RESOLUTION NO. 080315-02
CITY OF WAITE PARK

A RESOLUTION AUTHORIZING THE CITY ATTORNEY TO MAKE AN OFFER TO ANGELINE A. GILLITZER FOR THE PURCHASE OF PROPERTY FOR RIGHT OF WAY AND EASEMENTS IN CONNECTION WITH THE EXTENSION OF 17TH AVENUE SOUTH CONSISTENT WITH MIKE AMO'S UPDATED AND AMENDED APPRAISAL WRITTEN IN JULY OF 2015 WHICH HAS AN EFFECTIVE DATE OF MAY 4, 2015, AND IN THE EVENT SAID OFFER IS ACCEPTED, AUTHORIZING THE CITY ATTORNEY TO NEGOTIATE A PURCHASE AND SALE AGREEMENT AND TO DIRECT THE MAYOR AND CITY ADMINISTRATOR TO EXECUTE THE PURCHASE AND SALE AGREEMENT AND ANY DOCUMENTS NECESSARY TO EFFECTUATE THIS PURCHASE

WHEREAS, the City of Waite Park, Minnesota, is engaged in a project for the extension of 17th Avenue South located within the City (the "Project"); and

WHEREAS, by previous Resolution No. 050415-05, the City authorized the City Attorney to proceed with an eminent domain action pursuant to the authority under Minn. Stat. Chapter 117, including the "quick-take" procedures under Minn. Stat. §117.042 against Angeline A. Gillitzer the owner of property located at 511 17th Avenue South, in the City of Waite Park, Minnesota, regarding a partial acquisition of property more particularly described in Exhibit "A" attached hereto, for right of way and permanent drainage and utility easements in connection with the extension of 17th Avenue South. In addition, the City authorized the City Attorney to continue to negotiate with the owner for the purchase of said property.

WHEREAS, the City desires to make an offer to Angeline A. Gillitzer for the purchase of property and easements consistent with Mike Amo's updated and amended appraisal written in July of 2015 which has an effective appraisal date of May 4, 2015, in the amount of $18,417. A copy of said updated and amended appraisal is attached hereto as Exhibit "B."

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF WAITE PARK, MINNESOTA, AS FOLLOWS:

1. The City Attorney is authorized to make an offer to Angeline A. Gillitzer for the purchase of property and easements consistent with Mike Amo's updated and amended appraisal written in July of 2015 which has an effective appraisal date of May 4, 2015, in the amount of $18,417.

2. In the event said offer is accepted, the City Attorney is authorized to negotiate a Purchase and Sale Agreement and the Mayor and City Administrator are hereby directed to execute said Purchase and Sale Agreement and any documents necessary to effectuate this purchase.

Adopted by the City Council this 3rd day of August, 2015.

Shaunna Johnson
City Administrator-Clerk-Treasurer

Richard E. Miller
Mayor

ACTION ON THIS RESOLUTION:
Motion for adoption: Member Theisen
Seconded by: Member Linquist
Voted in favor of: Mayor Miller, Members Linquist, Schulz, Theisen
Voted against: None
Absent: Member Schneider
Resolution Approved.

CERTIFICATE OF CITY ADMINISTRATOR-CLERK-TREASURER

I, the undersigned duly appointed and acting City Administrator-Clerk-Treasurer for the City of Waite Park, do hereby certify that the attached and foregoing Resolution was duly adopted by the Waite Park City Council at a duly authorized meeting held on August 3, 2015.

Shaunna Johnson
City Administrator-Clerk-Treasurer

EXHIBIT A

Parcel 4 (SE ¼ of SE ¼) Section 18, Township124 North, Range 28 West
AND
Parcel 4 (NE ¼ of NE ¼) Section 19, Township 124 North, Range 28 West
Owner: Angeline A. Gillitzer

FEE ACQUISITION

All of the following:

That part of the Southeast Quarter of the Southeast Quarter of Section 18, Township 124 North, Range 28 West, shown as Parcel 4 on WAITE PARK RIGHT OF WAY PLAT NUMBER 5,

containing 6,902 square feet, more or less.

AND

All of the following:

That part of the Northeast Quarter of the Northeast Quarter of Section 19, Township 124 North, Range 28 West, shown as Parcel 4 on WAITE PARK RIGHT OF WAY PLAT NUMBER 5,

containing 3,541 square feet, more or less.

PERMANENT DRAINAGE AND UTILITY EASEMENT ACQUISITION

All of the following:

That part of the Southeast Quarter of the Southeast Quarter of Section 18, Township 124 North, Range 28 West, shown as Parcel 4 on WAITE PARK RIGHT OF WAY PLAT NUMBER 5. A permanent easement for drainage and utility purposes as shown on said plat as to said Parcel 4 by the permanent easement symbol,

containing 821 square feet, more or less.

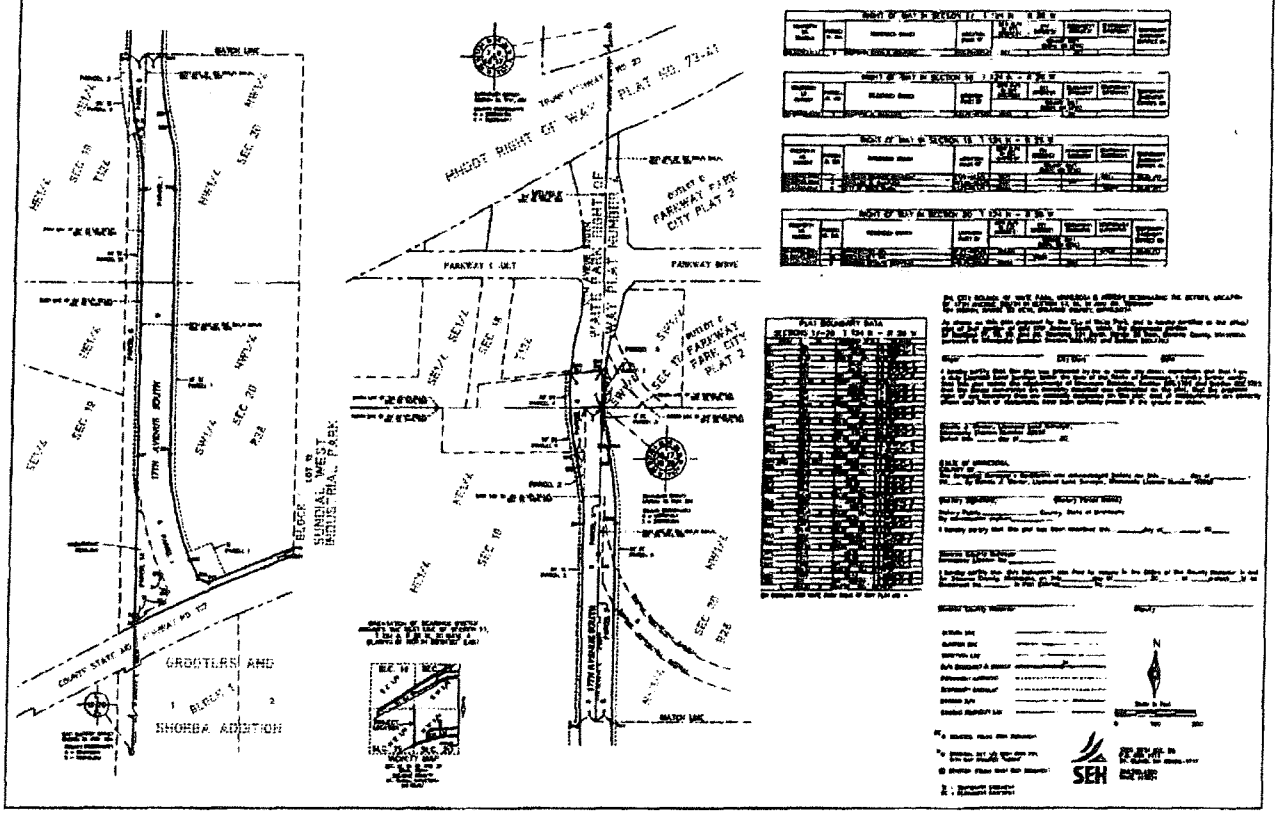
AND

All of the following:

That part of the Northeast Quarter of the Northeast Quarter of Section 19, Township 124 North, Range 28 West, shown as Parcel 4 on WAITE PARK RIGHT OF WAY PLAT NUMBER 5. A permanent easement for drainage and utility purposes as shown on said plat as to said Parcel 4 by the permanent easement symbol,

containing 1,111 square feet, more or less.

WAITE PARK RIGHT OF WAY PLAT NUMBER 5

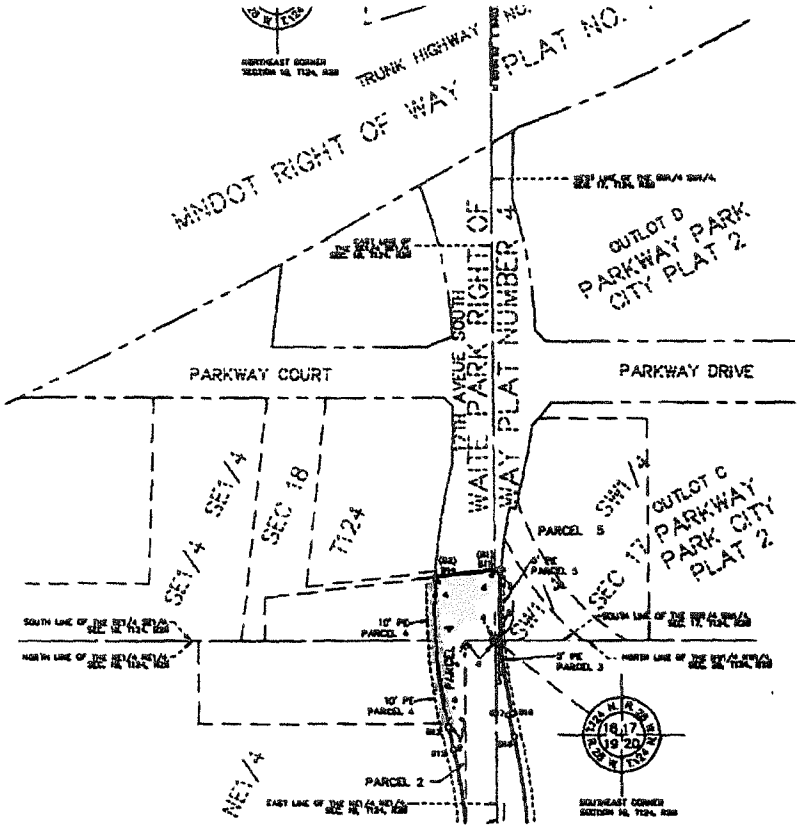


EXHIBIT

A

WAITE PARK RIGHT OF WAY PLAT NUMBER 5

EXHIBIT A



RIGHT OF WAY IN SECTION 18 T 124 N – R 28 W

PROPERTY I.D. NUMBER	PARCEL ID. NO.	RECORDED OWNER	LOCATION PART OF	NEW R/W IN FEE INTEREST	FEE INTEREST	PERMANENT EASEMENT	TEMPORARY EASEMENT	TEMPORARY EASEMENT EXPIRES ON
				SQUARE FEET (MORE OR LESS)				
[illegible]	4	ANGELINE A. SALUTZKE	NW1/4–SE1/4	[illegible]		[illegible]		

RIGHT OF WAY IN SECTION 19 T 124 N – R 28 W

PROPERTY I.D. NUMBER	PARCEL ID. NO.	RECORDED OWNER	LOCATION PART OF	NEW R/W IN FEE INTEREST	FEE INTEREST	PERMANENT EASEMENT	TEMPORARY EASEMENT	TEMPORARY EASEMENT EXPIRES ON
				SQUARE FEET (MORE OR LESS)				
[illegible]	3	MICHIGAN BRANCH COMPANY	NE1/4–NE1/4	[illegible]			[illegible]	08/01/97
[illegible]	4	ANGELINE A. SALUTZKE	NW1/4–SE1/4	[illegible]		[illegible]		
	5	CITY OF WAITE PARK	NE1/4–NE1/4	[illegible]			[illegible]	08/01/97

RIGHT OF WAY IN SECTION 20 T 124 N – R 28 W

PROPERTY I.D. NUMBER	PARCEL ID. NO.	RECORDED OWNER	LOCATION PART OF	NEW R/W IN FEE INTEREST	FEE INTEREST	PERMANENT EASEMENT	TEMPORARY EASEMENT	TEMPORARY EASEMENT EXPIRES ON
				SQUARE FEET (MORE OR LESS)				
[illegible]	1	ROBERT J. SR. WILLIS, & CHRISTOPHER R. & JO A. JOLINE H. SR. PURCHASER	NW1/4–NW1/4	[illegible]			[illegible]	08/01/97
[illegible]	1A	ROBERT J. SR. WILLIS, & CHRISTOPHER R. & JO A. JOLINE H. SR. PURCHASER	NW1/4–NW1/4		[illegible]			
[illegible]	3	CITY OF WAITE PARK	NW1/4–NW1/4	[illegible]		[illegible]		

PLAT BOUNDARY DATA
SECTIONS 17–20 T 124 N – R 28 W

FROM	TO	DISTANCE (FT)	BEARING
[illegible]	[illegible]	[illegible]	[illegible]

THE CITY COUNCIL OF WAITE PARK, MINNESOTA IS HEREBY DESIGNATING THE DEFINITE LOCATION OF 17TH AVENUE SOUTH IN SECTION 17, 18, 19 AND 20, TOWNSHIP 124 NORTH, RANGE 28 WEST, STEARNS COUNTY, MINNESOTA.

As shown on this plat prepared for the City of Waite Park, and is hereby certified as the official plat of that portion of said 17th Avenue South, within the designated portion of Sections 17, 18, 19, and 20, Township 124 North, Range 28 West, Stearns County, Minnesota, pursuant to Minnesota Statutes Section 505.1792 and Section 505.1793.

Mayor _____ City Clerk _____ Date _____

I hereby certify that this plat was prepared by me or under my direct supervision and that I am a duly Licensed Land Surveyor under the laws of the State of Minnesota. I hereby further certify that this plat meets the requirements of Minnesota Statutes, Section 505.1792 and Section 505.1793; that the parcel ownerships are correctly described and delineated on the plat; that the proposed right of way boundary lines are correctly designated on the plat; that all measurements are correctly shown and that all monuments have been correctly placed in the ground as shown.

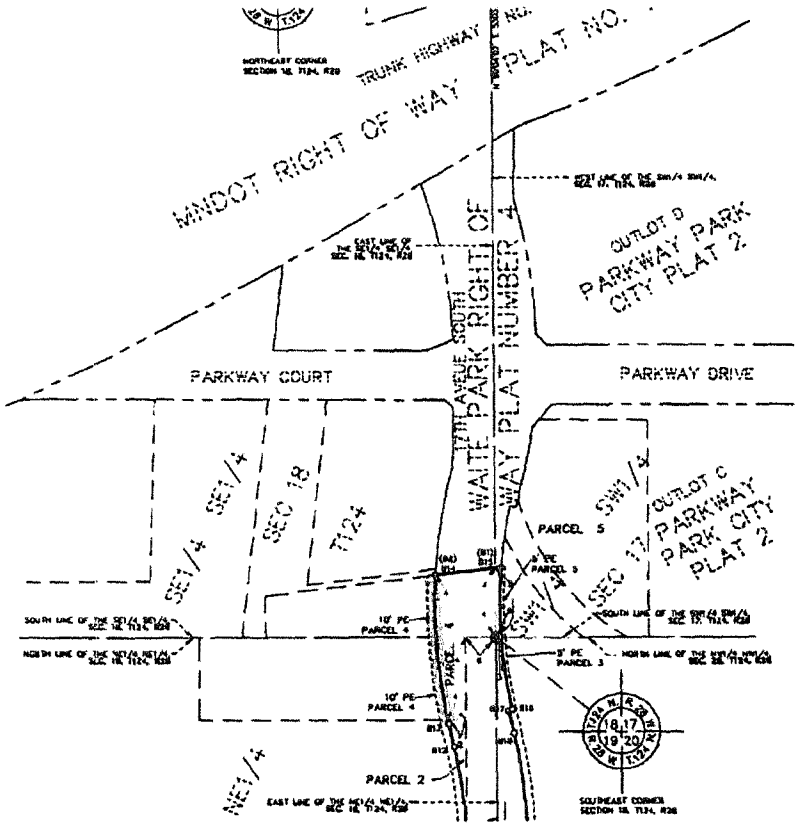
_____
Dennis J. Warner, Licensed Land Surveyor,
Minnesota License Number 42836
Dated this _____ day of _____ 20____

STATE OF MINNESOTA,
COUNTY OF _____
The foregoing Surveyor's Certificate was acknowledged before me this _____ day of _____, 20____ by Dennis J. Warner, Licensed Land Surveyor, Minnesota License Number 42836.

