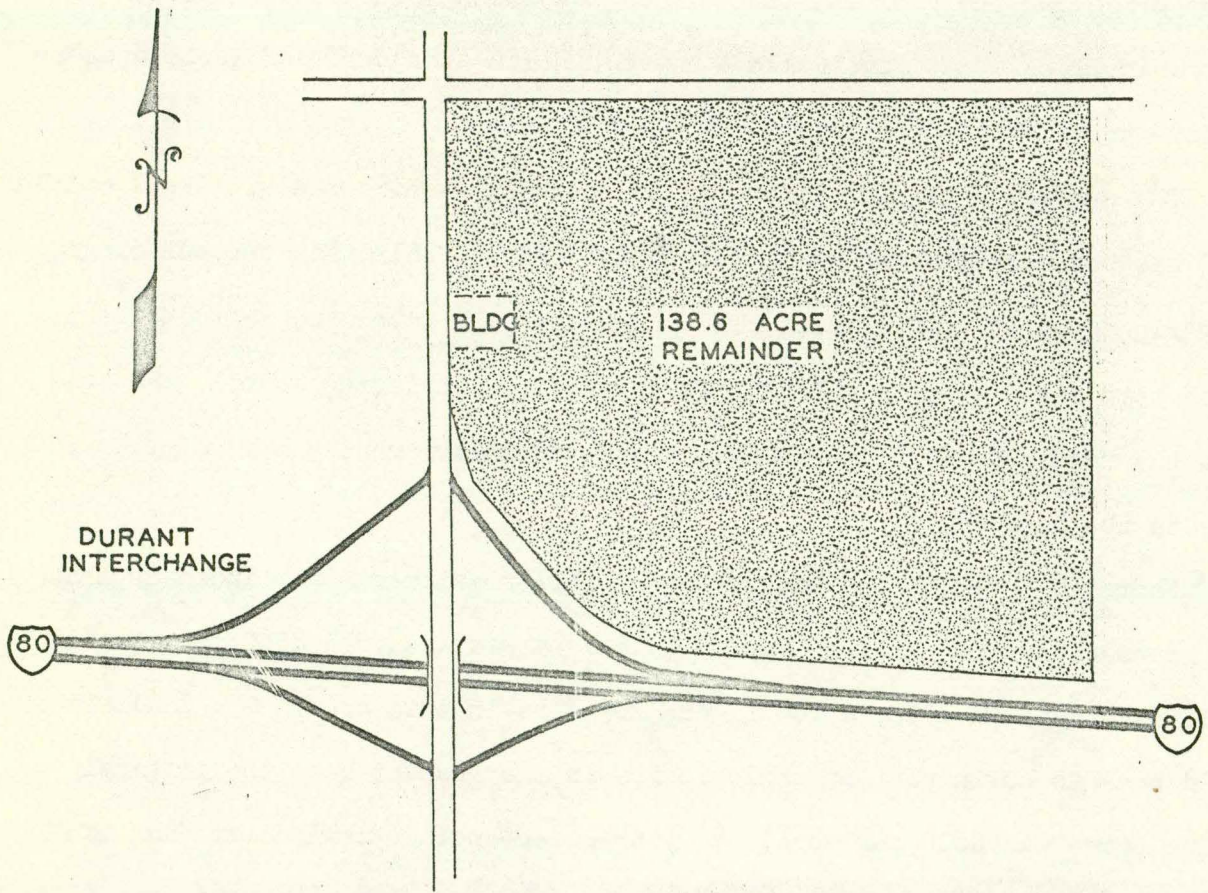


FIGURE 1. The buyer of this Cedar County remainder unit doesn't believe I-80 construction affected its value per acre.

On January 15, 1959, the 16.4 acres were acquired by contract for the appraised difference of \$14,270. The State agreed to construct and maintain a right of way fence.

The 138.6 acre remainder was sold on February 21, 1961 for \$68,000 (\$491/acre). Purchaser of the remainder stated that in his opinion he paid a top price for the farm and that the highway didn't reduce its value. The new owner lives about five miles away on his 180 acre unit and farms another 40 acre tract.

The subject remainder is now rented on a crop-share basis. A new cattle shed has been constructed by the new owner and he feels that the buildings are "right for the 140 acres." The purchaser also commented that one of his three boys might be interested in farming after completing school. He said that the remainder farm was an investment and he apparently has no plans to operate the farm himself.

Facts gathered during the course of this remainder study indicate that two years after the right of way in this area was acquired \$500 per acre is still as it was in 1958, a top figure for land in this area. The limitation would seem to be in part psychological. In the instant case the original asking price was \$600 per acre. "A year later another real estate man had it and he was down to \$550," the purchaser related. The price paid for this remainder arose, at least in part, from the purchaser's determination not to pay over \$500 per acre.

Summary:

Appraisal		
November 1958	151.5 acres	\$82,150 (\$542/ac.)
Right of way purchase		
January 1959	16.4 acres	\$14,270 (\$870/ac.)
Remainder value	135.1 acres	\$67,880 (\$502/ac.)
Sale of Remainder		
February 1961	135.1 acres	\$68,000 (\$503/ac.)
Sale adjusted to 1958 values		\$69,802 (\$517/ac.)

Cedar County
Case Study 16-9
Project I-80-8(9)273
Right of Way Parcel 3

Location: One mile East of Durant Interchange of
Interstate 80 in Cedar County (E $\frac{1}{2}$ NE $\frac{1}{4}$
Section 24-79-1)

Description:

This eighty-acre farm (77 Net acres) was appraised November 12, 1958.
The "Before and After" appraisals were as follows:

	<u>Before</u>	<u>After</u>
Land	\$36,000	\$33,110
Buildings	6,400	5,000
	<u>\$42,400</u>	<u>\$38,110</u>

On February 18, 1959, a contract was negotiated for 2.3 acres of Interstate 80 right of way. Consideration for the land, damages, encroachment and fencing was \$4,619. A supplemental contract was signed August 1, 1960 for an additional 0.1 acre of land.

During the summer of 1961, the remaining 74.6 net acres were sold for a confirmed consideration of \$38,000. The original owner stated that the highway didn't affect the sale value of his farm other than he had less acres to sell.

Summary:

Appraisal		
November 1958	77 acres (net)	\$42,400 (\$551/ac.)
Right of way purchase		
February 1959 =	2.4 acres	\$ 4,336*
August 1960		
Remainder value	74.6 acres	\$38,064 (\$510/ac.)
Remainder Sale		
Summer 1961	74.6 acres	\$38,000 (\$509/ac.)
Sale price adjusted to 1958 values		\$39,268 (\$526/ac.)

*(excludes \$328 for fence; includes \$450 for encroachment)

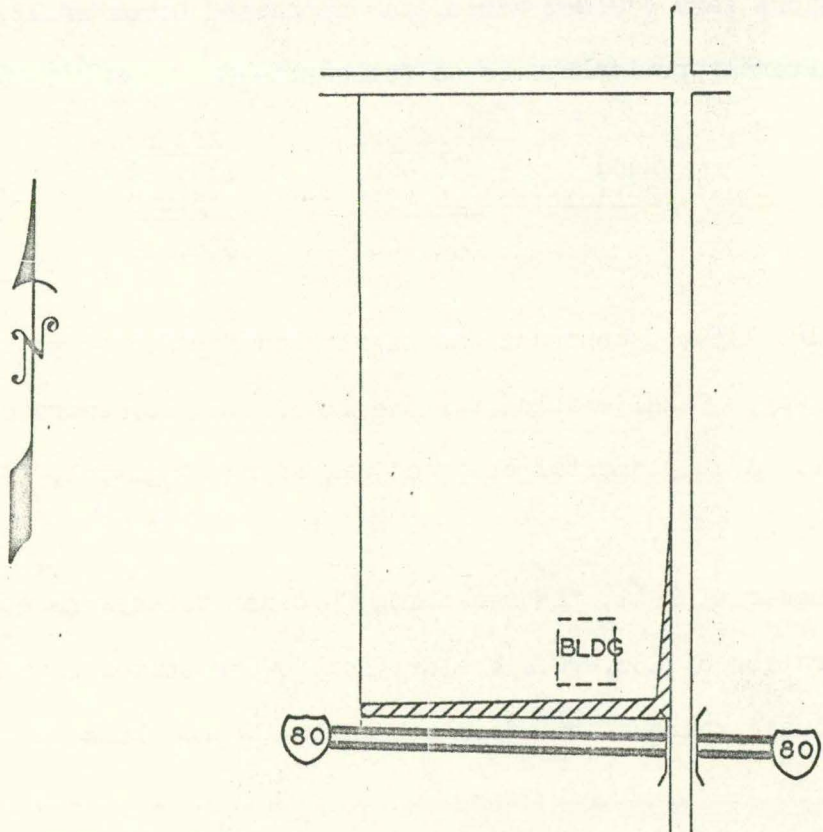


FIGURE 1. The former owner of this 77 acre remainder does not believe the 3 acre right of way taking and I-80 construction decreased the market value of the property.

Scott County
Case Study 82-1
Project I-01-8(1)
Right of Way Parcel 6

Location: One-half mile west of Stockton-New Liberty
Interchange of Interstate 80 in Scott County
(NW $\frac{1}{4}$ Sec 20-79-1E)

Description:

Tract 6, Figure 1, was tenant operated at the time 5.12 acres of right of way were acquired in June of 1957. The estate ownership was paid as follows:

R.O.W. 5.12 acres @ \$400	\$2048.00
Fence 158 rods @ \$4.50	711.00
Damage	2323.20
	<hr/>
Total	\$5082.20

Damage:

- (1) Fence Maintenance
- (2) Reduction bldg efficiency
- (3) Irregular unit and fields

Tract 6 was appraised at \$76,400 in the "Before" situation. Improvements on the farm were appraised at \$14,400.

On January 29, 1959 the owner of the remainder of Tract 7 purchased the 150.9 acre remainder of Tract 6 for a confirmed consideration of \$62,000. The purchaser lives in Durant some three miles distant and operates both tracts.

The house on Tract 6 is being rented out to a foundry employee in Stockton. The present owner has no plans to improve or maintain the buildings. He states that "It isn't too inconvenient to travel the distance of two miles from one tract to the other."

Tract 7 was not adversely affected by I-80 other than it has fewer acres according to the purchaser. The owner doesn't think the per acre value of the remainder was reduced. As for Tract 6, however, a low spot was aggravated by the drainage concentration of I-80. Previously, 5 acres were underwater for a

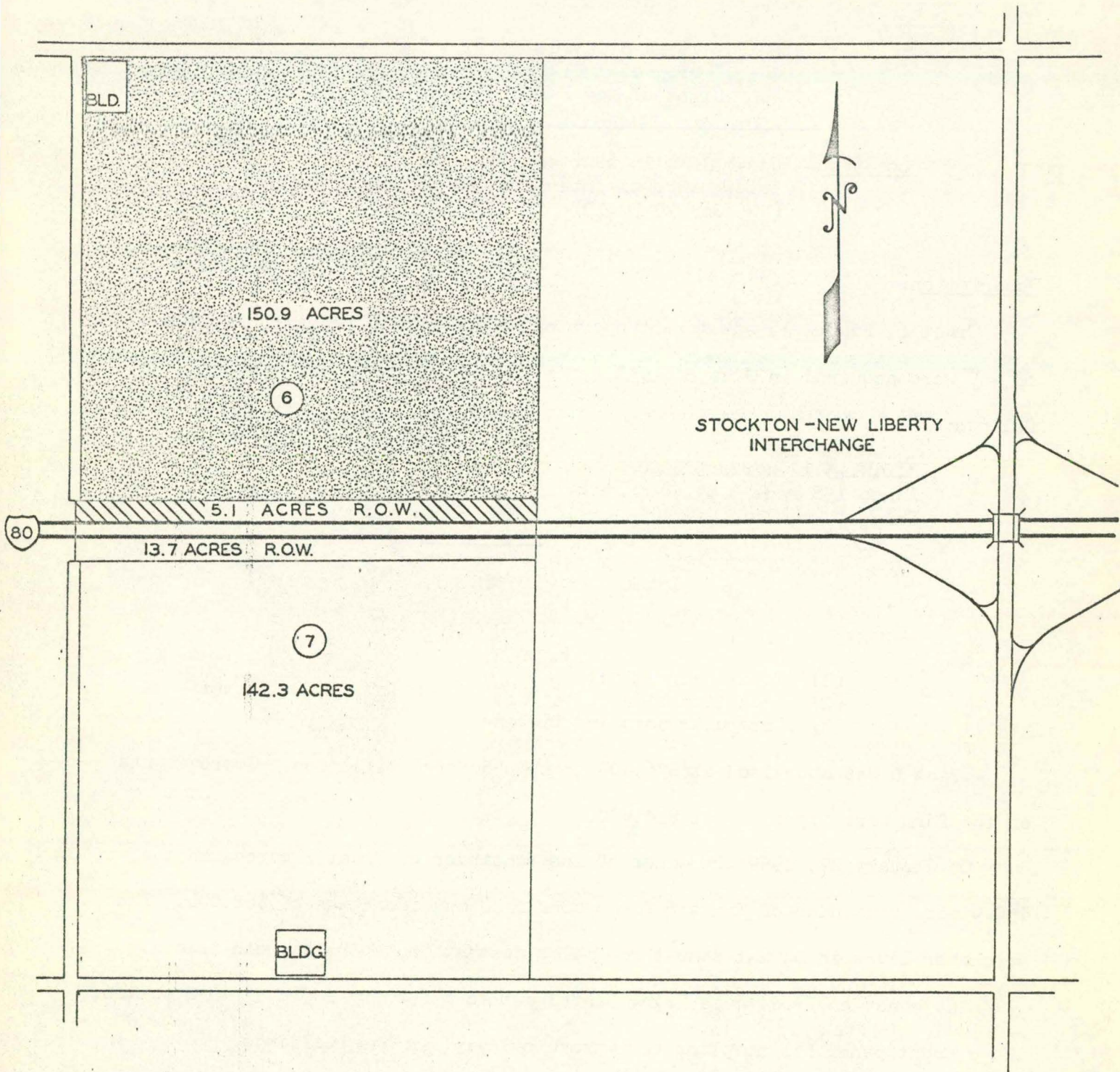


FIGURE 1. The owner of tract 7 purchased the remainder of tract 6. Note the two-mile travel distance between the tracts.

period. The owner-purchaser reports that fifteen acres are now affected until the water can get away in an 8" tile.

Summary (Tract 6) :

Appraisal February 1957	156 acres	\$76,400 (\$490/ac.)
Right of way purchase June 1957	5.1 acres	\$ 4,371*(\$857/ac.)
Remainder value	150.9 acres	72,029 (\$477/ac.)
Sale of Remainder January 1959	150.9 acres	62,000 (\$411/ac.)
Sale price adjusted to 1957		57,775 (\$383/ac.)

*(Exclusive of \$711 for fence)

Scott County
Case Study 82-2
Project I-01-8(1)
Right of Way Parcel 18

Location: Two miles northwest of Walcott-PlainView
Interchange of Interstate 80 in Scott
County (SW $\frac{1}{4}$ Section 23-79-1E)

Description:

This quarter section had been in an estate for some time prior to March of 1957. The right of way appraiser placed a value on the unit of \$70,000. The amount of \$362.50/gross acre or \$58,000 was allocated to land and \$12,000 or \$75 per gross acre to buildings. Apparently because of the status of ownership the buildings had gone down. The unit was operated on a cash rent basis by the son of one of the three remainder men whose mother held a life estate therein.

Right of way and borrow area of 18.6 acres was to be acquired as shown in Figure 1.

The proposed \$16,843.50 payment was computed as follows:

Right of way	14.3 @ \$400	\$ 5720.00
Borrow	4.3 @ \$400	1720.00
Fence	130 rd @ 4.50	585.00
Damage		8818.50

\$16,843.50

Damage:(1) Reduction size unit
(2) Irregular unit
(3) Increased percentage pasture
(4) Reduction building efficiency

The owners accepted the tendered amount of \$16,843.50 on June 13, 1957. Shortly thereafter the mother, who held the life estate, passed away.

On June 11, 1958 the 141 acre remainder was purchased by the tenant, who was born on the place and had farmed it since 1947, for \$300 per acre. In the mind of this tenant-purchaser, the remainder unit was purchased by him at a fair price of \$300 per acre which was, in his opinion, the value per acre

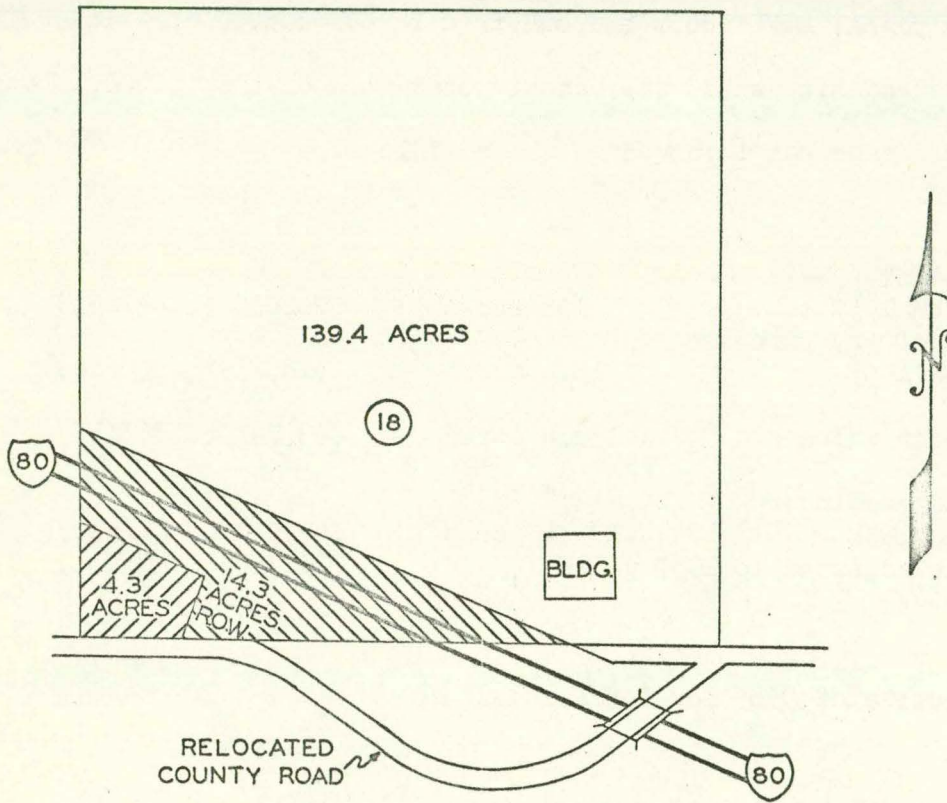


FIGURE 1. The remainder of this 160 acre farm was purchased in 1958 by the tenant who had farmed the unit since 1947.

prior to the construction of I-80. The owners have been awakened on occasion by a distressed motorist and have mixed emotions about these "strangers" in the middle of the night.

The new owners have spent about \$1500 modernizing the house which has a steam heating plant, oak floors and oak trim throughout, a classic dwelling in its day. A new machine shed was constructed at a cost of \$1000. Lots of deferred maintenance was involved in the buildings.

Summary:

Appraisal		
March 1957	158 acres	\$70,000 (\$443/ac.)
Right of way purchase		
June 1957	18.6 acres	\$16,259*(\$874/ac.)
Remainder value	139.4 acres	\$53,741 (\$386/ac.)
Sale of remainder		
June 1958	139.4 acres	\$42,000 (\$301/ac.)
Sale adjusted to 1957 values		\$39,350 (\$282/ac.)

*(exclusive of \$585 for fence)

Scott County

Case Study 82-7
Project I-01-8(1)
Right of Way Parcel 46

Location: About 1.5 miles West of the Iowa 150
Interchange with Interstate 80 in Scott
County ($E\frac{1}{2}SW\frac{1}{4}$, $W\frac{1}{4}SE\frac{1}{4}$ Section 31-79-3E).

Description:

This 160 acre farm (Farm 46, Figure 1) was described in the right of way appraisal made in 1957 as follows:

"This is a good 160 acre Scott County farm. The buildings are not lived in and are in need of repair.This is an inside 160 acres; there is a gravel lane coming into this farm from the east. This lane is approximately 80 rods long."

The "Before" value was appraised at \$76,000 (land, \$72,000; buildings, \$4,000).

Two proposals were considered in conjunction with the purchase of the 21.6 acres of right of way needed for Interstate 80 construction. By purchasing only the area needed for construction, 12.6 acres of the farm would be left landlocked (See Figure 1). Under this proposal, payment for 21.6 acres of right of way and all damages was calculated to be \$21,436.

The second proposition was that the landlocked 12.6 acres would be purchased in addition to the 21.6 acres of right of way. Payment under these circumstances would be \$27,456.30 which included \$733.50 for new fence.

On September 17, 1957, the right of way contract was signed in agreement to the terms of the second proposal and payment of \$27,456.30 for 34.2 acres of land, 163 rods of new fence and all damages was made.

On July 10, 1959, the 125.8 acre remainder was sold to the abutting owner (owner of Farm 47, Figure 1) for \$69,200. This farmer had rented the property since 1948. He had received \$42,769 for 59.4 acres of I-80 right of way from his original 190 acre unit (Farm 47, Figure 1). The economic pressure to reinvest the the right of way payment in land was a factor in the purchase of the remainder.

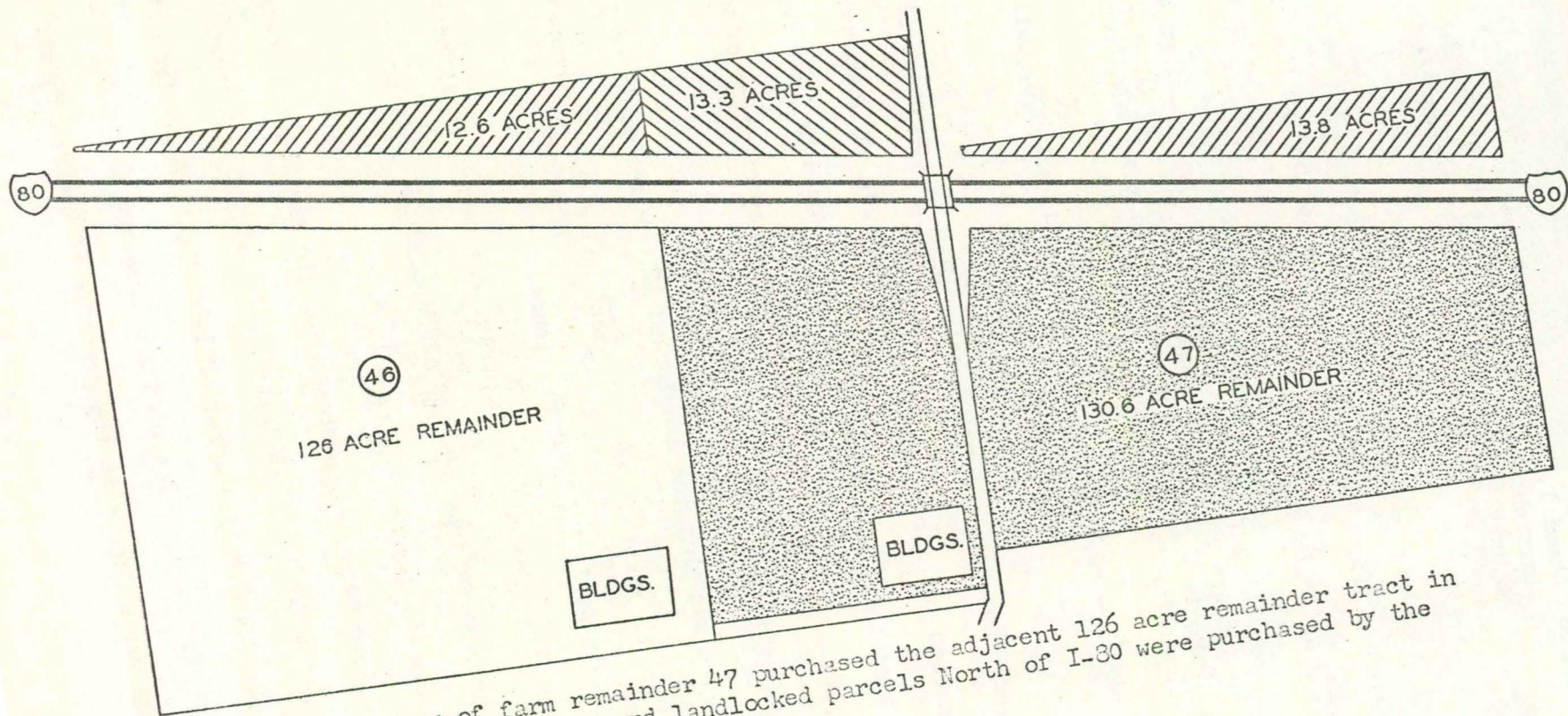


FIGURE 1. The owner of farm remainder 47 purchased the adjacent 126 acre remainder tract in July 1959. Isolated and landlocked parcels North of I-80 were purchased by the State of Iowa.

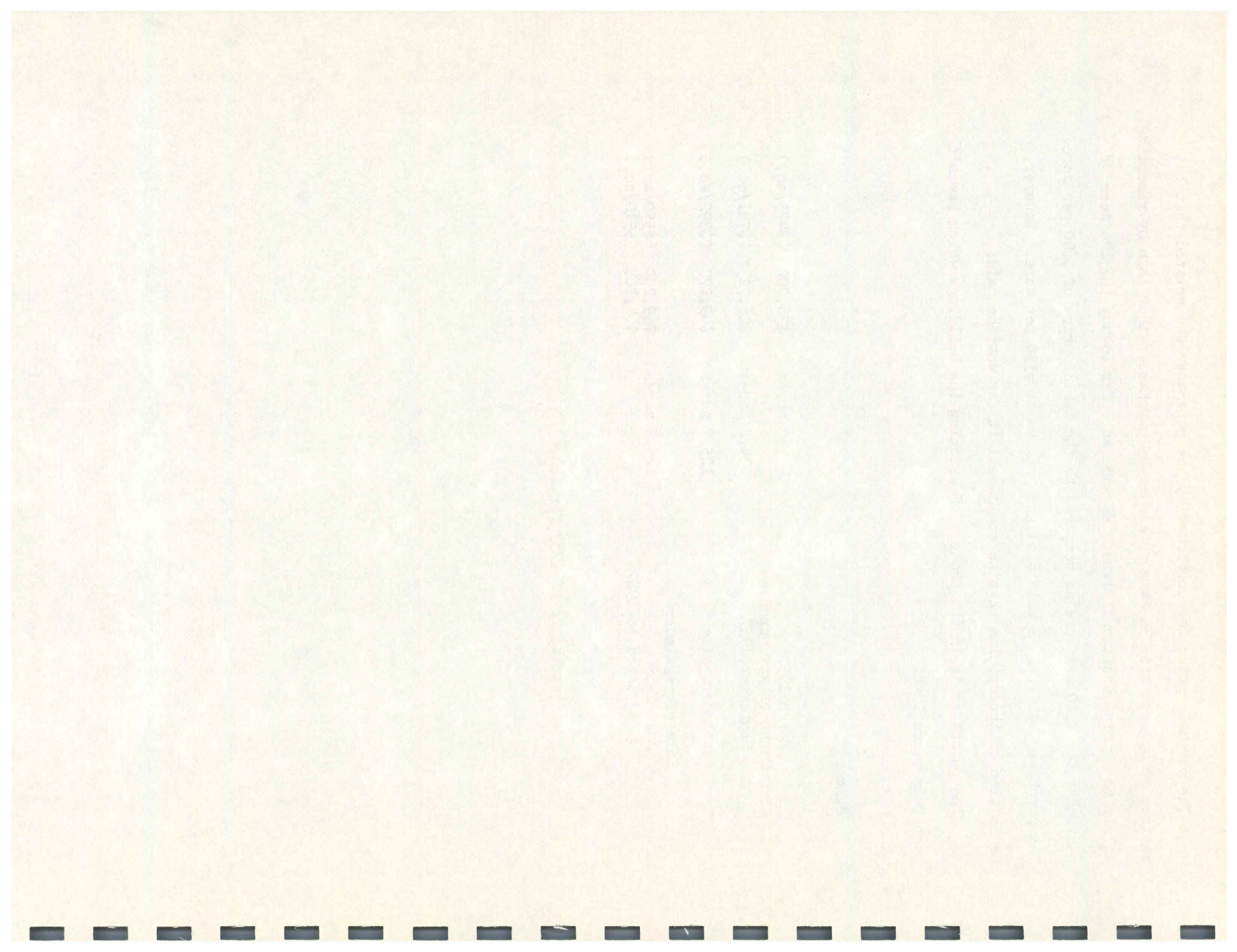
The purchase price was confirmed by the purchaser who related that he desired to augment his 130 acre remainder by purchase rather than by resorting solely to renting additional land. He made an offer to buy the 126 acre remainder for \$500 per acre as compared to the asking price of \$600 per acre. The purchaser believes he paid a slight premium at \$550 per acre. However, he is also of the opinion that he could sell it for what he paid.

The purchaser is in the process of wrecking the buildings which haven't been used since 1948.

Summary:

Appraisal			
March 1957	160 acres	\$76,000	(\$475/ac.)
Right of way purchase			
September 1957	34.2 acres	\$26,723*	(\$781/ac.)
Remainder value	125.8 acres	\$49,277	(\$392/ac.)
Sale of remainder			
July 1959	125.8 acres	\$69,200	(\$550/ac.)
Adjusted to 1957		\$64,168	(\$510/ac.)

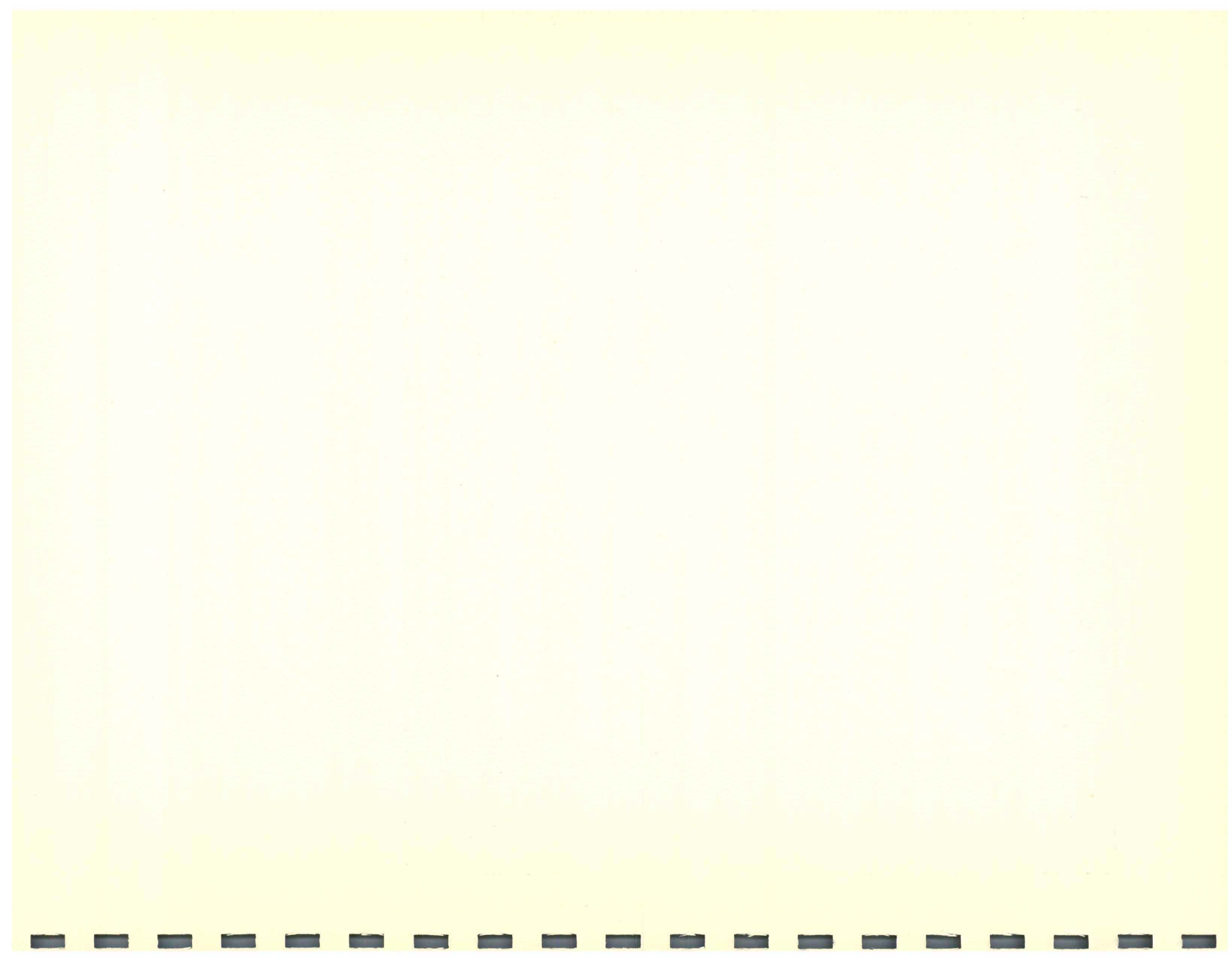
*(exclusive of \$733 for fence)



IB. ISOLATED REMAINDERS

Case Study	Original Size of Farm (Net acres)	Right of Way Acquired (acres)	Area of Remainder Tracts	
			(acres)	(acres)
Clarke County 20-5	239	17.4	137± *	85±
Warren County 91-7	73.6	8.5	35.6 *	29.5*
Polk County 77-2	93.1	18.5	35.6 *	39.0*
Jasper County 50-2	114	10.9	50.2 *	52.9*
Monona County 67-2 67-10	154 160 (gross ac.)	73.5 18.7	63.2 * 67.9 *	17.3* 73.4*
Woodbury County 97-6	311	54	130 *	127 *
Cedar County 16-1 16-3 16-6	64 183 160 (gross ac.)	8.8 17.7 20.1	51.4 * 41.3 70	3.8 124 * 69.9*

* Parcel sold



Clarke County

Case Study 20-5
Project I-IG-853(4)
Right of Way Parcel 14

Location: Approximately four and one-half miles north of Interstate 35 Interchange with US 34 in Clarke County. (E $\frac{1}{2}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$ of Sec. 30-73-25 & NE $\frac{1}{4}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$ of Sec. 31-73-25)

Description:

This improved 239 acre farm was appraised at \$31,740 on January 28, 1957. It was tenant operated. The modern house and adequate farm buildings were valued at \$6,360 and the land value was appraised to be \$25,380.

Interstate 35 construction required 17.4 acres of the bottomland area and bisected the farm as shown in Figure 1. The approximate amount of cultivated and pasture land on the farm was:

	<u>"Before"</u>	<u>"After"</u>
Cultivated land	90 acres	75 acres
Timber & Pasture	141 acres	139 acres
Lots	8 acres	8 acres
	<hr/>	<hr/>
	239 acres	222 acres

In addition to the 17.4 acres of right of way, two acres of borrow and a haul road to reach the borrow area were needed. Consideration of \$14,372 was offered for the land, borrow, fence and all damages. After construction, some 7.5 miles of travel would be required to reach the east remainder from the farmstead. This offer was refused by the owner and a condemnation jury awarded \$15,766 on June 18, 1957.

The owner appealed the case to the District Court and the jury awarded \$22,000 on April 4, 1958.

On December 8, 1959, the owner sold the 137+ acre remainder west of I-35 for \$8,940 or about \$65 per acre. This tract consisted of approximately 20 acres of cultivated land, 64 acres of permanent pasture, 45 acres of timber,

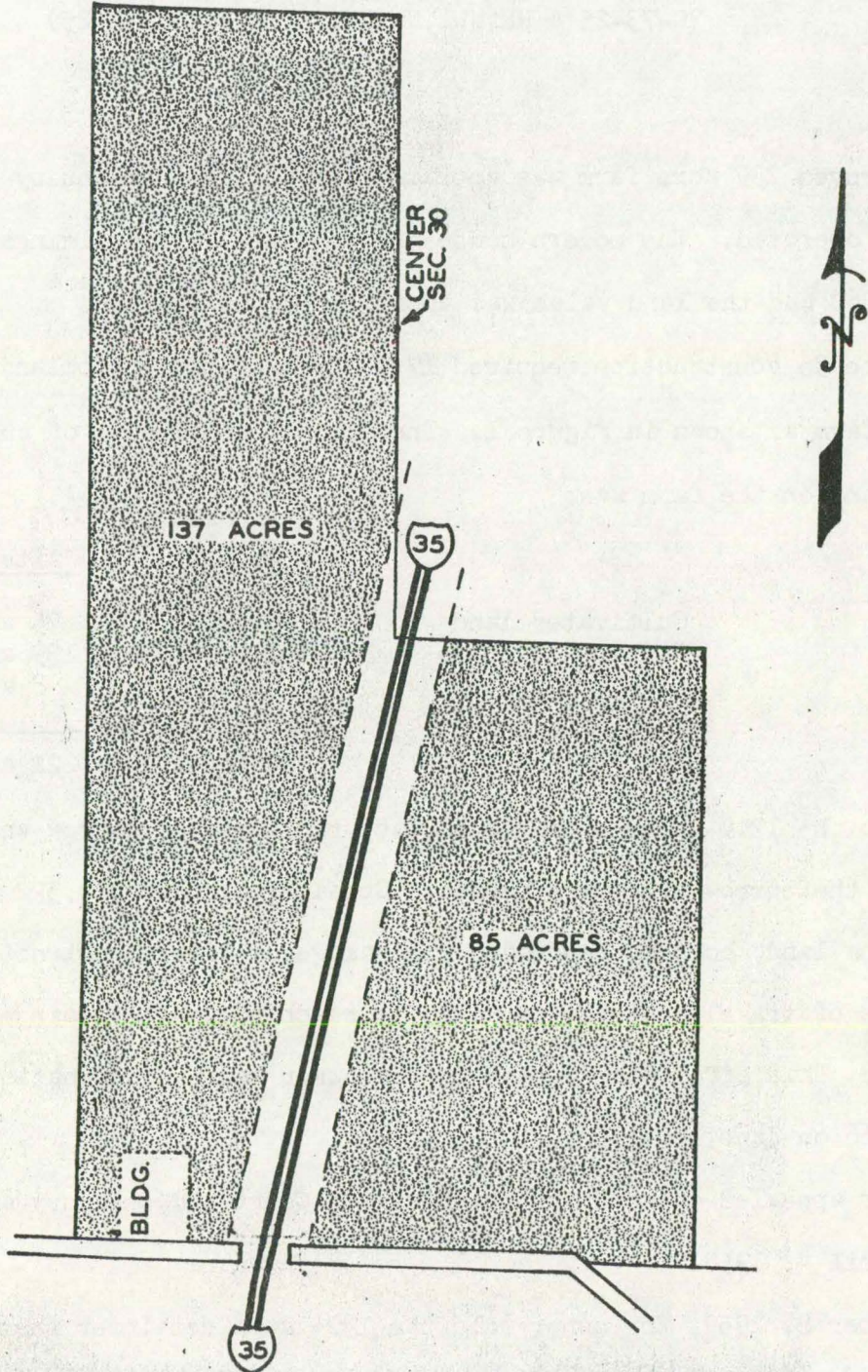


FIGURE 1. Interstate 35 construction required 17.4 acres from this farm. The 137 acre remainder west of I-35 was sold in 1959.

8 acres of lots and the buildings. The sale was made to a turkey farmer who also bought an adjacent 120 acres for \$7000 at about the same time. Some improvements have been added since the purchase and an employee occupies the house.

The 85+ acres east of I-35 retained by the original owner is in the soil bank program. This tract consists of about 55 acres of cropland and 30 acres of timber.

Summary:

Appraisal			
January 1957	239 acres	\$31,740	(\$133/ac.)
Right of way purchase			
Contract offer	17.4 acres	\$12,743*	(\$732/ac.)
Condemnation award			
June 1957	17.4 acres	\$15,766	(\$906/ac.)
District Court Award			
April 1958	17.4 acres	\$22,000	(\$1264/ac.)
Remainder value	221.6 acres	\$ 9,740	(\$ 44/ac.)
Remainder sale			
December 1959	137 acres	\$ 8,940	(\$ 65/ac.)
Adjusted to 1957		\$ 7,159	(\$ 52/ac.)
Investment in Parcel retained	85 acres	\$ 2,581	(\$ 31/ac.)

*(exclusive of \$1629 for fence; includes 2 acres of borrow and damages for haul road)

Warren County
Case Study 91-7
Project IN-I-IG-853(3)
Right of Way Parcel 37

Location: Three miles south of the Bevington Interchange of Interstate 35 and Iowa 92 in Warren County (SE $\frac{1}{4}$ NW $\frac{1}{4}$ and SW $\frac{1}{4}$ NE $\frac{1}{4}$ Section 7-75-25)

Description:

In 1956, the 74-acre property was devoted to general farming. The owner operated unit had 43 acres of land under cultivation, 28 acres of permanent pasture and 3 acres of lots, etc. The house was in inferior condition and the barn, garage and one granary were in good condition. Improvements on this unit are set back about 25 rods from the county road and access is via a 20 ft. lane.

The farm was appraised at \$14,076.90 before the purchase of 8.5 acres of right of way. Value of the remainder was estimated at \$7,576.90.

On January 3, 1957, the 8.5 acres of right of way was purchased for a lump sum consideration of \$6,000. This figure included \$738 for new fence along Interstate 35 and \$4,232 for severance damages.

On November 16, 1957 the former owner transferred the 29.5 acres east of Interstate 35 to persons who own no other land in the area for an indicated consideration of \$2000 as evidenced by revenue stamps on the deed in the amount of \$2.20. This area consists of a deep ravine and is rough and wooded. Access is by way of a cul-de-sac county road to the south. On February 26, 1960 this same tract was again sold for a consideration of \$1500 as indicated by \$1.65 in revenue stamps on the deed.

