

SPECIAL BENEFIT CONSULTATION
2ND AVENUE IMPROVEMENT PROJECT
FULL DEPTH RECONSTRUCTION
NORWOOD YOUNG AMERICA, MINNESOTA

DATE OF REPORT:
September 30, 2021

PREPARED FOR:
City of Norwood Young America
c/o Bolton & Menk, Inc.
2538 Shadow Lane, Suite 200
Chaska, MN 55318-1172

PREPARED BY:
Patchin Messner Valuation Counselors
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13961 West Preserve Boulevard
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PATCHIN MESSNER
VALUATION COUNSELORS

September 30, 2021

City of Norwood Young America
c/o Bolton & Menk, Inc.
2538 Shadow Lane, Suite 200
Chaska, MN 55318-1172

ATTN: Jake Saulsbury, PE

RE: Special Benefit Consultation
2nd Avenue Improvement Project
Full Depth Reconstruction
Norwood Young America, Minnesota

Dear Mr. Saulsbury:

At your request, we have investigated and analyzed probable special benefit to be derived from the above-referenced infrastructure improvement project. The proposed improvement project is a full depth reconstruction, and includes reconstruction of an existing bituminous roadway, storm sewer replacement, watermain replacement, and sanitary sewer improvements.

The purpose of this consultation is to provide an anticipated range of special benefit for properties in the project area. The function of this analysis is to provide guidance to the City of Norwood Young America in analyzing special benefit derived from completion of the 2nd Avenue Improvement Project. *However, the analysis examines special benefit to properties, exclusive of the above-described sanitary sewer improvements.*

In estimating anticipated special benefit to properties in the project area, individual properties or land parcels have not specifically been appraised. Rather, this analysis attempts to quantify probable special benefit directly, which can then be applied to typical properties within the project area.

Based on the data and analyses as summarized in the attached report, as well as additional information and documentation retained in the appraisers' files, it is anticipated that properties in the subject project area will benefit as follows:

Property Address	PID			
Street Reconstruction with Replacement of Watermain				
<u>Single-Family Residential</u>				
Multiple Addresses	Multiple	\$8,500	to	\$9,000
Street Reconstruction with No Replacement of Utilities				
<u>Single-Family Residential</u>				
Multiple Addresses	Multiple	\$7,000	to	\$7,500
<u>Duplex Properties</u>				
Christine K. Wilkinson 506 Central Avenue South	58.0113050	\$5,500	to	\$6,000
Lynn & Richard (Jr.) Nemitz 504 Central Avenue South	58.0113100	\$5,500	to	\$6,000

This consultation has been made in conformity with accepted professional, ethical and performance standards of real estate appraisal practice. The "Contingent and Limiting Conditions" section of this report should be thoroughly read and understood before relying on any information or analysis presented herein.

Thank you for allowing our firm to be of assistance in this matter. If you have any questions after reading this report, feel free to contact us at your convenience.

Respectfully submitted,

PATCHIN MESSNER VALUATION COUNSELORS



Michelle K. Hedges
Trainee Real Property Appraiser
Minnesota License 40718572



Sherril L. Brumm, MAI
Certified General Real Property Appraiser
Minnesota License 20249948

CERTIFICATION
(Real Estate)

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 analyses, opinions, and conclusions.
3. I have no present or prospective interest in the properties in the project area that are the subject of this report, and I have no personal interest or bias with respect to the parties involved.
4. I have performed no services as an appraiser regarding the properties in the project area that are the subject of this report within the three-year period immediately preceding acceptance of this assignment.
5. 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 consultation.
6. My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation.
7. I have not made an exterior inspection of the properties in the project area that are the subject of this report.
8. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.
9. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
10. No one provided significant real property appraisal assistance to the persons signing this certification or report.
11. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
12. This consultation cannot be completely understood without reading the Contingent and Limiting Conditions section of this report, which should be thoroughly read and understood before relying on any information or analysis presented herein.
13. As of the date of this report, Michelle K. Hedges has completed the Standards and Ethics Education Requirement for Practicing Affiliates of the Appraisal Institute.



Michelle K. Hedges


9/30/21

Date

CERTIFICATION
(Real Estate)

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 analyses, opinions, and conclusions.
3. I have no present or prospective interest in the properties in the project area that are the subject of this report, and I have no personal interest or bias with respect to the parties involved.
4. I have performed no services as an appraiser regarding the properties in the project area that are the subject of this report within the three-year period immediately preceding acceptance of this assignment.
5. 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 consultation.
6. My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation.
7. I have made an exterior inspection of the properties in the project area that are the subject of this report, from public right-of-way only.
8. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.
9. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
10. No one provided significant real property appraisal assistance to the persons signing this certification or report.
11. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
12. This consultation cannot be completely understood without reading the Contingent and Limiting Conditions section of this report, which should be thoroughly read and understood before relying on any information or analysis presented herein.
13. As of the date of this report, Sherril L. Brumm has completed the continuing education program requirements for Designated Members of the Appraisal Institute.



Sherril L. Brumm, MAI

30 Sep 21

Date

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STREET SCENE PHOTOGRAPHS – BEFORE PROJECT
(Taken by Sherril Brumm on December 8, 2020)



Looking Northeast along 2nd Avenue from near Westerly Project Limits



Looking Northeast along 2nd Avenue from near Westerly Project Limits

STREET SCENE PHOTOGRAPHS – BEFORE PROJECT
(Taken by Sherril Brumm on December 8, 2020)



Looking Southwest along 2nd Avenue from South Devonshire Drive



Looking Northeast along 2nd Avenue from South Devonshire Drive

STREET SCENE PHOTOGRAPHS – BEFORE PROJECT
(Taken by Sherril Brumm on December 8, 2020)



Looking Northeast along 2nd Avenue from South Devonshire Drive

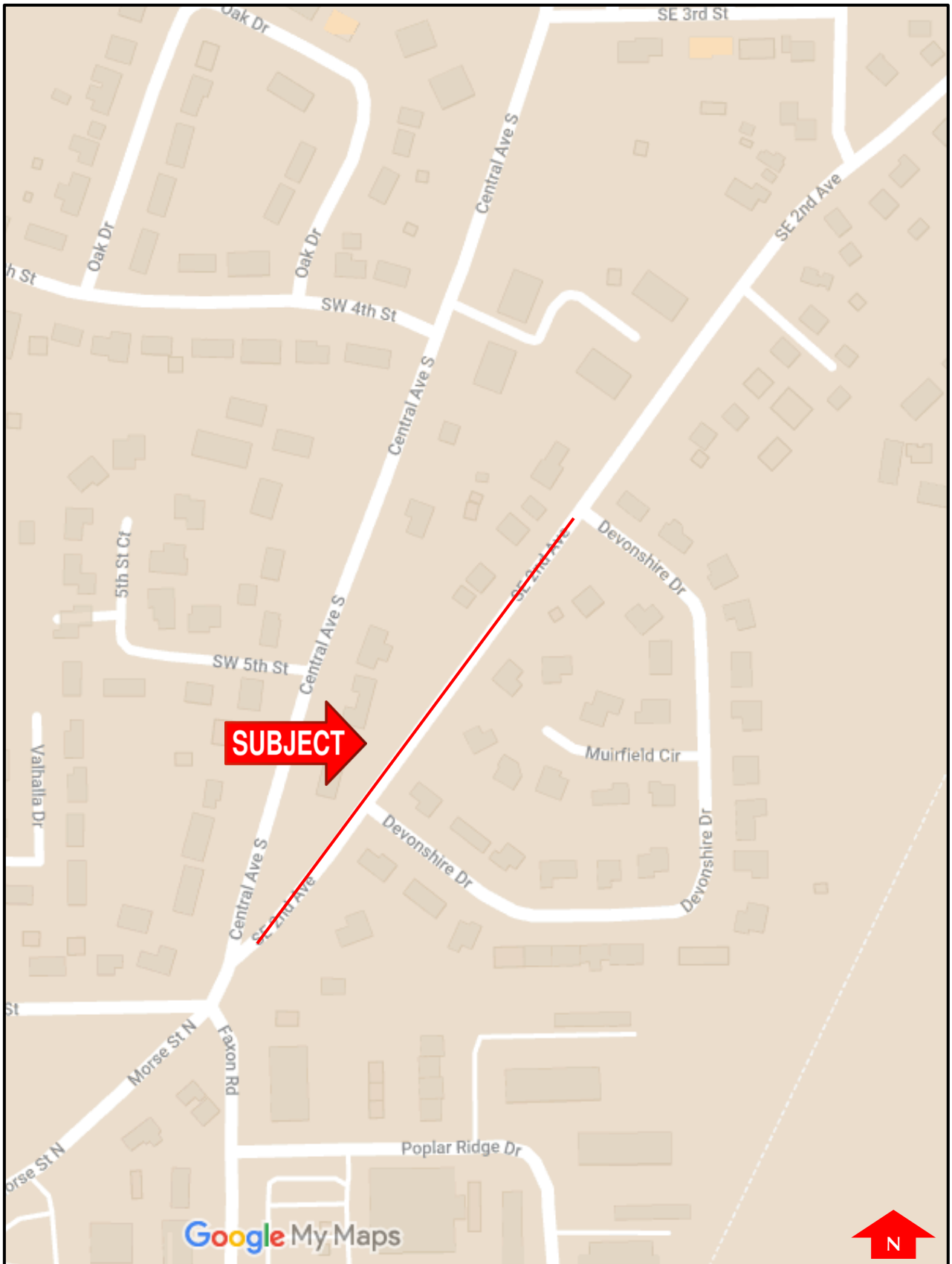


Looking Southwest along 2nd Avenue from North Devonshire Drive

STREET SCENE PHOTOGRAPHS – BEFORE PROJECT
(Taken by Sherril Brumm on December 8, 2020)



Looking Northeast at 2nd Avenue & North Devonshire Drive Intersection



PURPOSE OF CONSULTATION

The purpose of this consultation is to provide an anticipated range of special benefit for the properties affected by full depth reconstruction, including bituminous improvements to an existing bituminous-surfaced roadway in poor condition, storm sewer replacement and watermain replacement. The improvements also include replacement of concrete curb and gutter, as well as sidewalk replacement.

FUNCTION OF CONSULTATION

The intended use of this consultation is to provide guidance to the City of Norwood Young America in analyzing special benefit derived from completion of full street reconstruction improvements.

CLIENT AND INTENDED USERS

The client of this consultation is the City of Norwood Young America, and the intended users are the City of Norwood Young America and Bolton and Menk, Inc., as engineer for the City of Norwood Young America.

DESCRIPTION OF PROJECT

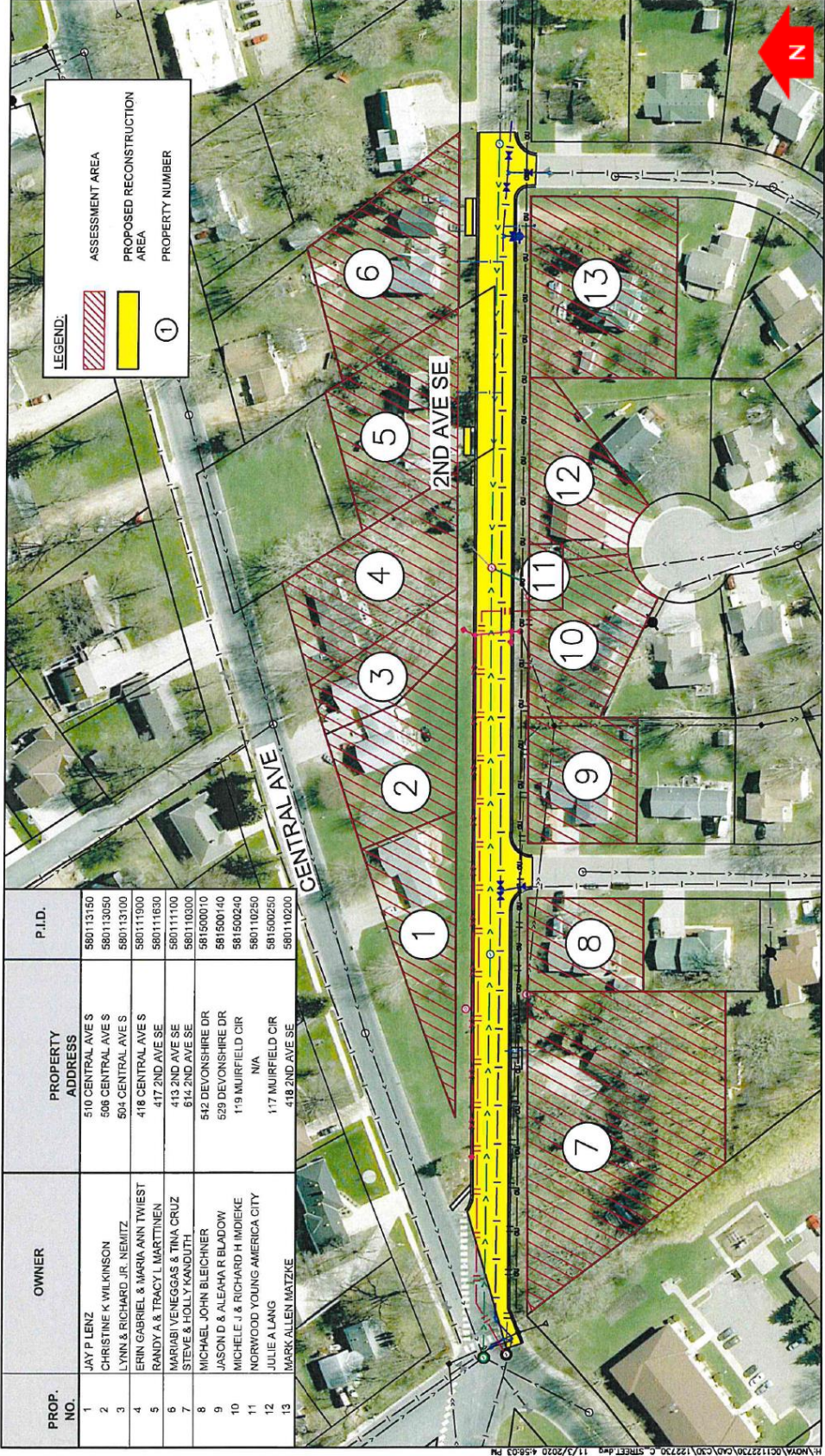
The focus of this consultation includes roadway and associated improvements to the following roadway:

- 2nd Avenue SE, from the Morse Street|7th Street|Faxon Road|Central Avenue intersection to the northern Devonshire Drive intersection with 2nd Avenue

A project map is located on the following page, and the project description that follows is based on the 2nd Avenue Lift Station & Street Improvements Feasibility Report, prepared by Bolton & Menk, Inc. for the City of Norwood Young America, dated November 17, 2020. Please see the Description of Neighborhood section of this report for a summary of properties affected by the project.

FIGURE 2: ASSESSMENT AREA MAP

2ND AVE LIFT STATION & STREET IMPROVEMENTS
CITY OF NORWOOD YOUNG AMERICA



DESCRIPTION OF PROJECT

The existing 2nd Avenue SE typical street section consists of \pm 37-foot-wide bituminous improvements with concrete curb and gutter on each side. The pavement has many transverse and longitudinal cracks, along with raveling on the east side. The proposed street section will include 6.5 inches of bituminous pavement, with 8 inches of aggregate base and 12 inches of select granular borrow, as well as geotextile fabric, drain tile, and curb and gutter. Adjacent driveways and sidewalks will also be reconstructed as necessary.

All storm sewer components, pipes and manholes are proposed to be replaced, and existing drainage patterns and discharge locations will be maintained by the project. Additional intakes will be evaluated and added if necessary, and new castings and manhole chimneys will be included as part of the project. Drain tile and sump pump discharge connection points will also be added adjacent to the curb and gutter in order to give applicable property owners the opportunity to connect sump pump discharge lines to the storm sewer conveyance system, and is being done to minimize consistently wet yards, street icing and ice damage to sump pump lines.

Existing watermain consists of six-inch cast iron pipe, which is considered undersized based on today's standards. The exact age of the pipe is unknown, but the piping is likely 50 plus years old. All existing watermain is proposed to be replaced with an eight-inch diameter PVC pipe. New isolation valves and hydrants will also be included in the design to bring the system up to current City standards and to provide adequate fire protection.

It is also noted that the project will include replacement of the existing sanitary sewer force main, and cured-in-place piping of the gravity sewer pipe will occur at some point in the future. However, this consultation will examine special benefit to properties exclusive of sanitary sewer improvements.

DESCRIPTION OF NEIGHBORHOOD

The project is located in central Norwood Young America. Low-density residential properties exist along 2nd Avenue SE, as well as to the east and west of 2nd Avenue. Multifamily-guided properties are located further to the northeast, and multifamily and commercial uses are located to the south/southwest of the subject project area.

DESCRIPTION OF NEIGHBORHOOD

More specifically, the neighborhood boundaries can be described as follows:

East: Rail Trail
 South: 7th Street SW
 West: City Limits
 North: 2nd Street SW

A summary grid of properties in the project area is located below.

SUMMARY OF PROPERTIES IN RECONSTRUCTION PROJECT AREA									
Address	Finished Area	BR	Year Built	Land Area	Assessed Value as of January 2, 2021		Property Taxes Payable 2020		Comments
<u>Detached Single-Family Properties</u>									
Jay P. Lenz 510 Central Avenue South Norwood Young America, MN	1,848	3	1994	0.28 (AC) 12,200 (SF)	Land Buildings Total	\$44,800 <u>\$174,700</u> \$219,500		Net Tax Spec Asmnt Total	58.0113150 Sale: 10/16 \$196,500
Erin G. & Maria A. Twiest 418 Central Avenue South Norwood Young America, MN	2,203	4	1974	0.37 (AC) 16,190 (SF)	Land Buildings Total	\$53,900 <u>\$171,500</u> \$225,400	\$225,400	Net Tax Spec Asmnt Total	58.0111900 Sale: 6/17 \$232,500
Randy A. & Tracy L. Marttinen Tr. 417 2nd Avenue Southeast Norwood Young America, MN	1,796	3	1909	0.46 (AC) 20,142 (SF)	Land Buildings Total	\$53,900 <u>\$142,800</u> \$196,700	\$196,700	Net Tax Spec Asmnt Total	58.0111630 Note: Assessed value and taxes are based on original, undivided PID 58.0111600
Mariano V. & Tina Cruz 413 2nd Avenue Southeast Norwood Young America, MN	1,984	3	2005	0.43 (AC) 18,560 (SF)	Land Buildings Total	\$53,900 <u>\$155,400</u> \$209,300	\$209,300	Net Tax Spec Asmnt Total	58.0111100
Steve & Holly Kanduth 614 2nd Avenue Southeast Norwood Young America, MN	2,280	4	1972	0.94 (AC) 40,750 (SF)	Land Buildings Total	\$83,200 <u>\$188,900</u> \$272,100	\$272,100	Net Tax Spec Asmnt Total	58.0110300
Michael John Bleichner 542 Devonshire Drive Norwood Young America, MN	1,656	3	1992	0.20 (AC) 8,900 (SF)	Land Buildings Total	\$50,400 <u>\$140,900</u> \$191,300	\$191,300	Net Tax Spec Asmnt Total	58.1500010 Special Assessments: \$90.63 2013 Infrastructure; \$33.00 Solid Waste
Jason D. & Aleaha R. Bladow 529 Devonshire Drive Norwood Young America, MN	2,204	3	1992	0.26 (AC) 11,410 (SF)	Land Buildings Total	\$50,400 <u>\$144,800</u> \$195,200	\$195,200	Net Tax Spec Asmnt Total	58.1500140 Sale: 4/15 \$172,000
Michele J. & Richard H. Imdieke 119 Muirfield Circle Norwood Young America, MN	1,318	3	1993	0.28 (AC) 12,197 (SF)	Land Buildings Total	\$50,400 <u>\$155,200</u> \$205,600	\$205,600	Net Tax Spec Asmnt Total	58.1500240 Sale: 10/16 \$172,459
Buffy S. Knopik 117 Muirfield Circle Norwood Young America, MN	904	2	1990	0.26 (AC) 11,500 (SF)	Land Buildings Total	\$50,400 <u>\$152,400</u> \$202,800	\$202,800	Net Tax Spec Asmnt Total	58.1500250 Sale: 4/20 \$240,000
Mark A. Matzke 418 2nd Avenue Southeast Norwood Young America, MN	2,194	4	1890	0.51 (AC) 22,000 (SF)	Land Buildings Total	\$61,000 <u>\$130,200</u> \$191,200	\$191,200	Net Tax Spec Asmnt Total	58.0110200 Special Assessments: \$769.07 Delinquent Utilities; \$90.63 2013 Infrastructure; \$33.00 Solid Waste
<u>Duplex Properties</u>									
Christine K. Wilkinson 506 Central Avenue South Norwood Young America, MN	1,816	4	1984	0.30 (AC) 13,085 (SF)	Land Buildings Total	\$53,900 <u>\$133,200</u> \$187,100	\$187,100	Net Tax Spec Asmnt Total	58.0113050 Side x Side Duplex
Lynn & Richard Jr. Nemitz 504 Central Avenue South Norwood Young America, MN	1,660	2	1984	0.17 (AC) 7,480 (SF)	Land Buildings Total	\$44,700 <u>\$131,800</u> \$176,500	\$176,500	Net Tax Spec Asmnt Total	58.0113100 Side x Side Duplex
<u>City-Owned Property</u>									
Norwood Young America City No Address Assigned Norwood Young America, MN	N/A	N/A	N/A	0.04 (AC) 1,830 (SF)	Land Buildings Total	\$700 <u>\$0</u> \$700	\$700	Net Tax Spec Asmnt Total	58.0110250 EXEMPT \$0.00 \$0.00

DESCRIPTION OF NEIGHBORHOOD

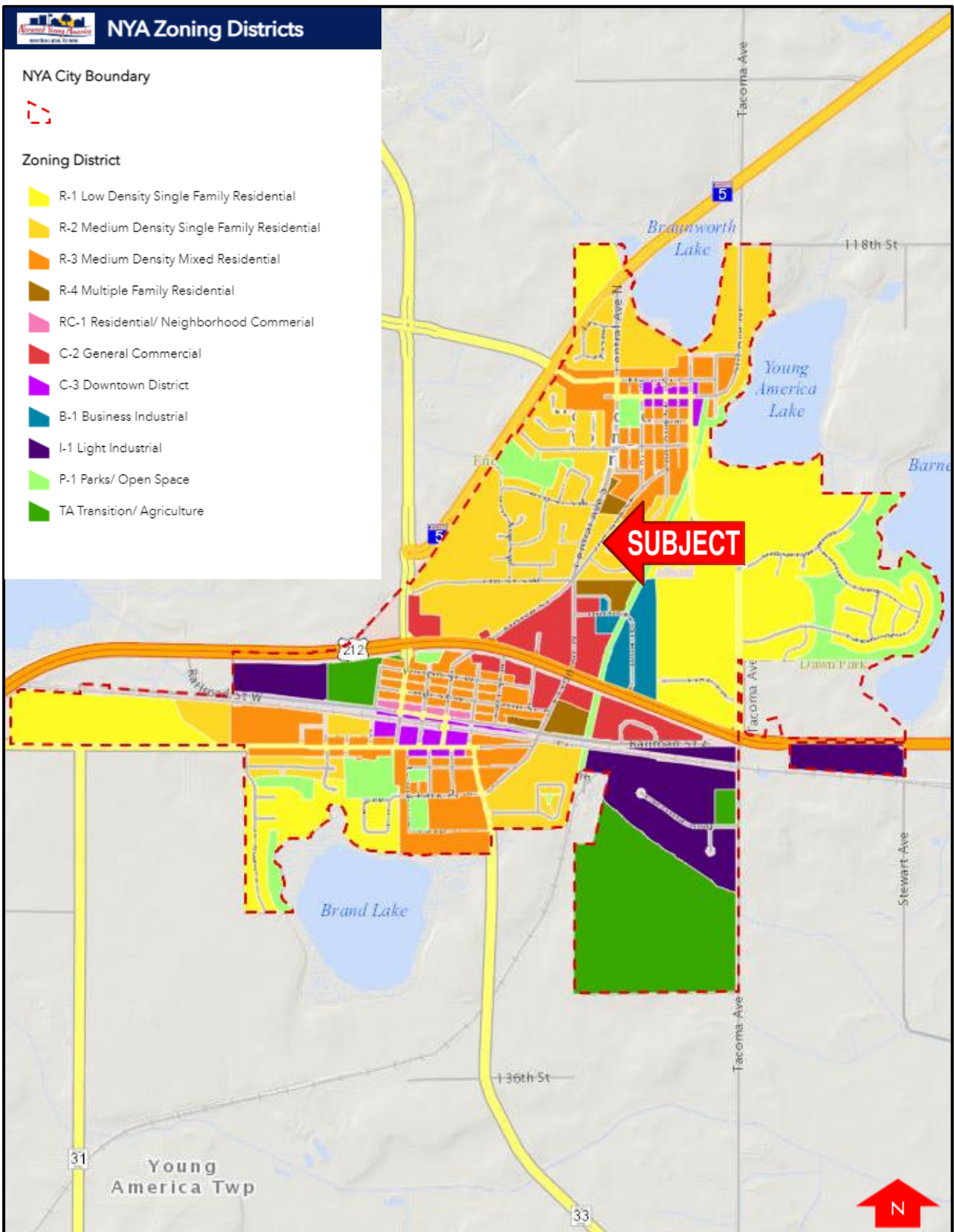
There is one City-owned tax parcel, and two tax parcels that comprise a duplex. The remaining properties in the project area are detached single-family residential tracts, each improved with a residence. Excluding the City-owned parcel that is 0.04 acres in size, the tracts range in size from 0.17 acres to 0.94 acres.

