Mixed-use development is—in a broad sense—any urban, suburban, rural or village development, or even a single building, that blends a combination of residential, commercial, cultural, institutional, or industrial uses, where those functions are physically and functionally integrated. The term may also be used more specifically to refer to a mixed-use real estate development project—a building, complex of buildings, or district of a town or city that is developed for mixed-use by a private developer, (quasi-) governmental agency, or a combination thereof.
What are the Benefits of Mixed Use

- greater housing variety and density
- reduced distances between housing, workplaces, retail businesses, and other destinations
- more compact development – urban infill
- stronger neighborhood character
- pedestrian and bicycle-friendly environments
VALUATION CONSIDERATIONS FOR MIXED USE PROPERTY

- CURRENT ZONING
  - What Are the Allowed Uses? Are We Legal, Legal Non-Conforming or Illegal?
  - Lot Size & Setback Requirements
    - What Happens if Taking Reduces Below Minimum?
    - Is a Variance Required?
  - Landscape Requirements
    - Contributory Value or Cost to Cure
  - Parking Requirements
    - Very Common Form of Damage

- FUTURE LAND USE
  - Can We Consider in the Condemnation Process?
    - COMPREHENSIVE PLANS – KRS 100.183
    - FUTURE LAND USE MAPS
    - PRELIMINARY DEVELOPMENT PLANS
    - RECORDED SUBDIVISION PLATS
VALUATION CONSIDERATIONS FOR MIXED USE PROPERTY

- **LEGAL – DEED RESTRICTIONS/COVENANTS, ETC.**
  - CONDEMNATION CLAUSES
    - Do We Consider Them in the Valuation Process?

- **PHYSICAL CHARACTERISTICS**
  - Lot Size & Shape
  - Access (Reasonable or Not?)
  - Topography & Flood Plain
  - Building Improvements
  - Site Improvements (SLI)

- **ECONOMIC FEASIBILITY**
  - Market Supply & Demand – Timing
  - Availability of Financing

- **MAXIMALLY PRODUCTIVE**
  - HIGHEST AND BEST USE
SPLIT ZONING ON SAME PROPERTY

- More Often Than Not Requires Use of Multiple Sets of Comparable Sales
- Different highest and best use
- Different types of improvements
- Different income characteristics
- Parking requirements
  - Different uses require different amounts of parking.
  - Cross parking considerations – Can You Use Other Parts of Property Which Are Zoned Different for Parking?
  - Off-site parking considerations – can we consider this in condemnation?
  - Effects of Lost Parking on Improvement Functional Utility
ZONING CONSIDERATIONS

- MIXED USE ZONING
  - Contemporary Form of Zoning
  - Often Will Have Specific Requirements for Residential and Commercial Components
  - Best to Use Similar Zoned Land For Comp Purposes

- LEGAL NON-CONFORMING USE
  - What Happens if Taking Results in the Loss of Legal Non-Conforming Status?

- CONDITIONAL USE PERMITS
  - What Happens if Taking Alters the Permitted Conditional Use?
HOW DOES RWUMS HANDLE MIXED-USE/ZONED PROPERTY?
STEP 1 - ADD MULTIPLE LAND CLASSIFICATIONS TO DESCRIPTION ON PAGE 2
### Appraisal Sheet 5 - Cost Approach Before Value - TC 62-20.5

**Parcel Number:** 0056

**Appraiser’s Name:** WILL BERKLEY

**Land Value Justification**
- **H & B Use:** COMMERCIAL
- **Land Size:** 0.6600
- **Indicated Unit Value:** $660,000.00
- **Subjected Estimated Land Value:** $435,600.00
- **Subjected Estimated Land Value Rounded:** $435,600.00

**Comparable Sales Data**

<table>
<thead>
<tr>
<th>Field Description</th>
<th>Comp #</th>
<th>Comp ##</th>
<th>Comp ###</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sale Number</td>
<td>16</td>
<td>20</td>
<td>21</td>
</tr>
<tr>
<td>H &amp; B Use</td>
<td>Commercial</td>
<td>Commercial</td>
<td>Commercial</td>
</tr>
<tr>
<td>Land Size</td>
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<td>0.4413 AC</td>
<td>1.2190 AC</td>
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<tr>
<td>Sale Price</td>
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<td>Time Factor</td>
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<td>Adjusted Sale Price</td>
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**RWUMS PAGE 5**

**ADDING A LAND CLASSIFICATION ADJUSTMENT GRID**

---

**Appraisal Sheet 5 - Cost Approach Before Value - TC 62-20.5**

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<td>WILL BERKLEY</td>
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<td>Subject per Acre/Sq Ft</td>
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<td>$664,809.65</td>
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</table>
Appraisal Sheet 5 - Cost Approach Before Value - TC 62-20.5