(Notary Signature) _____ (Notary Printed Name)

WAITE PARK RIGHT OF WAY PLAT NUMBER 5

EXHIBIT A



RIGHT OF WAY IN SECTION 18 T 124 N – R 28 W								
PROPERTY I.D. NUMBER	PARCEL ID. NO.	RECORDED OWNER	LOCATION PART OF	NEW R/W IN FEE INTEREST	FEE INTEREST	PERMANENT EASEMENT	TEMPORARY EASEMENT	TEMPORARY EASEMENT EXPIRES ON
				SQUARE FEET (MORE OR LESS)				
86.60548.0120	4	ANGELINE A. GUITZER	SE1/4-SE1/4	[illegible]		[illegible]		

RIGHT OF WAY IN SECTION 19 T 124 N – R 28 W								
PROPERTY I.D. NUMBER	PARCEL ID. NO.	RECORDED OWNER	LOCATION PART OF	NEW R/W IN FEE INTEREST	FEE INTEREST	PERMANENT EASEMENT	TEMPORARY EASEMENT	TEMPORARY EASEMENT EXPIRES ON
				SQUARE FEET (MORE OR LESS)				
86.60365.0105	2	MERKWAY GRANITE COMPANY	N1/2-NE1/4	1375			5917	08/01/17
86.60548.0120	4	ANGELINE A. GUITZER	NE1/4-NE1/4	[illegible]		[illegible]		
	5	CITY OF WAITE PARK	N1/2-NE1/4	37658			10377	08/01/17

RIGHT OF WAY IN SECTION 20 T 124 N – R 28 W								
PROPERTY I.D. NUMBER	PARCEL ID. NO.	RECORDED OWNER	LOCATION PART OF	NEW R/W IN FEE INTEREST	FEE INTEREST	PERMANENT EASEMENT	TEMPORARY EASEMENT	TEMPORARY EASEMENT EXPIRES ON
				SQUARE FEET (MORE OR LESS)				
86.60548.0104	1	ROBERT J. SR. WALICK & CHRISTOPHER R. SS & JOLENE M. SS, PURCHASER	NW1/4-NW1/4	107715			17839	08/01/17
86.60548.0104	1A	ROBERT J. SR. WALICK & CHRISTOPHER R. SS & JOLENE M. SS, PURCHASER	NW1/4-NW1/4		12588			
86.60548.0107	3	CITY OF WAITE PARK	NW1/4-NW1/4	26458		7242		

PLAT BOUNDARY DATA SECTIONS 17–20 T 124 N – R 28 W				
FROM	TO	DISTANCE (FT.)		BEARING
B1	B2	18.00		N 00°00'44" E
B2	B3	CH. 81.22		N 1°51'32" E
L	81.22	R 5668.70	DEL.	0°41'00"
B3	B4	25.58		N 2°07'02" E
B4	B5	48.78		N 1°42'25" W
B5	B6	CH. 500.31		N 17°51'34" W
L	502.60	R 710.00	DEL.	40°35'00"
B6	B7	158.40		N 00°00'44" E
B7	B8	648.00		N 00°00'44" E
B8	B9	CH. 158.18		N 00°00'44" W
L	158.71	R 625.00	DEL.	14°32'38"
B9	B10	33.00		N 12°17'12" W
B10	B11	CH. 187.19		N 06°52'21" W
L	187.91	R 500.00	DEL.	21°54'48"
B10	B11	492.31		N 00°00'44" E
B11	B12	CH. 158.02		N 00°00'44" W
L	158.20	R 625.00	DEL.	14°47'18"
B12	B13	30.49		N 12°47'13" W
B13	B14	CH. 118.34		N 04°31'31" W
L	119.17	R 700.00	DEL.	19°32'04"
B14 (B2)	B15 (B1)	84.81		N 8°16'15" E
B15	B16	CH. 192.14		S 41°26'23" E
L	195.88	R 624.00	DEL.	17°59'07"
B16	B17	0.00		S 77°17'48" W
B17	B18	30.49		S 12°47'13" E
B18	B19	CH. 158.14		S 00°00'44" E
L	158.95	R 625.00	DEL.	14°34'34"
B19	B20	492.74		S 00°00'44" W
[illegible]	[illegible]	[illegible]		[illegible]

THE CITY COUNCIL OF WAITE PARK, MINNESOTA IS HEREBY DESIGNATING THE DEFINITE LOCATION OF 17TH AVENUE SOUTH IN SECTION 17, 18, 19 AND 20, TOWNSHIP 124 NORTH, RANGE 28 WEST, STEARNS COUNTY, MINNESOTA.

As shown on this plat prepared for the City of Waite Park, and is hereby certified as the official plat of that portion of said 17th Avenue South, within the designated portion of Sections 17, 18, 19, and 20, Township 124 North, Range 28 West, Stearns County, Minnesota, pursuant to Minnesota Statutes Section 505.1792 and Section 505.1793.

Mayor _____ City Clerk _____ Date _____

I hereby certify that this plat was prepared by me or under my direct supervision and that I am a duly Licensed Land Surveyor under the laws of the State of Minnesota, I hereby further certify that this plat meets the requirements of Minnesota Statutes, Section 505.1792 and Section 505.1793; that the parcel ownerships are correctly described and delineated on the plat; that the proposed right of way boundary lines are correctly designated on the plat; that all measurements are correctly shown and that all monuments have been correctly placed in the ground as shown.

_____
Dennis J. Werner, Licensed Land Surveyor,
Minnesota License Number 42656
Dated this _____ day of _____ 20____

STATE OF MINNESOTA,
COUNTY OF _____
The foregoing Surveyor's Certificate was acknowledged before me this _____ day of _____, 20____ by Dennis J. Werner, Licensed Land Surveyor, Minnesota License Number 42656.

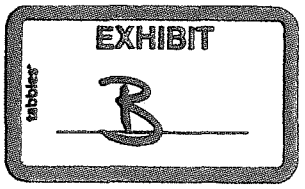
_____ (Notary Signature) _____ (Notary Printed Name)

BEFORE AND AFTER
REAL ESTATE APPRAISAL FOR
GORDON HANSMEIER, ATTORNEY AT LAW
OF

ANGELINE GILLITZER PROPERTY
511 17TH AVENUE SOUTH
WAITE PARK, MINNESOTA 56387

AUTHORED
BY

MIKE AMO, MAI
417 16TH STREET NORTH
SAUK RAPIDS, MINNESOTA
APPRAISAL EFFECTIVE MAY 4, 2015



July 21, 2015

Gordon Hansmeier, Attorney at Law
11 7th Avenue North
P.O. Box 1433
St. Cloud, MN 56302

Re: Update (May 4, 2015 version) of the appraisal of the Angeline Gillitzer property before and after roadway acquisition for 17th Avenue South; property located at 511 17th Avenue South, Waite Park, Minnesota.

Dear Mr. Hansmeier:

As requested via email, I have completed an appraisal amendment and update of the Gillitzer home and site before and after a fee acquisition of land for the proposed 17th Avenue South road improvement project. My updated and amended appraisal is effective as of May 4, 2015. Note that the original appraisal was completed after a detailed inspection on July 19, 2012 and that during March of 2015 John Gustafson and I completed a new or current appraisal of this property. Due to changes to Plat 5, I am again updating my appraisal. During 2012 the property was inspected in the presence of Dean and Angeline Gillitzer and John Gustafson, my assistant. We discussed the extent of the acquisition with the Gillitzers during the property inspection. For this update and amendment, I performed an exterior inspection only.

This is an appraisal report which is presented in a narrative format. I basically wrote over the original appraisal and utilized the before value which was estimated when John Gustafson performed an analysis with current sale comparables on a home valuation form. That analysis was completed during March of 2015. As this report is written in July of 2015 and has an effective appraisal date of May 4, 2015, the value estimate is ***retrospective*** in nature. Now, there has been a change to the area to be acquired, so I am amending the March of 2015 report to bring it up to the new date of acquisition, which is May 4, 2015. I am also recognizing and estimating additional damages to the property as a consequence of acquiring a larger area for right of way and permanent easements as well as removal of two more trees from the front of the site.

The reader is advised that there may be additional information in my file memorandum which lends support to my value estimates, but the data which is directly pertinent to the appraisal process is contained within the covers of this appraisal report.

This is a partial acquisition from the site (1.32 acre) which includes a home with attached garage as well as a post-frame shed and workshop. The acquisition includes 10,443 Ø of new right of way (versus 5,528Ø in my March of 2015 report) as well as a perpetual drainage and utility easement containing 1,932 Ø (versus 1,933 Ø in my March of 2015 report). I have utilized a "before and after" appraisal technique in this instance, and have considered the three conventional methods of valuation to the property.

As a result of my investigations and analysis I have estimated the before value, after value and fee simple value of the acquisition as of May 4, 2015, to be:

ESTIMATED VALUE BEFORE THE ACQUISITION:	**$255,000**
ESTIMATED VALUE AFTER THE ACQUISITION:	**$236,583**
ESTIMATED DIMINUTION OF VALUE, ACQUISITIONS:	**$ 18,417**

This appraisal is intended to meet the criteria within the Uniform Standards of Professional Appraisal Practice as well as the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute. Lastly, this appraisal is subject to the Assumptions and Limiting Conditions which are contained within this document.

If there are questions after you have read the report in its entirety contact me. Thank you for the opportunity to complete an appraisal in this matter.

Sincerely,

Mike Amo, MAI
Real Estate Appraiser
Certified General Real Property Appraiser #4000495
Expires August 31, 2013
valueamo@gmail.com

TABLE OF CONTENTS

INTRODUCTION

Title Page ----------1
Letter of Transmittal ----------2
Appraiser's Certification----------5
Summary of Salient Facts & Conclusions----------6
Maps & Aerial Photos of Subject ----------8
Limiting Conditions and Assumptions ----------15
Scope of Work/ Intended Use/Intended User----------16
Competency Statement ----------18

FACTUAL DATA-BEFORE THE ACQUISITIONS

Legal & Public Record Data----------19
Area & City Data---------- 20
Property Data, Zoning ----------24

BEFORE THE ACQUISITIONS

Presentation of Appraisal before Acquisitions----------31
Form Appraisal ----------32
Explanatory Comments ----------42
Land Value Estimate----------47

AFTER THE ACQUISITIONS

After Acquisition Analysis----------49
Severance Damage Consideration ----------50
Recapitulation and Final Conclusion of Value---------- ----------51
Qualifications of the Appraiser ----------52

CERTIFICATION

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

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and is my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved. I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment except for the original appraisal of this site and the aforementioned March of 2015 update of my July of 2012 report.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- The appraisal was made and the appraisal report prepared using the format recommended by the *Uniform Appraisal Standards for Federal Land Acquisitions.*
- My analysis, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Appraisal Institute's Code of Professional Ethics and the Appraisal Foundation's *Uniform Standards of Professional Appraisal Practice.*
- I have made a personal inspection of the property that is the subject of this report. Dean and Angeline Gillitzer were afforded an opportunity to accompany the appraisers on the property inspection and both accepted the invitation by personally accompanying us during the inspection. The date of original inspection was July 19, 2012 which is also the date John Gustafson and I inspected the property and discussed the acquisition with Mrs. Gillitzer and her son Dean. The first appraisal update was as of March 5, 2015. A drive-by inspection was completed on March 19, 2015. This amendment and update of the March of 2015 appraisal is effective as of May 4, 2015 and was written on July 21, 2015. At that time I drove to the site and walked the new right of way and observed the engineer's stakes on the site. Due to the fact that the report is written on July 21, 2015 with an effective date of May 4, 2105, this is a *retrospective* value estimate.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives. The Appraisal Institute conducts a mandatory program of continuing education for its designated members. I am considered to have my continuing education completed under this program and am Certified through December 31, 2018.
- John Gustafson provided significant professional assistance to the appraiser in the completion of this appraisal analysis by selecting comparable residential sales and completing the residential appraisal form contained within this report and which were used in March of 2015 for the update. Mr. Gustafson did not participate or assist in completion of this May 4, 2015 amended and updated report.

Estimated Value of Damages as of May 4, 2015: **$18,417.** Estimated Value before the acquisition: **$255,000.** Estimated Value after the acquisition: **$236,583.** Portion of damages allocated to severance damage to land: **$6,750**

Mike Amo, MAI, CAE
Certified General Appraiser #4000495
Expires August 31, 2015

July 21, 2015

SUMMARY OF SALIENT FACTS AND CONCLUSIONS

ESTIMATED VALUES, BEFORE AND AFTER THE ACQUISITION:

COST METHOD, CONSIDERED, BUT NOT APPLIED:	
SALES COMPARISON METHOD, BEFORE ACQUISITION:	$255,000
SALES COMPARISON METHOD, AFTER ACQUISITION:	$236,583
INCOME METHOD, CONSIDERED BUT NOT APPLIED:	
PART TAKEN AS PART OF THE WHOLE, LAND:	$ 11,667
SEVERANCE DAMAGE TO FLORA AND SITE IMPROVEMENTS:	$ 6,750
TOTAL DAMAGES, ACQUISITIONS AND FLORA/SITE IMPROVEMENTS:	$ 18,417

Identity of the Subject: The subject of this appraisal is the home and site which is located at 511 17th Avenue South, within the City of Waite Park, Stearns County, Minnesota.

Effective Date of Value: The property is appraised as of May 4, 2015. On July 19, 2012, we viewed the site and improvements and met with Angeline and Dean Gillitzer at the property. This appraisal amended and updated report was written on July 21, 2015 with an effective date of May 4, 2015, so this is a retrospective value estimate.

Highest and Best Use-Existing: The estimated Highest and Best Use existing before the acquisitions, as if vacant and as improved, is for use as a custom single family residence and site.

Highest and Best Use Reflected in Appraisal: The estimated Highest and Best Use reflected in the appraisal analysis after the acquisitions, as if vacant and as improved, is identical as the highest and best use before the acquisitions-custom single family residential.

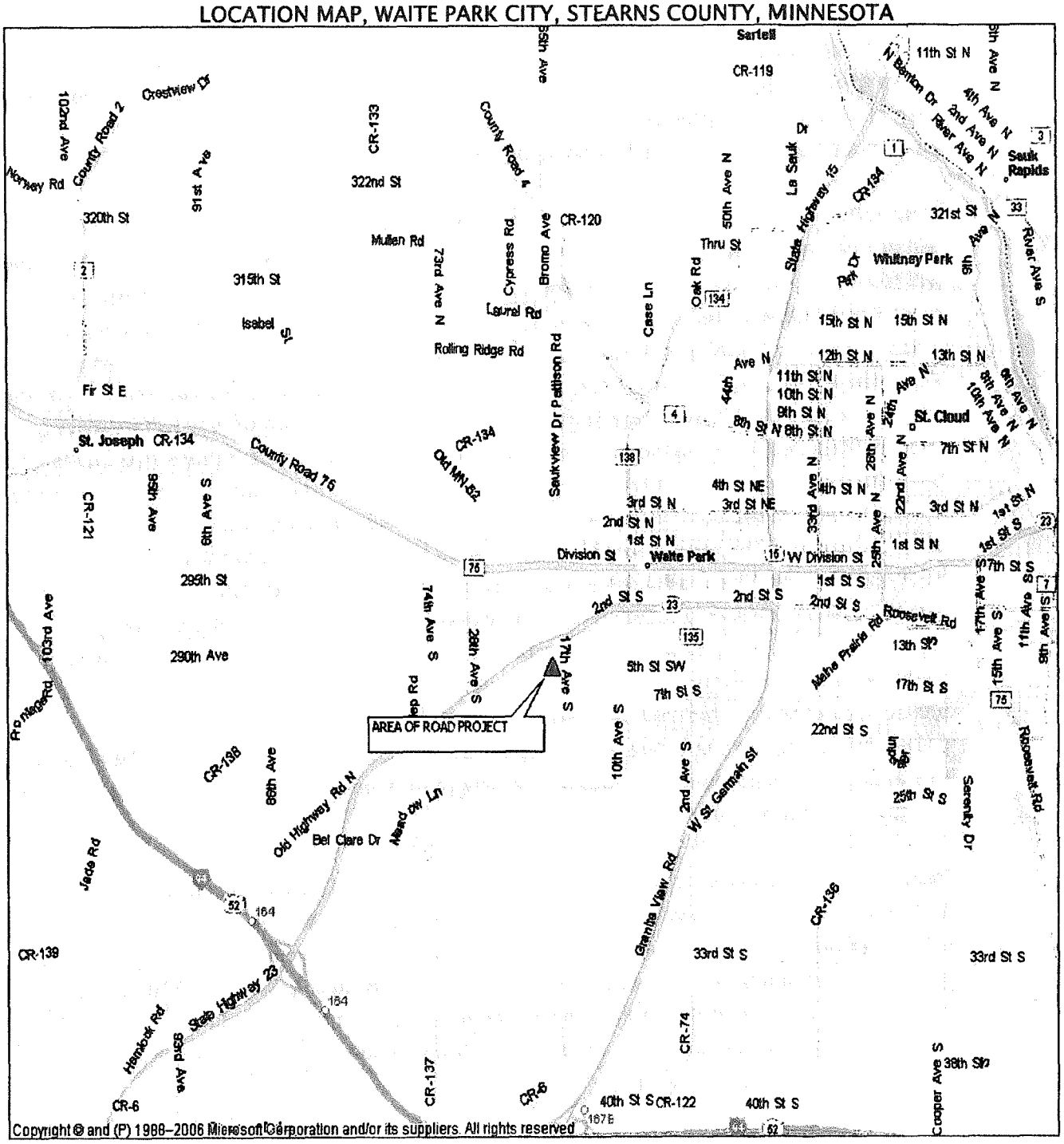
Description, Before Acquisitions: Before the acquisition the property consists of a single tract of land with a total area of 1.32 acres. The property contains a custom single family home with attached garage and a detached post-frame garage and workshop. The home is in very good condition, is above average in quality and is occupied as the homestead of Angeline A. Gillitzer and has been for many years. In its current configuration the home is not visible from Highway #23 but is south of the Chad Geske residence on a secluded site which is just west of an abandoned BNSF rail corridor and a deep, inactive granite quarry.

