

Uniform Agricultural Appraisal Report

City of Norwood Young America
4.76 +/- Acres Lot in the city of Norwood Young America

Effective Date: May 21st, 2021

Prepared For:
The City of Norwood Young America City Council

Attn: Karen Hallquist
Economic Development and Marketing Director

Intended User:
The Only Authorized/Intended User Is:
The City of Norwood Young America

Prepared By:
Andrew Wendlandt
Certified General Appraiser
806 3rd Street So., P.O. Box 608
Waite Park, MN 56387-0608

Date Prepared:
June 11th, 2021

Andrew Wendlandt
MN Certified General Appraiser #40469709
Cell Phone: 320-203-4626

June 11th, 2021
City of Norwood Young Amercia
310 Elm Street West,
PO Box 59,
Norwood Young America, MN 55368

Attn: Karen Hallquist and city council

RE: B-1 Business Industrial Lot, property appraisal

As requested, I have examined and appraised the 4.76 +/- acres of real estate, located within the city limites of Norwood Young America, Carver County, Minnesota. The property were identified with a Tax PID (58.850.0120) and followup conversations with Karen Hallquist.

The appraisal was for providing an "as is" opinion of market value purposes for potential sale purposes as requested. The intended user of this report is the city of Norwood Young America.

The objective was to estimate the Market Value of the fee simple title. Please refer to the Market Value definition and Assumptions and Limiting Conditions in this report.

I have inspected the subject property, the comparable sales and considered all pertinent factors affecting value of the subject property. The appraisal reflects my analysis of the data gathered and the reasoning involved in arriving at the conclusion of value.

Our appraisal process / scope of work and appraisal report complies with the Uniform Standards of Professional Appraisal Practice (USPAP) and Title XI of the Federal Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA).

The appraisal reflects my analysis of the data gathered and the reasoning involved in arriving at the conclusion of value.

In my opinion, the Estimated Market Value (EMV), as of **May 21st, 2021, is: \$211,500**

My appraisal process / scope of work and appraisal report complies with the Uniform Standards of Professional Appraisal Practice (USPAP) and Title XI of the Federal Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA). My Appraisal Report and Process are developed and prepared in conformity with and subject to the Code of Professional Ethics and Standards of Professional Conduct of the American Society of Farm Managers and Rural Appraisers, and the Appraisal Institute.

Thank you for the opportunity to provide this service for you.

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Respectfully submitted,



Andrew M. Wendlandt

Table of Contents

Page Title	Page #
Letter of Transmittal	1
Report Summary	3
Appraisal Development (Scope of Work) & Reporting	4
Area - Regional Description	6
Location Map	7
City Limits Map	8
Survey	9
Legal Provided by City - Property / Tax Identifier	10
Aerial	11
Soils	12
Topography	13
FEMA	14
Wetland Overlay	15
Photos	16
Photos	17
Subject Land Description	18
Land Analysis	19
Subject History and Use	20
Highest & Best Use	21
Zoning Map	22
B-1 Business Industrial Zoning Code	23
Birds Eye View	25
Sales Comparison	26
Sales Comparison Comments	27
Sales Map	29
Reconciliation	45
Limiting Conditions	46
Value Definition	47
Certification	48
Appraiser License	49
Appraiser Qualifications	50

Uniform Agricultural Appraisal Report

Property Identification

Owner/Occupant: City of Norwood Young America Total Deeded Acres: 4.76
 Property Address: NA Effective Unit Size: 207,346.00
 State/County: MN / Carver Zip Code: _____
 Property Location: Adjacent to Sauk Rapids city limits, Minden Township, SW Benton CO Property Code #: 58.850.0120
 Highest & Best Use: Commercial Lot "As If" Vacant FAMC Comd'ty Gp: _____
Not Improved "As Improved" Primary Land Type: Development Site
 Zoning: B-1 Business Industrial Primary Commodity: Development Site
 Unit Type: ☒ Economic Sized Unit ☐ Supplemental/Add-On Unit
 FEMA Community # 27009 FEMA Map # 0276E/0278E FEMA Zone/Date: X: 08-16-2011
 Legal Description: Lot 004, Block 003 Young America Industrial Park SEC 14 TWP 115 RNG 26 Attached ☒
 Purpose of Report: Provide an Opinion of Market Value for Potential Sale
 Use/Intended User(s): Establishing Value for Potential Sale / City of Norwood Young America
 Rights Appraised: Fee Simple Interest, subject to any easements of record
 Value Definition: Market value per FIRREA Attached ☒
 Assignment: Real Estate Appraisal Report Type: Appraisal Report
 Extent of Process/Scope of Work: See Exhibits On Following Pages and Comments in Limiting Conditions Exhibit.

Summary of Facts and Conclusions

Appraisal Report Summary

Date of Inspection: 05/21/21 Effective Date of Appraisal: 05/21/21
Value Indication
 - Cost Approach: _____ \$ N/A
 - Income Approach: _____ \$ N/A
 - Sales Comparison Approach: _____ \$ 211,500
Opinion of Value: *(Estimated Marketing Time +/- 12 months)* \$ 211,500
 Cost of Repairs: \$ 0 Cost of Additions: \$ 0
Allocation:
 Land: \$ 211,500 \$ 44,433 / Acre (100 %)
 Land Improvements: \$ 0 \$ 0 / Acre (0 %)
 Structural Improvement Contribution: \$ 0 \$ 0 / Acre (0 %)
 Non-Realty Items: \$ 0 \$ 0 / Acre (0 %)
 Leased Fee Value *(Remaining term of encumbrance _____)* \$ 0 \$ 0 / Acre (0 %)
 Leasehold Value: _____ \$ 0 \$ 0 / Acre (0 %)
 Overall Value: \$ 44,433 / Acre (100 %)
Income and Other Data Summary: ☒ Cash Rent ☐ Share ☐ Owner/Operator ☐ FAMC Suppl. Attached
 Income Multiplier _____ () Income Estimate: \$ 0.00 / Acre (unit)
 Expense Ratio 46.18 % Expense Estimate: \$ 0.00 / Acre (unit)
 Overall Cap Rate: 0.95 % Net Property Income: \$ 0.00 / Acre (unit)

Area-Regional-Market Area Data and Trends:

	Above Avg.	Avg.	Below Avg.	N/A
Value Trend	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sales Activity Trend	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Property Compatibility	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Effective Purchase Power	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Demand	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Development Potential	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Desirability	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Subject Property Rating:

	Above Avg.	Avg.	Below Avg.	N/A
Location	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Soil Quality/Productivity	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Improvement Rating	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Compatibility	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rentability	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Market Appeal	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Overall Property Rating	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Appraisal Development (Scope of Work) & Reporting

Appraisal Development and Reporting

A complete Scope of Work has been used for estimating value. A summary report has been used to communicate an opinion of Estimated Market Value as of **May 4th, 2021**. Compeer Financial requested the appraiser to provide an estimate of market value on the subject property and is considered to be the client of record and the intended users of this analysis. This Scope of Work and reporting are intended to comply with Uniform Standards of Professional Appraisal Practice (USPAP). The appraiser assumes that the client is knowledgeable of the Uniform Standards of Professional Appraisal Practice (USPAP).

The appraiser has not performed a real property appraisal on a portion of subject property within the past three years.

Competency

I have taken all steps necessary and appropriate to complete this assignment competently. This includes formal education, completion of appraisal assignments and consulting with knowledgeable real estate professionals. I have appraised agricultural properties for Compeer Financial (formerly AgStar Financial) for 5 years. I have appraised a wide variety of agricultural properties in over 40 counties in Minnesota and similar as the subject in both Minnesota and North Dakota. I believe I am competent to appraise the subject property.

Scope of the Appraisal

The purpose of this appraisal is to estimate the Market Value, as defined, for loan making purposes. The scope of the appraisal is intended to summarize the extent of the process used to collect, confirm, and communicate data that is the basis of my value estimate. My analysis of the subjects' value is intended to be thorough and complete, but this appraisal is by no means an exhaustive market study of the property and its neighborhood.

Rights Appraised: Fee Simple Estate. The classic definition of fee simple estate is defined as: "Absolute ownership unencumbered by any other interests or estate, subject only to the limitations imposed by the government powers of taxation, eminent domain, police power, and escheat."

General Data Collection, Confirmation and Reporting

There was physical inspection of the subject property on May 4th, 2021. The appraiser did not make a physical entry into the residence onsite as it is rented out. Additionally the appraiser received additional pertinent information from the property owners. The appraiser utilized aerial imagery, the property owner, area realtors, and other sources of sales transactions. Current aerial photos, soils maps, and topography maps from Agridata, Google Earth and County GIS maps are used to estimate land types, soil productivity and drainage adequacy.

Highest and Best Use

The Highest and Best Use opinion of the subject was developed from factual information of the subject property, area and neighborhood data, and county zoning regulations. The regional, area and neighborhood information, climate, flood information, soils classifications and productivity, aerial photos, zoning regulations, building permit information, population statistics were provided by City/County Planning and Zoning, Minnesota Agricultural Census, County Extension Service, Chamber of Commerce, FEMA, USDA/CFSA & NRCS, MPCA, Surety On-line Mapping, Google Maps, MLS sales information service, local realtors, neighborhood buyers/sellers and personal knowledge of the region/neighborhood.

Sales and Rental Data Collection, Confirmation and Reporting

Sales information searches for unimproved properties were conducted from in Benton County. Research of public records, interviews with area real estate agents, county government officials and other individuals knowledgeable in the real estate market, were used to find market data which is then verified, analyzed and used in this report. The complete sales analysis is part of the appraiser's work file. Detailed analysis of the comparable sales, used to determine the value of the subject property are part of the addenda of this report.

Appraisal Development (Scope of Work) & Reporting

Valuation Methods

In this appraisal, all three Approaches/methods of appraisal were considered.

In the *COST APPROACH*, market sales are used to independently value the individual land and improvements resources of the subject property (land, buildings, and/or site improvements, and/or related equipment). These values are then added, for a total market value of the subject property. The Cost Approach is based on the principle of "substitution" that holds that a buyer would pay no more for a property than the cost to acquire a similar site and construct improvements of equivalent desirability and utility without undue delay.

The *INCOME APPROACH* is a method which measures the present value, of the future benefits, of property ownership (conversion of anticipated future income into an indication of value). Annualized net income is estimated for the subject and comparable sales, based on comparable market rental information. The estimated net income of each sale is divided by the sale price for an "Overall" Capitalization Rate. This Rate represents return "on" the investment and the recapture "of" any investments with depreciating assets/resources. An appropriate capitalization rate is then selected, and applied to the estimated net income of the subject, for an estimate of value by the Income Capitalization Approach.

In the *SALES COMPARISON APPROACH*, similar market sales are compared to the subject property to determine its Market Value. The Sale Comparison Approach is based on the principle of "substitution" that holds that the value of a property tends to be set by the price paid to acquire a substitute property of similar utility and desirability, within a reasonable market-time. When compared to the subject, the superior characteristics of the comparable sales are adjusted downward and inferior characteristics of the comparable sales are adjusted upward. The adjusted sale prices of all the comparable's sales are then reconciled to arrive at an indicated Market Value of the subject property.

The last step in the appraisal process is the *RECONCILIATION* or correlation of the indications of value from the approaches to value that were used in the appraisal to arrive at a final conclusion of value. This process provides the reasons how the final value of the subject property is determined. A greater emphasis may be placed on one or more approaches to value or all of the approaches could be given equal weight in arriving at the final value. Some of the factors influencing these decisions are the purpose of the appraisal; the subject property type; adequacy and reliability of the comparable sale and real estate market data and which approach is the most reliable to use in the valuation of the subject property. After considering these factors and other information in the appraisal, a final value for the subject property is selected based on the values indicated by the approaches to value used in the appraisal.

Area-Regional Description - Subject's Competitive Market Area

(Describe social, economic, governmental, & environmental forces affecting marketability & value - including but not limited to value trends, sales activity, population trends, employment trends; market availability of competing properties; subject property compatibility within neighborhood; effective purchase power, demand, desirability, etc.)