The improved detached single-family residential properties in the subject project area have a wide range of ages, having been constructed between 1890 and 2005. These properties contain an average of three bedrooms and have an average finished area of 1,839 SF. The improved January 2, 2021, assessed values range from \$191,200 to \$272,100, with an average 2021 assessed value of \$210,910 and a median 2021 assessed value of \$204,200.

The duplex property is situated on two tax parcels, with improved January 2, 2021, assessed values of \$187,100 and \$176,500. The structure was built in 1984, with one side of the duplex containing 1,816 SF and the other side of the duplex containing 1,660 SF of finished area.

ZONING DATA

Zoning is administered by the City of Norwood Young America. The properties in the 2nd Avenue SE reconstruction area are zoned R-1, Low Density Single-Family Residential. The Norwood Young America Zoning Map is located on the following page.



ZONING DATA

R-1, Low Density Single-Family Residential District

The intent of the Low Density Single-Family Residential District is “to provide and preserve areas within the City currently established or primarily designated for low-density residential development by the Comprehensive Plan.” The principal land use within this district is lower density single-family residential dwellings.

Permitted uses in the R-1 District include single-family dwellings, state licensed residential facility serving six or fewer persons, state licensed day care facility serving 12 or fewer persons, group family day care facility licensed under Minnesota Rules serving 14 or fewer children, public parks, open spaces, and other recreational uses, non-commercial in nature. Additionally, bed and breakfasts, guest cottages, churches, schools, and similar public uses are permitted as a conditional use.

Design standards for sewerer properties within the R-1, Low Density Single-Family Residential District, are as follows:

Minimum Lot Size:	10,000 SF
Minimum Lot Width:	80 Feet
Lot Coverage:	30%
Minimum Foundation Size:	900 SF
Building Height:	35 Feet (principle structure) 25 Feet (accessory structure)
Setback Requirements:	
Front Yard:	30 Feet
Side Yard:	10 Feet
Street Side Yard:	30 Feet
Rear Yard:	25 Feet

Summary

All of the subject properties in the project area fall under either a permitted or conditional use for the R-1 zoning district, or are a grandfathered use as improved.

SCOPE OF CONSULTATION

In order to estimate special benefit from the full depth reconstruction improvement project, the following methodology is employed.

1. Research other reconstruction projects in various cities throughout the Twin Cities Metropolitan Area.
2. Investigate sales of single-family residential properties that sold before and after the reconstruction projects occurred, in order to isolate benefit from each particular project.
3. After investigating the above sales, and adjusting the sales for market conditions, the sales that occurred before the reconstruction project are compared to sales that occurred after the project was completed.
4. The multiple indications are then reconciled into an anticipated range of special benefit for affected properties in the proposed project area on a residential equivalent unit basis.
5. This process is completed for projects that include road reconstruction with replacement of watermain and for projects that include road reconstruction without replacement of utilities.

MARKET VALUE DEFINED

Market value as utilized in this consultation report conforms to the following definition obtained from Page 142 of *The Dictionary of Real Estate Appraisal*, Sixth Edition.

The most probable price that 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:

- *Buyer and seller are typically motivated;*
- *Both parties are well informed or well advised, and acting in what they consider their best interests;*
- *A reasonable time is allowed for exposure in the open market;*
- *Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and*
- *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.*

MARKET VALUE DEFINED

Unless otherwise noted in the consultation report, market value shall represent cash equivalent terms where the seller receives all cash for their interest. The property may be financed at typical market terms under this definition.

The above definition describes market value as an exchange concept. According to *The Dictionary of Real Estate Appraisal*, Sixth Edition, at Page 245, value in exchange is defined as “a type of value that reflects the amount that can be obtained from an asset if exchanged between parties.”

SALES COMPARISON APPROACH

The sales comparison approach to value examines the sale prices of other properties similar to the before and after conditions of the subject project area that have sold in the marketplace. This approach is good evidence of value because it represents the activities and reactions of sellers, users, and investors as they respond to the marketplace.

The theory behind the sales comparison approach is based on the "principle of substitution," which implies that a prudent person will not pay more to buy or rent a property than it will cost to buy or rent a comparable substitute property. The validity of this approach is based on the assumption that continuity exists between similar properties of like adequacy and their market values. The reliability of this technique is dependent on the availability of sales data and the degree of comparability of the sales studied.

Introduction

To apply this approach to the City of Norwood Young America 2nd Avenue project area, information has been sought on similar reconstruction projects located in single-family residential areas. Given variation in project scope, multiple analyses are necessary, and include the following:

- Street Reconstruction with Replacement of Watermain
- Street Reconstruction with No Replacement of Utilities

SALES COMPARISON APPROACH

Introduction

Projects have been identified in each of these categories, with before and after sales that are relevant to this analysis.

Road Reconstruction with Replacement of Watermain

Detached Single-Family Residential

Several road reconstruction projects are presented on the following pages that included replacement of watermain, but not full replacement of both watermain and sanitary sewer services. The project areas analyzed include one in Chanhassen, two in Chaska, one in Maplewood, two in Plymouth, and four in Lakeville.

Chanhassen 2007 Koehnen Area Study

A road reconstruction project occurred in the city of Chanhassen in 2007 that included replacement of exposed water main lines due to frequent watermain breaks in the project area. Sanitary sewer lines were repaired or replaced as needed. In addition, the City of Chanhassen indicated that the 2007 project area was in need of a storm sewer system, and three storm water ponds were proposed in the feasibility report.

The project area included a portion of Yosemite Avenue, West 63rd Street, Audubon Circle, Blue Jay Circle, Cardinal Avenue, Koehnen Circle East, and Koehnen Circle West.

Residential sales data, excluding new construction, was extracted for Chaska, Chanhassen, Eden Prairie and Victoria using the Multiple Listing Service (MLS), and this data was the basis for the market conditions adjustments applied to the project analyzed in Chanhassen, as well as the following Chaska studies.

After researching this Chanhassen project, two residential sales were found after the project, which can be compared to four residential sales that occurred before the project. The sales are summarized on the following page.

SALES COMPARISON APPROACH

Road Reconstruction with Replacement of Watermain

Detached Single-Family Residential

Chanhassen 2007 Koehnen Area Study

Chanhassen 2007 Reconstruction						
Improved Sale	Date of Sale	Land Size	Finished SF	Sale Price	Sale Price Adj. for Mkt. Cond.	
Sales After Project						
1	6225 Cardinal Avenue	Oct-10	0.60 AC	3,700	\$235,609	\$238,059
2	6251 Cardinal Avenue	Nov-09	0.60 AC	1,582	\$193,100	\$189,354
After Project Averages		Apr-10	0.60 AC	2,641	\$214,355	\$213,707
Sales Before Project						
1	6291 Cardinal Avenue	Oct-03	0.49 AC	2,272	\$250,000	\$235,425
2	6270 Blue Jay Circle	Apr-03	0.50 AC	1,588	\$189,000	\$182,914
3	1690 63rd Street W.	Nov-02	0.54 AC	1,950	\$212,000	\$208,756
4	1730 Koehnen Circle	Jun-02	0.32 AC	1,408	\$196,850	\$195,767
Before Project Averages		Jan-03	0.46 AC	1,805	\$211,963	\$205,716
				After Project:	= \$213,707	
				Before Project:	= \$205,716	
				Indicated Benefit:	\$7,991	
					3.88%	

After the market conditions adjustment to April 2010 (average date of sale after the project), the before comparables indicate an average sale price of \$205,716. This can now be compared to the average adjusted sale price for the sales after the reconstruction project.

Project Year:	<u>2007</u>	<u>Percentage of Market Value</u>	<u>Average Lot Size</u>
Sale Price After the Project:	\$213,707		0.60 Ac
Sale Price Before the Project:	<u>\$205,716</u>		0.46 Ac
Indicated Special Benefit:	\$ 7,991	3.88%	

SALES COMPARISON APPROACH

Road Reconstruction with Replacement of Watermain

Detached Single-Family Residential

Chanhassen 2007 Koehnen Area Study

The 2007 Chanhassen study indicates a special benefit of \$7,991 per residential equivalent unit for a complete road reconstruction, including replacement of watermain, repair of sanitary sewer lines where needed, and construction of a storm sewer system. This indication of special benefit is 3.88% of the average market value before the project. However, the home sizes are not similar in the sales studied before and after the project occurred, thereby reducing the reliability of this indicator of special benefit.

Chaska Studies

The next projects analyzed in this consultation occurred in Chaska. The first project analyzed in Chaska is the 2006 Von Herten area project, and the second project is the 2010 North Meadow reconstruction project.

Von Herten

The 2006 Von Herten Area reconstruction project in Chaska was a road reconstruction project that included replacement of watermain due to watermain breaks occurring with unusual regularity. Drainage issues in this area were also addressed. The project area included both detached single-family properties and attached single-family properties. Given that we are first analyzing special benefit to detached single-family homes, an analysis of sales of attached single-family homes is not included in this section of the report.

After researching this project, one residential sale was found after the project, which can be compared to three residential sales that occurred before the project. The sales utilized in this analysis are summarized on the following page.

SALES COMPARISON APPROACH

Road Reconstruction with Replacement of Watermain

Detached Single-Family Residential

Chaska Studies - Von Herten

Chaska 2006 Von Herten Street Reconstruction Project (Single-Family Properties)						
Improved Sale:		Date of Sale	Land Size	Finished SF	Sale Price	Sale Price Adj. for Mkt. Cond.
Sales After Project						
1	110922 Von Herten Circle	Aug-08	0.29 AC	2,086	\$228,461	\$228,461
After Project Averages		Aug-08	0.29 AC	2,086	\$228,461	\$228,461
Sales Before Project						
1	110921 Von Herten Circle	Apr-04	0.21 AC	2,164	\$223,500	\$232,708
2	110922 Von Herten Circle	Feb-04	0.29 AC	2,086	\$209,900	\$220,458
3	110901 Von Herten Circle	Jan-03	0.22 AC	1,823	\$185,500	\$206,666
Before Project Averages		Oct-03	0.24 AC	2,024	\$206,300	\$219,944
				After Project:	= \$228,461	
				Before Project:	<u>= \$219,944</u>	
				Indicated Benefit:	\$8,517	
					3.87%	

After the market conditions adjustment to August 2008 (date of sale after the project), the before comparables indicate an average sale price of \$219,944. This can now be compared to the sale price after the reconstruction project.

Project Year:	<u>2006</u>	<u>Percentage of Market Value</u>	<u>Average Lot Size</u>
Sale Price After the Project:	\$228,461		0.29 Ac
Sale Price Before the Project:	<u>\$219,944</u>		0.24 Ac
Indicated Special Benefit:	\$ 8,517	3.87%	

The 2006 Von Herten Area project in Chaska indicates a special benefit of \$8,517 per residential equivalent unit for a complete road reconstruction, including replacement of watermain services. This indication of special benefit is 3.87% of the average market value

SALES COMPARISON APPROACH

Road Reconstruction with Replacement of Watermain

Detached Single-Family Residential

Chaska Studies - Von Herten

before the project. Although there was not a high volume of sales that occurred in this study area, the land sizes and home sizes are relatively similar for the sales studied before and after the project occurred. In addition, the indicated benefit of \$8,517 per residential equivalent unit is supportive of the indicators of benefit from other project areas studied in this consultation.

In addition to the preceding study, the property at 110922 Von Herten Circle sold before the project and again after the road reconstruction, and indicates special benefit of \$8,003 per residential equivalent unit when comparing the adjusted sale price before the project to the adjusted sale price after the project was completed. Although an aggregate comparison of sales before and after the project is considered a more reliable indicator of benefit, in this case, both indications of benefit are similar.

North Meadow

Sufficient data was available to analyze a road reconstruction project that occurred in the North Meadow neighborhood in Chaska in 2010. This was a complete road reconstruction project that included repair/replacement of watermain gate valves and hydrant fittings due to watermain breaks occurring with unusual regularity. Drainage issues in this area were also addressed, as there were little to no storm sewer improvements prior to the project. Maintenance and rehabilitation work also occurred on the sanitary sewer system.

The North Meadow project included single-family properties on Cardinal Court, Stephens Court, Cardinal Lane, Cardinal Circle and Cardinal Cove. After researching this project, four residential sales were found after the project, which can be compared to eight residential sales that occurred before the project. The sales are summarized on the following page.

SALES COMPARISON APPROACH**Road Reconstruction with Replacement of Watermain****Detached Single-Family Residential****Chaska Studies - North Meadow**

Chaska 2010 North Meadow Street Reconstruction Project						
Improved Sale		Date of Sale	Land Size	Finished SF	Sale Price	Sale Price Adj. for Mkt. Cond.
Sales After Project						
1	1509 Cardinal Lane	Apr-13	0.26 AC	2,220	\$235,000	\$229,995
2	300 Cardinal Court	Jan-13	0.20 AC	2,150	\$211,460	\$210,403
3	1450 Cardinal Cove	Jun-12	0.22 AC	2,749	\$224,261	\$224,440
4	257 Cardinal Court	May-11	0.20 AC	2,501	\$154,400	\$151,343
After Project Averages		Jul-12	0.22 AC	2,405	\$206,280	\$204,045
Sales Before Project						
1	1385 Cardinal Lane	Nov-09	0.20 AC	2,347	\$167,000	\$156,011
2	1458 Cardinal Lane	Sep-09	0.28 AC	2,658	\$227,400	\$209,367
3	260 Cardinal Circle	Oct-07	0.22 AC	2,172	\$232,700	\$186,742
4	285 Cardinal Court	Sep-07	0.20 AC	2,062	\$247,000	\$198,193
5	1441 Cardinal Cove	Nov-06	0.23 AC	2,080	\$240,000	\$192,192
6	1394 Cardinal Lane	Sep-06	0.20 AC	2,300	\$270,155	\$216,205
7	250 Cardinal Circle	Jun-06	0.27 AC	2,316	\$255,500	\$204,323
8	1509 Cardinal Lane	Mar-06	0.26 AC	2,220	\$252,327	\$201,584
Before Project Averages		Sep-07	0.23 AC	2,269	\$236,510	\$195,577
				After Project:	= \$204,045	
				Before Project:	= \$195,577	
				Indicated Benefit:	\$8,468	
					4.33%	

After the market conditions adjustment to July 2012 (average date of sale after the project), the before comparables indicate an average sale price of \$195,577. This can now be compared to the average adjusted sale price for the sales after the reconstruction project.

Project Year:	<u>2010</u>	<u>Percentage of</u>	<u>Average</u>
Sale Price After the Project:	\$204,045	<u>Market Value</u>	<u>Lot Size</u>
Sale Price Before the Project:	<u>\$195,577</u>		0.22 Ac
Indicated Special Benefit:	\$ 8,468	4.33%	0.23 Ac

SALES COMPARISON APPROACH

Road Reconstruction with Replacement of Watermain

Detached Single-Family Residential

Chaska Studies - North Meadow

The North Meadow study indicates a special benefit of \$8,468 per residential equivalent unit for a road reconstruction project fronting urban lots, which is 4.33% of the average market value before the project. The land sizes and home sizes are relatively similar for the sales studied before and after the project occurred, and the \$8,468 indication of benefit is supportive of the other indicators of benefit.

In addition to the preceding study, the property at 1509 Cardinal Lane sold before the project and again after the road reconstruction, and indicates a benefit of over \$28,000 per residential equivalent unit when comparing the adjusted sale price before the project to the adjusted sale price after the project was completed. However, each market transaction varies according to motivations of and negotiations between individual participants. Even though each sale may represent an arm's-length transaction, there are specific circumstances that can influence sale prices, reducing the reliability of a particular pairing. Therefore, special benefit to single-family residential properties from a reconstruction project is best derived from an overall comparison of sales that occur before the project to sales that occur after the project.

Maplewood Study

Sufficient data was available to analyze a road reconstruction project that occurred in the Western Hills Area of Maplewood in 2011. This was a complete road reconstruction project that included watermain replacement (or repair in some areas), repair of the existing sanitary sewer system where needed, installation of a new storm sewer system, and construction of a sidewalk.

After researching the Western Hills project area, 23 residential sales were found after the project, which can be compared to 21 residential sales that occurred before the project. The sales are summarized on the following page.

SALES COMPARISON APPROACH

Road Reconstruction with Replacement of Watermain

Detached Single-Family Residential

Maplewood Study

Maplewood 2011 Reconstruction Project						
Improved Sale		Date of Sale	Land Size	Finished SF	Sale Price	Sale Price Adj for Mkt. Cond.
Sales After Project						
1	1735 Abel Street	Jun-14	0.24 AC	1,093	\$152,290	\$135,614
2	134 Bellwood Avenue	May-14	0.24 AC	1,770	\$181,658	\$162,511
3	217 Bellwood Avenue	Mar-14	0.24 AC	970	\$150,157	\$135,577
4	1695 Edgemont Street	Feb-14	0.36 AC	2,100	\$204,132	\$185,168
5	157 Summer Avenue	Oct-13	0.25 AC	1,620	\$135,000	\$126,401
6	1725 Agate Street North	Aug-13	0.23 AC	1,672	\$165,000	\$157,361
7	1763 City Heights Drive	Aug-13	0.24 AC	1,944	\$180,853	\$172,480
8	1911 Adolphus Street North	Jun-13	0.19 AC	1,412	\$135,353	\$131,509
9	151 Summer Avenue	Jun-13	0.25 AC	1,692	\$145,853	\$141,711
10	141 Kingston Avenue	May-13	0.26 AC	1,704	\$163,000	\$159,903
11	1854 Onacrest Court	May-13	0.26 AC	1,638	\$156,053	\$153,088
12	49 Kingston Avenue	Apr-13	0.23 AC	1,720	\$154,170	\$152,690
13	1770 Onacrest Curve	Apr-13	0.39 AC	1,740	\$169,900	\$168,269
14	1799 Agate Street	Feb-13	0.26 AC	1,632	\$161,000	\$162,562
15	1808 City Heights Drive	Jan-13	0.24 AC	1,082	\$145,800	\$148,629
16	1741 Agate Street	Nov-12	0.23 AC	1,643	\$151,203	\$155,558
17	1722 Agate Street	Sep-12	0.28 AC	1,924	\$154,870	\$160,771
18	130 Kingston Avenue	Sep-12	0.28 AC	1,161	\$150,350	\$156,078
19	122 Kingston Avenue	Aug-12	0.25 AC	1,170	\$125,983	\$131,362
20	1800 City Heights Drive	Aug-12	0.24 AC	1,648	\$163,397	\$170,374
21	1867 Beaumont Street	Jun-12	0.30 AC	1,851	\$162,960	\$171,434
22	171 Summer Avenue	May-12	0.24 AC	1,436	\$159,000	\$168,015
23	1820 Onacrest Court	Mar-12	0.56 AC	1,693	\$151,320	\$161,322
After Project Averages		Mar-13	0.27 AC	1,579	\$157,361	\$155,147
Sales Before Project						
1	214 Summer Avenue East	Dec-10	0.28 AC	1,020	\$129,010	\$126,269
2	1797 City Heights Drive	Jun-10	0.24 AC	960	\$160,200	\$151,629
3	1874 Beaumont Street	May-10	0.34 AC	2,237	\$167,223	\$158,026
4	1758 Agate Street North	Jan-10	0.23 AC	1,948	\$206,300	\$193,716
5	129 Summer Avenue	Dec-09	0.24 AC	1,670	\$159,900	\$148,579
6	1805 Agate Street	Oct-09	0.26 AC	1,544	\$173,000	\$157,395
7	1751 Gurney Street North	Sep-09	0.31 AC	1,560	\$150,000	\$135,015
8	87 Kingston Avenue East	May-09	0.25 AC	1,276	\$150,000	\$129,165
9	143 Bellwood Avenue East	May-09	0.24 AC	2,224	\$186,000	\$160,165
10	1866 Beaumont Street	Nov-08	0.34 AC	1,588	\$145,504	\$117,553
11	1712 Sylvan Street North	Oct-08	0.30 AC	2,219	\$225,000	\$180,158
12	170 Summer Avenue East	May-08	0.27 AC	1,664	\$190,120	\$145,385
13	135 Summer Avenue East	Mar-08	0.25 AC	1,704	\$191,090	\$143,375
14	1705 Abel Street	Nov-07	0.35 AC	2,100	\$203,700	\$148,782
15	1900 Beaumont Street	Oct-07	0.34 AC	2,058	\$196,900	\$143,264
16	1811 City Heights Drive	Nov-07	0.24 AC	1,600	\$175,570	\$128,236
17	1755 Agate Street	Aug-07	0.26 AC	1,340	\$200,000	\$144,420
18	133 Kingston Avenue	Jul-07	0.25 AC	1,640	\$197,750	\$142,261
19	1882 Beaumont Street	Jul-07	0.34 AC	1,758	\$185,000	\$133,089
20	1688 Edgemont Street	Jun-07	0.39 AC	1,910	\$235,000	\$168,401
21	1831 City Heights Drive	Feb-07	0.36 AC	2,158	\$203,500	\$143,569
Before Project Averages		Oct-08	0.29 AC	1,723	\$182,417	\$147,545
				After Project:	= \$155,147	
				Before Project:	= \$147,545	
				Indicated Benefit:	\$7,602	
					5.15%	

SALES COMPARISON APPROACH

Road Reconstruction with Replacement of Watermain

Detached Single-Family Residential

Maplewood Study

Residential sales data, excluding new construction, was extracted for Maplewood, Roseville, North St. Paul, Oakdale and Little Canada using the Multiple Listing Service (MLS), and this data was the basis for the market conditions adjustments applied to the project analyzed in Maplewood.

After the market conditions adjustment to March 2013 (average date of sale after the project), the before comparables indicate an average sale price of \$147,545. This can now be compared to the average adjusted sale price for the sales after the reconstruction project.

	<u>2011</u>	<u>Percentage of</u>	<u>Average</u>
Project Year:		<u>Market Value</u>	<u>Lot Size</u>
Sale Price After the Project:	\$155,147		0.27 Ac
Sale Price Before the Project:	<u>\$147,545</u>		0.29 Ac
Indicated Special Benefit:	\$ 7,602	5.15%	

The Maplewood Western Hills study indicates a special benefit of \$7,602 per residential equivalent unit for a road reconstruction project fronting urban lots, which is 5.15% of the average market value before the project. The land sizes and home sizes are relatively similar for the sales studied before and after the project occurred, which increases reliability of the data.