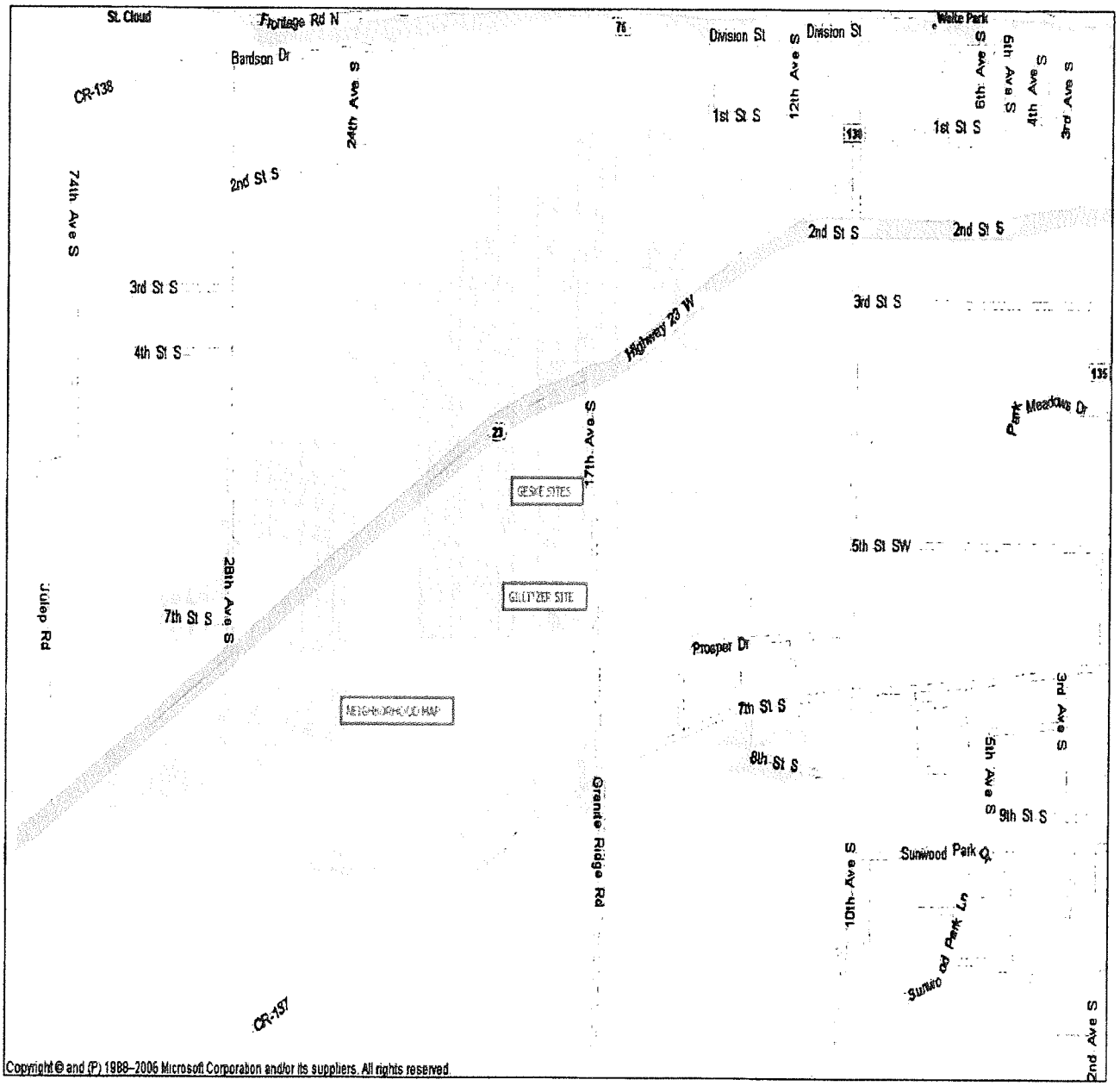
No public utilities are in place on the site (but are adjacent as of the date of value) and there is no natural gas or high speed internet service. Electrical and telephone service are above ground. Access is via a new street which runs to the edge of the Geske parcel, but then terminates at a "private access" sign on the Gillitzer property. The site is secluded and wooded as of July 21, 2015 and as of the date of appraisal which is May 4, 2015.

Description, After Acquisitions: After the acquisitions the home and garages on the parcel will not be harmed as they are an adequate distance from the new right of way. The home will front towards new street. The overall parcel size will diminish by 10,443 square feet due to acquisition of fee title for new right of way. In addition, a perpetual drainage and utility easement containing 1,932 sq. ft. will be acquired from the east side of the site. The right of way acquisition is linear in shape and is situated along the eastern edge of the site where the new 17th Avenue South will be installed. The right of way will be placed over existing Peony (3) bushes, three large, mature Burr Oaks, four mature Hydrangeas, a twin-trunked birch tree and two young black walnut trees. The home will be 60' from the new right of way line, 62' from the back of the new bituminous trail and 81' from the new curb and gutter. The new road will be a 40' wide urban section street with a 40 mile per hour speed limit. The road will be approximately at the same elevation as the home. A direct 26' wide access via a concrete apron will be provided to the property from 17th Avenue as a part of the project. City water and sewer will be installed under the new roadway as well as storm drains. New electrical and gas lines will be brought in during the project as will high speed internet wires. I estimate that there is no severance or proximity damage to the home and garages due to these acquisitions. As of the date of this appraisal amendment and update, the new road is not yet in place, but is planned for construction during 2015.

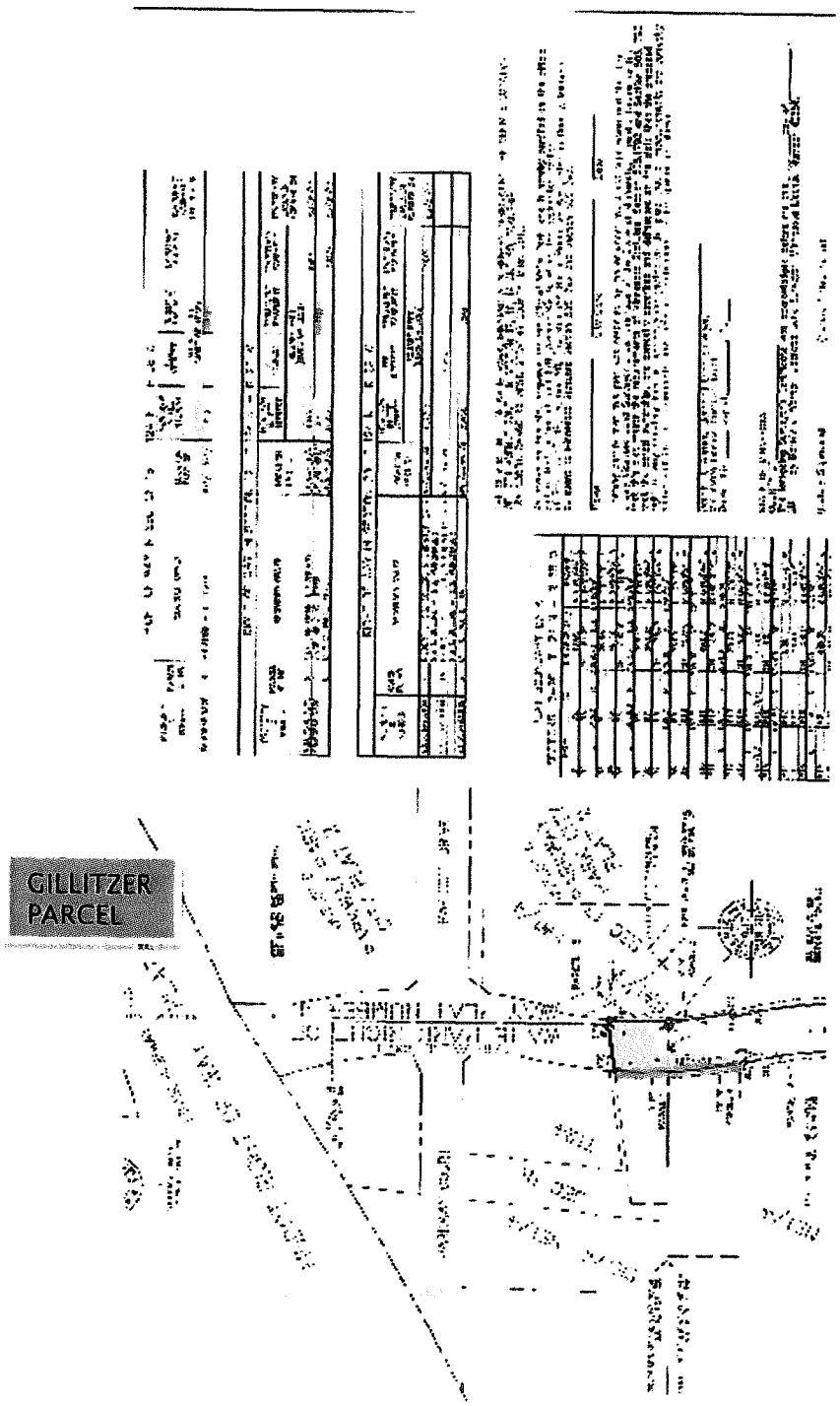
Description of the Acquisitions: The acquisitions and remainder along with various maps and photographs are shown within the body of this appraisal report. Mike Amo and John Gustafson originally photographed the site on July 19, 2012, while the proposed right of way aerial and taking sizes were presented to me by SEH during August of 2012. On March 19, 2015 I re-photographed the home and nearby streets. On July 21, 2015 I walked the right of way area and observed the lathe stakes which were labeled as "ROW".