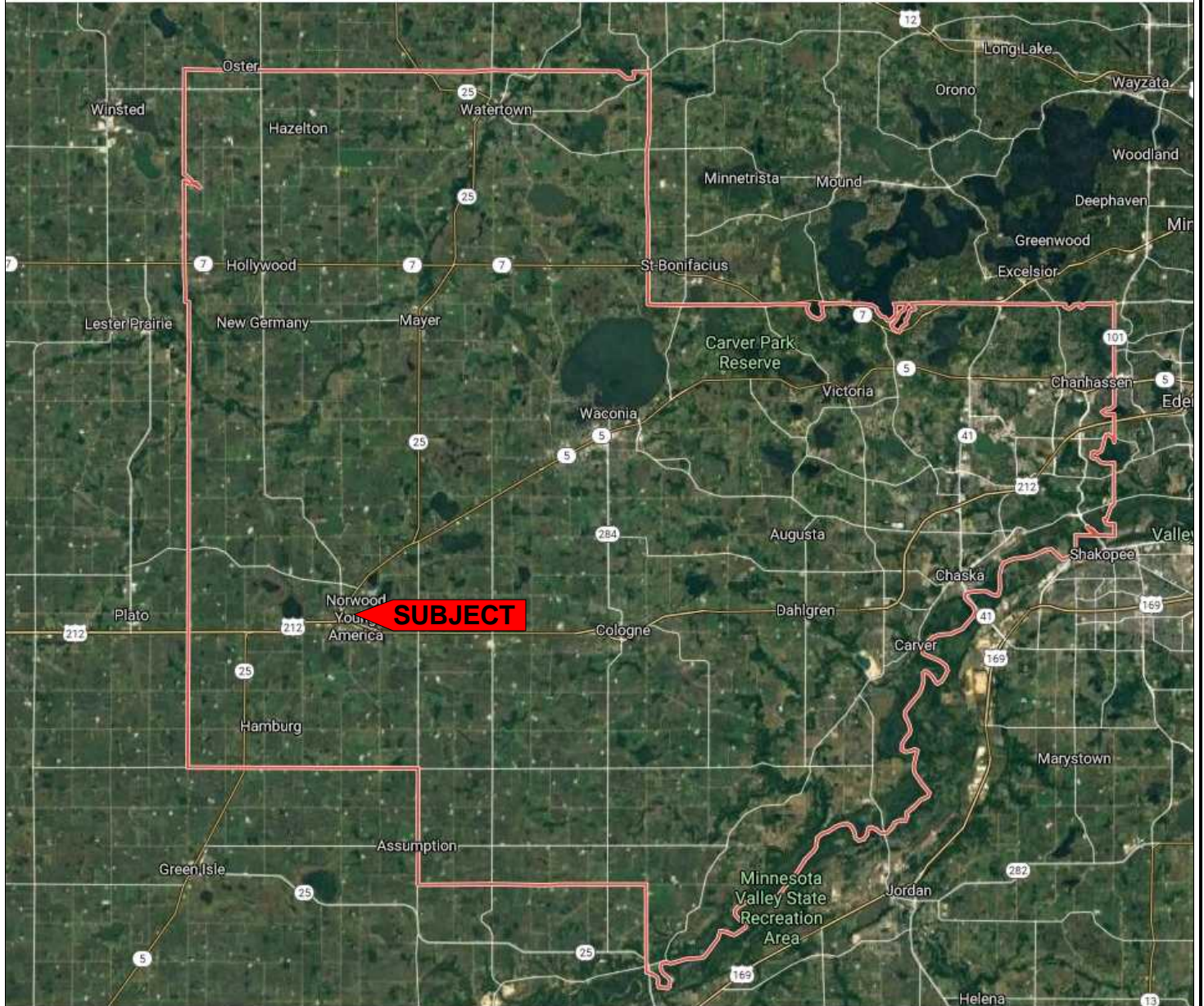
The subject is located in Norwood Young America, MN (pop. 3,787 - 2015) in the southwest corner of Carver County in east-central MN. While Carver County is considered part of the Metropolitan Statistical Area the subject is located in a more rural area but positioned along a travel corridor making it a regional hub located approximately 20 miles west-southwest of the Twin Cities. Major traffic arteries include US Highway 212, Minnesota Highways 5 and 25. There are some localized regional or private airfields nearby but none that offer flights with MSP international airport some 40 miles away offering all travel needs. Norwood Young America has a slowly growing population. Between 2010 and 2016, the city gained +/-200 additional residents, a 6% increase. The population is on the younger end of the range with a median age of 37.32 years. Norwood Young America's current median household income is estimated at \$58,090 and rising. The number of households increased 5.3% from 2010 to 2020. While the city has not seen the same growth rates of Waconia, Victoria, Chaska, and Chanhassen which are located on the western, expanding edge of the west metropolitan area there has been increased growth in recent years.

Norwood Young America is a regional hub of commerce for the area noted for growth in retail, commercial and industrial businesses. This is due to being located at the intersection of US Highway 212 and MN State Highway 5 as well as a major junction point of the Twin Cities and Western Railroad as well as the Minnesota Prairie Line. There are several commercial and industrial corridors mainly located along HWY 212 and mainly on the southern portion of town. Roughly 53% of the total population was employed in 2015 with this broken up very evenly between white/blue collar job classes.

Primary employers in the area include the city, followed by manufacturing and engineering such as Vickerman Companies, Sackett-Waconia, Yeager Machine, and Hydro Engineering. Also home to several construction/contractor outfits, as well as, regionally and nationwide retailers. Major commodities in the area include row crops (mainly corn and soybeans), dairy, swine, beef cattle, and limited poultry. The farming population has been declining, however, the rural population has been increasing with more rural homes and part-time farms; somewhat being impacted or encroached on by the expanding western edge of the metropolitan populations. Agricultural/rural lenders, commercial and regional banks, and individuals are the primary source of funds in the area.

The subject is located near the center to eastern side of town and located in a portion zoned for Business Industrial Uses. Adjacent uses such to the WNW include Multiple Family residential (apartments and townhomes) and to the west and south (across 212) are general commercial which includes the majority of the retail and general business located along Faxon Rd and 212. The subjects immediate area is home to Serv-A Dock (dock manufacturing and retail), 180 Collision (auto body), Waconia Comfort (HVAC contractor), Expert Construction (concrete contractor), Hydro Engineering (farm equipment manufacturing and supplier), and a warehouse/manufacturing business. Out of the this zoning district, the subject is one of 3 non-developed or vacant lots currently. Hydro-engineering owns the vacant lot on the north side of their parking/overflow lot for future expansion purposes. The two remaining include the subject and an adjacent 0.77 acre lot also owned by the city of Norwood Young America but that offers very limited utility given the amount of developable ground and extremely limited road footprint. The city is continuing to expand their business portfolio with expanding on commercial industrial growth. There are several city or private owned vacant lots or previously improved sites that would be considered in competition with the subject. These include several lots in the Tacoma West Industrial Park on the SE side of town (0.5 mile S of the subject) - light industrial uses permitted and to a lesser extent (due to zoning) the Metro West Industrial Park.

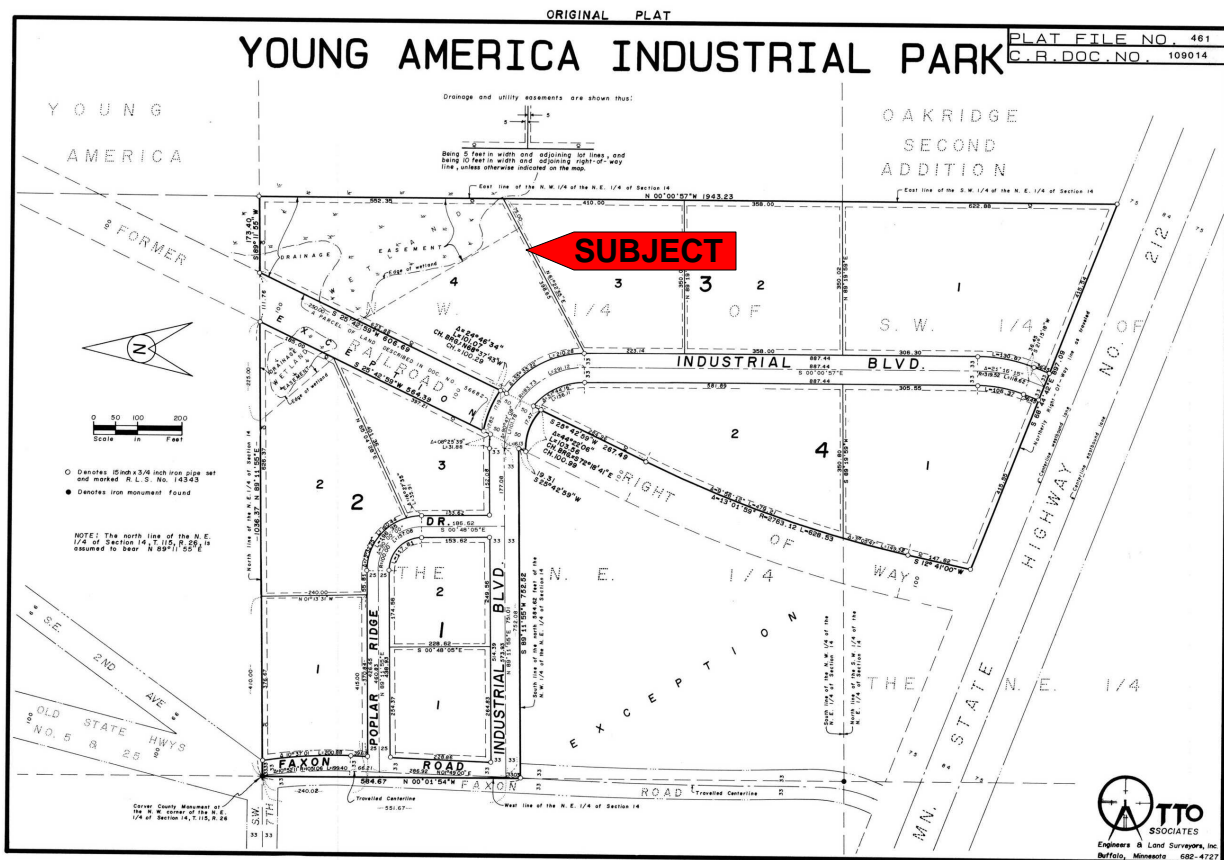
Location Map




City Limits Map



Survey



Legal Provided by City - Property / Tax Identifier

Property Card	Parcel ID Number 588500120		
Taxpayer Information			
Taxpayer Name NORWOOD YOUNG AMERICA CITY C/O CITY CLERK			
Mailing Address PO BOX 59 NYA, MN 55368-0059			
Property Address			
Address			
City			
Parcel Information			
Uses	Muni Svc Other	GIS Acres 4.76	Net Acres
		Deeded Acres	
		Plat YOUNG AMERICA INDUSTRIAL PARK	
		Lot 004	
		Block 003	
Tax Description OLD # 95.5500090			
Building Information			
Building Style	Above Grade Finished Sq Ft	Bedrooms	
Year Built	Garage		
Miscellaneous Information			
School District 0108	Watershed District WS 067 CARVER CO WMO	Homestead N	Green Acres N
		Ag Preserve N	
Assessor Information			
Estimated Market Value	2020 Values (Payable 2021)	2021 Values (Payable 2022)	Last Sale
Land	\$323,500.00	\$323,500.00	Date of Sale
Building	\$0.00	\$0.00	Sale Value
Total	\$323,500.00	\$323,500.00	