On February 4, 1959 the owners of an adjoining 132 acre farm with adequate buildings purchased the 35.6 acres with buildings west of Interstate 35 for a confirmed price of \$7000 or approximately \$197 per acre. The purchasers intend to salvage the inferior dwelling and utilize the barn and crib. Their primary

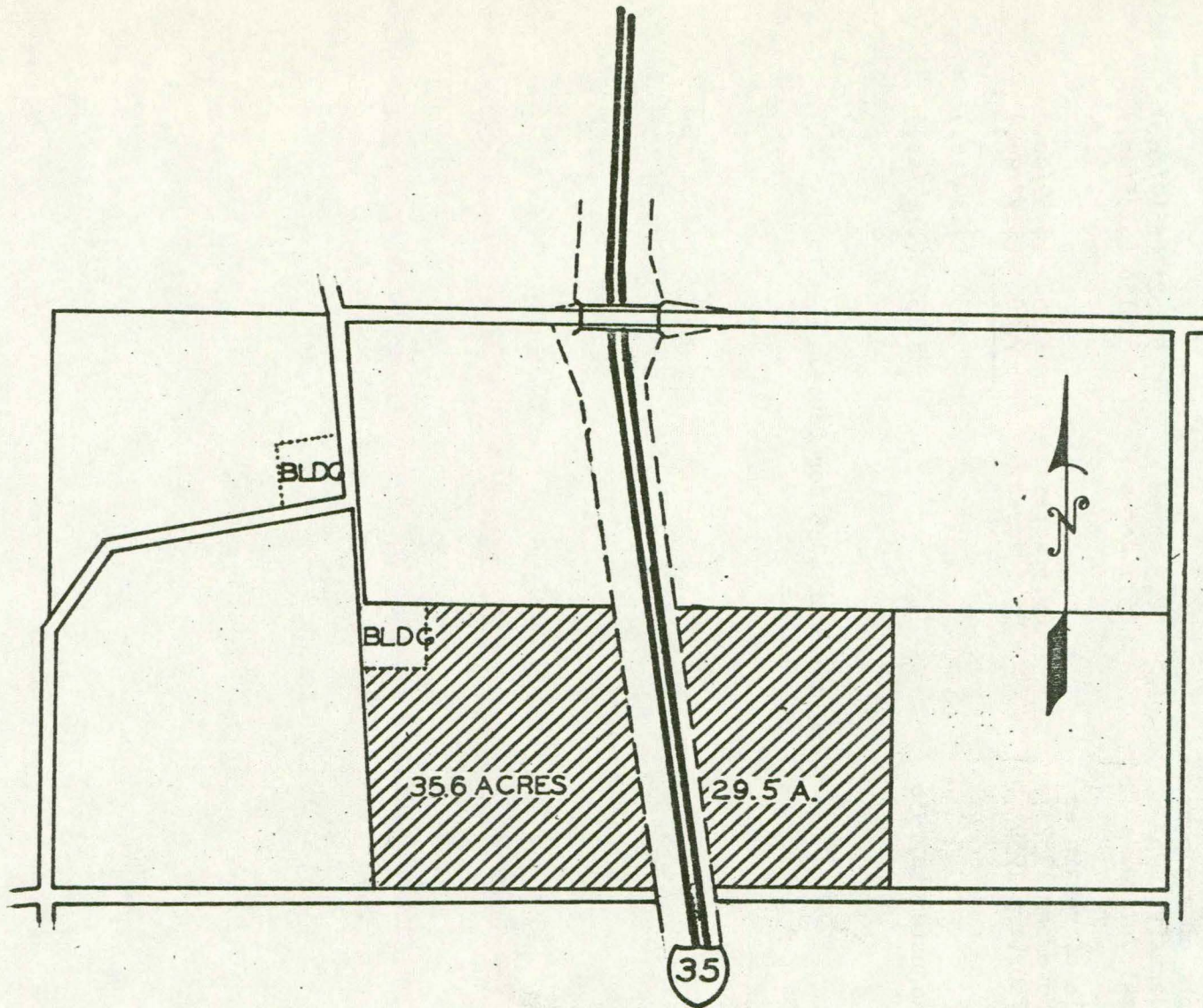


FIGURE 1. This farm was bisected by the purchase of 8.5 acres of Interstate 35 right of way.

motive in acquiring this unit was to augment the size of their present farm. The purchasers feel that no benefits or detriments have been incurred to properties in their immediate area because of the construction of Interstate 35.

Summary:

Appraisal	73.6 acres	\$14,077	(\$191/ac.)
Right of way purchase			
January, 1957	8.5 acres	5,262*	(\$619/ac.)
Remainder value	65.1 acres	8,815	(\$135/ac.)
Sale of remainder			
November 1957	29.5 acres	1,750	(\$ 59/ac.)
February 1959	35.6 acres	7,000	(\$197/ac.)
		<hr/>	
		\$8,750	(\$134/ac.)
Adjusted to 1956		\$8,157	(\$125/ac.)

*(exclusive of \$738 for fence)

Polk County

Case Study 77-2
Project I-01-5(2) Polk
Right of Way Parcel 14

Location: Four miles east of Interstate 80 and US 65, US 64 Interchange ($S\frac{1}{2}N\frac{1}{2}SW\frac{1}{4}$ of Sec. 4; all that part of the $S\frac{1}{2}SW\frac{1}{4}$ of Sec. 4 and the $NW\frac{1}{4}NW\frac{1}{4}$ of Sec. 9 lying north of the C.R.I. & P. Railway Company right of way in T79N, R22W.)

Description:

This 93.1 acre farm (Farm 1, Figure 1) consisted of 88 acres of cropland and about 5 acres of lots. The improvements on this tenant-operated unit had been neglected and needed repairs.

It was appraised on June 11, 1958 prior to purchase of 18.5 acres of right of way as follows:

	"Before"	"After"
Land	\$34,700	\$17,900
Buildings	4,000	2,700
Total	\$38,700	\$20,600

On July 23, 1958, a right of way contract with a lump sum consideration of \$18,100 was negotiated for 18.5 acres of right of way, 335 rods of fence and all damages. Payment of \$1,507.50 for fencing was to be withheld until the fence was completed.

On November 10, 1958, the 35.6 acre remainder and the buildings south of Interstate 80 sold on contract for \$12,000. Terms of the contract were \$2000 down and the \$10,000 balance to be paid by March 1, 1959. The purchaser bought the tract to augment his existing farm area. He owns a unit on the north side of I-80 (Farm 3, Figure 2) and had sold 8.75 acres of right of way for I-80 construction.

On March 17, 1959, the 39 acres north of I-80 was sold to the landowner (Farm 2, Figure 2) across the road west for \$16,000. This owner had sold 35

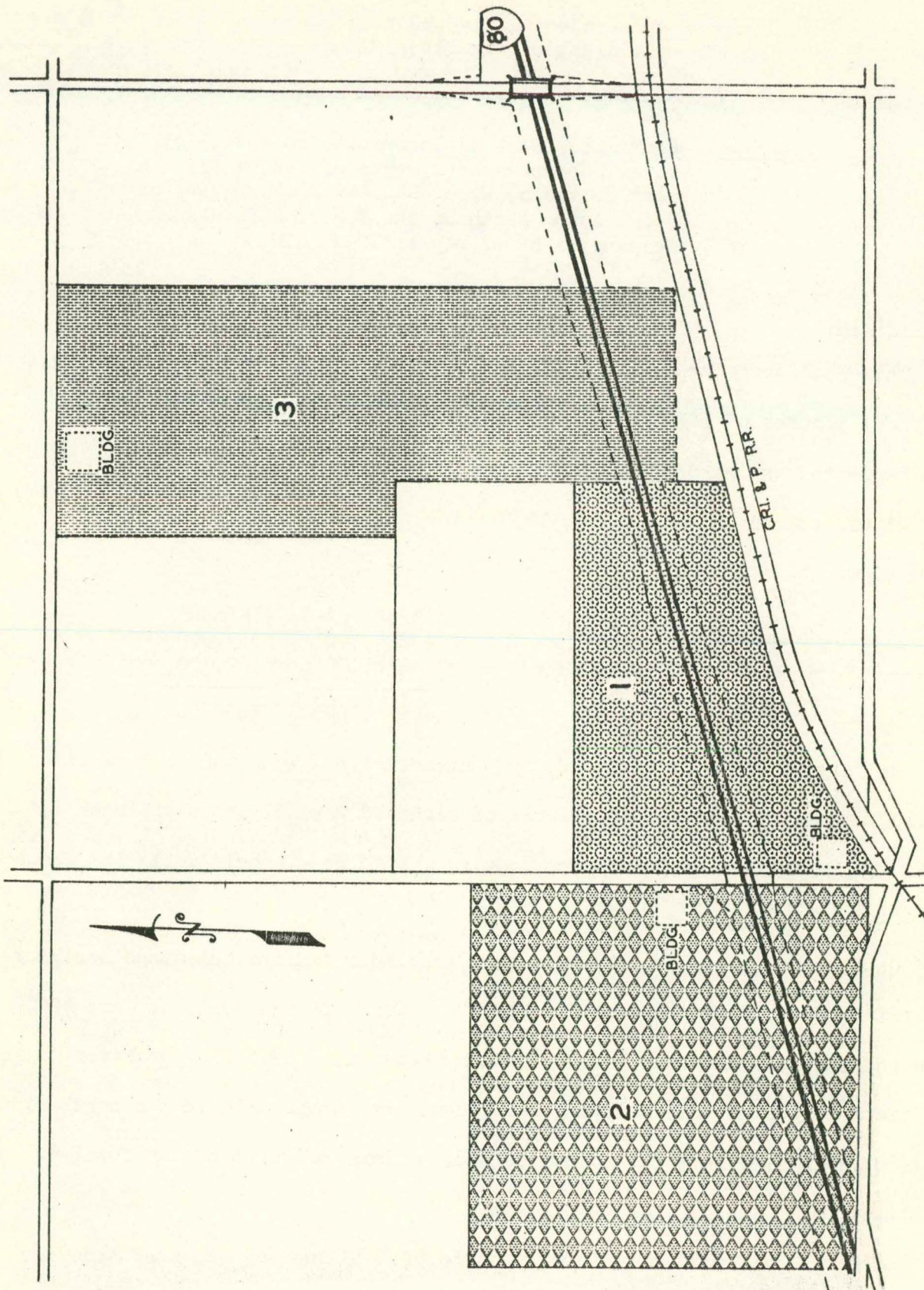


FIGURE 1. Farm units before purchase of I-80 right of way.

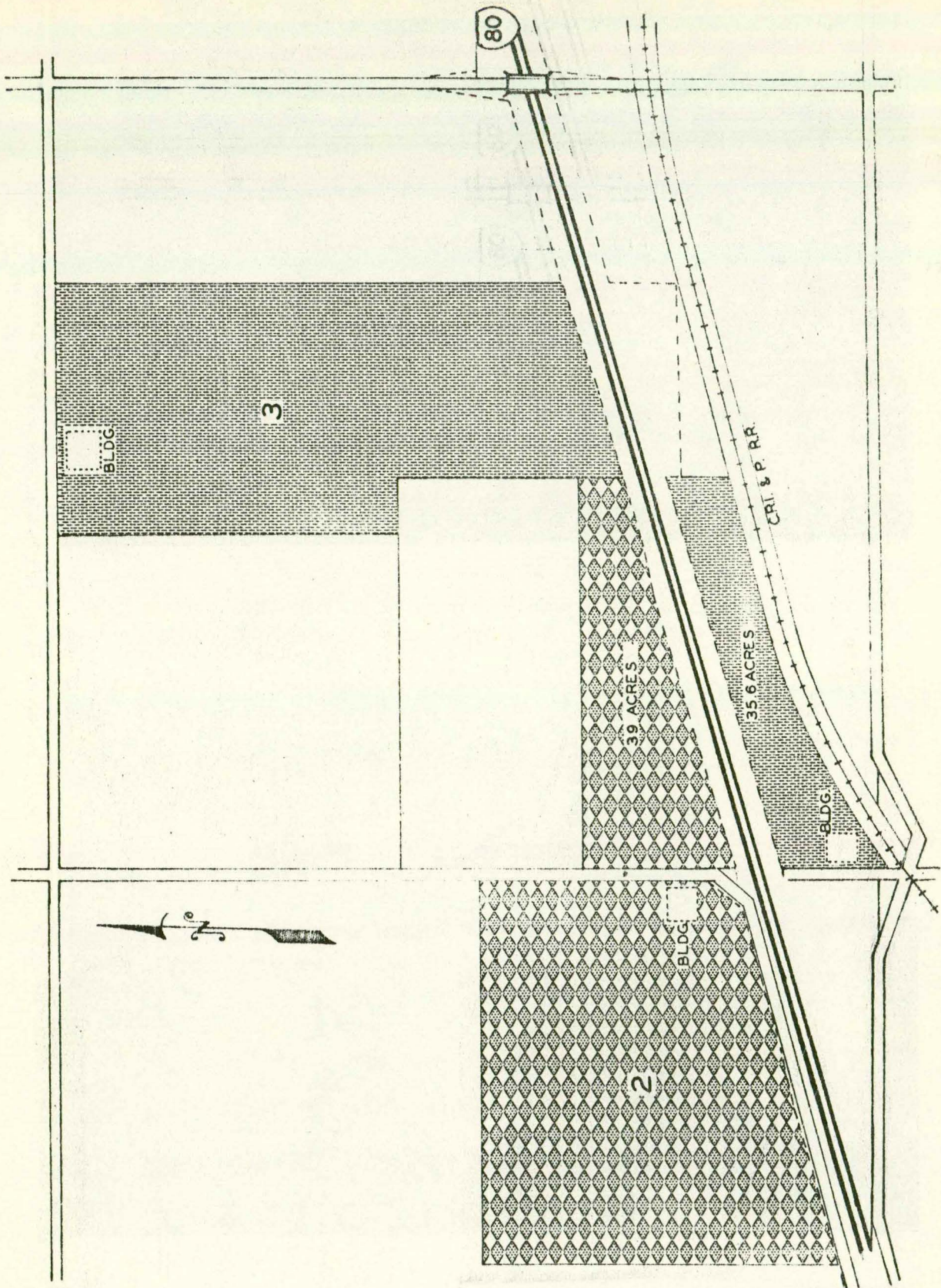


FIGURE 2. Farm units after purchase of right of way and sale of Farm No. 1 remainders.

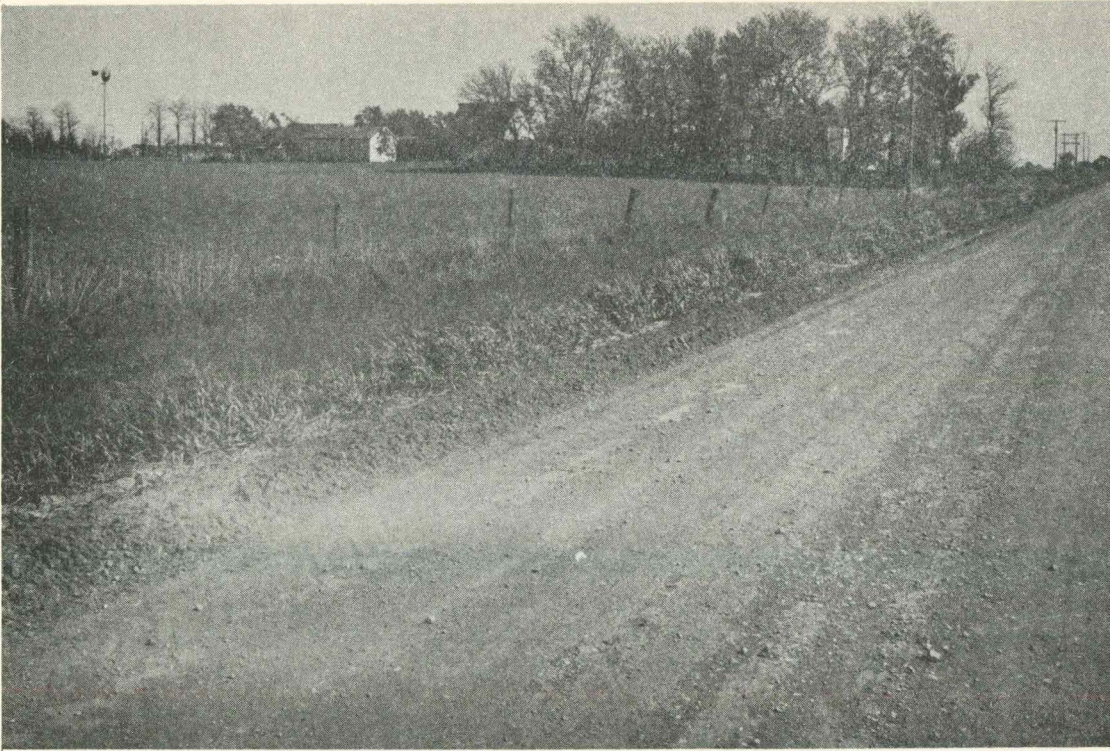


Figure 3. Looking south towards farmstead in May 1958 before I-80 construction.



Figure 4. Looking south towards farmstead of subject property in April 1961 after I-80 construction.

acres of land for I-80 construction for \$24,000.

The original owner of Farm No. 1 paid each owner for new fence along I-80 to fulfill the right of way contract obligation.

Summary:

Appraisal			
June 1958	93.1 acres	\$38,700	(\$416/ac.)
Right of way purchase			
July 1958	18.5 acres	16,593*	(\$897/ac.)
Remainder value	74.6 acres	22,107	(\$296/ac.)
Sale of remainder			
November 1958	35.6 acres	12,000	(\$337/ac.)
March 1959	39 acres	16,000	(\$410/ac.)
		<hr/>	
	Total	\$28,000	(\$375/ac.)
Adjusted to 1958		\$26,835	(\$360/ac.)

*(exclusive of \$1507 for fence)

Jasper County

Case Study 50-2
Project I-IG-80-5(12)171
Right of Way Parcel 13

Location: Two miles west of Interstate 80 Interchange with County Trunk Road "A" in Jasper County (NW $\frac{1}{4}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ NW $\frac{1}{4}$, and Lot 2 of the Subdivision of the SW $\frac{1}{4}$ SW $\frac{1}{4}$, Section 3-79-18).

Description:

The 114 taxable acres of this farm were appraised at \$40,050 on June 10, 1960. A complete set of improvements were estimated to add \$5,550 making a total value of \$45,600 or \$400 per acre for the farm. The house was not modern except for water and electricity.

This farm had been under average management by a tenant who also worked in a Newton factory. All of the land on the unit can be cultivated.

On September 15, 1960, a contract was completed for purchase of 10.9 acres of Interstate 80 right of way through the middle of the farm. The buildings and 50.2 acres were left north of I-80 and 52.9 acres were south of I-80 as shown in Figure 1. The south remainder is cut by a creek and is inferior to the land of the north parcel.

Consideration of \$8400 was paid for the right of way and all damages. This was equal to the difference in the "Before" and "After" appraisals. The State agreed to construct a right of way fence in this case.

On September 20, 1960 the remainder was sold at auction with possession March 1, 1961. The 50.2 acres north of I-80 with the buildings was auctioned first with the privilege of purchasing the remainder tract south of I-80. The tract started at \$300/acre and quickly ran to \$472 at which time the bidding was between two adjoining landowners. After the recess the bid went to \$501 per acre and was sold at that figure. The successful bidder (Owner A, Figure 1) was not interested in the south parcel since his land only abutted the north tract.

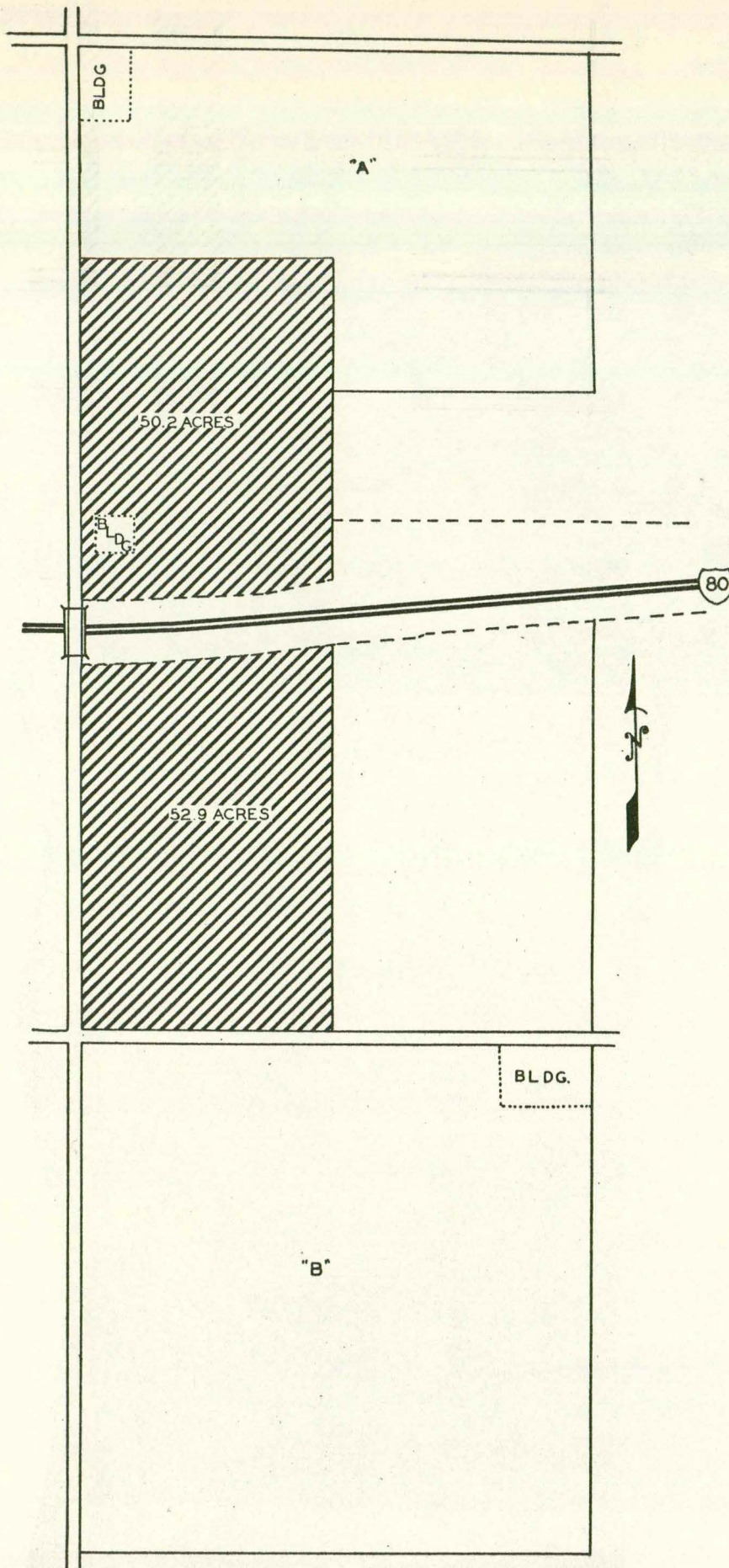


FIGURE 1. Abutting owners "A" and "B" purchased the remainder tracts of this farm.

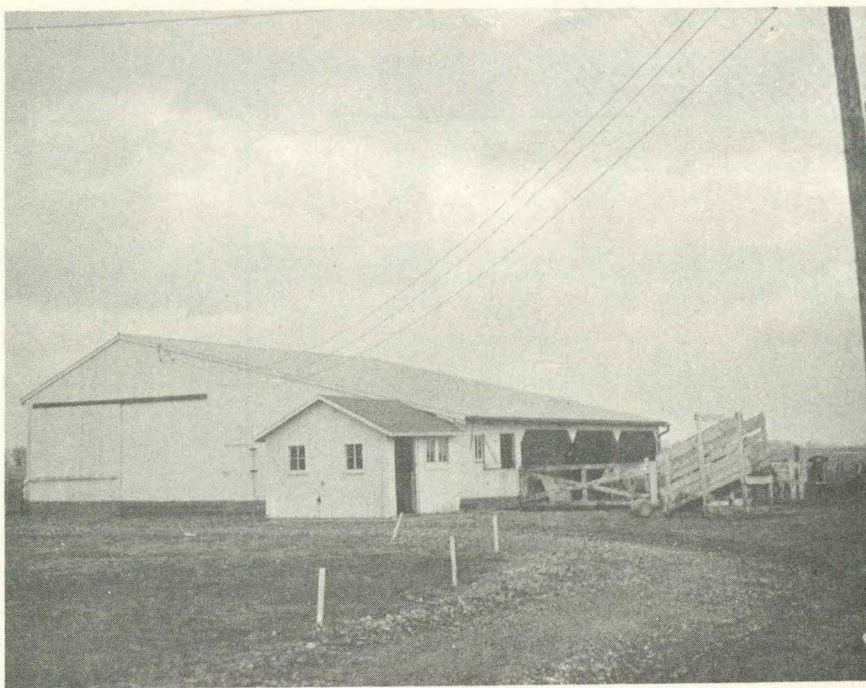


Figure 2. Farm buildings located on the north remainder tract.

The 52.9 acres south of I-80 sold immediately thereafter for \$272.00 per acre to an abutting landowner (Owner B, Figure 1) who had sold 17.2 acres from his 240 acre farm for I-80 right of way.

The purchaser of the 50.2 acres north of I-80 had purchased several tracts in this area immediately prior to the purchase of subject. He bought the adjacent 120 acres (Farm A, Figure 1) on February 16, 1960 for \$393 per acre. After the acquisition of subject, the holdings of this purchaser consisted of 235 $\frac{1}{2}$ acres in the immediate area including three sets of farm buildings.

Summary:

Appraisal			
June 1960	114 acres	\$45,600	(\$400/ac.)
Right of way purchase			
September 1960	10.9 acres	\$ 8,400	(\$771/ac.)
Remainder value	103.1 acres	\$37,200	(\$361/ac.)
Sale of remainder			
September 1960	50.2 acres	\$25,150	(\$501/ac.)
	52.9 acres	\$14,389	(\$272/ac.)
	<hr/>	<hr/>	
Total	103.1 acres	\$39,539	(\$384/ac.)

Monona County

Case Study 67-2
Project I-29-6(2) 114
Right of Way Parcel 4

Location: At Interchange of Interstate 29 and
Iowa 175 in Monona County near Onawa
(SW $\frac{1}{4}$ Sec. 6-83-45).

Description:

Subject 160 acre unit was assigned a "Before" value of \$55,900 or \$350 per gross acre on November 27, 1958. Allowing six acres for county roads, the unit price would be \$363 per net acre. The tract was improved with common farm buildings which were appraised at \$4800. The location of the buildings and of the 73.5 acres needed for right of way are shown in Figure 1. The barn, hog house, and double crib were on land within the right of way.

An "After" value of \$22,100 assigned to the 80.5 acre remainder was based on buying the buildings. In this "After" appraisal, the value of the 15.8 acres lying south of Iowa 175 was estimated to be \$100 per acre. All rights of access to Iowa 175 were to be acquired. A right of way contract based on the "Difference" of \$33,800 was consummated December 5, 1958.

On January 27, 1959 the owner sold the 80.5 remainder for a recited consideration of \$23,000. It is of interest to note that the seller was a widow who resided in the State of Illinois. The purchaser was a prosperous landowner and businessman.

On December 30, 1959, the area south of Iowa 175 valued in the "After" appraisal of \$100 per acre and described in the conveyance as having an area of 17.32 acres sold to a major oil company for an indicated consideration of \$20,000. The access to said tract is from the local roads to the east and south of the subject tract.

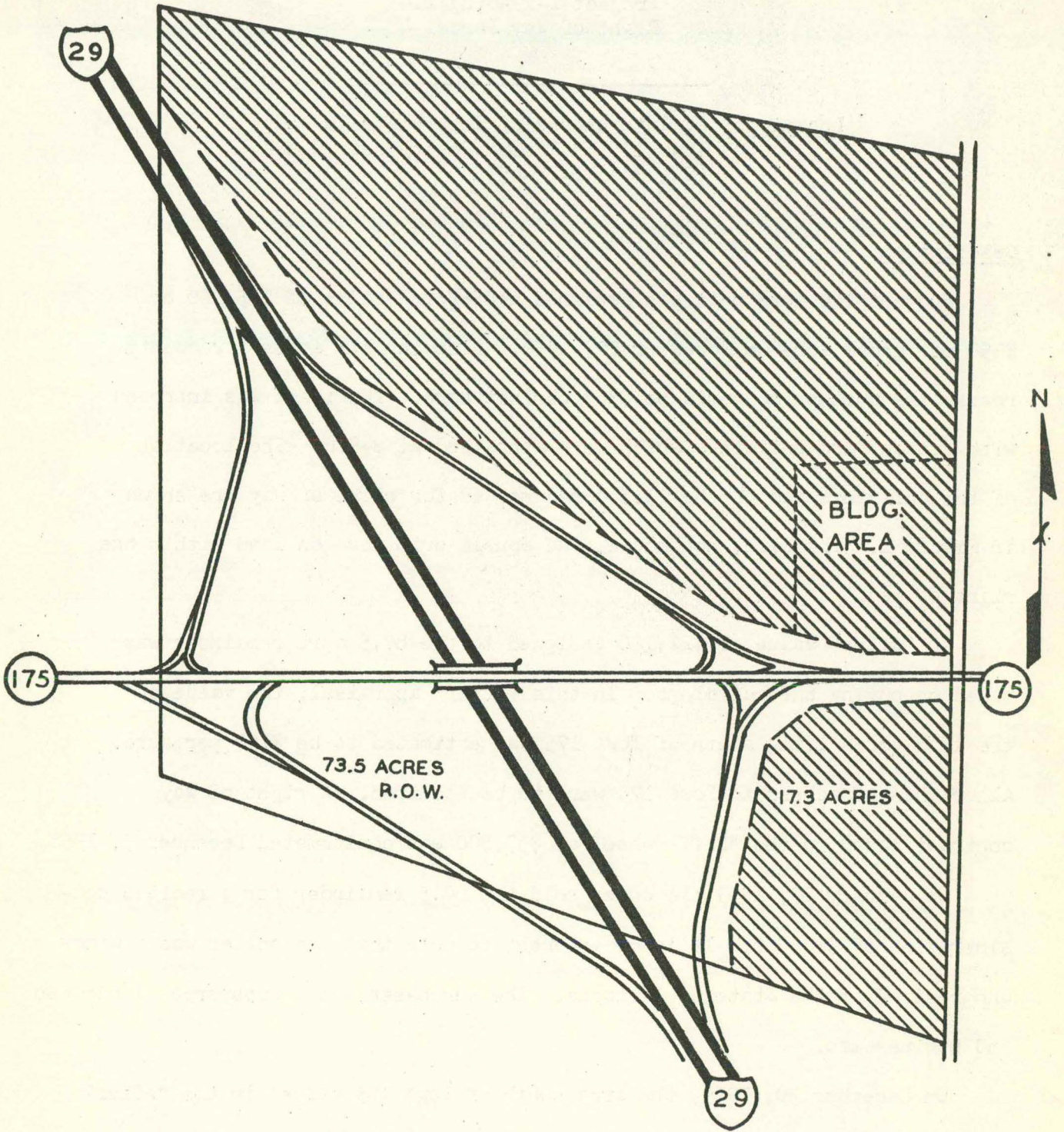


FIGURE 1. The remainder of this farm sold about two months after the I-29 right of way acquisition.

Summary:

Appraisal			
November 1958	154 acres	\$55,900	(\$363/ac.)
Right of way purchase			
December 1958	73.5 acres	\$33,800	(\$460/ac.)
Remainder value (unfenced)	80.5 acres	\$22,100	(\$275/ac.)
Sale of remainder			
January 1959	80.5 acres	\$23,000	(\$286/ac.)
Resale of one tract			
December 1959	17.3 acres	\$20,000	(\$1156/ac.)

Monona County

Case Study 67-10
Project I-29-6(2) 114
Right of Way Parcel 24

Location: About 4.7 miles northerly of the Onawa Interchange of Interstate 29 in Monona County (SE $\frac{1}{4}$ Section 15-84-46).

Description:

The 156 net acres under consideration had been inherited by the owner three years before the right of way was acquired. The owner was a lady in her late seventies who lacked experience in property management.

The right of way appraisal was as follows:

"Before"	\$56,000
"After"	40,198
	<hr/>
Difference	\$15,802

Included in the appraisal description was:

"This is an improved Monona Co. 160 acre farm. The buildings on this unit are common. The farm is being severed diagonally, leaving 67.9+ acres and the buildings on the west side of the new road and leaving 73.4+ acres on the east side of the new road. There will be 18.7 acres in right of way and 76 rods of temporary fence and 1.3 acres for encroachment." (See Figure 1).

The 18.7 acres of right of way were purchased by contract on October 16, for \$15,802. Two months later the property was sold to the attorney who had probated the estate and represented the owner in the right of way negotiations. Revenue stamps indicating a consideration of \$28,000 for the remainder are affixed to the deed. The indicated purchase price is unconfirmed and it is known part of the payment was made in professional services.

The advanced age of the maiden owner probably furnished a more compelling motive to sell than did the fact that the unit had been severed diagonally by I-29.

The unit continues to be operated as a unit by the same tenant who has farmed it for 35 years. Operation is of course expediated by the county road grade separation.

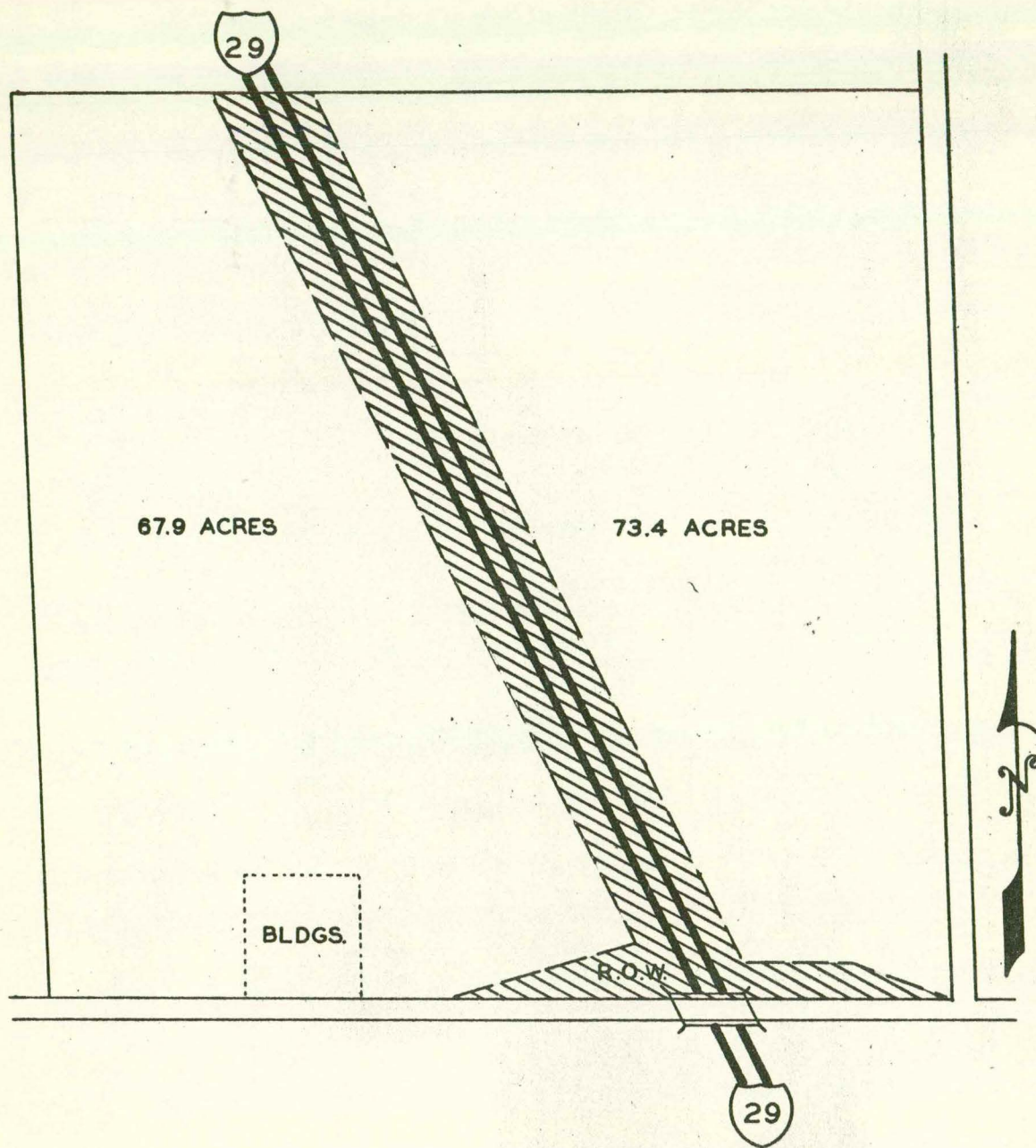


FIGURE 1. Twenty acres of right of way was purchased for I-29 construction. The remainder of this farm unit continues to be operated by the same tenant who has farmed it for 35 years.

Woodbury County

Case Study 97-6
Project I-29-6(2)114
Right of Way Parcel 48

Location: About two miles south of the Sergeant Bluff
Interchange of Interstate 29 in Woodbury
County (NE $\frac{1}{4}$ Sec. 7-47-87 & NW $\frac{1}{4}$ Sec 8-47-87).

Description:

This improved 320 acre (311 net acres) farm was appraised at \$108,690
in July 1957. The land on the estate-owned unit was classified as follows:

Cultivated land	
148 acres @ \$380 =	\$56,240
70 acres @ \$250 =	17,500
50 acres @ \$150 =	7,500
Uncultivated land	
5 acres @ \$380 =	1,900
9 acres @ \$250 =	2,250
38 acres @ \$100 =	3,800
Land Value	\$89,190
Building Value	\$19,500
Total	\$108,690

The appraiser noted: "This unit is already cut by a county road. The farm
is set up for extensive livestock feeding which will be hampered by the new
road, but the crop operation will not be hampered too badly."

At the time of the original appraisal it was contemplated that 44.1
acres would be needed for Interstate 29 and relocated county road construction.
This included a 3.1 acre tract which would be isolated by the construction work.
On this basis an "After" value for the remainder was established at \$78,935.10.

Before the 44.1 acres of right of way had been acquired, a rest area had
been included in the I-29 design and an additional 9.9 acres was required.

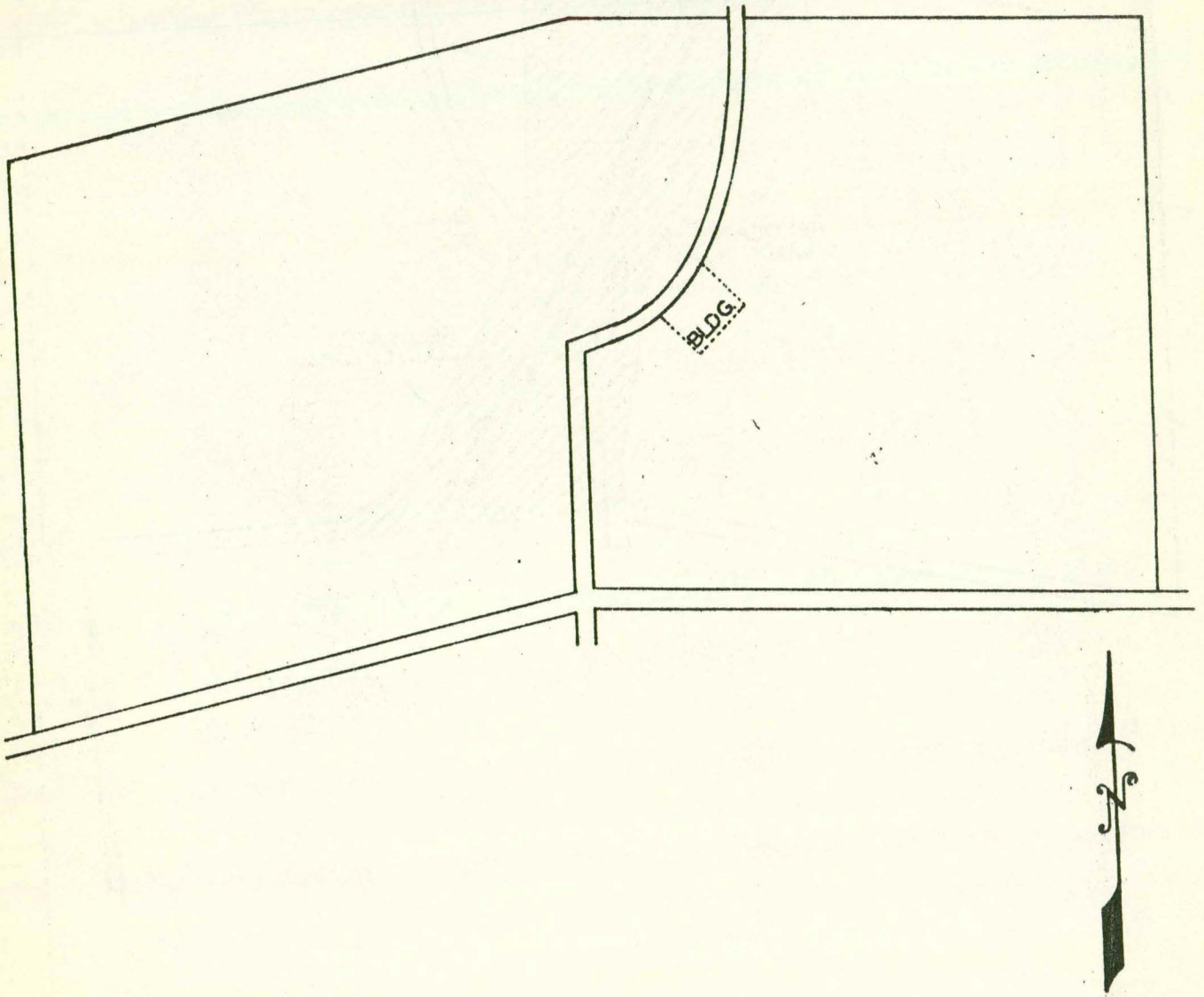


FIGURE 1A. Original 320 acre unit.