LOCATION MAP, WAITE PARK CITY, STEARNS COUNTY, MINNESOTA

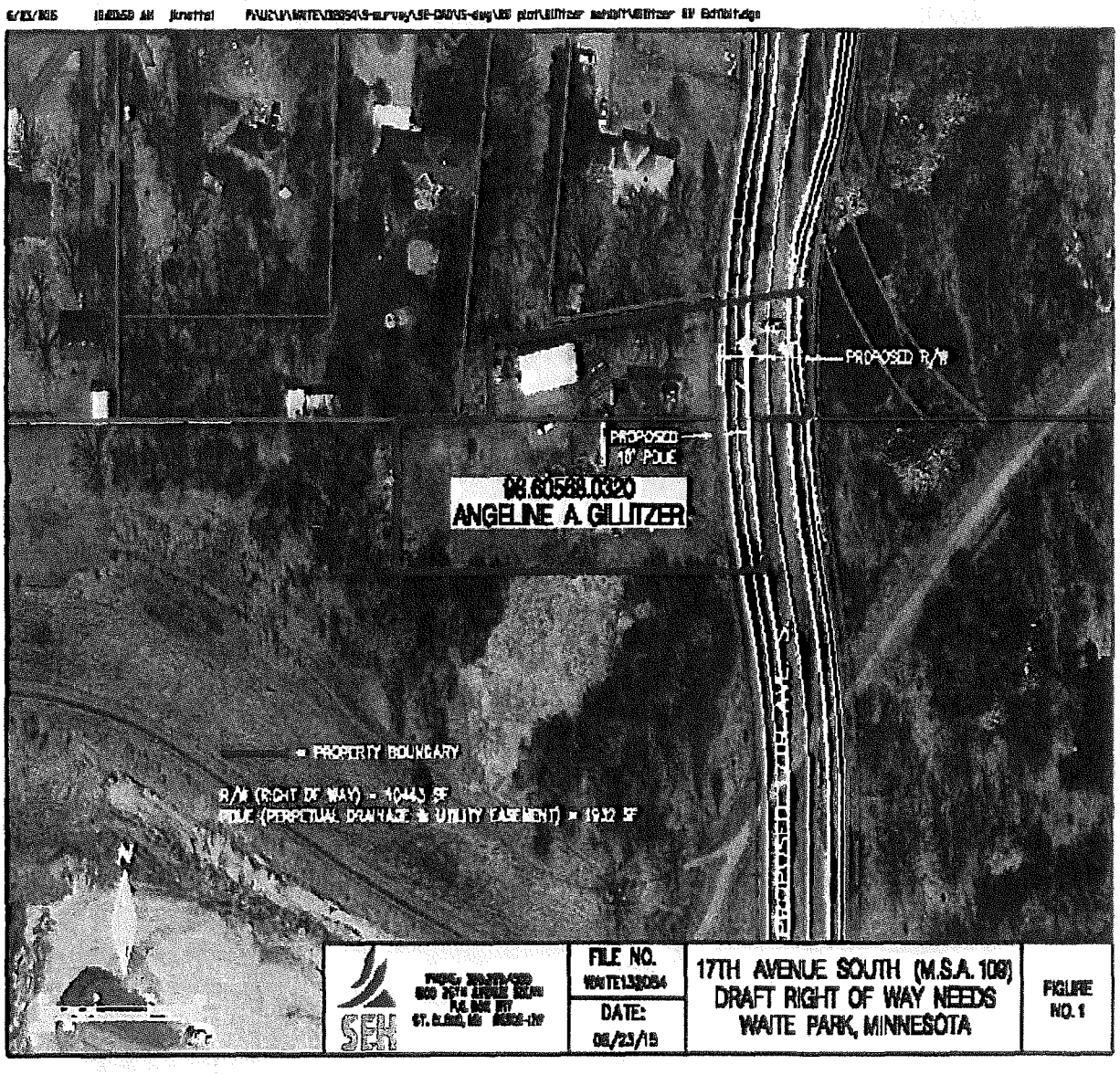




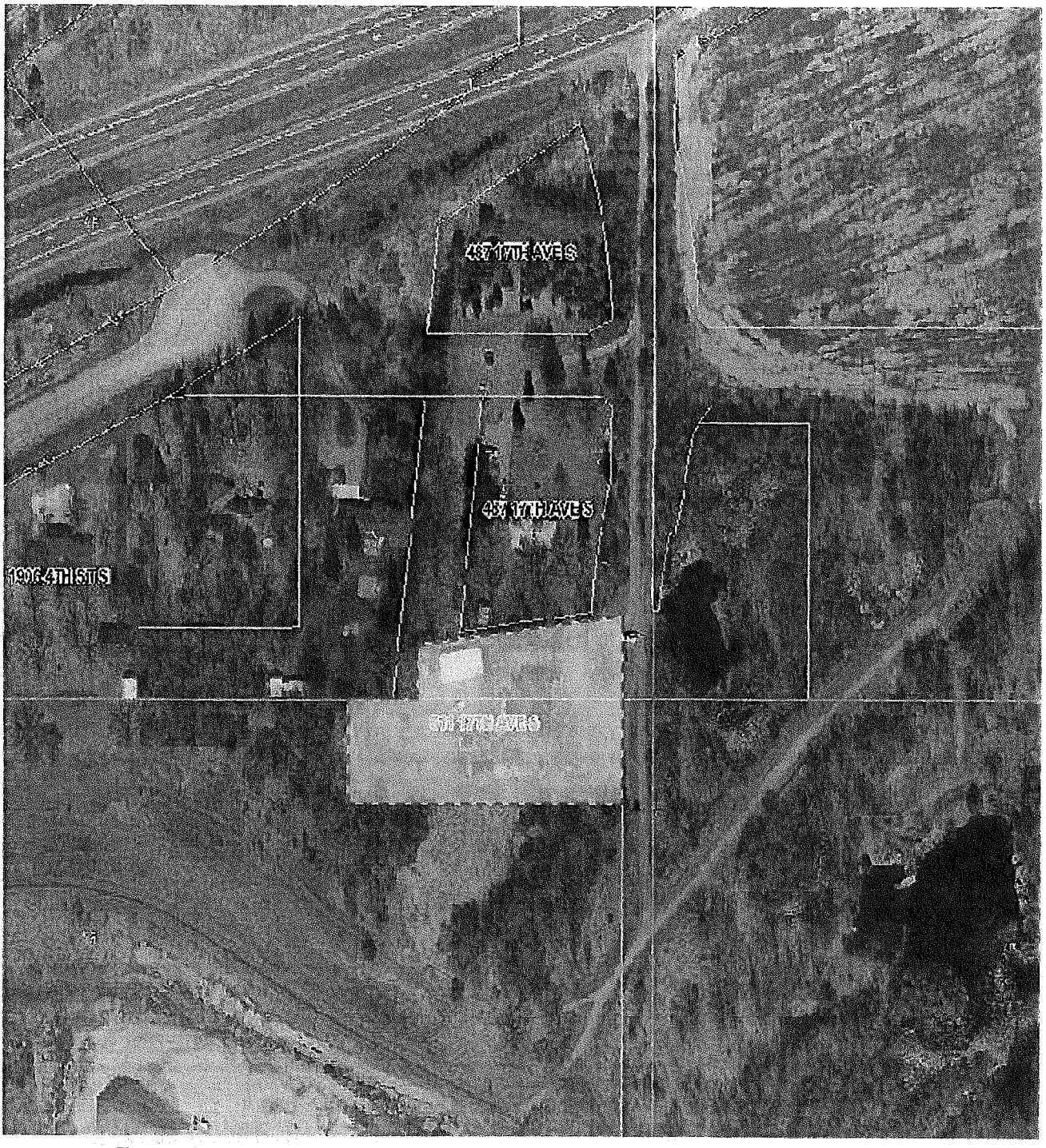
NEIGHBORHOOD MAP



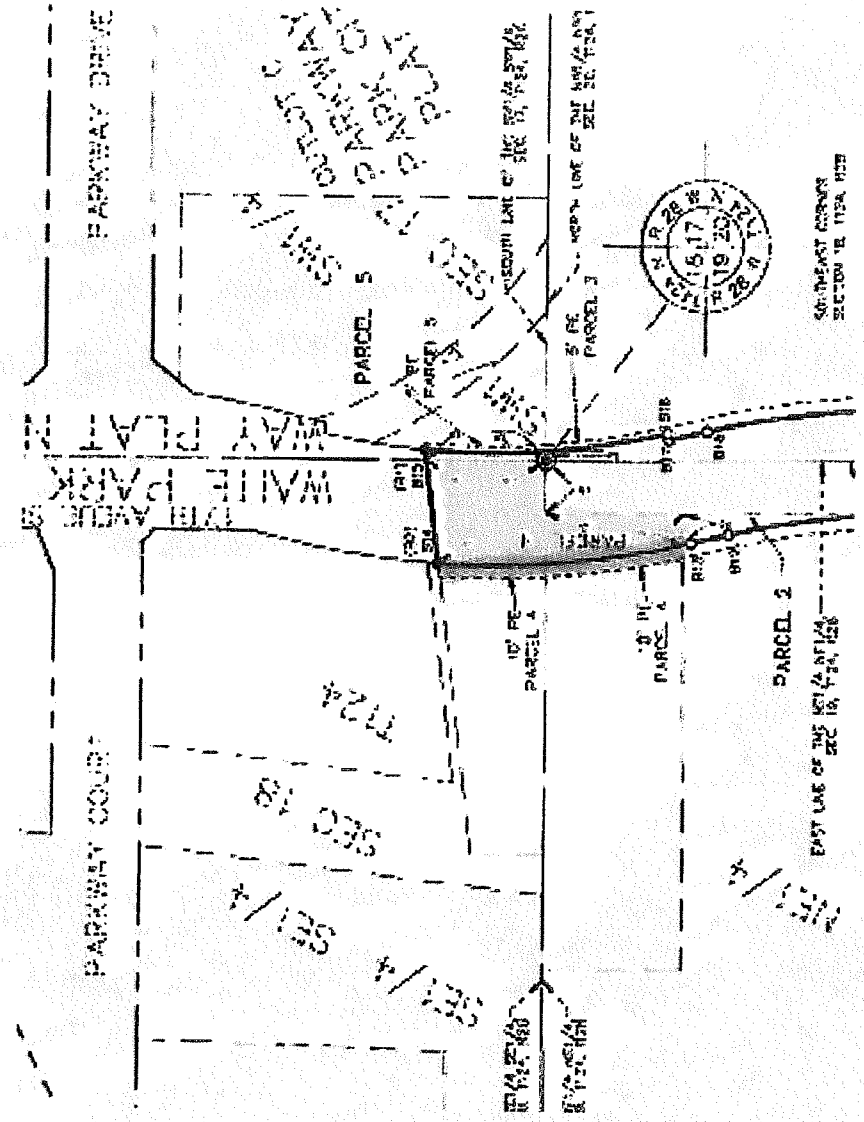
PARCEL MAP SHOWING THE AREA ACQUIRED AS YELLOW-PLAT 5 VERSION



ENGINEER'S DEPICTION OF SUBJECT PARCEL SHOWING PROPOSED ACQUISITIONS ON PLAT 5

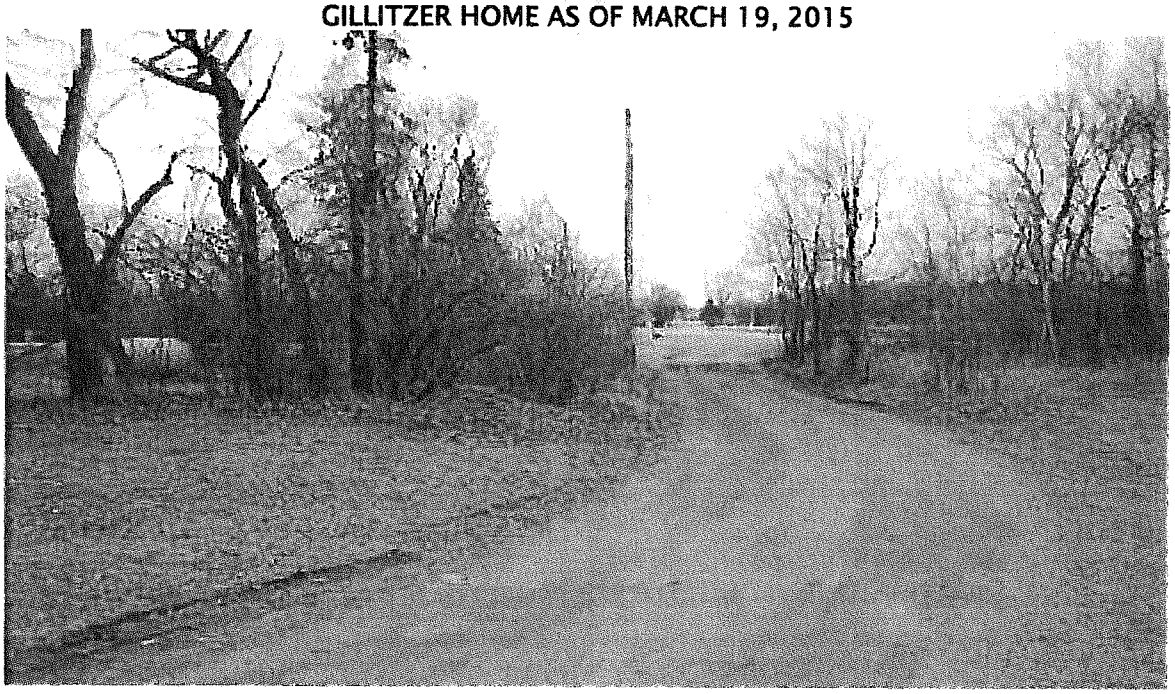


STEARNS COUNTY GIS VIEW OF GILLITZER SITE SNIPPED JULY 21, 2015



ACQUISITION FROM GILLITZER PROPERTY PER REVISED HIGHWAY PLAT 5

GILLITZER HOME AS OF MARCH 19, 2015



DRIVEWAY NORTH FROM GILLITZER HOME TO NEW STREET IN DISTANCE-MARCH, 2015

LIMITING CONDITIONS AND ASSUMPTIONS

This appraisal is made subject to the following limiting conditions and assumptions:

1. Unless specifically stated otherwise in the report, the appraisal is made in fee simple, assuming a marketable title. No title search has been made and the appraiser assumes no responsibility for the quality of the title or for other matters which are legal in nature.

2. The appraiser has made no survey, and appraisal sketches furnished are designed to show approximate dimensions and are only intended to aid in visualization of the property. No scaling of any dimensions not shown on sketches should be attempted.

3. Disclosure of the contents of the appraisal report is governed by the By-Laws of the Appraisal Institute.

"That neither all, nor any part of the content of the report, or copy thereof, (including the conclusion of value, identity of the appraiser, reference to the designation, or the Appraisal Institute) shall be used by anyone other than the client specified in the report, or mortgagees, consultants, governmental bodies, commissions, courts, and professional appraisal organizations, without the express consent of the appraiser, nor shall it be conveyed by anyone to the public through the various news media or public relations media, without the express consent of the appraiser".

4. Information furnished by others, including legal and public record data, is assumed to be valid, but is not guaranteed by the appraiser.

5. By reason of the appraisal, the appraiser is not committed to give testimony in court or appear before any commission or other review panel unless other arrangements are made for such appearance.

6. The allocation of value between land and improvements applies only under the existing program of utilization. The separate values for land and improvements are not valid if used in conjunction with any other appraisal or in any other actual or proposed program of use for the subject property.

7. The value estimate measures the most probable price for the property, but no guarantee as to future price is implied or warranted.

8. The fee for this appraisal is for appraisal services rendered and is not contingent upon the value reported nor upon the use to which the report is put, and is due upon receipt. Acceptance of the report is taken to imply your agreement to pay the fee promptly, unless other payment agreements have been agreed upon.

9. Unless otherwise stated in this report, the existence of hazardous materials, which may or may not be present on this property, was not observed by the appraiser. The appraiser has no knowledge of the existence of such materials and is not qualified to detect such substances. The value is predicated upon the assumption that there is no contamination on or in the property that would cause a loss in value. No responsibility is assumed for such condition, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert to complete an environmental assessment prior to purchasing or financing this property.

10. You are further advised that an appraisal is an opinion and it <u>does not</u> constitute a guarantee that the property will sell for the appraised value. Property management, differing motivations of buyers and sellers, salesmanship, information which may or may not be presented to the buyer and the differences in the way a property is presented may change the price dramatically. This appraisal represents my opinion of value based upon the facts known to me on the date of the appraisal.

SCOPE OF WORK

Intended User/Use: The Appraisal Problem:

This appraisal is completed with the intention of estimating the market value of the subject property before and after acquisition of right of way by Waite Park City as a part of the proposed 17th Avenue South roadway project. The City will be acquiring a corridor of right of way from the Gillitzer site and the new road corridor will connect Minnesota Highway #23 with CSAH #137 while building a new 17th Avenue South. Currently, this avenue is completed to the neighbor's property and is scheduled to proceed through Gillitzers' property during 2015. The total fee acquisition in this instance consists of 10,443 square feet of new right of way and 1,933 square feet of perpetual drainage and utility easement.

The ***intended users*** of this appraisal are the City of Waite Park; their legal counsel or acquisition agent. It is possible that the City will authorize the property owner to possess a copy of this updated appraisal report for purposes of review and negotiations.

The ***intended use*** of this report is to serve as a guide to the Market Value of the property before and after the acquisition; to measure the just compensation due to the property owner as a result of the acquisition.

John Gustafson and I originally viewed the site and home on July 19, 2012 when we met with Mrs. Gillitzer and her son Dean at the property. Over the course of the next two hours we discussed the extent of the acquisition and walked through the interior of the property and toured the exterior while measuring and photographing the improvements. After the inspection we examined the yard, access points, flora and fauna, site improvements and surrounding uses. John Gustafson viewed the exterior again on March 5, 2015 and Mike Amo made a street-side inspection on March 19, 2015 and again on July 21, 2015.

After the viewing the appraisal process was commenced by examining the neighborhood and overall trends in the single family marketplace. Research into sales, rents, value trends and all of the typical factors which play a role in the appraisal process was completed. I resumed the valuation process and considered all three of the conventional methods of valuation before and after the acquisition and in the final analysis completed the Sales Method of valuation. The subject is basically a residential single family dwelling which is owner occupied. It is an above average quality custom home which is

in very good condition. It is likely that this home will remain in use as a single family dwelling for the next few decades in spite of being placed within a commercial zoning classification.

In this appraisal problem I will be valuing (with the assistance of John Gustafson) the home and site before and after the acquisitions. The difference between the two values will constitute the damages incurred as a result of this acquisition. As there is very little time elapsed between our March of 2015 appraisal and this amended appraisal dated May 4 2015, the comparable sales and value analysis which was completed in March of 2015 will be used for this analysis. John Gustafson did not assist me in completing this May 4, 2015 amended and updated report.

I completed the Sales method before and after the acquisitions and arrived at a single estimate of value for the subject both before and after acquisition and as of May 4, 2015. This appraisal report contains the bulk of the information and rationale utilized to complete the value estimates.

The method of reporting the valuation process will be to complete a narrative analysis describing the property and process, supplemented by a form report with narrative comments and explanations. John Gustafson has injected a form residential appraisal report completed during March of 2015 by myself and John Gustafson into the body of this narrative report. After completing the before value, I will complete an "after acquisition" analysis which considers the subject home after the takings considering the project causing the new presence of 17th Avenue South. This second valuation phase is where the after value and damages are measured.

Type and Definition of Value:

The type of value sought is market value. Market Value is defined within the UASFLA yellow book, page 30, as follows:

"The amount in cash, or on terms reasonably equivalent to cash, for which in all probability the property would have sold on the effective date of the appraisal, after a reasonable exposure time on the open competitive market, from a willing and reasonably knowledgeable seller to a willing and reasonably knowledgeable buyer, with neither acting under any compulsion to buy or sell, giving due consideration to all available economic uses of the property at the time of the appraisal."

Rights Appraised:

The subject property is appraised in a fee simple state. Fee simple estate is defined in *The Dictionary of Real Estate Appraisal*, Fourth Edition, published by the Appraisal Institute, on page 113 as follows:

"Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power and escheat".

Effective Date of Appraisal:

The effective date of value is May 4, 2015, which is the date of this amended appraisal and damage estimate. The original appraisal was written during of August, 2012 and when updated during March of 2015 new comparable sales were uncovered and a new analysis was completed. The before value arrived at during the March of 2015 appraisal is believed to be valid for this May 4, 2015 prospective value estimate.

Competency Statement:

USPAP requires the appraiser to possess the knowledge and experience to complete the appraisal assignment competently or associate with someone who is competent. I believe that I possess the level of experience and competence to solve this appraisal problem. Please refer to the ***Qualifications of the Appraiser*** page which is located at the rear of this report to view details of my qualifications.

As an introductory statement, I inform the reader that I have lived in this part of the State for all of my life, and within close proximity to St. Cloud for the past thirty-five years. During the first three years of residency I was the St. Cloud City Assessor, responsible for the valuation of all property in the City; including all of the homes, apartments, industrial parks, manufacturing and warehouse facilities, retail stores, banks, offices, retail malls, motels and restaurants. During the past thirty-two years I have practiced as an independent commercial and industrial appraiser within an eight state area, concentrating on appraisal assignments in the Central Minnesota area. During these past few decades I have appraised several properties near the subject, including portions of the nearby Quarry Park, several of the properties in the adjacent industrial park and many vacant sites in Waite Park and St. Cloud. I have participated in dozens of appraisals for eminent domain actions and have testified in front of

condemnation commissioners on a few dozen occasions. I am well aware of the market influences which affect this type of property and monitor the market on a continual basis to hone my appraisal skills and keep abreast of the real estate market.

FACTUAL DATA-BEFORE THE ACQUISITION

LEGAL AND PUBLIC RECORD DATA

Legal Descriptions:

The legal description of the property before the acquisition is taken from public tax records; is abbreviated as follows on the public record:

Parcel #98.60568.0320; 1.32 Acres; E 300' OF S 88' O E SIDE & S 52' ON W SIDE OF SE4SE4 SEC 18 ALSO W 347.55' OF E 387' OF N 110' OF NE4NE4 SEC 19 LESS MN ROW PLAT 73-41 TOWNSHIP 124 NORTH, RANGE 28 WEST, STEARNS COUNTY, MINNESOTA

Flood Zone Consideration:

The site is not within a HUD identified floor zone. There is no history of flooding in this area and no evidence that there are areas on the site which retain standing water. The site is just west of a deep, idle granite quarry which holds water which is about thirty feet below the ground level. Drainage on the site appears to be good and slopes down to the south and west.