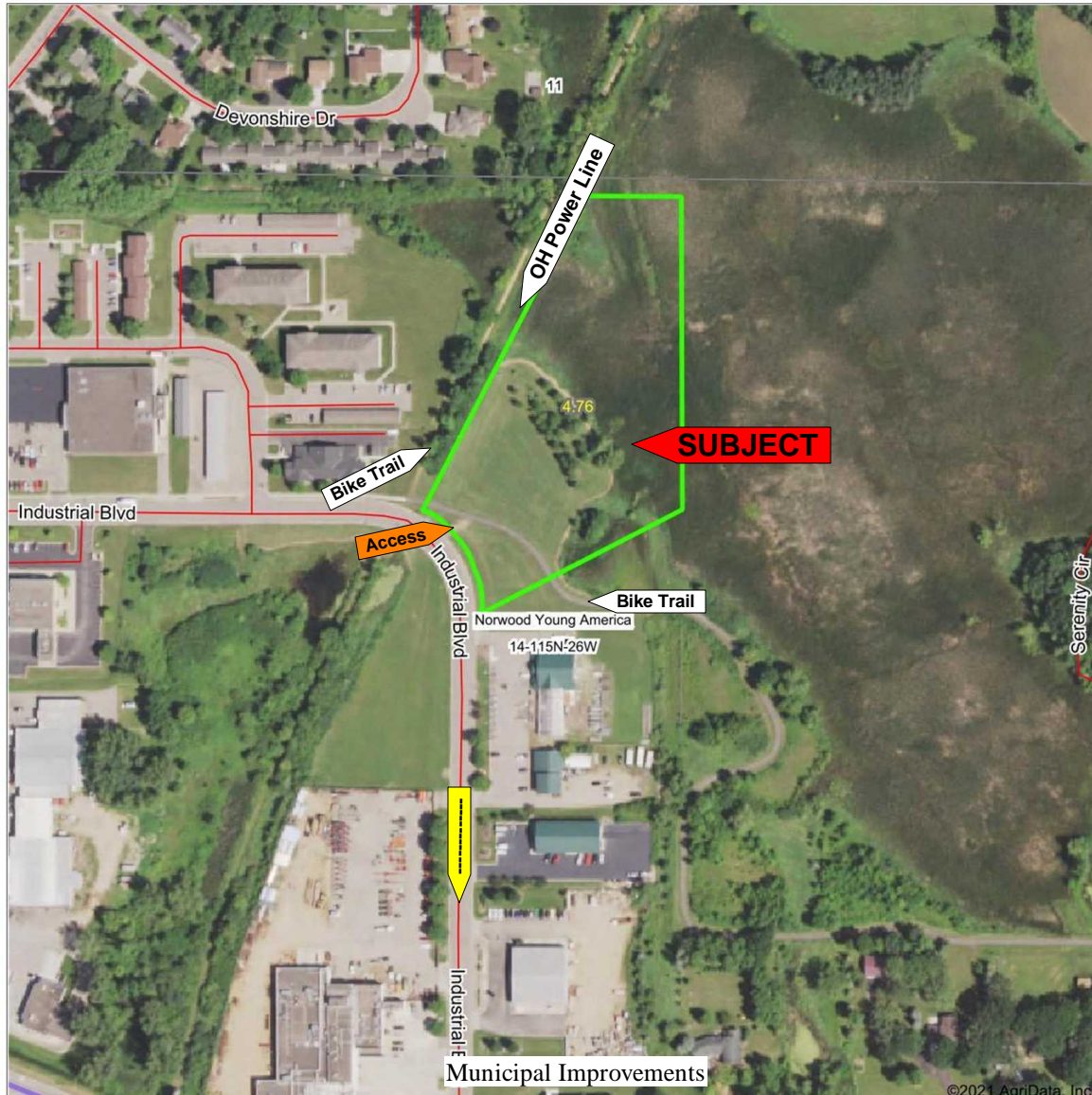
The data provided herewith is for reference purposes only. This data is not suitable for legal, engineering, surveying or other similar purposes. Carver County does not guarantee the accuracy of the information contained herein. This data is furnished on an 'as is' basis and Carver County makes no representations or warranties, either expressed or implied, for the merchantability or fitness of the information provided for any purpose. This disclaimer is provided pursuant to Minnesota Statutes §466.03 and the user of the data provided herein acknowledges that Carver County shall not be liable for any damages, and by using this data in any way expressly waives all claims, and agrees to defend, indemnify, and hold harmless Carver County, its officials, officers, agents, employees, etc. from any and all claims brought by anyone who uses the information provided for herein, its employees or agents, or third parties which arise out of user's access. By acceptance of this data, the user agrees not to transmit this data or provide access to it or any part of it to another party unless the user includes with the data a copy of this disclaimer.

Friday, June 11, 2021

Carver County, MN

Aerial

Aerial Map



map center: 44.773563, -93.915011

0ft 273ft 547ft

Maps Provided By:
surety
CUSTOMIZED ONLINE MAPPING
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14-115N-26W
Carver County
Minnesota



Soils Map



State: **Minnesota**
 County: **Carver**
 Location: **14-115N-26W**
 Township: **Norwood Young America**
 Acres: **4.76**
 Date: **6/11/2021**



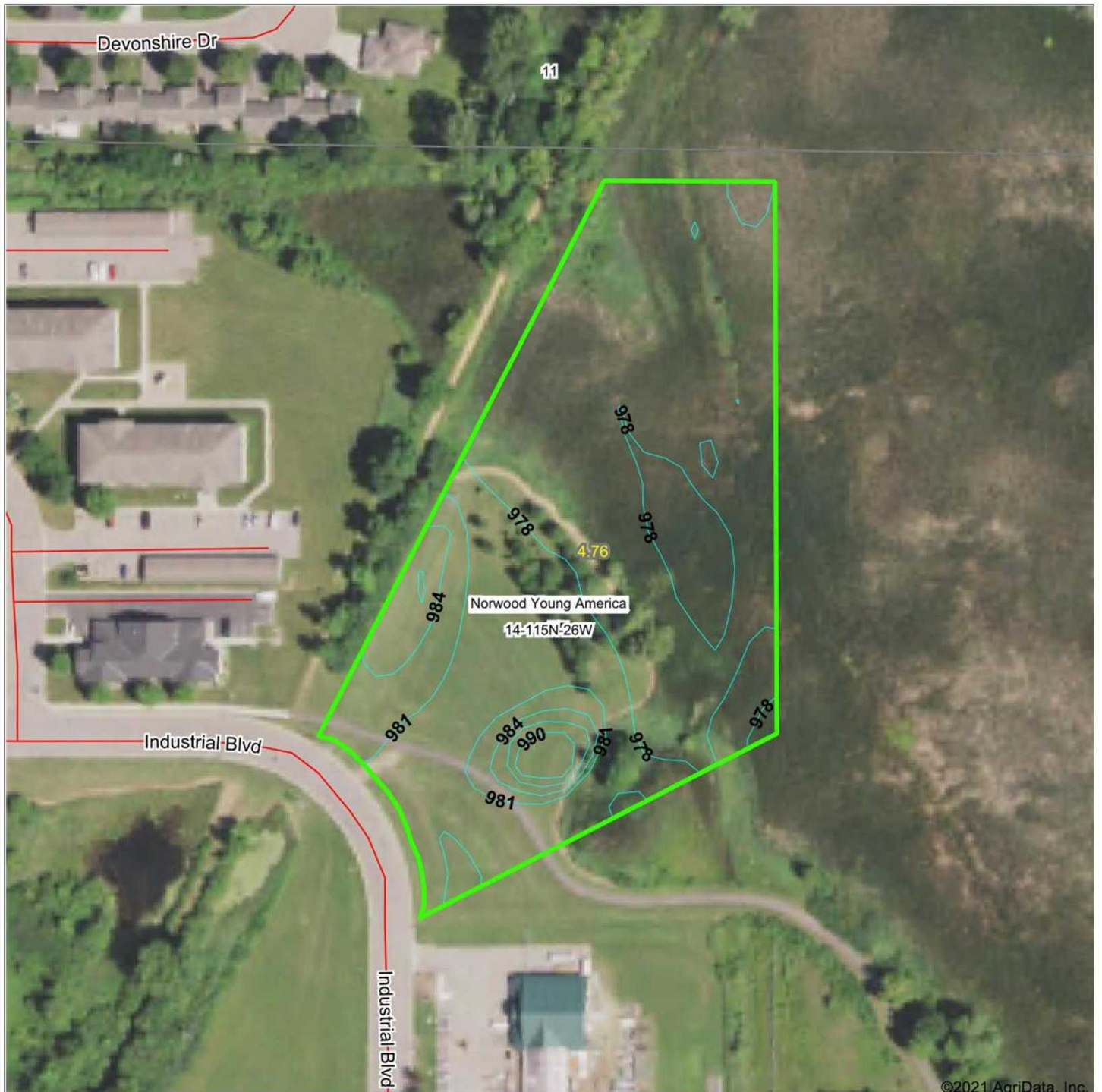
Area Symbol: MN019, Soil Area Version: 17

Code	Soil Description	Acres	Percent of field	PI Legend	Non-Irr Class *c	Productivity Index	*n NCCPI Corn	*n NCCPI Soybeans
MK	Muskego and Houghton soils, 0 to 1 percent slopes	2.35	49.4%		Vlw	15	35	57
CW	Cordova-Webster complex	1.23	25.8%		IIw	89	89	83
LA	Le Sueur-Lester complex, 1 to 6 percent slopes	0.78	16.4%		Ile	95	87	85
GL	Glencoe clay loam, 0 to 1 percent slopes	0.40	8.4%		IIIw	86	76	76
Weighted Average						53.2	*n 60.9	*n 69.9

*n: The aggregation method is "Weighted Average using all components"

*c: Using Capabilities Class Dominant Condition Aggregation Method

Topography Contours



Source: USGS 10 meter dem

Interval: 3.0

Min: 976.2

Max: 992.8

Range: 16.6

Average: 978.9

Standard Deviation: 2.66

0ft 154ft 309ft



6/11/2021

14-115N-26W
Carver County
Minnesota

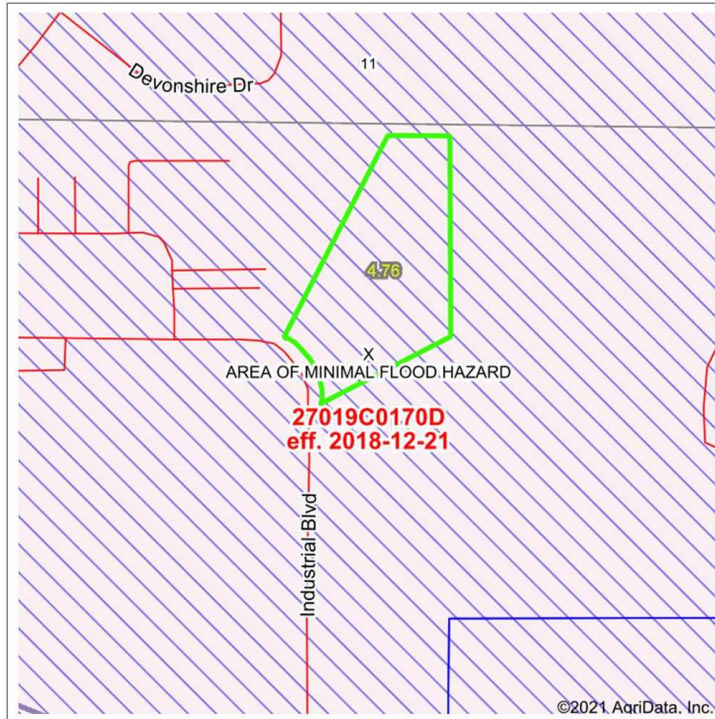
Map Center: 44.773563, -93.915011

Maps Provided By:



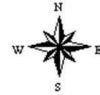
FEMA

FEMA Report



State: MN Acres: 4.76
 County: Carver Date: 6/11/2021
 Location: 14-115N-26W
 Township: Norwood Young America

Maps Provided By:
surety
 CUSTOMIZED ONLINE MAPPING
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Name	Number	County	NFIP Participation	Acres	Percent
CITY OF NORWOOD YOUNG AMERICA	270593	Carver	Regular	4.76	100%
Total				4.76	100%
Map Change	Date	Case No.	Acres	Percent	
No			0	0%	
Zone	SubType	Description	Acres	Percent	
X	AREA OF MINIMAL FLOOD HAZARD	Outside 500-year Floodplain	4.76	100%	
Total			4.76	100%	
Panel	Effective Date	Acres	Percent		
27019C0170D	12/21/2018	4.76	100%		
Total		4.76	100%		

Flood related information provided by FEMA

Wetland Overlay





ABOVE: View of the property

RIGHT: View from the property facing S along Industrial Blvd towards Hwy 212



LEFT: View from the property facing W along Industrial Blvd towards Faxon Rd



RIGHT: Additional view of the site - facing N



LEFT: View over the pond with drainage outlet nearby



RIGHT: View of the site facing roughly south



Property Description: (Location, use and physical characteristics) The property is a single tax parcel 4.76 acres in size which is on the central-east side of the city of Norwood Young America. It is one of the last remaining vacant lots (1 also owned by the city but with very limited utility or accessibility) in an area zoned B-1 Business Industrial. This zoning is limited to approximately 12 lots in this location on either side of Industrial Boulevard. Industrial Boulevard makes an "L" but intersects with Faxon Rd on the west side and US HWY 212 (WB land) on the south. The land mix includes 1.80 acres of land with no development restrictions and is subsequently classified as Developable. The remaining 2.96 acres are nearly fully wetland or setbacks to the street side and side yards. The wetland acres were determined by physical presence, aerial imagery, county wetland overlay and supported by soils maps as not wetland delineations or EAS work has been completed to determine exact boundaries. The wetlands are located on the back side or mainly north and east sides of the property with the developable ground located on the most accessible area along the roadway. The upland is mostly open and maintained grass lawn with some trees which the wetlands are not overly desirable, mostly closed surface cattails. The western boundary has an OH power line running along it as well as a former railroad bed that is used for a walking/biking trail. The SE corner is slightly irregular in shape so a small footprint is truly usable. The site has a fairly level to very gently sloping level topography for the upland. The property is crossed by a city provided and maintained bike path which breaks up the utility (currently) somewhat. There is a single curb cut in place and municipal improvements are available at the curb.