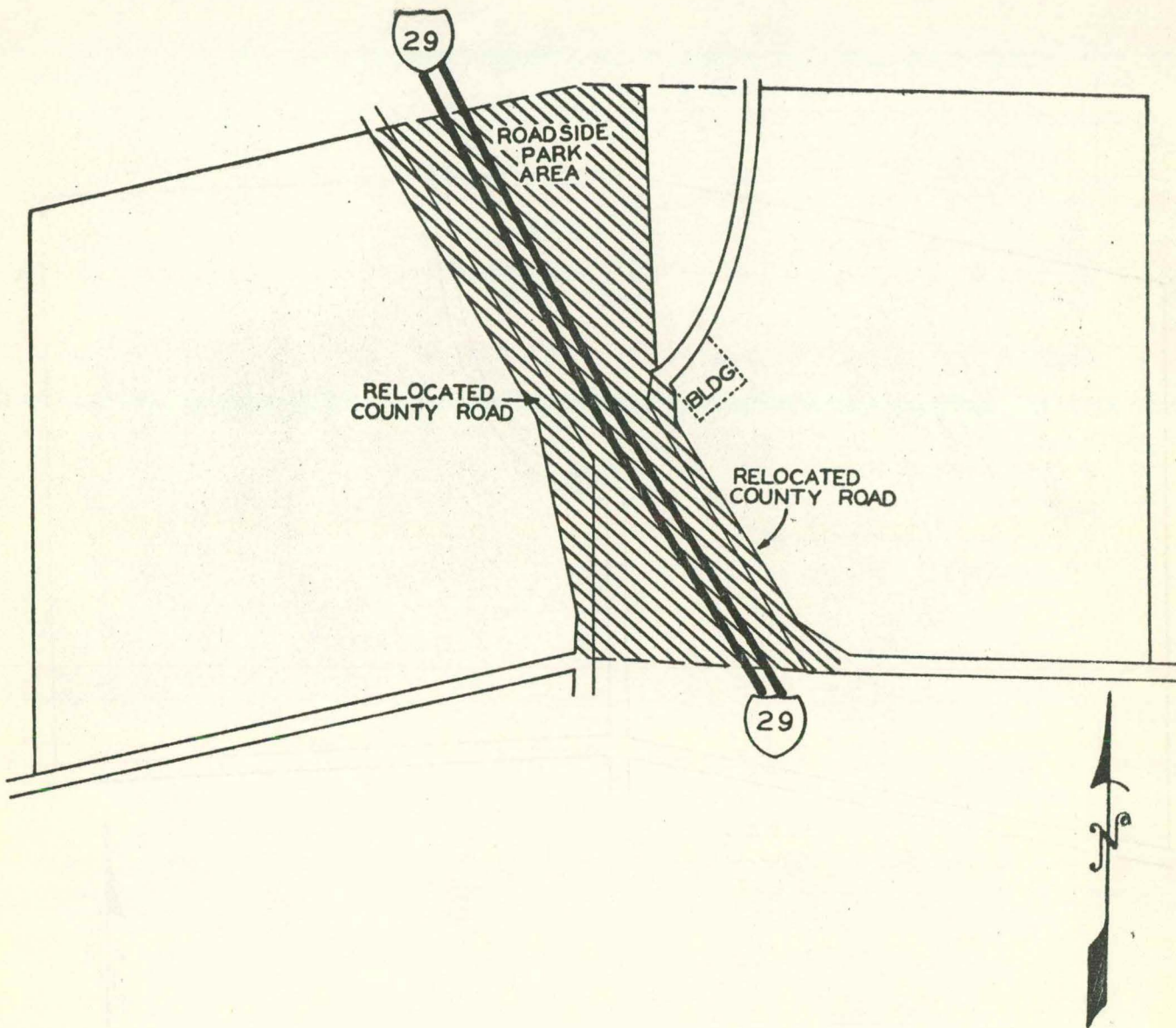


FIGURE 1B. Fifty-four acres of the farm were purchased for Interstate 29 construction. Property for relocating two county roads and a roadside park was included.

The original right of way offer was revised as follows:

44.1 acres R.O.W. @ \$260	\$11,466.00
353 rods fence @ 4.50	1,588.50
Damages	16,700.40
	<hr/>
	\$29,754.90
9.9 acres (rest area) @ \$260	2,574.00
	<hr/>
	\$32,328.90
Less 21 rods fence @ \$4.50	- 94.50
	<hr/>
Total	\$32,234.40

On August 30, 1957, a contract was signed with the owners for \$33,298.77.

On May 24, 1958, that part of the remainder east of I-29 was sold for \$56,000. The 130 acres brought a confirmed price of \$430 per acre. The unit has all of the original buildings including a ten year old ranch type home. Of the 130 acres all but the four or five acres that lie between I-29 and the county road are tillable. The area that is not tillable is inundated by water most of the year. The purchaser operates 600 acres from this head-quarter unit. Several of the other tracts he owns and operates have buildings that have fallen into disuse.

On January 23, 1961, the 127+ acre remainder tract west of I-29 sold on contract for \$30,000. Terms of the contract were: \$8,750 down, \$4,125 plus interest on January 1, 1962 and annual payments of \$2875 plus interest until January 1, 1968 when the balance of \$2750 plus interest is due. A four and one-half percent interest rate is applied to the unpaid balance. This tract was purchased by a farmer who lived about two miles north of the subject remainder. He had sold 157 acres of his farm in connection with I-29 construction and had received \$110,000.

An interview with the purchaser discloses that of the 127+ acres, 62 acres are fertile cropland abutting the south property line. An area of 15+ acres, a photo of which is shown in Figure 3 is under water all year. The remaining 50+ acres is rough sandy pasture. The purchaser stated he figured his purchase



Figure 2. Some timberland was purchased from the subject farm for a future rest area development.

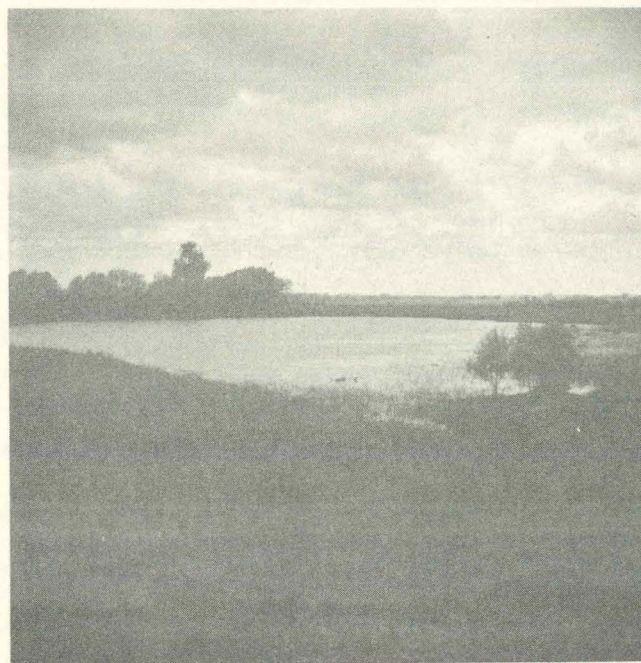


Figure 3. About 15 acres of this farm are under water as shown above.

from an income standpoint and computed it as follows:

62 acres cropland @ \$450 per acre
50+ acres pasture @ \$ 50 per acre
15+ acres underwater - no value

The purchaser has dug a well and constructed a corral on subject. The pasture on subject provides the only permanent pasture for the farming operation of the purchaser.

Summary:

Appriaisal			
July 1957	311 acres	\$108,690	(\$349/ac.)
Right of way purchase			
August 1957	54 acres	\$ 31,805*	(\$589/ac.)
Remainder value	257 acres	\$ 76,885	(\$299/ac.)
Sale of remainder tracts			
May 1958	130+ acres	\$ 56,000	(\$431/ac.)
January 1961	127+ acres	\$ 30,000	(\$236/ac.)
		<hr/>	
		\$ 86,000	(\$335/ac.)
Adjusted to 1957		\$ 84,083	(\$327/ac.)

*(exclusive of \$1494 for fence)

Cedar County

Case Study 16-1
Project I-IG-80-7(3)255
Right of Way Parcel 33

Location: Two miles East of West Branch Interchange of Interstate 80 in Cedar County (Pt. of $W\frac{1}{2}$ $SW\frac{1}{4}$ Section 10-79-4).

Description:

The 64 acre unit under consideration had been purchased in 1954 for \$375 per acre. No improvements of consequence have been made. Comparable properties in the area sold for \$325 to \$450 per acre during the period from 1954 through 1959.

On July 2, 1959, the 64 acres were appraised for right of way purposes for \$32,095 or \$501 per acre. The buildings were valued at \$6,419 and the land at \$25,676.

An area of 8.8 acres was needed for Interstate 80 construction as shown in Figure 1. This would result in isolating 3.8 acres north of I-80. On July 27, 1959 a contract was signed for the purchase of the 8.8 acres of right of way for a consideration of \$7,725.

The 51.4 acres and buildings south of I-80 were sold on March 8, 1961 for \$23,000 (\$447/acre) to abutting landowners as illustrated in Figure 2. The purchasers had sold 22.5 acres of right of way from their original 200 acre farm for \$11,250.

The remainder owners (a church organization) retain the 3.8 acres tract north of I-80. They have access to the 3.8 acres via an adjacent cemetery which also belongs to the group.

Summary:

Appraisal-July 1959	64 acres	\$32,095	(\$501/ac.)
Right of way purchase			
July 1959	8.8 acres	\$ 7,725	(\$878/ac.)
Remainder value	55.2 acres	\$24,370	(\$441/ac.)
Sale of one remainder tract			
March 1961	51.4 acres	\$23,000	(\$447/ac.)
Adjusted to 1959		\$23,925	(\$465/ac.)
Value of 3.8 acre remainder		\$ 445	(\$117/ac.)

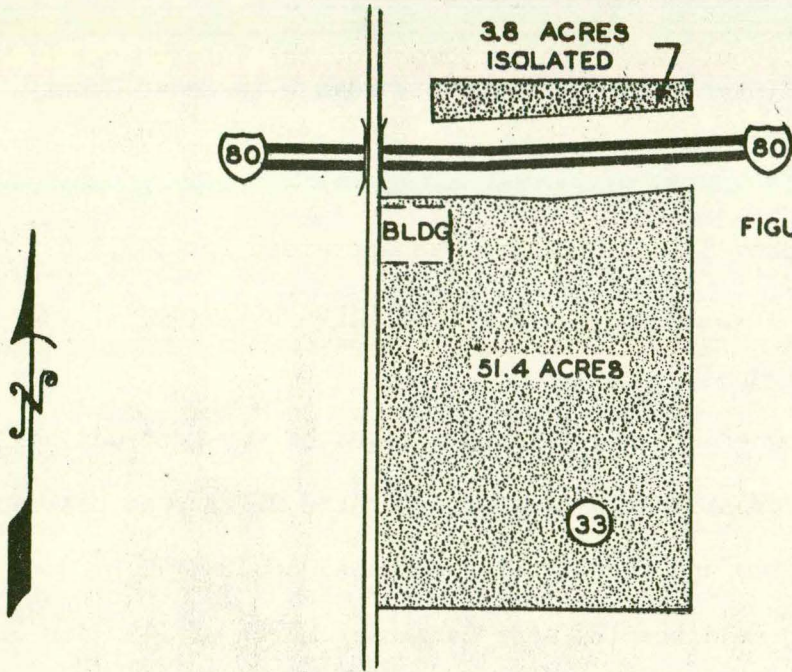


FIGURE 1. Some 8.8 acres of Interstate 80 right of way was purchased in 1959 from the owners of this 64 acre farm.

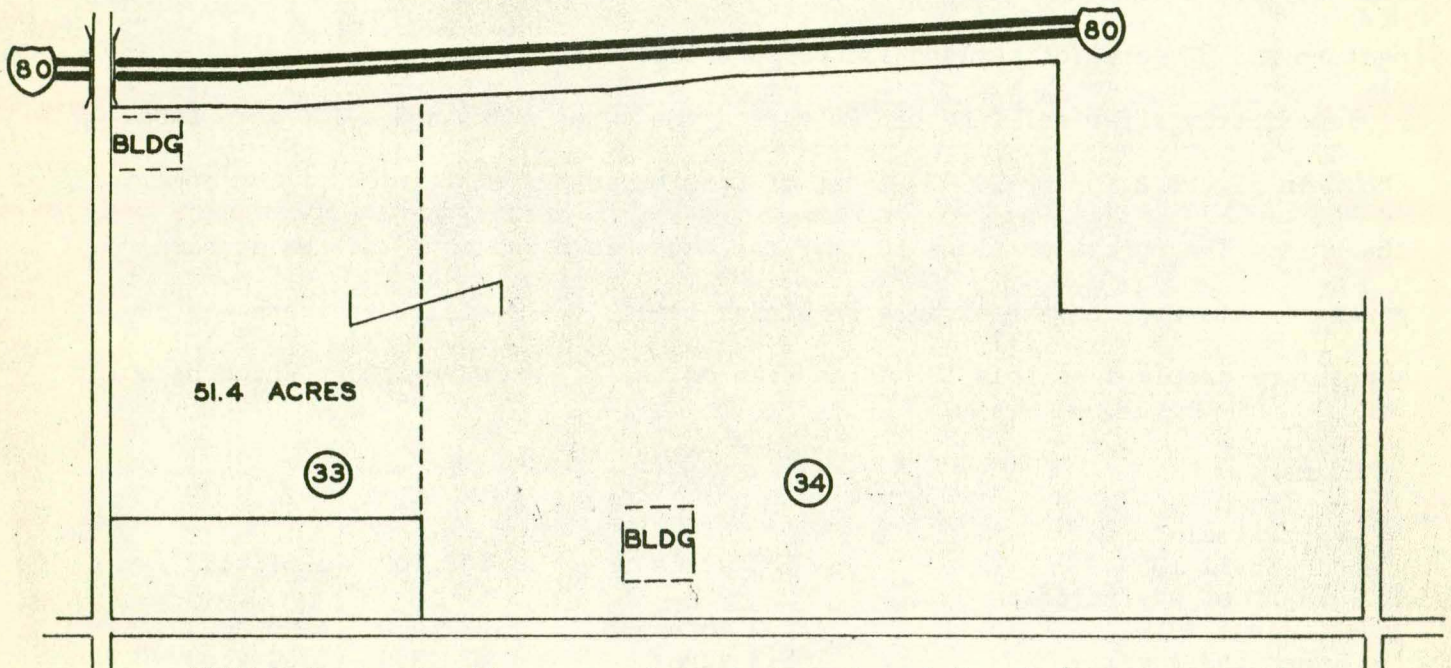


FIGURE 2. An abutting property owner purchased the 51.4 acre remainder in March, 1961.

Cedar County

Case Study 16-3
Project I-80-7(4)262
Right of Way Parcel 23

Location: About two miles northwest of the Interchange of Interstate 80 and County Road W in Cedar County.

Description:

In April 1959, this improved 183 acre farm was appraised for \$42,200. Construction of Interstate 80 required 17.7 acres of the property and would bisect the irregularly shaped unit as shown in Figure 1.

On June 10, 1959, the owner-operator signed a right of way contract calling for payment of \$17,450. This consideration was equal to the difference between the "Before" appraisal of \$42,200 and the "After" appraisal of \$24,750.

Late in 1960, the owner sold the 124 acre remainder north of I-80 for \$17,000. In the original appraisal, this portion of the farm was assigned an unimproved value of \$17,350. In the "After" appraisal, the unimproved value of the 124 acres was \$9,300. This tract consisted of 57 acres of cropland, 30 acres of timber pasture and 37 acres of hayland and permanent pasture.

Immediately after selling the 124 acres, the owner purchased a 100 acre farm shown in Figure 2 for \$20,000. A set of farm buildings in fair condition compliment the unit. The purchaser plans to tear the house down and move the new double garage to his home on the 41 acre remainder tract. He stated that there was 30 acres more cropland on this 100 acres than on the 123 acre remainder which he sold.

Summary:

Appraisal			
April 1959	183 acres	\$42,200	(\$231/ac.)
Right of way purchase			
June 1959	17.7 acres	\$17,450	(\$986/ac.)
Remainder value	165.3 acres	\$24,750	(\$150/ac.)
Sale of one remainder tract			
1960	124 acres	\$17,000	(\$137/ac.)
Adjusted to 1959		\$17,620	(\$142/ac.)
Purchase by remainder owner 1960	100 acres	\$20,000	(\$200/ac.)

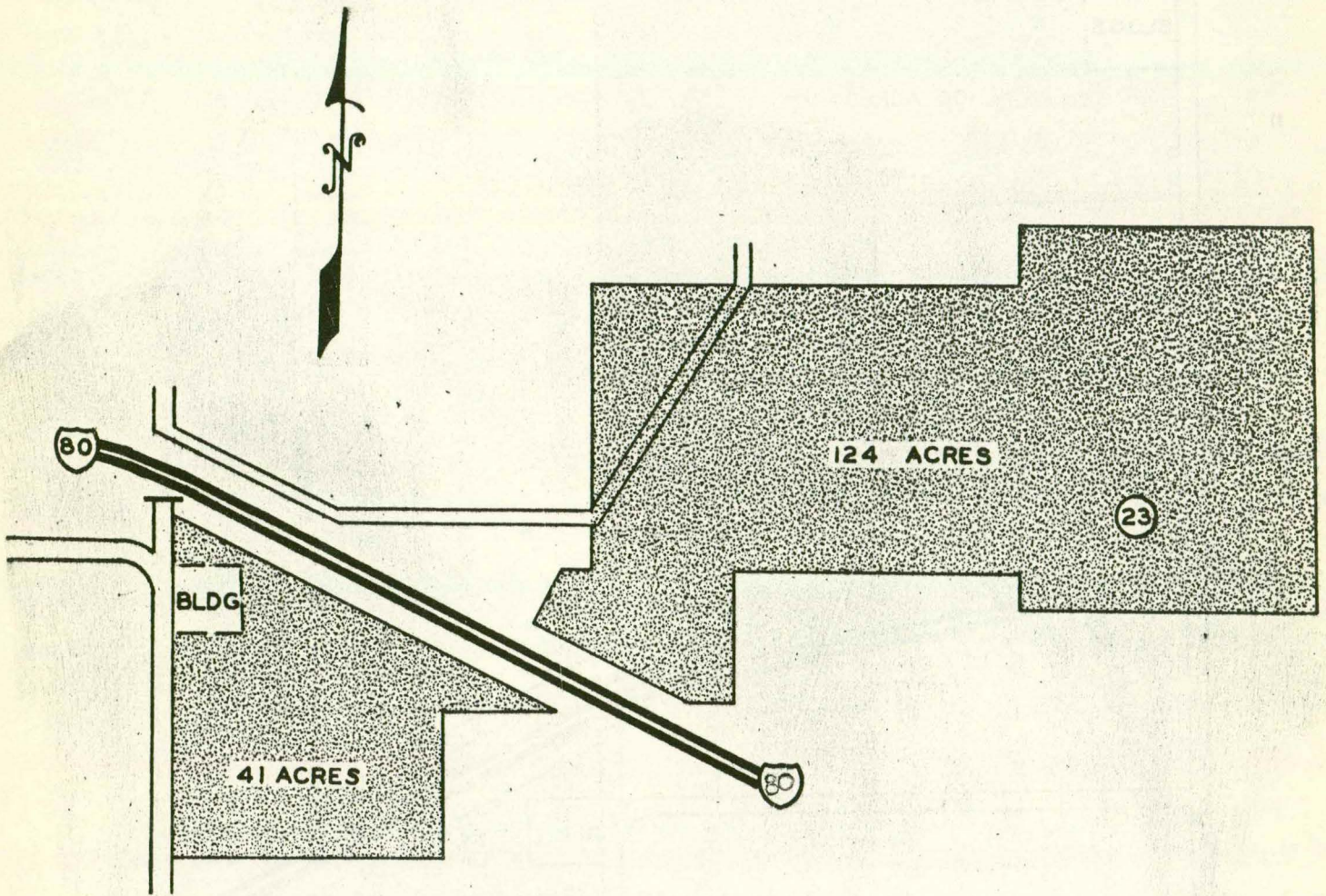


FIGURE 1. Interstate 80 bisected this Cedar County farm. The owner sold the 124 acre tract to an abutting neighbor.

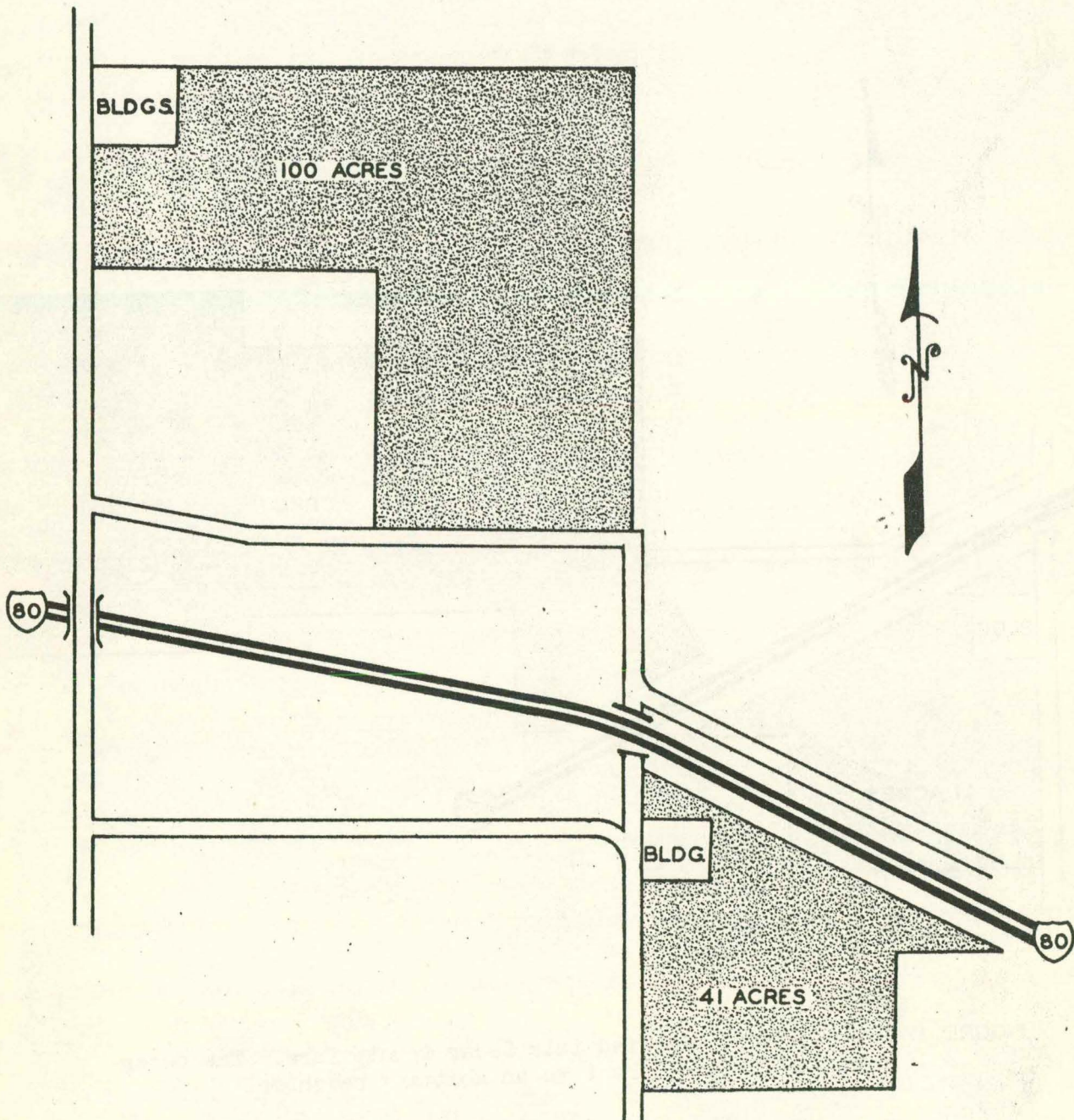


FIGURE 2 The owner of the 41 acre remainder purchased a nearby 100 acre farm.

Cedar County

Case Study 16-6
Project I-80-7 (5) 270
Right of Way Parcel 7

Location: About three miles west of the Wilton Junction Interchange of I-80 in Cedar County.

Description:

A son of the owners operated this 160 acre farm at the time the right of way appriaser commented in summary:

"This is an improved 160 acre Cedar County farm. The R.O.W. taking involves 20.1 acres. The farm is severed, leaving 69.9 acres on the north side of the new road and 70 acres and improvements on the south of the new road. The difference in the "Before value and the After value" of this unit is \$20,155. This figure of \$20,155 includes the 20.1 acres of R.O.W. and all consequential damage to the remainder due to reduction in size unit and building efficiency, irregular fields and unit change in operation, disruption of terraces, severed from improvements 69.9 acres."

On April 2, 1959, the owners signed a right of way contract calling for the "difference" payment to them of \$20,155 based on before and after of \$68,000 and \$47,845. The tenant son continued to operate the separated tracts during the 1959 crop year.

In early 1960 the 69.9 acres north of I-80 was sold to an abutting owner for \$24,465 or \$350 per acre. Immediately thereafter, the remainder owner purchased the improved quarter-section to the south for \$64,000 or \$400 per acre. The configuration of the resulting ownership is shown in Figure 2.

Field examination indicates the quarter section purchased is comparable to the original holdings of this remainder owner. The right of way payment for 20.1 acres plus the sale of the 69.9 acres provided funds with which to buy 111.5 of the 160 acres.

Summary:

	<u>Gross Area</u>		
Appraisal	160 acres	\$68,000	(\$425/ac.)
Right of way purchase			
August 1959	20.1 acres	\$20,155	(\$1,003/ac.)
Remainder value	139.9 acres	\$47,845	(\$342/ac.)
Sale of one remainder tract			
1960	69.9 acres	\$24,465	(\$350/ac.)
Purchase by remainder owner			
1960	160 acres	\$64,000	(\$400/ac.)

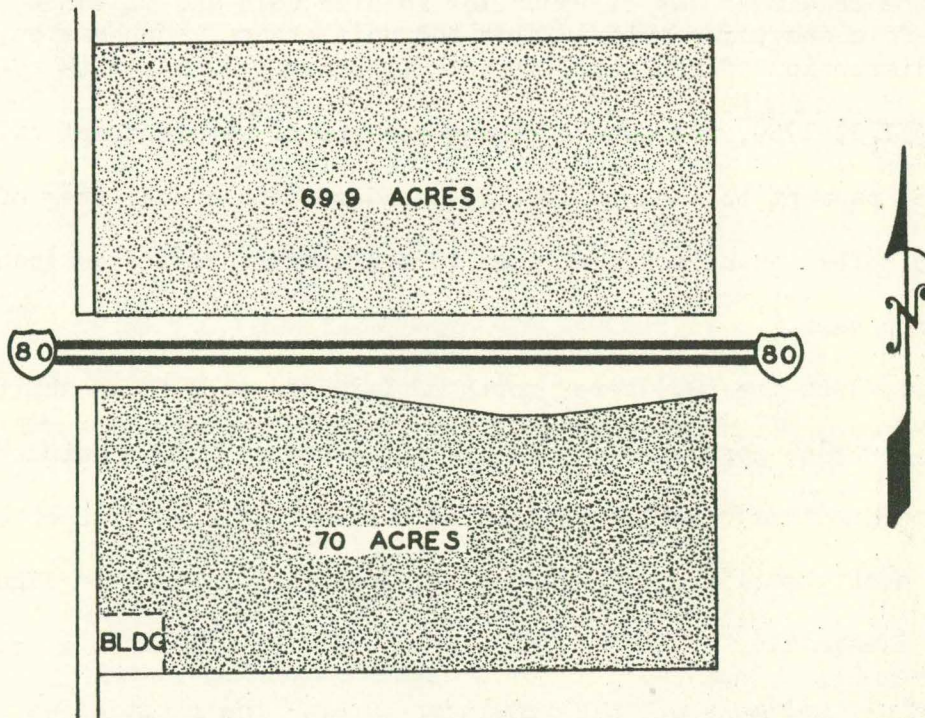


FIGURE 1. This 160 acre Cedar County Farm was bisected by I-80 construction.

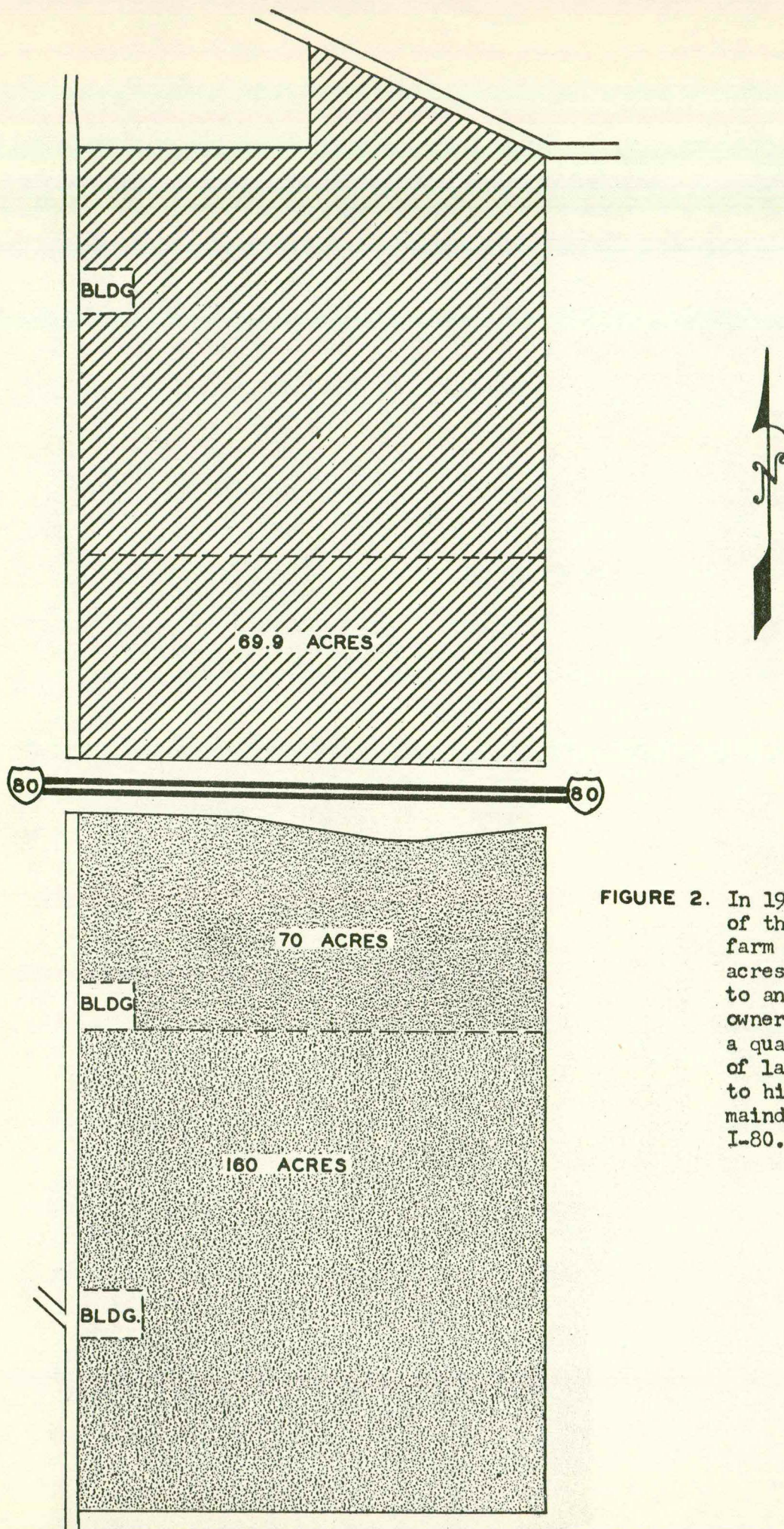


FIGURE 2. In 1960, the owner of the bisected farm sold the 69.9 acres North of I-80 to an abutting owner and purchased a quarter-section of land adjacent to his 70 acre remainder South of I-80.

IC. LANDLOCKED REMAINDERS

Case	Original Area (acres)	Right of Way (acres)	Remainder Tracts	
			Landlocked (acres)	Severed (acres)
Cedar County 16-2	158	20.2	33*	104.8*
Clarke County 20-6	151.8	8.8	51*	92
Polk County 77-3	155.5	40.8	37.6*	77.1
Warren County 91-2(3)	108	10.8	20.4*	76.8
91-2(4)	148	11.4	60*	76.6*
91-5	219.4	27.2	10*	154.9*
			27.3*	
Cass County 15-1	95.8	10.0	10.0*	34.2
			41.6	
15-6	119	17.4	35.0*	66.6

* remainder tract sold

Cedar County

Case Study 16-2
Project I-80-7(4)262
Right of Way Parcel 17

Location: One mile East of Interstate 80 Interchange with County "S" Road in Cedar County (SW $\frac{1}{4}$ Sec 8-79-3)

Description:

Thirty-three acres of this quarter section were landlocked by I-80 construction as shown in Figure 1. The widow owner was paid the difference between the "Before" value of \$44,000 or \$278 per net acre and the "After" value of \$22,215 (\$161 per net acre) or \$21,785 because of the purchase of 20.2 acres by contract dated June 17, 1959. The unit had been tenant operated for a number of years.

The landlocked 33 acres were valued at \$300 per acre in the "Before" appraisal. In the "After" appraisal it was appraised at \$30 per acre.

The entire 137.8 acre remainder was sold on March 9, 1960 for \$29,000 or \$210 per acre. The purchaser was an investor owner of abutting Property 16, Figure 2, whose holdings had been severed by I-80. This owner received \$13,705 for 12.4 acres of right of way.

At the time the right of way was acquired the tenant on Property 16 farmed the 180 acres on which he resided and the adjacent eighty acres on the east (Property 16A, Figure 2). This same tenant has now incorporated the remainder of Property 17, Figure 1 into his overall operation. Ownership and operational units as shown in Figure 3 result. The tenant described the inconvenience in traveling from one side of I-80 to the other as "minimum". Livestock is kept at both sets of improvements during the spring and summer. The house on remainder Property 17 stands unoccupied.

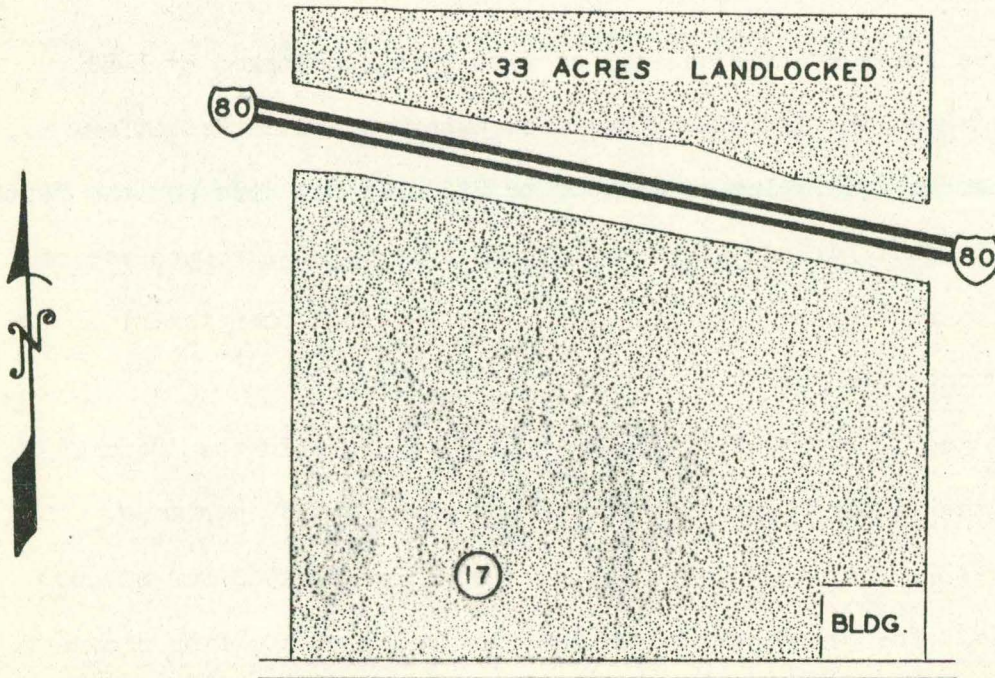


FIGURE 1. Both remainder tracts of this farm sold as a unit in 1960.

Summary:

Appraisal	158 acres	\$44,000	(\$278/ac.)
Right of way purchase			
June 1959	20.2 acres	\$21,785	(\$1078/ac.)
Value of remainder	137.8 acres	\$22,215	(\$161/ac.)
Sale of remainder			
March 1960	137.8 acres	\$29,000	(\$210/ac.)
Adjusted to 1959		\$28,724	(\$208/ac.)

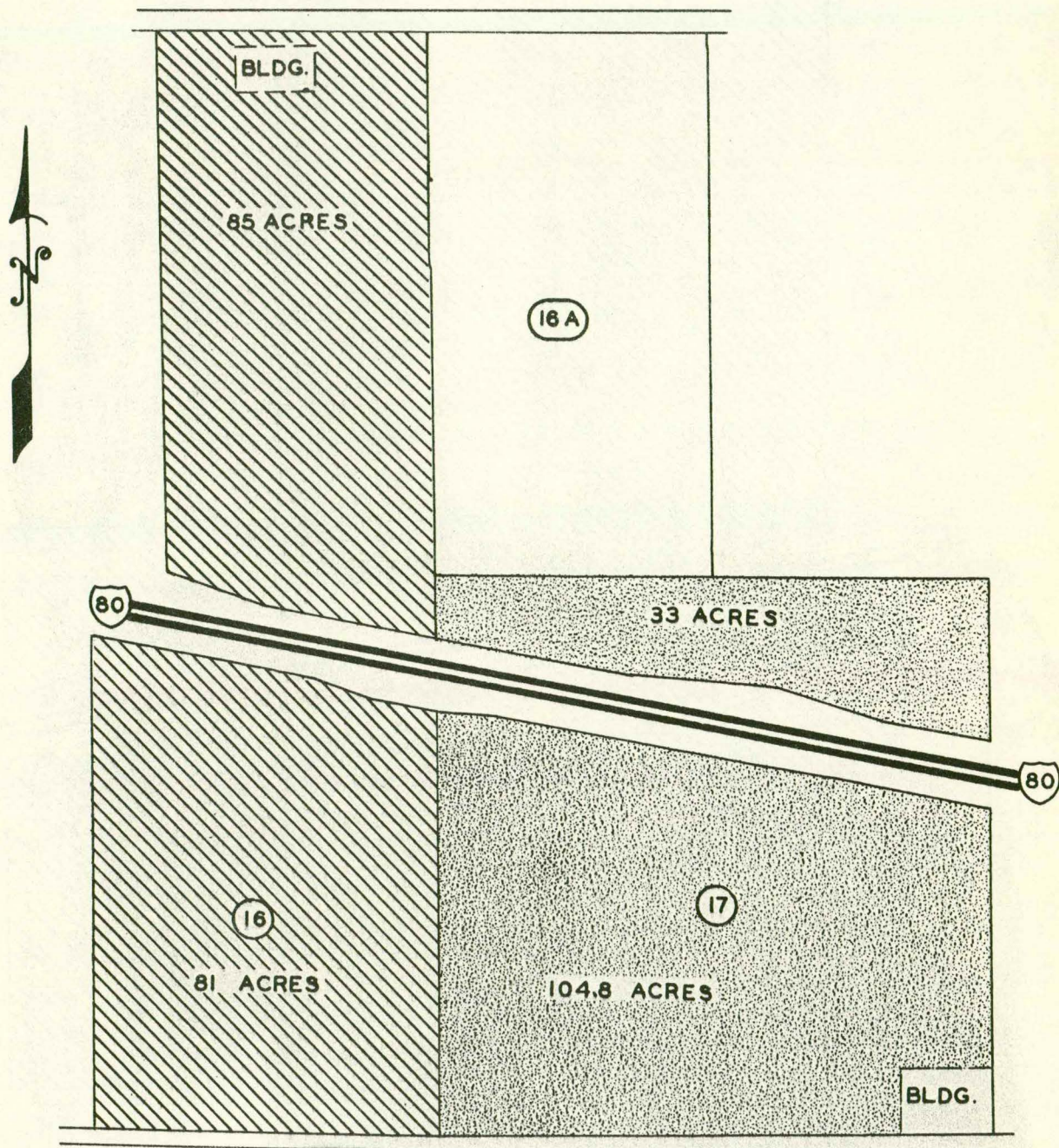


FIGURE 2. The owner of farm 16 purchased the 137.8 acre remainder of farm 17.

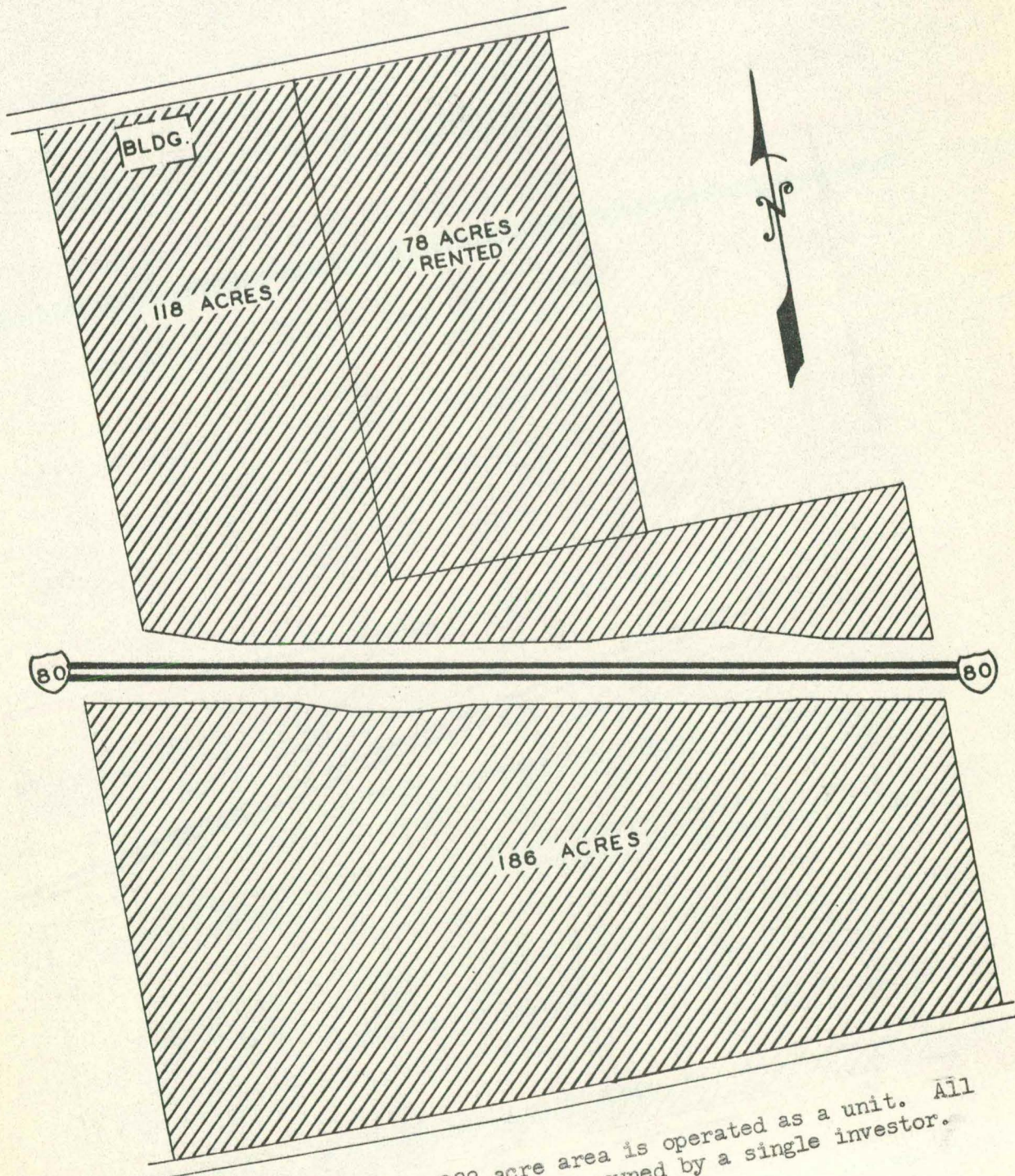


FIGURE 3. This 382 acre area is operated as a unit. All but 78 acres are owned by a single investor.