However, values in this area of Maplewood are lower than in the subject neighborhood. Furthermore, watermain was not replaced throughout the entire project area. Considering all, this indicator of special benefit likely understates special benefit for a road reconstruction with replacement of watermain, given that only portions of the watermain were replaced in this project area. Conversely, this indication likely sets the upper limit of special benefit from a road reconstruction project without replacement of watermain and sanitary sewer.

SALES COMPARISON APPROACH

Road Reconstruction with Replacement of Watermain

Detached Single-Family Residential

Plymouth Studies

2007 Reconstruction Project

Sufficient homogeneous data was available to analyze two road reconstruction projects that occurred in the city of Plymouth, one in 2007 and one in 2010/2011. Both projects involved complete reconstruction of existing paved roadways, storm sewer work, and replacement of watermain. In addition, sanitary sewer repairs were made where needed.

In 2007, a street reconstruction project took place along Queensland Lane N., Queensland Court N., Merrimac Lane N., Narcissus Lane N., 2nd Avenue N., 3rd Avenue N., 4th Avenue N., 5th Avenue N., and 6th Avenue N. After researching this project, 23 residential sales were found before the project, and four sales were found after the project was completed. The sales are summarized on the following page.

Residential sales data, excluding new construction, was extracted for Plymouth and Maple Grove using the Multiple Listing Service (MLS), and this data was the basis for the market conditions adjustments for Plymouth.

After the market conditions adjustment to December 2010 (average date of sale after the project), the before comparables indicate an average sale price of \$314,772. This can now be compared to the average adjusted sale price for the sales after the reconstruction project.

Project Year:	<u>2007</u>	<u>Percentage of</u>	<u>Average</u>
Sale Price After the Project:	\$323,869	<u>Market Value</u>	<u>Lot Size</u>
Sale Price Before the Project:	<u>\$314,772</u>		0.52 Ac
Indicated Special Benefit:	\$ 9,097	2.89%	0.65 Ac

SALES COMPARISON APPROACH**Road Reconstruction with Replacement of Watermain****Detached Single-Family Residential****Plymouth Studies****2007 Reconstruction Project**

Plymouth 2007 Reconstruction Project Total Reconstruct with Replacement of Existing Water						
Improved Sale	Date of Sale	Land Size	Finished SF	Sale Price	Sale Price Adj for Mkt. Cond.	
Sales After Project						
1	18075 3rd Avenue N.	Aug-12	0.43 AC	3,291	\$419,500	\$413,585
2	17830 2nd Avenue N.	Sep-10	0.73 AC	1,910	\$230,000	\$228,574
3	410 Merrimac Lane N.	Jun-10	0.50 AC	2,150	\$277,337	\$273,898
4	17905 3rd Avenue N.	May-10	0.43 AC	2,883	\$385,000	\$379,418
After Project Averages		Dec-10	0.52 AC	2,559	\$327,959	\$323,869
Sales Before Project						
1	17930 3rd Avenue N.	Mar-07	1.32 AC	1,974	\$384,000	\$313,344
2	17620 6th Avenue N.	Feb-07	0.56 AC	2,133	\$345,000	\$280,830
3	17825 3rd Avenue N.	Sep-06	0.68 AC	2,317	\$354,000	\$289,076
4	425 Merrimac Lane N.	Jul-06	0.46 AC	2,469	\$362,500	\$296,851
5	17925 3rd Avenue N.	Mar-06	0.46 AC	2,035	\$335,000	\$275,806
6	17845 4th Avenue N.	Oct-05	1.08 AC	3,220	\$419,000	\$350,158
7	17725 2nd Avenue N.	Apr-05	0.56 AC	2,200	\$323,000	\$276,391
8	35 Queensland Lane N.	Oct-04	0.89 AC	1,148	\$282,000	\$247,991
9	17800 3rd Avenue N.	Oct-04	0.59 AC	2,577	\$300,000	\$263,820
10	17705 2nd Avenue N.	Sep-04	0.50 AC	1,700	\$300,000	\$265,200
11	305 Merrimac Lane N.	Sep-04	0.49 AC	2,700	\$386,000	\$341,224
12	17915 2nd Avenue N.	Mar-04	0.50 AC	2,800	\$493,000	\$449,222
13	125 Queensland Lane N.	Oct-03	1.40 AC	2,756	\$295,000	\$276,533
14	420 Merrimac Lane N.	Jul-03	0.50 AC	2,389	\$242,500	\$231,466
15	17910 Queensland Court	Jul-03	0.54 AC	3,550	\$532,500	\$508,271
16	405 Merrimac Lane N.	Jun-03	0.46 AC	2,088	\$314,483	\$301,967
17	17920 Queensland Court	May-03	0.45 AC	2,951	\$403,000	\$389,258
18	17800 6th Avenue N.	May-03	0.50 AC	2,358	\$388,000	\$374,769
19	300 Queensland Lane N.	May-03	0.43 AC	2,500	\$320,000	\$309,088
20	524 Narcissus Lane N.	Oct-02	1.01 AC	1,850	\$212,600	\$210,155
21	220 Queensland Lane N.	Oct-02	0.55 AC	3,500	\$360,000	\$355,860
22	310 Merrimac Lane N.	Jul-02	0.49 AC	2,800	\$390,000	\$385,476
23	320 Merrimac Lane N.	Jan-02	0.62 AC	2,772	\$250,000	\$247,000
Before Project Averages		Jun-04	0.65 AC	2,469	\$347,460	\$314,772
After Project:					= \$323,869	
Before Project:					= \$314,772	
Indicated Benefit:					\$9,097	
					2.89%	

SALES COMPARISON APPROACH

Road Reconstruction with Replacement of Watermain

Detached Single-Family Residential

Plymouth Studies

2007 Reconstruction Project

The 2007 reconstruction project indicates a special benefit of \$9,097 per residential equivalent unit, which is 2.89% of the average market value before the project. The land sizes and home sizes are relatively similar for the sales studied before and after the project occurred. Existing watermain was replaced, and sanitary sewer was repaired where needed with this project. However, it is noted that sale prices in this area are higher than the assessed values in the subject project area.

2010/2011 Reconstruction Project

The 2010/2011 reconstruction project took place along Ithaca Lane, 18th Avenue N., Fernbrook Lane, 17th Avenue N., Juneau Lane, Kingsview Lane, 15th Avenue N., 14th Avenue N., 13th Avenue N., Harbor Lane, 12th Avenue N., and Glacier Lane. The project also included mill and overlay construction along 11th Avenue, 13th Place and a portion of Kingsview Lane. These streets were not analyzed due to the nature of the work involved.

After researching this project, eight residential sales were found after the project, which can be compared to 13 residential sales that occurred before the project. The sales are summarized on the following page.

After the market conditions adjustment to February 2012 (average date of sale after the project), the before comparables indicate an average sale price of \$233,793. This can now be compared to the average adjusted sale price for the sales after the reconstruction project.

Project Year:	<u>2010/2011</u>	<u>Percentage of</u>	<u>Average</u>
Sale Price After the Project:	\$244,062	<u>Market Value</u>	<u>Lot Size</u>
Sale Price Before the Project:	<u>\$233,793</u>		0.44 Ac
Indicated Special Benefit:	\$ 10,269	4.39%	0.40 Ac

SALES COMPARISON APPROACH

Road Reconstruction with Replacement of Watermain

Detached Single-Family Residential

Plymouth Studies

2010/2011 Reconstruction Project

Plymouth 2010-2011 Reconstruction Project Total Reconstruct with Replacement of Existing Water						
Improved Sale	Date of Sale	Land Size	Finished SF	Sale Price	Sale Price Adj. for Mkt. Cond.	
Sales After Project						
1	14510 17th Avenue N.	Aug-13	0.44 AC	1,919	\$257,625	\$253,374
2	14320 14th Avenue N.	Feb-13	0.44 AC	2,510	\$242,500	\$241,118
3	14655 13th Avenue N.	Sep-12	0.35 AC	1,601	\$183,233	\$182,775
4	14525 12th Avenue N.	Jul-12	0.11 AC	2,407	\$233,770	\$233,349
5	17245 3rd Avenue N.	Aug-11	0.29 AC	2,258	\$326,000	\$328,021
6	1305 Harbor Lane N.	Jul-11	0.42 AC	2,274	\$212,994	\$214,549
7	1520 Glacier Lane N.	Mar-11	0.43 AC	2,010	\$210,494	\$213,020
8	14455 12th Avenue N.	Mar-11	1.02 AC	2,482	\$282,894	\$286,289
After Project Averages		Feb-12	0.44 AC	2,183	\$243,689	\$244,062
Sales Before Project						
1	1500 Glacier Lane N.	Jul-09	0.50 AC	2,434	\$300,000	\$284,850
2	14500 18th Avenue N.	Jun-09	0.35 AC	1,647	\$252,500	\$238,082
3	14625 17th Avenue N.	Nov-08	0.38 AC	2,148	\$225,000	\$202,275
4	1205 Fernbrook Lane N.	Sep-08	0.28 AC	1,740	\$277,350	\$246,370
5	14510 17th Avenue N.	Sep-08	0.44 AC	1,919	\$260,000	\$230,958
6	14420 17th Avenue N.	Jul-08	0.43 AC	1,820	\$256,000	\$224,614
7	14315 18th Avenue N.	Apr-08	0.45 AC	1,602	\$259,000	\$223,051
8	14504 12th Avenue N.	Jul-07	0.26 AC	1,829	\$247,350	\$206,191
9	1315 Harbor Lane N.	Jun-07	0.41 AC	2,552	\$320,000	\$266,112
10	14410 17th Avenue N.	Jan-07	0.45 AC	1,806	\$235,000	\$193,170
11	14535 13th Avenue N.	Jun-06	0.47 AC	2,036	\$264,953	\$219,911
12	14730 13th Avenue N.	Mar-06	0.31 AC	2,165	\$339,500	\$282,905
13	14505 18th Avenue N.	Mar-06	0.50 AC	1,900	\$265,000	\$220,825
Before Project Averages		Nov-07	0.40 AC	1,969	\$269,358	\$233,793
				After Project:	= \$244,062	
				Before Project:	= \$233,793	
				Indicated Benefit:	\$10,269 4.39%	

SALES COMPARISON APPROACH

Road Reconstruction with Replacement of Watermain

Detached Single-Family Residential

Plymouth Studies

2010/2011 Reconstruction Project

The 2010/2011 reconstruction project indicates a special benefit of \$10,269 per residential equivalent unit, which is 4.39% of the average market value before the project. The land sizes and home sizes are relatively similar for the sales studied before and after the project occurred, increasing reliability of this study. Similar to the 2007 Plymouth project, this project involved replacement of existing watermain, and included repair/replacement of sanitary sewer services, only where needed.

In addition to the preceding study, the property at 14510 17th Avenue North sold before the project and again after the road reconstruction, and indicates a benefit of \$22,416 per residential equivalent unit when comparing the adjusted sale price before the project to the adjusted sale price after the project was completed. However, as summarized previously, the \$10,269 indication of benefit derived from an aggregate comparison of sales before and after the project is considered a more reliable indicator of benefit.

Lakeville Studies

The City of Lakeville completed several recent projects. Four of the most recent projects will be analyzed on the following pages. For each project, sales have been selected that occurred both before and after historical projects in Lakeville. As with all of the studies, foreclosures and lender-mediated short sales, as well as sales of non-homogeneous properties, were excluded from the study areas analyzed.

The reconstruction projects that occurred in 2012, 2013, 2014 and 2015 included reconstruction of bituminous-surfaced streets; construction/upgrade of storm sewer; replacement of watermain; spot sanitary sewer repairs; and sidewalk improvements, where needed. There was also a Lakeville project completed in 2011 that did not include replacement of watermain or sanitary sewer services, but this project is not analyzed as part of this consultation.

SALES COMPARISON APPROACH**Road Reconstruction with Replacement of Watermain****Detached Single-Family Residential****Lakeville Studies**

The 2012, 2013, 2014 and 2015 projects analyzed all occurred along urban sections of roadway fronting lots that range in size from 0.23 acres to 0.75 acres, with the majority of the lots ranging in size from 0.23 to 0.40 acres.

In order to isolate benefit, the sale prices of properties in the project areas are trended for changes in market conditions, and are trended to the average sale price after the project. Residential sales data, excluding new construction, was extracted for Dakota County using the Multiple Listing Service (MLS), and this data was the basis for the market conditions adjustments applied to the projects analyzed in Lakeville.

The residential sales from the 2012, 2013, 2014 and 2015 projects are summarized and adjusted for market conditions on the following pages, with sale/re-sale pairings highlighted in yellow.

SALES COMPARISON APPROACH

Lakeville 2012 Reconstruction Project						
		Date	Land	Finished	Sale	Sale Price Adj
	Improved Sale	of Sale	Size	SF	Price	for Mkt. Cond.
Sales After Project						
1	16887 Galena Avenue W.	Feb-15	0.42 AC	1,774	\$172,911	\$160,669
2	16800 Foliage Avenue W.	Dec-14	0.25 AC	1,180	\$150,000	\$140,760
3	17125 Gannon Court	Dec-14	0.67 AC	1,894	\$205,960	\$193,273
4	16515 Forbes Avenue W.	Dec-14	0.32 AC	1,722	\$202,212	\$189,756
5	16516 Frazer Way	Nov-14	0.25 AC	2,075	\$200,606	\$189,151
6	6720 168th Street W.	Oct-14	0.27 AC	1,816	\$168,157	\$159,346
7	17164 Gage Way	Sep-14	0.26 AC	2,288	\$230,867	\$219,855
8	17120 Florida Court	Aug-14	0.31 AC	2,184	\$208,807	\$199,828
9	16798 Galena Avenue W.	Jul-14	0.30 AC	1,654	\$218,246	\$209,931
10	16718 Gannon Avenue W.	Jul-14	0.30 AC	1,056	\$196,354	\$188,873
11	17115 Gannon Way W.	Jun-14	0.31 AC	1,560	\$215,916	\$208,726
12	17105 Gannon Way W.	Jun-14	0.27 AC	1,841	\$213,354	\$206,249
13	6586 165th Court W.	Jun-14	0.28 AC	1,842	\$190,694	\$184,344
14	6606 Gerdine Path W.	May-14	0.30 AC	1,993	\$160,000	\$155,456
15	7185 Gerdine Court W.	May-14	0.30 AC	2,357	\$230,244	\$223,705
16	16667 Galaxie Way	May-14	0.25 AC	1,549	\$208,347	\$202,430
17	16897 Galena Avenue W.	Jan-14	0.32 AC	2,076	\$234,814	\$232,865
18	16821 Foliage Avenue W.	Dec-13	0.33 AC	1,418	\$199,537	\$199,537
19	7130 Lower 170th Court W.	Dec-13	0.28 AC	2,020	\$204,054	\$204,054
20	7160 Gerdine Court W.	Dec-13	0.30 AC	2,053	\$200,400	\$200,400
21	6836 168th Court W.	Dec-13	0.33 AC	1,850	\$197,285	\$197,285
22	17110 Gannon Way W.	Oct-13	0.35 AC	2,020	\$210,975	\$214,498
23	16844 Galena Avenue W.	Oct-13	0.34 AC	1,818	\$212,504	\$216,053
24	17040 Gannon Way W.	Sep-13	0.35 AC	2,140	\$242,853	\$248,949
25	16780 Foliage Avenue W.	Sep-13	0.25 AC	1,950	\$188,180	\$192,903
26	17073 Gage Avenue	Jul-13	0.27 AC	1,762	\$193,384	\$201,467
27	16668 Gannon Avenue W.	Jul-13	0.29 AC	1,960	\$220,985	\$230,222
28	17140 Gerdine Path W.	Jul-13	0.26 AC	1,756	\$200,000	\$208,360
29	16690 Galaxie Way	Jul-13	0.29 AC	1,910	\$214,660	\$223,633
30	16565 Frazer Way W.	Jun-13	0.31 AC	2,627	\$235,000	\$246,774
31	16938 Gannon Way W.	Jun-13	0.29 AC	1,826	\$190,240	\$199,771
32	16780 Gannon Avenue W.	May-13	0.39 AC	1,740	\$195,433	\$206,866
33	17105 Franchise Way	May-13	0.25 AC	1,753	\$194,024	\$205,374
34	16860 Foliage Avenue W.	Apr-13	0.34 AC	1,803	\$212,915	\$227,159
35	16648 Galena Avenue W.	Apr-13	0.31 AC	1,584	\$148,000	\$157,901
36	17140 Gage Way	Mar-13	0.26 AC	1,750	\$217,162	\$233,493
37	16762 Gannon Avenue W.	Jan-13	0.35 AC	1,650	\$164,763	\$179,905
38	17070 Forfar Court	Jan-13	0.39 AC	2,065	\$197,783	\$215,959
After Project Averages		Dec-13	0.31 AC	1,850	\$201,253	\$201,994
Sales Before Project						
1	6703 168th Street W.	Dec-11	0.33 AC	1,952	\$157,440	\$177,136
2	16625 Franchise Avenue W.	Nov-11	0.25 AC	1,726	\$153,829	\$171,935
3	16950 Gannon Way W.	Nov-11	0.29 AC	1,940	\$180,200	\$201,410
4	16639 Gannon Avenue W.	Nov-11	0.29 AC	1,728	\$152,900	\$170,896
5	6836 168th Court W.	Aug-11	0.33 AC	1,850	\$176,000	\$192,720
6	16625 Franchise Avenue W.	Mar-11	0.25 AC	1,726	\$170,000	\$179,724
7	17130 Franchise Way	Feb-11	0.34 AC	2,206	\$186,200	\$195,454
8	16499 Forbes Avenue W.	Jan-11	0.28 AC	1,702	\$189,000	\$196,957
9	17140 Gage Way	Dec-10	0.26 AC	1,750	\$199,900	\$208,116
10	16630 Galaxie Way	Nov-10	0.27 AC	1,768	\$170,000	\$176,800
11	7125 168th Street W.	Oct-10	0.40 AC	1,908	\$169,420	\$176,010
12	6575 165th Court W.	Sep-10	0.33 AC	1,437	\$171,817	\$178,312
13	6775 167th Street W.	Jun-10	0.45 AC	1,660	\$181,875	\$188,168
14	17064 Forfar Court	Jun-10	0.31 AC	1,996	\$233,000	\$241,062
15	6620 167th Street W.	May-10	0.36 AC	1,721	\$162,500	\$167,960
16	16615 Florin Avenue W.	Nov-09	0.30 AC	1,688	\$189,053	\$191,435
17	17058 Frazer Path	Oct-09	0.30 AC	3,173	\$249,000	\$250,046
18	17120 Florida Court	Oct-09	0.31 AC	2,184	\$203,700	\$204,556
19	16646 Galaxie Way	Oct-09	0.40 AC	1,910	\$196,850	\$197,677
20	17085 Gannon Way W.	Oct-09	0.35 AC	2,744	\$218,900	\$219,819
21	16619 Galaxie Way	Sep-09	0.25 AC	1,800	\$184,200	\$183,426
22	16526 Foliage Avenue W.	Aug-09	0.31 AC	1,652	\$188,000	\$185,650
23	17164 Gage Way	Aug-09	0.26 AC	2,288	\$210,000	\$207,375
24	16914 Gannon Way W.	Jul-09	0.27 AC	2,148	\$230,000	\$225,216
25	16589 Frazer Way W.	Jul-09	0.34 AC	1,876	\$177,000	\$173,318
26	16917 Gannon Way W.	May-09	0.31 AC	1,964	\$208,611	\$200,788
27	17192 Gannon Way W.	May-09	0.35 AC	2,018	\$215,000	\$206,938
28	7208 167th Court W.	Sep-08	0.46 AC	1,260	\$196,500	\$175,317
29	7185 Gerdine Court W.	Sep-08	0.30 AC	2,357	\$225,000	\$200,745
30	17105 Frazer Path	Aug-08	0.35 AC	1,854	\$224,000	\$197,792
31	16990 Gannon Way W.	Jun-08	0.34 AC	1,832	\$218,250	\$188,699
32	16968 Gannon Way W.	Jun-08	0.50 AC	1,953	\$233,000	\$201,452
33	16848 Galena Avenue	Jan-08	0.43 AC	1,642	\$185,500	\$151,832
34	17192 Gannon Way W.	Jan-08	0.35 AC	2,018	\$245,000	\$200,533
Before Project Averages		Jan-10	0.33 AC	1,924	\$195,637	\$193,685
After Project:					\$201,994	
Before Project:					\$193,685	
Indicated Benefit:					\$8,309	
					4.29%	

SALES COMPARISON APPROACH

Lakeville 2013 Reconstruction Project						
Improved Sale		Date of Sale	Land Size	Finished SF	Sale Price	Sale Price Adj. for Mkt. Cond.
Sales After Project						
1	16425 Garner Avenue W.	Jan-15	0.44 AC	1,900	\$231,269	\$225,441
2	16335 Garner Avenue W.	Nov-14	0.29 AC	1,841	\$205,403	\$202,260
3	20857 Isle Avenue	Oct-14	0.38 AC	2,564	\$247,500	\$244,976
4	7350 167th Street W.	Oct-14	0.31 AC	1,794	\$216,975	\$214,762
5	16255 Gannon Avenue W.	Oct-14	0.33 AC	2,308	\$200,269	\$198,226
6	20998 Ileri Avenue	Sep-14	0.53 AC	1,992	\$207,501	\$206,422
7	16218 Gannon Avenue W.	Aug-14	0.29 AC	1,700	\$200,073	\$200,073
8	20870 Ixonia Avenue	Aug-14	0.38 AC	2,666	\$245,501	\$245,501
9	9839 208th Street W.	Aug-14	0.29 AC	2,338	\$246,800	\$246,800
10	7266 Upper 164th Street W.	Aug-14	0.26 AC	1,643	\$183,599	\$183,599
11	20998 Ixonia Avenue	Jul-14	0.53 AC	2,248	\$300,501	\$302,064
12	16235 Gannon Avenue W.	Jun-14	0.33 AC	2,120	\$210,490	\$212,658
13	7322 Upper 164th Street W.	Mar-14	0.30 AC	2,495	\$205,000	\$210,289
14	7376 167th Street W.	Feb-14	0.37 AC	2,000	\$213,735	\$220,361
After Project Averages		Aug-14	0.36 AC	2,115	\$222,473	\$222,388
Sales Before Project						
1	20756 Isle Circle	Dec-12	0.28 AC	2,079	\$218,000	\$249,327
2	20898 Iran Avenue	Nov-12	0.29 AC	2,132	\$213,400	\$244,812
3	7273 Upper 164th Street W.	Sep-12	0.30 AC	1,660	\$179,838	\$207,605
4	7075 163rd Street W.	Sep-12	0.26 AC	2,439	\$198,500	\$229,148
5	16315 Garner Avenue W.	Aug-12	0.35 AC	1,758	\$179,935	\$208,347
6	20870 Ixonia Avenue	Aug-12	0.38 AC	2,666	\$212,915	\$246,534
7	20815 Isle Avenue	Jul-12	0.76 AC	2,478	\$223,585	\$259,694
8	7405 Upper 167th Court W.	Jun-12	0.51 AC	1,714	\$177,000	\$206,205
9	9661 208th Street W.	Jun-12	0.28 AC	2,082	\$210,000	\$244,650
10	16429 Gladiola Avenue W.	Apr-12	0.31 AC	2,154	\$171,901	\$201,502
11	16451 Gannon Avenue W.	Dec-11	0.36 AC	2,062	\$172,175	\$202,271
12	16356 Gladiola Avenue W.	Dec-11	0.36 AC	1,643	\$145,603	\$171,054
13	16389 Gladiola Avenue W.	Nov-11	0.33 AC	1,896	\$169,750	\$198,098
14	7315 167th Street W.	Sep-11	0.31 AC	2,016	\$180,026	\$207,246
15	20999 Iran Avenue	Sep-11	0.49 AC	2,427	\$181,420	\$208,851
16	9643 208th Street W.	Aug-11	0.29 AC	2,306	\$208,065	\$237,902
17	16438 Gladiola Avenue W.	Jul-11	0.26 AC	1,693	\$177,805	\$201,898
18	16487 Gannon Avenue W.	Feb-11	0.31 AC	1,798	\$176,000	\$192,914
19	20829 Ileri Avenue	Jan-11	0.38 AC	1,616	\$161,050	\$175,255
20	20842 Ixonia Avenue	Nov-10	0.38 AC	1,974	\$180,500	\$196,023
21	20899 Ileri Avenue	Oct-10	0.38 AC	1,872	\$210,000	\$227,808
22	7319 165th Street W.	Aug-10	0.31 AC	1,392	\$165,000	\$178,629
23	7350 167th Street W.	Jun-10	0.31 AC	1,794	\$200,000	\$216,060
24	7273 Upper 164th Street W.	Jun-10	0.30 AC	1,638	\$205,000	\$221,462
25	7287 167th Street W.	Jun-10	0.32 AC	2,077	\$215,000	\$232,265
26	16510 Gannon Avenue W.	May-10	0.29 AC	1,710	\$192,000	\$207,206
27	7351 167th Street W.	May-10	0.32 AC	2,026	\$207,000	\$223,394
28	20870 Italy Avenue	Mar-10	0.38 AC	2,286	\$212,430	\$228,808
29	20898 Iran Avenue	Mar-10	0.29 AC	2,064	\$219,153	\$236,050
30	16600 Genesee Avenue W.	Mar-10	0.55 AC	1,549	\$162,240	\$174,749
31	16273 Gladiola Avenue W.	Mar-10	0.27 AC	1,348	\$180,000	\$193,878
Before Project Averages		Jun-11	0.35 AC	1,947	\$190,493	\$213,860
After Project:					= \$222,388	
Before Project:					= \$213,860	
Indicated Benefit:					\$8,528	
					3.99%	