Land Use	Deeded Acres	Unit Type	Unit Size		Subject Description:	Above Avg.	Avg.	Below Avg.	N/A
Developable	1.80	Acre	78,408.00	(37.8%)	Location	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Non-Developable	2.96	Acre	128,938.00	(62.2%)	Legal Access	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
				(0.0%)	Physical Access	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
				(0.0%)	Contiguity	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
				(0.0%)	Shape/Ease Mgt.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
				(0.0%)	Adequacy Utilities	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
				(0.0%)	Services	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
				(0.0%)	Rentability	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
				(0.0%)	Compatibility	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
				(0.0%)	Market Appeal	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
				(0.0%)	FEMA Zone/Date	X: 08-16-2011			
Total Deeded Acres	4.76	Total Units	207,346.00	(100 %)	Building Location	Vacant			
Climatic:	29	" Annual Precipitation	976	' to	993	' Elevation	150	Frost-Free Days	
Utilities:	City - At Road	Water	At Road	Electric	City - At Road	Sewer	At Road	Gas	At Road
Distance To:	0.30	Schools	8	Hospital	City limits	Markets	0.2	Major Hwy.	0.20
								Telephone Service Center	

Comments The subject site is the former city compost site that has been since moved to another location and this site cleaned up. The city has talked previously about creating a dog park but as this is the last remaining lot with B-1 zoning in the city they would prefer to utilize it to support bringing new businesses to the city and increasing the tax base. It should be noted that conversations with Karen Hallquist, Economic Development / Marketing Director with the city of Norwood Young America, indicated that the city would be responsible for moving the bike path and adding / extending sidewalk along roadway. She did provide an indication of cost but it is the appraisers opinion that this would not have an impact on an end user except the city who have to absorb the costs, impacts, and factor this into a return on investment for a potential buyer. Karen also indicated that the most likely location to move the bike bath would logically be onto the cities adjacent parcel (588500111 - 0.77Ac) which due to the size and impacts of the bike bath and the wetland area on the north/east side of the trail. The wetland area is approximately 46% of the property and combined with the current bike path location and buildup leave only around 16% developable round or around 0.12 acres but given required setbacks and road frontage would not be considered a buildable lot.

Land Analysis

Rawland value - sale price allocation has been completed on a ratio analysis of the different land resources, of the subject and the comparable sales. This analysis has used the following breakdowns and distinctions:

* Developable - 100% value. Land classified as useable or developable is defined as land that is legally and physically able to be developed or built on. This includes upland and land that has physical characteristics that meet the classification to be developed.

* Non-Developable - 0%; no value assigned. Land that can not be legally or physically developed is classified as unusable or not able to be developed. This includes wetlands, land that has topographical restrictions or land located in a floodzone hazard area. While this land inherently has some value, when developers are purchasing land for development, they are focused on the acres they can plat and develop and/or resell for a profit. The unusable land is generally just part of the purchase and requirements.

Buyers and sellers generally recognize that higher quality land/soils provide greater land use alternatives and fewer development restrictions, that will typically result in greater economic value, as compared to poorer quality. Breaking down land classifications such as number of cropland acres and number of wooded acres makes sense in more rural settings because the different land types have different values. However, in a true transitional or development scenario like the subject, land type does not matter because the use is changing.

History	<input checked="" type="checkbox"/> Ownership Longer Than <u>3</u> Years <div style="display: flex; justify-content: space-between; margin-top: 5px;"> Owner Recording/Reference Date Price Paid Terms </div>					
	Previous: _____ \$ _____ Present: City of Norwood Young America _____ \$ _____					
	Currently: <input type="checkbox"/> Optioned <input type="checkbox"/> Under Contract Contract Price: \$ _____ Buyer: <input type="checkbox"/> Currently Listed Listing Price: \$ _____ Listing Date: _____					
	The property is not known to be listed or truly marketed at this time but is being utilized by the city of Norwood Young America to make a potential sale decision. Since it was noted on a city council meeting there have been passive offers or interest reported.					
Zoning	Current Zoning: <u>B-1 Business Industrial</u> Zoning Conformity: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Zoning Change: <input type="checkbox"/> Unlikely <input checked="" type="checkbox"/> Probable To: _____ Comments: See Following page					
Taxes	Tax Basis: <input type="checkbox"/> Business / Industrial <input checked="" type="checkbox"/> City Owned - Exempt <input type="checkbox"/> _____ Parcel #: <u>58.850.0120</u>		Assessment Year <u>2021</u> Land \$ <u>323,500</u> Building(s) \$ _____ _____ \$ _____ Total Assessed Value \$ <u>323,500</u>		Forecast: Current Tax \$ <u>0</u> Estimated/Stabilized \$ <u>0</u> Or (<u>4.76</u> Ac.) =\$ <u>0.00</u> /acre Trend: <input type="checkbox"/> Up <input type="checkbox"/> Down <input type="checkbox"/> Stable	
	Comments: Assessed values have been relatively stable the past several years. Property is city owned and therefore tax exempt until sold.					
Highest & Best Use Analysis	Highest & Best Use is defined as that reasonable and probable use that supports the highest present value, as defined, as of the effective date of the appraisal. Alternatively, that use, from among reasonably probable and legally alternative uses, found to be physically possible, appropriately supported, financially feasible, and which results in the highest land value.					
	Analysis: <i>(Discuss legally permissible, physically possible, financially feasible, and maximally productive uses)</i> In appraisal practice highest and best use represents the premise upon which value is based and can be defined as; "the reasonably probable and legal use of vacant land or improved property, which is physically possible, appropriately supported, financially feasible, and results in the highest value." The above definition forms the principle of the highest and best use analysis. Analysis of highest and best use is on the following page. Highest and best use of land or a site as though vacant: " Among all reasonable, alternative uses, the use that yields the highest present land value, after payments are made for labor, capital, and coordination. The use of a property based on the assumption that the parcel of land is vacant or can be made vacant by demolishing any improvements."					
	Continued on next page...					
	Highest and Best Use: "As if" Vacant <u>Commercial Lot</u> "As Improved" <u>Not Improved</u>					
Value Methods	Discussion: See following page					
Value Methods	Valuation Methods: <input type="checkbox"/> Cost Approach <input type="checkbox"/> Income Approach <input checked="" type="checkbox"/> Sales Comparison Approach (Explain and support exclusion of one or more approaches)					
	The Cost and Income Approaches have been excluded. See Scope of Work for details.					

Additional Comments

The land use of the subject is limited by the present zoning regulations. Highest and Best Use is determined for (1) the land as though vacant or “unimproved” and available to be put to its highest and best use; and (2) for the property as “improved”. Highest and best use is a basic premise of value. As with value, highest and best use is not an absolute fact; it reflects the appraiser's opinion of the best use of the property based on analysis of prevailing market conditions. Therefore, in this analysis, consideration is given for a range of uses that are appropriate for the subject property in order to support its highest value.

Legally Permissible - The subject zoning is governed by the city of Norwood Young America. It located within an area zoned B-1 Business Industrial District which is intended to provide an area identified for light industrial and large-scale office-park development. See following pages for all permitted, conditional, or allowable uses as indicated by city code. Overall these include but are not exclusive to Automobile repair, contractor yards, light industrial, office complexes, garden and landscaping services, mini-storage facilities, retail in association with a contractor yard or wholesale trade business, vocational and technical schools, warehouses, and wholesale trade and showrooms.

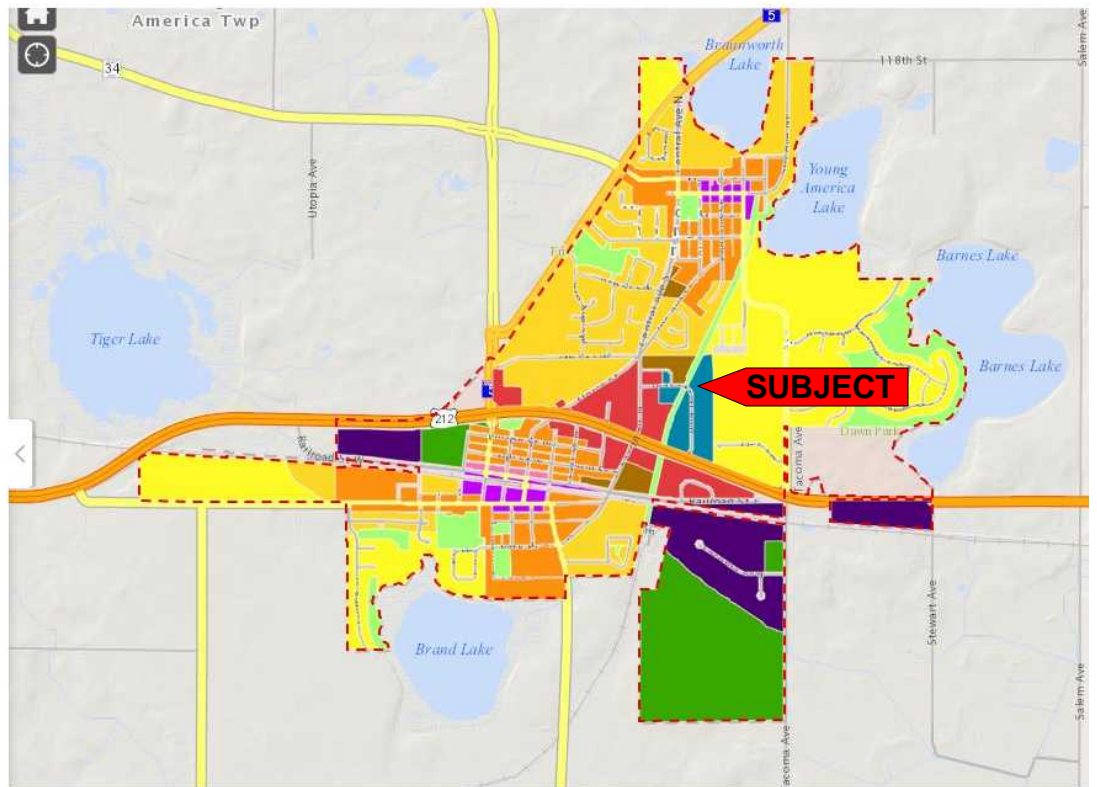
Physically Possible - The physical access to the property is good with frontage on a paved roadway and a curb but in. The overall topography is mostly level to gently sloping but gradually slopes down to the NNE to the wetland area. The property has an area which provides for various development opportunities/plans (1.80Ac measures or roughly 38%) but the SE corner is slightly irregular in shape so a small footprint is truly usable. There are 2.96 acres of wetlands / setback mostly on the NE side away from the access which prohibit development. City water and sewer are available at the property - roadside.

Financially Feasible - The subject is located in the city limits and platted / zoned for business industrial development. Supporting this is the inability to further split the lots and connection to city sewer & water onsite. There is a relatively wide variety of uses available in this zoning area, stable to slightly growth and need for services in this marketplace and this is the last lot available in this zoning. This would provide a 1 time return to the seller with typical uses to develop into a finished or improved site for business purposes fit to suit needs of the owner.

Maximally Productive - After all considerations, the highest and best use of the subject is that of a commercial lot guided for a wide variety of allowable business or industrial related uses.

Zoning District

- R-1 Low Density Single Family Residential
- R-2 Medium Density Single Family Residential
- R-3 Medium Density Mixed Residential
- R-4 Multiple Family Residential
- RC-1 Residential/ Neighborhood Commercial
- C-2 General Commercial
- C-3 Downtown District
- B-1 Business Industrial
- I-1 Light Industrial
- P-1 Parks/ Open Space
- TA Transition/ Agriculture



B-1 Business Industrial Zoning Code

1230.11 B-1 Business Industrial District

Subd. 1 Intent. The B-1, Business Industrial District is intended to provide an area identified for light industrial and large-scale office-park development.

Subd. 2 Permitted Uses. The following uses are permitted in the Business Industrial District:

- A. Automobile repair, major
- B. Contractor Yards
- C. Light Industrial
- D. Office Complexes
- E. Garden and landscaping services
- F. Mini-storage facilities
- G. Retail in association with a contractor yard or wholesale trade business
- H. Vocational and Technical Schools
- I. Warehouses
- J. Wholesale Trade and Showrooms

Subd. 3 Permitted Accessory Uses. The following accessory uses are permitted in the Business Industrial District.

- A. Commercial or business buildings and structures for a use accessory to the principal use;
- B. Fences, subject to Section 1245.05;
- C. Lighting, subject to Section 1245.08;
- D. Signs, subject to Section 1260.