EASEMENTS AND ENCROACHMENTS

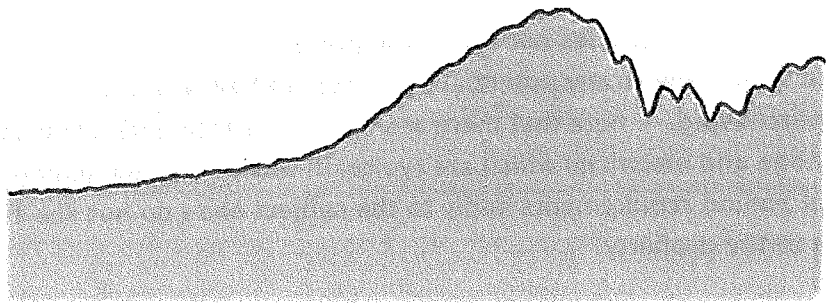
Inspection of the site perimeter does not reveal the presence of encroachments, but I am not a surveyor and would advise any potential purchaser to have a survey completed on this site prior to purchasing. I note that there are common easements allowing entrance of telephone and electricity which are typical in this part of the nation. The normal and typical zoning requirements apply to the subject and I do not see evidence of encroachments to the property.

AREA, CITY AND NEIGHBORHOOD DATA:

At this point in the appraisal I must clearly state that changes in this neighborhood which are brought about by this road project must be disregarded in the appraisal. This is a jurisdictional exception and is contrary to USPAP Standards Rule 1-4(f), but is required under the Federal Land Acquisition rules.

The subject is located in the city of Waite Park along the city's southwestern quarter and near Quarry Park. Waite Park and the St. Cloud metro area enjoy a central location in Minnesota with exceptional road access to Interstate 94 and US Highway 10. The area straddles the Mississippi River and occupies territory in Stearns, Sherburne, and Benton counties. The area is well suited and attractive for conducting business on a local, regional and national level.

The residential real estate market has been on a roller coaster ride over the past 25 years. Prices rose year after year until both the national and local residential real estate markets entered a downward spiral in early 2006. The market failed to find a bottom until late 2011. That five year decline was detrimental to many families who were struggling to keep mortgage payments current on their relatively high interest rate loans. . In many cases, homeowners simply "walked" away from their debt obligations adding to the problem by contributing to the housing supply. The following graph is a long term price index for Minneapolis published by Case-Shiller. It represents a fall of approximately 30% of value from peak to trough. Locally, there is broad agreement that single family prices have generally declined anywhere from 30% to 40% since the peak of early 2006 until late 2011 in the St. Cloud area and are now on a slow incline. Current prices are believed to be back to the 2003 and 2004 levels.



Waite Park and St. Cloud are part of the St. Cloud Metropolitan Statistical Area (MSA). The following graph illustrates a 20% upward change in median price for residential sales over the last three years in the St. Cloud MSA.

Economically the area has proven very resilient. The St. Cloud MSA had a December, 2014 labor force of 109,737 out of a 2010 population of 201,093 people.

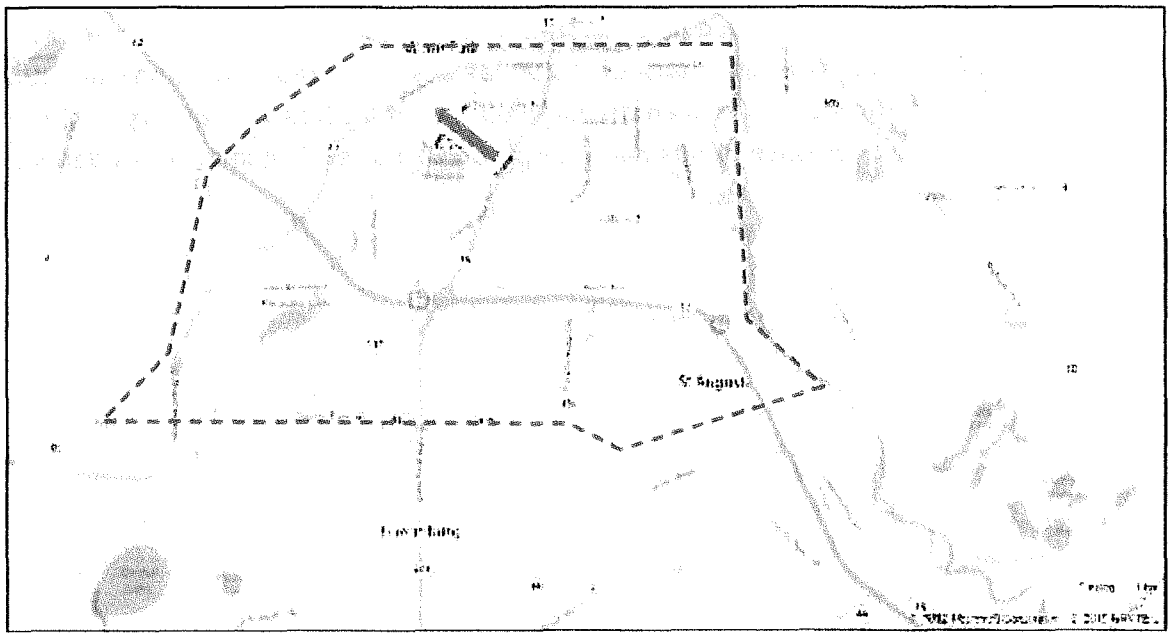
Another economic indicator testament to the resilience of the St. Cloud area is the unemployment rate. St. Cloud City had a June, 2015 unemployment rate of 4.8%. As can be seen on the following chart, this rate has been trending lower since late 2009. The rate is significantly lower than the national rate of 5.5% as of February, 2015. Fortunately, these positive trends have contributed to a reversal in local residential real estate prices.

The St. Cloud region is well poised for a bright future based on the area's growth in population and infrastructure built over the last 30 years. This notion is reinforced by the continuation of public development.

For more specific information on the region or additional area demographics, the St. Cloud Area Economic Development Authority provides a wealth of data that can be accessed online. The address for the St. Cloud EDA is http://ci.stcloud.mn.us/252/Economic-Development-Authority

The St. Cloud community is tightly segmented by neighborhoods thanks to the presence of geographical barriers. This leads to a sense of unity, and encourages residents to

become familiar with their neighbors. The larger neighborhood boundary for the subject begins at the Sauk River north of Rockville (southwest corner), then north and east along the Sauk River to County Road 75, then east along County Road 75/Division Street and continuing east to the Mississippi River, then south to Johnson Creek and along the creek to County Road 136 continuing west on County Road 136 to County Road 47 west to the point of beginning. This is an established mixed use area comprising the entire south St. Cloud/Waite Park urban and fringe area, all within Stearns County.

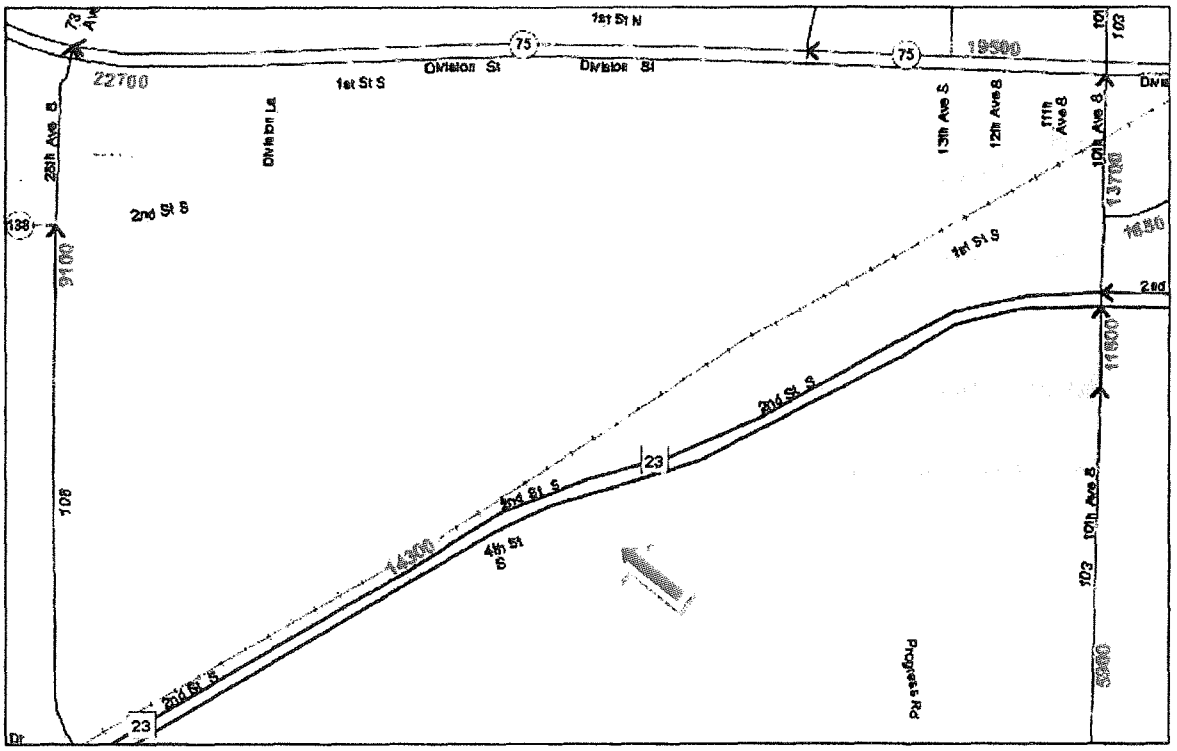


The immediate neighborhood uses are predominately heavy and light industrial, multi-family and single family residential and agricultural uses, especially west of Quarry Park. There are also scattered commercial users nearby. Development density increases as one travels east of the subject. This coincides with the availability of city sewer and water which is currently not available to the subject. Over the last 25 years there has been significant single family residential development beginning a half mile southeast of the subject and continuing over to T.H. 15 and south along Granite View Road. The western portion of the neighborhood is comprised of largely undeveloped agricultural parcels, the large Meridian stone quarry, light industrial businesses in rural industrial parks, a mobile home court and wooded park lands.

Quarry Park and Nature Preserve is a short distance south of the subject and notable as it is a regional park of 643 acres owned by Stearns County. This preserve is a community treasure featuring oak woodland, prairie, bluff lands, rock outcroppings and

granite quarries. The DNR notes this mix supports rare birds and orchids and forms the most significant remaining example of the granite bedrock community in central Minnesota. According to Robert Sis, a local historian, the railway which is adjacent to the subject once served 28 granite quarries which are situated in the neighborhood.

As can be seen on the following 2013 traffic map clip, traffic is relatively along Highway 23 in this vicinity. Although Highway 23 is within a few hundred yards of the subject, visibility to the Gillitzer home is blocked by vegetation. Secondly, the shallow depth to bedrock in the subject area and the previous lack of city water and sewer has been a development barrier in the past. As a consequence, although the subject is zoned for commercial use, there has not been demand for commercial land this far removed from the highway with limited visibility and no city services or access roads.



PROPERTY DATA:

FIVE YEAR PROPERTY SALES HISTORY, USE HISTORY:

This site has been under the ownership of Angeline A. Gillitzer since 1995, when Angeline and Delbert (deceased) built the home on this site. No sales or transfers of this property have occurred during the past five years and the property is not listed for sale at this time.

ASSESSED VALUE AND PROPERTY TAX DATA:
According to City tax records the subject has a property tax identification and history as follows:

Owner of Record:

Angeline A. Gillitzer
511 17th Avenue South
Waite Park, MN 56387

Property Taxes Payable 2015: $2,684, Residential Homestead
Assessor's 2015 Market Value Estimate: $217,200

ZONING DATA:

The parcel is within the B-2, General Commercial Zone classification. The ordinance is partially presented on the following pages.

Section 52.27. B-2 Commercial/General Business District.

Subd. 1. Intent. The B-2 General Business District provides space for concentrated general business and commercial activities or central business district at locations where the interaction between those activities can be maximized with minimal infringement on residential neighborhoods. This district is suitable for areas guided to general commercial/business in the Comprehensive Plan.

Subd. 2. Permitted Uses. The following uses shall be permitted within the B-2 General Business District:

A. Retail shopping uses - stores and shops selling household goods over a counter or selling personal services. Included are stores selling antiques, art and school supplies, auto accessories and installation when within a completely enclosed building, bakery goods, bicycles, building materials that are within completely enclosed buildings, candy, camera and photographic supplies, carpets and rugs, china and glassware, clothing and costumes, dry goods, foods, electric and household appliances, furniture, fur goods, garden supplies (year-around operation only and when completely enclosed in a building), hardware, hobby supplies, jewelry, leather goods and luggage, Class I and Class II motor vehicle, farm equipment and boat sales that are within a completely enclosed building, musical instruments, office supplies, paint and wallpaper, records, shoes, sporting goods, tobacco goods, and toys. Included are the following personal services: licensed therapeutic massage enterprises, barber shops, beauty shops, laundries and dry cleaning, photography studios, picture framing, locksmith shops, and repair incidental to sale of goods listed above.

B. Banks and financial institutions.

C. Medical, optical and dental offices and laboratories.

D. Hospitals, sanitariums and rest homes.

E. Class I and Class II restaurants, except drive thrus.

F. Offices, business and professional.

G. Public and public utility uses.

H. Travel bureaus, transportation, and ticket offices.

I. Theaters, except drive-in.

J. Freestanding day care facilities.

K. Minor automotive repair and accessory sales

L. Business or trade school.

M. Cabinet and carpentry shops, electrical service, heating, plumbing, soft water service, upholstery or air conditioning service shop.

N. Coin and collectors shop.

O. Convenience store without fuel facilities.

P. Department, discount or general merchandise store.

Q. Class III restaurants.

R. On and off-sale liquor establishments.

S. Employment agencies.

T. Fraternal organizations, YMCA, YWCA.

U. Mortuaries/crematoriums.

V. Motels and hotels.

W. Public buildings and public uses.

Subd. 3. Conditional Uses. The following uses require a conditional use permit within the B-2 District:

A. Animal Hospitals.

B. Commercial recreation such as miniature golf courses, golf driving ranges or archery ranges and amusement places of a commercial nature, including bowling alleys, billiard and pool rooms, skating rinks and trampoline centers, dance halls, night clubs and children amusement parks, but not adult uses or sexually oriented establishments.

C. Car wash.

D. Convenience stores and/or motor fueling stations provided:

1. The subject property abuts an intersection two arterial streets or an arterial and a collector street.

2. The sale of food items is in compliance with state and county standards and subject to the approval of a Health Inspector who shall provide specific written sanitary requirements for each proposed sale location.

3. The approximate area and location devoted to non-automotive merchandise sales shall be specified in general terms in the application.

4. Motor fuel facilities are installed in accordance with state standards.

5. Adequate space shall be provided to access gas pumps and allow maneuverability around the pumps. Underground fuel storage tanks are to be positioned to allow adequate access by motor fuel transports and unloading operations minimize conflict with circulation, access and other activities on the site.

6. Wherever fuel pumps are to be installed, pump islands shall be installed.

7. A protective canopy located over the pump island(s) may be an accessory structure on the property however adequate visibility both on and off site shall be maintained.

8. An internal site pedestrian circulation system shall be defined and appropriate provisions made to protect such areas from encroachments by parked cars or moving vehicles.

E. Planned Developments - business - including, but not limited to, shopping centers and any expansion or enlargement or structural change in an existing shopping center.

F. Drive thru restaurants provided a traffic circulation plan (pedestrian and vehicular) is submitted and approved by the City Council.

G. Commercial parking lots.

H. Wholesale businesses, but not wholesale storage.

I. Churches and private schools, including music and dance schools, day-care centers, and nurseries when located within a church.

J. Class I motor vehicle sales when part of a planned development pursuant to Section 19.38.01 of this Code.

K. Class III motor vehicle sales.

L. Uses the City Council determines to be similar in nature to the listed permitted and conditional uses above and not detrimental to the City's general health and welfare.

Subd. 4. Interim Uses. The following uses are permitted subsequent to the issuance of an interim use permit.

A. Outdoor seasonal sales.

B. Exterior displays intended to persist for more than 24 hours provided:

1. Exterior displays do not interfere with accessibility to the principal structure.

2. Exterior displays do not block fire lanes.

3. Exterior displays do not interfere with required parking areas and/or drive isles.

4. Exterior displays do not interfere with pedestrian traffic.

5. Exterior displays do not contain advertising.

6. Exterior displays do not create litter/garbage.

7. Exterior displays are maintained in a neat manner.

8. The display is compliant with other provisions of this Ordinance.

C. Exterior/Outdoor storage of materials under Section 52.49.11 of this Ordinance.

Subd. 5. Permitted Accessory Uses.