Clarke County

Case Study 20-6
Project I-IG-853(4)
Right of Way Parcel 12

Location: About four miles north of the Interstate 35 and US 34 Interchange in Clarke County (N $\frac{1}{2}$ SW fr. $\frac{1}{4}$ and NW $\frac{1}{4}$ SE $\frac{1}{4}$ Section 31-73-25; NE $\frac{1}{4}$ SE $\frac{1}{4}$, Section 36-73-26)

Description:

The original 151.8 net acres consisted of 92 acres of cultivated land, 10 acres permanent pasture, 46 acres of timber pasture and 4 acres of lots. This farm was operated by the owner who also held other off the farm employment.

The fair market value was appraised at \$21,000 or \$138 per acre on January 9, 1957. Of the \$21,000, \$15,600 or \$103 per acre was allocated to land and \$5400 or \$35 per acre allocated to buildings. The appraisal noted that subject property had been purchased on October 26, 1954 for \$12,000.

The right of way requirements for Interstate 35 consisted of 8.75 acres which would result in the severance and landlocking of 51 \pm acres east of I-35. This landlocked area was abutted by land owned by the State of Iowa, a private owner on the east and a tract in private ownership on the south which was also landlocked by I-35 as illustrated in Figure 1.

An "After" value of \$12,995 was placed on the remainder unit. The "After" appraisal contains the following statement:

"Note: If land severed and landlocked is purchased, purchase at about \$60 per acre (51 \pm acres @ 60 = \$3,060). This would deduct \$2448 damage on severed land and 80 rds of fc (\$360). Most of the land cut off from this unit is marginal rolling timberland, and since the buildings are modest, the damage for reduction in size of unit is conservative."

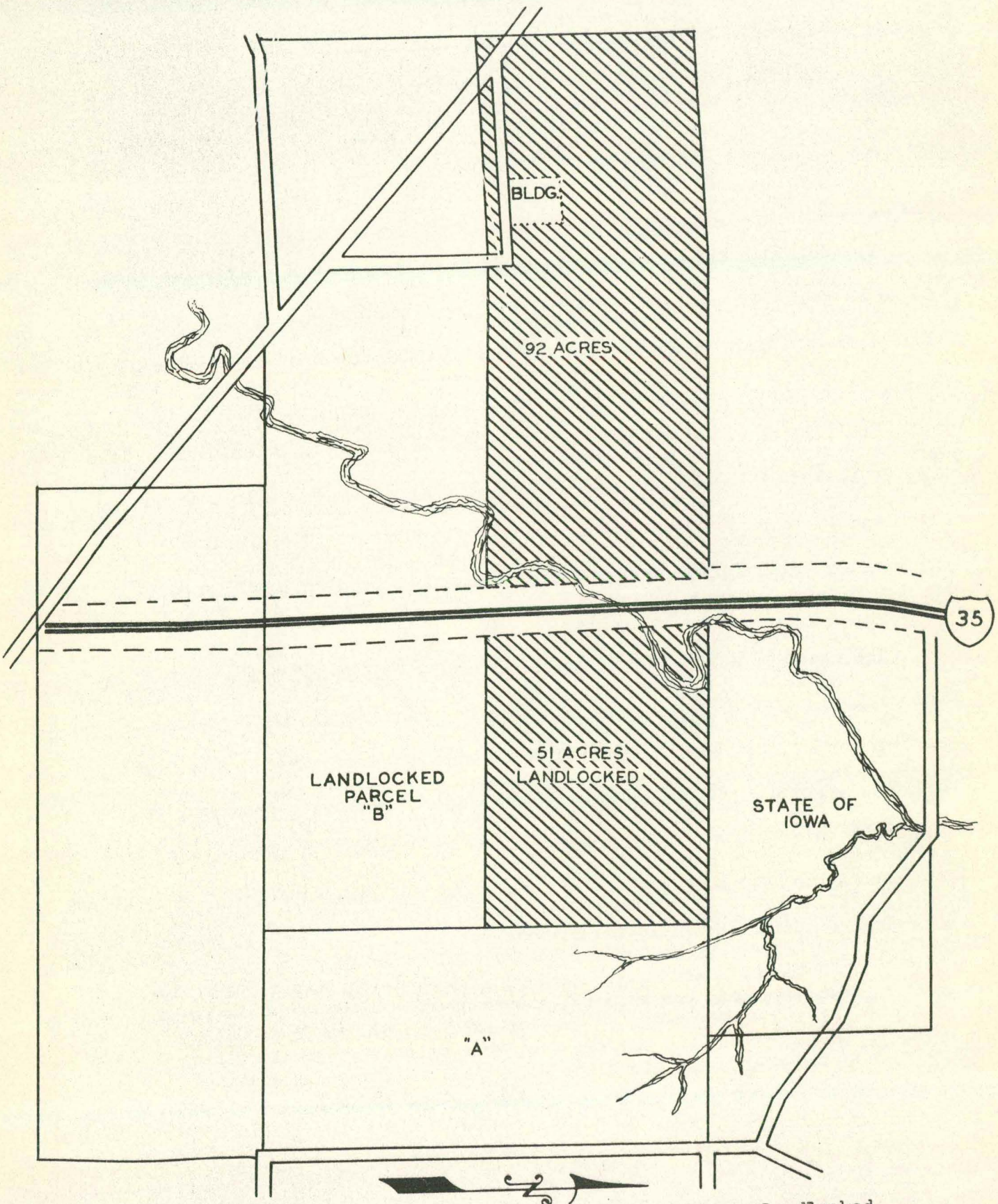


FIGURE 1. The owner of property "A" purchased the 51 acre landlocked tract.

The owner chose to retain the landlocked 51 ± acres and on February 8, 1957 he signed a right of way contract calling for payment of \$8,005. These items were included:

Right of way 8.75 acres @ \$130	=	\$1,137.50
Channel change 2.52 acres		200.00
Damage (severance & landlocking of 51 ± acres; reduction in area)		5,943.00
New fence 161 rds @ 4.50		724.50
		<hr/>
		\$8,005.00

On August 30, 1958, the landlocked 51 ± acres were sold to abutting owner "A" as shown in Figure 1 for \$1,550 or \$30 per acre. The original owners still hold the west 92 acre remainder with the buildings and reside thereon. They have had a number of inquiries about selling this remainder from semi-retired couples and part-time farmers.

At the conclusion of interviews with both purchaser and seller of the landlocked acres, the judgement was reached that the purchaser had exploited the unfavorable position of the seller to his advantage. An attempt by this same purchaser to exploit his advantage in the acquisition of the landlocked tract shown as Parcel "B" in Figure 1 has as yet been unsuccessful. This tract is being held at \$75 per acre against an offer of \$30 per acre.

Summary:

Appraisal			
January 1957	151.8 acres	\$21,000	(\$138/ac.)
Right of way purchase			
February 1957	8.8 acres	\$ 7,280*	(\$827/ac.)
Remainder value	143.0 acres	\$13,720	(\$96/ac.)

* (exclusive of \$725 for fence)

Summary - Landlocked 51 acres

Appraised value "Before"	\$3,060	(\$60/ac.)
Appraised value "After"	612	(\$12/ac.)
Sale of landlocked 51 acres		
August 1958	\$1,550	(\$30/ac.)
Adjusted to 1957	\$1,193	(\$23/ac.)

Polk County

Case Study 77-3
Project I-01-5(2)
Right of Way Parcel 7

Location: Adjacent to the Altoona-Bondurant Interchange of Interstate 80 and County Trunk Road "B" in Polk County (NW fr. $\frac{1}{4}$ Section 7-79-22).

Description:

This quarter section is located on an asphalt road one mile north of Altoona and about ten miles from downtown Des Moines. The unit comprising 155.5 tax acres had a brick residence and frame garage which had been constructed in 1949 and 1955, respectively. There was adequate grain storage on the farm and the other out buildings had fallen into a state of disrepair. The owner occupied the residence, worked in Des Moines and rented the land out on a crop share basis.

The I-80 right of way area of 40.8 acres cut diagonally through the quarter section, leaving 77.1 acres and the improvements north of I-80 and 37.6 acres landlocked south of I-80. Two private owners had property abutting the landlocked tract.

Three appraisals made for this right of way taking are summarized as follows:

<u>Appraiser</u>	<u>"Before" value</u>	<u>"After" value</u>	<u>Difference</u>
#1	\$76,580	\$44,555	\$32,025
#2	79,300	46,854.50	32,445.50
#3	82,850	51,003.50	31,846.50

The landlocked 37.6 acres were valued as follows:

<u>Appraiser</u>	<u>"Before" value</u>		<u>"After" value</u>
	<u>Improved</u>	<u>Bare land</u>	
#1	\$494/ac.	\$360/ac.	\$143/ac.
#2	510	420	150

A contract offer of \$32,445.50 was rejected by the owner. On December 16, 1958, a condemnation jury awarded the owner \$32,445.50 for the 40.8 acres of

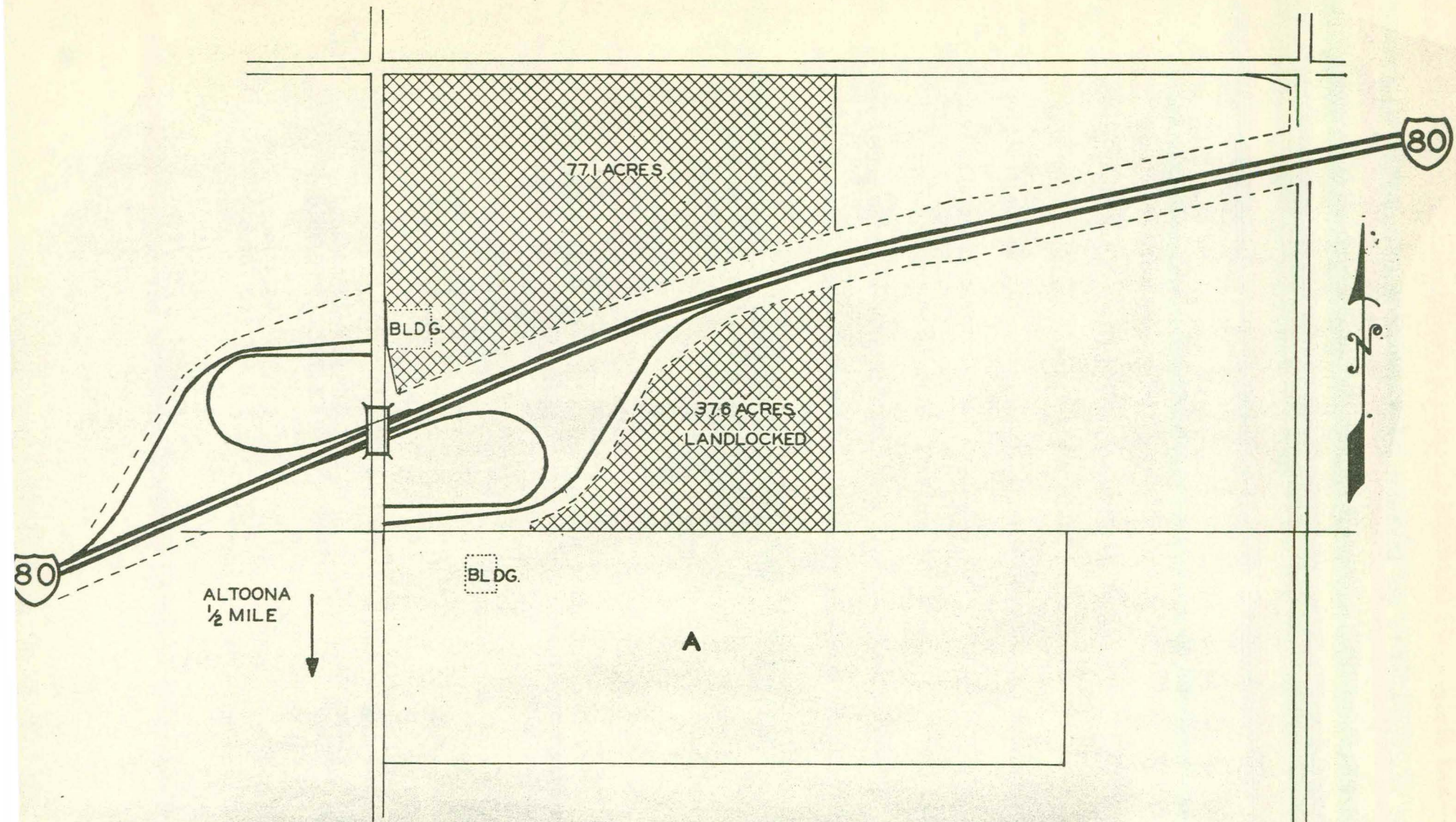


FIGURE 1. The landlocked remainder of this farm was sold to the owner of abutting property "A".

right of way and damages.

The case was appealed to the District Court and on March 12, 1959, the jury awarded \$39,500. Testimony presented by the owner's witnesses included the following estimates of his farm's market value:

	<u>"Before"</u>	<u>"After"</u>	<u>Difference</u>
#1	\$83,028	\$37,374	\$45,654
#2	85,446	40,326	45,120
#3	88,000	40,000	48,000
#4	85,495	34,395	51,100

The award appears to have been a compromise verdict between the "Difference" value testimony of the owner's and State's witnesses.

On March 23, 1959, the landlocked 37.6 acres were sold to the abutting owner "A" as shown in Figure 1 for \$12,000. The purchaser reports he bought the landlocked tract to augment his original holdings of the adjacent 120 acre unit and 40 acres located a mile south. In interviewing the purchaser, the conclusion was that the existence of Sec. 471.4(4), Code of Iowa, 1958, which authorizes the condemnation of a lane by the owner of lands with no public or private way thereto was a factor working in favor of the seller and resulted in a higher price being paid.

Summary:

Appraisal #2	155.5 acres	\$79,300 (\$510/ac.)
Right of way contract offer	40.8 acres	32,445.50 (\$795/ac.)
Condemnation Jury Award December 1958	40.8 acres	\$32,445.50
District Court Jury Award March 1959	40.8 acres	\$39,500 (\$968/ac.)
Remainder value	114.7 acres	\$39,800 (\$347/ac.)

Summary - Landlocked 37.6 acres

Appraised value "Before"		
#1 (Bare land)	\$13,536	(\$360/ac.)
#2 (Bare land)	\$15,792	(\$420/ac.)
Appraised value "After"		
#1	\$ 5,377	(\$143/ac.)
#2	\$ 5,640	(\$150/ac.)
Sale of landlocked 37.6 acres March 1959	\$12,000	(\$319/ac.)
Adjusted to 1958	\$11,812	(\$314/ac.)

Warren County

Case Study 91-2(3)
Project I-853(5)
Right of way Parcel 8

Location: About one mile north of the Iowa 92 and
Interstate 35 Interchange near Bevington
in Warren County (N $\frac{1}{2}$ NW $\frac{1}{4}$ &S $\frac{1}{2}$ NW $\frac{1}{2}$ NE $\frac{1}{4}$ Sec 19-76-25).

Description:

This 108 acre farm was all pastureland with no improvements. It was appraised at \$13,625 (\$126/ac.) on November 19, 1956. The 10.8 acres of right of way needed from this unit for Interstate 35 construction would sever and landlock 20.4 acres east of I-35.

The "After" value was appraised in the alternative, depending whether or not the owner chose to retain the landlocked tract. According to the appraisal, if the owner retained the 20.4 acres, the "After" value was \$9,930.50 or if he elected to sell the landlocked tract, the "After" value was \$9360.50. The difference of \$570 plus the \$180 included for fencing in the first proposal equals the "appraiser's" remainder value of \$750 for the 20.4 acres.

The owner chose to sell the landlocked area along with the 10.8 acres of right of way. A contract for the 31.2 acres was signed on November 30, 1956 for a lump sum consideration of \$4260. This included payment of \$360 for fencing.

Sealed bids were taken and the 20.4 acres were sold on October 15, 1959 for \$2330 or about \$114 per acre to an abutting owner. The other abutting owner submitted a bid for \$800 or about \$40 per acre.

Summary:

Landlocked area-1956 appraisal			
"Before" value	20.4 acres	\$2500	(\$123/ac.)
"After" value	20.4 acres	\$ 750	(\$ 37/ac.)
Sale of landlocked area			
October 1959	20.4 acres	\$2330	(\$114/ac.)
Adjusted to 1956		\$1922	(\$ 94/ac.)

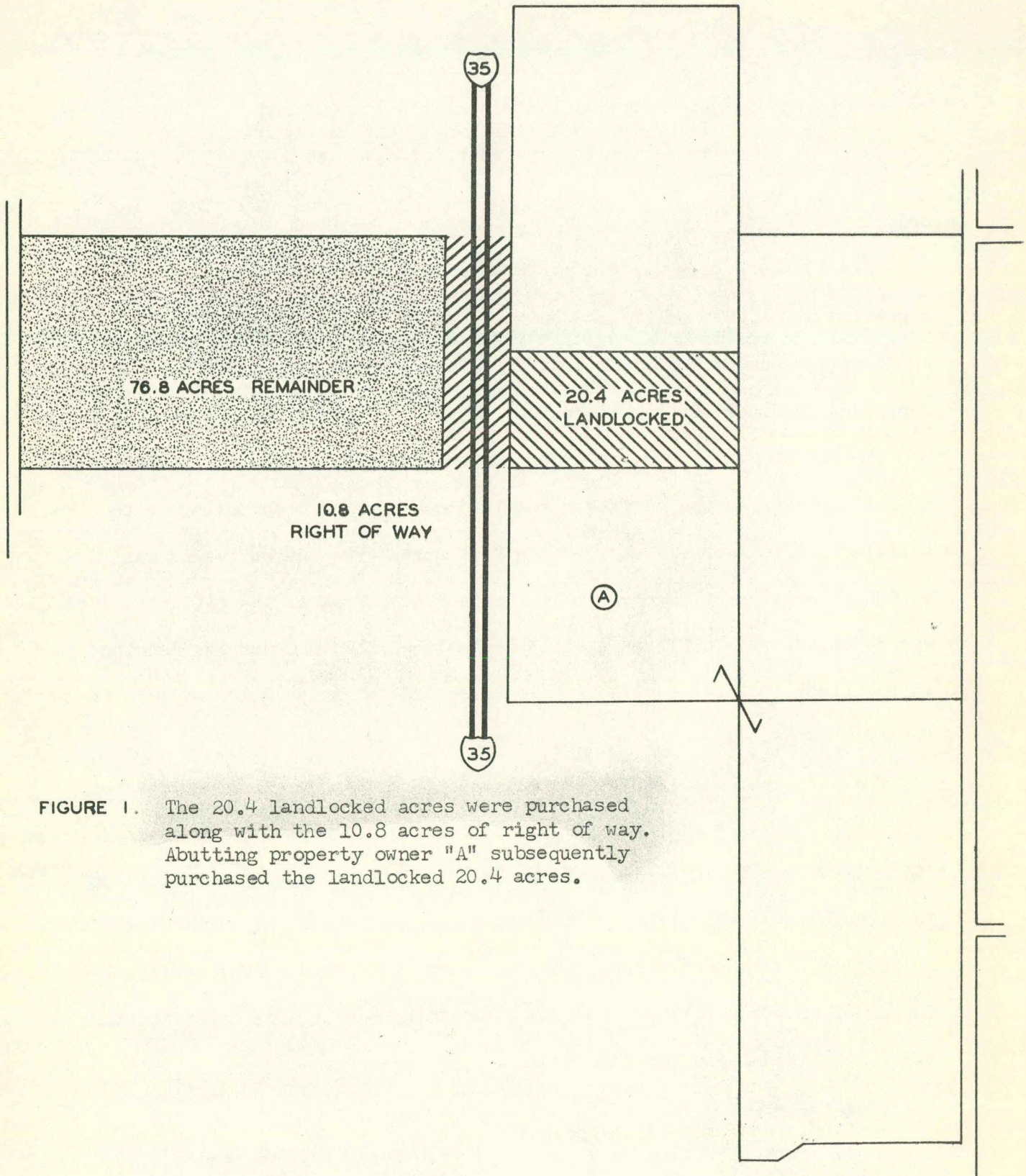


FIGURE 1. The 20.4 landlocked acres were purchased along with the 10.8 acres of right of way. Abutting property owner "A" subsequently purchased the landlocked 20.4 acres.

Warren County

Case Study 91-2(4)
Project I-853(5)
Right of Way Parcel 9

Location: About one mile north of the Iowa 92 and Interstate 35 Interchange near Bevington in Warren County (S $\frac{1}{2}$ SW $\frac{1}{4}$ & SW $\frac{1}{4}$ SE $\frac{1}{4}$ Sec 18-76-25 & N $\frac{1}{2}$ NW $\frac{1}{4}$ NE $\frac{1}{4}$ Sec 19-76-25).

Description:

At the time of the 1956 right of way appraisal, 78 acres of this unimproved farm were under cultivation and 70 acres were in permanent pasture. The 108 acres were appraised at \$18,321 or \$124 per acre.

On November 20, 1956, a contract was completed for purchasing 11.4 acres of Interstate 35 right of way. This acquisition left 60 acres of the original unit landlocked on the east side of I-35 as shown in Figure 1. The landlocked tract was appraised at \$7500 in the "Before" situation and at \$2250 "After" the taking. Consideration for all land and damages was \$7395 which included \$720 for fence.

On January 12, 1959, the landlocked 60 acres were sold to abutting property owner "A" as illustrated in Figure 1, for a confirmed consideration of \$7500 (\$125/ac.). Property owner "A" sold the south 20 acres of the landlocked tract to abutting owner "B" on February 27, 1959 for \$2500 (\$125/ac.). Owner "A" said his motive in acquiring the additional land was to enlarge and square up his holdings which would give him a more efficient operation. He had received \$5500 for 11.6 acres of his original 126 acre farm for I-35 right of way.

In July 1961, the 76.6 acre remainder was offered for sale at \$10,000. According to the realtor who had the listing, a firm offer of \$9500 had been made and in all probability will be accepted.

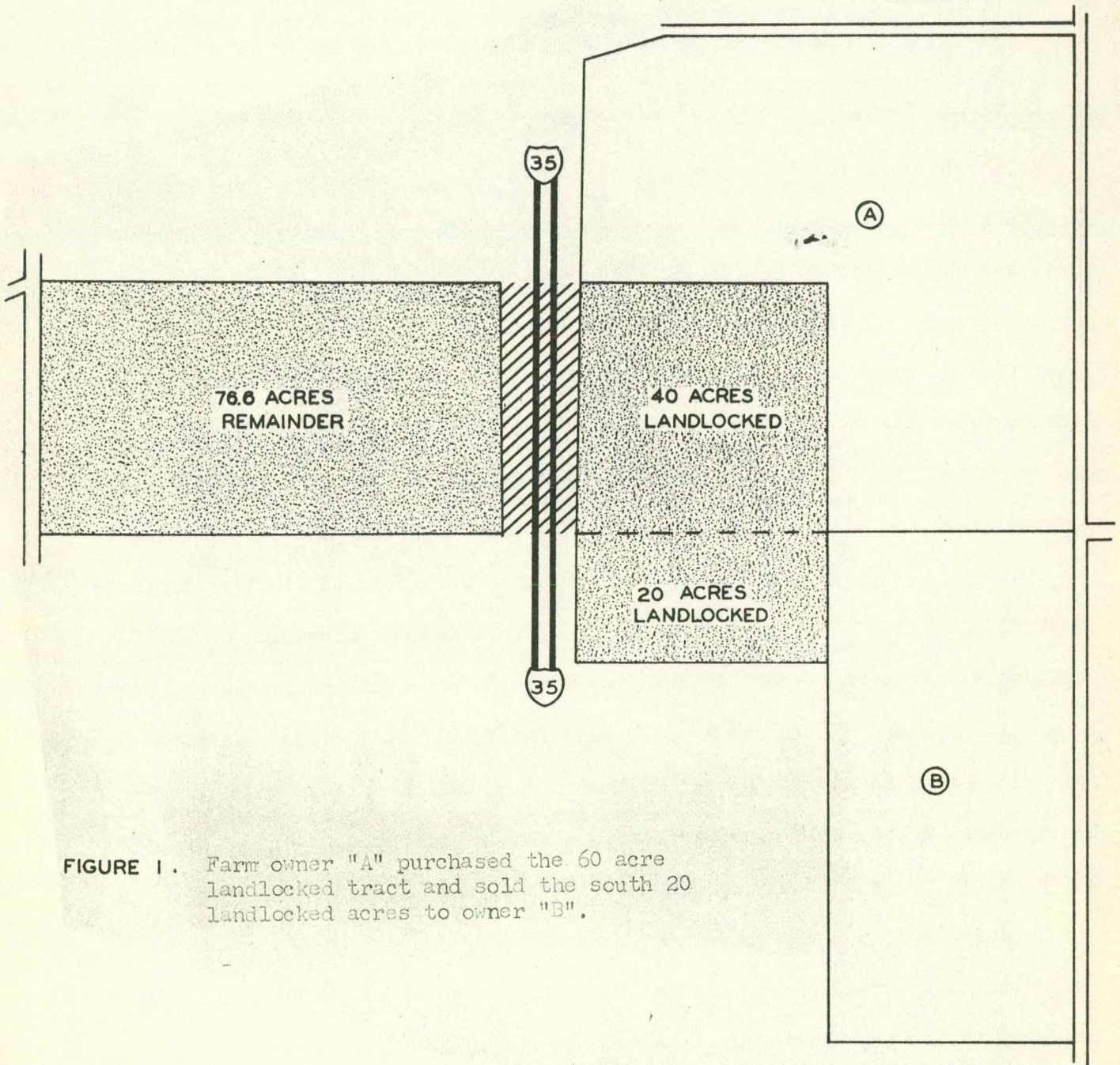


FIGURE 1. Farm owner "A" purchased the 60 acre landlocked tract and sold the south 20 landlocked acres to owner "B".

Summary:

Appraisal	148 acres	\$18,321 (\$124/ac.)
Right of way purchase		
November 1956	11.4 acres	\$ 6,675* (\$586/ac.)
Remainder value	136.6 acres	\$11,646 (\$ 85/ac.)
*(Excluding \$720 for fence)		
Remainder Sale		
January 1959	60 acres(Landlocked)	\$7,500 (\$125/ac.)
1961 purchase offer	76.6 acres	9,500 (\$124/ac.)
		<hr/>
		\$17,000
Adjusted to 1956		\$14,934 (\$109/ac.)

Summary - Landlocked 60 acres

1956 "Before" appraisal	\$7500 (\$125/ac.)
"After" appraisal	\$2250 (\$37.50/ac.)
January 1959 sale	\$7500 (\$125/ac.)
Adjusted to 1956	\$6660 (\$111/ac.)

Warren County

Case Study 91-5
Project I-853(5)
Right of Way Parcel 24

Location: About five miles north of the Interstate 35 and Iowa 92 Interchange near Bevington (SE $\frac{1}{4}$ SE $\frac{1}{4}$ & East 11 ac. of SE $\frac{1}{4}$ SW $\frac{1}{4}$ Sec 30-77-25; W $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ NW $\frac{1}{4}$ Sec 31-77-25; E $\frac{1}{2}$ W $\frac{1}{2}$ SW $\frac{1}{4}$ SE $\frac{1}{4}$ Section 6-76-25).

Description:

On October 17, 1956, this 219.4 acre farm was appraised for \$40,499. The property consisted of 135 acres of cultivated land, 64 acres of permanent and 16 acres of timber pasture with 4.4 acres in lots. Improvements on the farm were adequate but in need of repair. The utility value of the buildings was appraised at \$6000.

On November 1, 1956, 27.2 acres of Interstate 35 right of way was purchased by a negotiated contract for \$12,362.50. This included payment of \$967.50 for fencing. A 27.3 acre tract was severed and landlocked by this purchase (Tract 1A, Figure 1).

The 154.9 acre remainder was sold on April 4, 1958 for \$23,712 to the owner of property 2, Figure 1. Access between the two properties is via the county road overpass. This individual bought the remainder to rehabilitate his 190+ acre farm after selling 80 acres (39.5 acres right of way; 40.5 acres landlocked) for I-35 construction. About 70 acres of this area was cropland. He received \$29,512 for the property and damages.

The purchaser has erected a new \$6,000 concrete block barn on the 154.9 acre tract. He plans to make little use of the original buildings. The house is vacant and the purchaser has no plans to improve or maintain it.

On April 4, 1958, the landlocked 10 acres of timber and brush in Section 6 (Tract 18, Figure 1) was sold to an estate heir for \$10. This

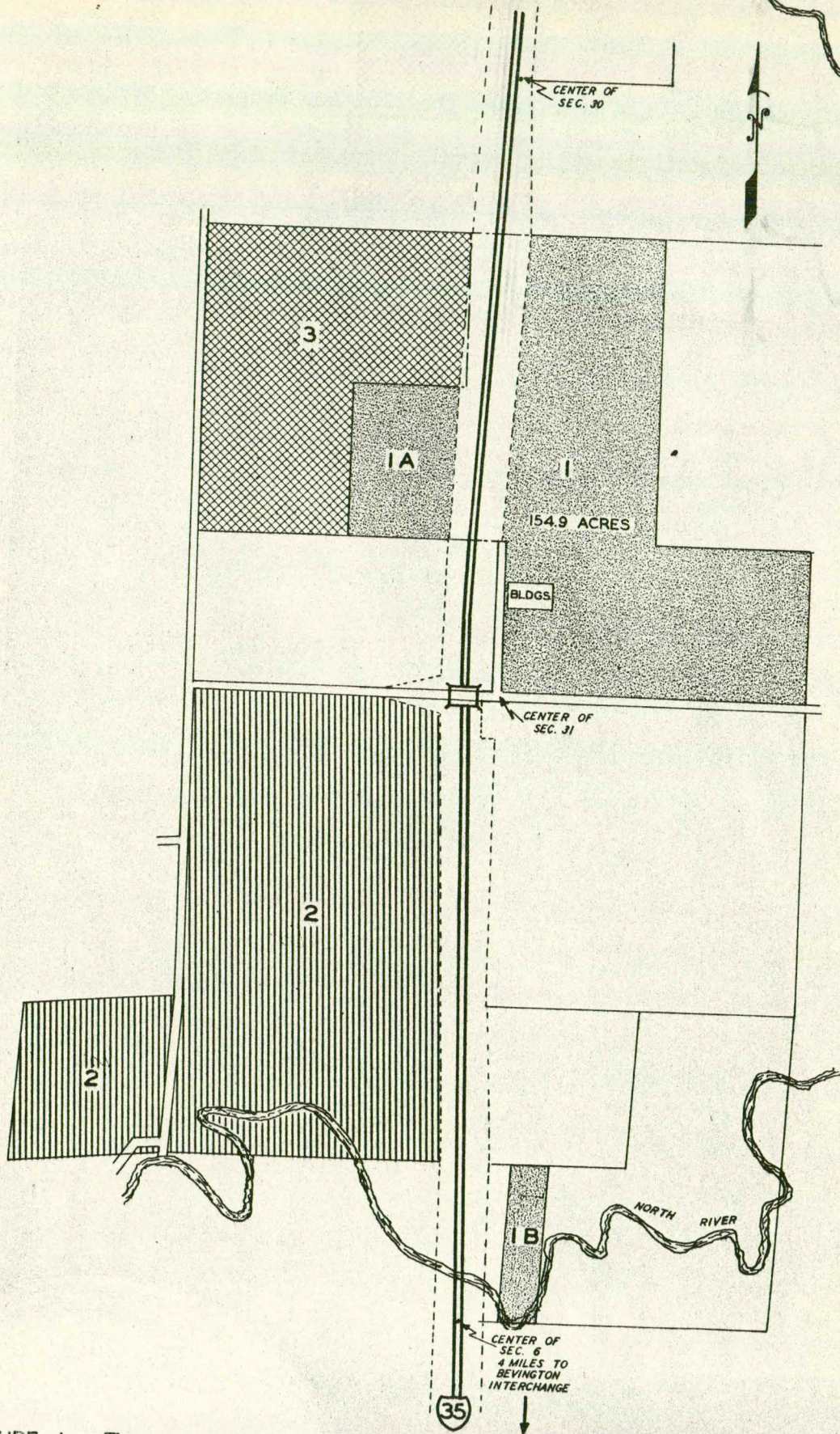


FIGURE 1. The remainders of Property 1 were sold to settle an estate.

sale is not an indication of market value.

The landlocked 27.3 acres was also deeded to another estate heir on April 4, 1958. This heir owned the abutting property "B" and paid \$1048.44 for this remainder parcel. He stated that the property was worth more than he paid, but the other six heirs sold it at that price because he had looked after their aging parents. The sale price is therefore not a proper indication of market value.

Summary:

Appraisal			
October 1956	219.4 acres	\$40,499	(\$185/ac.)
Right of way purchase			
November 1956	27.2 acres	\$11,395*	(\$419/ac.)
Remainder value	192.2 acres	\$29,104	(\$151/ac.)

*(exclusive of \$967.50 for fence)

Sale of remainder tracts			
April 1958	154.9 acres	\$23,712	(\$153/ac.)
Purchases by estate heirs	10.0 acres	10	
	27.3 acres	\$ 1,048	

Cass County

Case Study 15-1
Project I-IG-01-2 (1)
Right of Way Parcel 9

Location: One-half mile east of Interstate 80 interchange with U.S. 71 in Cass County (NW $\frac{1}{4}$ SE $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$, Part of E $\frac{1}{2}$ NW $\frac{1}{4}$ NE $\frac{1}{4}$, Section 1-77-36)

Description:

The original unit consisted of 95.8 acres of which 53 acres were under cultivation and 40 acres were timber pasture. Improvements on the farm were adequate and in medium condition. The unit was bisected by the Nishnabotna River. The appraiser noted:

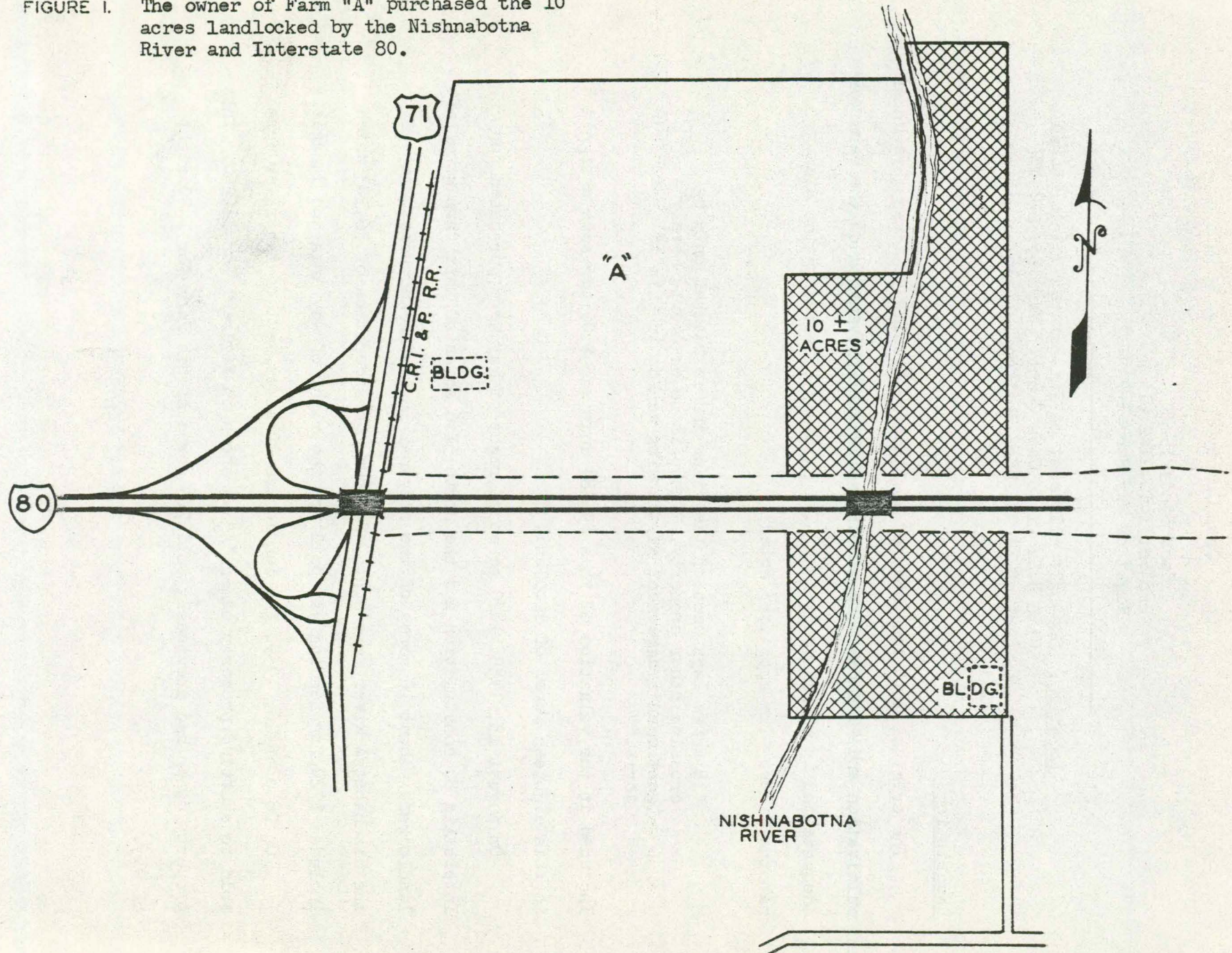
"18 acres lays west of the river and is reached only by crossing other property. There is no easement, merely a gentleman's agreement in allowing access to this 18 acres."

Included in the valuation of this \$9,584 unit was \$100 per acre assigned to this eighteen acres of cropland.

On August 18, 1958, 10.0 acres of right of way were purchased for Interstate 80 construction and the north 51.6 acres of this farm were left landlocked. About 10 acres of the original 18 landlocked acres west of the Nishnabotna River were north of I-80. Consideration of \$6,103 which included \$720 for fencing was paid for the right of way area and damages.

On October 16, 1959, the landlocked 10 acres west of the river were sold to abutting property owner "A" as shown in Figure 1 for \$1,250. This property owner had previously sold 7.5 acres of his farm for I-80 right of way.

FIGURE 1. The owner of Farm "A" purchased the 10 acres landlocked by the Nishnabotna River and Interstate 80.



Summary:

Appraisal			
April 1958	95.8 acres	\$9,584	(\$100/ac.)
Right of way purchase			
August 1958	10.0 acres	\$5,383*	(\$538/ac.)
Remainder value	85.8 acres	\$4,201	(\$49/ac.)

* (exclusive of \$720 for fence)

Sale of one landlocked tract			
October 1959	10 acres	\$1,250	(\$125/ac.)
Adjusted to 1958		\$1,110	(\$111/ac.)

Cass County

Case Study 15-6
Project I-IG-01-2(1)
Right of Way Parcel 29

Location: 1.5 miles east of Interstate 80 and County Trunk Road "K" Interchange in Cass County (SW $\frac{1}{4}$ NE $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$ Section 2-77-35)

Description:

A value of \$18,000 was estimated for this improved 120 acre unit on January 8, 1958. Of the 119 rolling to rough net acres, 60 were devoted to cultivation, 57 to permanent pasture and 2 to lots.

The right of way requirements of 17.4 acres left 35 acres landlocked on the north and included the taking of the water system consisting of two wells, a windmill and a 12x14 supply cistern. The 35 landlocked acres were cropland. The south area of 66.5 acres with a complete set of farm buildings in generally good repair remain.

During the right of way negotiation, alternative proposals were made to the owner with regard to his retaining or the State acquiring the landlocked 35 acres. An offer of \$13,303 was made on the basis of the State acquiring the landlocked 35 acres or \$12,220 and the owners retaining the area. A remainder value of \$1,083 is thereby indicated for the 35 acres or \$31 per acre.

The owner would agree to neither proposal. Condemnation was held on the basis of taking the right of way only resulting in an award of \$10,600 on August 13, 1958. The owners appealed to the District Court and on December 22, 1958, the jury awarded \$17,000 to the owner.

A resume of the testimony is as follows:

Owner:

<u>Witness</u>	<u>Value "Before"</u>	<u>Value "After "</u>	<u>Difference</u>
#1	\$ 21,600	\$ 3,591	\$ 18,009
#2	22,800	4,750	18,050
#3	22,800	5,085	17,715
#4	22,800	4,750	18,050
#5	21,000	4,220	16,780

State:

#1	\$ 18,000	\$ 8,208	\$ 9,792
#2	20,550	6,100	14,450
#3	21,000	10,080	10,920

The witnesses of the owner testified that the owner had a piece of property (the landlocked 35 acres) with no access. The State's witnesses proceeded upon the theory that the owner would continue to hold this landlocked area and buy or condemn a way thereto.

On February 29, 1960, the owner sold the landlocked 35 acres to the son of the owner and occupant of tract "A", Figure 1, for \$3,500 or \$100 per acre. In confirming the purchase price, it was learned that abutter "B" had also attempted to acquire the tract. Four private property owners abutted or cornered on this tract. An analysis of the right of way appraisal indicates a "Before" bare land value of \$125 per acre.

On September 8, 1960, the remainder owner purchased a 105 acre remainder of another Cass County property (See Case Study 15-9) for \$11,025. It consists of 84 acres of rolling cropland, 3 acres of lots, and 18 acres of permanent pasture. He has abandoned the buildings on the 105 acres and continues to reside on the south 66.5 acres of subject which is three miles distant.