Subd. 4 Conditional Uses. The following uses are permitted, subject to the provisions of Section 1210.06:

Principle Uses:

- A. Veterinary clinic, animal care, animal shelter, pet daycare, pet training, or animal hospital.

Accessory Uses:

- A. Outdoor Auto, Truck, Recreational Vehicle and Equipment Sales and Display;
- B. Outdoor Storage;
- C. Barbed-wire Fencing

Subd. 5 Interim Uses. The following uses are permitted as an interim use, subject to the provisions of Section 1210.07:

- A. Outdoor Storage

Subd. 6 Lot Requirements and Setbacks. The following requirements and setbacks are the minimum amount allowed in the B-1 District; with the exception of "Lot Coverage" which shall be the maximum amount allowed:

- A. Lot Area: 30,000 square feet
- B. Lot Width: 200 feet
- C. Lot Coverage: 80%
- D. Building Height: 40 feet (principal structure)
25 feet (accessory structure)
- E. Setbacks:
 - Principal Structures:**
 - Front yard: 25 feet
 - Side yard: 5 feet
 - Side yard: 30 feet (if adjacent to a residential district)
 - Street side yard: 25 feet
 - Rear yard: 20 feet
 - Rear yard: 30 feet (if adjacent to a residential district)

B-1 Business Industrial Zoning Code

Accessory Structures:

Front yard:	not permitted in front yards
Side yard:	5 feet
Street side yard:	25 feet
Rear yard:	5 feet
Alley rear yard:	10 feet

Subd. 7 Architectural Standards and Guidelines. Architectural standards and guidelines shall follow the provisions of Section 1245.03 of this Chapter.

Birds Eye View



Sales Comparison Approach (1-5)

Sale Data	Sale Data	Subject	Sale #1 1	Sale #2 2	Sale #3 3	Sale #4 4	Sale #5 5
	Grantor (Seller)		Home State Bank	Mid-County Coop	EPC Inc., aka Eden Prairie Collision, Inc.	Hall	Clearwater Libare, LLC
	Grantee (Buyer)		Ratcliff Development LLC	Minnwest rentals LLC	Ahlbrecht Properties, LLC	TR Phoenix, LLC	1 MICRO LLC
	Source		Realtor	Realtor	Realtor	Realtor	Realtor
	Date	Eff 05/21	09/20	09/19	07/19	05/19	04/18
	Eff Unit Size/Unit	207,346.00 / Sq Ft	84,506	43,560	67,082	52,272	119,354
	Sale Price		130,000	60,000	110,000	135,000	215,000
	Finance Adjusted						
	CEV Price		130,000	60,000	110,000	135,000	215,000
	Multiplier						
	Expense Ratio						

The Appraiser has cited sales of similar property to the subject and considered these in the market analysis. The description below includes a dollar adjustment reflecting market reaction to those items of significant variation between the subject and the sales documented. When significant items are superior to the property appraised, a negative adjustment is applied. If the item is inferior, a positive adjustment is applied. Thus, each sale is adjusted for the measurable dissimilarities and each sale producing a separate value indication. The indications from each sale are then reconciled into one indication of value for this approach.

CEV Price/ Sq Ft		1.54	1.38	1.64	2.58	1.80
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LAND AND IMPROVEMENT ADJUSTMENTS

Land Adjustment		-0.73	-0.51	-1.02	-1.26	-0.73
Impvt. Adjustment		0.00	0.00	0.00	0.00	0.00
Adjusted Price		0.81	0.87	0.62	1.32	1.07

TIME ADJUSTMENTS

<input type="checkbox"/> Yr	<input type="checkbox"/> Mo	Periods	18	29	36	50	34
<input type="checkbox"/> Smp	<input type="checkbox"/> Cmp	Rate					
<input type="checkbox"/> Auto	<input checked="" type="checkbox"/> Man	Time Adjustment	0.00	0.00	0.00	0.00	0.00
		Time Adj. Price	10,174.24	26,941.81	9,470.03	12,389.38	41,535.28

OTHER ADJUSTMENTS

Location	Good Adjustment	Good	Average	Average	Good	Good
Zoning	Business Industrial Adjustment	Business Commercial	General Development	Industrial	Industrial/Commercial	Industrial
% Usable/Developable	38% Adjustment	72%	60%	100%	74%	64%
\$/Usable Sq FT	Adjustment	\$2.13	\$2.30	\$1.64	\$3.48	\$2.82
	Adjustment		- No city sewer/water			
Net Adjustments		-0.73	-0.51	-1.02	-1.26	-0.73
ADJUSTED PRICE		0.81	0.87	0.62	1.32	1.07

Analysis/Comments: (Discuss positive and negative aspects of each sale as they affect value)

Sales Comparison Approach Summary:

Property Basis (Value Range): \$ 129,000.00 to \$ 274,000.00
 Unit Basis: \$ 1.02 / Sq Ft X 207,346.00 Sq Ft = \$ 211,492.92
 Multiplier Basis: \$ X (multiple) = \$

Sales Comparison Indication:

\$ 211,500

Sales Comparison Comments

In the sales comparison approach, similar market sales are compared to the subject property to determine its market value. The adjusted sale prices of all the comparable sales are then reconciled to arrive at an indicated market value of the subject property.

A sales search was completed throughout the western Carver region but later expanded wider to include sales with similar zoning standards and allowances in the most similar marketplaces. Unimproved land sales that are geared toward the subject's highest and best use were utilized but the appraiser did utilize several historical or currently listed properties within the subjects immediate location with similar zoning to provide some additional support for the reconciliation. These mentioned properties though are all improved with completed sites and ready to use which makes them not directly comparable but by isolating improvement costs to let the land fall out provided some additional indications. Efforts were made to gather the most recent sales, however there have been very limited sales with the location, zoning, size, and physical characteristics which would allow for a large residential development/commercial property.

The following adjustments were considered and/or made for significant differences between the sales and the subject property.

QUANTITATIVE ADJUSTMENTS

Time - Sales selected are considered to represent current market value. There does not appear to be significant appreciation in residential/commercial/agricultural land in the area. All of the comparable sales have occurred since 2018.

Land Mix - The subject has approximately 38% developable land, which is far inferior to any of the other sales utilized or known. This is due to the shape (setbacks needed) but mainly due to the large wetland complex. Sale 2 and 5 were the next closes in terms of limited development potential mainly due to parcel shape (setbacks) but far more limited lower ground than the subject. Sale 3 is on the opposite end +/- 100% developable land, therefore superior to the subject. Overall the subjects land mix is considered inferior to all of the sales used.

The land mix adjustments are handled within each sale individually in the land-mix analysis. Since developable land is attributed 100% of the value and land considered non-developable 0%, the adjustments are made in the head-to-head comparison of each sale.

QUALITATIVE ADJUSTMENTS

These adjustments are difficult to make credible numeric adjustments give the uniqueness and limited market data. Rather than make numerical adjustments, differences are noted to employ a bracketing approach to select a final value.

Size / Shape - Larger sites typically sell for less on a \$/acre basis since many times the lots are not allowable to be further subdivided and instead retain larger portions of excess or non-developable ground. Excess ground is typically identified as "usable" ground that is beyond the basic area needed for improvements or to support the facilities and given less value by the users. This could fall into overflow storage areas or additional parking/laydown areas on larger sites. The subject falls well above the range of the other sales overall but while still larger than most of the sales the amount of "usable" or developable ground of the subject falls more in line. Overall, still mostly superior in terms of size compared to the sales which supports a lower overall \$/acre. The shape of the subject and sales is all considered average but that is lessor of a driver of value beyond determining amount of usable ground.

Location - The subject has a good location, the last remaining vacant lot in a business industrial park. Surrounded by similar use improvements and adequate layout and access. Sale 1 is located with US highway frontage in a bigger municipality than the subject. Sales 3-5 are located in mostly similar locations within industrial or commercial business parks with like minded end users. Sale 2 is in an inferior location compared to the subject and remainder of the sales. While zoned for commercial type uses it is somewhat located some distance from higher end users, there are no city improvements onsite, and more residential uses around.

Zoning / Future Use - The subject is zoned Business Industrial which allows a fairly wide variety of end uses which makes it desirable. The main thing that it is limited against include single family residential uses or general retail but overall it is superior to or more open to uses compared to industrial zoning which is somewhat limiting (sales 3-5). Sale 1 is zoned business commercial which is superior to the subject in that it allows general business retail uses (Dollar General), but also encompasses uses similar to the subject. Beyond this, sales 4 followed by 2 are the most similar. Sale 4 offers nearly the same opportunities as the subject in terms of allowable uses and standards compared to the subject.

Utilities - The subject has city sewer, water, gas and electric at the curb or roadside which is typical for these in-city finished lots. All sales were similar except for sale 2 which had no immediate access to city sewer / water and has to utilize private systems in the interim - this sale is inferior overall and given less weight.

The properties were also analyzed on a usable per sq ft basis.

Summary:

- "Unadjusted" sale prices range from \$1.38/sq ft to \$2.58/sqft or from \$60,000 to \$215,000
- The developable land or \$/usable sq ft ranges from \$1.64/sq ft to \$3.48/sq ft
- Due to the subject having lower percentage of usable or developable ground (38%) the land mix shifts downward. The "Adjusted" sale prices range from \$0.62/sq ft to \$1.32/sq ft or from \$129,000 to \$274,000 (rounded to nearest \$1,000)

Overall, the sales provide a fairly wide range with the subject and each sale being unique. Sale 1 was a bank owned property but well marketed. There were several factors limiting it at the time of the sale somewhat including some zoning restrictions and no curb cut / access in place. Overall though this sale based on the zoning, allowable uses, and location is given a higher end amount of weight in the reconciliation. Sale 2 was given the least amount of weight for several reasons. This is due to an inferior location and zoning and especially no city improvements on size. This is despite being the most similar in terms of usable ground. Sale 3 is the lowest sale and overall considered inferior to the subject for several reasons: Industrial or limiting zoning, heavily wooded corner lot that needed to be cleared prior to usable which impacted value. Overall despite being nearly all usable it is a lower sale overall and given less weight. Sale 4 is from nearby Mayer and given all of its characteristics including lot size and shape and location and especially the very similar zoning standards and allowances is given the most weight Sale 5 is the most similar in terms of size to the subject and while it is different from the subject in that it is nearly all upland due to the topography is relatively similar to the subjects in terms of amount usable. While zoned industrial it is in a similar to slightly similar location in Waconia. Additionally, the appraiser compared the subject to the known improved sales, some non-confined vacant land sales from outside the area, and also gave weight/bracketed the subject compared to the city of NYA owned industrial lots for sale currently to the SSE of the subject which are currently listed for \$1/PSF. While the subjects zoning and allowances for types of businesses are wider than this zoning class, the amount of upland or developable ground compared to the larger amount of non-developable subject property places them nearly in direct competition.

After considering each of the sales, a weighting has been applied to arrive at a final value opinion.

Sale	Ind. Value	Weighting	Contribution
1	\$0.81	25%	\$0.20
2	\$0.87	7.5%	\$0.07
3	\$0.62	12.5%	\$0.08
4	\$1.32	35%	\$0.46
5	\$1.07	20.0%	\$0.21
		100%	\$1.02

Suggested Market Value by the Sales Comparison Approach: \$211,500 (rounded to nearest \$500).