A. Off-street parking and loading areas this Ordinance permits or requires.

B. Class II motor vehicle sales accessory to Class I motor vehicle sales.

C. Exterior displays intended to persist for less than 24 hours provided:

1. Exterior displays do not interfere with accessibility to the principal structure.

2. Exterior displays do not block fire lanes.

3. Exterior displays do not interfere with required parking areas and/or drive isles.

4. Exterior displays do not interfere with pedestrian traffic.

5. Exterior displays do not contain advertising.

6. Exterior displays do not create litter/garbage.

7. Exterior displays are maintained in a neat manner.

8. The display is compliant with other provisions of this Ordinance.

D. Minor repair of motor vehicles accessory to Class I motor vehicle sales.

E. Signs per the requirements of the City Code.

F. Temporary buildings for construction purposes for a period not to exceed construction.

Subd. 6. Lot, Yard, Height and Area Requirements for the B-2 General Business strict.

A. Lot Area: Minimum lot size shall be 30,000 square feet. Minimum lot width shall be one hundred (100) feet.

B. Minimum frontage on public street: 50 feet.

C. Setbacks:

1. Front yard setback shall be thirty (30) feet at the building line or the average setback of structures on the adjacent lots.

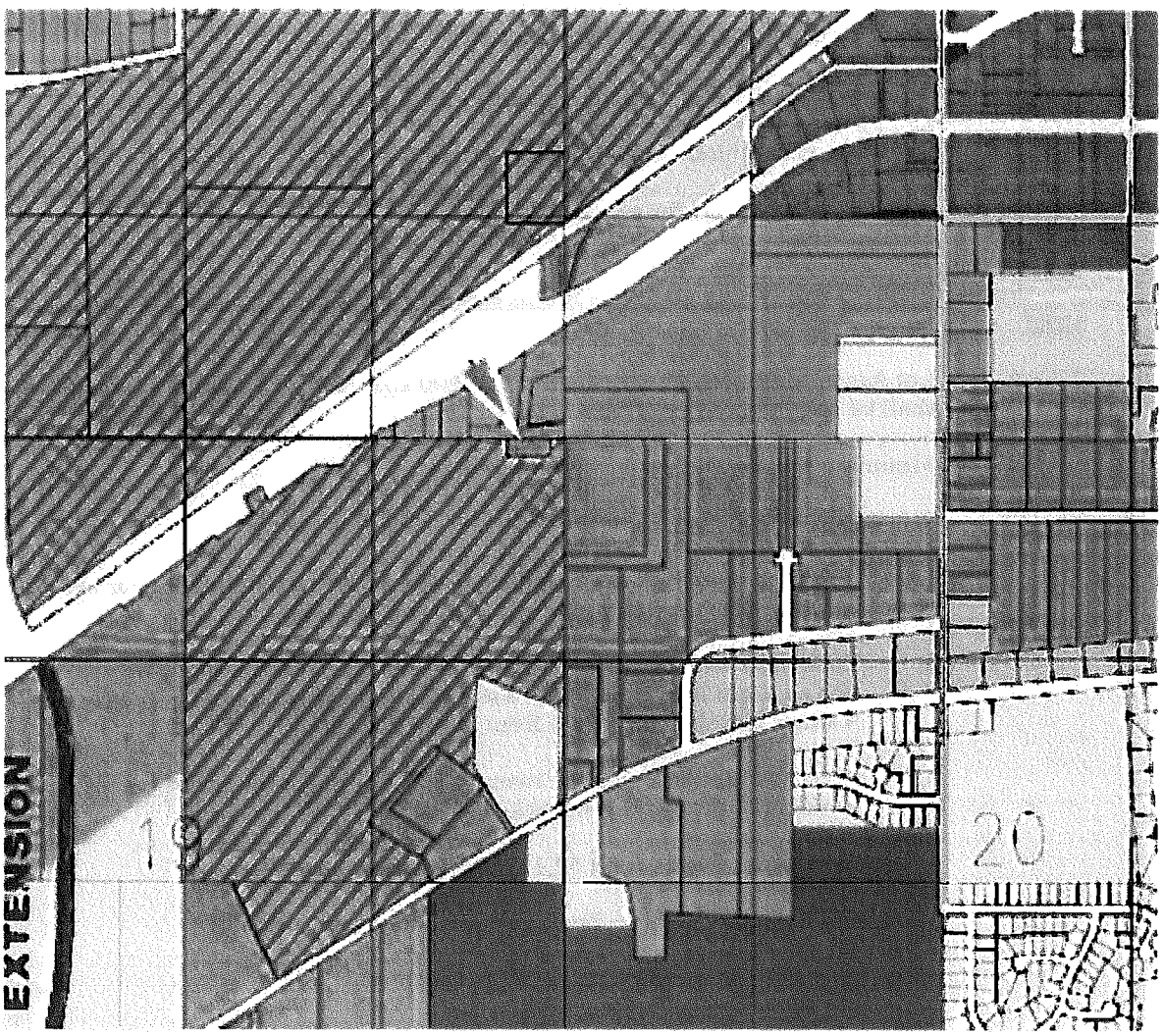
2. Side yard setback shall be ten (10) feet or the average side yard setback of the adjacent lots, except that the minimum setback shall be five (5) feet. Corner lots shall have two front yard setbacks.

3. Rear yard setback shall be twenty (20) feet or the lot directly abuts a residential district the setback shall be fifty (50) feet.

4. Wetlands: Per Section 52.12, Subd. 6(F).

D. Maximum Building Height: Two (2) stories or thirty (30) feet.

This zone requires a minimum lot size of 30,000 square feet, a minimum width of 100 feet and a front yard setback of 30 feet. After the acquisitions, the subject will be set back 61 feet from the right of way, more than adequate to meet the ordinance and not unusually close to the road compared to other homes in the Waite Park marketplace. Single family use is not a permitted use in the B-2 District, so the home and garages are legal, non-conforming uses which appear to be grandfathered-in. The city indicates that the residential use can continue unless the use is discontinued for one year. The use would also be transferrable in a sale. I stated earlier that it is my opinion the home does contribute significantly to the value of the site and will very likely remain in use on this lot as a single family home for the next few decades. Following is a map of the zoning at the subject site.



SUBJECT AREA-ORANGE IS B-2; GENERAL COMMERCIAL ZONE

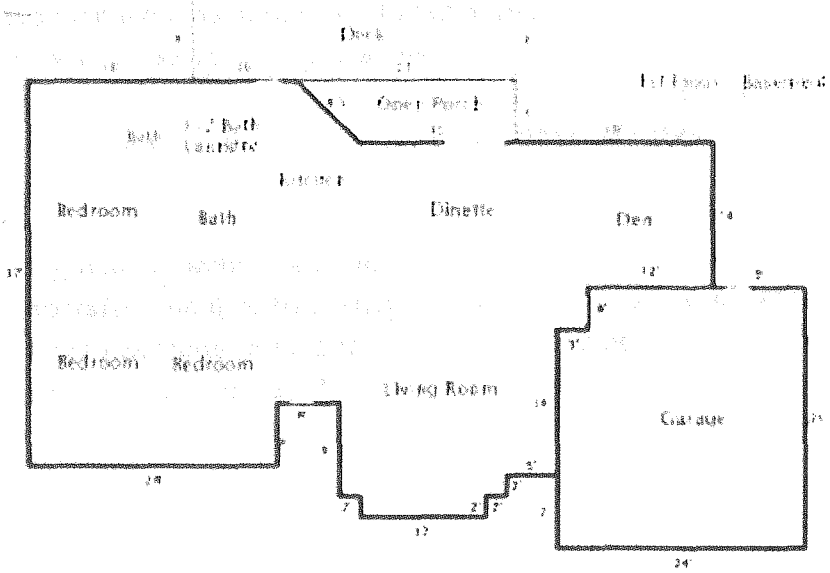
PRESENTATION OF APPRAISAL BEFORE ACQUISITION:

At this point in the appraisal process I will inject the form appraisal portion of the report which includes some of the building description and site attributes of the subject before the acquisitions and the building of the newly proposed 17th Avenue South. As this is a good quality, custom built single family home on a wooded lot, I have estimated that the highest value would be achieved by continued use of the home as a custom single family dwelling until such time that the commercial market strengthens and demand moves to the subject site, causing conversion of the land to commercial development. At this time, there is no visibility or improved access to achieve commercial use. That commercial use could only be accomplished when the street project is complete and demand increases substantially for vacant commercial land.

So the Gillitzer home and site will be valued in the before and after instances using a residential sales comparison method and cost method, utilizing the commonly applied residential form report which will be generated by John Gustafson, reviewed by me and inserted into the report. As mentioned, the form report was completed during March of 2015 and the before value as of May 4, 2015 is believed to be the same.

Building Sketch

Borrower/Client			
Property Address 511 17th Ave S			
City White Bear	County Stearns	State MN	Zip Code 55127
Lender			



Comments

AREA CALCULATIONS SUMMARY

Code	Description	Net Size	Net Totals
GLA1	First Floor	2019.00	2019.00
BSMT	Basement	2016.00	2016.00
GAR	Garage	563.00	563.00
P/P	Open Porch	108.00	108.00
DWP	Deck	[illegible]	[illegible]

LIVING AREA BREAKDOWN

	Breakdown		Subtotals
FIRST FLOOR			
	18.0 x 56.0		1008.00
	8.0 x 56.0		448.00
	5.0 x 24.0		120.00
	7.0 x 41.0		287.00
1.5 p	6.0 x 6.0		36.00
	5.0 x 16.0		80.00
	7.0 x 21.0		147.00
	8.0 x 20.0		160.00
	2.0 x 13.0		26.00

Net Livable Area (rounded) 2019 Gross Building Area (rounded) 2019

RESIDENTIAL APPRAISAL SUMMARY REPORT

File No.:

DESCRIPTION OF IMPROVEMENTS (continued)

Interior Description		Appliances		Attic None	Amenities		Car Storage None
Floors	Carpet/Hardwood	Refrigerator	P	Stairs	Fireplace(s) # 1 Gas FP	Woodstove(s) #	Garage # of cars (8 Tot.)
Walls	Drywall	Range/Oven	P	Drop Stair	Patio	Front Patio	Attach. 2
Trim/Finish	Oak	Disposal		Scuttle X	Deck	Composite	Detach.
Bath Floor	Ceramic Tile	Dishwasher	X	Doorway	Porch	Open Porch	Blt.-In
Bath Wainscot	Fiberglass	Fan/Hood		Floor	Fence		Carport
Doors	Solid Oak	Microwave		Heated	Pool		Driveway 6
		Washer/Dryer	P	Finished	Other	Pole Building	Surface Asphalt

Finished area above grade contains: 7 Rooms 3 Bedrooms 2.5 Bath(s) 2,018 Square Feet of Gross Living Area Above Grade

Additional features: See attached comments.

Describe the condition of the property (including physical, functional and external obsolescence): See narrative.

SALES COMPARISON APPROACH

SALES COMPARISON APPROACH TO VALUE (if developed) The Sales Comparison Approach was not developed for this appraisal.

FEATURE	SUBJECT	COMPARABLE SALE # 1		COMPARABLE SALE # 2		COMPARABLE SALE # 3	
Address 511 17th Ave S Waite Park, MN 56387		30902 1st Avenue NE St. Joseph, MN		32014 November Drive St. Joseph, MN		5000 County Road 136 St. Augusta, MN	
Proximity to Subject		4.14 miles NW		4.32 miles NW		5.28 miles SE	
Sale Price	$		$ 246,000		$ 220,000		$ 285,000
Sale Price/GLA	$ /sq.ft.	$ 133.33 /sq.ft.		$ 136.14 /sq.ft.		$ 133.18 /sq.ft.	
Data Source(s)	Inspection	MLS & Exterior Inspection		MLS & Exterior Inspection		MLS & Exterior Inspection	
Verification Source(s)	Tax Records	62 Days on Market		239 Days on Market		257 Days on Market	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) $ Adjust.	DESCRIPTION	+(-) $ Adjust.	DESCRIPTION	+(-) $ Adjust.
Sales or Financing		VA		Conventional		Conventional	
Concessions		Closing Costs	-7,380	None		None	-3,000
Date of Sale/Time		4/14	+18,900	7/13	+31,600	5/13	+45,600
Rights Appraised	Fee Simple	Fee Simple		Fee Simple		Fee Simple	
Location	Suburban	Similar		Similar		Similar	
Site	1.32 Acres	1.00 Acres	+3,000	.96 Acres	+3,500	5.00 Acres	-36,800
View	Woods/Commercial	Residential	-11,900	Residential	-11,000	Residential	-14,500
Design (Style)	Rambler	4 Level Split		Split Entry		Rambler	
Quality of Construction	Avg. to Good Quality	Similar Quality		Similar Quality		Similar Quality	
Age	20 Years	25 Years		21 Years		15 Years	
Condition	Good 10 Yrs. Eff	Good 12 Yrs. Eff	-2,000	Good 10 Yrs. Eff		Good 7 Yrs. Eff	-3,000
Above Grade Room Count	Total Bdrms Baths 7 3 2.5	Total Bdrms Baths 6 3 2.5		Total Bdrms Baths 6 2 1.5	+6,000	Total Bdrms Baths 8 3 3.5	-2,000
Gross Living Area	2,018 sq.ft.	1,645 sq.ft.	+4,325	1,676 sq.ft.	+10,350	2,140 sq.ft.	3,050
Basement & Finished	Full	Full		Full		Partial	+3,000
Rooms Below Grade	Unfinished	2 Rooms, 1/2 Bath	-5,000	3 Rooms, 3/4 Bath	-9,000	2 Rooms, 1 Bath	-7,000
Functional Utility	Average Utility	Similar Utility		Similar Utility		Similar Utility	
Heating/Cooling	GFA/Central	GFA/Central		GFA/Central		GFA/Central	
Energy Efficient Items	Average	Average		Average		Average	
Garage/Carport	2 Car Attached	3+ Car Attached	-6,000	2 Car Attached		2 - 2 Car Attached	-6,000
Porch/Patio/Deck	UpPch,Patio,Deck	UpPch, Large Deck		Patio	+4,000	UpPch,StPch,Lg Patio	2,000
Fireplace	1 Fireplace	1 Fireplace		None	+2,500	1 Fireplace	
Lawn Irrigation	Yes	Yes		Yes		None	+5,000
Outbuildings	Pole Building	None	+10,000	2 Car Detached Garage		Lg Pole Building w/heat	15,000
Net Adjustment (Total)		X + - $	6,945	X + - $	37,550	+ X - $	36,750
Adjusted Sale Price of Comparables		$	252,945	$	257,550	$	246,250

GP RESIDENTIAL Form GPRC52G LT - TOTAL appraisal software by a la mode, inc. - 1-800-ALAMODE 3/2007

33

RESIDENTIAL APPRAISAL SUMMARY REPORT

File No.:

SALES COMPARISON APPROACH (continued)

Summary of Sales Comparison Approach See narrative.

Indicated Value by Sales Comparison Approach $ 253,000

TRANSFER HISTORY

My research did X did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.

Data Source(s): MLS / Public Records

1st Prior Subject Sale/Transfer	Analysis of sale/transfer history and/or any current agreement of sale/listing: NA
Date: None within last 3 years	
Price: NA	
Source(s): MLS / Public Records	
2nd Prior Subject Sale/Transfer	
Date:	
Price:	
Source(s):	

COST APPROACH

COST APPROACH TO VALUE (if developed) The Cost Approach was not developed for this appraisal.

Provide adequate information for replication of the following cost figures and calculations.

Support for the opinion of site value (summary of comparable land sales or other methods for estimating site value): Site value based on market trends and recent land sales in this area. Information provided should not be relied upon for insurable value.

ESTIMATED REPRODUCTION OF X REPLACEMENT COST NEW

Source of cost data Marshall & Swift Valuation Guide

Quality rating from cost service Avg Std Effective date of cost data March 2015

Comments on Cost Approach (gross living area calculations, depreciation, etc.)

Cost estimates are derived from office files and the Marshall & Swift Cost Service. The site value is based on recent sales and active listings. Physical depreciation reflects physical wear and is based on the age/life method with a total economic life of 65 years. Estimated remaining economic life is 45 years. The land to value ratio is 17.0%. This is typical for the area. See sketch for square footage calculations.

OPINION OF SITE VALUE				= $	45,000
DWELLING	2,018	Sq Ft @ $	95.10	= $	191,954
Basement	2,018	Sq Ft @ $	20.75	= $	41,874
Porch & Decks	355	Sq Ft @ $	19.16	= $	6,801
Pole Building	1,352	Sq Ft @ $	15.47	= $	20,915
		Sq Ft @ $		= $	
Entrepreneurial Profit Time & Area Multipliers				= $	64,370
Garage/Carport	588	Sq Ft @ $	23.57	= $	13,859
Total Estimate of Cost New				= $	348,023
Less Physical	Functional	External			
Depreciation 63,277	14,737	71,187		= $	149,701
Depreciated Cost of Improvements				= $	198,322
"As is" Value of Site Improvements				= $	24,137
				= $	
				= $	
INDICATED VALUE BY COST APPROACH				= $	268,459

Estimated Remaining Economic Life (Required) 45 Years

RESIDENTIAL APPRAISAL SUMMARY REPORT

File No.:

INCOME APPROACH

INCOME APPROACH TO VALUE (if developed) X The Income Approach was not developed for this appraisal.