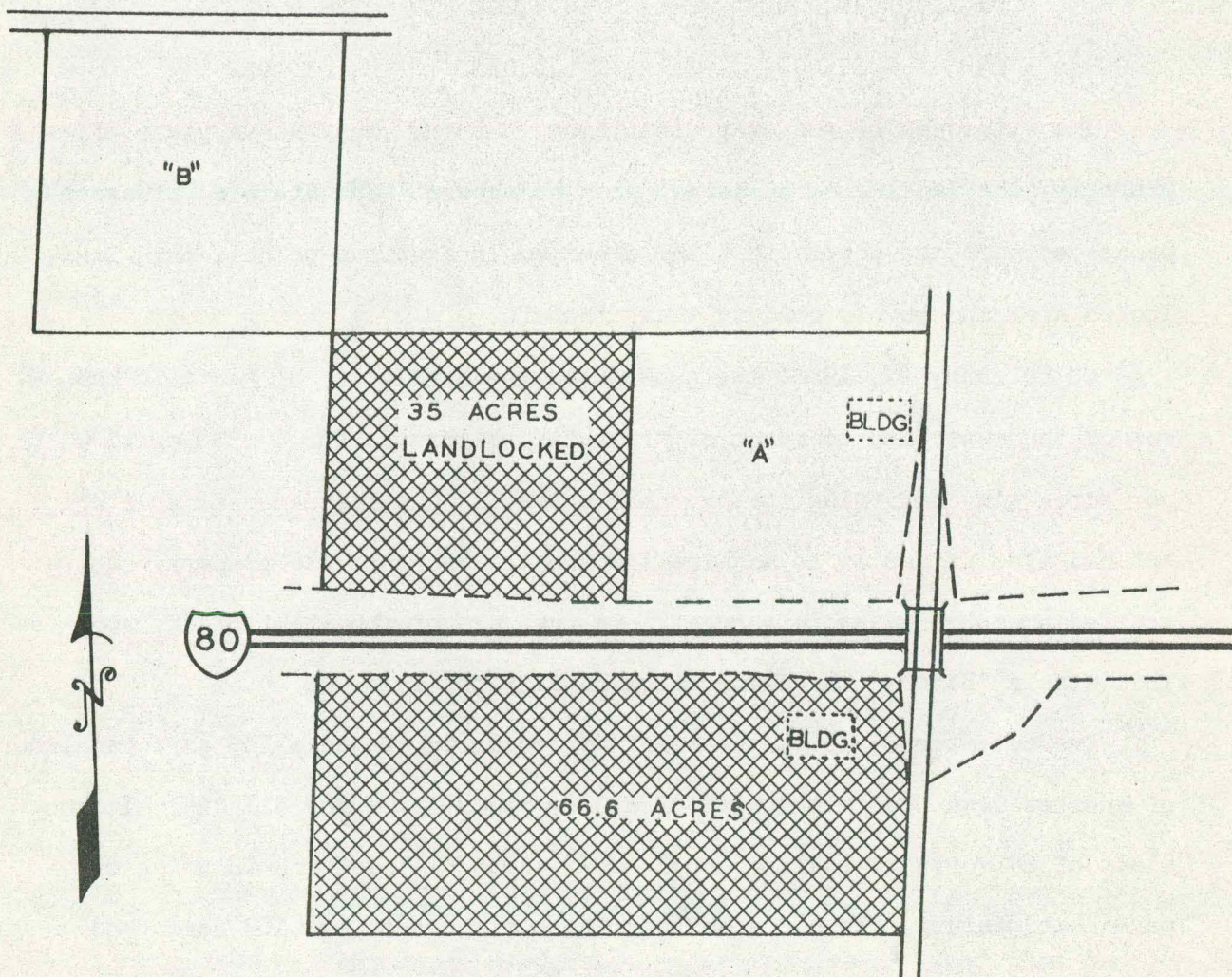


FIGURE 1. Owner of Property "A" purchased the 35 acres landlocked by I-80 construction.

Summary:

Appraisal			
January 1958	119 acres	\$18,000	(\$151/ac.)
Right of way contract offer	17.4 acres	\$10,987*	(\$631/ac.)
* (exclusive of \$1233 for fence)			
Condemnation Jury award			
August 1958	17.4 acres	\$10,600	(\$609/ac.)
District Court Jury award			
December 1958	17.4 acres	\$17,000	(\$977/ac.)
Remainder value	101.6 acres	\$ 1,000	(\$10/ac.)

Summary - Landlocked 35 acres:

1958 "Before" appraisal	\$ 4,375**	(\$125/ac.)
"After" appraisal	\$ 1,083	(\$31/ac.)
** (bare land value)		
February 1960 sale	\$ 3,500	(\$100/ac.)
Adjusted to 1958	\$ 2,870	(82/ac.)

ID. REHABILITATION CASES

Case	Owner's Action
Cass County 15-2	Purchased additional 120 acres; continues to farm landlocked 77 acres.
Monona County 67-5 & 6	24 acre isolated area traded for neighbor's 22.3 landlocked remainder
67-8	Purchased additional 224.1 acres
Woodbury County 97-2	13.6 acre landlocked tract traded for a brother's 7.14 acre isolated parcel
97-5	Exchange of property by relatives
97-8	" " " " "
Cedar County 16-4	13 acre isolated parcel traded for an adjacent 10 acre tract.
16-7	Purchased additional 80 acres
Scott County 82-3	Exchanged isolated 51 acres for neighbor's 45 acre isolated parcel
82-4	Exchanged isolated 45 acres for neighbor's 51 acre isolated parcel
82-5	Purchased additional 160 acres
82-6	Purchased additional 280 acres

Cass County

Case Study 15-2
Project I-IG-01-2(1)
Right of Way Parcel 10

Location: 0.75 mile east of the Interstate 80 and U.S. 71 Interchange in Cass County ($E\frac{1}{2}NE\frac{1}{4}, E\frac{1}{2}SE\frac{1}{4}$, Section 1-77-36).

Description:

The original 162.6 acre farm (160.6 net acres) consisted of four forty-acre tracts in a row. Improvements on the farm included a complete set of buildings in good repair. In the "Before" appraisal the property was valued at \$24,391.50 (\$152/ac.).

On September 16, 1958, 11.7 acres of Interstate 80 right of way was purchased for a lump sum of \$13,492. This consideration included payment for land and damages. Right of way fencing was to be erected by the State of Iowa. This acquisition left 77 $\frac{1}{2}$ acres north of I-80 landlocked.

The owner is asking \$200 per acre for the landlocked tract. One abutter is interested but cannot finance the purchase. The owner continued to farm the landlocked 77 acres by crossing the abutting property by permission only.

On February 13, 1959, the remainder owner purchased 80 acres about 0.5 mile east of subject for \$18,000. This tract has a fair set of buildings which the purchaser is improving for occupancy by his son-in-law who works in Atlantic.

In 1960, the subject owner purchased a forty acre tract for \$7,500. This parcel is adjacent to the 80 acres purchased in 1959. The remainder owner farms the 120 acres purchased since 1958 in addition to his 148.9 acre remainder unit.

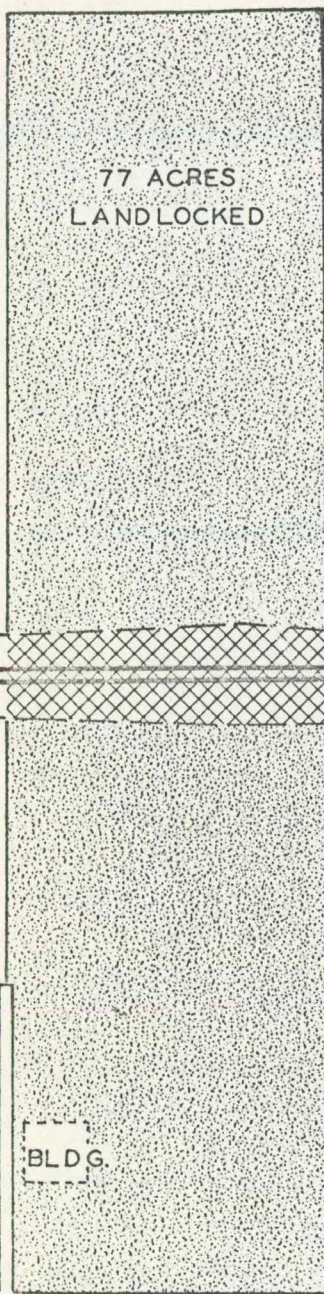


Figure 1. Seventy-seven acres of this farm was left landlocked by I-80 construction and is now for sale.

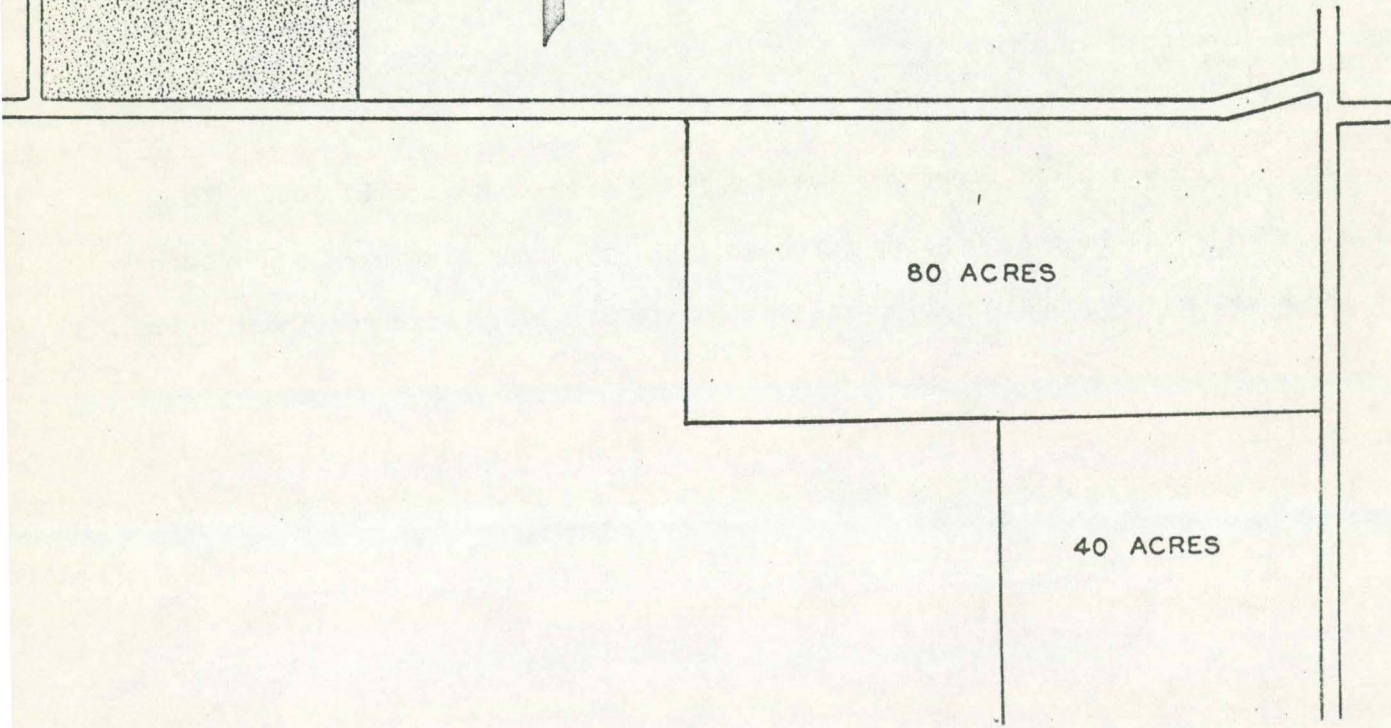
11.7 ACRES
RIGHT OF WAY



BLDG.

80 ACRES

40 ACRES



Monona County

Case Study 67-5-6
Project I-29-6(2)114
Parcels 30 & 32

Location: South of the Whiting Interchange of Interstate 29 (Parcel 30, E $\frac{1}{2}$ SE $\frac{1}{4}$ Section 4-84-46; Parcel 32, W $\frac{1}{2}$ SE $\frac{1}{4}$, W $\frac{1}{2}$ NE $\frac{1}{4}$ Section 4-84-46).

Description:

The owners of Farms 1 and 2 as shown in Figure 1 traded isolated remainder tracts 1A and 2A after Interstate 29 right of way had been acquired. An access lane was purchased from Farm 3 and deeded by State Patent to the owner of Farm 1. Configuration of the farms after the trade is illustrated in Figure 2.

Appraisal and right of way data for these farms are as follows:

Farm No. 1

Appraisal April 17, 1958		
77 net acres	\$28,000	
Buildings	3,200	
"Before" value	<u>\$31,200</u>	
Right of way acquisition		
Condemnation March 31, 1959		
Award for 21.0 acres land & damages		\$17,552

Farm No. 2

Appraisal		
154 net acres	\$56,000	
Buildings	7,200	
"Before" value	<u>\$63,200</u>	
Right of way acquisition		
Condemnation - October 9, 1958		
Award for 32.7 acres land & damages		\$19,000

Both farms are still tenant operated on a 50-50 crop share basis as they were prior to the Interstate 29 right of way acquisitions.

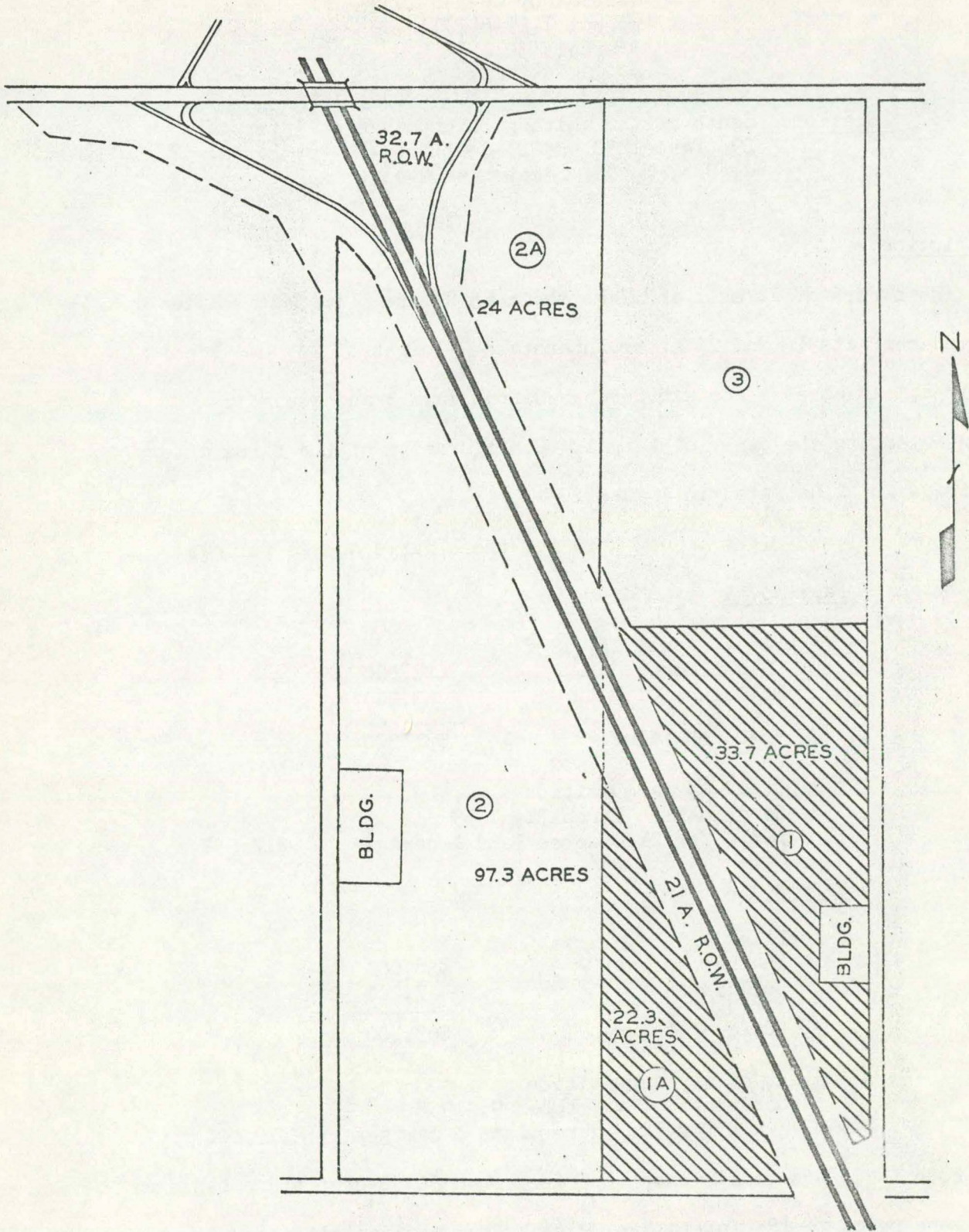


FIGURE 1. Tract 1A was exchanged for Tract 2A. An access lane between 1 and 2A was obtained by the State of Iowa.

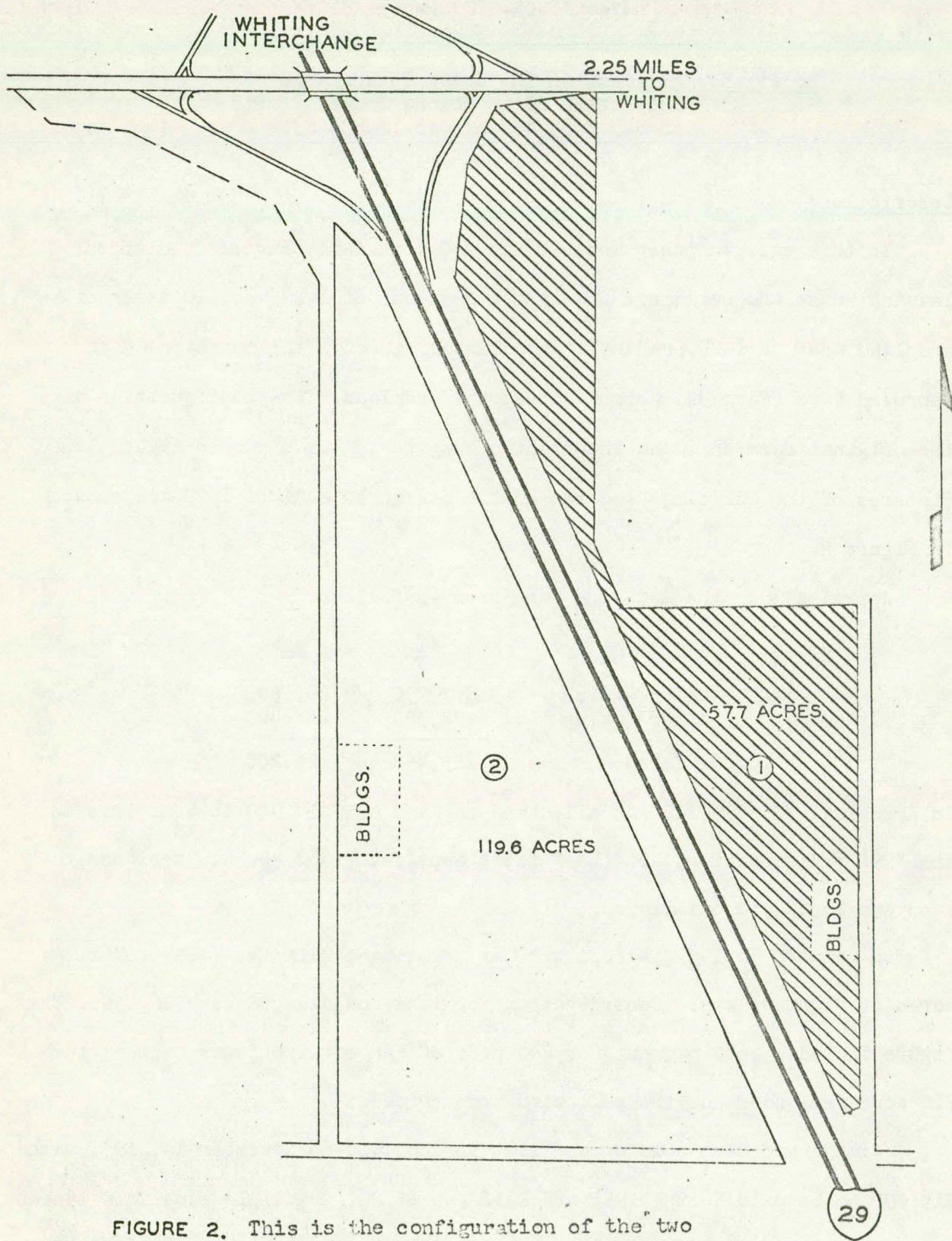


FIGURE 2. This is the configuration of the two farms after the exchange of property.

Monona County

Case Study 67-8
Project I-03-6(1)-Parcel 3
Project I-03-6(2)-Parcel 3A

Location: Adjacent to the Onawa Interchange of Interstate 29 in Monona County (Parts of Sec 7-83-45 and Sec 12-83-46).

Description:

In this case an owner who had his 240 acre farm (Parcel 3) divided, leaving house and buildings on eight acres east of I-29 and 210 acres of cropland west of I-29, rehabilitated himself through the purchase of an improved farm (Farm 3A) which abutted the cropland. The configuration of the original farm unit and the right of way taking is shown in Figure 1. Pictures of the buildings located on the 8.2 acres east of I-29 are shown in Figure 2.

Appraisals on the 240 acre farm were as follows:

	<u>#1</u>	<u>#2</u>
"Before" value	\$97,750	\$93,600
"After" value	\$72,300	\$68,400
Difference	\$25,450	\$25,200

In Appraisal #2, \$79,200 was allocated to land and \$14,400 to buildings in the "Before" situation. In the "After" appraisal, \$62,400 was assigned to land and \$6,000 to buildings.

On January 5, 1959, a contract was negotiated with the owner for 21.4 acres of right of way. Consideration for land and damages was \$26,050. This figure included \$600 payment for 240 rods of barbed wire fence between the 210 acre remainder and the relocated county road.

Farm 3A had been sold on contract for \$60,000 on November 14, 1951 with \$15,000 to be paid during 1951 and 1952 and \$5,000 principle plus four percent interest on the unpaid balance to be paid each succeeding March 1. The contract purchaser had met with a number of financial disappointments including

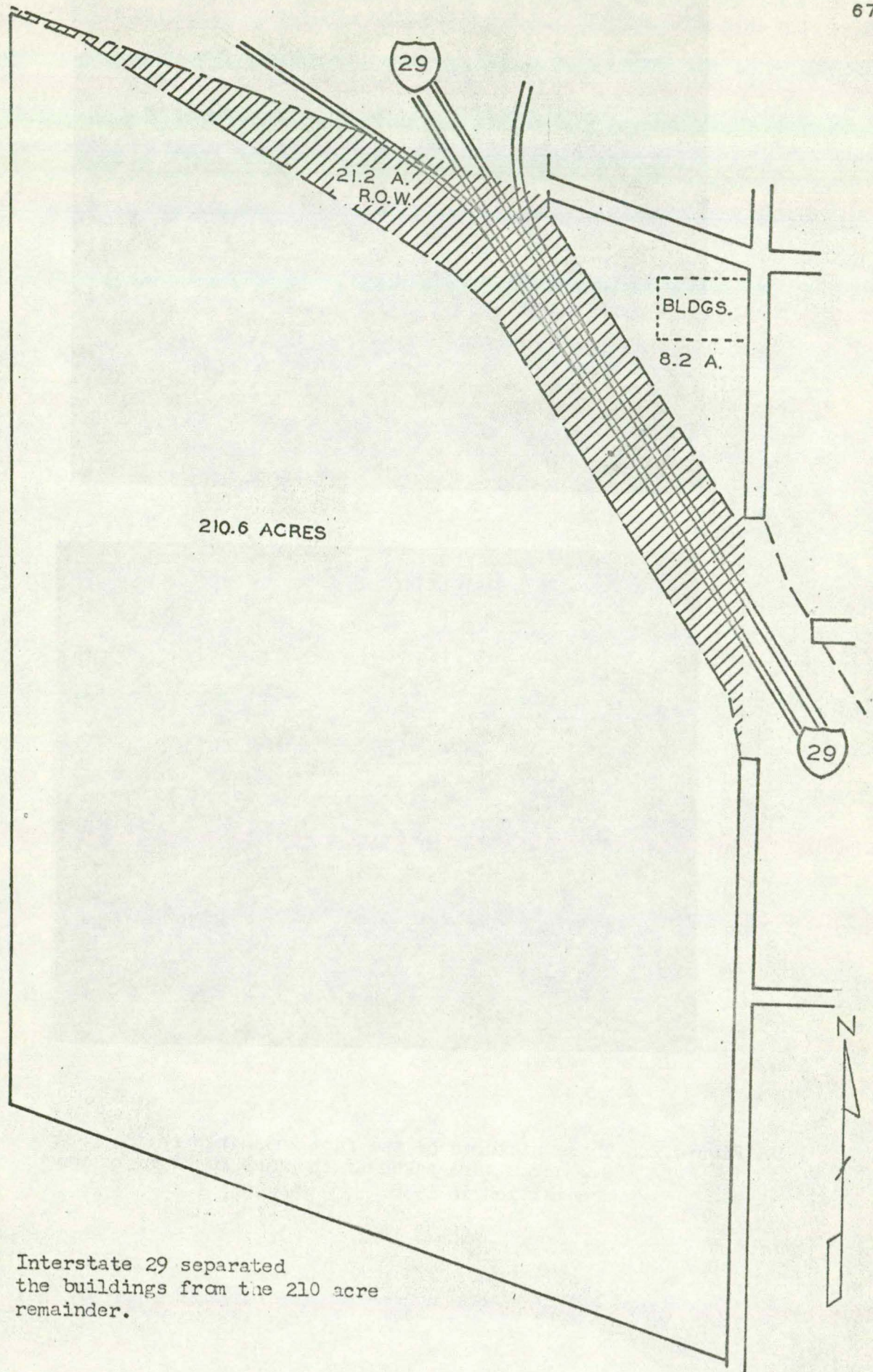


FIGURE 1. Interstate 29 separated the buildings from the 210 acre remainder.

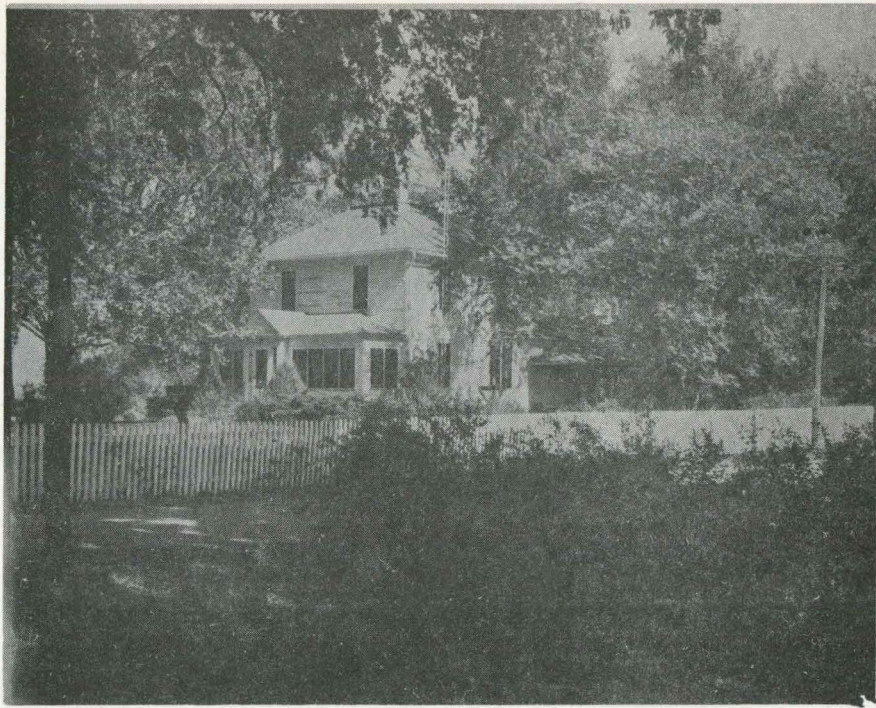


Figure 2. These pictures of the farm buildings on the east 8.2 acres were taken at the time of right of way acquisition in 1958.

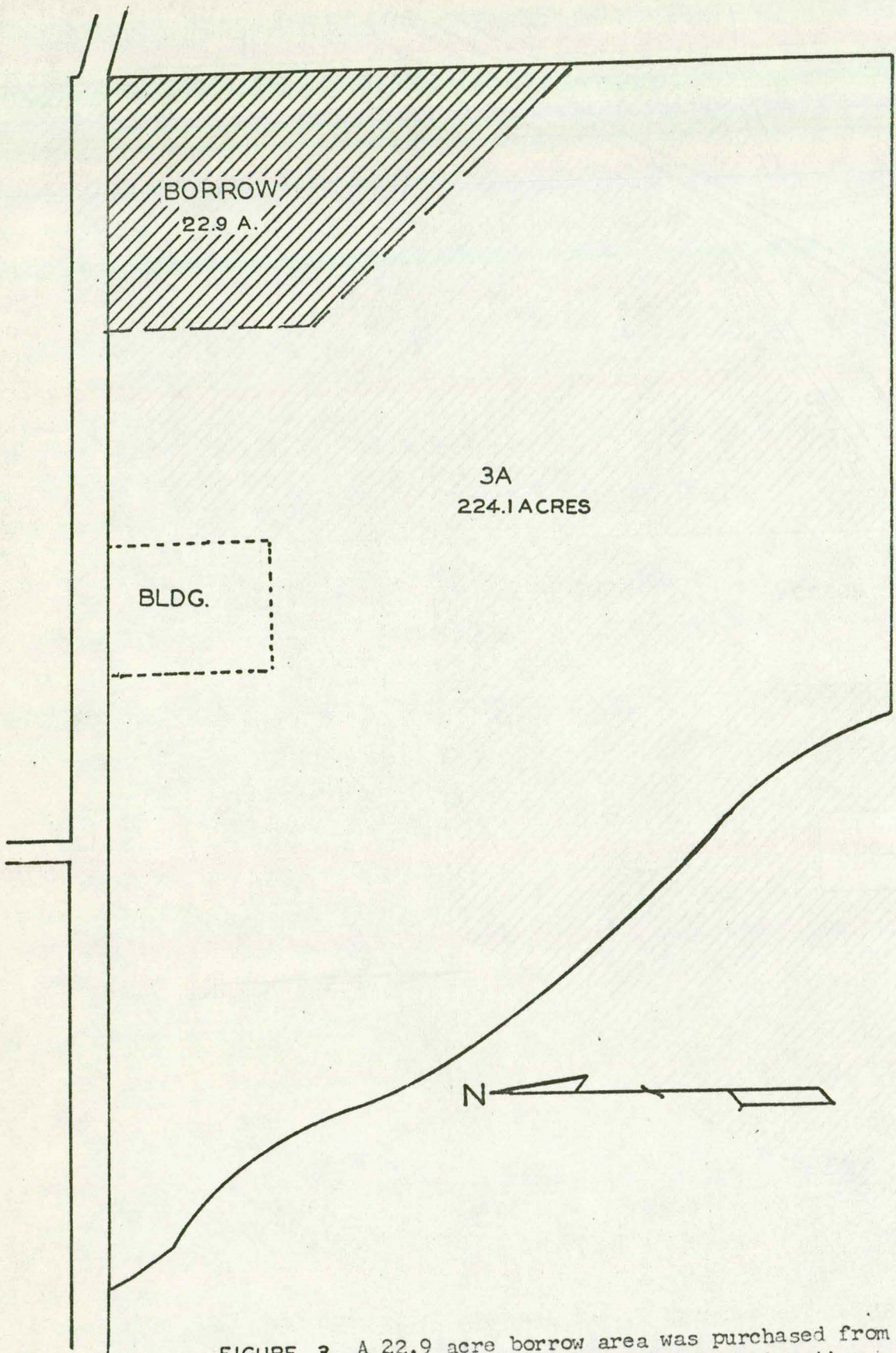


FIGURE 3. A 22.9 acre borrow area was purchased from this farm for Interstate 29 construction.

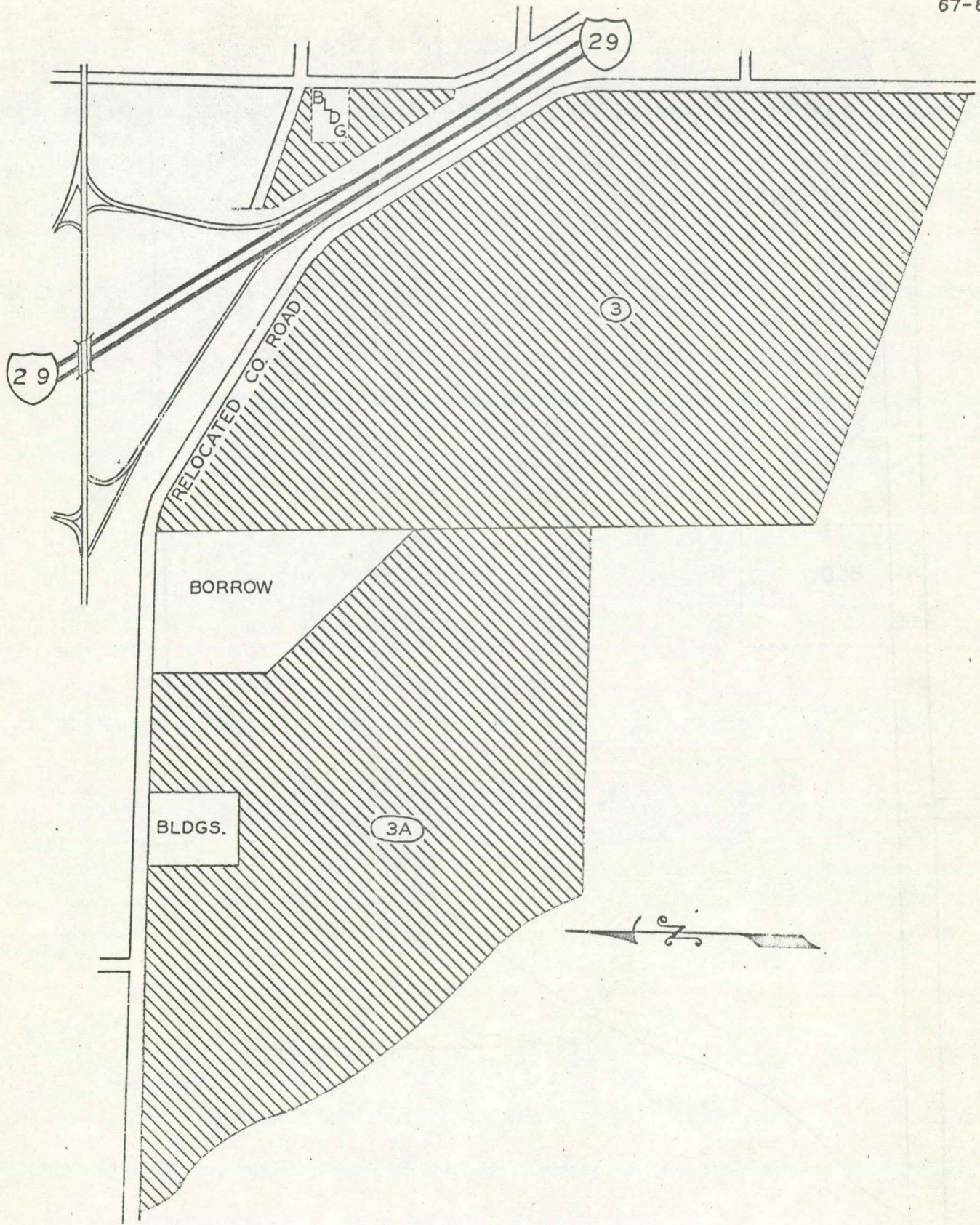


FIGURE 4. The owner of Parcel 3 rehabilitated his farm operation by purchase of Parcel 3A.

the Missouri River flood of 1953 which inundated the entire unit.

On October 15, 1958 the right of way appraiser placed a fair market value of \$64,750 on the 247 acre farm and complete set of buildings. About 70 acres of the unit were in permanent pasture. The configuration of Farm 3A is shown in Figure 3. A borrow area of 22.93 acres was necessary for the construction of I-29 and the appraiser estimated the "After" value of the remainder to be \$54,590.

Negotiations were attempted but immediately became snarled by uncertainties between the contract purchaser and fee owner. The owner of Parcel 3 to the east had negotiated an arrangement to purchase the equity of the contract purchaser. The consent and waiver of the contract seller was not immediately forthcoming.

On January 7, 1959, the owner of Farm 3, with the consent of the contract seller purchased the equity of the contract purchaser and assumed the unpaid balance. The owner of Farm 3 paid \$30,000 to the contract purchaser and assumed the payment of the \$33,000 unpaid balance. Under the terms of the agreement, the purchaser was to have the proceeds from the contemplated right of way acquisition. The offer of \$10,160 for right of way was known to all parties. It is noteworthy that the contract purchaser was considerably in arrears in his payments and reputedly was under financial pressure to sell.

On February 9, 1959, the new contract purchaser (Owner of Farm 3) signed a right of way contract for the borrow area which provided for payment in the amount of \$10,160. It appears that the purchaser was willing to pay \$52,840 for the 224 acre remainder.

The configuration of the composite remainders of Farms 3 and 3A which are now under one ownership is shown in Figure 4. The relocation of county roads is also illustrated.

The ownership now represents a contiguous area of 387 acres of cropland and 70 acres of pasture with a complete set of farm buildings. For an outlay of

\$27,390 in addition to the right of way payments, the owner has 147 acres more cropland and 70 acres of pasture. It is no longer necessary for this owner to divert land from cropland to pasture for the keeping of livestock. The unit can now be operated from the farmstead located on Farm 3A. A 3500 bushel crib has been moved from the farmstead on the east side of I-29 to the building area on Farm 3A. The 8.2 acre remainder east of Interstate 29 is now for sale.

Woodbury County

Case Study 97-2
Project I-03-6(2)
Right of Way Parcels 27 & 28

Location: 0.5 mile south of Salix Interchange of Interstate
29 in Woodbury County (NE $\frac{1}{4}$ Section 3-86-47)

Description:

The owners of the two abutting eighty acre tracts under discussion are brothers who acquired the land by devise from their father.

Tract A

A "Before" value of \$31,224.60 or \$380 per acre was placed on the 82.17 taxable acres on July 22, 1957. The unit was without buildings. Right of way area of 15.44 acres was required for the construction of I-29. The shape of the diagonal taking and the resultant landlocking of 13.64 acres is shown in Figure 1.

The appraiser placed an "After" value of \$19,431.64 on the remaining 66.73 acres if the owner retained the landlocked area. In the event the landlocked 13.64 acres were acquired in addition to the right of way, \$2243 was to be added to the payment and the "After" value for the 53.09 acre remainder would be \$17,188.64 or \$324 per acre. The owner was unwilling to accept either of the propositions as a basis for a negotiated contract.

Condemnation was instituted on the basis of acquiring the necessary right of way plus the landlocked area. The award of the condemnation commissioners on February 18, 1958 was \$14,175 for the taking of 29.1 acres. The owner appealed the case to District Court.

Borrow was taken to depth of 2.9 feet over the entire 13.64 landlocked acres. On February 8, 1960 the owner indicated that he would settle

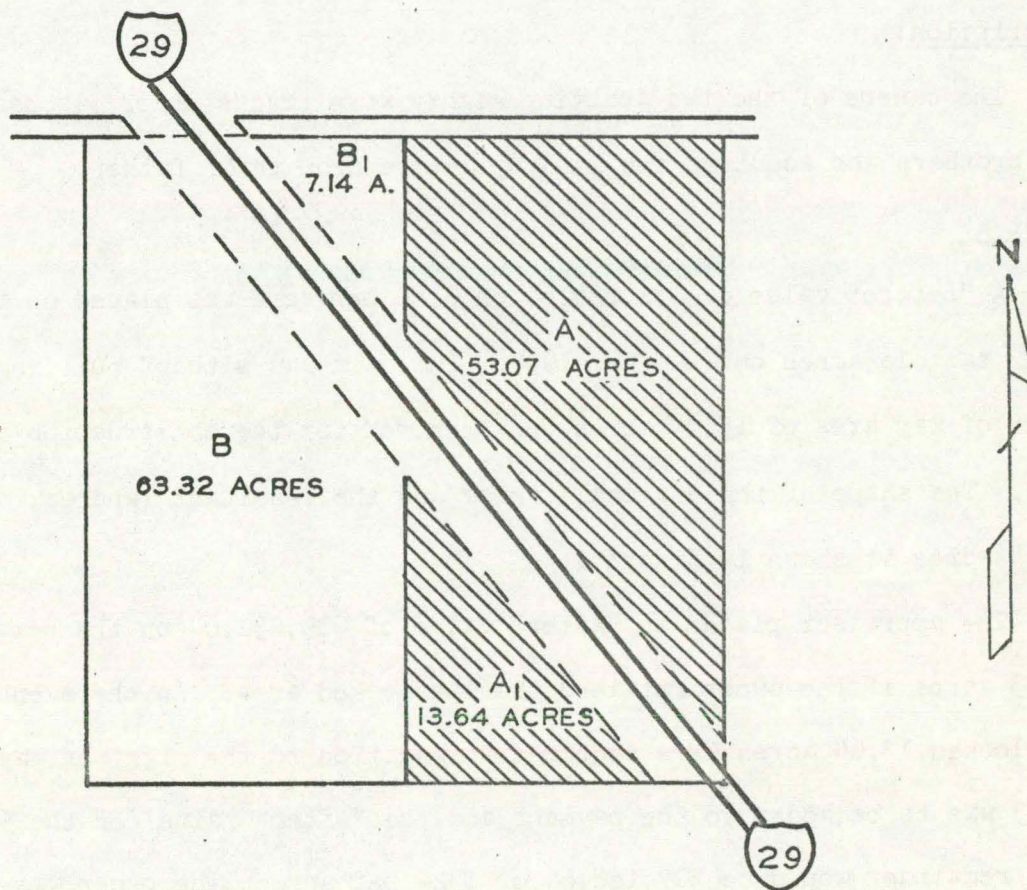


FIGURE 1. The owners of farms A and B exchanged land-locked parcel A₁, and severed parcel B₁ after right of way acquisition.

his appeal by accepting the condemnation award if he could retain title to the borrow area. The landlocked borrow area was given back to the owner who dismissed his appeal to the District Court.

Tract B

This tract is similar to Tract A in that it is typical flat Missouri River bottomland. All of the 82.52 taxable acres could be cropped. On July 27, 1957, the tract was appraised at \$31,412 or \$381 per acre. The only building on the farm was an old crib with a utility value of \$1000.