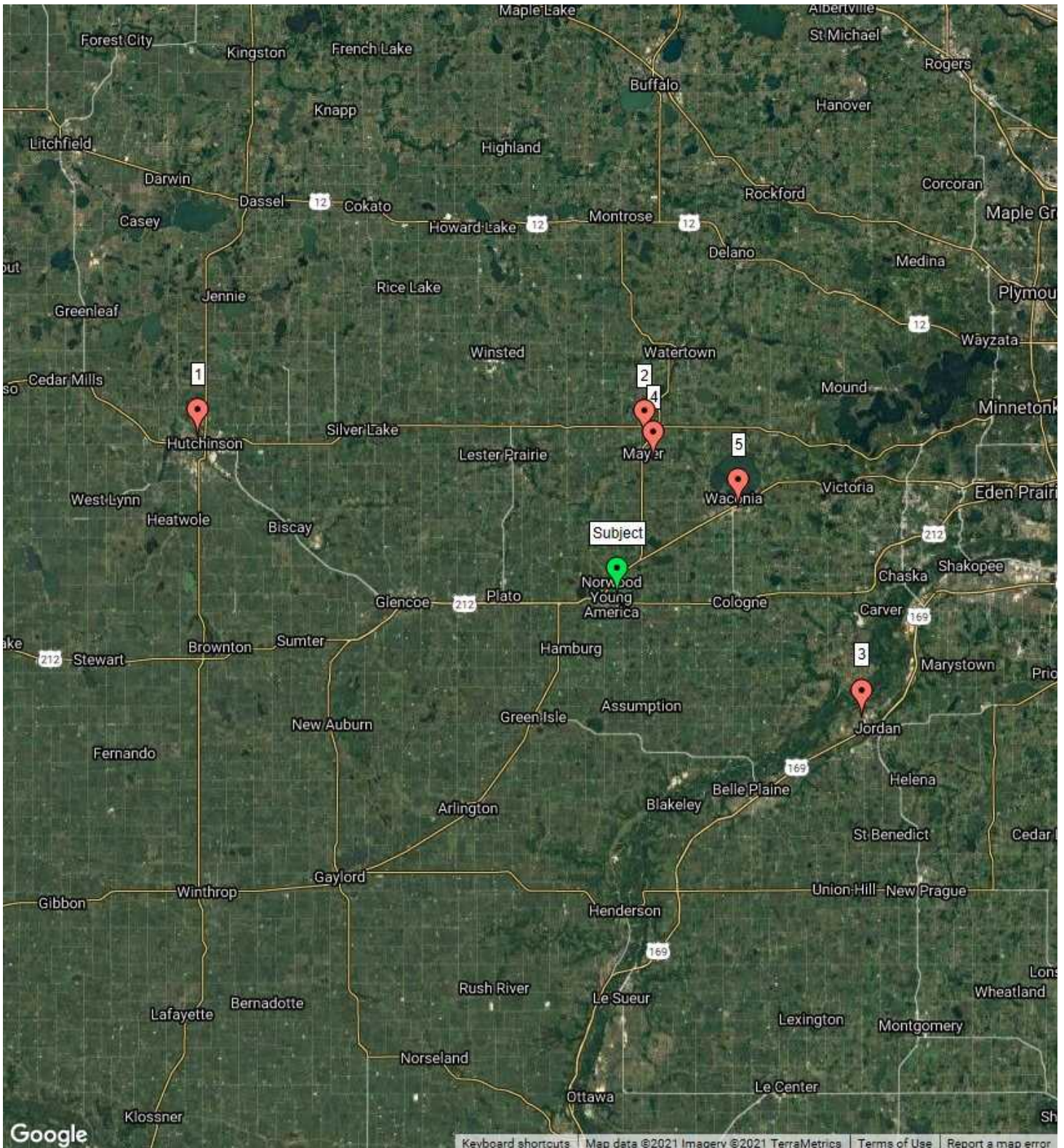
This breaks out at \$1.02/sq ft overall\$ or \$44,431 per acre or \$2.67 per developable or usable Sq Ft.

Allocation of the different land-mix units:

Developable (100%): \$2.67 per Sq Ft - \$114,998/Sq Ft - \$211,493

Non-Developable (0%): \$0/acre

Sales Map



Property Facts

Index #	Database #	2966	Sale #	1	
Grantor	Home State Bank	Sales Price	130,000	Property Type	Commercial
Grantee	Ratcliff Development LLC	Other Contrib.		Primary Land Use	Site
Deeded Acres	1.94	Net Sale Price	130,000	Zoninig	Business Commercial
Sale Date/DOM	09/23/20 / 398	\$/Deeded Acre	67,010.31		Vacant Lot
Prior Sale Date		Financing			Electric, NG, City Water/sewer
Prior CEV Price		% Fin. Adj.		% Usable	72
Analysis Code	Wendlandt, Andrew X30	CEV Price	130,000	\$ / Usable Ac	\$92857
Source	Realtor	SCA Unit Type	Sq Ft	% / Usable Sq ft	\$2.13
Motivation	Site	Eff. Unit Size	84,506.00		
Highest & Best Use	Commercial	SCA \$/Unit	1.54		
Address	xxx Highway 7 W	Multiplier Unit			
City	Hutchinson	Multiplier No.			
County	McLeod	Legal Access	YES		5286229
State/Zip	MN / 55350	Physical Access	Paved		1229071
Region/Area/Zone	/ /	View		Tax ID/Recording	23.056.0830
Location	Hutchinson	Utilities		Sec/Twp/Rge	/ /
Legal Description: NORTH HALF, HUTCHINSON BLOCK-010 LOTS 10-11 & W 27.41' OF S 1/2 S 1/2 OF LOT 12					

Land-Mix Analysis

Land Use	Ratios	Acres	\$/Acre	Unit Size	Unit Type	\$/Unit	Total Unit Value
Useable	100 %	1.40	Ac. 92,857.14	60,984.00	sq ft	X \$ 2.13	= \$ 130,000
Non-useable	0 %	0.54	Ac.			X \$	= \$
	%		Ac.			X \$	= \$
	%		Ac.			X \$	= \$
	%		Ac.			X \$	= \$
	%		Ac.			X \$	= \$
	%		Ac.			X \$	= \$
	%		Ac.			X \$	= \$
	%		Ac.			X \$	= \$
	%		Ac.			X \$	= \$
Totals		1.94	Ac. 67,010.31	60,984.00		X \$ 2.13	= \$ 130,000
CEV Price \$	130,000	- Land Contribution \$	130,000	= Improvement Contribution \$			

Cost and Depreciation Summary

Physical Depreciation _____ %	Functional Obsolescence _____ %	External Obsolescence _____ %	Total Depreciation _____ %
Total RCN \$ _____	Total Improvement Contribution: \$ _____	Improvement As % of Price _____ %	

Income Summary

Summary Total Expenses _____ / Stabilized G.I. _____ = Expense Ratio _____ %	Total Expenses = \$ _____
Net Income _____ / CEV Price 130,000 = Cap Rate _____ %	Net Income = \$ _____

Comments	<p>Advertised cash sale of a vacant lot near the center of Hutchinson. The south property line is US Hwy 7, a major traffic corridor which is the access point. Site was cleared and prepared for re-development after being a bank-owned home foreclosure but very good market exposure. The adjacent properties are mostly single family residences currently but the property was rezoned approx. 10 years prior. There is a hombuilders laydown yard on the north side. The majority of the nearby businesses are fast food, HVAC or light industrial / manufacturing but mostly on the south side of Hwy 7. All upland site but the property is slightly irregular in shape and required larger side setbacks.</p> <p>Listed with Commercial Realty Solutions for over a year total and sold for 94% of list price. Details of the sale were confirmed via correspondence with the realtor involved: Wayne Elam. Wayne confirmed that this was a bank owned property but indicated that this had limited impacts on the property. The bigger issue was the lack of curb-cut/entrance off the highway and MNDOT kick back on what uses the property could be. Also slightly impacted by the surrounding properties being residential so the city had a narrower list of types of allowable businesses or uses that would typically be encountered in this zoning and with highway frontage.</p> <p>Currently being developed for a Dollar General retail store after being resold in 2021.</p>
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Index #

Database # 2966

Sale # 1

Aerial



Property Facts

Index #	Database #	2937	Sale #	2	
Grantor	Mid-County Coop	Sales Price	60,000	Property Type	Commercial
Grantee	Minnwest rentals LLC	Other Contrib.		Primary Land Use	Site
Deeded Acres	1.00	Net Sale Price	60,000	Zoninig	General Development
Sale Date/DOM	09/11/19 / 512	\$/Deeded Acre	60,000.00		Vacant Lot
Prior Sale Date		Financing			Electric, NG
Prior CEV Price		% Fin. Adj.		% Usable	60
Analysis Code	Wendlandt, Andrew X30	CEV Price	60,000	\$ / Usable Ac	\$100,000
Source	Realtor	SCA Unit Type	Sq Ft	% / Usable Sq ft	\$2.30
Motivation	Site	Eff. Unit Size	43,560.00		
Highest & Best Use	Commercial	SCA \$/Unit	1.38		
Address	185 7th St NE	Multiplier Unit			
City	Mayer	Multiplier No.			
County	Carver	Legal Access	YES		
State/Zip	MN / 55360	Physical Access	Paved		1008887
Region/Area/Zone	/ /	View		Tax ID/Recording	50.0310400
Location	Mayer	Utilities		Sec/Twp/Rge	31 / 117 / 25
Legal Description: That part of the Southwest Quarter of Section 31, Township 117, Range 25, Carver County, Minnesota, described as beginning on the south line of said Southwest Quarter 398.4 feet East of the northwest corner of Section 6, Township 116 North, Range 25 West; thence North 200 feet parallel with the West line thereof; thence West 217.8 feet parallel to the South line thereof; thence South 200 feet parallel with the West line					

Land-Mix Analysis

Land Use	Ratios	Acres	\$/Acre	Unit Size	Unit Type	\$/Unit	Total Unit Value
Useable	100 %	0.60	Ac. 100,000.00	26,136.00	Sq Ft	X \$ 2.30	= \$ 60,000
Non-useable	0 %	0.40	Ac.			X \$	= \$
	%		Ac.			X \$	= \$
	%		Ac.			X \$	= \$
	%		Ac.			X \$	= \$
	%		Ac.			X \$	= \$
	%		Ac.			X \$	= \$
	%		Ac.			X \$	= \$
	%		Ac.			X \$	= \$
	%		Ac.			X \$	= \$
Totals		1.00	Ac. 60,000.00	26,136.00		X \$ 2.30	= \$ 60,000
CEV Price \$	60,000	- Land Contribution \$	60,000	= Improvement Contribution \$			

Cost and Depreciation Summary

Physical Depreciation _____ %	Functional Obsolescence _____ %	External Obsolescence _____ %	Total Depreciation _____ %
Total RCN \$ _____	Total Improvement Contribution: \$ _____	Improvement As % of Price _____ %	

Income Summary

Summary Total Expenses _____ / Stabilized G.I. _____ = Expense Ratio _____ %	Total Expenses = \$ _____
Net Income _____ / CEV Price 60,000 = Cap Rate _____ %	Net Income = \$ _____

Advertised cash sale of a vacant lot on the north side of Mayer. At the time of the purchase it was unimproved without a driveway even in. Since that time there has been a commercial retail business constructed. Property is located on the western side of MN 25 just off the round-about. The actual access is provided via 7th St NE on the south side. The western side is wetter and falls into a floodplain. There are a few repair and service shops adjacent on the eastern side.

Listed with Fahey and Associates for nearly 2 years total. Originally listed for 302 days at \$99,000, lowered to \$89,900 for 210 and sold for 67% of list price. Details of the sale were confirmed via correspondence with the realtor involved: Doris Mielke.

Index #

Database # 2937

Sale # 2

Aerial



Index #	Database #	2965	Sale #	3	
Grantor	EPC Inc., aka Eden Prairie Collision, Inc.	Sales Price	110,000	Property Type	Commercial
Grantee	Ahlbrecht Properties, LLC	Other Contrib.		Primary Land Use	Site
Deeded Acres	1.54	Net Sale Price	110,000	Zoninig	Industrial
Sale Date/DOM	07/17/19 / 308	\$/Deeded Acre	71,428.57		Vacant Lot
Prior Sale Date		Financing			Electric, NG, City Water/sewer
Prior CEV Price		% Fin. Adj.		% Usable	100
Analysis Code	Wendlandt, Andrew X30	CEV Price	110,000	\$ / Usable Ac	\$71,429
Source	Realtor	SCA Unit Type	Sq Ft	% / Usable Sq ft	\$1.64
Motivation	Site	Eff. Unit Size	67,082.00		
Highest & Best Use	Commercial	SCA \$/Unit	1.64		
Address	851 Enterprise Dr	Multiplier Unit			
City	Jordan	Multiplier No.			
County	Scott	Legal Access	YES		
State/Zip	MN / 55352	Physical Access	Paved		4993456
Region/Area/Zone	/ /	View		Tax ID/Recording	220660020
Location	Jordan	Utilities		Sec/Twp/Rge	/ /
Legal Description: Lot 2, Block 1, Timberline Business Park Second Addition, Scott County, Minnesota.					

Land-Mix Analysis

Land Use	Ratios	Acres	\$/Acre	Unit Size	Unit Type	\$/Unit	Total Unit Value
Useable	100 %	1.54	Ac. 71,428.57	67,082.00	sq ft	X \$ 1.64	= \$ 110,014
Non-useable	0 %		Ac.			X \$	= \$
	%		Ac.			X \$	= \$
	%		Ac.			X \$	= \$
	%		Ac.			X \$	= \$
	%		Ac.			X \$	= \$
	%		Ac.			X \$	= \$
	%		Ac.			X \$	= \$
	%		Ac.			X \$	= \$
	%		Ac.			X \$	= \$
Totals		1.54	Ac. 71,428.57	67,082.00		X \$ 1.64	= \$ 110,014
CEV Price \$	110,000	- Land Contribution \$		110,014	= Improvement Contribution \$		-14

Cost and Depreciation Summary

Physical Depreciation _____ %	Functional Obsolescence _____ %	External Obsolescence _____ %	Total Depreciation _____ %
Total RCN \$ _____	Total Improvement Contribution: \$ _____	Improvement As % of Price _____ %	

Income Summary

Summary Total Expenses _____ / Stabilized G.I. _____ = Expense Ratio _____ %	Total Expenses = \$ _____
Net Income _____ / CEV Price 110,000 = Cap Rate _____ %	Net Income = \$ _____

Advertised cash sale of a vacant, corner lot on the northwest side of Jordan. Corporate Drive is the western line with Enterprise Dr the southern line. All upland with the eastern portion being heavily wooded. Nearby businesses include manufacturing, retail, HVAC, storage, cabinetry, and fabricating.