- Cost Approach BV - Updated

Parcel Number: 0056

Appraiser's Name: WILL BERKLEY

Show LV Justification

Add LV Justification

Land Value Justification

* H & B Use: INDUSTRIAL

* Land Size: 0.5000

Indicated Unit Value: 252500

Subjected Estimated Land Value: $120,250.00

Subjected Estimated Land Value Rounded: 126250

Comparable Sales Data

<table>
<thead>
<tr>
<th>Field Description</th>
<th>Comp #</th>
<th>Comp ##</th>
<th>Comp ###</th>
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<tbody>
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<td>0.2780 AC</td>
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<tr>
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<td>$320,143.88</td>
</tr>
</tbody>
</table>
Appraisal Sheet 9 - Correlation & Allocation Before Value - TC 62 - 20.9

Parcel Number: 0056

Appraiser's Name: WILL BERKLEY

Note: At least one approach must be present to save Sheet 9. Only one Valuation Approach is required.

* Indicated Value By Cost Approach: $886,250.00
* Indicated Value By Income Approach: $0.00
* Indicated Value By Sales Comparison Approach: $0.00

* Correlation:


* Estimated Fair Market Value: $886,250

<table>
<thead>
<tr>
<th>Land Classification</th>
<th>Area</th>
<th>UOM</th>
<th>Unit Value</th>
<th>Allocated Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select</td>
<td>COMMERCIAL</td>
<td>0.6600</td>
<td>AC</td>
<td>$660,000.00</td>
</tr>
<tr>
<td>Select</td>
<td>INDUSTRIAL</td>
<td>0.5000</td>
<td>AC</td>
<td>$252,500.00</td>
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<tr>
<td><strong>Total Land:</strong></td>
<td></td>
<td></td>
<td><strong>$561,850.00</strong></td>
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## LAND CLASS ADJUSTMENT

### SUBJECT

<table>
<thead>
<tr>
<th>Class</th>
<th>Acres</th>
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<tbody>
<tr>
<td>Cropland</td>
<td>6</td>
</tr>
<tr>
<td>Pasture</td>
<td>42.66</td>
</tr>
<tr>
<td>Woodland</td>
<td>5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>53.66</td>
</tr>
</tbody>
</table>

### PROOF OF LAND MIX ADJUSTMENT

#### SALE NO. 9

<table>
<thead>
<tr>
<th>Land Class</th>
<th>Subject Area</th>
<th>X</th>
<th>Sales Contribution</th>
<th>Total</th>
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</thead>
<tbody>
<tr>
<td>Cropland</td>
<td>6</td>
<td>X</td>
<td>$ 1,898</td>
<td>$ 11,388</td>
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<tr>
<td>Pasture</td>
<td>42.66</td>
<td>X</td>
<td>$ 1,609</td>
<td>$ 68,642</td>
</tr>
<tr>
<td>Woodland/Creek</td>
<td>5</td>
<td>X</td>
<td>$ 565</td>
<td>$ 2,825</td>
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<tr>
<td><strong>Total Land</strong></td>
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<td></td>
<td></td>
<td>$ 82,855</td>
</tr>
</tbody>
</table>

Woodland Value from Sale 10

**SUBJECT'S INDICATED LAND VALUE ADJUSTED FOR MIX:** $ 82,855

**PER ACRE:** $ 1,544

**LESS: SALES UNADJUSTED LAND VALUE PER ACRE:** -$ 1,721

**INDICATED ADJUSTMENT FOR LAND MIX:** -$ 176

#### SALE NO. 10

<table>
<thead>
<tr>
<th>Land Class</th>
<th>Subject Area</th>
<th>X</th>
<th>Sales Contribution</th>
<th>Total</th>
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<tbody>
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<td>6</td>
<td>X</td>
<td>$ 1,927</td>
<td>$ 11,563</td>
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<tr>
<td>Pasture</td>
<td>42.66</td>
<td>X</td>
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<td>$ 68,640</td>
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<td>Woodland/Creek</td>
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<td>X</td>
<td>$ 565</td>
<td>$ 2,826</td>
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<tr>
<td><strong>Total Land</strong></td>
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<td></td>
<td>$ 83,028</td>
</tr>
</tbody>
</table>

Pasture Value from Sale 9

**SUBJECT'S INDICATED LAND VALUE ADJUSTED FOR MIX:** $ 83,028

**PER ACRE:** $ 1,547

**LESS: SALES UNADJUSTED LAND VALUE PER ACRE:** -$ 1,894

**INDICATED ADJUSTMENT FOR LAND MIX:** -$ 346