SALES COMPARISON APPROACH

Lakeville 2014 Reconstruction Project						
Improved Sale		Date of Sale	Land Size	Finished SF	Sale Price	Sale Price Adj. for Mkt. Cond.
Sales After Project						
1	16308 Fernando Way	Jul-15	0.26 AC	1,814	\$218,250	\$216,286
2	16236 Excelsior Drive	Jul-15	0.23 AC	2,060	\$239,228	\$237,075
3	16473 Flagstaff Way W.	Jul-15	0.25 AC	1,918	\$204,000	\$202,164
4	16034 Excel Way	Jul-15	0.24 AC	1,840	\$217,328	\$215,372
5	16117 Fishing Avenue W.	Jul-15	0.25 AC	1,769	\$230,000	\$227,930
6	17065 Georgetown Way	May-15	0.25 AC	2,364	\$266,929	\$266,128
7	16054 Excel Way	Apr-15	0.28 AC	2,100	\$215,000	\$215,000
8	16230 Finland Avenue W.	Mar-15	0.26 AC	1,906	\$215,800	\$216,447
9	6080 161st Street W.	Feb-15	0.25 AC	1,959	\$213,000	\$214,299
10	6690 169th Street W.	Feb-15	0.27 AC	1,961	\$193,903	\$195,086
11	16063 Finland Avenue W.	Jan-15	0.32 AC	1,852	\$220,000	\$222,002
After Project Averages		Apr-15	0.26 AC	1,958	\$221,222	\$220,708
Sales Before Project						
1	16384 Flagstaff Avenue W.	Dec-13	0.27 AC	1,803	\$195,000	\$210,737
2	6075 Lower 161st Street W.	Oct-13	0.29 AC	2,154	\$172,695	\$189,723
3	16240 Fishing Way W.	Sep-13	0.25 AC	2,202	\$215,000	\$238,113
4	16556 Flagstaff Avenue W.	Sep-13	0.28 AC	1,827	\$174,900	\$193,702
5	16580 Fishing Avenue W.	Aug-13	0.29 AC	1,728	\$183,253	\$204,602
6	6630 Flounder Court	Aug-13	0.29 AC	1,042	\$161,000	\$179,757
7	16238 Excelsior Drive	Aug-13	0.23 AC	1,689	\$181,000	\$202,087
8	6201 161st Street W.	Jul-13	0.25 AC	1,906	\$215,500	\$242,524
9	16090 Excel Way	Jun-13	0.30 AC	1,800	\$198,122	\$224,750
10	6700 169th Street W.	Jun-13	0.25 AC	1,822	\$179,353	\$203,458
11	16040 Excel Way	May-13	0.26 AC	1,602	\$211,192	\$241,477
12	16566 Flagstaff Avenue W.	Apr-13	0.28 AC	1,718	\$178,428	\$205,603
13	6147 162nd Street W.	Feb-13	0.25 AC	1,629	\$182,265	\$213,287
14	6353 Lower 161st Street W.	Feb-13	0.26 AC	1,794	\$174,100	\$203,732
15	16082 Finland Avenue W.	Nov-12	0.25 AC	1,658	\$186,240	\$220,974
16	16317 Flagstaff Avenue W.	Nov-12	0.34 AC	1,775	\$186,900	\$221,757
17	16344 Fantasia Avenue	Nov-12	0.25 AC	1,820	\$175,000	\$207,638
18	16317 Fernando Avenue	Oct-12	0.26 AC	1,689	\$171,690	\$204,345
19	16555 Flagstaff Avenue W.	Jun-12	0.33 AC	2,030	\$183,075	\$220,587
20	6180 162nd Street W.	Apr-12	0.31 AC	2,136	\$200,000	\$242,460
21	16236 Excelsior Drive	Feb-12	0.23 AC	2,059	\$174,863	\$213,263
22	16208 Flagstaff Avenue W.	Jan-12	0.27 AC	1,890	\$162,400	\$198,664
23	17004 Georgetown Way	Nov-11	0.30 AC	2,000	\$215,000	\$259,505
24	6147 162nd Street W.	Oct-11	0.25 AC	1,629	\$170,000	\$203,796
25	16308 Fernando Way	Sep-11	0.26 AC	1,814	\$184,203	\$219,312
26	6098 161st Street W.	Sep-11	0.25 AC	1,629	\$172,800	\$205,736
27	16238 Excelsior Drive	Sep-11	0.23 AC	1,689	\$167,810	\$199,795
28	6440 163rd Street W.	Jul-11	0.30 AC	2,152	\$179,353	\$210,614
29	6134 161st Street W.	Jun-11	0.25 AC	2,205	\$209,000	\$243,715
30	16420 Fernando Way W.	Jun-11	0.31 AC	1,830	\$186,060	\$216,965
31	16243 Excelsior Drive	Jun-11	0.26 AC	1,806	\$182,900	\$213,280
32	16526 Flagstaff Avenue W.	Apr-11	0.27 AC	1,018	\$157,544	\$181,160
33	6250 Lower 161st Street W.	Mar-11	0.31 AC	1,807	\$173,145	\$197,680
Before Project Averages		Aug-12	0.27 AC	1,799	\$183,630	\$213,176
				After Project:	= \$220,708	
				Before Project:	= \$213,176	
				Indicated Benefit:	\$7,532	
					3.53%	

SALES COMPARISON APPROACH

Lakeville Phase 1 Reconstruction - 2015						
Improved Sale	Date of Sale	Land Size	Finished SF	Sale Price	Sale Price Adj. for Mkt. Cond.	
Sales After Project						
1	16212 Grinnell Avenue	Oct-16	0.36 AC	1,537	\$236,180	\$231,055
2	16306 Griffon Court	Sep-16	0.29 AC	2,288	\$313,163	\$307,683
3	8410 168th Street W.	Sep-16	0.30 AC	2,128	\$296,598	\$291,408
4	16140 Goodview Way	Aug-16	0.25 AC	2,456	\$291,998	\$288,173
5	16775 Hamilton Drive	Jul-16	0.31 AC	2,370	\$266,098	\$263,756
6	16785 Hamilton Drive	Jun-16	0.35 AC	2,122	\$280,000	\$278,768
7	16261 Harmony Path	May-16	0.27 AC	2,084	\$300,098	\$300,098
8	16330 Heath Court	May-16	0.32 AC	2,601	\$290,575	\$290,575
9	8242 166th Street W.	Apr-16	0.28 AC	1,922	\$252,538	\$253,649
10	8411 168th Street W.	Mar-16	0.32 AC	1,958	\$245,748	\$247,935
11	8496 168th Street W.	Feb-16	0.30 AC	2,400	\$264,179	\$267,693
12	16076 Goodview Way	Jan-16	0.27 AC	1,720	\$234,431	\$238,604
After Project Averages		May-16	0.30 AC	2,132	\$272,634	\$271,616
Sales Before Project						
1	16308 Grove Trail	Dec-14	0.36 AC	2,330	\$255,000	\$270,351
2	8390 168th Street W.	Oct-14	0.25 AC	1,880	\$220,000	\$235,642
3	16135 Goodview Way	Sep-14	0.25 AC	2,260	\$213,400	\$229,746
4	16050 Goodview Way	Jul-14	0.31 AC	2,042	\$252,400	\$274,460
5	16795 Hershey Court	Jul-14	0.30 AC	1,660	\$237,650	\$258,421
6	16859 Glencoe Court	Jun-14	0.35 AC	1,715	\$205,000	\$224,045
7	8410 168th Street W.	Jun-14	0.30 AC	2,006	\$264,000	\$288,526
8	16049 Goodview Court	May-14	0.38 AC	2,778	\$270,630	\$297,233
9	7668 Upper 167th Street W.	Apr-14	0.28 AC	1,852	\$212,430	\$234,480
10	7539 Upper 167th Street W.	Dec-13	0.31 AC	1,912	\$186,007	\$210,095
11	8435 169th Court W.	Nov-13	0.29 AC	2,144	\$250,000	\$284,700
12	7626 Upper 167th Street W.	Nov-13	0.23 AC	2,308	\$217,000	\$247,120
13	16280 Grinnell Avenue	Nov-13	0.26 AC	2,270	\$263,000	\$299,504
14	16128 Harmony path	Aug-13	0.29 AC	3,126	\$309,000	\$243,903
15	16660 Hamilton Drive	Jul-13	0.26 AC	1,460	\$203,603	\$239,498
16	16074 Goodview Court	Jul-13	0.41 AC	2,736	\$267,500	\$314,660
17	8215 166th Street W.	Jul-13	0.27 AC	2,018	\$226,980	\$266,997
18	8430 169th Court W.	May-13	0.26 AC	2,115	\$242,403	\$289,696
19	8475 168th Street W.	May-13	0.28 AC	1,962	\$221,000	\$264,117
Before Project Averages		Jan-14	0.30 AC	2,135	\$237,737	\$261,747
				After Project:	= \$271,616	
				Before Project:	= \$261,747	
				Indicated Benefit:	\$9,869	
					3.77%	

SALES COMPARISON APPROACH

Road Reconstruction with Replacement of Watermain

Detached Single-Family Residential

Lakeville Studies

After the market conditions adjustment to the average date of sale after the project, the average before sale price is compared to the average sale price that occurred after the reconstruction project. The comparable projects are summarized as follows:

SUMMARY OF LAKEVILLE PROJECTS			
Project Year:	<u>2012</u>		Percentage of Market Value
Average Sale Price After the Project	\$201,994		
Average Sale Price Before the Project	<u>\$193,685</u>		
Indicated Special Benefit	\$8,309		4.29%
Project Year:	<u>2013</u>		
Average Sale Price After the Project	\$222,388		
Average Sale Price Before the Project	<u>\$213,860</u>		
Indicated Special Benefit	\$8,528		3.99%
Project Year:	<u>2014</u>		
Average Sale Price After the Project	\$220,708		
Average Sale Price Before the Project	<u>\$213,176</u>		
Indicated Special Benefit	\$7,532		3.53%
Project Year:	<u>2015</u>		
Average Sale Price After the Project	\$271,616		
Average Sale Price Before the Project	<u>\$261,747</u>		
Indicated Special Benefit	\$9,869		3.77%
Average Benefit	\$8,560		

The above data indicates a range of benefit from \$7,532 to \$9,869 per residential equivalent unit, with an average indicated benefit of \$8,560. These projects also indicate that special benefit ranges from 3.53% to 4.29% of the average market value before the project. In each case, the average land sizes and home sizes are similar both before and after each project occurred, making all the Lakeville studies reliable indicators of benefit.

In addition to the preceding special benefit studies, there are several sale/re-sale pairings of properties within the Lakeville project areas. These pairings indicate a wide range of

SALES COMPARISON APPROACH**Road Reconstruction with Replacement of Watermain****Detached Single-Family Residential**Lakeville Studies

benefit, from no benefit to over \$25,000 in special benefit. However, as described previously, each market transaction varies according to motivations of and negotiations between individual participants. Even though each sale may represent an arm's-length transaction, there are specific circumstances that can influence sale prices, reducing the reliability of a particular pairing. Therefore, special benefit to single-family residential properties from a reconstruction project is best derived from an overall comparison of sales that occur before the project to sales that occur after the project.

Summation

As summarized on the following page, the single-family projects analyzed in this consultation that included replacement of watermain range in indications of special benefit from \$7,532 to \$10,269 per residential equivalent unit, with an average indication of \$8,618. The indications of benefit range from 2.89% to 5.15% of the average market value before the reconstruction project.

SALES COMPARISON APPROACH**Road Reconstruction with Replacement of Watermain****Detached Single-Family Residential****Summation**

	<u>Average Market Value Before Project</u>	<u>Indications of Special Benefit</u>	<u>Percentage of Market Value</u>
Chanhassen Project			
2007	\$205,716	\$ 7,991	3.88%
Chaska Projects			
2006 Von Herten	\$219,944	\$ 8,517	3.87%
2010 North Meadow	\$195,577	\$ 8,468	4.33%
Maplewood Project			
2011	\$147,545	\$ 7,602	5.15%
Plymouth Projects			
2007	\$314,772	\$ 9,097	2.89%
2010/2011	\$233,793	\$10,269	4.39%
Lakeville Projects			
2012	\$193,685	\$ 8,309	4.29%
2013	\$213,860	\$ 8,528	3.99%
2014	\$213,176	\$ 7,532	3.53%
2015	\$261,747	\$ 9,869	3.77%

When summarizing the comparable projects analyzed in this consultation that included replacement of only watermain, it was noted that the 2007 Chanhassen Project study is less reliable due to limited sales data and also due to the discrepancy between the average land sizes and average home sizes before and after the project.

Similarly, the 2006 Chaska Von Herten Project analysis is also considered less reliable based on limited available market data. Even though the 2010 Chaska North Meadow Project has a similar indication of special benefit to the 2006 Chaska project, the 2010 North Meadow Project analysis is considered to be more reliable due to available data and similarities in properties before and after the project occurred.

SALES COMPARISON APPROACH

Road Reconstruction with Replacement of Watermain

Detached Single-Family Residential

Summation

The project that occurred in Maplewood in 2011 was in a neighborhood with lower property values than in the subject neighborhood. Furthermore, watermain was not replaced throughout the entire project area. Considering all, this indicator of special benefit (\$7,602 per REU) likely understates special benefit for a road reconstruction with replacement of watermain.

The 2007 Plymouth project, along with the 2015 Lakeville project, occurred in areas with higher property values than in the subject area. Analysis of these two project areas also revealed the highest indicated special benefit (excluding the 2010/2011 Plymouth project, which appears to be an outlier), when expressed as a dollar amount per residential equivalent unit.

It is noted that the lowest indicated percentage of special benefit (2.89%) is in a project area with the highest average market value before the project (\$314,772), which is supportive of an inverse relationship between market value and special benefit, when expressed as a percentage of market value. It is also noted the highest indicated percentage of special benefit (5.15%) is in a project area that has the lowest average market value before the project (\$147,545), which is also supportive of this inverse relationship.

The detached single-family residential properties located within the subject project have an average assessed market value of \$210,910. However, the percentages of special benefit derived from the market studies are based on sale prices, not assessed values, and assessed values frequently fall below market value. In addition, based on numerous studies analyzed by this firm, there is an inverse relationship between value and percentage of indicated benefit.

The 2010 Chaska project and the 2012, 2013 and 2014 Lakeville projects have the most similar value range as the subject properties, and are also considered reliable indicators of special benefit. Considering all, including the condition of the streets in the subject project area, and also that we are measuring special benefit from road reconstruction of an existing

SALES COMPARISON APPROACH**Road Reconstruction with Replacement of Watermain****Detached Single-Family Residential****Summation**

bituminous surface, storm sewer replacement and watermain replacement, as well as replacement of sidewalks and concrete curb & gutter, we conclude to a range of special benefit of \$8,500 to \$9,000 per residential equivalent unit for the subject residential properties located in the 2nd Avenue project area. This equates to 4.03% to 4.27% of the average assessed market value of the subject properties, which is reasonable and within the range indicated by the comparable projects.

Although an allocation of specific benefit of the individual components of a reconstruction project is often not discernible from market data, aesthetic differences are considered when concluding to the appropriate range of special benefit to the subject properties. It is also noted that corner influence (or influence of frontage on multiple roadways), and resulting increased street frontage, is not considered in the conclusion of special benefit for single-family residential properties.

Thus far, this consultation has estimated special benefit for road reconstruction with replacement of watermain. Next, special benefit due to road reconstruction with no replacement of utilities will be estimated.

SALES COMPARISON APPROACH

Road Reconstruction with No Replacement of Utilities

Detached Single-Family Residential

Following is a summary of road reconstruction projects that did not include any replacement of utilities. For the purpose of this consultation, when estimating special benefit from road reconstruction with no replacement of utilities, several cities were contacted to inquire about recent reconstruction projects that took place along residential streets. The focus was on reconstruction projects of urban sections of roadway that did not include replacement of watermain or sanitary sewer services.

This analysis will examine special benefit to single-family residential properties, which will then be correlated to the subject project area. Several projects have been identified with before and after sales that are relevant to this analysis. The comparable reconstruction projects are summarized on the following pages, and include analyses of previous reconstruction projects that occurred in the cities of Victoria, Chanhassen, Savage, Ramsey, Crystal and Lakeville.

The 2011 Maplewood Project was analyzed in a previous section of this report. However, given that only portions of the Maplewood project included replacement of watermain, this project is also included in the summation and analysis of special benefit in the subject area affected by road reconstruction with no replacement of utilities.

Victoria Study

Sufficient data was available to analyze a road reconstruction project that occurred in the city of Victoria in 2006. The 2006 project in Victoria included only repair of utilities where needed, versus replacement of sanitary sewer and watermain. Although the existing storm sewer pipe was deemed adequate to handle storm water runoff, an additional 200' of new storm sewer pipe, including catch basins, was recommended to increase inlet capacity to the system.

SALES COMPARISON APPROACH

Road Reconstruction with No Replacement of Utilities

Detached Single-Family Residential

Victoria Study

Residential sales data, excluding new construction, has been extracted for Chaska, Chanhassen, Eden Prairie and Victoria using the Multiple Listing Service (MLS), and this data was the basis for the market conditions adjustments applied to the project in Victoria.

The project analyzed occurred along 77th Street West in Victoria. After researching this project, eight residential sales were found before the project, and four sales were found that occurred after the project. The sales are summarized below.

Victoria 2006 77th Street Reconstruction Project						
Improved Sale		Date of Sale	Land Size	Finished SF	Sale Price	Sale Price Adj. for Mkt. Cond.
Sales After Project						
1	1177 77th Street West	May-10	0.32 AC	1,920	\$199,000	\$219,159
2	1116 77th Street West	Oct-09	0.36 AC	1,166	\$166,031	\$177,437
3	1157 77th Street West	Nov-08	0.24 AC	1,349	\$197,700	\$195,288
4	1105 77th Street West	May-07	0.42 AC	1,652	\$234,636	\$217,109
After Project Averages		Jan-09	0.34 AC	1,522	\$199,342	\$202,248
Sales Before Project						
1	1132 77th Street West	Oct-05	0.37 AC	1,200	\$178,506	\$166,582
2	1177 77th Street West	Feb-05	0.32 AC	1,920	\$211,000	\$203,510
3	1173 77th Street West	May-04	0.37 AC	1,592	\$214,900	\$215,674
4	1164 77th Street West	Jul-03	0.40 AC	1,720	\$198,000	\$207,860
5	1145 77th Street West	Apr-03	0.30 AC	1,310	\$175,000	\$186,218
6	1177 77th Street West	Feb-03	0.32 AC	1,920	\$184,900	\$198,527
7	1105 77th Street West	Oct-02	0.42 AC	1,652	\$197,542	\$214,294
8	1132 77th Street West	Aug-02	0.37 AC	1,200	\$158,000	\$172,062
Before Project Averages		Oct-03	0.36 AC	1,564	\$189,731	\$195,591
After Project:					= \$202,248	
Before Project:					= \$195,591	
Indicated Benefit:					\$6,657	
					3.40%	

SALES COMPARISON APPROACH

Road Reconstruction with No Replacement of Utilities

Detached Single-Family Residential

Victoria Study

After the market conditions adjustment to January 2009 (average date of sale after the project), the before comparables indicate an average sale price of \$195,591. This can now be compared to the average adjusted sale price for the sales after the reconstruction project.

Project Year:	2006	Percentage of <u>Market Value</u>	Average <u>Lot Size</u>
Sale Price After the Project:	\$202,248		0.34 Ac
Sale Price Before the Project:	<u>\$195,591</u>		0.36 Ac
Indicated Special Benefit:	\$ 6,657	3.40%	

This Victoria study indicates a special benefit of \$6,657 per residential equivalent unit for a road reconstruction project fronting urban lots, which is 3.40% of the average market value before the project. The land sizes and home sizes are relatively similar for the sales studied before and after the project occurred, and this project was similar in scope to the subject project.

In addition to the preceding study, the property at 1177 77th Street West sold twice before the project and once after the road reconstruction project, and indicates a benefit of \$18,141 when averaging the adjusted sale prices before the project and comparing this average to the adjusted sale price after the project was completed. Additionally, the property at 1105 77th Street West sold before and after the project, and indicates a benefit of \$2,815. However, each market transaction varies according to motivations of and negotiations between individual participants. Even though each sale may represent an arm's-length transaction, there are specific circumstances that can influence sale prices, reducing the reliability of one particular pairing. Therefore, special benefit of a reconstruction project is best derived from an overall comparison of sales that occur before the project to sales that occur after the project, and the \$6,657 indication of benefit derived from an aggregate comparison of sales before and after the project is considered a more reliable indicator of benefit.

SALES COMPARISON APPROACH

Road Reconstruction with No Replacement of Utilities

Detached Single-Family Residential

Chanhassen Study

A reconstruction project occurred in the city of Chanhassen in 2008 that repaired sanitary sewer and watermain services, without replacement of these services. The project area included single-family properties on Laredo Drive, Cimarron Circle, Longview Circle, and Highland Drive west of Laredo Drive. After researching this project, five residential sales were found after the project, which can be compared to 13 residential sales that occurred before the project. The sales are summarized on the following page.

As with the Victoria Study, residential sales data, excluding new construction, has been extracted for Chaska, Chanhassen, Eden Prairie and Victoria using the Multiple Listing Service (MLS), and this data was the basis for the market conditions adjustments applied to the project analyzed in Chanhassen.

After the market conditions adjustment to February 2009 (average date of sale after the project), the before comparables indicate an average sale price of \$234,288. This can now be compared to the average adjusted sale prices for the sales after the reconstruction project.

	<u>2008</u>	<u>Percentage of</u>	<u>Average</u>
Project Year:		<u>Market Value</u>	<u>Lot Size</u>
Sale Price After the Project:	\$240,793		0.29 Ac
Sale Price Before the Project:	<u>\$234,288</u>		0.27 Ac
Indicated Special Benefit:	\$ 6,505	2.78%	

The Laredo Drive Chanhassen study indicates a special benefit of \$6,505 per residential equivalent unit for a road reconstruction project fronting urban lots, which is 2.78% of the average market value before the project. The land sizes and home sizes are relatively similar for the sales studied before and after the project occurred. This project also did not involve replacement of sanitary sewer and watermain, similar to portions of the subject project.