Listed with Kubes Realty for nearly a year total and sold for 85% of list price. Details of the sale were confirmed via correspondence with the realtor involved: Randolph Kubes. Confirmed that the property levied assessments were paid in full by seller prior to sale.

Index #

Database # 2965

Sale # 3

Aerial



Sales Comparison Approach - Land Adjustment for Sale# 3

Adjust each sale to the subject's land mix (land adjustment) using unimproved sales. This page allows for a "quantitative land adjustment" only.

Sales Comparison - Sale #3			3	Land Adjustment Amt. \$			-1.02			
Land Use	Sale Acres	\$/Acre	Sale Unit Type	Sale Units	\$/Unit	Subj. Acres	\$/Acre	Subj. Units	\$/Unit	Total
Developable	1.54	71,428.57	sq ft	67,082.00	1.64	1.80	71,428.57	78,408.00	1.64	128,589
Non-Developable		0.00				2.96	0.00	128,938.00		0
Sale Land Contrib. 110,014.00 / Eff. Unit Size			67,082.00 =	1.64	Total	128,589	/ Eff. Unit Size	207,346.00		0.62

Sales Comparison Approach - Improvement Adjustment for Sale# 3

Compare each set of sale improvements to the subject improvements making judgments regarding utility and condition. Then arrive at an improvement adjustment for each sale on a per acre or per unit basis. These adjustments are shown on the Sales Comparison Grid.

Note: Appraiser must manually enter the \$/Unit for the Subject Improvements -- either individually or as a lump sum.

Sales Comparison - Sale #3					3	Improvement Adjustment Amt. \$:					0.00	/	Sq Ft
Sale Impt.	Util/Cond.	Size	X	\$/Unit	Contrib. Value	Subject Impt.	Util/Cond.	Size	X	\$/Unit	Contrib. Value		
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Property Facts

Index #	Database #	2957	Sale #	4	
Grantor	Hall	Sales Price	135,000	Property Type	Commercial
Grantee	TR Phoenix, LLC	Other Contrib.		Primary Land Use	Site
Deeded Acres	1.20	Net Sale Price	135,000	Zoninig	Industrial/Commercial
Sale Date/DOM	05/29/19 / 602	\$/Deeded Acre	112,500.00		Vacant Lot
Prior Sale Date		Financing			Electric, NG, City Sewer/water
Prior CEV Price		% Fin. Adj.		% Usable	74
Analysis Code	Wendlandt, Andrew X30	CEV Price	135,000	\$ / Usable Ac	\$151,685
Source	Realtor	SCA Unit Type	Sq Ft	% / Usable Sq ft	\$3.48
Motivation	Site	Eff. Unit Size	52,272.00		
Highest & Best Use	Commercial	SCA \$/Unit	2.58		
Address	734 Shimmcor St	Multiplier Unit			
City	Mayer	Multiplier No.			
County	Carver	Legal Access	YES		4882937
State/Zip	MN / 55360	Physical Access	Paved		958090
Region/Area/Zone	/ /	View		Tax ID/Recording	50.7010030
Location	Mayer	Utilities		Sec/Twp/Rge	6 / 116 / 25
Legal Description: Lot 3, Block 1, SELL COMMERCIAL INDUSTRIAL PARK 2ND ADDITION, Carver County, Minnesota.					

Land-Mix Analysis

Land Use	Ratios	Acres	\$/Acre	Unit Size	Unit Type	\$/Unit	Total Unit Value
Useable	100 %	0.89	Ac. 151,685.39	38,768.00	sq ft	X \$ 3.48	= \$ 135,000
Non-useable	0 %	0.31	Ac.			X \$	= \$
	%		Ac.			X \$	= \$
	%		Ac.			X \$	= \$
	%		Ac.			X \$	= \$
	%		Ac.			X \$	= \$
	%		Ac.			X \$	= \$
	%		Ac.			X \$	= \$
	%		Ac.			X \$	= \$
	%		Ac.			X \$	= \$
Totals		1.20	Ac. 112,500.00	38,768.00		X \$ 3.48	= \$ 135,000
CEV Price \$	135,000	- Land Contribution \$	135,000	= Improvement Contribution \$			

Cost and Depreciation Summary

Physical Depreciation _____ %	Functional Obsolescence _____ %	External Obsolescence _____ %	Total Depreciation _____ %
Total RCN \$ _____	Total Improvement Contribution: \$ _____	Improvement As % of Price _____ %	

Income Summary

Summary Total Expenses _____ / Stabilized G.I. _____ = Expense Ratio _____ %	Total Expenses = \$ _____
Net Income _____ / CEV Price 135,000 = Cap Rate _____ %	Net Income = \$ _____

Advertised cash sale of a vacant lot on the southeast side of Mayer. At the time of the purchase it was unimproved. Newer industrial business part with 2 other lots owned and listed by the seller. City improvements on the east side of the property on Shimcor St. The property is located a 0.10 miles E of MN 25. Fully usable lot beyond setback with all high ground that was previously used for hay. The property is located across from the water tower, some industrial outdoor storage, cabinetry, landscaping contractors, and collision center.

Listed with Bridge Realty for nearly 2 years total. Originally listed for 329 days at \$154,999, lowered to \$149,999 for 273 and sold for 90% of list price. Details of the sale were confirmed via correspondence with the realtor involved: Nona Hall who was also an owner of the property prior.

Index #

Database # 2957

Sale # 4

Aerial



Property Facts

Index #	Database #	2962	Sale #	5	
Grantor	Clearwater Libare, LLC	Sales Price	215,000	Property Type	Commercial
Grantee	1 MICRO LLC	Other Contrib.		Primary Land Use	Site
Deeded Acres	2.74	Net Sale Price	215,000	Zoning	Industrial
Sale Date/DOM	04/30/18 / 512	\$/Deeded Acre	78,467.15		Vacant Lot
Prior Sale Date		Financing			Electric, NG, City Sewer/water
Prior CEV Price		% Fin. Adj.		% Usable	64%
Analysis Code	Wendlandt, Andrew X30	CEV Price	215,000	\$ / Usable Ac	\$122,857
Source	Realtor	SCA Unit Type	Sq Ft	% / Usable Sq ft	\$2.82
Motivation	Site	Eff. Unit Size	119,354.00		
Highest & Best Use	Commercial	SCA \$/Unit	1.80		
Address	80 8th St	Multiplier Unit			
City	Waconia	Multiplier No.			
County	Carver	Legal Access	YES		4532807
State/Zip	MN / 55387	Physical Access	Paved		855003
Region/Area/Zone	/ /	View		Tax ID/Recording	75.3700040+
Location	Waconia	Utilities		Sec/Twp/Rge	24 / 116 / 25
Legal Description: Lot 1, Block 2, Pine Business Park, Carver County, Minnesota. And That part of Lot 1, Block 2, Highway Five Business Plaza, lying southerly of the south line of the North 30.00 feet of Lot 21, Volkenant's Second Addition to Waconia, according to the original Plat of Volkenant's Second Addition to Waconia on file and of record with the Carver county Recorder.					

Land-Mix Analysis

Land Use	Ratios	Acres	\$/Acre	Unit Size	Unit Type	\$/Unit	Total Unit Value
Useable	100 %	1.75	Ac. 122,857.14	76,230.00	sq ft	X \$ 2.82	= \$ 214,969
Non-useable	0 %	0.99	Ac.			X \$	= \$
	%		Ac.			X \$	= \$
	%		Ac.			X \$	= \$
	%		Ac.			X \$	= \$
	%		Ac.			X \$	= \$
	%		Ac.			X \$	= \$
	%		Ac.			X \$	= \$
	%		Ac.			X \$	= \$
	%		Ac.			X \$	= \$
Totals		2.74	Ac. 78,467.15	76,230.00		X \$ 2.82	= \$ 214,969
CEV Price \$	215,000	- Land Contribution \$	214,969	= Improvement Contribution \$			31

Cost and Depreciation Summary

Physical Depreciation _____ %	Functional Obsolescence _____ %	External Obsolescence _____ %	Total Depreciation _____ %
Total RCN \$ _____	Total Improvement Contribution: \$ _____	Improvement As % of Price _____ %	

Income Summary

Summary Total Expenses _____ / Stabilized G.I. _____ = Expense Ratio _____ %	Total Expenses = \$ _____
Net Income _____ / CEV Price 215,000 = Cap Rate _____ %	Net Income = \$ _____

Advertised cash sale of a vacant lot on the near the center of Waconia on the south side of HWY 5 and east of HWY 248 by 0.4 miles. Just off the main retail corridor in the industrial / commercial park. At the time of the purchase it was unimproved without a driveway even in. The western side isnt wet but falls down somewhat steeply limiting its utility. Otherwise all upland soils with some limitations determined. The secondary lot is an extension but not considered buildable at this time. There are a many manufacturing and light industrial businesses around the subject. Realtor noted that the connection charges and size versus utility were a bit of a detriment to buyers.

Listed with Caldwell Banker Burnet for nearly 3 and a 1/2 years total selling for 86% of list. Details of the sale were confirmed via correspondence with the realtor involved: David Philip.

Index #

Database # 2962

Sale # 5

Aerial



Sales Comparison Approach - Land Adjustment for Sale# 5

Adjust each sale to the subject's land mix (land adjustment) using unimproved sales. This page allows for a "quantitative land adjustment" only.

Sales Comparison - Sale #5			5	Land Adjustment Amt. \$			-0.73			
Land Use	Sale Acres	\$/Acre	Sale Unit Type	Sale Units	\$/Unit	Subj. Acres	\$/Acre	Subj. Units	\$/Unit	Total
Developable	1.75	122,857.14	sq ft	76,230.00	2.82	1.80	122,857.14	78,408.00	2.82	221,111
Non-Developable	0.99	0.00				2.96	0.00	128,938.00		0

Sales Comparison Approach - Improvement Adjustment for Sale# 5

Compare each set of sale improvements to the subject improvements making judgments regarding utility and condition. Then arrive at an improvement adjustment for each sale on a per acre or per unit basis. These adjustments are shown on the Sales Comparison Grid.

Note: Appraiser must manually enter the \$/Unit for the Subject Improvements -- either individually or as a lump sum.

Sales Comparison - Sale #5					5	Improvement Adjustment Amt. \$:					0.00	/	Sq Ft
Sale Impt.	Util/Cond.	Size	X	\$/Unit	Contrib. Value	Subject Impt.	Util/Cond.	Size	X	\$/Unit	Contrib. Value		
	/		X	\$	=\$		/		X	\$	=\$		
	/		X	\$	=\$		/		X	\$	=\$		
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	/		X	\$	=\$		/		X	\$	=\$		
	/		X	\$	=\$		/		X	\$	=\$		
	/		X	\$	=\$		/		X	\$	=\$		
	/		X	\$	=\$		/		X	\$	=\$		
	/		X	\$	=\$		/		X	\$	=\$		
	/		X	\$	=\$		/		X	\$	=\$		
	/		X	\$	=\$		/		X	\$	=\$		
	/		X	\$	=\$		/		X	\$	=\$		

Reconciliation and Opinion of Value

Summary

Cost Approach	\$	N/A
Income Approach	\$	N/A
Sales Comparison Approach	\$	211,500

Discussion & Correlation of Values

Analysis of Each Approach and Opinion of Value:

Sales Comparison Approach: Similar market sales are compared to the subject property to determine its market value. This is the most commonly used approach for vacant land appraisals since head-to-head comparisons can be made between the sales and subject allowing for positive and negative adjustments based on different factors which affect value. This is considered the strongest approach and best represents the actions of buyers and sellers in the neighborhood market.