Estimated Monthly Market Rent $ X Gross Rent Multiplier = $ **Indicated Value by Income Approach**

Summary of Income Approach (including support for market rent and GRM):

PUD

PROJECT INFORMATION FOR PUDs (if applicable) The Subject is part of a Planned Unit Development.

Legal Name of Project:

Describe common elements and recreational facilities:

RECONCILIATION

Indicated Value by: Sales Comparison Approach $ 253,000 **Cost Approach (if developed) $** 268,459 **Income Approach (if developed) $**

Final Reconciliation The sales comparison approach best reflects the actions of the typical buyer. Most weight was placed on comparables #1 and #2 as they had the least gross adjustments. The cost approach offers additional support.

This appraisal is made X "as is", subject to completion per plans and specifications on the basis of a Hypothetical Condition that the improvements have been completed, subject to the following repairs or alterations on the basis of a Hypothetical Condition that the repairs or alterations have been completed, subject to the following required inspection based on the Extraordinary Assumption that the condition or deficiency does not require alteration or repair.

X This report is also subject to other Hypothetical Conditions and/or Extraordinary Assumptions as specified in the attached addenda.

Based on the degree of inspection of the subject property, as indicated below, defined Scope of Work, Statement of Assumptions and Limiting Conditions, and Appraiser's Certifications, my (our) Opinion of the Market Value (or other specified value type), as defined herein, of the real property that is the subject of this report is: $ 255,000 **, as of:** March 5, 2015 **, which is the effective date of this appraisal.**
If indicated above, this Opinion of Value is subject to Hypothetical Conditions and/or Extraordinary Assumptions included in this report. See attached addenda.

Appraiser Inspection of Subject: X Interior & Exterior Exterior Only None Co-Appraiser Inspection of Subject: X Interior & Exterior Exterior Only None

Date of Inspection: July 19, 2012 Date of Inspection: July 19, 2012

ATTACHMENTS

A true and complete copy of this report contains N/A pages, including exhibits which are considered an integral part of the report. This appraisal report may not be properly understood without reference to the information contained in the complete report.

Attached Exhibits:

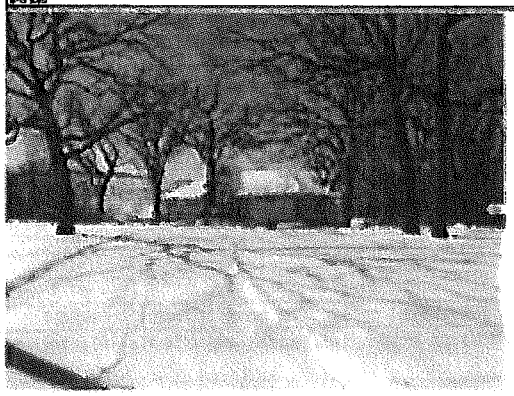
Scope of Work	Limiting Cond. Certificate	Narrative Addendum	Photograph Addenda	Sketch Addendum
Map Addenda	Additional Sales	Cost Addendum	Flood Addendum	Hand Sketch Addendum
Hypothetical Conditions	Extraordinary Assumptions			

GENERAL COMMENTS

See narrative.

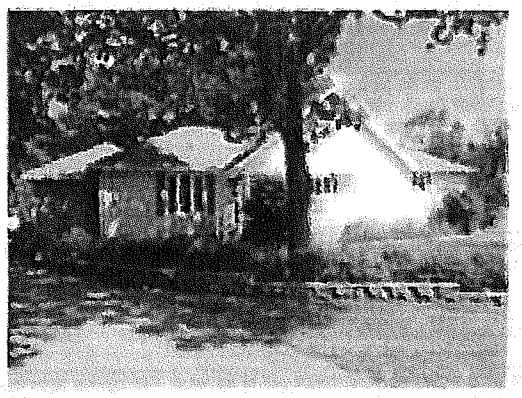
Subject Photo Page

Borrower/Client				
Property Address 511 17th Ave S				
City [illegible]	County [illegible]	State MN	Zip Code [illegible]	
Lender				

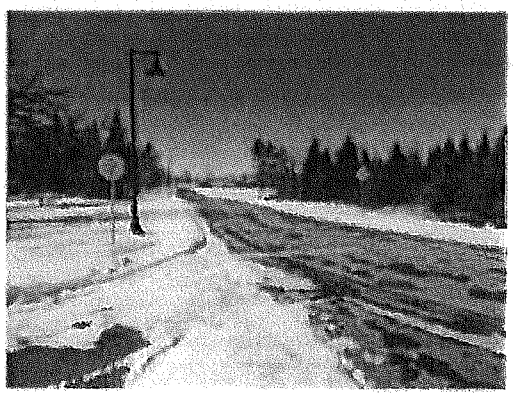


Subject Front (3/5/15)

511 17th Ave S
Sales Price
Gross Living Area 2,013
Total Rooms 7
Total Bedrooms [illegible]
Total Bathrooms 2.5
Location [illegible]
View [illegible]
Site 1.33 Acre
Quality Avg to Good Quality
Age 24 Years



Subject Rear



Subject Street (3/5/15)

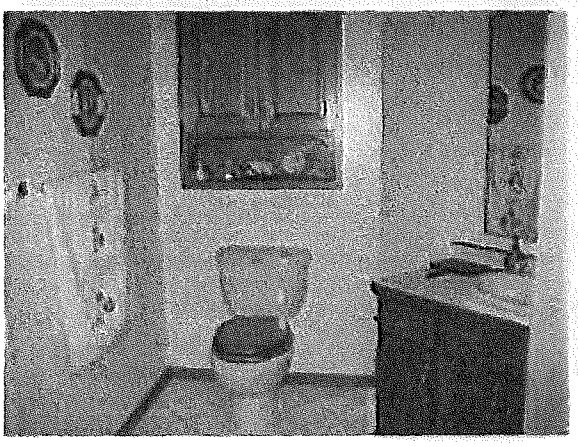
Subject Interior Photo Page

Borrower/Client			
Property Address 511 17th Ave S			
City Wisp Park	County Stearns	State MN	Zip Code 56377
Lender			

Subject Kitchen

511 17th Ave S	
Sales Price	
Gross Living Area	2,203
Total Rooms	7
Total Bedrooms	3
Total Bathrooms	2.5
Location	Suburban
View	Woods/Commercial
Site	1.30 Acres
Quality	Avg. to Good Quality
Age	20 Years

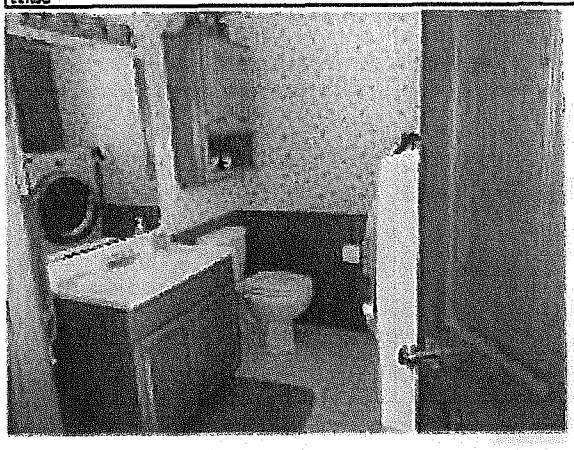
Subject Living Room



Subject Bath

Subject Interior Photo Page

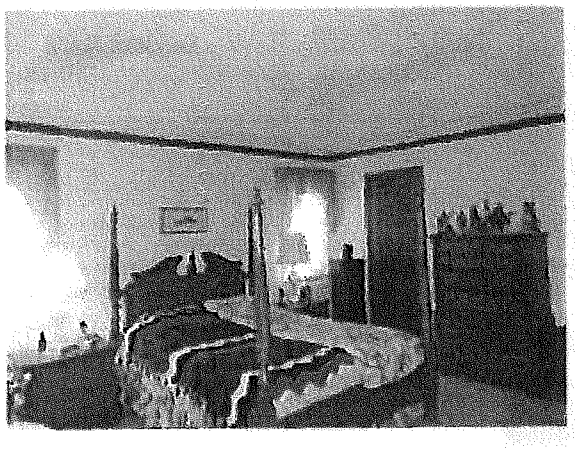
Borrower: Diant				
Property Address: 511 17th Ave S				
City: Wood Park		County: Stearns	State: MN	Zip Code: 56387
Lender:				



Subject Bath

511 17th Ave S	
Sales Price	
Gross Living Area	2,[illegible]18
Total Rooms	7
Total Bedrooms	3
Total Bathrooms	2.5
Location	Suburban
View	Woods Commercial
Site	1.32 Acres
Quality	Avg. to Good Quality
Age	20 Years

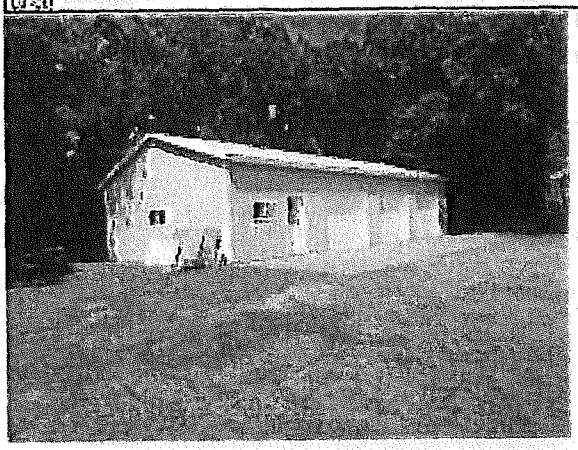
Subject Family Room



Subject Bedroom

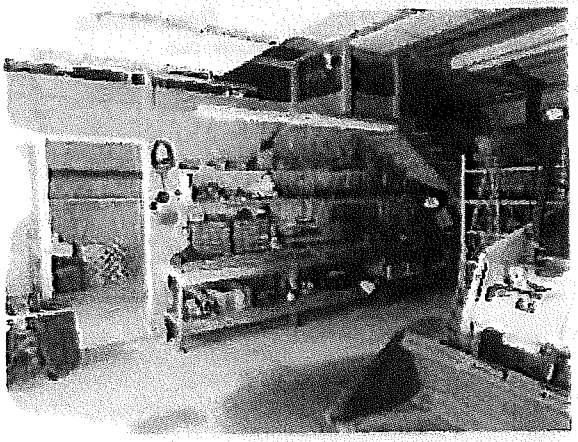
Subject Interior Photo Page

Borrower/Client				
Property Address	611 17th Ave S			
City	Waite Park	County Stearns	State MN	Zip Code 56387
Lender				



Subject Pole Building

611 17th Ave S	
Sales Price	
Gross Living Area	2,018
Total Rooms	7
Total Bedrooms	3
Total Bathrooms	2.5
Location	Suburban
View	Woods/Commercial
Site	1.32 Acres
Quality	Avg. to Good Quality
Age	20 Years

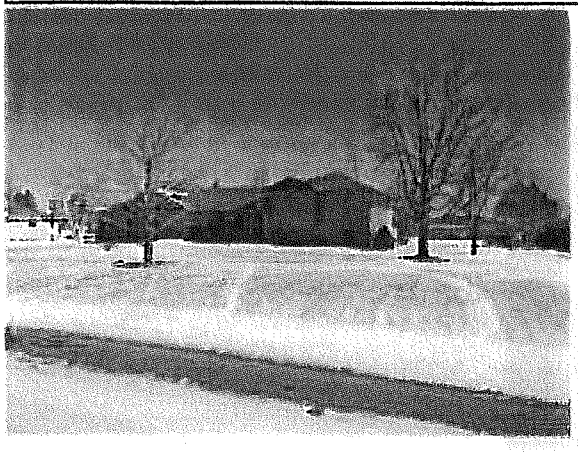


Subject Pole Bldg. Interior

Subject Pole Bldg. Interior

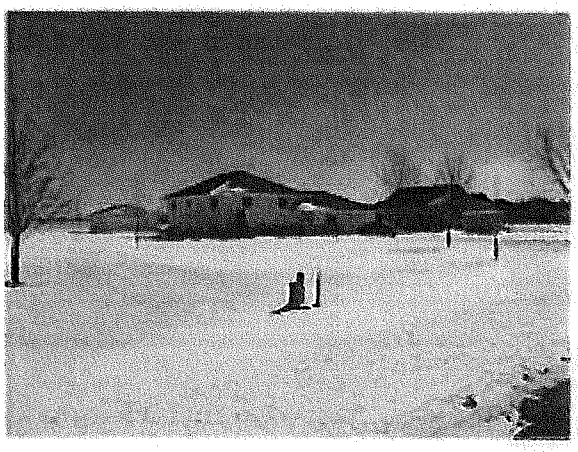
Comparable Photo Page

Borrower: Unit			
Property Address: 5[illegible] 17th Ave S			
City: Waite Park	County: Stearns	State: MN	Zip Code: 56387
Lender:			



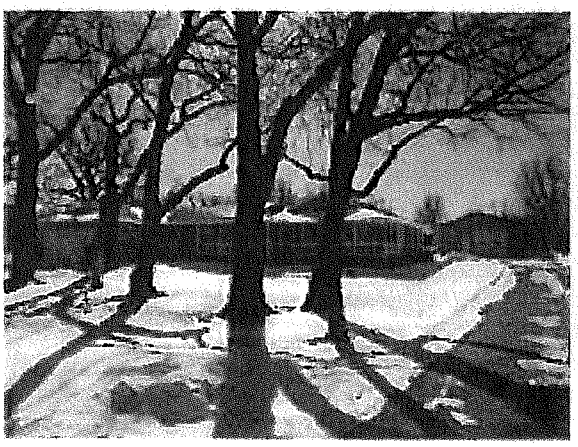
Comparable 1

30502 1st Avenue NE



Comparable 2

[illegible] November Drive

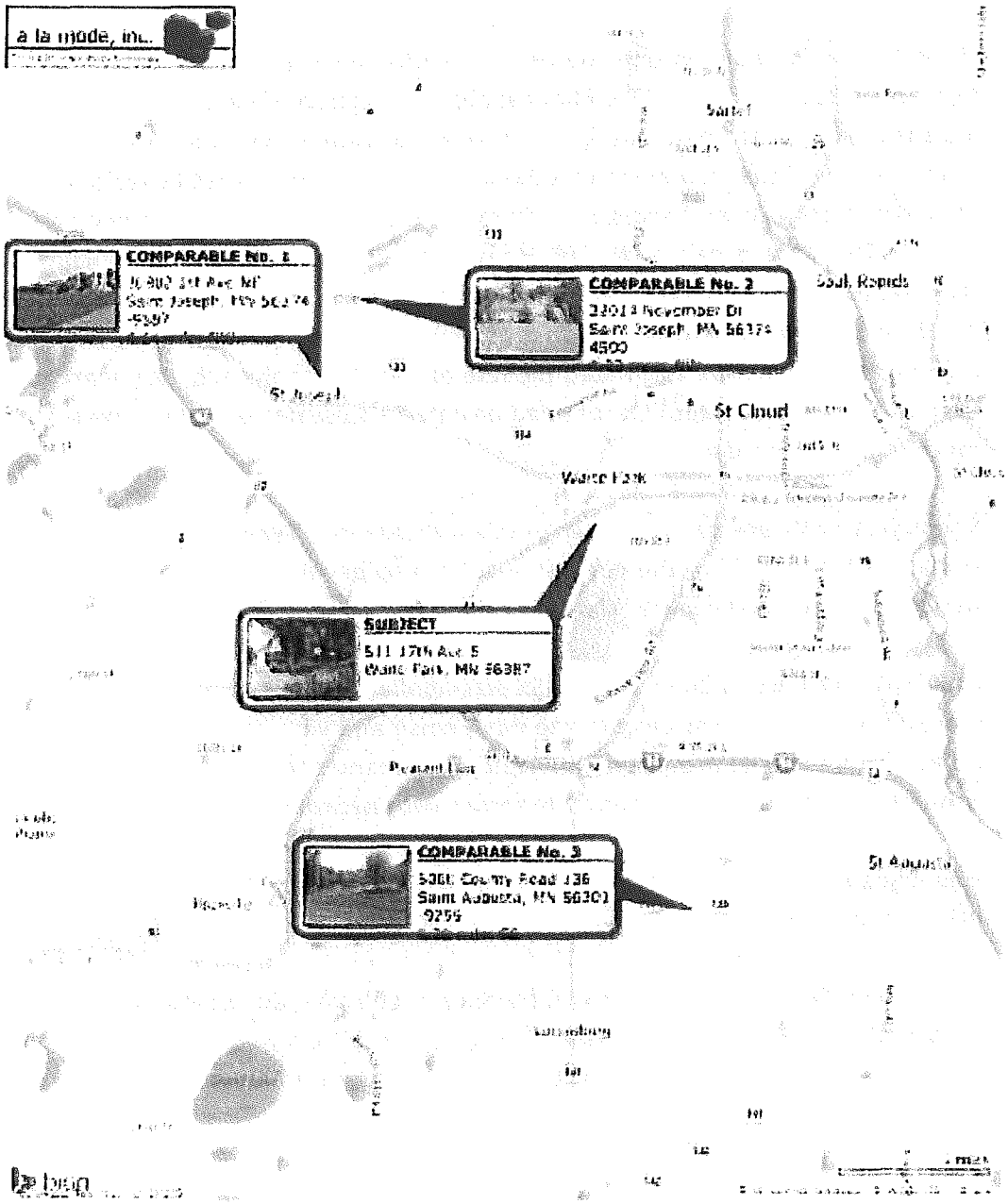


Comparable 3

5000 County Road 135

Location Map

Borrower/Client				
Property Address	511 17th Ave S			
City	Waite Park	County Stearns	State MN	Zip Code 56387
Lender				



ESTIMATED VALUE OF SUBJECT, BEFORE TAKING AS OF MAY 4, 2015: $255,000

SALES COMPARISON COMMENTS / EXPLANATION OF THE ADJUSTMENTS:

Typical seller concessions in this market area range from 0-3%. Seller concessions were deducted from the comparable sales price in the sales grid.