SALES COMPARISON APPROACH**Road Reconstruction with No Replacement of Utilities****Detached Single-Family Residential****Chanhassen Study**

Chanhassen 2008 Reconstruction						
Improved Sale	Date of Sale	Land Size	Finished SF	Sale Price	Sale Price Adj. for Mkt. Cond.	
Sales After Project						
1	408 Cimarron Circle	Sep-10	0.36 AC	2,326	\$211,200	\$232,426
2	7367 Longview Circle	May-09	0.29 AC	2,372	\$265,000	\$270,804
3	511 Laredo Lane	Oct-08	0.18 AC	2,286	\$195,940	\$190,963
4	7605 Laredo Drive	Jul-08	0.32 AC	1,650	\$224,935	\$215,150
5	7460 Longview Circle	Jun-08	0.32 AC	2,748	\$310,000	\$294,624
After Project Averages		Feb-09	0.29 AC	2,276	\$241,415	\$240,793
Sales Before Project						
1	509 Laredo Lane	Sep-07	0.30 AC	1,600	\$240,000	\$220,656
2	7611 Laredo Drive	Jun-07	0.33 AC	1,656	\$209,620	\$192,620
3	512 Laredo Lane	Apr-07	0.20 AC	1,950	\$226,710	\$208,233
4	521 Laredo Lane	Sep-06	0.20 AC	1,820	\$250,000	\$229,250
5	501 Highland Drive	Jun-06	0.30 AC	2,720	\$260,400	\$238,605
6	402 Cimarron Circle	Feb-06	0.25 AC	1,700	\$262,000	\$239,782
7	7460 Longview Circle	Aug-05	0.32 AC	2,748	\$295,000	\$275,648
8	506 Highland Drive	Apr-05	0.41 AC	2,500	\$287,500	\$273,096
9	504 Laredo Lane	Jul-03	0.26 AC	1,809	\$216,500	\$225,658
10	510 Laredo Lane	Jul-03	0.19 AC	1,432	\$212,000	\$220,968
11	7406 Laredo Drive	Apr-03	0.34 AC	1,632	\$205,000	\$216,583
12	7420 Longview Circle	Mar-03	0.30 AC	2,650	\$273,000	\$289,735
13	506 Laredo Lane	Mar-03	0.17 AC	2,144	\$202,500	\$214,913
Before Project Averages		Apr-05	0.27 AC	2,028	\$241,556	\$234,288
				After Project:	= \$240,793	
				Before Project:	<u>= \$234,288</u>	
				Indicated Benefit:	\$6,505	
					2.78%	

SALES COMPARISON APPROACH

Road Reconstruction with No Replacement of Utilities

Detached Single-Family Residential

Chanhasen Study

In addition to the preceding study, the property at 7460 Longview Circle sold before the project and again after the road reconstruction, and indicates a benefit of \$18,976 when comparing the adjusted sale price before the project to the adjusted sale price after the project was completed. However, as previously mentioned, special benefit of a reconstruction project is best derived from an overall comparison of sales that occur before the project to sales that occur after the project. Therefore, the \$6,505 indication of benefit remains a more reliable indicator of benefit.

Savage Study

Two projects occurred in Savage that had sufficient data to analyze. The first project is the Hamilton of Savage Phase III reconstruction project. However, the scope of work in this reconstruction project was more extensive than that of the subject. Therefore, this project will not be analyzed further in this consultation.

The second project was a road reconstruction that did not include replacement of utilities, similar to the subject. It occurred in 2008 and included four areas within Savage. The following list includes the street sections reconstructed as part of the project.

- 131st Street from Vernon Avenue to east terminus (Maple Leaf Woods Add.)
- Toledo Avenue from 143rd St. to northwest terminus (South Hills 3rd Add.)
- Webster Court from 137th Lane to east terminus (Rolling Meadows)
- Ottawa Avenue from C.S.A.H. 42 to 140th Street
- 140th Street from Ottawa Avenue to Princeton Avenue
- Princeton Avenue from 140th Street to 141st Street
- 141st Street from Princeton Avenue to Ottawa Avenue

After researching this project, three sales were found after the project, which can be compared to 17 residential sales that occurred before the project. The sales are summarized on the following page.

SALES COMPARISON APPROACH

Road Reconstruction with No Replacement of Utilities

Detached Single-Family Residential

Savage Study

Savage 2008 Street Reconstruction						
Improved Sale		Date of Sale	Land Size	Finished SF	Sale Price	Sale Price Adj. for Mkt. Cond.
Sales After Project						
1	5493 131st Street West	Apr-11	0.17 AC	2,713	\$217,000	\$217,130
2	13733 Webster Court	Feb-11	0.20 AC	1,660	\$182,685	\$182,758
3	4829 140th Street West	Jul-09	0.50 AC	1,968	\$214,910	\$201,886
After Project Averages		Aug-10	0.29 AC	2,114	\$204,865	\$200,591
Sales Before Project						
1	4826 140th Street West	Jul-07	0.50 AC	2,000	\$256,000	\$196,992
2	13793 Webster Court	May-07	0.39 AC	1,972	\$257,000	\$196,322
3	5480 131st Street West	Aug-06	0.18 AC	2,312	\$260,487	\$194,870
4	13744 Webster Court	Jul-06	0.24 AC	1,750	\$244,900	\$182,989
5	14275 Toledo Avenue	Apr-06	0.35 AC	1,811	\$263,000	\$195,725
6	14211 Toledo Avenue	Aug-05	0.60 AC	1,880	\$272,000	\$208,216
7	5560 131st Street West	Aug-05	0.14 AC	1,630	\$239,000	\$182,955
8	5451 131st Street West	Jun-05	0.23 AC	1,978	\$229,890	\$178,211
9	14275 Toledo Avenue	Jun-05	0.35 AC	1,811	\$243,000	\$188,374
10	13709 Webster Court	Jun-05	0.30 AC	1,957	\$238,000	\$184,498
11	14289 Toledo Avenue	Dec-04	0.23 AC	2,010	\$254,000	\$203,987
12	5533 131st Street West	Oct-04	0.15 AC	2,136	\$226,550	\$183,619
13	14272 Toledo Avenue	Sep-04	0.20 AC	2,350	\$261,500	\$212,913
14	14025 Princeton Avenue	Sep-04	0.31 AC	2,078	\$272,000	\$221,462
15	5475 131st Street West	Aug-04	0.18 AC	2,216	\$225,500	\$184,459
16	5480 131st Street West	Jun-04	0.18 AC	2,312	\$240,000	\$198,072
17	5597 131st Street West	May-04	0.20 AC	2,152	\$227,950	\$188,993
Before Project Averages		Jul-05	0.28 AC	2,021	\$247,693	\$194,274
After Project:					= \$200,591	
Before Project:					= \$194,274	
Indicated Benefit:					\$6,317	
					3.25%	

The market conditions adjustment for the Savage study is based on residential sales data for Shakopee, Prior Lake, Savage, Credit River Township, and Spring Lake Township.

SALES COMPARISON APPROACH

Road Reconstruction with No Replacement of Utilities

Detached Single-Family Residential

Savage Study

After the market conditions adjustment to August 2010 (average date of sale after the project), the before comparables indicate an average sale price of \$194,274. This can now be compared to the average adjusted sale price for the sales after the reconstruction project.

Project Year:	<u>2008</u>	<u>Percentage of</u>	<u>Average</u>
Sale Price After the Project:	\$200,591	<u>Market Value</u>	<u>Lot Size</u>
Sale Price Before the Project:	<u>\$194,274</u>		0.29 Ac
Indicated Special Benefit:	\$ 6,317	3.25%	0.28 Ac

The 2008 Savage study indicates a special benefit of \$6,317 per residential equivalent unit for a road reconstruction project fronting urban lots, which is 3.25% of the average market value before the project. The land sizes and home sizes are relatively similar for the sales studied before and after the project occurred. In addition, this project did not involve replacement of sanitary sewer and watermain, similar to the subject project, and is considered a reliable indicator of benefit for the subject project area.

Ramsey Study

In 2010, the City of Ramsey completed a reconstruction project along Dysprosium Street, from Bunker Lake Boulevard to Nowthen Boulevard, that included storm sewer improvements, but did not include any sanitary sewer or watermain work. After researching the project, three residential sales were found after the project, which can be compared to six residential sales that occurred before the project.

The market conditions adjustment for the Ramsey study is based on residential sales data for Anoka County. The sales utilized in this analysis are summarized on the following page.

SALES COMPARISON APPROACH**Road Reconstruction with No Replacement of Utilities****Detached Single-Family Residential****Ramsey Study**

Ramsey 2010 Reconstruction Project						
Improved Sale		Date of Sale	Land Size	Finished SF	Sale Price	Sale Price Adj for Mkt. Cond.
Sales After Project						
1	14058 Dysprosium Street N.W.	Jan-14	0.14 AC	1,562	\$124,941	\$119,968
2	14110 Dysprosium Street N.W.	Dec-13	0.17 AC	1,728	\$160,155	\$155,318
3	14200 Dysprosium Street N.W.	Apr-13	0.31 AC	1,682	\$140,326	\$147,609
After Project Averages		Sep-13	0.21 AC	1,657	\$141,807	\$140,965
Sales Before Project						
1	14090 Dysprosium Street N.W.	Apr-09	0.17 AC	1,511	\$153,403	\$143,754
2	14069 Dysprosium Street N.W.	Nov-07	0.14 AC	1,628	\$159,900	\$119,893
3	5364 142nd Circle N.W.	Oct-06	0.21 AC	1,710	\$174,379	\$124,960
4	14130 Dysprosium Street N.W.	Sep-06	0.13 AC	1,662	\$167,000	\$119,622
5	14200 Dysprosium Street N.W.	May-06	0.31 AC	1,682	\$217,036	\$155,311
6	14043 Dysprosium Street N.W.	Apr-06	0.15 AC	1,712	\$185,000	\$132,368
Before Project Averages		Mar-07	0.19 AC	1,651	\$176,120	\$132,651
After Project:					= \$140,965	
Before Project:					= \$132,651	
Indicated Benefit:					\$8,314	
					6.27%	

After the market conditions adjustment to September 2013 (average date of sale after the project), the before comparables indicate an average sale price of \$132,651. This can now be compared to the average adjusted sale price for the sales after the reconstruction project.

Project Year:	<u>2010</u>	<u>Percentage of Market Value</u>	<u>Average Lot Size</u>
Sale Price After the Project:	\$140,965		0.21 Ac
Sale Price Before the Project:	<u>\$132,651</u>		0.19 Ac
Indicated Special Benefit:	\$ 8,314	6.27%	

SALES COMPARISON APPROACH

Road Reconstruction with No Replacement of Utilities

Detached Single-Family Residential

Ramsey Study

This Ramsey study indicates a special benefit of \$8,314, which is 6.27% of the average market value before the project. Both the land and home sizes are similar in the before and after conditions.

In addition to the preceding study, the property at 14200 Dysprosium Street Northwest sold both before and after the road reconstruction project. However, as summarized previously, each market transaction varies according to motivations of and negotiations between individual participants, and special benefit is best derived from an overall comparison of sales that occur before the project to sales that occur after the project.

Crystal Studies

The reconstruction projects that occurred in Crystal included reconstruction of bituminous-surfaced streets, along with curb and gutter, storm sewer upgrades, and spot sanitary sewer/watermain repair, where needed. Sales have been selected that occurred both before and after projects throughout each project area in Crystal. However, foreclosures and lender-mediated short sales, as well as non-homogeneous properties, were excluded from the study areas analyzed.

The City of Crystal completed eight projects between 2004 and 2013.

- Phase 6 – Central Street Reconstruction Project (2004)
- Phase 7 – Fair Street/Crystal Heights Reconstruction Project (2005)
- Phase 8 – Forest South Street Reconstruction Project (2006)
- Phase 9 – Cavanagh Oaks Street Reconstruction Project (2008)
- Phase 10 – Welcome Park Street Reconstruction Project (2009)
- Phase 11 – Broadway Park Street Reconstruction Project (2011)
- Phase 12 – Forest North Street Reconstruction Project (2012)
- Phase 13 – Becker Street Reconstruction Project (2013)

SALES COMPARISON APPROACH**Road Reconstruction with No Replacement of Utilities****Detached Single-Family Residential****Crystal Studies**

Seven of the eight projects are analyzed on the following pages. The Phase 9, Cavanagh Oaks project area, included lake front and lake view properties; therefore, this project is not analyzed due to non-homogeneous property characteristics.

The projects analyzed all occurred along urban sections of roadway in neighborhoods with single-family homes. As such, the majority of sales data in the project area are from single-family home sales. In order to isolate benefit, the sale prices of properties in the project area are trended for changes in market conditions, and are trended to the average after sale price.

Residential sales data, excluding new construction, has been extracted for Crystal, New Hope, Robbinsdale, Golden Valley and Brooklyn Center using the Multiple Listing Service (MLS), and this data was the basis for the market conditions adjustments applied to the projects analyzed in Crystal.

The residential sales from all of the Crystal projects analyzed are summarized and adjusted for market conditions on the following pages. Any sale/re-sale pairings are highlighted in yellow.

SALES COMPARISON APPROACH

Road Reconstruction with No Replacement of Utilities

Detached Single-Family Residential

Crystal Studies

Crystal Phase 6 - 2004 Street Reconstruction Project						
Improved Sale		Date of Sale	Land Size	Finished SF	Sale Price	Sale Price Adj. for Mkt. Cond.
Sales After Project						
1	3853 Georgia Avenue N.	Dec-05	0.22 AC	1,664	\$220,649	\$216,302
2	4041 Hampshire Avenue N.	Dec-05	0.27 AC	1,705	\$210,696	\$206,545
3	3817 Georgia Avenue N.	Nov-05	0.18 AC	2,143	\$245,853	\$241,969
4	3932 Georgia Avenue N.	Oct-05	0.24 AC	2,104	\$248,000	\$245,024
5	6518 37th Avenue N.	Sep-05	0.21 AC	1,852	\$216,082	\$214,375
6	6618 Markwood Drive N.	Aug-05	0.22 AC	2,053	\$238,700	\$237,745
7	6608 40th Avenue N.	Aug-05	0.24 AC	2,108	\$210,000	\$209,160
8	3829 Georgia Avenue N.	Aug-05	0.22 AC	2,068	\$239,900	\$238,940
9	6611 Markwood Drive N.	Jul-05	0.21 AC	1,320	\$210,000	\$210,000
10	3924 Florida Avenue N.	Jul-05	0.24 AC	1,930	\$220,000	\$220,000
11	6426 Markwood Drive N.	Jun-05	0.22 AC	1,248	\$213,000	\$213,852
12	6317 38th Avenue N.	Jun-05	0.22 AC	2,016	\$202,000	\$202,808
13	3640 Georgia Avenue N.	Jun-05	0.23 AC	2,255	\$257,000	\$258,028
14	3900 Hampshire Avenue N.	May-05	0.28 AC	1,611	\$215,200	\$216,922
15	6328 38th Avenue N.	May-05	0.22 AC	1,570	\$207,500	\$209,160
16	6702 Markwood Drive N.	May-05	0.22 AC	1,205	\$236,400	\$238,291
17	3900 Kentucky Avenue N.	Apr-05	0.26 AC	2,148	\$251,100	\$254,138
18	3630 Georgia Avenue N.	Feb-05	0.23 AC	2,174	\$227,000	\$231,563
19	6610 Markwood Drive N.	Feb-05	0.22 AC	2,048	\$214,938	\$219,258
After Project Averages		Jul-05	0.23 AC	1,854	\$225,475	\$225,478
Sales Before Project						
1	3833 Kentucky Avenue N.	Dec-03	0.25 AC	1,653	\$204,900	\$223,321
2	4116 Jersey Avenue N.	Nov-03	0.30 AC	1,853	\$201,000	\$220,316
3	3841 Kentucky Avenue N.	Sep-03	0.30 AC	1,868	\$221,700	\$245,732
4	6810 37th Avenue N.	Sep-03	0.36 AC	1,607	\$229,000	\$253,824
5	3809 Kentucky Avenue N.	Aug-03	0.25 AC	1,688	\$193,495	\$215,670
6	6801 Markwood Drive N.	Aug-03	0.28 AC	1,516	\$180,000	\$200,628
7	3816 Georgia Avenue N.	Aug-03	0.20 AC	1,440	\$165,000	\$183,909
8	4049 Idaho Avenue N.	Jul-03	0.27 AC	1,515	\$173,000	\$193,898
9	4131 Jersey Avenue N.	Jul-03	0.27 AC	2,184	\$230,000	\$257,784
10	4071 Jersey Avenue N.	Jul-03	0.25 AC	1,422	\$195,500	\$219,116
11	4003 Idaho Avenue N.	Jul-03	0.35 AC	1,706	\$179,900	\$201,632
12	6500 38th Avenue N.	Jul-03	0.14 AC	1,780	\$204,900	\$229,652
13	6417 38th Avenue N.	May-03	0.22 AC	2,102	\$196,300	\$222,447
14	6409 Markwood Drive N.	May-03	0.21 AC	1,970	\$216,000	\$244,771
15	4108 Jersey Avenue N.	Apr-03	0.34 AC	1,765	\$183,000	\$208,510
16	3900 Kentucky Avenue N.	Apr-03	0.26 AC	2,148	\$200,000	\$227,880
17	6717 Markwood Drive N.	Mar-03	0.21 AC	1,240	\$186,500	\$213,654
18	3933 Georgia Avenue N.	Mar-03	0.25 AC	2,000	\$194,000	\$222,246
19	3816 Hampshire Avenue N.	Feb-03	0.18 AC	1,465	\$169,139	\$194,814
20	3901 Douglas Drive N.	Feb-03	0.27 AC	1,692	\$160,000	\$184,288
Before Project Averages		Jul-03	0.26 AC	1,731	\$194,167	\$218,205
After Project:					= \$225,478	
Before Project:					= \$218,205	
Indicated Benefit:					\$7,273	
					3.33%	

SALES COMPARISON APPROACH

Road Reconstruction with No Replacement of Utilities

Detached Single-Family Residential

Crystal Studies

Crystal Phase 7 - 2005 Street Reconstruction Project						
Improved Sale		Date of Sale	Land Size	Finished SF	Sale Price	Sale Price Adj. for Mkt. Cond.
Sales After Project						
1	4101 Adair Avenue N.	Oct-08	0.31 AC	1,407	\$191,540	\$232,281
2	5225 34th Place N.	Jul-08	0.23 AC	875	\$150,400	\$171,922
3	3708 Yates Avenue N.	Dec-07	0.25 AC	1,988	\$191,420	\$195,842
4	5918 36th Avenue N.	Oct-07	0.27 AC	1,842	\$205,155	\$209,012
5	4141 Colorado Avenue N.	Aug-07	0.31 AC	1,725	\$215,122	\$218,220
6	3625 Colorado Avenue N.	Jul-07	0.23 AC	2,570	\$249,000	\$252,038
7	5116 35th Avenue N.	Jan-07	0.28 AC	1,186	\$164,500	\$164,401
8	5324 35th Avenue N.	Sep-06	0.22 AC	1,283	\$172,000	\$172,292
9	3801 Zane Avenue N.	Aug-06	0.20 AC	1,777	\$194,940	\$195,388
10	3726 Yates Avenue N.	Aug-06	0.25 AC	1,315	\$165,000	\$165,380
11	3632 Brunswick Avenue N.	Jul-06	0.26 AC	1,751	\$246,226	\$246,940
12	3809 Adair Avenue N.	Jul-06	0.19 AC	2,252	\$232,060	\$232,733
13	3827 Welcome Avenue N.	Jun-06	0.24 AC	1,401	\$190,900	\$191,568
14	5309 35th Avenue N.	May-06	0.23 AC	1,074	\$200,000	\$200,800
15	3613 Yates Avenue N.	Apr-06	0.20 AC	980	\$196,000	\$196,902
16	3821 Xenia Avenue N.	Apr-06	0.27 AC	1,472	\$202,899	\$203,832
17	3641 Colorado Avenue N.	Dec-05	0.27 AC	1,832	\$227,252	\$229,593
18	5916 38th Avenue N.	Nov-05	0.15 AC	1,562	\$192,000	\$194,765
After Project Averages		Dec-06	0.24 AC	1,572	\$199,245	\$204,106
Sales Before Project						
1	3629 Xenia Avenue N.	Dec-04	0.29 AC	1,649	\$191,900	\$203,414
2	3712 Zane Avenue N.	Dec-04	0.21 AC	1,580	\$200,000	\$212,000
3	3801 Xenia Avenue N.	Nov-04	0.25 AC	1,260	\$184,000	\$195,960
4	5225 35th Avenue N.	Oct-04	0.23 AC	1,012	\$147,000	\$157,319
5	5409 35th Avenue N.	Sep-04	0.23 AC	875	\$155,900	\$167,639
6	3700 Welcome Avenue N.	Sep-04	0.24 AC	1,364	\$176,400	\$189,683
7	3832 Adair Avenue N.	Aug-04	0.18 AC	1,502	\$195,000	\$210,678
8	5401 35th Avenue N.	Jun-04	0.22 AC	845	\$148,000	\$161,424
9	3809 Zane Avenue N.	May-04	0.20 AC	1,525	\$193,000	\$211,470
10	3636 Yates Avenue N.	May-04	0.24 AC	806	\$156,600	\$171,587
11	5309 34th Place N.	May-04	0.23 AC	816	\$154,246	\$169,007
12	3727 Yates Avenue N.	May-04	0.17 AC	1,409	\$179,000	\$196,130
13	3715 Welcome Avenue N.	Feb-04	0.22 AC	1,886	\$195,250	\$216,942
14	3715 Yates Avenue N.	Nov-03	0.17 AC	1,472	\$147,500	\$166,513
15	3649 Colorado Avenue N.	Sep-03	0.27 AC	2,204	\$217,000	\$247,727
16	5224 35th Avenue N.	Sep-03	0.23 AC	1,252	\$172,400	\$196,812
17	3702 Xenia Avenue N.	Aug-03	0.21 AC	1,243	\$189,900	\$218,005
18	5301 35th Avenue N.	Aug-03	0.23 AC	875	\$136,100	\$156,243
19	3721 Yates Avenue N.	Aug-03	0.17 AC	1,400	\$180,000	\$206,640
20	3833 Brunswick Avenue N.	Jul-03	0.25 AC	2,400	\$215,000	\$248,196
21	5316 34th Place N.	Jul-03	0.23 AC	816	\$144,900	\$167,273
22	3711 Zane Avenue N.	Jun-03	0.20 AC	2,179	\$205,000	\$237,964
23	5816 36th Avenue N.	Jun-03	0.26 AC	2,203	\$199,000	\$230,999
24	3833 Welcome Avenue N.	May-03	0.24 AC	1,466	\$177,200	\$206,828
25	3624 Yates Avenue N.	Apr-03	0.24 AC	1,865	\$191,425	\$224,656
26	3825 Colorado Avenue N.	Apr-03	0.21 AC	1,678	\$199,900	\$234,603
27	5109 35th Avenue N.	Mar-03	0.32 AC	875	\$139,300	\$164,360
28	3808 Welcome Avenue N.	Mar-03	0.24 AC	1,756	\$173,105	\$204,247
Before Project Averages		Jan-04	0.23 AC	1,436	\$177,287	\$199,083
				After Project:	= \$204,106	
				Before Project:	= \$199,083	
				Indicated Benefit:	\$5,023	
					2.52%	