The right of way requirement for Interstate 29 was 12.06 acres, as shown in Figure 1. As a result of the "taking", 7.14 acres would be severed from the larger tract. An "After" value of \$21,820 or \$310 per acre was assigned to the remaining 70.5 acres after the taking of the right of way only. In the event the owner did not wish to retain the severed 7.14 acres, the negotiator was authorized to purchase this tract for an additional \$1,146. A calculated "After" value of \$20,674 or \$327 per acre would result. The owner was not willing to accept either proposition.

On February 18, 1958, condemnation was held on the basis of acquiring the right of way area of 12.06 acres plus the severed area of 7.14 acres for a total of 19.2 acres. The condemnation commissioners award was identical to the original offer and appraisal of \$10,738.

The owner appealed the award of the condemnation commissioners to the District Court. On February 8, 1960 the owner indicated that he would settle his condemnation appeal for the condemnation award if he could have title to the 7.14 acre borrow area. An average of 2.9 feet of borrow had been removed from the borrow area during construction. The owner was given the 7.14 acres upon the dismissal of his District Court appeal.

On April 23, 1961, the owner of "A" exchanged his landlocked 13.64

acres for his brother's severed 7.14 acres. A short crop of beans was raised on 7.14 acres formerly owned by "B" during the 1961 crop year.

Prior to the removal of borrow, the topsoil was stockpiled at the west edge of the landlocked area and at the east edge of the 7.14 acre borrow area. During the summer of 1961, the owners redistributed the stockpiled topsoil over the borrow areas.

Woodbury County
Case Study 97-5
Project I-03-6
Right of way Parcels 30 & 32

Location: Near the Salix Interchange of Interstate 29
in Woodbury County (Pts. of Sections 27 &
34-87-47)

Description:

The owners of properties 30 & 32, Figure 1, are brothers. Forty-one acres of right of way and a landlocked area were acquired from property 32 by condemnation for \$24,560.30. The "Before" appraisal value for this property was \$42,400 and the landlocked 16.71 acres were appraised at \$1039 or \$62 per acre in the "After" situation. The original contract offer was broken down as follows:

41 acres of right of way @ \$350	=	\$14,350.00
201 rods of new fence @ \$4.50	=	904.50
Damage	=	8,455.80
		<hr/>
		\$23,710.30

At the time of the right of way acquisition, the owner of property 32 had completed a building modernization program. The unit was operated by the owner.

Property 30, Figure 1, consisted of 91 acres. The owner of this unit also owned and operated a business in town. The improvements on the farm had not been used for some time and were in need of repair.

Construction of Interstate 29 required 22.3 acres of right of way from this farm. The remainder would consist of 68.7 acres with 27 acres east of I-29 and 41.7 acres and the buildings west of I-29. A "Before" value of \$37,566 or \$413 per acre and an "After" value of \$21,340.60 or \$311 per acre was assigned to the unit. The proposed right of way payment was broken down as follows:

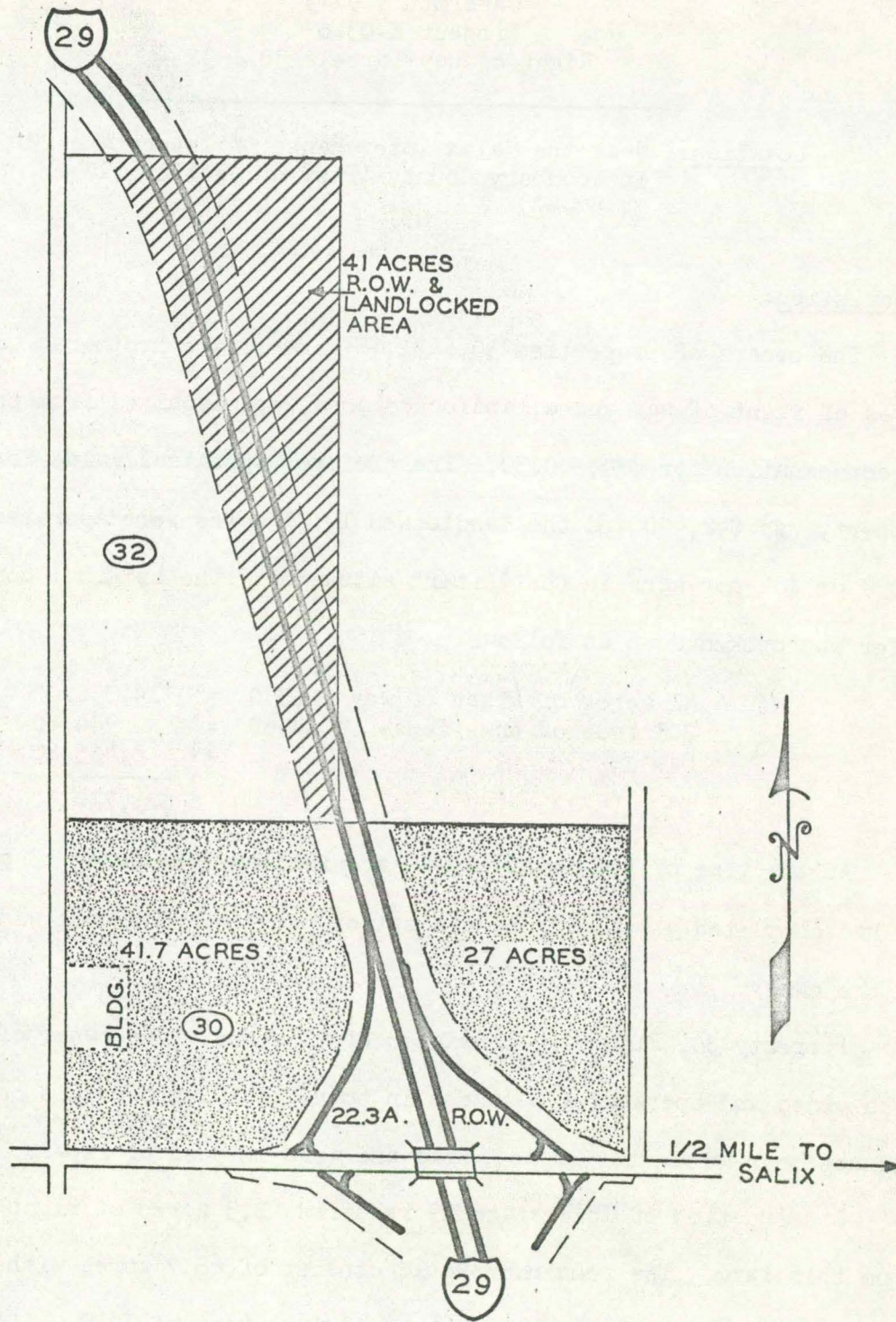


FIGURE 1. The owner of farm remainder 32 gained title to the 41.7 acre parcel of farm 30 by an exchange of property with his brother.

21.29 acres of right of way @ \$360	=	\$7,664.40
220 rods of fence @ \$4.50 per rod	=	990.00
Damage		<u>7,571.00</u>
		\$16,225.40

The right of way was condemned on December 17, 1957 and the owner was awarded \$16,907.

Shortly after the condemnation was concluded, the owner of the remaining westerly 41.7 acres of Property 30 deeded this parcel to his brother, the owner of Property 32. The consideration for the transfer was an exchange of land. The owner of Property 32 deeded a larger tract located in the vicinity to the owner of Property 30. In addition to the land, the deed recites payment of \$3600.

The area involved is a cash grain area and very little farm fence exists. Under the terms of the condemnation the owner is not compelled to construct the contemplated fence. Neither owner has constructed fence.

Woodbury County

Case Study 97-8
Project I-29-6(2) 114
Parcel 5

Location: One mile west of Sloan at Interchange of I-29
and Iowa 140 in Woodbury County (E $\frac{1}{2}$ SW $\frac{1}{4}$ Section
30-86-46)

Description:

The New York owner of subject Tract 5 sold the tenant-operated 80 acres on December 3, 1957 for \$32,000. Contract purchaser was the owner of adjacent Tract 4.

On November 16, 1957, Tract 5 was appraised for right of way purposes at \$36,800. Interstate 29 construction required about 31 acres as shown in Figure 1. The buildings were in the right of way area and would have to be moved.

A relative of the owner of Tracts 4 and 5 had an abutting 120 acre farm (Tract 7, Figure 1) that would be split by I-29. These owners arranged a plan to rehabilitate their remainders. To implement the plan, the subject owner retained title to an access lane 33 feet wide along the east boundary of Tract 5. Right of way negotiations were completed on February 10, 1958 and consideration for the 30.9 acres of right of way and all damages was \$29,240.50. The buildings were reserved to the owner and damages included payment for fencing, moving of all buildings, the taking of the farmstead and well, odd severance cut and the change in operation and utilization.

The owners of Tracts 6 and 7 and the subject owner exchanged remainders. A difference of \$2500 was paid by the Tract 4 owner who received the 64 acre remainder in trade for 48.1 acres. Configuration of the farms after the exchange and the importance of the access lane is illustrated in Figure 2. The farm remainders west of I-29 are owned by members of the same family and farmed as a unit by the son of the owners.

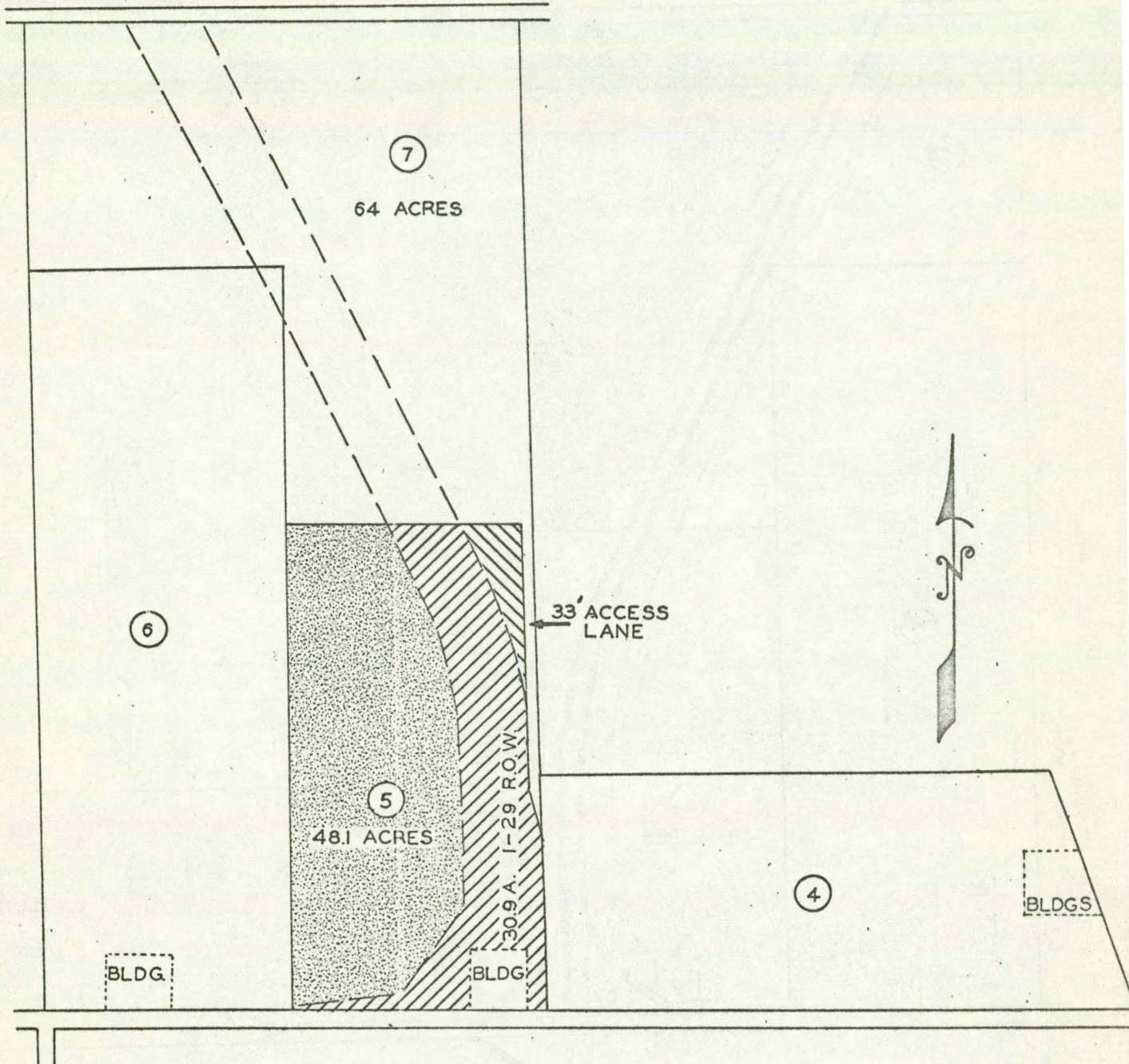


FIGURE 1. Some 30.9 acres of right of way for I-29 and excess land were purchased from Property 5.

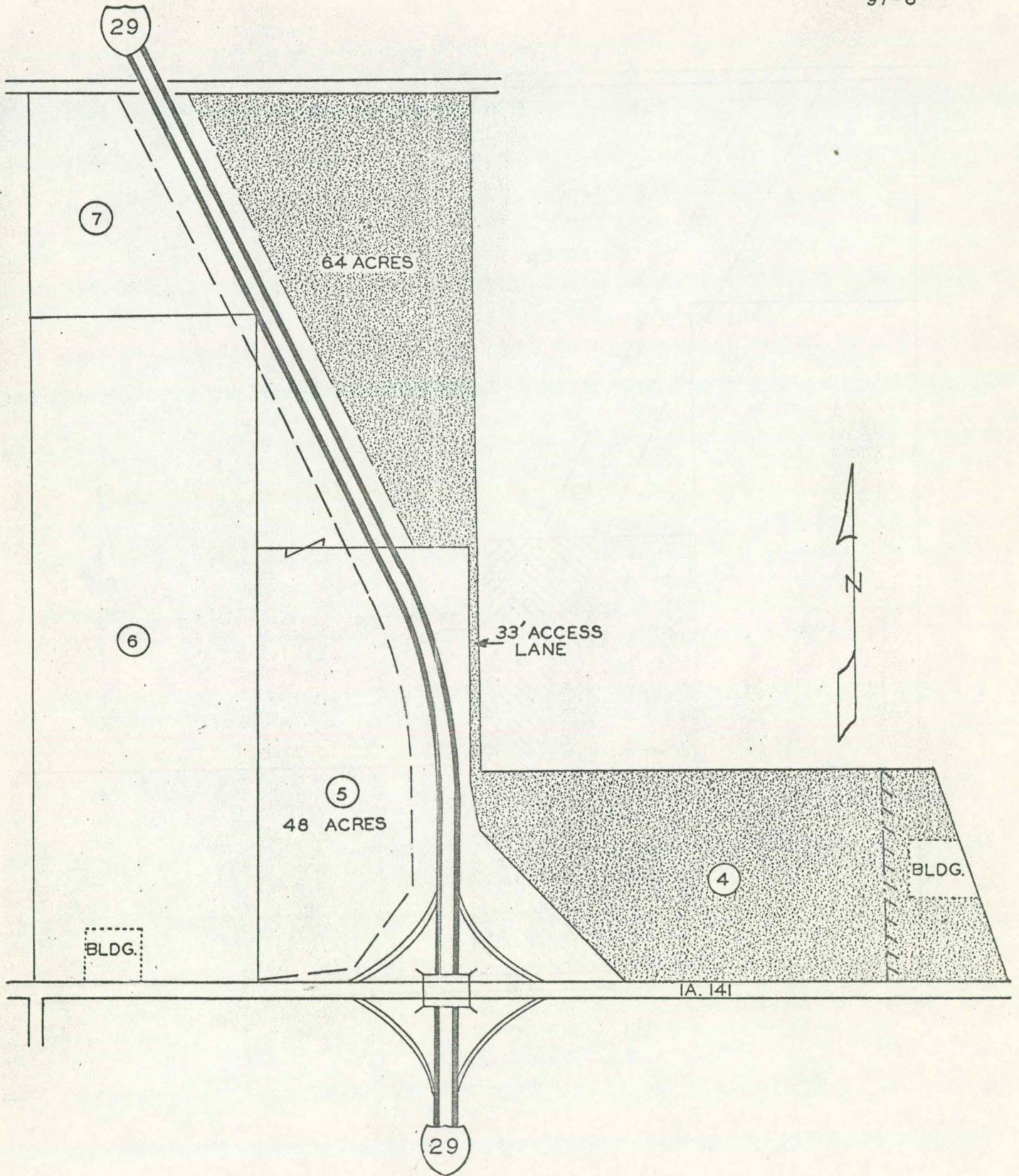


FIGURE 2 Configuration of the two farms after exchange of property between owners and the importance of the access lane is illustrated above.

Figure 3. This house was moved from the farmstead in the Sloan Interchange area to Sloan.



This picture was taken prior to moving the house from Tract 5.



The house was relocated on this lot in Sloan

The house from Tract 5 was moved to a \$900 lot in Sloan. Other farm buildings which included the barn, crib, quonset machine shed and metal bin were moved to the farmstead area on Tract 4. Moving costs were as follows:

Moving Contractor (includes some foundation work)	\$3935.90
Quonset foundation	219.50
Wiring	482.00
Other moving expenses	<u>1500.00</u>
	\$6137.40

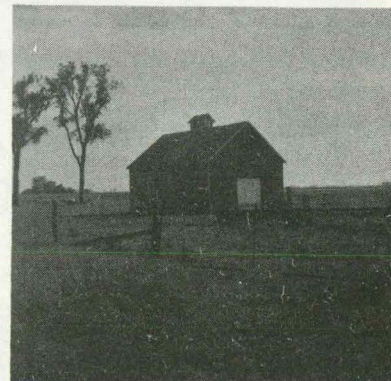
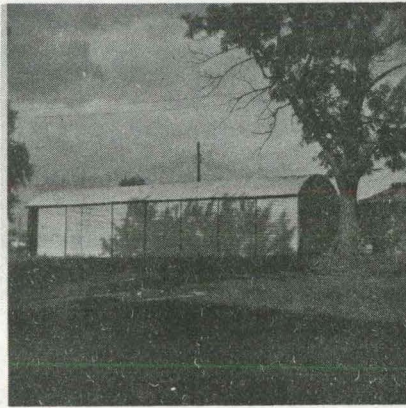


Figure 4. The relocated outbuildings from Tract 5 are shown above.

Cedar County

Case Study 16-4
Project I-80-7(4)262
Right of way Parcels 26 & 27

Location: About one mile west of Interstate 80 Inter-
change with County Road W in Cedar County.

Description:

The owner of Property 26, Figure 1, was awarded \$6,262 by the condemnation commissioners. The right of way contract offer was \$5,760 for 9.5 acres of land and damages. The appraised "Before" and "After" value were \$40,260 and \$34,500 respectively.

The owner of Property 27, Figure 1, was ultimately awarded \$6,925 by a District Court jury because of the taking of 12 acres. The contract offer had been \$6,245 based on "Before" and "After" appraisals of \$14,730 and \$8,485.

Shortly after the litigation was concluded, the two owners exchanged land. The owner of Property 26 traded the 13 acre tract north of Interstate 80 for 10 acres from Property 27 as shown in Figure 2. There was no cash consideration involved in the exchange.

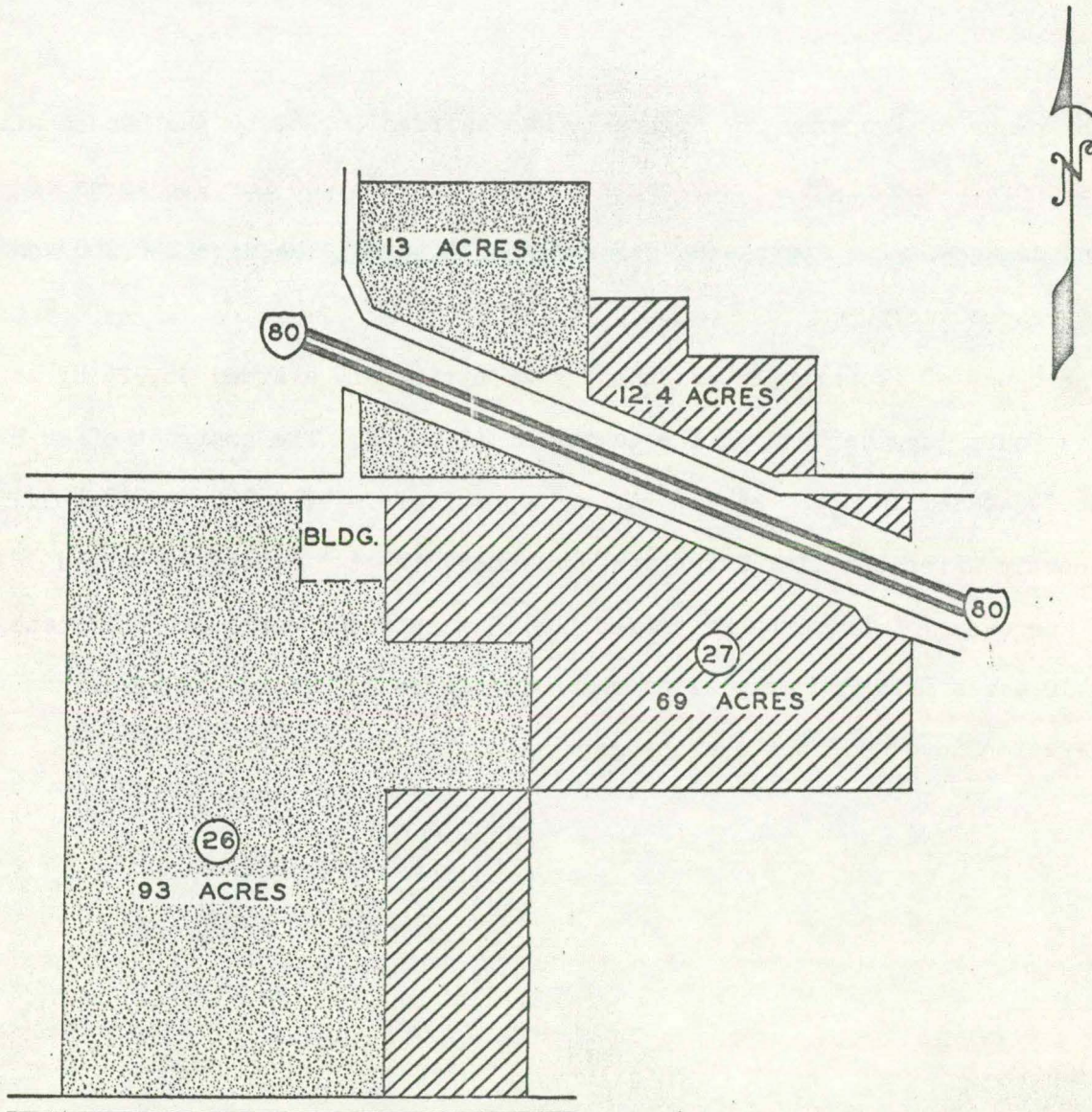


FIGURE I. Configuration of two Cedar County farms after acquisition of I-80 right of way.

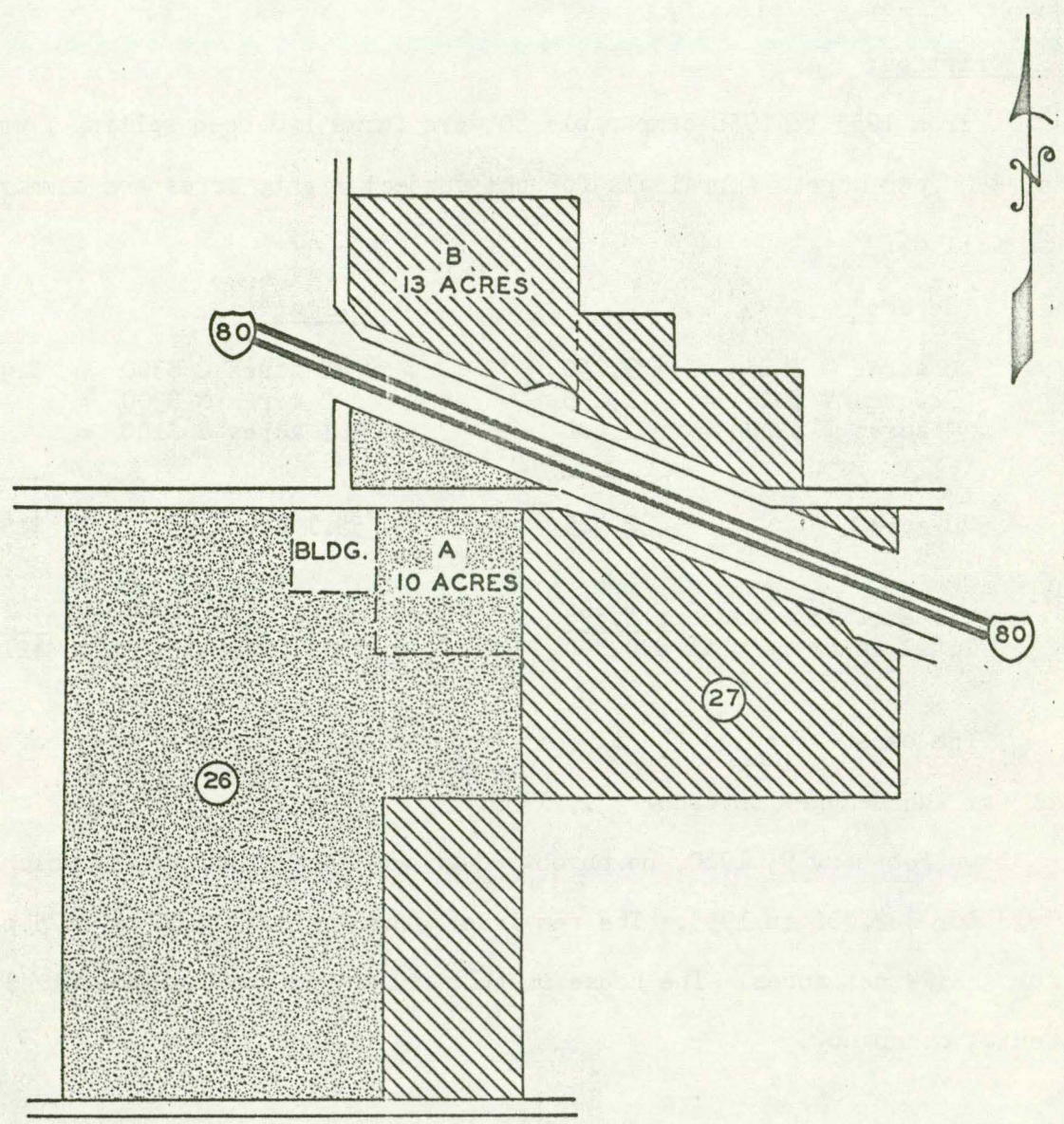


FIGURE 2. These property owners exchanged land parcels A and B which resulted in the farm configuration shown above.

Cedar County

Case Study 16-7
Project I-80-8(9)273
Right of Way Parcel 10

Location: One-half mile west of the Durant Interchange of Interstate 80 in Cedar County (S $\frac{1}{2}$ NW $\frac{1}{4}$ Section 23-79-1)

Description:

From 1955 to 1958 comparable 80 acre farms had been selling from \$400 to \$500 per acre. Appraisals for the subject eighty acres are summarized as follows:

<u>"Before"</u>		<u>"After"</u>	
70 acres @ \$425	= \$29,750	48 acres @ \$300	= \$14,400
3 acres @ \$425	= 1,275	2 acres @ \$300	= 600
7 acres @ \$200	= 1,400	5.1 acres @ \$100	= 510
	<hr/>		<hr/>
80 acres	\$32,425	55.1 acres	\$15,510
Value of improvements	<u>8,375</u>	Value of Improvements	<u>5,635</u>
Total value of unit	\$40,800	Total value of unit	\$21,145

The owner accepted the \$19,655 contract offer for 24.9 acres of right of way and damages on January 9, 1959.

On February 9, 1960, he purchased an adjacent 80 acre farm which had sold for \$32,000 in 1955. The remainder owner paid \$37,500 or \$475 per acre for the 79 net acres. The house on this property is being modernized for rental occupancy.

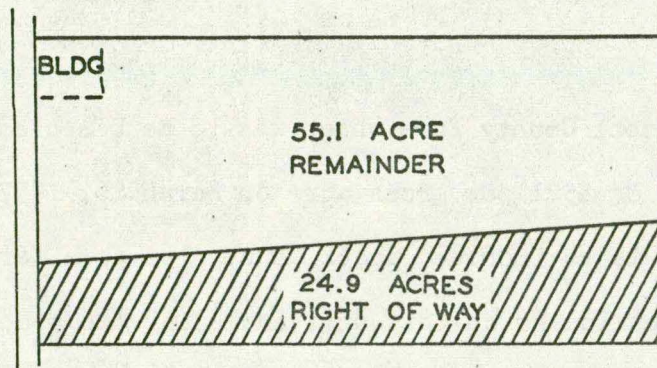


FIGURE 1. About one-third of this farm was purchased for I-80 construction.

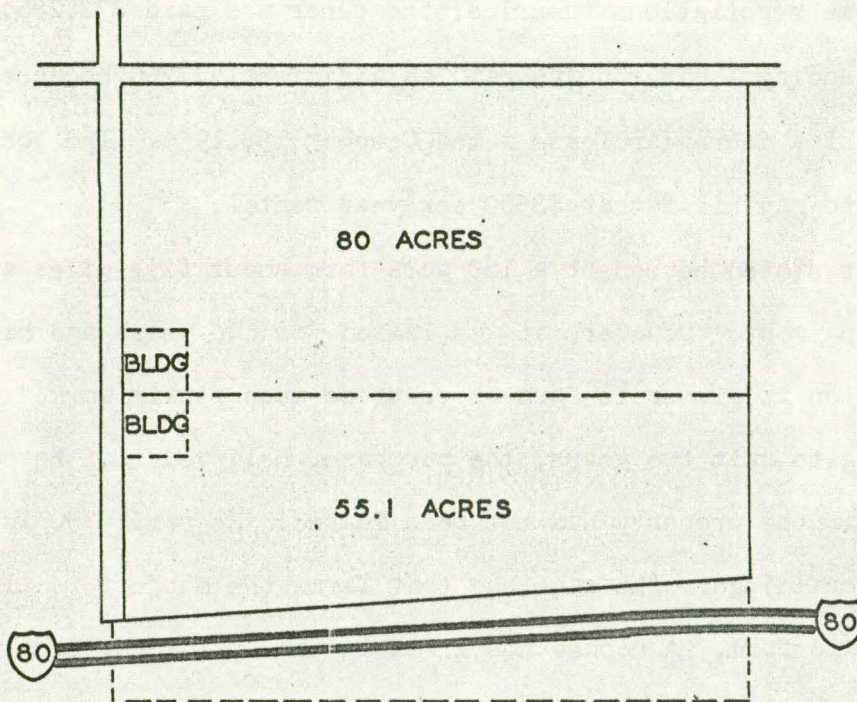


FIGURE 2. One year after the right of way was purchased, the owner of the 55.1 acre remainder bought an adjacent improved 80 acres.

Scott County

Case Study 82-3
Project I-01-8(2)
Right of Way Parcel 24

Location: Adjacent to Walcott-Plain View Interchange
of Interstate 80 in Scott County (SW $\frac{1}{4}$ Section
30-79-2E)

Description:

This 160 acre Scott County farm which was to be bisected by I-80 was appraised at \$83,400 or \$521 per gross acre on March 26, 1957. The appraiser observed that, "This is an improved Scott County 160 acre farm. There are two complete set of buildings on this unit including two modern homes." "... is a widower and lives in one of the houses. His son lives in the other house and operates the land." The house occupied by the father was not used in the operation of the farm.

After some negotiations on price, the owner was paid \$32,266.05 for land, damages and fencing. His son was paid an additional \$3750 because of the unexpired term of a four year lease dated October 15, 1956. The son was obligated by the lease to pay his father \$2500 per year rental.

The owner stated he bought a 160 acre farm about five miles away with his right of way payment. However, it was leased for two years and his boy "couldn't get on it either to farm it or to do much repair work." Because he was willing to wait two years, the purchaser believed that he bought it cheaper than if the property had not been leased. He paid \$350 an acre and repaired the buildings. The same boy that farms the subject remainder operates 80 acres of this farm. A nephew now lives in the buildings, farms the other 80 acres and works in a Davenport packing house.

In April of 1958, the owner exchanged his north severed 51 acres for the 45 acre severed remainder of his neighbor. For the additional six acres he received \$450 per acre or \$2700. The resulting configuration is shown in Figure 2. In November of 1958, the father-owner deeded the farm to his son, the operator and lessee.

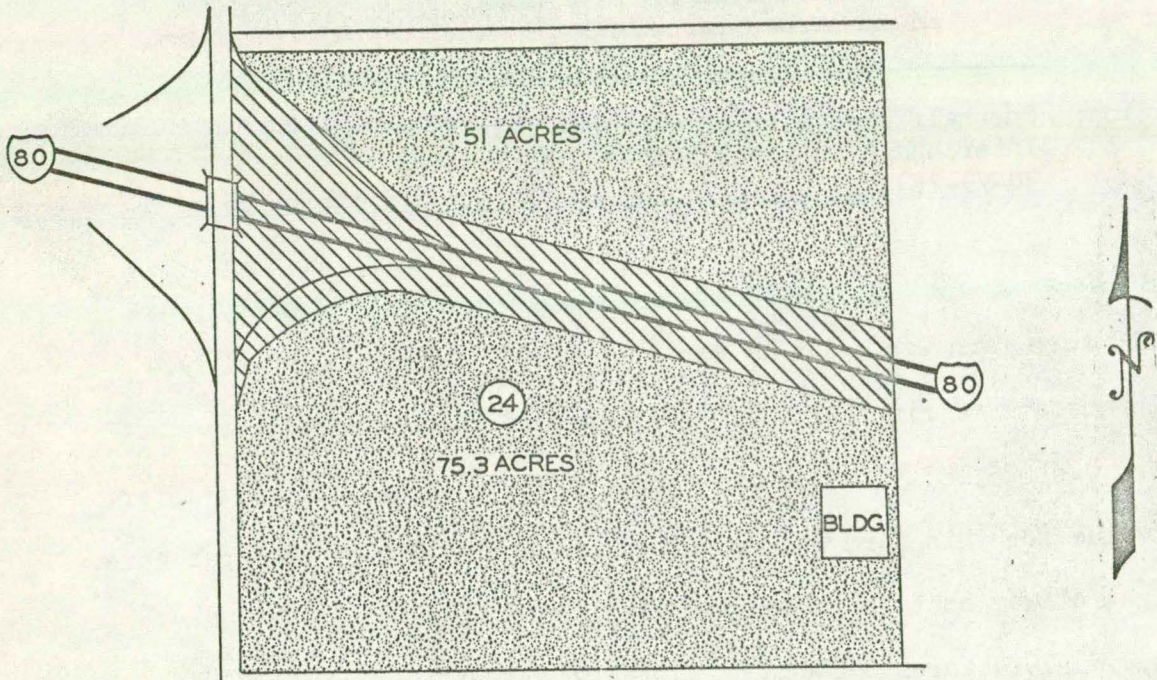


FIGURE 1. This farm was bisected by the purchase of 27.7 acres of Interstate 80 right of way.

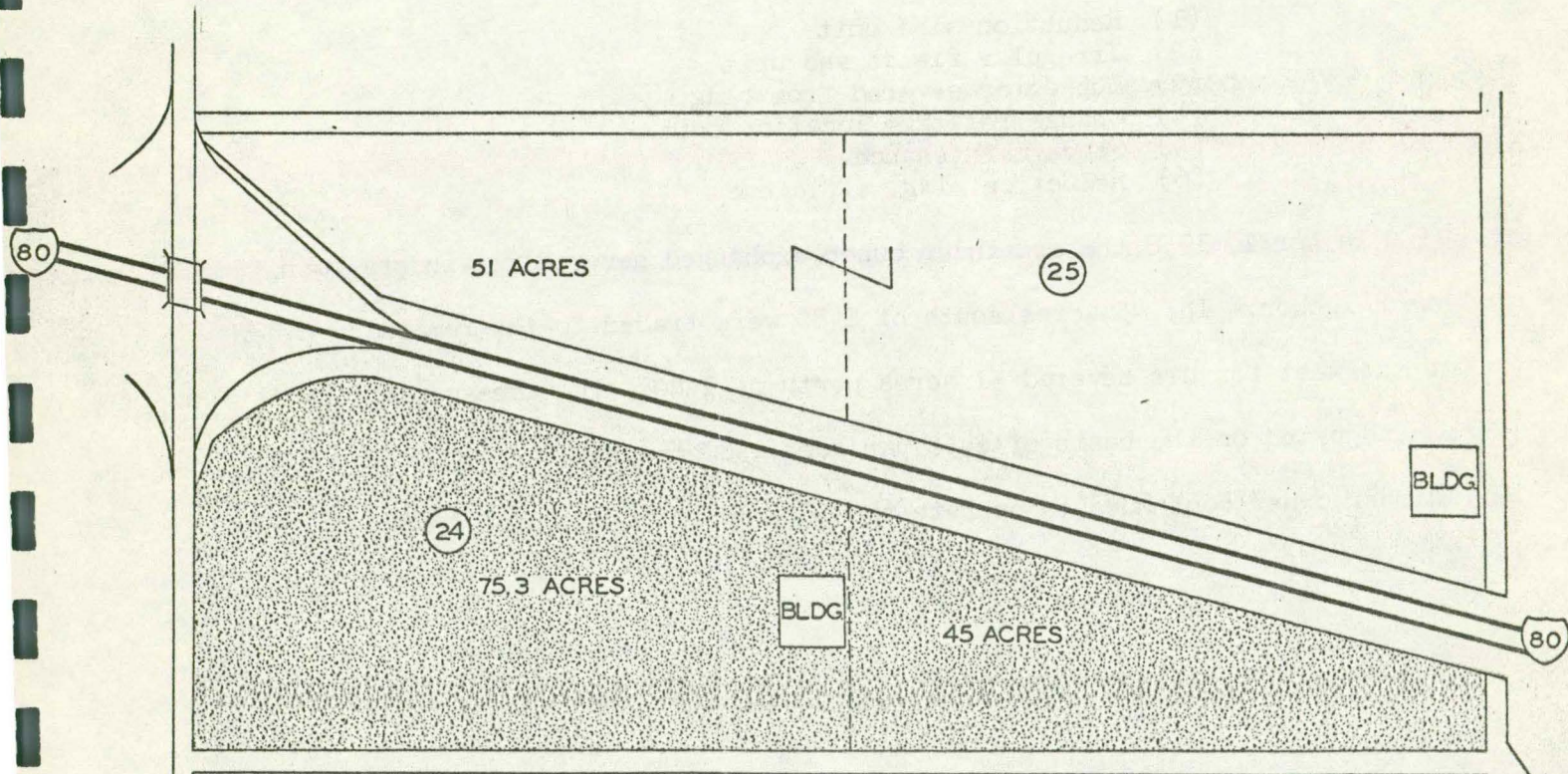


FIGURE 2. The 51 acre remainder north of I-80 was traded for a neighbor's 45 acre remainder south of I-80.

Scott County

Case Study 82-4
Project I-01-8(2)
Right of Way Parcel 25

Location: One-half mile east of Walcott-Plain View
Interchange in Scott County (SE $\frac{1}{4}$ Section
30-79-2E)

Description:

This 218 acre farm was split by the August 1957 condemnation of 19.4 acres for Interstate 80 right of way. The award of the condemnation commissioners was \$25,183.50 which was equal to the original contract offer. A "Before" value for this farm was appraised to be \$105,730 or \$485 per acre.

The right of way contract offer included these items:

R.O.W. 19.4 acres @ \$400	\$ 7,760.50
Fence 326 rods @ \$4.50	1,467.50
Damage	15,956.50
	<hr/>
	\$25,183.50

Damages:

- (1) Reduction size unit
- (2) Irregular fields and unit
- (3) 103 acres severed from bldg.
- (4) Change relative location unit
- (5) Fence maintenance
- (6) Reduction bldg. efficiency

In April, 1958 the remainder owner exchanged severed remainders with his neighbor. The 45 acres south of I-80 were traded to the remainder owner to the west for his severed 51 acres north of I-80. The acreage difference was adjusted on the basis of \$450 per acre and amounted to \$2700. The remainder owner continues to operate the 58 acre tract south of I-80.

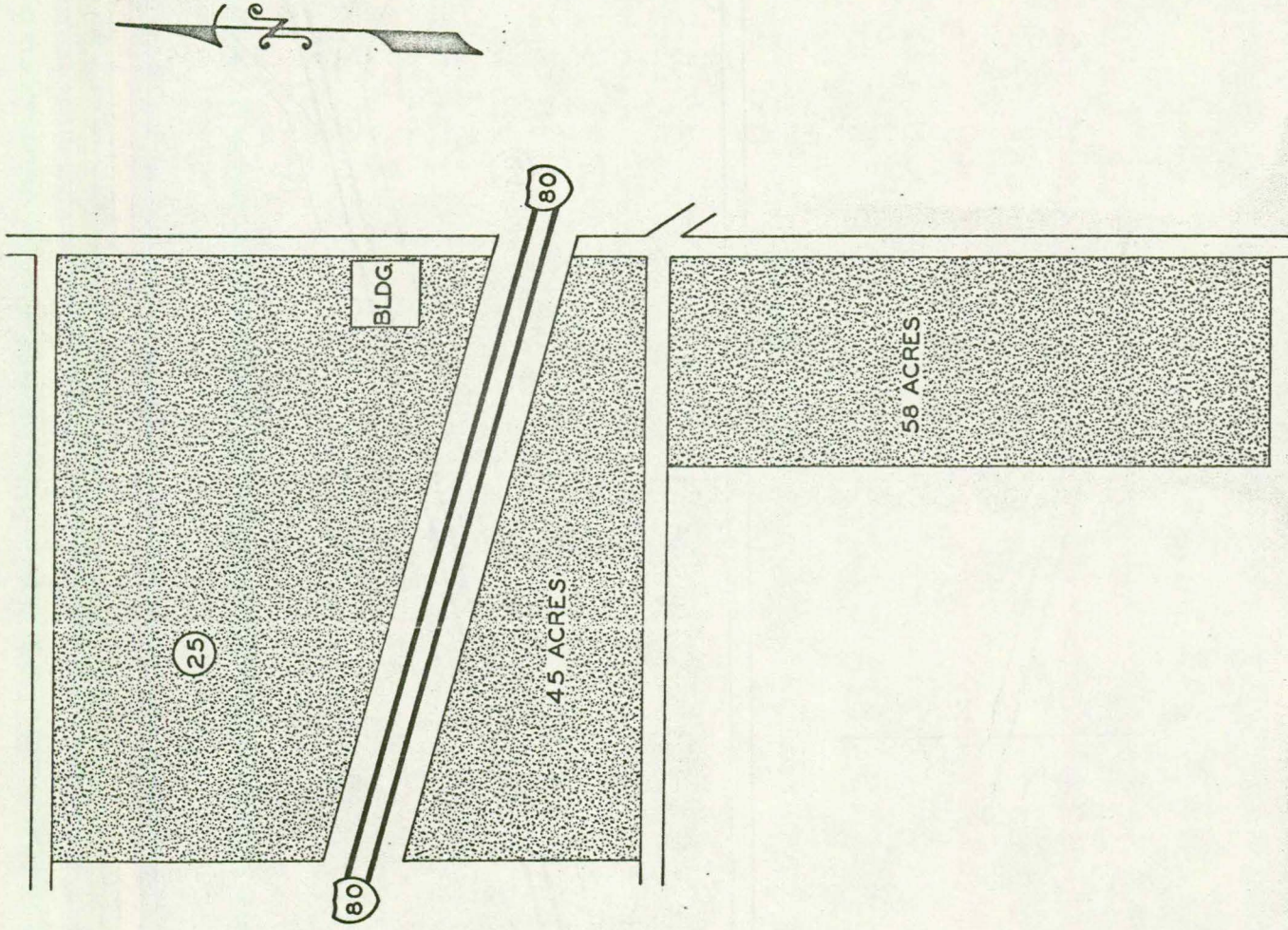


FIGURE 1. The 19.4 acres of Interstate 80 right of way separated 103 acres of this farm from the buildings.