Allocation of Value

Opinion Of Value - (Estimated Marketing Time +/- 12 months, see attached)

\$ 211,500

Cost of Repairs \$ 0
Cost of Additions \$ 0

Allocation: (Total Deeded Units: 4.76) Land: \$ 211,500 \$ 44,433 / Acre (100 %)
Land Improvements: \$ 0 \$ 0 / Acre (0 %)
Structural Improvement Contribution: \$ 0 \$ 0 / Acre (0 %)

Value Estimate of Non-Realty Items:

Value of Personal Property (local market basis)	\$	0		
Value of Other Non-Realty Interests:	\$	0		
Non-Realty Items:	\$	0	/	Acre (0 %)
Leased Fee Value (Remaining Term of Encumbrance)	\$	0	/	Acre (0 %)
Leasehold Value	\$	0	/	Acre (0 %)
Overall Value	\$	211,500	/	Acre (100 %)

Assumptions and Limiting Conditions

The certification of the Appraiser(s) appearing in the appraisal report is subject to the following conditions and to such other specific and limiting conditions as are set forth in the report.

1. The Appraiser(s) assume no responsibility for matters of a legal nature affecting the property appraised or the title thereto, nor does the Appraiser(s) render any opinion as to title, which is assumed to be good and marketable. The property is appraised as though under responsible ownership.
2. Sketches in the report may show approximate dimensions and are included only to assist the reader in visualizing the property. The Appraiser(s) have made no survey of the property. Drawings and/or plats are not represented as an engineer's work product, nor are they provided for legal reference.
3. The Appraiser(s) are not required to give testimony or appear in court because of having made the appraisal with reference to the property in question, unless arrangements have been previously made.
4. Any distribution of the valuation in the report applies only under the existing program of utilization. The separate valuations of components must not be used outside of this appraisal and are invalid if so used.
5. The Appraiser(s) have, in the process of exercising due diligence, requested, reviewed, and considered information provided by the ownership of the property and client, and the Appraiser(s) have relied on such information and assumes there are no hidden or unapparent conditions of the property, subsoil, or structures, which would render it more or less valuable. The Appraiser(s) assume no responsibility for such conditions, for engineering which might be required to discover such factors, or the cost of discovery or correction.
6. While the Appraiser(s) ☒ have ☐ have not inspected the subject property and ☒ have ☐ have not considered the information developed in the course of such inspection, together with the information provided by the ownership and client, the Appraiser(s) are not qualified to verify or detect the presence of hazardous substances by visual inspection or otherwise, nor qualified to determine the effect, if any, of known or unknown substances present. Unless otherwise stated, the final value conclusion is based on the subject property being free of hazardous waste contaminations, and it is specifically assumed that present and subsequent ownerships will exercise due diligence to ensure that the property does not become otherwise contaminated.
7. Information, estimates, and opinions furnished to the Appraiser(s), and contained in the report, were obtained from sources considered reliable and believed to be true and correct. However, no responsibility for accuracy of such items furnished the Appraiser(s) can be assumed by the Appraiser(s).
8. Unless specifically cited, no value has been allocated to mineral rights or deposits.
9. Water requirements and information provided has been relied on and, unless otherwise stated, it is assumed that:
 - a. All water rights to the property have been secured or perfected, that there are no adverse easements or encumbrances, and the property complies with Bureau of Reclamation or other state and federal agencies;
 - b. Irrigation and domestic water and drainage system components, including distribution equipment and piping, are real estate fixtures;
 - c. Any mobile surface piping or equipment essential for water distribution, recovery, or drainage is secured with the title to real estate; and
 - d. Title to all such property conveys with the land.
10. Disclosure of the contents of this report is governed by applicable law and/or by the Bylaws and Regulations of the professional appraisal organization(s) with which the Appraiser(s) are affiliated.
11. Neither all nor any part of the report, or copy thereof, shall be used for any purposes by anyone but the client specified in the report without the written consent of the Appraiser.
12. Where the appraisal conclusions are subject to satisfactory completion, repairs, or alterations, the appraisal report and value conclusion are contingent upon completion of the improvements in a workmanlike manner consistent with the plans, specifications and/or scope of work relied upon in the appraisal.
13. Acreage of land types and measurements of improvements are based on physical inspection of the subject property unless otherwise noted in this appraisal report.
14. EXCLUSIONS. The Appraiser(s) considered and used the three independent approaches to value (cost, income, and sales comparison) where applicable in valuing the resources of the subject property for determining a final value conclusion. Explanation for the exclusion of any of the three independent approaches to value in determining a final value conclusion has been disclosed in this report.
15. SCOPE OF WORK RULE. The scope of work was developed based on information from the client. This appraisal and report was prepared for the client, at their sole discretion, within the framework of the intended use. The use of the appraisal and report for any other purpose, or use by any party not identified as an intended user, is beyond the scope of work contemplated in the appraisal, and does not create an obligation for the Appraiser.
16. Acceptance of the report by the client constitutes acceptance of all assumptions and limiting conditions contained in the report.
17. Other Contingent and Limiting Conditions:

MARKET VALUE DEFINITION

Regulations published by federal regulatory agencies pursuant to title XI of the Financial Institutions Reform, Recovery and Enforcement Act (FIRREA)

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised, and acting in what they consider their best interests;
3. A reasonable time is allowed for exposure on the open market;
4. Payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto; and
5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

Other:

The source of the definition of Market Value for Federally Insured Financial Institutions is: "The Appraisal of Real Estate - 12th Edition", Page 23 per Federal Register, Volume 55, Number 163, August 22, 1990, Pages 34228 and 34229.

EXPOSURE AND MARKETING TIME ESTIMATES

Market value (see above definition) conclusion and the costs and other estimates used in arriving at conclusion of value is as of the date of the appraisal. Because markets upon which these estimates and conclusions are based upon are dynamic in nature, they are subject to change over time. Further, the report and value conclusion is subject to change if future physical, financial, or other conditions differ from conditions as of the date of appraisal.

In applying the market value definition to this appraisal, a reasonable exposure time of 3-12 months has been estimated. Exposure time is the estimated length of time the property interest being appraised would have been offered in the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; exposure time is always presumed to **precede** the effective date of the appraisal.

Marketing time, however, is an estimate of the amount of time it takes to sell a property interest at the market value conclusion during the period **after** the effective date of the appraisal. An estimate of marketing time is not intended to be a prediction of a date of sale. It is inappropriate to assume that the value as of the effective date of appraisal remains stable during a marketing period. Additionally, the appraiser(s) have considered market factors external to this appraisal report and have concluded that a reasonable marketing time for the property is +/- 12 months.

Comments: Transitional property marketing and exposure time varies. There is not hard evidence in the subject market to suggest a specific time period. Often times, property can be listed with unrealistic expectations and sit on the market for years. Other times, and in the case of a comparable sale in this report, marketing time is shortened due to seller or that there were several parties that were interested in purchasing the property prior to being appraised or listed which might shorten the marketing time. Otherwise based on area sales +/- 12 months is viewed as a reasonable time period based on a wider market area of data.

Appraiser Certification

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

1. the statements of fact contained in this report are true and correct.
2. the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial and unbiased professional analysis, opinions, and conclusions.
3. I have ☒ no ☐ the specified present or prospective interest in the property that is the subject of this report and I have ☒ no ☐ the specified personal interest with respect to the parties involved.
4. I have performed ☒ no ☐ the specified services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
5. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. my engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. my compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. my analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice*.
9. I ☒ have ☐ have not made a personal inspection of the property that is the subject of this report.
10. ☒ no one ☐ the specified persons provided significant real property appraisal assistance to the person signing this certification.

Effective Date of Appraisal: 05/21/21

Opinion of Value: \$ 211,500

Appraiser:

Signature: Andrew Wendlandt

Name: Andrew Wendlandt

License #: Certified General

Certification #: 40469709

Property Inspection: ☒ Yes ☐ No

Inspection Date: 05/21/21

Appraiser has ☒ inspected ☒ verified ☒ analyzed the sales contained herein.

Date Signed: 06/11/21

STATE OF MINNESOTA



ANDREW MICHAEL WENDLANDT
806 3RD STREET SOUTH
P.O. BOX 608
WAITE PARK, MN 56387

Department of Commerce

The Undersigned **COMMISSIONER OF COMMERCE** for the State of Minnesota hereby certifies that
Andrew Michael Wendlandt

806 3RD STREET SOUTH
P.O. BOX 608
WAITE PARK, MN 56387

has complied with the laws of the State of Minnesota and is hereby licensed to transact the business of

Resident Appraiser : Certified General

License Number: 40469709

unless this authority is suspended, revoked, or otherwise legally terminated. This license shall be in effect until August 31, 2021.

IN TESTIMONY WHEREOF, I have hereunto set my hand this July 08, 2019.

A handwritten signature in black ink, appearing to read "Steve Kelley".

COMMISSIONER OF COMMERCE

Minnesota Department of Commerce

Licensing Division
85 7th Place East, Suite 500
St. Paul, MN 55101-3165
Telephone: (651) 539-1599
Email: licensing.commerce@state.mn.us
Website: commerce.state.mn.us

Notes:

- **Individual Licensees Only - Continuing Education:** 15 hours is required in the first renewal period, which includes a 7 hour USPAP course. 30 hours is required for each subsequent renewal period, which includes a 7 hour USPAP course.
- **Appraisers:** You must hold a licensed Residential, Certified Residential, or Certified General qualification in order to perform appraisals for federally-related transactions. **Trainees do not qualify.** For further details, please visit our website at commerce.state.mn.us.

Appraiser Qualifications



806 3rd Street South,
P.O. Box 608,
Waite Park, MN 56387-0608
E:Andrew.Wendlandt@compeer.com

Direct: 320-203-4626 | compeer.com
Mobile: 320-428-8432

ANDREW M. WENDLANDT CERTIFIED GENERAL APPRAISER QUALIFICATIONS

LICENSE:

Certified General Real Property Appraiser, State of Minnesota, License # 40469709
State of North Dakota, License # CG-221151

PROFESSIONAL MEMBERSHIPS

MN Chapter of American Society of Farm Managers and Rural Appraisers (ASFMRA) - Member
- Member of the Young Professionals Network (YPN) of ASFMRA
Associate Member of the National Chapter of the ASFMRA
Farm Service Agency (FSA) Approved Appraiser

EXPERIENCE:

- Associate Appraiser, AgStar Financial Services, January 2016 – April 2019
 - Certified General Appraiser, Compeer Financial, 2019 – Present
- Real Estate:** Farmland appraisals completed in over 40 counties in MN and over 10 counties in ND; including Poultry Facilities, On-Farm and Commercial Grain Storage Facilities, Dairy Operations including Robotic, Equine Facilities, Cow/Calf and Cattle Finishing Operations, Ag Commercial Buildings, Hunting/Recreational Land, Development Tracts
- Personal Property:** Machinery & Equipment, Vehicles & Trailers, Crops, Feed and other Misc items.
- Specialties:** Onsite and Commercial Grain, Commercial Ag and FeedMill Facilities, Poultry Operations, and Transitional Properties

EDUCATION:

B.S., Biology and B.A., Criminology; University of Minnesota – Duluth, 2010

American Society of Farm Managers and Rural Appraisers (ASFMRA)

(A301) Cost Approach for General Appraisers
(A302) Sales Comparison Approach for General Appraisers
(A303) Income Approach for General Appraisers, Part 1
(A304) Integrated Approaches to Value
Annual Seminars and Workshops

Appraisal Institute (AI)

General Appraiser Market Analysis and Highest & Best Use
General Appraiser Income Approach/ Part 2
Basic Appraisal Principles Basic Appraisal Procedures
15 Hour National USPAP Course – Updated as Required MN Supervisor/Trainee Appraiser Course
Real Estate Statistics, Modeling, and Finance Course

Additional/Continuing Education

ASFMRA: Appraisal through the Eyes of the Reviewer (2016)
ASFMRA: Using Excel in Specific Appraisal Applications (2016)
ASFMRA: Best Practices for Rural Property Appraisals (2017)
ASFMRA: Market Area and Industry Analysis (2018)
ASFMRA: Valuing Specialty Livestock Facilities: Dairy Farms (2019)
ASFMRA: Valuing Specialty Livestock Facilities: Dairy Farms (2019)
ASFMRA: Valuing Rural America (2019)
ASFMRA: Farmland Drainage Tile: Valuation and Usage (2019)
Chattel Evaluation – GreenStone Farm Credit Services (2017)

REPRESENTATIVE CLIENTS:

Banks: Frandsen Bank and Trust, Harvest Bank, 1st Minnesota Bank, Bremer Wealth & Trust, Bremer Bank, Venture Bank, First National Bank of Milaca, Alerus Financial, Flagship Bank, Minnwest Bank, Central Minnesota Credit Union, Star Bank, and others

Farm Credit Associations: AgCountry Farm Credit Services, Farm Service Agency (FSA)

Other: Attorneys, Accountants, and Private Parties, Estates, and Businesses