SALES COMPARISON APPROACH

Road Reconstruction with No Replacement of Utilities

Detached Single-Family Residential

Crystal Studies

Crystal Phase 8 - 2006 Street Reconstruction Project						
Improved Sale		Date of Sale	Land Size	Finished SF	Sale Price	Sale Price Adj. for Mkt. Cond.
Sales After Project						
1	7025 47th Avenue N.	Dec-07	0.24 AC	2,007	\$200,998	\$203,571
2	6700 43rd Avenue N.	Nov-07	0.18 AC	1,770	\$181,688	\$183,614
3	6605 45th Place N.	Nov-07	0.20 AC	2,302	\$232,971	\$235,440
4	6415 44th Avenue N.	Aug-07	0.27 AC	1,275	\$178,942	\$179,694
5	6920 46th Avenue N.	Aug-07	0.19 AC	1,455	\$206,923	\$207,792
6	4556 Maryland Avenue N.	Jul-07	0.23 AC	1,483	\$211,000	\$211,000
7	7016 43rd Avenue N.	Jul-07	0.25 AC	2,398	\$251,429	\$251,429
8	4319 Florida Avenue N.	Jul-07	0.18 AC	2,132	\$226,229	\$226,229
9	6725 44th Avenue N.	Jul-07	0.19 AC	1,715	\$201,724	\$201,724
10	6819 45th Avenue N.	Jul-07	0.21 AC	1,060	\$199,002	\$199,002
11	6324 46th Place N.	Jun-07	0.19 AC	1,500	\$203,728	\$203,300
12	6512 45th Place N.	Jun-07	0.19 AC	1,372	\$195,000	\$194,591
13	6917 45th Avenue N.	May-07	0.24 AC	1,576	\$240,000	\$238,992
14	4517 Jersey Avenue N.	May-07	0.22 AC	1,662	\$236,314	\$235,321
15	6709 45th Avenue N.	May-07	0.20 AC	1,550	\$181,000	\$180,240
16	6507 43rd Avenue N.	Mar-07	0.19 AC	1,608	\$223,280	\$221,404
17	6809 45th Avenue N.	Mar-07	0.19 AC	1,660	\$192,500	\$190,883
After Project Averages		Jul-07	0.21 AC	1,678	\$209,572	\$209,660
Sales Before Project						
1	4300 Georgia Avenue N.	Dec-05	0.17 AC	1,200	\$189,900	\$189,558
2	4528 Hampshire Avenue N.	Nov-05	0.18 AC	947	\$186,000	\$186,409
3	6609 43rd Avenue N.	Oct-05	0.17 AC	1,778	\$220,000	\$221,364
4	4218 Florida Avenue N.	Oct-05	0.19 AC	912	\$159,140	\$160,127
5	6611 45th Avenue N.	Oct-05	0.20 AC	1,889	\$199,900	\$201,139
6	4620 Louisiana Avenue N.	Sep-05	0.31 AC	1,693	\$184,300	\$186,180
7	6921 46th Avenue N.	Sep-05	0.20 AC	1,671	\$226,000	\$228,305
8	4312 Florida Avenue N.	Sep-05	0.19 AC	1,882	\$215,000	\$217,193
9	6520 45th Avenue N.	Aug-05	0.22 AC	1,866	\$212,000	\$215,010
10	6321 46th Avenue N.	Aug-05	0.22 AC	1,302	\$183,900	\$186,511
11	6716 43rd Avenue N.	Aug-05	0.18 AC	2,175	\$205,500	\$208,418
12	4535 Jersey Avenue N.	Jul-05	0.18 AC	2,205	\$242,500	\$246,914
13	6702 45th Avenue N.	Jul-05	0.28 AC	1,360	\$214,900	\$218,811
14	4548 Maryland Avenue N.	Jul-05	0.23 AC	2,124	\$224,900	\$228,993
15	6600 44th Avenue N.	Jun-05	0.22 AC	1,193	\$189,400	\$193,605
16	4239 Kentucky Avenue N.	Jun-05	0.19 AC	1,530	\$197,000	\$201,373
17	6425 46th Avenue N.	May-05	0.22 AC	1,376	\$175,000	\$179,568
18	6409 44th Avenue N.	May-05	0.32 AC	1,306	\$202,900	\$208,196
19	6322 46th Avenue N.	May-05	0.20 AC	1,082	\$212,130	\$217,667
20	4508 Maryland Avenue N.	May-05	0.23 AC	1,500	\$194,400	\$199,474
21	7024 46th Place N.	Apr-05	0.18 AC	1,690	\$203,246	\$209,384
22	4230 Hampshire Avenue N.	Apr-05	0.18 AC	1,098	\$174,270	\$179,533
23	4601 Louisiana Avenue N.	Mar-05	0.23 AC	1,768	\$199,900	\$206,737
Before Project Averages		Jul-05	0.21 AC	1,546	\$200,530	\$203,933
After Project:					= \$209,660	
Before Project:					= \$203,933	
Indicated Benefit:					\$5,727	
					2.81%	

SALES COMPARISON APPROACH

Road Reconstruction with No Replacement of Utilities

Detached Single-Family Residential

Crystal Studies

Crystal Phase 10 - 2009 Street Reconstruction Project						
Improved Sale		Date of Sale	Land Size	Finished SF	Sale Price	Sale Price Adj. for Mkt. Cond.
Sales After Project						
1	4300 Zane Avenue N.	Dec-11	0.33 AC	2,074	\$140,650	\$165,011
2	4342 Xenia Avenue N.	Dec-11	0.20 AC	2,340	\$97,000	\$113,800
3	4643 Zane Avenue N.	Oct-11	0.23 AC	1,960	\$130,275	\$148,097
4	4516 Zane Avenue N.	Sep-11	0.15 AC	1,237	\$141,000	\$157,850
5	4242 Xenia Avenue N.	Aug-11	0.16 AC	1,524	\$148,560	\$163,817
6	4305 Vera Cruz Avenue N.	May-11	0.22 AC	1,060	\$93,561	\$98,726
7	4616 Adair Avenue N.	May-11	0.21 AC	1,632	\$118,500	\$125,041
8	4634 Adair Avenue N.	Feb-11	0.20 AC	1,799	\$141,007	\$142,643
9	6206 47th Avenue N.	Dec-10	0.21 AC	1,968	\$140,000	\$140,000
10	5606 Sumter Avenue N.	Nov-10	0.18 AC	1,801	\$131,312	\$131,601
11	4844 Yates Avenue N.	Sep-10	0.14 AC	1,500	\$123,113	\$123,938
12	4229 Adair Avenue N.	Jul-10	0.18 AC	860	\$115,825	\$117,111
13	4534 Brunswick Avenue N.	May-10	0.25 AC	2,002	\$178,736	\$181,506
14	4611 Zane Avenue N.	May-10	0.16 AC	1,602	\$163,930	\$166,471
15	4718 Xenia Avenue N.	May-10	0.15 AC	1,320	\$132,766	\$134,824
16	6000 46th Avenue N.	May-10	0.15 AC	964	\$125,400	\$127,344
17	4731 Xenia Avenue N.	May-10	0.14 AC	1,239	\$134,900	\$136,991
18	5515 44th Avenue N.	Apr-10	0.29 AC	2,103	\$200,500	\$204,049
19	4706 Zane Avenue N.	Apr-10	0.14 AC	1,642	\$141,050	\$143,547
20	4306 Adair Avenue N.	Apr-10	0.16 AC	1,500	\$143,840	\$146,386
After Project Averages		Dec-10	0.19 AC	1,606	\$137,096	\$143,438
Sales Before Project						
1	4541 Zane Avenue N.	Dec-08	0.30 AC	2,270	\$222,250	\$189,535
2	4354 Brunswick Avenue N.	Sep-08	0.17 AC	1,535	\$169,400	\$136,909
3	4303 Welcome Avenue N.	Jul-08	0.18 AC	1,592	\$181,000	\$140,890
4	4331 Brunswick Avenue N.	Jul-08	0.20 AC	1,847	\$197,000	\$153,345
5	4330 Xenia Avenue N.	Jul-08	0.18 AC	1,352	\$151,800	\$118,161
6	4444 Yates Avenue N.	Jun-08	0.13 AC	1,250	\$170,000	\$129,795
7	4524 Colorado Avenue N.	May-08	0.20 AC	1,656	\$139,120	\$104,145
8	4407 Xenia Avenue N.	Apr-08	0.15 AC	1,200	\$169,750	\$124,546
9	4414 Colorado Avenue N.	Mar-08	0.26 AC	1,213	\$197,000	\$141,604
10	5615 46th Avenue N.	Dec-07	0.18 AC	1,742	\$190,000	\$130,644
11	4308 Xenia Avenue N.	Dec-07	0.18 AC	1,813	\$180,000	\$123,768
12	4312 Adair Avenue N.	Nov-07	0.17 AC	1,748	\$196,000	\$134,476
13	4400 Colorado Avenue N.	Sep-07	0.20 AC	1,782	\$191,000	\$130,491
14	4331 Colorado Avenue N.	Jun-07	0.22 AC	1,654	\$170,300	\$115,600
15	4249 Vera Cruz Avenue N.	Jun-07	0.19 AC	1,522	\$194,000	\$131,687
16	4516 Brunswick Avenue N.	Jun-07	0.25 AC	1,544	\$167,020	\$113,373
17	4246 Welcome Avenue N.	Apr-07	0.19 AC	1,332	\$198,000	\$133,828
18	4413 Welcome Avenue N.	Apr-07	0.20 AC	1,300	\$190,000	\$128,421
19	4754 Yates Avenue N.	Mar-07	0.15 AC	2,050	\$243,000	\$163,904
20	4361 Adair Avenue N.	Jan-07	0.17 AC	1,432	\$195,500	\$131,298
21	4843 Xenia Avenue N.	Jan-07	0.14 AC	1,529	\$184,500	\$123,910
Before Project Averages		Dec-07	0.19 AC	1,589	\$185,554	\$133,349
After Project:					= \$143,438	
Before Project:					= \$133,349	
Indicated Benefit:					\$10,089	
					7.57%	

SALES COMPARISON APPROACH

Road Reconstruction with No Replacement of Utilities

Detached Single-Family Residential

Crystal Studies

Crystal Phase 11 - 2011 Street Reconstruction Project						
Improved Sale:	Date of Sale	Land Size	Finished SF	Sale Price	Sale Price Adj. for Mkt. Cond.	
Sales After Project						
1	7432 Shirley Place	Dec-12	0.35 AC	1,525	\$125,130	\$119,199
2	5730 Rhode Island Avenue N.	Nov-12	0.19 AC	1,535*	\$151,337	\$145,541
3	5632 Nevada Avenue N.	Sep-12	0.24 AC	1,850	\$135,425	\$132,784
4	7725 59th Avenue N.	Aug-12	0.22 AC	1,450	\$142,000	\$140,594
5	5801 Rhode Island Avenue N.	Aug-12	0.67 AC	2,162	\$130,468	\$129,176
6	5655 Rhode Island Avenue N.	Jul-12	0.19 AC	1,726	\$154,590	\$154,590
7	5857 Nevada Avenue N.	Jun-12	0.24 AC	2,408	\$146,400	\$147,864
8	5643 Rhode Island Avenue N.	May-12	0.19 AC	1,049	\$103,900	\$105,968
9	7416 Shirley Place	May-12	0.47 AC	1,066	\$98,700	\$100,664
10	5840 Pennsylvania Avenue N.	Apr-12	0.23 AC	1,862	\$146,000	\$150,365
11	5732 Maryland Avenue N.	Mar-12	0.21 AC	1,750	\$150,000	\$155,970
After Project Averages		Jul-12	0.29 AC	1,685	\$134,905	\$134,792
Sales Before Project						
1	7716 59th Place N.	Dec-10	0.24 AC	1,305	\$165,000	\$146,652
2	5609 Nevada Avenue N.	Jun-10	0.23 AC	1,662	\$165,480	\$149,031
3	5708 Maryland Avenue N.	May-10	0.19 AC	1,610	\$157,295	\$141,974
4	5642 Rhode Island Avenue N.	Aug-09	0.19 AC	1,722	\$144,530	\$123,212
5	5701 Rhode Island Avenue N.	Aug-09	0.20 AC	1,872	\$184,875	\$157,606
6	5730 Rhode Island Avenue N.	Aug-09	0.19 AC	1,073	\$161,000	\$137,253
7	5701 Maryland Avenue N.	Aug-09	0.22 AC	1,521	\$169,618	\$144,599
8	5724 Maryland Avenue N.	Jul-09	0.21 AC	1,530	\$153,480	\$129,046
9	7708 59th Avenue N.	May-09	0.28 AC	1,635	\$156,500	\$127,970
10	5706 Rhode Island Avenue N.	May-09	0.24 AC	1,955	\$167,000	\$136,556
11	5840 Quebec Avenue N.	May-09	0.32 AC	1,050	\$135,937	\$111,156
12	5833 Oregon Avenue N.	Apr-09	0.23 AC	1,274	\$94,142	\$75,878
13	7617 59th Avenue N.	Dec-08	0.31 AC	1,600	\$166,000	\$125,828
14	5924 Quebec Avenue N.	Oct-08	0.25 AC	1,574	\$190,000	\$138,985
15	5700 Maryland Avenue N.	Sep-08	0.21 AC	1,136	\$137,000	\$98,407
16	5648 Nevada Avenue N.	Jun-08	0.23 AC	1,700	\$199,500	\$135,361
17	5757 Maryland Avenue N.	Jun-08	0.22 AC	1,770	\$199,405	\$135,296
18	5808 Quebec Avenue N.	May-08	0.22 AC	988	\$167,805	\$111,657
19	5801 W. Broadway	Mar-08	0.20 AC	912	\$150,000	\$95,820
Before Project Averages		May-09	0.23 AC	1,468	\$161,293	\$127,489
After Project:					= \$134,792	
Before Project:					= \$127,489	
Indicated Benefit:					\$7,303	
					5.73%	

* The property at 5730 Rhode Island Avenue N. had basement space finished between the two sales.

SALES COMPARISON APPROACH

Road Reconstruction with No Replacement of Utilities

Detached Single-Family Residential

Crystal Studies

Crystal Phase 12 - 2012 Street Reconstruction Project						
Improved Sale	Date of Sale	Land Size	Finished SF	Sale Price	Sale Price Adj. for Mkt. Cond.	
Sales After Project						
1	4716 Nevada Avenue N.	Dec-13	0.23 AC	1,348	\$137,900	\$125,006
2	6812 Fairview Avenue N.	Nov-13	0.18 AC	1,387	\$129,900	\$119,612
3	4857 Louisiana Avenue N.	Oct-13	0.23 AC	1,829	\$190,689	\$178,409
4	4833 Douglas Drive N.	Sep-13	0.25 AC	2,631	\$219,996	\$209,194
5	6607 47th Avenue N.	Jul-13	0.19 AC	1,627	\$179,900	\$176,860
6	4833 Hampshire Avenue N.	Jun-13	0.20 AC	1,088	\$165,000	\$165,000
7	5108 Florida Avenue N.	May-13	0.21 AC	800	\$119,900	\$121,962
8	4724 Florida Avenue N.	Feb-13	0.23 AC	1,882	\$143,075	\$152,919
9	6521 Corvallis Avenue N.	Jan-13	0.22 AC	1,560	\$135,003	\$146,613
10	6934 50th Avenue N.	Jan-13	0.22 AC	1,411	\$145,403	\$157,908
After Project Averages		Jun-13	0.22 AC	1,556	\$156,677	\$155,348
Sales Before Project						
1	6626 Fairview Avenue N.	Nov-11	0.20 AC	1,563	\$134,000	\$158,482
2	5009 Florida Avenue N.	Nov-11	0.25 AC	1,746	\$133,089	\$157,404
3	6600 Fairview Avenue N.	Oct-11	0.24 AC	1,783	\$144,845	\$168,918
4	4840 Louisiana Avenue N.	Oct-11	0.20 AC	1,544	\$105,500	\$123,034
5	6428 Fairview Avenue N.	Aug-11	0.19 AC	1,723	\$152,900	\$173,251
6	6619 50th Avenue N.	Jun-11	0.19 AC	1,800	\$137,339	\$151,100
7	6322 50th Avenue N.	Jun-11	0.20 AC	1,726	\$142,900	\$157,219
8	6612 Fairview Avenue N.	May-11	0.19 AC	1,518	\$133,358	\$144,507
9	4716 Maryland Avenue N.	Apr-11	0.23 AC	1,575	\$104,976	\$112,020
10	4848 Edgewood Avenue N.	Apr-11	0.20 AC	976	\$100,800	\$107,564
Before Project Averages		Aug-11	0.21 AC	1,595	\$128,971	\$145,350
After Project:					= \$155,348	
Before Project:					= \$145,350	
Indicated Benefit:					\$9,998	
					6.88%	

SALES COMPARISON APPROACH

Road Reconstruction with No Replacement of Utilities

Detached Single-Family Residential

Crystal Studies

Crystal Phase 13 - 2013 Street Reconstruction Project						
Improved Sale	Date of Sale	Land Size	Finished SF	Sale Price	Sale Price Adj. for Mkt. Cond.	
Sales After Project						
1 5431 Maryland Avenue N	Dec-15	0.23 AC	1,697	\$180,965	\$172,062	
2 5260 Georgia Avenue N	Aug-15	0.18 AC	1,679	\$184,785	\$179,223	
3 5301 Louisiana Avenue N	Jul-15	0.20 AC	1,400	\$171,386	\$167,067	
4 5218 Maryland Avenue N	Jul-15	0.27 AC	1,894	\$190,541	\$185,739	
5 5443 Maryland Avenue N	Jul-15	0.23 AC	1,715	\$186,036	\$181,348	
6 5243 Florida Avenue N	Jun-15	0.18 AC	1,577	\$173,590	\$170,066	
7 5337 Idaho Avenue N	Jun-15	0.22 AC	1,636	\$168,168	\$164,754	
8 5213 Kentucky Avenue N	Apr-15	0.18 AC	1,560	\$167,562	\$165,853	
9 5343 Louisiana Avenue N	Mar-15	0.20 AC	1,472	\$162,667	\$161,821	
10 5241 Maryland Avenue N	Mar-15	0.31 AC	1,575	\$163,215	\$162,366	
11 5406 Louisiana Avenue N	Sep-14	0.31 AC	1,387	\$166,310	\$169,320	
12 5312 Louisiana Avenue N	Aug-14	0.20 AC	1,413	\$160,050	\$163,459	
13 7225 54th Avenue N	Apr-14	0.26 AC	1,716	\$173,575	\$179,529	
14 5401 Hampshire Avenue	Apr-14	0.18 AC	1,600	\$154,000	\$159,282	
15 7224 54th Avenue N	Mar-14	0.18 AC	1,468	\$128,040	\$132,842	
After Project Averages	Feb-15	0.22 AC	1,586	\$168,726	\$167,649	
Sales Before Project						
1 5301 Louisiana Avenue N	Oct-12	0.20 AC	1,400	\$142,405	\$155,862	
2 5413 Hampshire Ave. N	Sep-12	0.18 AC	1,808	\$137,512	\$150,988	
3 5300 Jersey Avenue N	Jul-12	0.23 AC	1,860	\$158,000	\$174,574	
4 5443 Maryland Avenue N	May-12	0.23 AC	1,715	\$159,000	\$176,808	
5 5306 Maryland Avenue N	Apr-12	0.27 AC	1,756	\$165,000	\$184,041	
6 5248 Jersey Avenue N	Nov-11	0.18 AC	1,499	\$120,528	\$136,558	
7 5319 Georgia Avenue N	Oct-11	0.23 AC	1,770	\$147,500	\$167,649	
8 5325 Idaho Avenue N	Sep-11	0.23 AC	1,890	\$139,000	\$158,488	
9 5220 Louisiana Avenue N	Aug-11	0.18 AC	1,522	\$109,500	\$125,246	
Before Project Averages	Mar-12	0.21 AC	1,691	\$142,049	\$158,913	
				After Project:	= \$167,649	
				Before Project:	= \$158,913	
				Indicated Benefit:	\$8,736	
					5.50%	

SALES COMPARISON APPROACH

Road Reconstruction with No Replacement of Utilities

Detached Single-Family Residential

Crystal Studies

The sale prices, both before and after the projects, were adjusted for market conditions using the average sale prices that were extracted from MLS data for the Crystal area. After the market conditions adjustment, the average before sale prices are compared to the average sale prices that occurred after the reconstruction project.

Results from analysis of the comparable projects are summarized as follows:

SUMMARY OF CRYSTAL PROJECTS					
Project Year:	<u>2004</u>	Percentage of Market Value	Project Year:	<u>2011</u>	Percentage of Market Value
Average Sale Price After Project	\$225,478		Average Sale Price After Project	\$134,792	
Average Sale Price Before Project	<u>\$218,205</u>		Average Sale Price Before Project	<u>\$127,489</u>	
Indicated Special Benefit	\$7,273	3.33%	Indicated Special Benefit	\$7,303	5.73%
Project Year:	<u>2005</u>		Project Year:	<u>2012</u>	
Average Sale Price After Project	\$204,106		Average Sale Price After Project	\$155,348	
Average Sale Price Before Project	<u>\$199,083</u>		Average Sale Price Before Project	<u>\$145,350</u>	
Indicated Special Benefit	\$5,023	2.52%	Indicated Special Benefit	\$9,998	6.88%
Project Year:	<u>2006</u>		Project Year:	<u>2013</u>	
Average Sale Price After Project	\$209,660		Average Sale Price After Project	\$167,649	
Average Sale Price Before Project	<u>\$203,933</u>		Average Sale Price Before Project	<u>\$158,913</u>	
Indicated Special Benefit	\$5,727	2.81%	Indicated Special Benefit	\$8,736	5.50%
Project Year:	<u>2009</u>		<div style="border: 1px solid black; padding: 5px;"> Average Benefit (All Years): \$7,736 Average Benefit (11, 12, 13): \$8,679 </div>		
Average Sale Price After Project	\$143,438				
Average Sale Price Before Project	<u>\$133,349</u>				
Indicated Special Benefit	\$10,089	7.57%			

The above data indicates a range of benefit from \$5,023 to \$10,089 per residential equivalent unit, with an average indicated benefit of \$7,736. These projects also indicate that special benefit ranges from 2.52% to 7.57% of the average market value before the project.

SALES COMPARISON APPROACH

Road Reconstruction with No Replacement of Utilities

Detached Single-Family Residential

Crystal Studies

In addition to the preceding special benefit studies, there are four sale/re-sale pairings of properties within the Crystal project areas. These pairings indicate a wide range of benefit, from \$4,540 to \$26,258. However, as previously discussed, special benefit is best derived from an overall comparison of sales that occur before the project to sales that occur after the project.

Lakeville Studies

The last projects analyzed in this consultation occurred in Lakeville. The City of Lakeville has completed several recent projects. The projects completed in 2011 and 2016 did not include replacement of utilities, similar to the subject project area.

Residential sales data, excluding new construction, has been extracted for Dakota County using the Multiple Listing Service (MLS), and this data was the basis for the market conditions adjustments applied to the projects analyzed in Lakeville. In both cases, sales have been selected that occurred both before and after the projects. However, foreclosures, lender-mediated short sales and non-homogeneous properties have been excluded.

2011 Project

The streets reconstructed in the 2011 Lakeville project fronted both attached and detached single-family properties. Analysis of special benefit to attached single-family properties in the 2011 project area is not included in this consultation.

The 2011 project occurred along urban sections of roadway fronting detached single-family lots that range in size from 0.15 acres to 0.69 acres, with the majority of the lots ranging in size from 0.25 to 0.35 acres. In order to isolate benefit, the sale prices of properties in the project area are trended for changes in market conditions, and are trended to the average after sale price.

SALES COMPARISON APPROACH

Road Reconstruction with No Replacement of Utilities

Detached Single-Family Residential

Lakeville Studies

2011 Project

The residential sales from the 2011 (detached single-family only) project is summarized and adjusted for market conditions below, with sale/re-sale pairings highlighted in yellow.