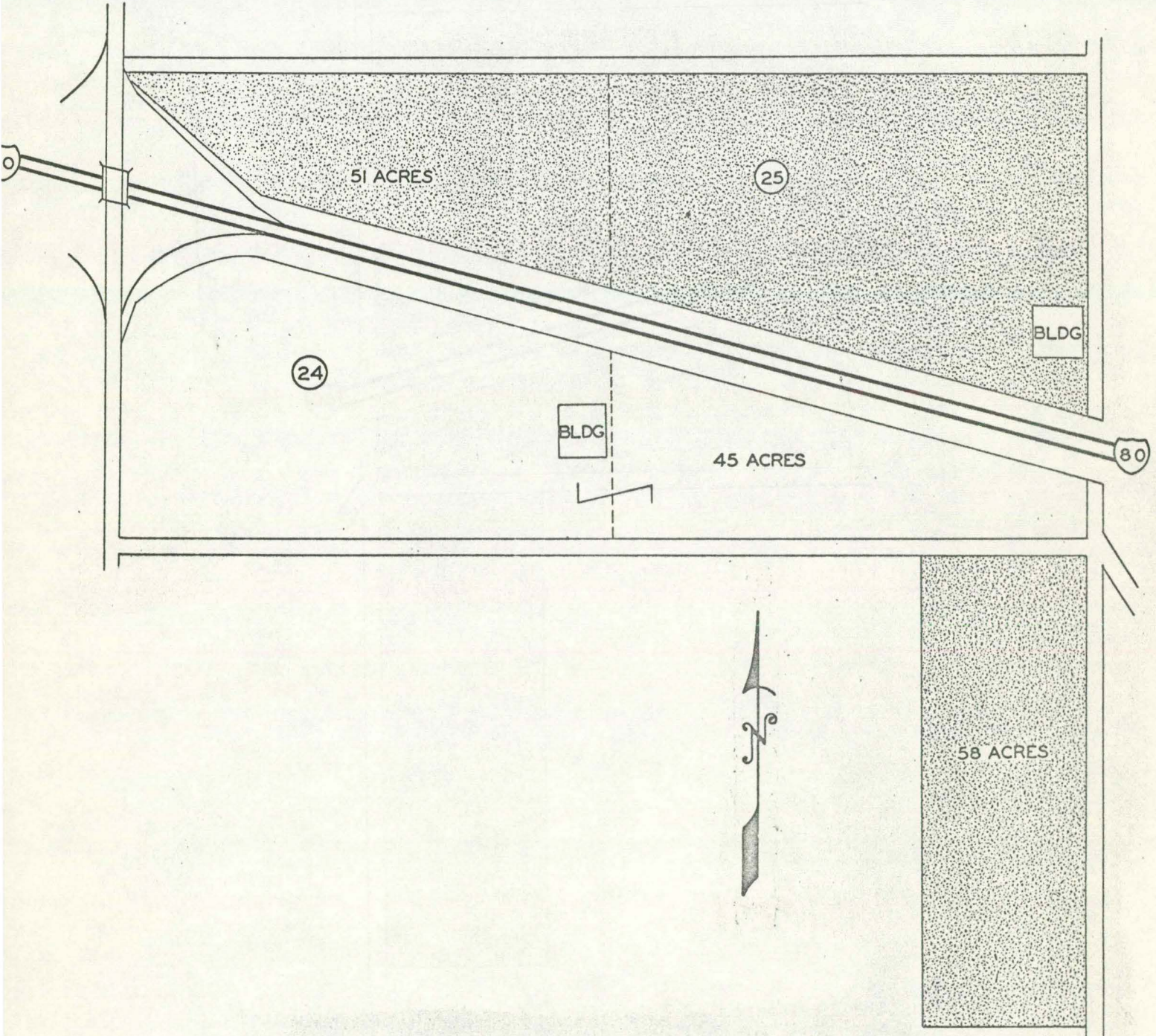


FIGURE 2. The owner of the farm North of I-80 traded his 45 acre tract for his neighbor's 51 acre remainder. He still owns and operates the 58 acre tract.

Scott County

Case Study 82-5
Project I-01-8(2)
Right of Way Parcels 31 & 32

Location: Two miles west of Interstate 280 Interchange
with Interstate 80 in Scott County ($S\frac{1}{2}$ NE $\frac{1}{4}$
Section 33-79-2E & $S\frac{1}{2}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$ Section 34-79-2E)

Description:

It was necessary to condemn the 56.1 acres of right of way shown in Figure 1 from this 100 acre tract in August 1957. The \$43,869 award of the condemnation commissioners was equal to the right of way contract offer. The one-hundred acre unit had been given a \$57,500 before value on March 27, 1957. Land on the farm was appraised at \$400 per acre and buildings at \$175 per acre.

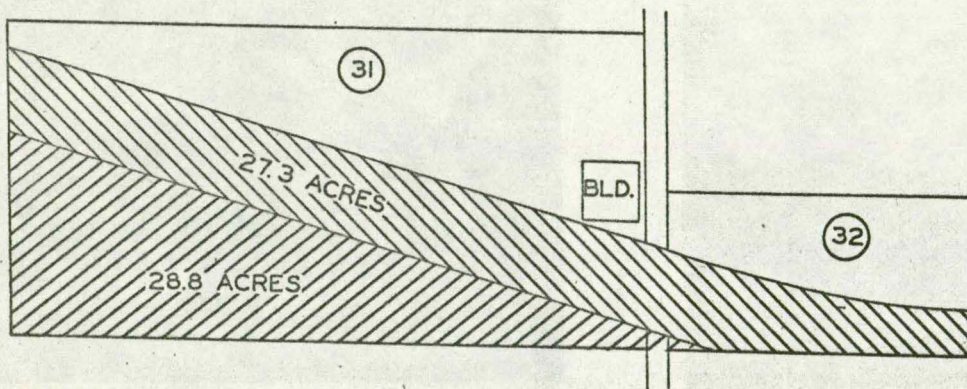


FIGURE 1. Interstate 80 right of way (56.1 acres) was acquired by condemnation from the owners of this 100 acre farm.

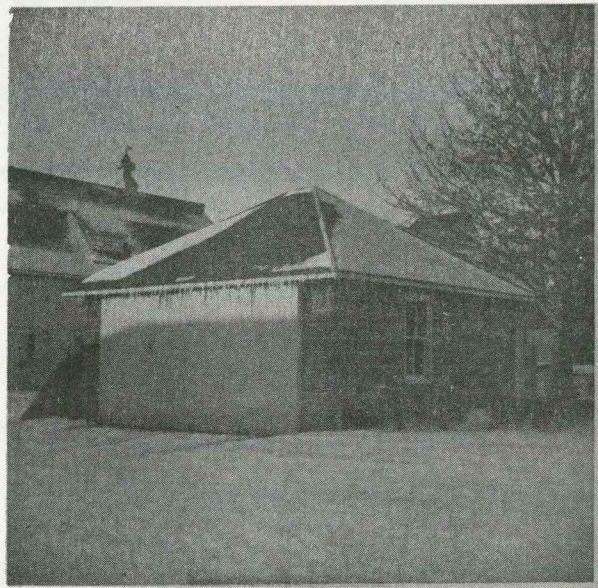
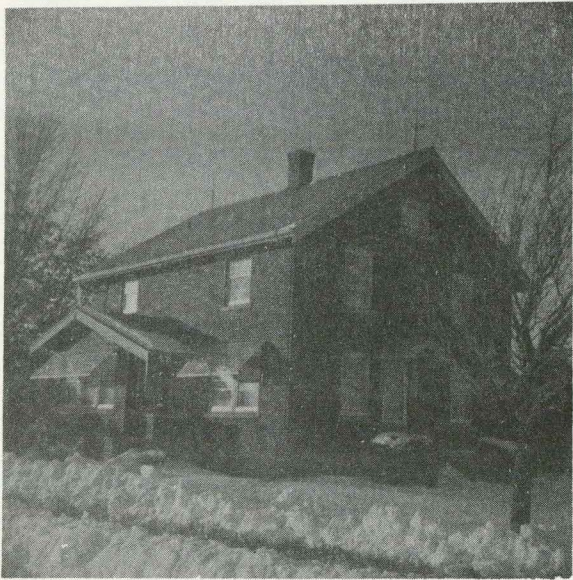


Figure 2. These improvements are on the $\frac{1}{4}$ acre remainder tract.

The appraisal noted:

"The unit is under good management. The buildings and lots are neat and attractive and in a good state of repair. There is a good pine grove on the north of the lots. Also, there are some good shrubs, shade trees and fruit trees.

... feeds hogs and cattle. The farm is tilled and in a high state of fertility. The ... have put all the improvements on the land since 1923."

Interstate 80 construction did not affect the location of any of the farm buildings. The brick home, masonry garage, granary and barn on the 44 acre remainder are shown in Figure 2.

In March 1958, the remainder owners purchased an improved 160 acre farm $5\frac{1}{2}$ miles away for \$60,000 or \$375 per acre. The location of this farm is shown in Figure 3. The purchasers felt they paid a premium for the farm but were interested in reinvesting their right of way payment.

The remainder owners are nearing retirement and operate only the 44 acre remainder. The farm purchased in 1958 is rented out.

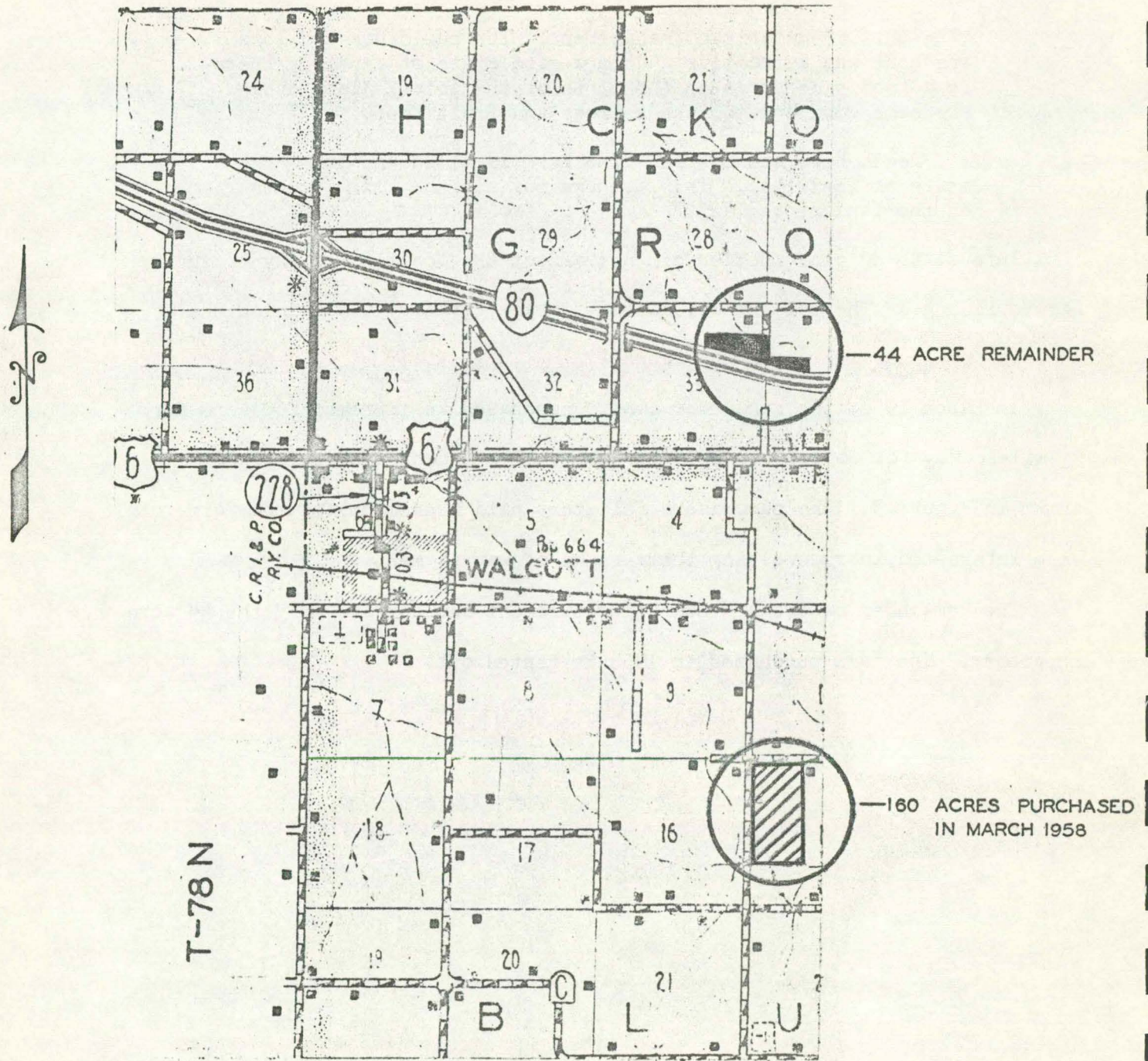


FIGURE 3. In August 1957, 56 acres of I-80 right of way was acquired from the above farm, leaving a 44 acre remainder. In March 1958, the owner of the remainder purchased a 160 acre farm.

Scott County

Case Study 82-6
Project I-01-8(3)
Right of Way Parcel 42

Location: At the Interstate 80 and Interstate Interchange
280 in Scott County (SW $\frac{1}{4}$ & W $\frac{1}{2}$ SE $\frac{1}{4}$ Section 36-79-2E)

Description:

The 240 acre farm shown in Figure 1 was valued at \$132,000 in a staff appraisal on February 13, 1958. A local appraiser valued the farm at \$150,000. An area of 158 acres was needed for the construction of Interstate 80 and an interchange. The unit was given an "After" value of \$30,750 by the staff appraiser and \$41,100 by the local appraiser. After considerable negotiation, a right of way contract for \$107,000 was completed on May 14, 1958.

The owner had 78.2 net acres remaining which was merged into a contiguous unit by the abandonment of the local road and the removal of the grade and surfacing material by the State of Iowa under the terms of the right of way contract. A complete set of farm buildings remained.

The owner stated he was under considerable compulsion to reinvest his right of way payment in land for the purposes of avoiding taxes. On December 31, 1959 he took deed to a 120 acre tract one and one-half miles west upon payment of \$500 per acre. A short while later a quarter section lying a half mile south was to be sold. The remainder owner bid \$500 and on February 23, 1960 he obtained title to this property. The relative location of the three tracts now under one ownership is shown in Figure 3.

During an interview the purchaser stated that the 120 acre farm had poor buildings and the land was as good as the area sold for right of way. He also commented that quarter section purchased in 1960 had fair buildings and near

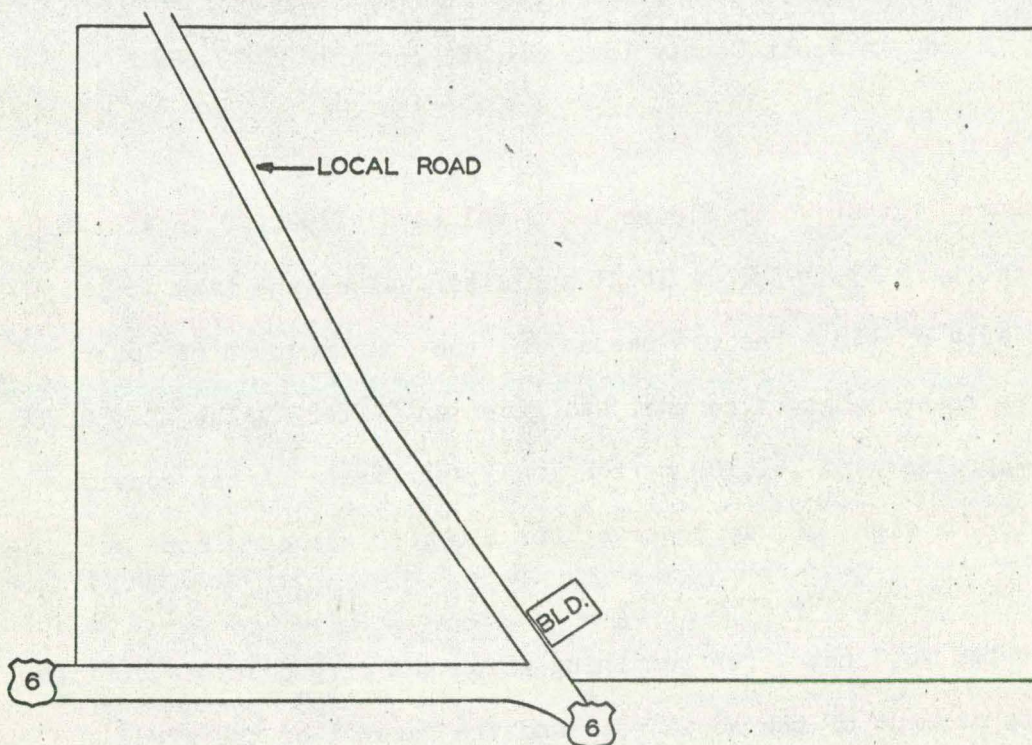


FIGURE 1. Original 240 acre farm.

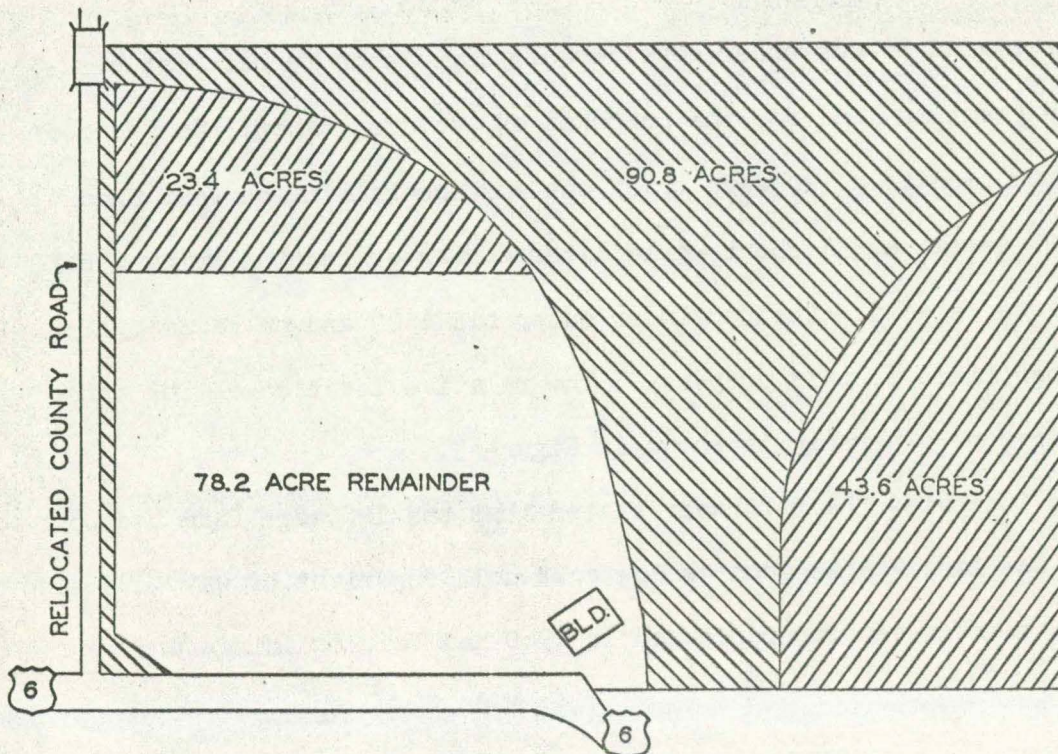


FIGURE 2. Right of way was purchased from this farm for Interstate 80 and Interstate 280 Interchange. The local road was relocated along the west side of the remainder.

perfect soil. The owner has repaired the two houses and rents them out. To have someone living on the place reduces vandalism and the \$50-\$75 per month rent helps pay the taxes according to the purchaser. The house tenants work in Davenport.

The remainder owner doesn't object to traveling the mile or mile and one-half between his separated units to operate them. He feels there is a distinct advantage in controlling disease by having his livestock at three locations.

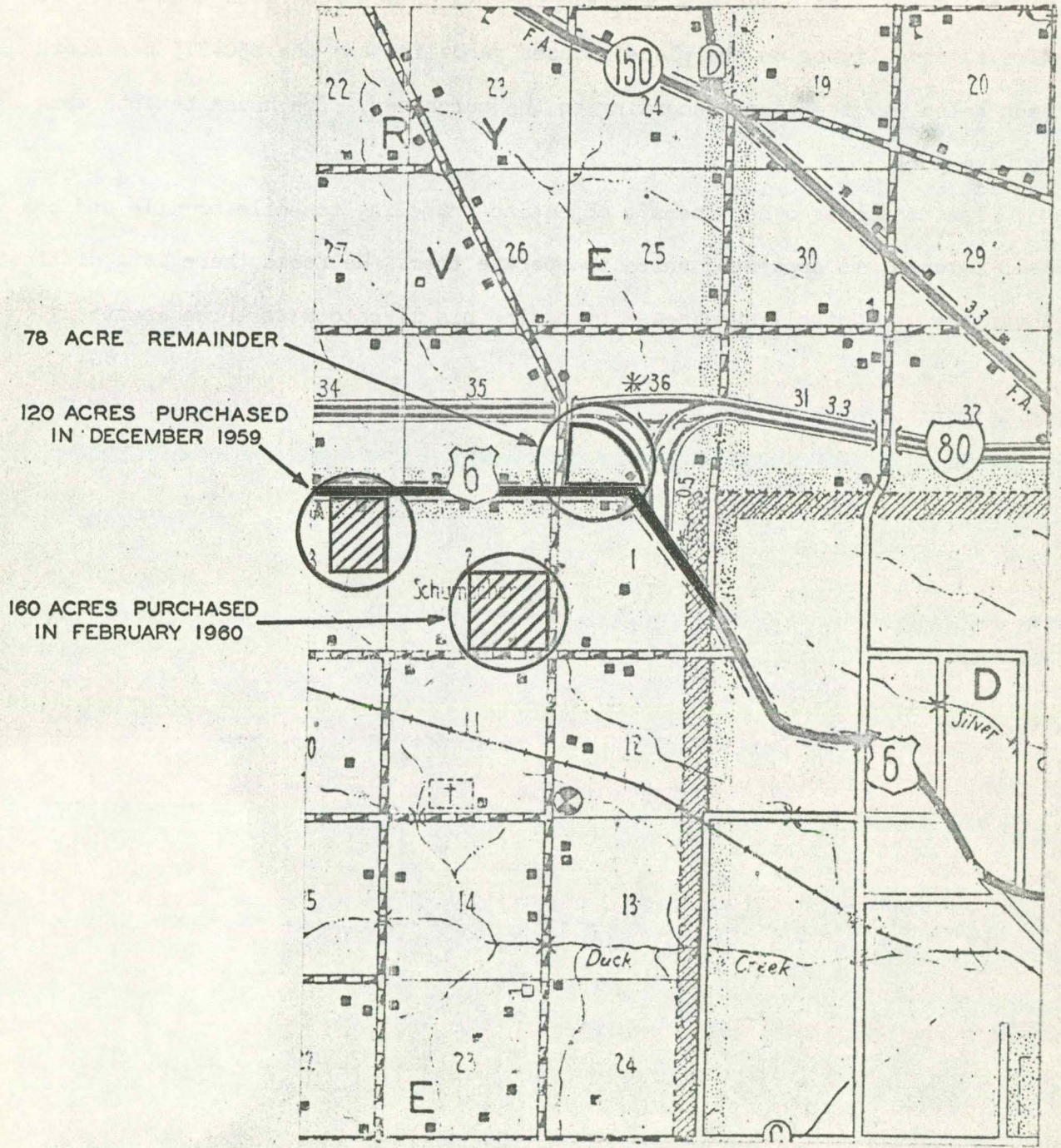


FIGURE 3. After selling 158 acres for Interstate right of way in 1958, the owner of the 78 acre farm remainder purchased two nearby farms.

PART II

DEVELOPMENT OF THE TRI-VIEW INDUSTRIAL DISTRICT

Summary

A group of Sioux City businessmen purchased an undeveloped industrial site immediately after the Isabella Street Interchange location on Interstate 29 was established. The one-hundred acre tract which included the proposed interchange area was purchased in 1957 on terms for \$185,000. A week later a right of way contract calling for payment of \$75,000 to the purchasers was signed. Included in this contract was consideration for land, damages, access rights and frontage road construction.

By December 1961, \$277,790 has been realized from the sale of commercial sites (exclusive of right of way); an asking price of \$415,795 prevails on the remaining unsold sites. Development costs of the tract were \$84,185 exclusive of legal and administrative expenses. An estimated gross profit of \$500,000 will be realized on the venture.

Prior to the stabilization of the Missouri River Channel through the construction of upstream dams and the construction of Gordon Drive in 1948, the industrial area now known as Tri-View Industrial District was accretion and flood plain of the Missouri River.

The construction of Gordon Drive was a joint project undertaken by the Iowa State Highway Commission and the City of Sioux City, Iowa. The city provided the right of way for the two lane facility. Access rights were not acquired. No control of access under the Police Power existed at the time of dedication and opening in 1949.

The construction of Gordon Drive created 7500 (+) feet of highway frontage north of Gordon Drive between downtown Sioux City on the east and the confluence of Gordon Drive, the Milwaukee Railroad and the Missouri River at a point 1100 feet west of what is now the Tri-View Industrial District. A limited frontage suitable for development was created on the south side of Gordon Drive between Gordon Drive and the Missouri River. The westerly 5100 feet of the frontage thus created was under one ownership. Shortly after the construction of Gordon Drive became a certainty in 1947, the west 1100 feet of frontage to be created was sold to the Hart-Bartlett-Sturdevant Grain Co. The area was approximately ten acres and sold for \$20,000. The tract was considerably below the grade of Gordon Drive, of triangular shape and had river frontage on the south side and railroad trackage on the north side. This tract was still undeveloped in 1958.

In 1953, a tract of 7.3 acres was sold out of the center of what later was to become the Tri-View Industrial District. The purchaser was the A. Y. McDonald Manufacturing Co. The purchase price was \$22,000 or \$3,000 per acre. The tract had 322 feet of frontage on Gordon Drive and 1007 feet of frontage on Isabella Street, a north and south feeder street. The tract was considerably

below the grade of Gordon Drive. Approximately \$35,000 was spent bringing the area up to grade. Overall cost of the parcel was \$7,800 per acre or \$0.18 per square foot. A large warehouse and salesroom was constructed thereon. The rear of the original tract shown as Property 8, Figure 2, is presently (1961) being offered for sale. The asking price is \$0.50 per square foot.

In 1953, a three acre tract having 230 feet of frontage on both sides of Gordon Drive was sold by Dakota County, Nebraska for \$30,000 to a local speculator. The three acres were just east of the combination bridge and close to downtown Sioux City. The area was not developed when it was acquired by the State of Iowa for Interstate 29 right of way in 1958.

The areas north of and abutting Gordon Drive comprising about 120 acres were continuously on the market from 1949 until 1957. Of the 120 acres available, 10.3 acres had actually sold. Of the 6400 feet of frontage for sale, 552 feet had actually sold. The frontage south of Gordon Drive was not developed. The construction in the area was limited to one building, that of A. Y. McDonald Manufacturing Co.

The acquisition of right of way for Interstate 29 was commenced early in the Fall of 1956. A number of appraisals had been completed, tracts purchased, and large tracts condemned prior to January 1, 1957.

On February 14, 1957, after the property had been on the market for an extended period, the tract soon to be known as Tri-View Industrial District was purchased on contract by several Sioux City businessmen. Consideration for the tract was \$185,000 payable as follows:

- (a) \$20,000 upon signing of the contract
- (b) \$40,000 on or before May 15, 1957
- (c) \$25,000 on May 15, 1958 and a like amount on the 15th day of May each year thereafter, until the balance of the consideration has been paid, the Buyer having the right to make prepayments of any amount at any time without penalty.
- (d) All unpaid balances on this contract shall draw interest at five percent (5%) per annum, payable semi-annually from May 15, 1957.

The contract further provided:

"After the sum of sixty-thousand dollars has been paid upon this contract, the sellers agree to deed to the Buyer, or its nominee, by Special Warranty Deed, in form affixed hereto and made a part hereof and marked Exhibit "B", any portion of the real estate covered by the contract, but not less than two (2) acres in any one tract, upon the payment of thirty-three hundred dollars (\$3300.00) per acre, said amount to be credited against the then remaining payment becoming due latest in point of time ..."

Pursuant to an offer made to the purchasers on February 13, 1957, a right of way contract dated February 20, 1957 was negotiated with the purchasers. The area acquired for right of way is shown in Figure 1. The \$75,000 payment was itemized as follows:

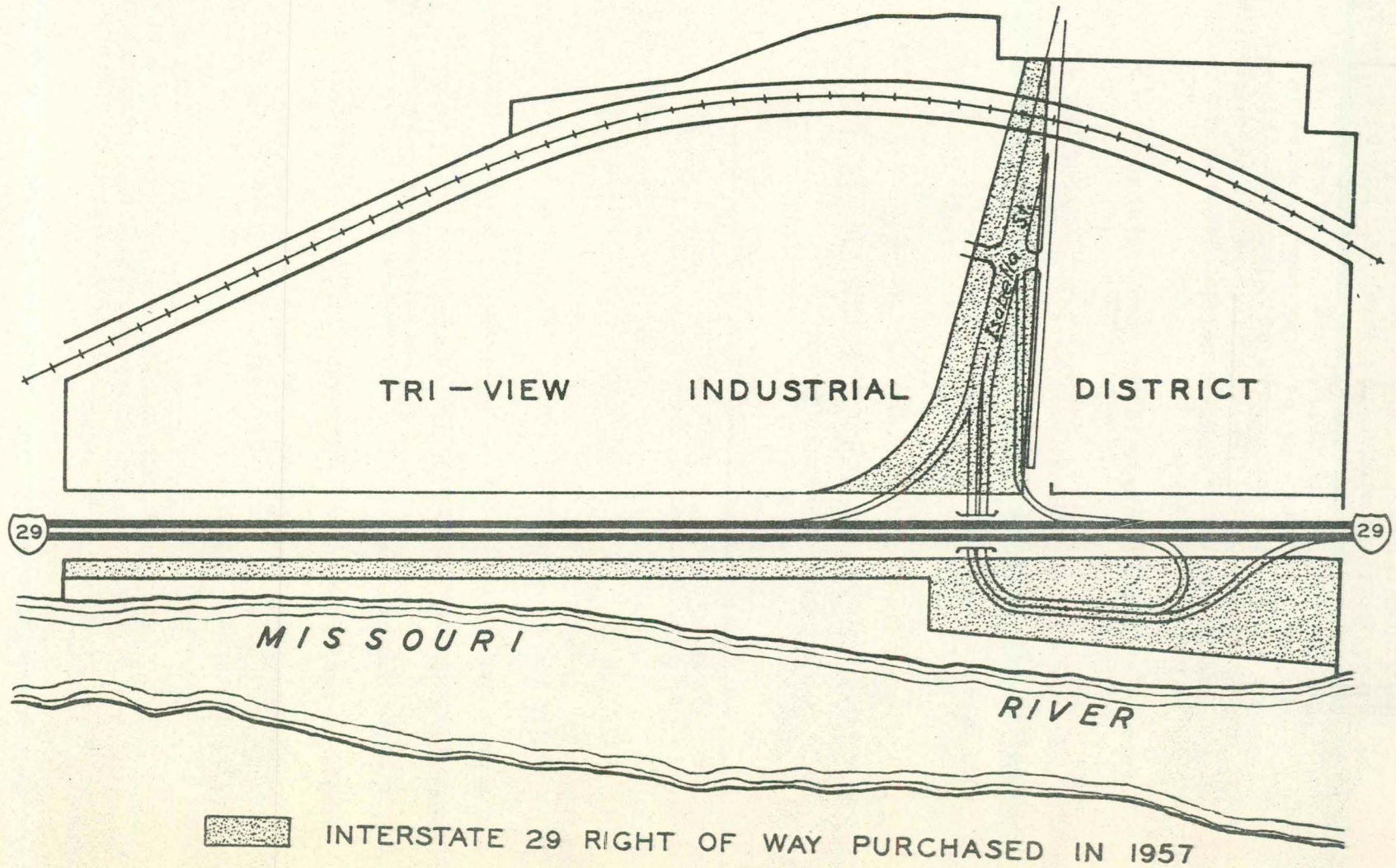
6.45 acres at \$3000 per acre (area north of Gordon Drive)	\$19,350
6.7 acres at \$1500 per acre (area south of Gordon Drive)	10,050
	<hr/>
13.15 acres	29,400
Frontage roads, access rights and all damages	45,600
	<hr/>
	\$75,000

Under the terms of the right of way contract, the right to construct an access connection to the south Interstate Ramp was reserved to the property owners to provide access to their remaining property south of I-29. The owners were obligated to construct frontage roads to provide access to properties immediately east and west of the Tri-View land.

The purchasers sold a part of their remaining area to raise funds to develop the area. Later in 1957, two sales were made as follows:

- (1) Property 19, Figure 2, was sold to the City of Sioux City on August 12, 1957 for \$26,400. The area of the tract was approximately five acres. The State of Iowa subsequently acquired the area from the City of Sioux City.

FIGURE 1



(2) Property 7, Figure 2, was sold on October 12, 1957 for \$41,190. The area involved was 6.3 acres.

By January 1, 1958, the purchasers and developers had sold approximately 24.5 acres for \$96,990. In addition, they were to receive \$45,600 for access rights, damages and frontage road construction. The purchasers and developers contracted the following construction work during the Spring of 1958:

Providing and placing 87,000 cubic yards sand fill from Missouri River @ \$0.19 per yard	\$16,530.00
8,730.30 square yards concrete paving @ \$3.93 per square yard	34,310.07
415.1 feet concrete curb @ \$0.35	145.29

The street costs included above were for the construction of 4325 lineal feet of parallel frontage roads.

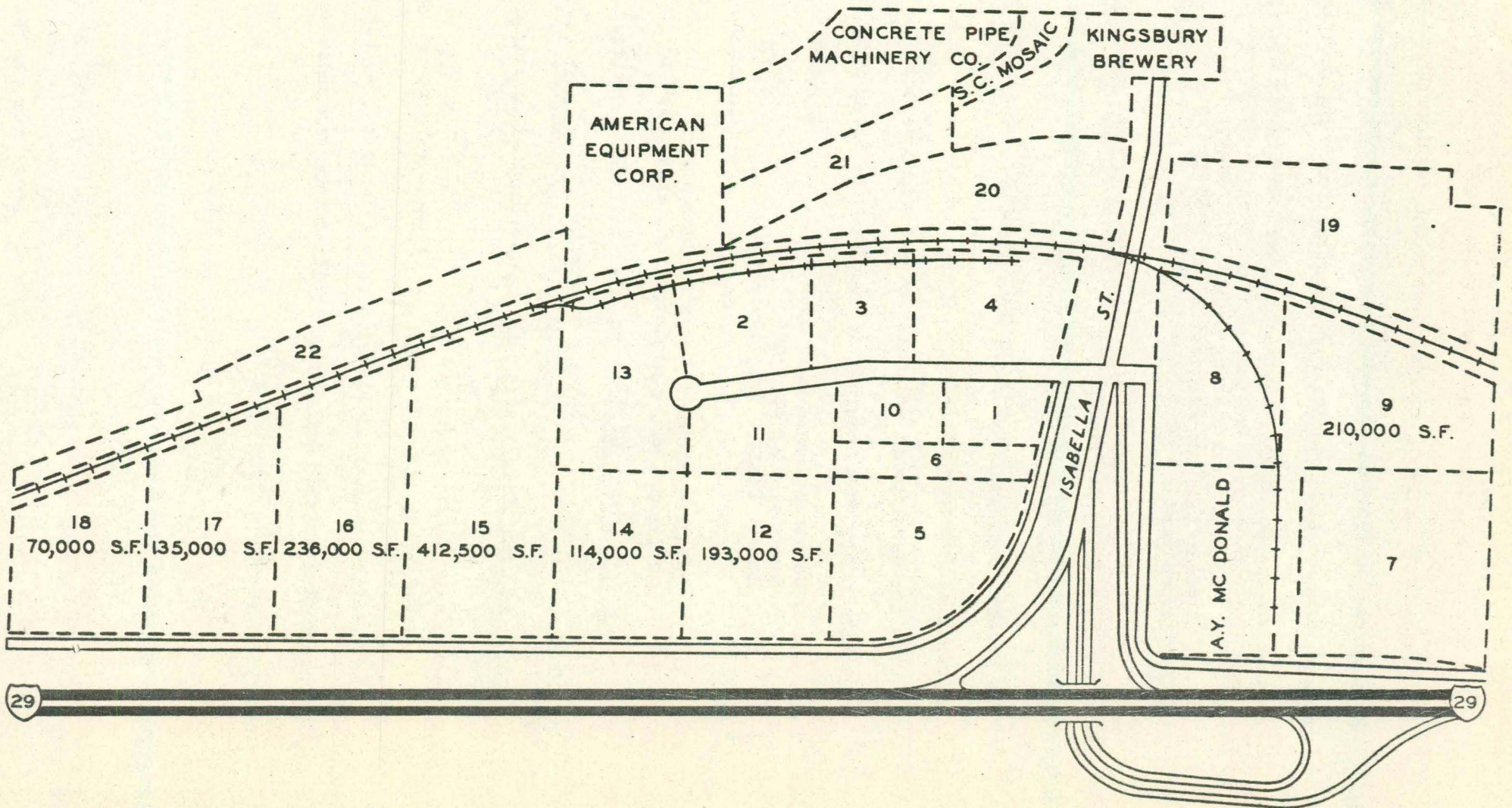
As the development and sales of sites progressed, the following development costs were incurred to complete the development:

Construction of Rail Spur	\$12,000
Sewer & Water Services	6,500
Street Costs - Tri-View Avenue	14,700
	<hr/>
Total Development Costs exclusive of legal fees, administration, etc.	\$84,185

The area was platted as Tri-View Industrial District. An area of 5.0 acres was dedicated to the public for the 50 foot parallel frontage road. An area of 1.35 acres has been dedicated to complete Tri-View Avenue, which is the street running west from Isabella.

Immediately after the opening of Interstate 29 in October, 1958, the Tri-View Industrial District sprang to life. At the close of 1961, the properties sold and amount realized from the sales were as follows:

FIGURE 2
TRI-VIEW INDUSTRIAL DISTRICT
SIOUX CITY, IOWA



<u>Property Figure 2</u>	<u>Year Sold</u>	<u>Sale Price Sq. Ft.</u>	<u>Amount Received</u>
1	1960	\$0.35	\$15,200
2	1960	0.20	16,000
3	1960	0.17	11,250
4	1960	0.20	25,500
5	1960	0.50	80,000
6	1961	0.50	30,000
7	1957	0.15	41,190
13	1961	0.25	29,250
19	1957	0.12	26,400
21	1961	----	2,500
22	----	----	500

\$277,790

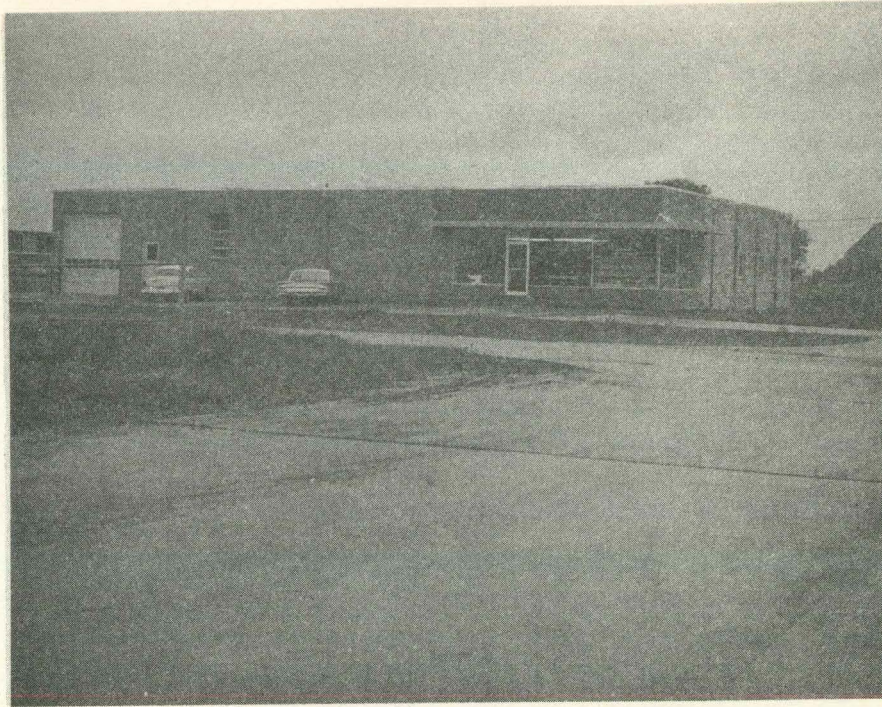
Nine tracts are yet available in the District. The area and asking prices of the unsold tracts are shown below:

<u>Property Figure 2</u>	<u>Area Sq. Ft.</u>	<u>Asking Price Sq. Ft.</u>	<u>Total Asking Price</u>
9	210,000	\$0.20	\$ 42,000
10	57,400	0.30	17,220
11	103,000	0.25	25,750
12	193,000	0.35	67,500
14	114,000	0.30	34,200
15	412,500	0.25	103,125
16	236,000	0.25	59,000
17	135,000	0.20	27,000
18	70,000	0.20	14,000
20	130,000	0.20	26,000

\$415,795

In addition to the tracts shown above, the owners have for sale or lease an area south of Interstate 29 which can be reached via the access point reserved and now under construction off the Interstate 29 ramp. The location lends itself to recreational development and a marina is under construction.