Lakeville 2011 Reconstruction Project Detached Single-Family Properties						
Improved Sale	Date of Sale	Land Size	Finished SF	Sale Price	Sale Price Adj; for Mkt. Cond.	
Sales After Project						
1	20685 207th Court W.	Dec-14	0.25 AC	1,887	\$174,900	\$164,126
2	8433 208th Street W.	Oct-14	0.31 AC	2,635	\$228,000	\$216,053
3	8420 208th Street W.	Sep-14	0.29 AC	2,892	\$230,695	\$219,691
4	20565 Idalia Avenue	Jul-14	0.21 AC	2,004	\$202,450	\$194,737
5	20385 Iberia Avenue	Jul-14	0.69 AC	2,914	\$249,810	\$240,292
6	8361 Lower 208th Street W.	Jun-14	0.27 AC	2,143	\$215,825	\$208,638
7	8281 208th Street W.	Jan-14	0.39 AC	2,565	\$231,703	\$229,780
8	20615 207th St. Court W.	Dec-13	0.25 AC	2,172	\$227,500	\$227,500
9	20585 Idalia Avenue	Dec-13	0.31 AC	1,680	\$173,400	\$173,400
10	8330 Lower 208th Street W.	Sep-13	0.24 AC	1,733	\$223,416	\$229,024
11	20678 Hershey Avenue	Jun-13	0.15 AC	1,515	\$168,712	\$177,164
12	20625 Iceland Avenue	Jun-13	0.26 AC	1,512	\$185,803	\$195,112
13	8405 Lower 208th Street W.	Oct-12	0.29 AC	1,708	\$179,798	\$198,173
14	8460 208th Street W.	Aug-12	0.38 AC	1,733	\$173,000	\$191,840
After Project Averages		Dec-13	0.31 AC	2,078	\$204,644	\$204,681
Sales Before Project						
1	8453 208th Street W.	May-10	0.28 AC	2,236	\$173,604	\$179,437
2	8251 208th Street W.	May-10	0.53 AC	3,136	\$256,500	\$265,118
3	20565 Idalia Avenue	Sep-09	0.21 AC	2,004	\$195,000	\$194,181
4	20405 Hughes Avenue W.	Aug-09	0.26 AC	1,976	\$200,000	\$197,500
5	20680 207th St. Court W.	Jul-09	0.25 AC	2,000	\$205,000	\$200,736
6	20615 207th St. Court W.	Jun-09	0.25 AC	2,173	\$219,900	\$213,479
7	20545 Iceland Avenue	Sep-08	0.26 AC	1,779	\$185,800	\$165,771
8	8291 208th Street W.	Feb-08	0.30 AC	2,080	\$185,000	\$153,125
Before Project Averages		Jun-09	0.29 AC	2,173	\$202,601	\$196,168
After Project:					= \$204,681	
Before Project:					= \$196,168	
Indicated Benefit:					\$8,513 4.34%	

SALES COMPARISON APPROACH

Road Reconstruction with No Replacement of Utilities

Detached Single-Family Residential

Lakeville Studies

2011 Project

After the market conditions adjustment to December 2013 (average date of sale after the project), the before comparables indicate an average sale price of \$196,168. This can now be compared to the average adjusted sale price for the sales after the reconstruction project.

Project Year:	<u>2011</u>	<u>Percentage of</u>	<u>Average</u>
Sale Price After the Project:	\$204,681	<u>Market Value</u>	<u>Lot Size</u>
Sale Price Before the Project:	<u>\$196,168</u>		0.31 Ac
Indicated Special Benefit:	\$ 8,513	4.34%	0.29 Ac

The detached single-family portion of the 2011 Lakeville study indicates a special benefit of \$8,513 per residential equivalent unit for a road reconstruction project fronting urban lots, which is 4.34% of the average market value before the project. Both the land and home sizes are relatively similar before and after the reconstruction project, increasing the reliability of the indication of special benefit.

In addition to the preceding special benefit studies, there are two sale/re-sale pairings of properties within the Lakeville project areas. These pairings indicate a wide range of benefit, from little benefit to over \$14,000 in special benefit. However, as described previously, each market transaction varies according to motivations of and negotiations between individual participants. Even though each sale may represent an arm's-length transaction, there are specific circumstances that can influence sale prices, reducing the reliability of a particular pairing. Therefore, special benefit to single-family residential properties from a reconstruction project is best derived from an overall comparison of sales that occur before the project to sales that occur after the project.

SALES COMPARISON APPROACH

Road Reconstruction with No Replacement of Utilities

Detached Single-Family Residential

Lakeville Studies

2016 Project

The City of Lakeville completed reconstruction of several urban streets in 2016 that included utility repair, but not replacement. There were several different neighborhoods included in the project area, but all were generally located in the west-central portion of the city. Lot sizes in the project area ranged primarily from 0.27 acres to 0.83 acres. After researching the project, 21 residential sales were found after the project, which can be compared to 13 residential sales that occurred before the project. The sales utilized in this analysis are summarized on the following page.

After the market conditions adjustment to November 2017 (average date of sale after the project), the before comparables indicate an average sale price of \$360,048. This can now be compared to the average adjusted sale price for the sales after the reconstruction project.

	<u>2016</u>	<u>Percentage of</u>	<u>Average</u>
Project Year:		<u>Market Value</u>	<u>Lot Size</u>
Sale Price After the Project:	\$366,918		0.53 Ac
Sale Price Before the Project:	<u>\$360,048</u>		0.50 Ac
Indicated Special Benefit:	\$ 6,870	1.91%	

The 2016 Lakeville study indicates a special benefit of \$6,870 per residential equivalent unit for a road reconstruction project that did not include replacement of utilities, which is 1.91% of the average market value before the project. Both the land and home sizes are relatively similar before and after the reconstruction project, increasing the reliability of the indication of special benefit.

SALES COMPARISON APPROACH

Road Reconstruction with No Replacement of Utilities

Detached Single-Family Residential

Lakeville Studies - 2016 Project

Lakeville Reconstruction - 2016 Area E						
Improved Sale		Date of Sale	Land Size	Finished SF	Sale Price	Sale Price Adj. for Mkt. Cond.
Sales After Project						
1	18836 Joplin Avenue	Jun-18	0.45 AC	2,115	\$273,934	\$266,428
2	18240 Jamaica Path	Jun-18	0.51 AC	4,000	\$514,850	\$500,743
3	18691 Jasmine Way	Jun-18	0.27 AC	2,146	\$299,034	\$290,840
4	19217 Jewel Path	Jun-18	0.53 AC	2,418	\$310,000	\$301,506
5	18145 Jamaica Path	May-18	0.77 AC	2,805	\$390,034	\$380,751
6	18714 Kanabec Court	May-18	0.36 AC	3,172	\$407,000	\$397,313
7	19180 Jewel Path	May-18	0.73 AC	2,697	\$363,034	\$354,394
8	18680 Kanabec Trail	Apr-18	0.62 AC	3,344	\$389,850	\$382,014
9	18615 Kanabec Trail	Mar-18	0.45 AC	3,566	\$463,934	\$456,279
10	18740 Kanabec Trail	Dec-17	0.75 AC	3,849	\$407,800	\$405,965
11	18795 Kanabec Trail	Dec-17	0.44 AC	3,451	\$410,000	\$408,155
12	18241 Jamaica Path	Dec-17	0.56 AC	3,966	\$452,000	\$449,966
13	18842 Jordan Trail	Nov-17	0.31 AC	2,239	\$273,000	\$273,000
14	10003 199th Street West	Oct-17	0.32 AC	2,140	\$268,591	\$269,800
15	18097 Jamaica Path	Oct-17	0.63 AC	4,361	\$551,034	\$553,514
16	18740 Kanabec Trail	Aug-17	0.75 AC	3,850	\$394,034	\$399,393
17	19208 Jewel Path	Jun-17	0.58 AC	2,588	\$330,200	\$337,696
18	18920 Jordan Trail	Mar-17	0.35 AC	2,228	\$223,770	\$231,893
19	18680 Kanabec Trail	Mar-17	0.62 AC	3,344	\$373,409	\$386,964
20	18485 Java Trail	Feb-17	0.48 AC	3,094	\$336,000	\$349,742
21	10240 183rd Street West	Jan-17	0.67 AC	3,040	\$295,500	\$308,916
After Project Averages		Nov-17	0.53 AC	3,067	\$367,953	\$366,918
Sales Before Project						
1	18690 Kanabec Trail	Dec-15	0.46 AC	3,450	\$378,785	\$418,330
2	19521 Jade Lane	Dec-15	0.66 AC	3,259	\$315,000	\$347,886
3	18073 Jamaica Path	Aug-15	0.57 AC	3,680	\$451,000	\$504,083
4	18450 Jasper Court	Aug-15	0.83 AC	3,900	\$305,550	\$341,513
5	19142 Jewel Path	Jul-15	0.50 AC	3,108	\$333,500	\$373,920
6	18630 Kanabec Trail	Jul-15	0.44 AC	3,302	\$360,000	\$403,632
7	19566 Jasper Court	Jun-15	0.51 AC	2,837	\$329,022	\$369,985
8	18836 Joplin Avenue	Apr-15	0.45 AC	2,115	\$204,900	\$231,762
9	19598 Jasper Terrace	Oct-14	0.34 AC	2,952	\$399,000	\$462,361
10	19054 Jordan Trail	May-14	0.37 AC	2,604	\$249,290	\$296,206
11	18842 Jordan Trail	May-14	0.31 AC	2,239	\$225,949	\$268,473
12	18564 Jasper Way	Apr-14	0.38 AC	2,200	\$248,777	\$297,089
13	19180 Jewel Path	Feb-14	0.73 AC	2,697	\$303,000	\$365,388
Before Project Averages		Feb-15	0.50 AC	2,949	\$315,675	\$360,048
After Project:					= \$366,918	
Before Project:					= \$360,048	
Indicated Benefit:					\$6,870	
					1.91%	

SALES COMPARISON APPROACH

Road Reconstruction with No Replacement of Utilities

Detached Single-Family Residential

Maplewood Study

There was a road reconstruction project that occurred in Maplewood in 2011 that included watermain replacement (or repair in some areas). This project was analyzed in the Road Reconstruction with Replacement of Watermain section of this report (see page 55). As previously discussed, the \$7,602 indication of special benefit likely understates special benefit from a road reconstruction project with replacement of watermain, but also likely sets the upper limit of special benefit from a road reconstruction project without replacement of watermain or sanitary sewer, given that portions of the watermain were replaced in this project area.

Summation

As summarized on the following page, the reconstruction projects researched in all seven cities together provide a relatively tight range of benefit indications. Excluding the two highest and two lowest indicators (2005, 2006, 2009 and 2012 Crystal studies), which are outliers, these projects range in indications of special benefit from \$6,317 to \$8,736 per residential equivalent unit, with an average indication of \$7,409. Alternatively, the indications of benefit (excluding the outliers) range from 1.91% to 6.27% of the average market value before the reconstruction project.

In addition to the above information, the average market values before the projects (excluding the studies with the two high and two low indicators) range from \$127,489 to \$360,048. As stated previously, the single-family residential properties located within the subject project area benefiting from road reconstruction with no replacement of utilities have an average 2019 assessed market value of \$201,071 and a median assessed market value of \$204,100.

SALES COMPARISON APPROACH**Road Reconstruction with No Replacement of Utilities****Detached Single-Family Residential****Summation**

	<u>Average Market Value Before Project</u>	<u>Indications of Special Benefit</u>	<u>Percentage of Market Value</u>
Victoria Project			
2006	\$195,591	\$ 6,657	3.40%
Chanhassen Project			
2008	\$234,288	\$ 6,505	2.78%
Savage Project			
2008	\$194,274	\$ 6,317	3.25%
Ramsey Project			
2010	\$132,651	\$ 8,314	6.27%
Crystal Projects			
2004	\$218,205	\$ 7,273	3.33%
2005	\$199,083	\$ 5,023	2.52%
2006	\$203,933	\$ 5,727	2.81%
2009	\$133,349	\$10,089	7.57%
2011	\$127,489	\$ 7,303	5.73%
2012	\$145,350	\$ 9,998	6.88%
2013	\$158,913	\$ 8,736	5.50%
Lakeville Project			
2011	\$196,168	\$ 8,513	4.34%
2016	\$360,048	\$ 6,870	1.91%
Maplewood Project			
2011	\$147,545	\$ 7,602	5.15%

SALES COMPARISON APPROACH

Road Reconstruction with No Replacement of Utilities

Detached Single-Family Residential

Summation

All of the studies analyzed contained reasonably homogeneous data when comparing the groups of before project and after project sales. Even so, as previously mentioned, the 2005, 2006, 2009 and 2012 Crystal studies are outliers, and are given less weight in the final reconciliation. The remaining studies are considered reliable indicators of benefit for the subject project area.

Given lot sizes and values of the subject properties, along with the reported and observed condition of the street improvements, and also considering that this analysis is measuring special benefit from road reconstruction without utility work, we conclude to a range of anticipated special benefit of \$7,000 to \$7,500 per residential equivalent unit for the subject residential properties. This equates to 3.32% to 3.56% of the 2021 average assessed market value of the subject properties (\$210,910).

As part of this consultation, we have also examined whether or not there are any properties located within the proposed project area that would potentially realize a significantly higher or lower level of benefit than the range indicated by the comparable reconstruction projects. In this particular case, there is one City-owned tax parcel and two tax parcels that comprise a duplex, and these properties are discussed below.

Multi-Unit Residential Properties

As stated above, there are two tax parcels that comprise a duplex. There is an inverse relationship between size of a residential property and special benefit per residential equivalent unit. While overall special benefit increases with the size of a property due to increased land size and intensity of use, the special benefit per residential equivalent unit decreases.

In order to determine special benefit applicable to multi-unit residential properties, we have analyzed historical reconstruction projects affecting attached residential properties in the cities of Chaska, Lakeville, Cottage Grove, Bloomington and Burnsville. Although these

SALES COMPARISON APPROACH

Multi-Unit Residential Properties

projects and/or project areas may not be directly comparable to Norwood Young America, it is useful to examine whether or not there is reduced special benefit per unit, when measuring benefit to multi-family properties.

Chaska Study

The 2006 Chaska Von Herten reconstruction project included an area of multi-family properties under condominium ownership. As illustrated below, an analysis of sales that occurred both before and after the project indicates a special benefit of approximately \$4,500 per unit for these properties.

Chaska 2006 Von Herten Street Reconstruction Project (TH Properties)						
Improved Sale	Date of Sale	Land Size	Finished SF	Sale Price	Sale Price Adj. for Mkt. Cond.	
Sales After Project						
1	110923 Von Herten Circle	Mar-10	0.15 AC	1,736	\$158,300	\$180,446
2	110969 Von Herten Circle	May-09	0.05 AC	2,084	\$152,000	\$159,615
3	110958 Von Herten Circle	Jul-08	0.03 AC	1,410	\$136,000	\$131,838
4	110974 Von Herten Circle	Sep-07	0.05 AC	2,184	\$170,000	\$155,193
After Project Averages		Nov-08	0.07 AC	1,854	\$154,075	\$156,773
Sales Before Project						
1	110951 Von Herten Circle	May-05	0.03 AC	1,280	\$133,000	\$121,535
2	110964 Von Herten Circle	Nov-04	0.04 AC	1,500	\$161,900	\$150,243
3	110960 Von Herten Circle	Oct-04	0.05 AC	2,064	\$170,000	\$158,678
4	110961 Von Herten Circle	Jul-04	0.04 AC	1,500	\$159,900	\$151,777
5	110945 Von Herten Circle	Oct-03	0.04 AC	1,322	\$153,900	\$152,146
6	110969 Von Herten Circle	Sep-03	0.05 AC	2,084	\$168,900	\$167,414
7	110939 Von Herten Circle	Jul-03	0.04 AC	1,473	\$162,900	\$162,297
8	110941 Von Herten Circle	Mar-03	0.03 AC	1,320	\$153,500	\$154,513
Before Project Averages		Mar-04	0.04 AC	1,568	\$158,000	\$152,325
After Project:					\$156,773	
Before Project:					\$152,325	
Indicated Benefit:					\$4,448	
					2.92%	

SALES COMPARISON APPROACH

Multi-Unit Residential Properties

Chaska Study

The 2006 Von Herten project also included replacement of watermain due to watermain breaks occurring in the area, and this property is under condominium ownership, with properties situated on very small lots, and only a percentage ownership in surrounding land. This project also included an area of detached single-family properties, which was included in the detached single-family analysis, and it is noted that the indicated special benefit of $\pm \$4,500$ is less than the special benefit of $\pm \$8,500$ per residential equivalent unit indicated for the detached single-family properties in this area.

West St. Paul Study

A reconstruction project along Thompson Avenue in the city of West Saint Paul in 2007 included an area of properties under condominium ownership. The scope of this project included full street reconstruction of an urban roadway with replacement of concrete curb and gutter, watermain and sanitary sewer repair where needed, as well as storm sewer work.

As summarized on the following page, an analysis of sales that occurred both before and after the project indicates a special benefit of approximately \$5,500 per residential equivalent unit for these properties. The average finished square footage of properties that sold before and after the project is similar, increasing reliability of this study.

SALES COMPARISON APPROACH

Multi-Unit Residential Properties

West St. Paul Study

West Saint Paul 2007						
Improved Sale	Date of Sale	Land Size	Finished SF	Sale Price	Sale Price Adj. for Mkt. Cond.	
Sales After Project						
1	1450 Bidwell Street #313	Nov-11	N/A	1,022	\$60,000	\$73,116
2	1450 Bidwell Street #104	Aug-11	N/A	1,158	\$65,000	\$75,530
3	1450 Bidwell Street #306	May-11	N/A	1,158	\$92,000	\$102,148
4	1450 Bidwell Street #212	Aug-10	N/A	1,158	\$90,000	\$90,000
5	1450 Bidwell Street #108	Jul-10	N/A	1,158	\$81,000	\$80,255
6	1450 Bidwell Street #216	Jun-10	N/A	1,325	\$92,000	\$90,307
7	1450 Bidwell Street #204	Feb-10	N/A	1,158	\$105,000	\$99,204
8	1450 Bidwell Street #309	Nov-09	N/A	1,158	\$110,000	\$99,902
9	1450 Bidwell Street #107	Sep-09	N/A	1,158	\$109,700	\$96,635
After Project Averages		Aug-10	N/A	1,161	\$89,411	\$89,677
Sales Before Project						
1	1450 Bidwell Street #109	Aug-06	N/A	1,200	\$150,000	\$84,525
2	1450 Bidwell Street #116	Sep-04	N/A	1,219	\$151,000	\$83,835
Before Project Averages		Aug-05	N/A	1,210	\$150,500	\$84,180
				After Project:	= \$89,677	
				Before Project:	= \$84,180	
				Indicated Benefit:	\$5,497 6.53%	

Lakeville Study

In addition to detached single-family properties, a reconstruction project in the city of Lakeville in 2011 also included attached three- and four-unit single-family properties. The 2011 project did not include replacement of utilities; however, the streets in this project area were in very poor condition.

As summarized on the following page, an analysis of sales that occurred both before and after the project indicates a special benefit of approximately \$7,000 per unit for these properties, which is less than the indicated benefit of approximately \$8,500 per unit for detached single-family properties in the 2011 project area (the single-family properties in

SALES COMPARISON APPROACH

Multi-Unit Residential Properties

Lakeville Study

the 2011 Lakeville project were analyzed in the previous section of this report, and this analysis is retained in the appraisers' files).

Lakeville 2011 Reconstruction Project Townhome Properties						
Improved Sale		Date of Sale	Land Size	Finished SF	Sale Price	Sale Price Adj. for Mkt. Cond.
Sales After Project						
1	8931 205th Street W.	Oct-14	0.23 AC	1,442	\$142,180	\$127,976
2	20238 Hunter Court	Jul-14	0.14 AC	1,000	\$133,659	\$122,953
3	20317 Hunter Court	Jun-14	0.13 AC	1,658	\$161,474	\$149,638
4	20312 Hunter Court	May-14	0.08 AC	1,464	\$136,237	\$127,191
5	20223 Hunter Court	Nov-13	0.11 AC	1,008	\$127,525	\$125,880
6	20293 Hunter Court	Mar-13	0.11 AC	1,368	\$131,900	\$143,956
7	20281 Hunter Court	Jan-13	0.09 AC	1,008	\$76,704	\$85,717
8	20279 Hunter Court	Sep-12	0.09 AC	1,008	\$78,000	\$89,271
After Project Averages		Oct-13	0.12 AC	1,245	\$123,460	\$121,573
Sales Before Project						
1	20204 Hunter Court	Dec-10	0.28 AC	1,022	\$94,300	\$97,336
2	20208 Hunter Court	Sep-10	0.14 AC	1,008	\$93,000	\$94,646
3	20204 Hunter Court	Apr-10	0.28 AC	1,022	\$115,000	\$114,253
4	20292 Hunter Court	Oct-07	0.15 AC	1,008	\$150,000	\$112,245
5	8911 205th Street W.	Sep-07	0.23 AC	2,066	\$182,500	\$136,036
6	20365 Iberia Avenue	Jun-07	0.33 AC	1,658	\$185,000	\$136,308
7	20295 Hunter Court	Mar-07	0.07 AC	1,208	\$151,900	\$110,629
Before Project Averages		Oct-08	0.21 AC	1,285	\$138,814	\$114,493
				After Project:	= \$121,573	
				Before Project:	= \$114,493	
				Indicated Benefit:	\$7,080	
					6.18%	

Cottage Grove Study

A project was completed in Cottage Grove in 2013 that affected four-unit single-family properties. This project was an urban road reclamation project with spot curb and gutter replacement, but did not include any utility work in this portion of the project area. As illustrated on the following page, an analysis of sales that occurred both before and after the project indicates a special benefit of approximately \$4,750 per unit for these properties.

SALES COMPARISON APPROACH

Multi-Unit Residential Properties

Cottage Grove Study

Cottage Grove 2013 Reconstruction Project Townhome Properties						
Improved Sale	Date of Sale	Land Size	Finished SF	Sale Price	Sale Price Adj. for Mkt. Cond.	
Sales After Project						
1	7538 Hinton Park Avenue S	Mar-15	0.07 AC	1,470	\$164,900	\$154,214
2	7444 Hinton Park Avenue S	Oct-14	0.06 AC	1,308	\$164,000	\$158,522
3	7564 Hinton Park Avenue S	May-14	0.07 AC	1,435	\$157,777	\$157,777
4	7556 Hinton Park Avenue S	May-14	0.07 AC	1,440	\$170,000	\$170,000
5	7558 Hinton Park Avenue S	May-14	0.06 AC	1,293	\$142,500	\$142,500
6	7438 Hinton Park Avenue S	Feb-14	0.06 AC	1,435	\$163,500	\$166,901
7	7494 Hinton Park Avenue S	Feb-14	0.06 AC	1,432	\$150,253	\$153,378
8	7462 Hinton Park Avenue S	Sep-13	0.06 AC	1,432	\$139,680	\$147,530
After Project Averages		May-14	0.06 AC	1,406	\$156,576	\$156,353
Sales Before Project						
1	7554 Hinton Park Avenue S	Aug-12	0.06 AC	1,467	\$146,000	\$166,396
2	7460 Hinton Park Avenue S	May-12	0.06 AC	1,472	\$138,350	\$159,891
3	7464 Hinton Park Avenue S	Dec-11	0.06 AC	1,440	\$131,900	\$154,125
4	7462 Hinton Park Avenue S	Jul-11	0.06 AC	1,432	\$122,000	\$137,384
5	7568 Hinton Park Avenue S	Nov-10	0.06 AC	1,432	\$130,000	\$140,062
Before Project Averages		Nov-11	0.06 AC	1,449	\$133,650	\$151,572
				After Project:	= \$156,353	
				Before Project:	= \$151,572	
				Indicated Benefit:	\$4,781 3.15%	

Bloomington Study

A 2010 Bloomington reconstruction project included an area of multi-family properties under condominium ownership. As illustrated on the following page, an analysis of sales that occurred both before and after the project indicates a special benefit of approximately \$5,500 per unit for these properties.

This project occurred along Lyndale Avenue in Bloomington, between 94th Street West and 99th Street West. The project included a full street reconstruction with replacement of concrete curb and gutter, storm sewer improvements and utility work as needed.

SALES COMPARISON APPROACH

Multi-Unit Residential Properties

Bloomington Study

As mentioned, the property is under condominium ownership, with only a percentage ownership in surrounding land.

Bloomington 2010 Reconstruction Project - Condo Co-op Properties						
Improved Sale		Date of Sale	Land Size	Finished SF	Sale Price	Sale Price Adj. for Mkt. Cond.
Sales After Project						
1	9401 Lyndale Avenue South #126	Jul-13	N/A	1,217	\$38,500	\$34,146
2	9401 Lyndale Avenue South #411	Nov-12	N/A	1,180	\$45,685	\$44,314
3	9401 Lyndale Avenue South #212	Nov-11	N/A	1,079	\$28,900	\$29,617
4	9401 Lyndale Avenue South #119	Sep-11	N/A	1,217	\$34,900	\$34,254
After Project Averages		Jun-12	N/A	1,173	\$36,996	\$35,583
Sales Before Project						
1	9401 Lyndale Avenue South #414	Oct-07	N/A	1,043	\$37,513	\$27,797
2	9401 Lyndale Avenue South #404	Sep-07	N/A	1,082	\$43,979	\$32,509
Before Project Averages		Sep-07	N/A	1,063	\$40,746	\$30,153
					After Project:	= \$35,583
					Before Project:	= \$30,153
					Indicated Benefit:	\$5,430
						18.01%

Considering the low sale prices in this complex, the project scope of work, and that the indicated benefit is 18.01% of the before project value, the benefit is likely overstated for each particular unit. In addition, assessed values in the subject project area are higher, further reducing the reliability of the results.

Burnsville Studies

There was a sufficient number of studies in the city of Burnsville from past projects to provide for meaningful analysis. The projects affecting attached single-family properties occurring in 2015 were in the following areas:

- 15-103B Parkwood Drive (Heather Hills Townhomes)
- 15-103B Parkwood Drive (Parkwood Square Townhomes)
- 15-103A Court Place

SALES COMPARISON APPROACH

Multi-Unit Residential Properties

Burnsville Studies

Each of these projects was a reclamation project and, therefore, understates special benefit to properties in the subject project area due to differences in scope of work.

In order to isolate special benefit, the sale prices of properties in each project area are trended for changes in market conditions, and are trended to the average sale price after the project was completed.

The residential sales from all three Burnsville projects/sub-projects analyzed in this consultation are summarized and adjusted for market conditions on the following pages, with sale/re-sale pairings highlighted in yellow.

SALES COMPARISON APPROACH

Multi-Unit Residential Properties

Burnsville Studies

Burnsville 2015 Parkwood Drive Reclamation Project - Heather Hills Townhomes						
Improved Sale		Date of Sale	Land Size	Finished SF	Sale Price	Sale Price Adj for Mkt. Cond.
Sales After Project						
1	13752 Heather Hills Drive	Dec-18	0.03 AC	1,300	\$178,000	\$158,117
2	13505 Heather Hills Drive	Oct-18	0.04 AC	1,788	\$190,000	\$170,772
3	13716 Heather Hills Drive	Sep-18	0.03 AC	1,500	\$180,000	\$162,756
4	13706 Heather Hills Drive	Aug-18	0.04 AC	1,240	\$175,000	\$159,180
5	13638 Heather Hills Drive	May-18	0.04 AC	1,505	\$196,000	\$181,535
6	13700 Heather Hills Drive	Feb-18	0.04 AC	1,344	\$147,000	\$138,695
7	13636 Heather Hills Drive	Jan-18	0.04 AC	1,140	\$141,375	\$134,236
8	13449 Heather Hills Drive	Oct-17	0.03 AC	1,452	\$150,000	\$145,170
9	13421 Heather Hills Drive	Oct-17	0.04 AC	1,041	\$150,000	\$145,170
10	13734 Heather Hills Drive	Aug-17	0.04 AC	1,420	\$143,948	\$141,127
11	13718 Heather Hills Drive	Aug-17	0.03 AC	1,480	\$157,000	\$153,923
12	13769 Heather Hills Drive	Jul-17	0.04 AC	1,740	\$173,068	\$170,081
13	13753 Heather Hills Drive	Jun-17	0.04 AC	1,505	\$166,000	\$164,888
14	13705 Heather Hills Drive	Jun-17	0.04 AC	1,448	\$163,060	\$161,967
15	13432 Heather Hills Drive	May-17	0.02 AC	1,240	\$150,000	\$150,000
16	13613 Heather Hills Drive	May-17	0.02 AC	1,500	\$145,500	\$145,500
17	13436 Heather Hills Drive	Apr-17	0.02 AC	1,240	\$155,036	\$156,075
18	13416 Heather Hills Drive	Mar-17	0.03 AC	1,240	\$157,528	\$159,623
19	13712 Heather Hills Drive	Mar-17	0.03 AC	1,570	\$160,100	\$162,229
20	13610 Heather Hills Drive	Mar-17	0.03 AC	1,240	\$150,350	\$152,350
21	13746 Heather Hills Drive	Jan-17	0.04 AC	1,357	\$144,000	\$147,830
22	13549 Heather Hills Drive	Dec-16	0.03 AC	1,282	\$131,000	\$135,179
23	13441 Heather Hills Drive	Oct-16	0.04 AC	1,638	\$142,400	\$148,480
24	13405 Heather Hills Drive	Sep-16	0.04 AC	1,495	\$150,000	\$157,230
25	13520 Heather Hills Drive	Jul-16	0.03 AC	1,540	\$152,193	\$161,157
26	13504 Heather Hills Drive	Jun-16	0.03 AC	1,460	\$158,000	\$168,159
27	13457 Heather Hills Drive	May-16	0.04 AC	1,508	\$132,900	\$142,150
28	13716 Heather Hills Drive	May-16	0.03 AC	1,500	\$131,580	\$140,738
29	13710 Heather Hills Drive	May-16	0.03 AC	1,320	\$158,000	\$168,997
After Project Averages		May-17	0.03 AC	1,415	\$156,174	\$154,597
Sales Before Project						
1	13525 Heather Hills Drive	Dec-14	0.04 AC	1,530	\$137,000	\$157,851
2	13716 Heather Hills Drive	Sep-14	0.03 AC	1,500	\$132,000	\$155,562
3	13625 Heather Hills Drive	Sep-14	0.04 AC	1,160	\$111,900	\$131,874
4	13624 Heather Hills Drive	Jun-14	0.04 AC	1,595	\$128,040	\$154,263
5	13529 Heather Hills Drive	May-14	0.04 AC	1,260	\$113,490	\$137,731
6	13424 Heather Hills Drive	Apr-14	0.02 AC	1,240	\$126,000	\$154,035
7	13638 Heather Hills Drive	Oct-13	0.04 AC	1,505	\$126,100	\$163,653
8	13713 Heather Hills Drive	Sep-13	0.04 AC	1,760	\$129,883	\$170,692
9	13740 Heather Hills Drive	Aug-13	0.04 AC	1,540	\$123,850	\$164,782
10	13728 Heather Hills Drive	Aug-13	0.03 AC	1,160	\$120,000	\$159,660
11	13424 Heather Hills Drive	May-13	0.02 AC	1,880	\$89,142	\$122,971
12	13636 Heather Hills Drive	Jan-13	0.04 AC	1,140	\$89,240	\$128,943
Before Project Averages		Jan-14	0.04 AC	1,439	\$118,887	\$150,168
				After Project:	= \$154,597	
				Before Project:	= \$150,168	
				Indicated Benefit:	\$4,429	
					2.95%	

SALES COMPARISON APPROACH

Multi-Unit Residential Properties

Burnsville Studies

Burnsville 2015 Parkwood Drive Reclamation Project - Parkwood Square Townhomes						
Improved Sale		Date of Sale	Land Size	Finished SF	Sale Price	Sale Price Adj. for Mkt. Cond.
Sales After Project						
1	13520 Parkwood Drive	Nov-18	0.14 AC	2,408	\$243,750	\$229,369
2	13600 Parkwood Drive	Oct-18	0.21 AC	2,150	\$260,123	\$246,232
3	13518 Parkwood Drive	Sep-18	0.13 AC	1,706	\$261,000	\$248,550
4	13532 Parkwood Drive	Mar-18	0.22 AC	2,360	\$241,000	\$238,036
5	13614 Parkwood Drive	Jul-17	0.20 AC	2,038	\$200,000	\$207,980
6	13420 Parkwood Drive	Aug-16	0.12 AC	2,010	\$246,000	\$272,593
After Project Averages		Jan-18	0.17 AC	2,112	\$241,979	\$240,460
Sales Before Project						
1	13532 Parkwood Drive	Dec-13	0.22 AC	2,360	\$218,779	\$291,129
2	13606 Parkwood Drive	Jul-13	0.14 AC	1,860	\$164,000	\$232,339
3	13600 Parkwood Drive	Aug-12	0.21 AC	2,150	\$147,925	\$231,636
4	13504 Parkwood Drive	Jan-12	0.20 AC	1,861	\$119,000	\$193,982
Before Project Averages		Dec-12	0.19 AC	2,058	\$162,426	\$237,272
After Project:					= \$240,460	
Before Project:					= \$237,272	
Indicated Benefit:					\$3,188	
					1.34%	

Burnsville 2015 Court Place Reclamation Project - Townhomes						
Improved Sale		Date of Sale	Land Size	Finished SF	Sale Price	Sale Price Adj. for Mkt. Cond.
Sales After Project						
1	13314 Court Place	Jun-18	0.04 AC	1,748	\$197,000	\$187,268
2	13334 Court Place	Sep-17	0.04 AC	1,656	\$174,600	\$175,770
3	13339 Court Place	Apr-17	0.04 AC	1,528	\$142,105	\$147,775
After Project Averages		Oct-17	0.04 AC	1,644	\$171,235	\$170,271
Sales Before Project						
1	13335 Court Place	Jul-14	0.04 AC	1,472	\$123,065	\$160,735
2	13345 Court Place	Dec-13	0.04 AC	1,356	\$114,000	\$156,602
3	13314 Court Place	Nov-13	0.04 AC	1,748	\$130,950	\$182,099
Before Project Averages		Jan-14	0.04 AC	1,525	\$122,672	\$166,479
				After Project:	\$170,271	
				Before Project:	\$166,479	
				Indicated Benefit:	\$3,792	
					2.28%	

SALES COMPARISON APPROACH

Multi-Unit Residential Properties

Burnsville Studies

In addition to the preceding special benefit studies, there are numerous sale/re-sale pairings of properties within the Burnsville project/sub-project areas. These pairings indicate a wide range of benefit, from no benefit to nearly \$18,000 in special benefit. However, each market transaction varies according to motivations of and negotiations between individual participants. Even though each sale may represent an arm's-length transaction, there are specific circumstances that can influence sale prices, reducing the reliability of one particular pairing. Therefore, special benefit to single-family residential properties from a reconstruction project is best derived from an overall comparison of sales that occur before the project to sales that occur after the project.

Summary/Conclusion

Following is a summary grid of the attached housing studies analyzed in this consultation.

Project Year	Project Name and/or Location	Number of Units per Building	Avg. Sale Price Before Project	Indicated Special Benefit	SB as % of MV
2006	Chaska (Von Herten)	4	\$152,325	\$4,448	2.92%
2007	West St. Paul (Thompson/Bidwell)	50	\$84,180	\$5,497	6.53%
2011	Lakeville (Lake Vale)	3 to 4	\$114,493	\$7,080	6.18%
2013	Cottage Grove (Auburn Woods)	4	\$151,572	\$4,781	3.15%
2010	Bloomington (Realife Co-Op)	96	\$30,153	\$5,430	18.01%
2015	Burnsville (Heather Hills)	5	\$150,168	\$4,429	2.95%
2015	Burnsville (Parkwood Square)	2 to 6	\$237,272	\$3,188	1.34%
2015	Burnsville (Court Place)	4	\$166,479	\$3,792	2.28%

SALES COMPARISON APPROACH

Multi-Unit Residential Properties

Summary/Conclusion

With the exception of the Lakeville study, the projects researched provide a relatively tight range of benefit indications, from \$3,188 to \$5,497 per residential equivalent unit, with an average indication of benefit of \$4,509 per REU.

The Cottage Grove study is in an area of townhomes situated on very small lots. Similarly, the Chaska Von Herten area, Burnsville Court Place, and Burnsville Heather Hills Townhomes contain very small lots plus land that is under common ownership, with land sizes ranging from 0.02 acres to 0.04 acres. Conversely, the townhomes in Parkwood Square have land sizes ranging from 0.12 to 0.22 acres.

Although analysis of the 2011 Lakeville project indicates a special benefit of approximately \$7,000 per unit, this indication is approximately 80% of the indicated benefit of \$8,500 to detached single-family properties in the 2011 Lakeville project area. Applying a similar 80% ratio to the estimated benefit of \$7,000 to \$7,500 for detached single-family properties in the subject project area results in an indicated benefit ranging from \$5,600 to \$6,000 per REU.

504–506 Central Avenue South

There are two independently owned tax parcels, located at 504 and 506 Central Avenue South. Although these two tax parcels function as a duplex, the assessed values are \$176,500 and \$187,100, respectively, and contain 1,660 SF to 1,816 SF, which is just under the average size of the detached single-family residential properties. Furthermore, these two properties are situated on 0.17 to 0.30 acres, which is larger than some of the detached single-family properties.

Considering all, including condition of the roadways, size of the lots, assessed values, and the inverse relationship between number of units and special benefit per REU, we conclude to a range of special benefit of \$5,500 to \$6,000 per residential equivalent unit for the properties located at 504 Central Avenue South and 506 Central Avenue South.

SALES COMPARISON APPROACH

City-Owned Parcel

Tax parcel 58.0110250 is a City-owned tract of land. The gross site area is 1,830 SF, and there are above-grade appurtenances in the most westerly portion of the parcel. However, it is beyond the scope of this assignment to estimate special benefit to the City-owned tract.

FINAL SUMMATION

Conclusions of special benefit are summarized below, and are also included in the letter of transmittal at the beginning of this consultation report.

Property Address	PID			
Street Reconstruction with Replacement of Watermain				
<u>Single-Family Residential</u>				
Multiple Addresses	Multiple	\$8,500	to	\$9,000
Street Reconstruction with No Replacement of Utilities				
<u>Single-Family Residential</u>				
Multiple Addresses	Multiple	\$7,000	to	\$7,500
<u>Duplex Properties</u>				
Christine K. Wilkinson 506 Central Avenue South	58.0113050	\$5,500	to	\$6,000
Lynn & Richard (Jr.) Nemitz 504 Central Avenue South	58.0113100	\$5,500	to	\$6,000

ADDENDA

CONTINGENT AND LIMITING CONDITIONS

(Pages 75-76)

CONTINGENT AND LIMITING CONDITIONS

The value estimates and conclusions in the appraisal are made subject to these assumptions and conditions:

1. No title search has been made and the reader should consult an appropriate attorney or title insurance company for accurate ownership data. Title to the property is assumed to be good and marketable unless otherwise stated.
2. The legal description, furnished or otherwise, is assumed to be correct. No responsibility is assumed for the legal description or for matters including legal or title considerations.
3. The information contained in this report is not guaranteed, but it has been gathered from reliable sources. The appraiser(s) certify that, to the best of their knowledge and belief, the statements, information and materials contained in the appraisal are correct.
4. All value estimates in this report assume stable soil and any necessary soil corrections are to be made at the seller's expense, unless otherwise noted.
5. The site plan, if any, in this report is included to assist the reader in visualizing the property, but we assume no responsibility for its accuracy.
6. The market value herein assigned is based on conditions which were applicable as of the effective date of appraisal, unless otherwise noted.
7. The appraiser(s) that signed this report shall not be required to prepare for, or appear in court, or before any board or governmental body by the reason of the completion of this assignment without predetermined arrangements and agreements.
8. Surveys, plans and sketches may have been provided in this report. These documents may not be complete or be drawn exactly to scale.
9. Possession of this report, or a copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person, other than the party to whom it is addressed, without the written consent of the appraiser, and in any event only in its entirety.
10. Information in the appraisal relating to comparable market data is more fully documented in the confidential file in the office of the appraiser.
11. All studies and field notes are secured in our files for future reference.
12. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a non-conformity has been stated, defined and considered in the appraisal report. It is also assumed that the utilization of the land and any improvements is within the boundaries or property lines of the property described and that there is no encroachment or trespass unless noted within the report.

13. The distribution of the total valuation in this report between land and any improvements, if stated, applies only under the reported highest and best use of the property. The allocations of value for land and improvements must not be used in conjunction with any other appraisal and are invalid if so used.
14. It is assumed that there is full compliance with all applicable federal, state and local environmental regulations and laws unless non-compliance is stated, defined and considered in the appraisal report.
15. The appraiser was not aware of the presence of soil contamination on the subject property, unless otherwise noted in this appraisal report. The effect on market value due to contamination was not considered in this appraisal, unless otherwise stated.
16. The appraiser was not aware of the presence of asbestos or other toxic contaminants in any building(s) located on the site, unless otherwise noted in this report. The effect on market value, due to contamination was not considered in this appraisal, unless otherwise stated.
17. Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the property, was not observed by the appraiser. The appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any detrimental environmental conditions, or for any expertise or engineering knowledge required to discover such substances. The client is urged to retain an expert in this field, if desired.
18. The value stated in this report is fee simple, assuming responsible ownership and management, unless otherwise indicated. This appraisal recognizes that available financing is a major consideration by typical purchasers of real estate in the market, and the appraisal assumes that financing is or was made available to purchasers of the property described herein.
19. The appraiser has neither present nor contemplated interest in the property appraised and employment is not contingent upon the value reported.
20. Unless otherwise stated in this report, the appraiser has not made a survey or analysis to determine whether any buildings on the property are in compliance with "The Americans with Disabilities Act" (ADA). If the property is not in compliance with the ADA, it could have a negative effect on the value of the property.
21. The property is appraised free and clear of any or all liens or encumbrances, unless otherwise stated.

APPRAISER QUALIFICATIONS

(Pages 78-80)

QUALIFICATIONS OF MICHELLE K. HEDGES

PROFESSIONAL AFFILIATIONS

Practicing Affiliate, Appraisal Institute

Trainee Real Property Appraiser, Minnesota License No. 40718572

BUSINESS EXPERIENCE

Patchin Messner Valuation Counselors, Associate Appraiser, May 2020 to Present

EDUCATIONAL BACKGROUND

Bachelor of Science Degree in Real Estate, Saint Cloud State University

SPECIALIZED REAL ESTATE TRAINING

Real Estate Law, Saint Cloud State University, 2019

Real Estate Principles, Saint Cloud State University, 2019

Real Estate Finance/Investment, Saint Cloud State University, 2019

Real Estate Appraisal, Saint Cloud State University, 2020

Real Estate Market Analysis, Saint Cloud State University, 2020

National USPAP 15-Hour Course (2020-2021), McKissock Educational Services, 2020

Supervisory Appraiser/Trainee Appraiser Course, Appraisal Institute North Star Chapter, 2020

Business Practices and Ethics, Appraisal Institute North Star Chapter, 2020

APPRAISAL CLIENTS

City of Champlin

City of Fergus Falls

City of Minnetonka

Metropolitan Council

Scott County

Xcel Energy

QUALIFICATIONS OF SHERRIL L. BRUMM

PROFESSIONAL AFFILIATION

MAI Member, Appraisal Institute

Certified General Real Property Appraiser, Minnesota License No. 20249948

Member of MNCREW, Minnesota Commercial Real Estate Women

BUSINESS EXPERIENCE

Patchin Messner Valuation Counselors, Principal, 2019 to Present

Patchin Messner Dodd & Brumm, Principal, 2011 to 2018

Patchin Messner Appraisals, Inc., 1998 to 2010

Kelly Appraisal Services, Staff Appraiser, 1995-1996

Valuation Counselors, Inc., Staff Appraiser, 1986-1989

United States Army Reserve, 1983-1989

Mid America Title Company, 1981-1984

EDUCATIONAL BACKGROUND

Bachelor of Science Degree, Northern Illinois University, majored in Finance, minored in Economics; graduated Magna Cum Laude, 1986

SPECIALIZED REAL ESTATE TRAINING

Appraisal Institute/American Institute of Real Estate Appraisers Course Work:

Real Estate Appraisal Principles

Basic Valuation Procedures

Residential Case Study

Standards of Professional Appraisal Practice

Basic Income Capitalization

Advanced Income Capitalization

Highest & Best Use and Market Analysis

Advanced Sales Comparison and Cost Approaches

Report Writing and Valuation Analysis

Advanced Applications

Business Practice and Ethics

Supervisor Appraiser/Trainee Appraiser Course

Completed Litigation Professional Development Program:

Condemnation Appraising – Principles & Applications

Litigation Appraising: Specialized Topics and Applications

The Appraiser as an Expert Witness

SEMINARS ATTENDED:

Appraisal Institute

Appraising Distressed Real Estate

Uniform Appraisal Standards for Federal Land Acquisitions (Yellow Book)

APPRAISAL EXPERIENCE

Preparation of appraisals for condemnation, tax appeal, financing, acquisition/disposal, and special assessment appeal. Properties appraised include nursing homes, hospitals, apartment complexes, office and industrial buildings, shopping centers, single-family residences and development land. Specializes in litigation valuation of single-family and multi-family residential properties, development land, and commercial, industrial and investment properties.

COURT EXPERIENCE

Qualified as an expert witness in Hennepin County District Court, Isanti County District Court, Scott County District Court, and Commission Hearings in Carver County, Dakota County, Hennepin County, Rice County and Scott County.

**RELATED
EXPERIENCE**

North Star Chapter of the Appraisal Institute: Region III Alternate Representative - 2007 to 2012 and 2021; Board of Directors - 2011 to 2013

Appraisal Data Network (ADN): Board of Directors – 2010 to 2019; President 2012/2013/2014

Faculty participant at the Minnesota Association of City Attorneys Educational Conference, 2013

**APPRAISAL
CLIENTS**

Blue Cross and Blue Shield of Minnesota	Minnesota Department of Transportation
Bolton & Menk, Inc.	Minnesota Pipeline Company, LLC
Campbell Knutson, P.A.	Peace Reformed Church
Dakota County Community Development Agency	Ramsey County Regional Railway Authority
Evergreen Land Services Company	Richfield HRA
Foreman & Associates, LLC	R. S. Eden
Fredrikson & Byron, P.A.	Saint Paul Port Authority
Great River Energy	Shakopee Mdewakanton Sioux Community
Greater Minnesota Transmission, LLC	Shakopee Public Utilities Commission
Gregerson, Rosow, Johnson & Nilan, Ltd.	SRF Consulting Group, Inc.
Henning Professional Services, Inc.	Stantec
Hoff, Barry & Kozar, P.A.	Stewart Title
Independent School District 191	TCF Bank
Independent School District 194	The Green Institute
Jaspers, Moriarty & Walburg	Three Rivers Park District
Johnson, Johnson, Burkhardt and Johnson, LLP	Ulteig
Kennedy & Graven	University of Minnesota
Leonard, Street & Deinard	Upper Midwest Management
Lindquist & Vennum, LLP	Walmart
Maki & Overum	Wells Fargo
Malkerson Gunn Martin LLP	Wilson Development Services, LLC
Melchert Hubert Sjodin, PLLP	WSB & Associates, Inc.
Metropolitan Council	Xcel Energy
Minneapolis Community Planning and Economic Development (CPED)	

Cities: Bloomington, Burnsville, Cambridge, Carver, Chaska, Chanhassen, Cologne, Cottage Grove, Crystal, Elk River, Farmington, Golden Valley, Hastings, Hermantown, Lake Elmo, Lakeville, LeSueur, Lino Lakes, Minnetonka, Minnetrista, Monticello, New Brighton, New Prague, Plymouth, Prior Lake, Ramsey, Richfield, Robbinsdale, Rosemount, St. Paul, Savage, Shakopee, Victoria, Waconia, Wayzata, and West St. Paul

Counties: Brown, Carver, Dakota, Hennepin, Ramsey, Rice, Scott