The purchasers of each of the tracts that have been sold were contacted and interviewed. A brief description of the plans of the purchasers and the improvements they have erected is included on the following pages.



FIRM: Refrigeration Engineering, Inc.

LOCATION: Tri-View Industrial District, Property 1

LAND ACQUIRED: The owner acquired the site from the developers in the summer of 1960. The purchase price was 35¢ per square foot for one acre. Utilities were in or were installed at no cost to the purchaser.

IMPROVEMENTS: The owner erected a 7500 sq. ft. warehouse type building with offices and display area. The Floyd River flood control project required that the owners vacate their previous location at 7th and Wall Street. The owners report that the proximity of the location to the Interstate Highway and the Isabella Street Interchange favorably affected their decision to select the present site over several others under consideration.

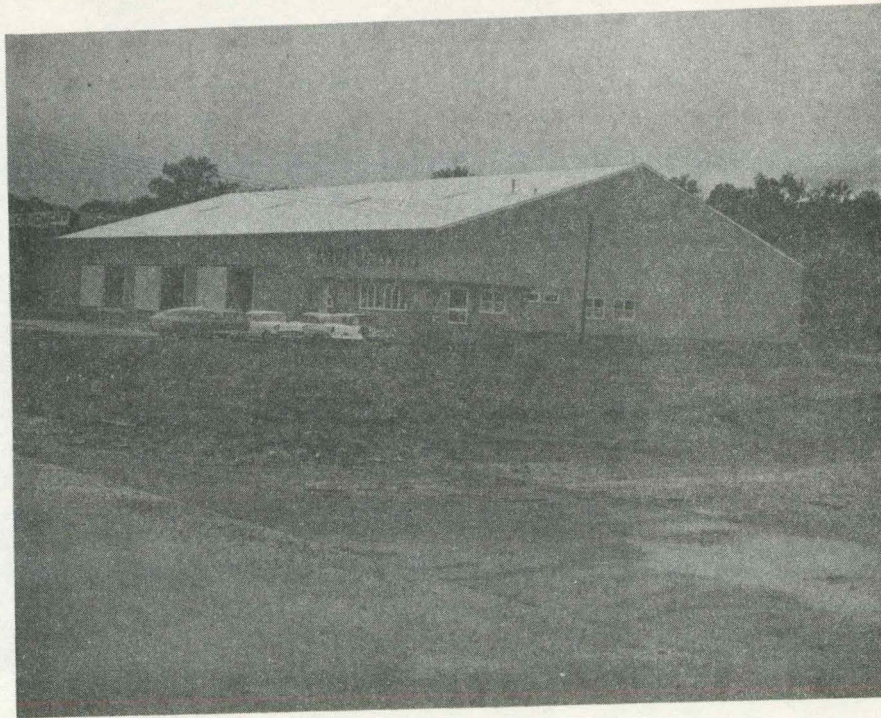


FIRM: Haakinson and Beaty Steel Co.

LOCATION: Tri-View Industrial District, Property 2

LAND ACQUIRED: This sale took place in August 1960. The purchase price was \$16,000 for two acres or \$8,000 per acre. Utilities and the paved street were completed prior to the sale.

IMPROVEMENTS: A \$120,000 shop, warehouse, and office building is being erected on the site. The merchandise of this firm moves in by rail and out by truck. Management reports that the proximity of this site to the Interstate Highway interchange was the controlling factor in the selection of the site. The change in location of this business was prompted by the fact that the previous location at the corner of 1st and Nebraska Street was leased from the C&NW Railroad Co. and the lessor recently sold the site for the construction of the downtown shopping center which is presently under construction.

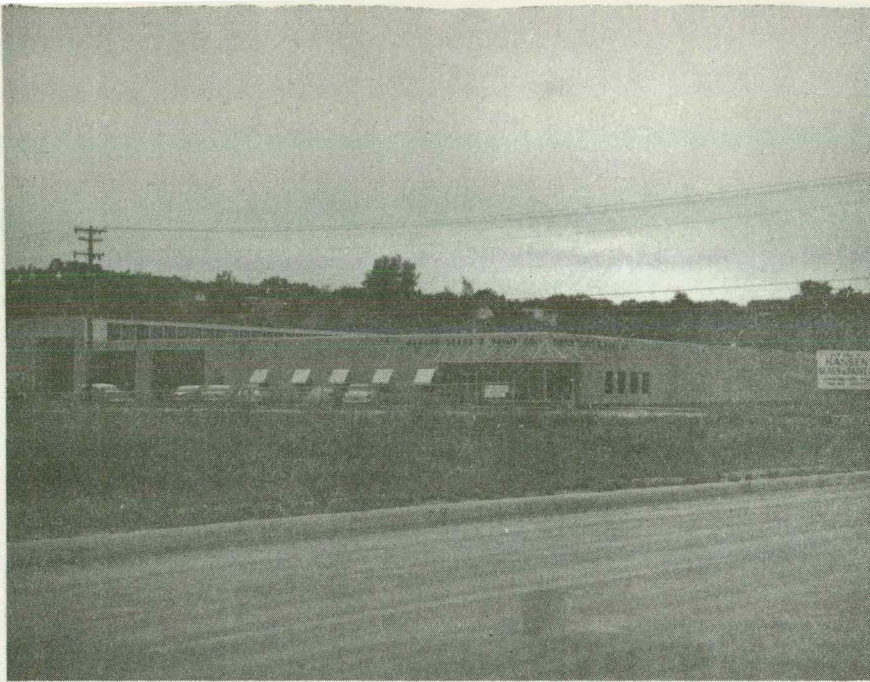


FIRM: Carr & Moehl Millwork Co. (Wholesale Millwork)

LOCATION: Tri-View Industrial District, Property 3

LAND ACQUIRED: The owners acquired this site in August of 1960. The purchase price was \$11,250 for 1.5 acres or \$7500 per acre. Utilities, street, and railroad siding were installed.

IMPROVEMENTS: A 100 x 150 ft. steel warehouse building was erected. Offices are contained therein. Management reports the site was selected because of the Interstate Highway and interchange which affords an arterial route to Iowa, South Dakota, and Nebraska. This is a new firm in Sioux City. The owners selected Sioux City because of its central location and expect that the convenience of the highway facility will enable them to interchange inventories between their various warehouses more conveniently than before. After new customers have located their location for the first time, the customer reaction is favorable.

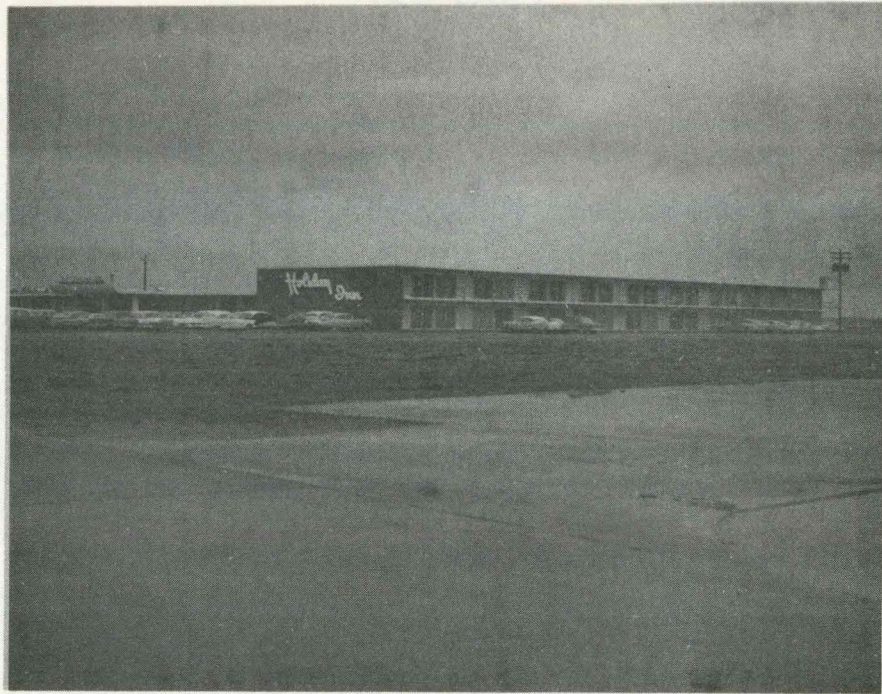


FIRM: Hansen Glass & Paint Co.

LOCATION: Tri-View Industrial District, Property 4

LAND ACQUIRED: August 1960. The purchase price was \$25,500 for three acres or \$8,500 per acre. Utilities, paving, and rail siding were completed prior to purchase.

IMPROVEMENTS: A \$260,000 warehouse and office building have been erected on the site. The Interstate Highway and interchange favorably affected the location of this site. Management states "It is more of a benefit than we had anticipated."

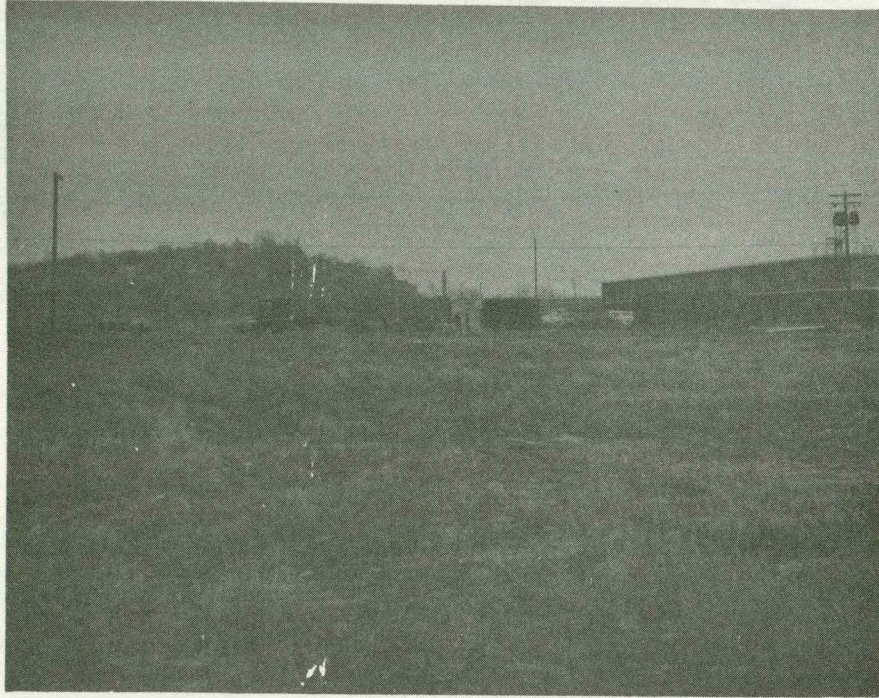


FIRM: Holiday Inn Motel

LOCATION: Tri-View Industrial District, Properties 5 and 6

LAND ACQUIRED: Tract 5 upon which the present improvement is located was purchased for \$80,000 in the Spring of 1960. The tract comprised 160,000 sq. ft. of area and sold for 50¢ per sq. ft. In the transaction the purchasers were granted a two year option to purchase Tract 6 comprising 60,000 sq. ft. for 50¢ per sq. ft. The motel opened in the early Spring of 1961. The option to purchase Tract 6 was exercised in the Fall of 1961.

IMPROVEMENTS: The owners, consisting of eleven Sioux City businessmen, operating under a franchise, report an investment exclusive of land of \$900,000 in this 104 unit motel and restaurant. The establishment employs about 100 people and was opened in April of 1961. Management reports excellent patronage. The rates are: \$8.50 single, \$10.50 double, and \$12.50 twin.



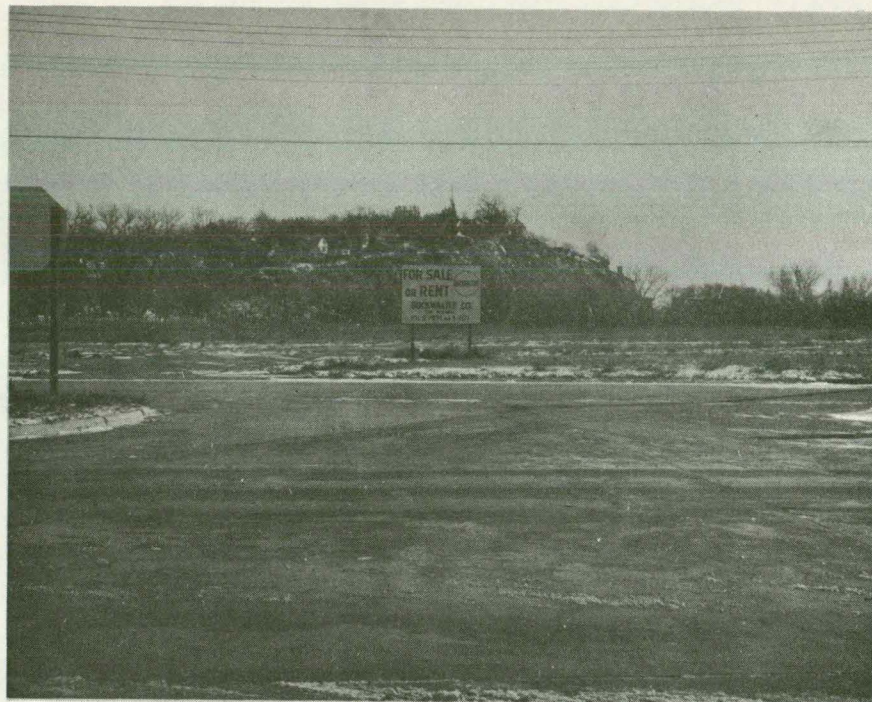
In November of 1961, after being open less than a year, a 48 unit addition to the motel is under construction on Tract 6.



OWNER: Bob Kussman

LOCATION: Tri-View Industrial District, Property 7

LAND ACQUIRED: The owner purchased this tract from the developers at the time of the highway improvement. The developers indicated that they sacrificed this tract for financing and development costs. The purchase price was \$41,190 for 6.3 acres. The property is presently for sale with a reputed asking price of from \$150,000 to \$170,000.

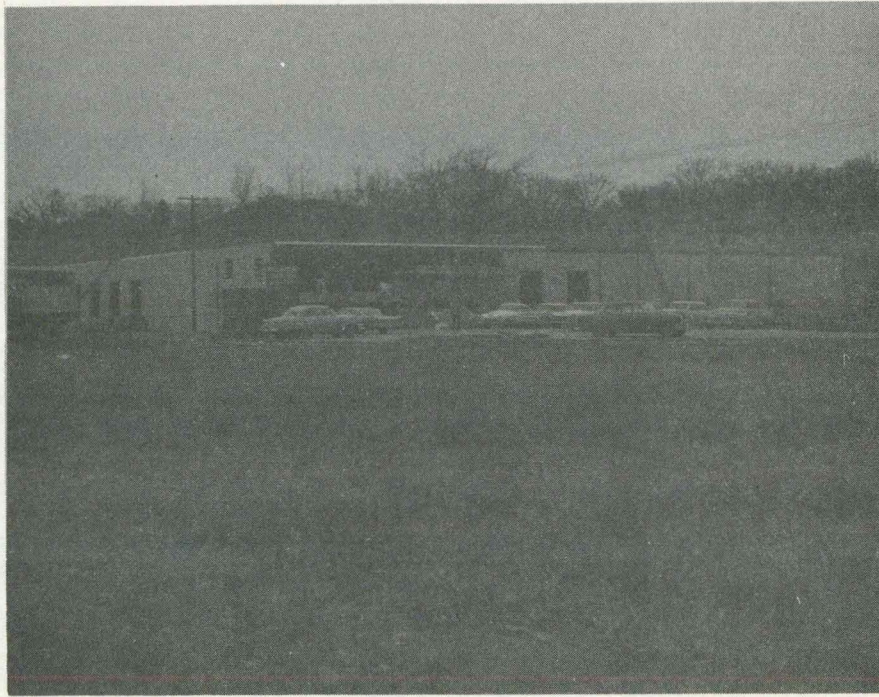


OWNER: A. Y. McDonald Mfg. Co.

LOCATION: Tri-View Industrial District, Property 8

This property is presently for sale and is listed by the Buckwalter Co. The asking price is 50¢ per sq. ft. for a short acre.

Note: The property of which this tract is a part had been sold prior to the 1957 acquisition by the Tri-View developers.

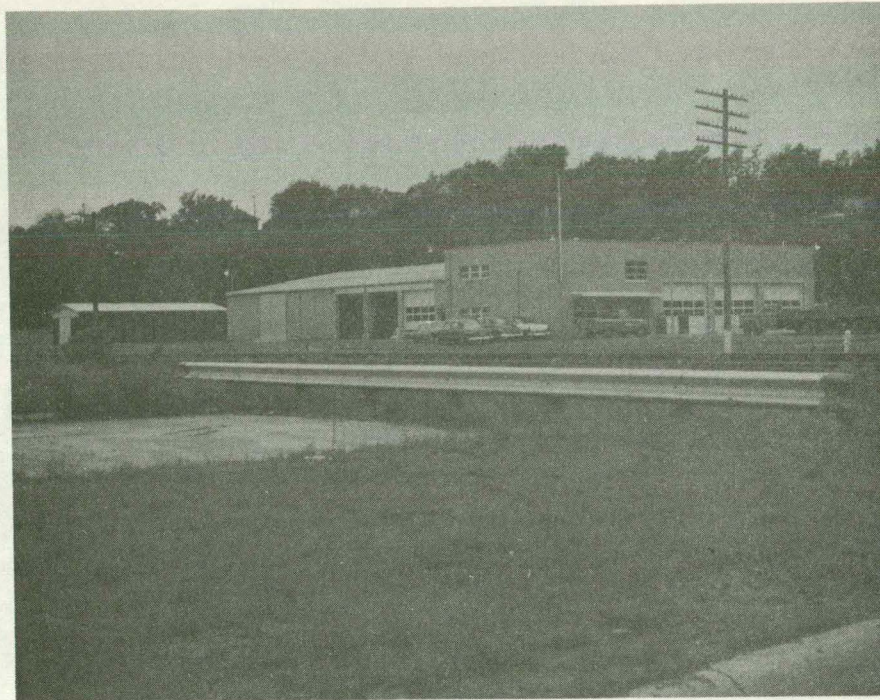


FIRM: Container Corporation of America

LOCATION: Tri-View Industrial District, Property 13

LAND ACQUIRED: Fall of 1961 - The purchase price was \$0.25 per sq. ft. for 117,000 sq. ft. An investment in land of \$29,250 results.

IMPROVEMENTS: A 200 ft. x 175 ft. manufacturing and fabricating plant is nearing completion on the site. Construction costs are near \$200,000. The firm is presently located in a multi-story plant elsewhere in Sioux City.



OWNER: State of Iowa

LOCATION: Tri-View Industrial District, Property 19

LAND ACQUIRED: The land was acquired from the Developers by the City of Sioux City on August 12, 1957 for a consideration of \$26,400 for approximately five acres. The area was improved by the construction of a storm sewer, drainage ditch, and fill prior to the acquisition by the State of Iowa from the City for \$36,947.70. The difference between acquisition cost and disposition price by the City represents the cost to the City of the improvements.

IMPROVEMENT: Highway Maintenance Garage



LOCATION: Tri-View Industrial District, Property 20

ASKING PRICE: Railroad trackage can be made available to this property from the Milwaukee Railroad. No spur has been constructed into the property as yet. The area is ideally located. The appearance is poor because of a growth of large trees and underbrush thereon. The asking price for the three acres is 20 cents per square foot or \$26,000.

FIRM: American Equipment Corporation

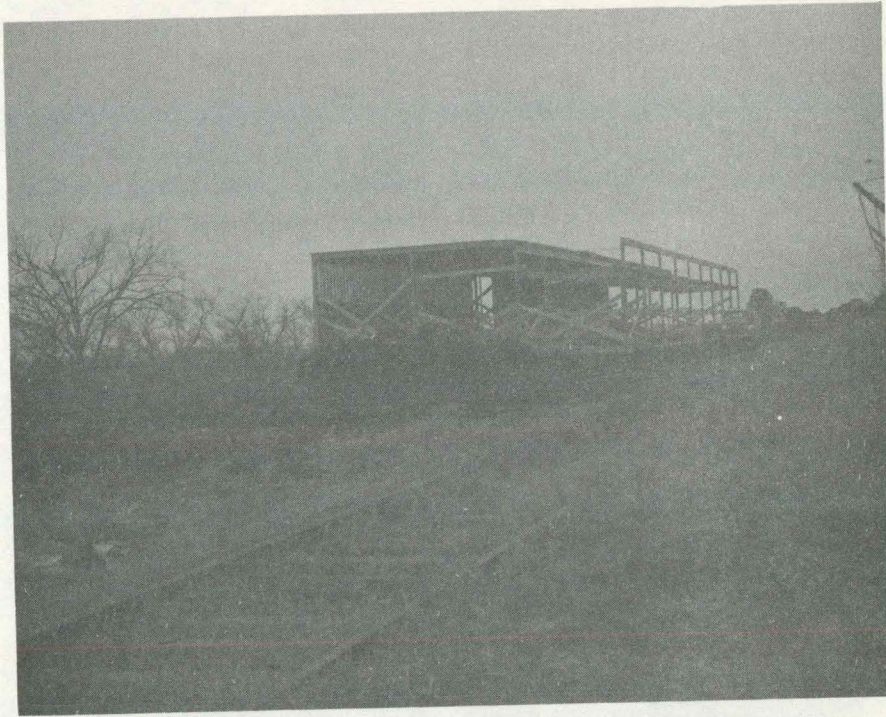
LOCATION: Tri-View Industrial District, Property 22

LAND ACQUIRED: This slender irregular tract which varies from 50 ft. in width to 125 ft. in width was sold to the American Equipment Corporation for \$500. The area abutted the holdings of the purchaser. The area had little value for development purposes.



The asking price for available tracts in the Tri-View Industrial District is as follows:

Property	Price per Sq. Ft.
#9	\$0.20
#10	0.30
#11	0.25
#12	0.35
#14	0.30
#15	0.25
#16	0.25
#17	0.20
#18	0.20
#20	0.20



FIRM: Cherokee Equipment Co.

LOCATION: Tri-View Industrial District, Property 21

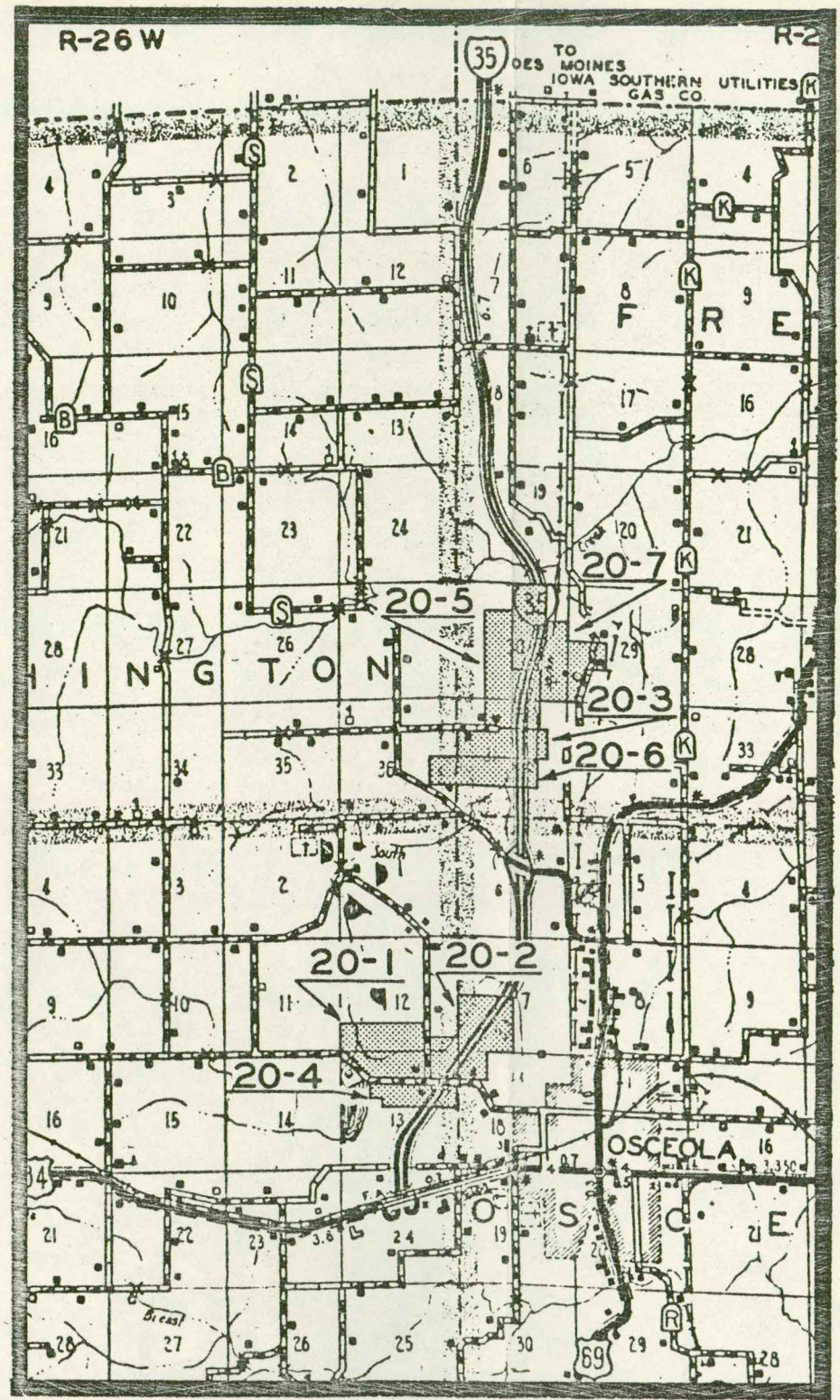
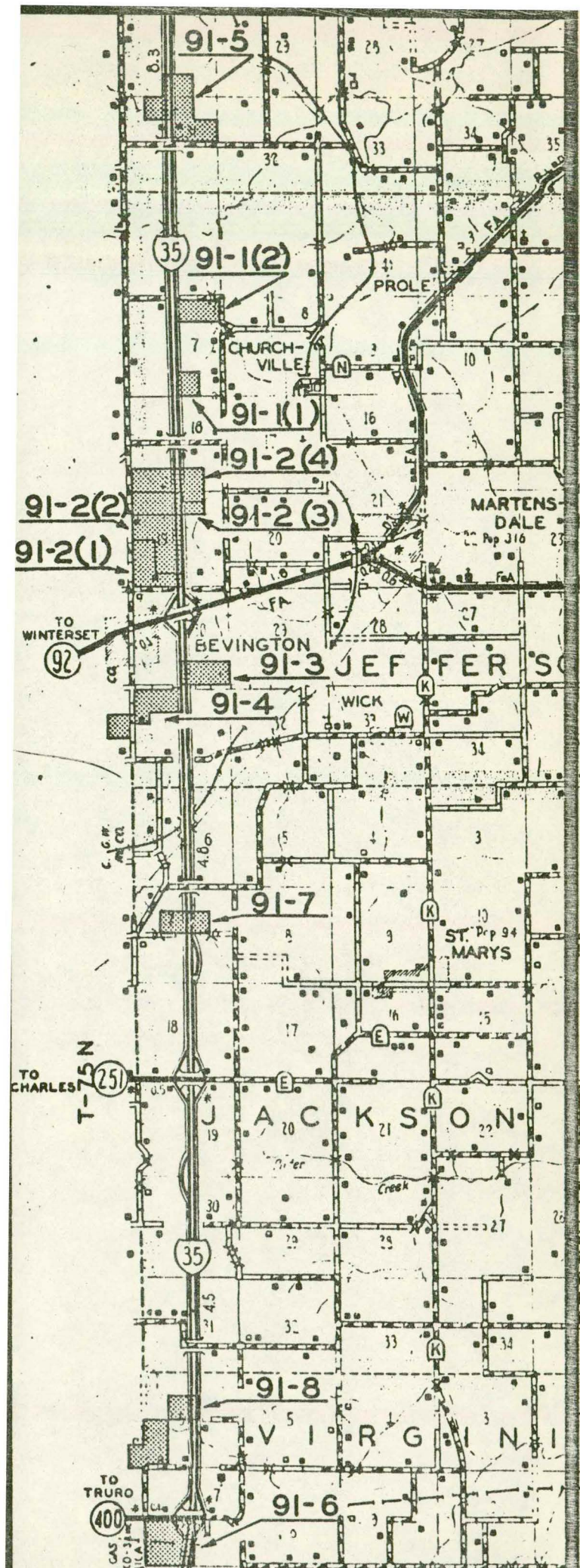
LAND ACQUIRED: The construction site is located on top of the Bluff overlooking the principal part of the Tri-View Industrial District. The land was acquired in October 1961 at a cost of \$2500.

IMPROVEMENTS: The building will be built in stages, having a total of over 20,000 sq. ft. The first stage, encompassing 7,000 sq. ft., is now under construction. The company began operations in Sioux City in 1959. The company now specializes in farm equipment items such as wagon hoists, truck hoists and rear blades. The north side of the building is accessible to a spur track of the Milwaukee Railroad.

APPENDIX

INDEX MAP

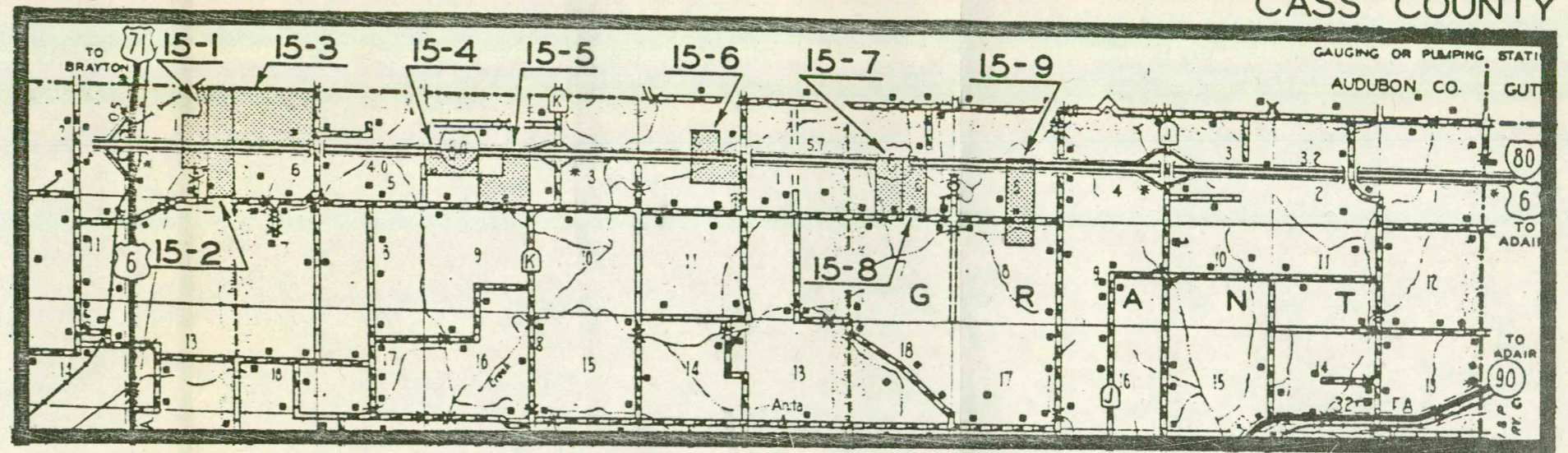
WARREN COUNTY



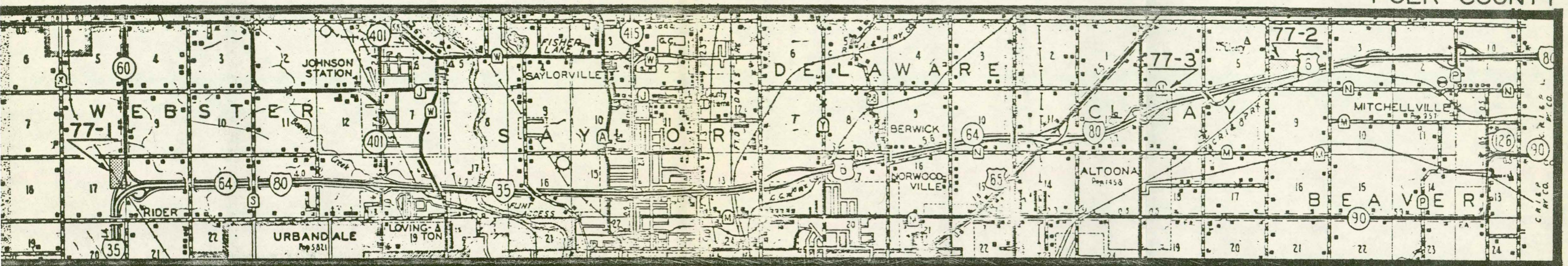
CLARKE COUNTY



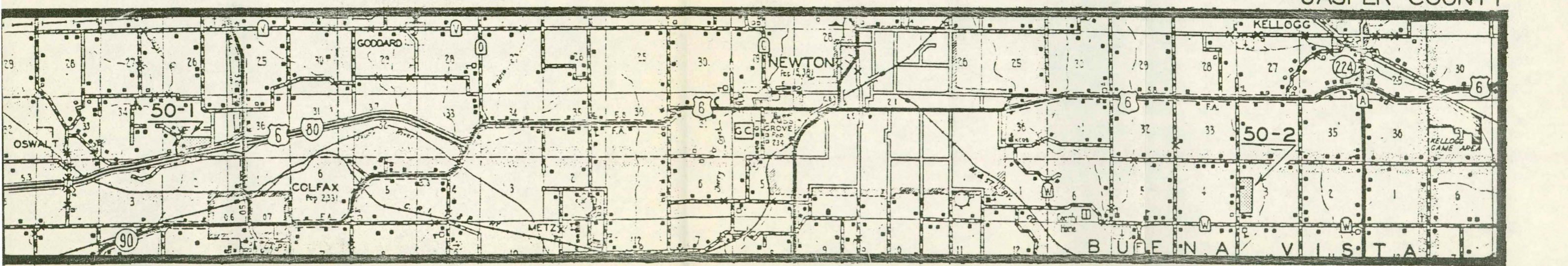
INDEX MAP CASS COUNTY



POLK COUNTY



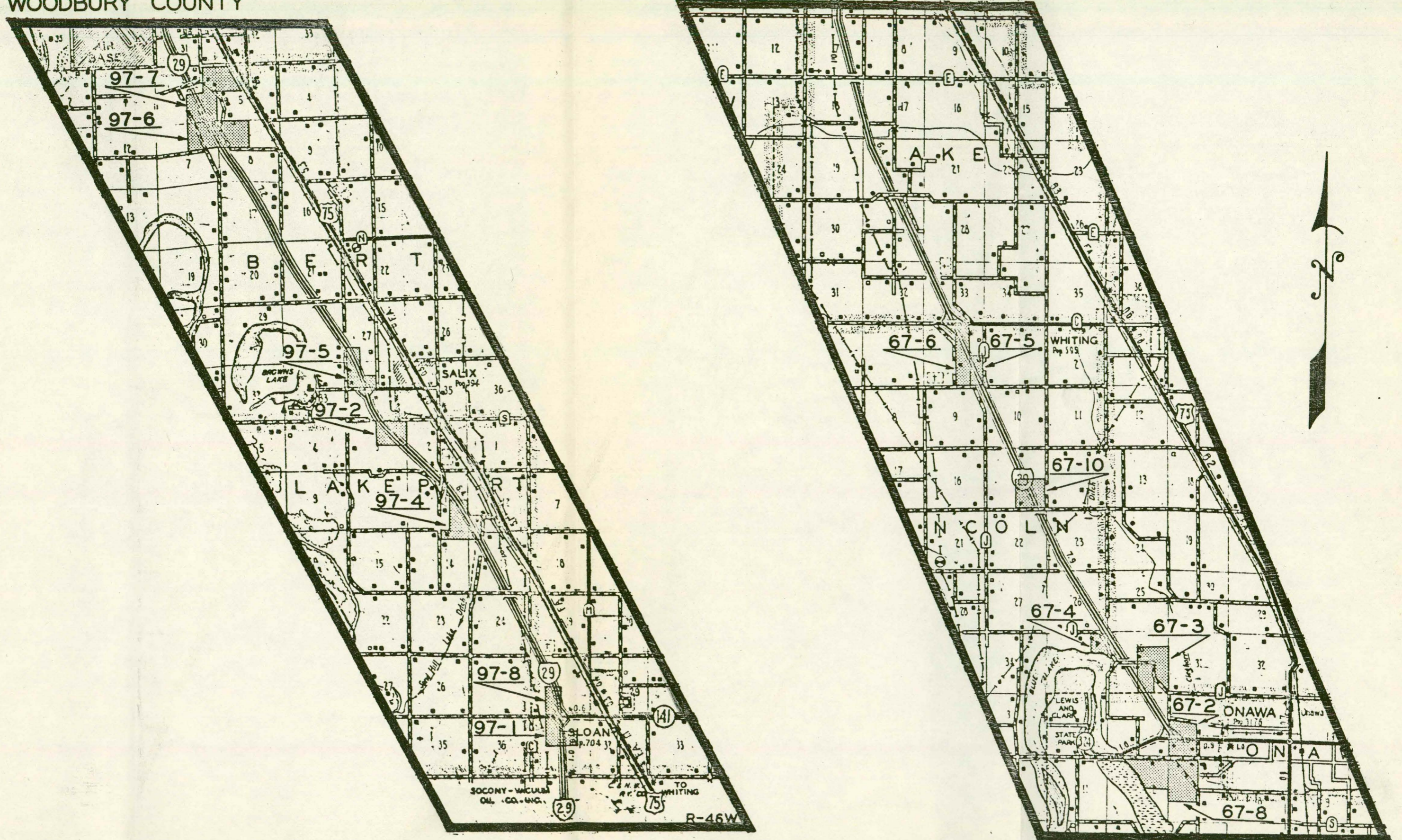
JASPER COUNTY



WOODBURY COUNTY

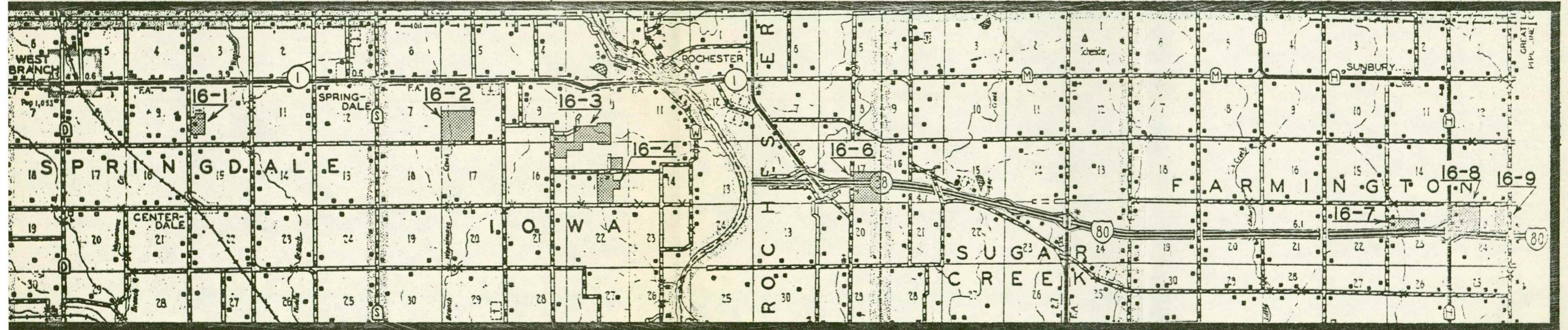
MONONA COUNTY

INDEX MAP

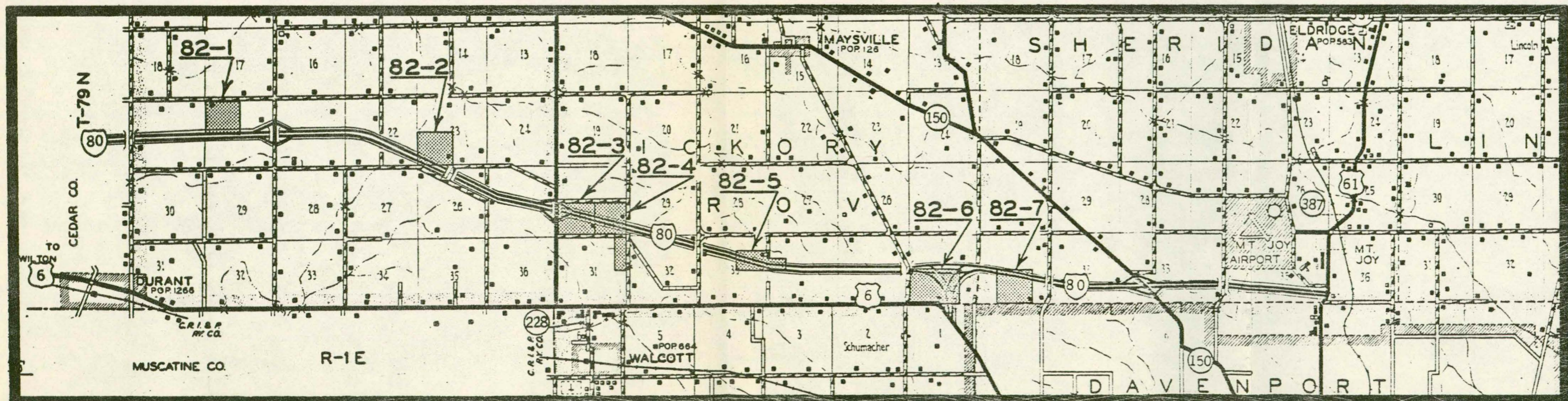


INDEX MAP

CEDAR COUNTY



SCOTT COUNTY



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