Market condition adjustments are necessary due to rising market values throughout the MLS area since late 2011. The Minneapolis Association of Realtors compiles data from Northstar MLS to estimate changes in residential values over time. The index employs a multi-variable linear regression methodology to determine specific weights that adjust for both seasonality and segment bias to arrive at a real, constant-quality view of home values. The study is called the 10K Housing Value Index and we have included the January, 2015 edition in this report. According to the study, the year over year growth for the MLS region is estimated at 18.75% over the last 24 months. As there may be local variation, we have estimated the rate of growth for the subject's market area to be 9% per year and have applied rounded prorated adjustments to the comparables based on their off market date.

Site adjustments are based on parcel size and quality. Typical adjustments of $10,000 per acre were applied to the comparables to consider the market reaction to the marginal difference in parcel size.

An across the board adjustment of 5% was applied to the comparables to consider the close proximity of the subject to the dust, noise and view of Meridian Aggregate, the adjacent commercial property. The residential market tends to discount residential properties, especially higher end properties with nearby commercial views or influence.

Age adjustments were considered and included within the condition and functional utility adjustments.

Condition adjustments reflect the difference in effective age between the subject and the comparables. The estimate of effective age is a subjective judgment based on exterior inspection, MLS comments and MLS photos. Adjustments are approximately $1,000 per year of effective age difference.

Gross living area adjustments were made using $25 per square foot. Basement finish area adjustments were made at $2,000 per room. Bathroom adjustments are based on

$4,000 per bath and $2,000 per half bath.

Garage space is recognized as a market preference. Adjustments to the comparables reflect market preference for larger garage space.

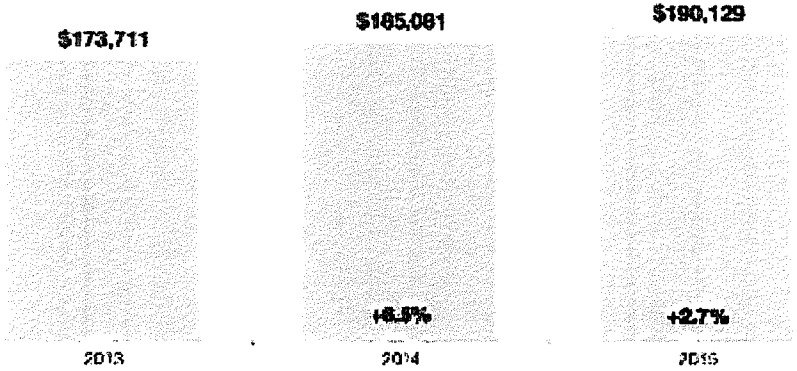
Porch/Patio/Deck adjustments were based on case by case comparison to the subject.

Fireplace adjustments typically range from $1,000 to $2,500 in this market. $2,500 was applied in this case.

Outbuildings were adjusted on a case by case basis based on an estimate of market reaction.

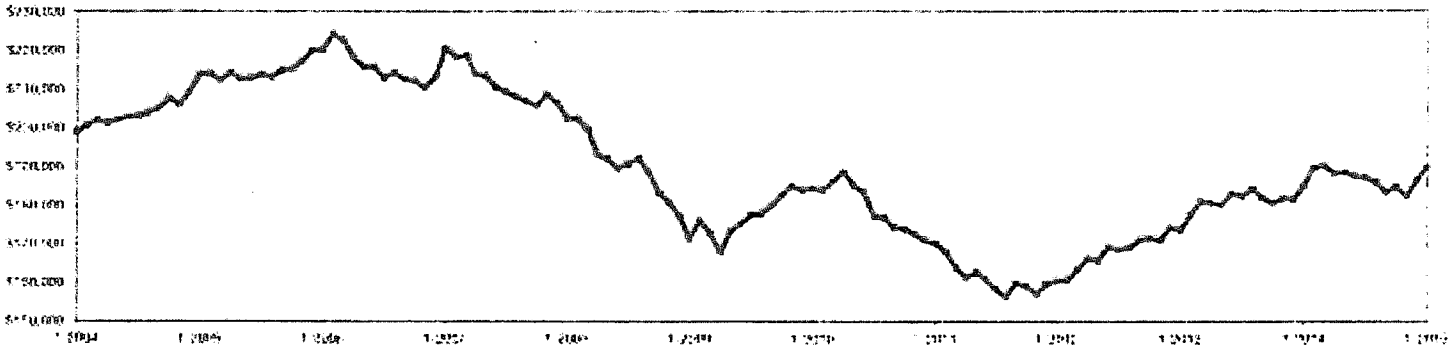
10K Housing Value Index

January



Month	Prior Year	Current Year	+/-
February	$177,621	$189,983	+7.0%
March	$181,061	$190,695	+5.3%
April	$183,661	$188,452	+4.3%
May	$183,168	$185,734	+1.7%
June	$183,134	$187,670	+2.5%
July	$182,462	$187,303	+2.6%
August	$184,363	$186,220	+1.0%
September	$182,120	$183,656	+0.8%
October	$180,593	$184,931	+2.4%
November	$181,867	$182,545	+0.4%
December	$181,645	$186,479	+2.7%
January	$185,081	$190,129	+2.7%
12-Month Avg	$181,736	$187,232	+3.0%

Historical 10K Housing Value Index



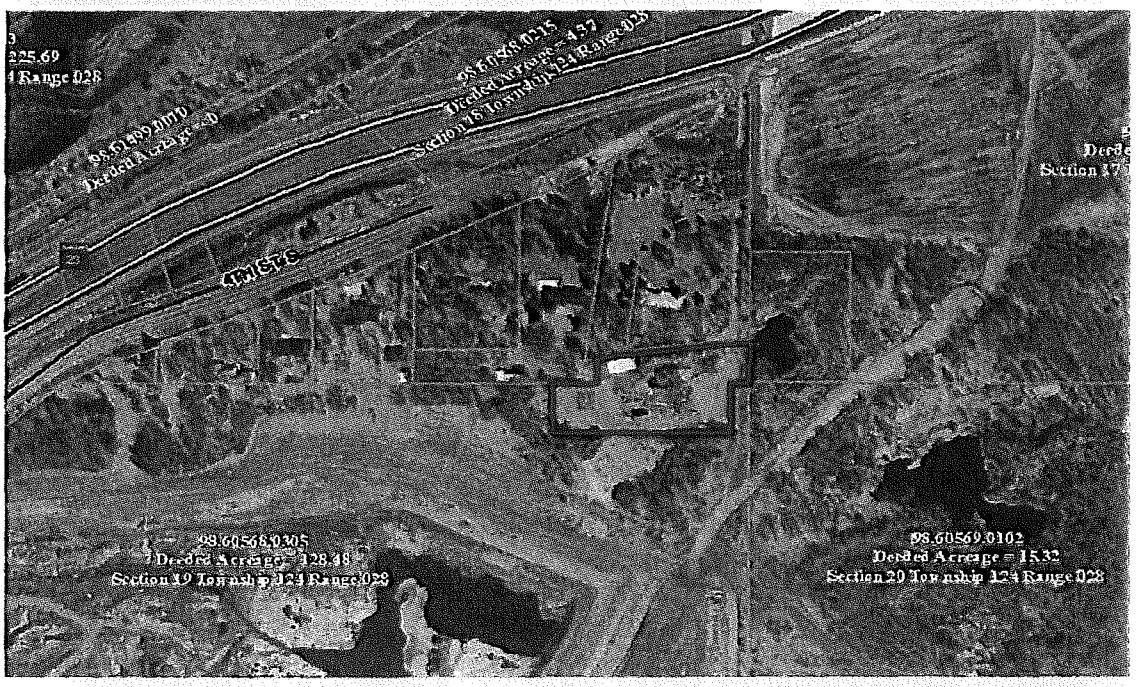
SITE COMMENTS:

The site is wooded and provides a private setting for the occupants. Access is from the newly constructed intersection of 17th Avenue South and 4th Street South via a gravel-surfaced, narrow driveway.

In terms of size and topography, the subject is located on a typical site. The lawn is nicely landscaped and has mature trees and shrubs. Typical easements have been considered in estimating the market value. Special assessment fees pertain to solid waste removal and are typical for the area. The subject has private well and septic which is common in the area and these improvements will not be damaged by the acquisitions.

Meridian Aggregates Company operates an adjacent mining facility to the south and west of the subject. There is blasting on a regular basis which can be heard and felt at the subject site several times per day. In the future Meridian may mine immediately south of the home, behind the berm as they do own that land and it is part of a conditional use permit which allows mining.

The following image is an aerial of the subject snipped from a county source.



ADDITIONAL FEATURES:

The subject has high efficiency heating system and windows. There is a small hobby room partitioned off in the otherwise unfinished basement. The exterior walls are 2" x 8" wood frame with steel siding, fascia and aluminum soffits. Additional features include a two story vaulted hip roof design, two car attached garage, central air, recycled vinyl composite rear fenced deck, hardwood flooring, six panel solid interior doors, built-in kitchen desk, gas fireplace and sunken living room with custom oak railings and lawn irrigation system. There is also a detached 26' x 52' pole building on slab with 10' sidewalls and 100 amp electrical service. A 12' x 26' interior portion of the pole building is insulated and has a storage mezzanine. There is also a functioning drilled well and private septic system which is typical for the area.

CONDITION OF THE IMPROVEMENTS:

The property was inspected during our initial viewing during 2012 and was updated via a drive-by inspection for this updated report. At the time of our first inspection we looked for physical, functional, and external inadequacies. The dwelling and outbuilding appeared to be well maintained and in good physical condition. All utilities were turned on and appeared functional at the time of inspection. The quality of the home is above average and the design is custom.

Physical depreciation was limited to typical wear and tear due to light use and natural aging of the improvements compared to new. The subject has a chronological age of 20 years. We estimate the effective age of the subject to be 10 years of an expected total estimated economic life of 55 years. Physical depreciation of 18.2% has been applied in the cost method to consider the overall physical condition of the subject. Physical depreciation was considered in the effective age adjustment line of the sales method.

Functional obsolescence was noted in two areas. The first is an age related loss of value due to the lack of desirability of the subject compared to a newly built home. The second component of obsolescence was noted in the large size of the dwelling. The subject has 2,018 feet of finished area above grade while most homes in this market of similar quality are 1,700 square feet or less. The market value added for the roughly 300 square feet beyond the norm is less than the replacement cost of the square footage. These drawbacks were considered in the sales method by bracketing the subject's size and age by the comparables. We estimate a penalty of 5% functional obsolescence adequately considers these items in the cost method.

External obsolescence was noted due to the price contraction of the market over the past several years as well as the location near a rock pit and the frequent noise and vibration (mining, dust, blasting, etc.) attributed to this external nuisance. This external obsolescence was considered in the sales method by utilizing sales which are less than two years old; as external obsolescence of 25% in the cost method.

COST METHOD COMMENTS:

Land Value Estimate: The first step in the cost method is to estimate the value of the land for its highest and best use, as if vacant and available for such use. The method used to accomplish this is to utilize sales of comparable sites which have similar highest and best use potential.

We conducted a 7 mile wide Northstar MLS search for fringe area vacant land sales, pending sales and active listings. The search concentrated on residential development sites in the south and west metro in areas without the availability of city sewer and water. Sales over the last 2 years revealed 16 properties which were examined from a desktop perspective. We also examined 8 active listings; there were no pending sales available at the time of search. From that group we conducted a field review of the sales most comparable to the subject site to note location, access, and site amenities for direct comparison to the subject.

The most recent comparable sale is a 3.35 acre wooded parcel with over 500 feet of steep frontage along the Mississippi River in a commercial area surrounded by Heatherwood Road just east of the I-94 CR 75 interchange. This property was offered in 2011 for $149,900 but didn't sell. It was put back on the market in August of 2014 for $84,900. The price was then reduced and a sale occurred in January, 2015 for $68,500. An interview with the listing agent revealed there was considerable market resistance due to the surrounding commercial influence. The site is ideal for a walkout dwelling overlooking the river and is substantially larger than the subject. The address of this sale is 4406 Walice Drive in St. Cloud. The PID is 82.47749.0450.

Another sale of note is a 1.4 acre site several miles south of the subject just east of Luxemburg at 23370 Terrace Hills Court in St. Augusta. The PID is 81.43328.0357. The parcel is heavily wooded and located in a platted neighborhood built up with higher end homes. This site sold for $69,000 in August of 2014. Again, overall is superior to the subject.

We located another St. Augusta sale at 24303 32nd Avenue near County Road 115. This is a 1.42 acre cul-de-sac site in a platted wooded neighborhood. This property sold in December of 2012 for $50,000. Overall we judged this site slightly superior to the subject due to its location in a platted residential neighborhood. The PID is 81.43199.0210.

There was a 3.77 open residential parcel located west of the subject and north of St. Joseph that sold for $68,000 in August of 2014. Although the site is not wooded, it was located in a newer platted residential development. Overall this parcel is superior to the subject due to its location and size. The PID is 31.21406.0021.

The final sale we viewed was a .32 acre site in Pleasant Acres north of St. Joseph. This is an older subdivision of smaller sites built up with lower quality dwellings of varied condition. This wooded side to side sloped parcel was on the market for 193 days and sold for $12,000. This property was clearly inferior to the subject. The PID is 33022471.0000.

The available market data leads us to estimate the land value of the subject before the acquisition to be $45,000 or $0.783 per square foot.

We turned to three comparable active listings to consider the current market in our land value estimate and found them quantitatively consistent with our value estimate.

Land Value Estimate of Subject Site, Before Acquisition: $45,000

Cost estimates used in the preceding form were derived from the nationally recognized cost authority, the Marshall Valuation Cost Service Manual. The Marshall Manual is basically a replacement cost manual which estimates the cost to replace the subject with a home of generally similar quality and functional utility, but not to reproduce a replica.

INCOME APPROACH COMMENTS:

The income approach was considered but not developed in this appraisal as most residential single family properties in this market are owner occupied and do not produce income.

EXPOSURE TIME:

Marketing time, as estimated previously in this report, is the typical length of time the properties in the subject neighborhood would be expected to be on the market prior to a sales agreement.

Exposure time as defined by the USPAP is the estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal.

A reasonable estimate of 'Exposure Time' for a property of similar value and with similar features to the subject would be in the range of 60 to 120 days.

DATA ANALYSIS AND CONCLUSIONS AFTER ACQUISITION:

Analysis of Highest and Best Use after Acquisition:

After the acquisition the highest and best use of the site will remain the same as it was before the acquisition. I have concluded that the highest and best use of the property is for continued use as a custom single family home and site, at least for the immediate future and perhaps as long as the next two decades. If the home was in average or below average condition or quality, it is possible that conversion to the zoned use (B-2) may occur sooner; however, given the access before and lack of city services and an access point for commercial use, it is unlikely that if this project was not completed the site would not be commercially developed during the next decade.

ESTIMATED VALUE, AFTER THE ACQUISITIONS

I have examined the proposed right of way and easement acquisitions and considered their effect on the value of subject in it's as improved and as if vacant highest and best use considerations as follows:

Parcel Size Considerations:

The site in the before was estimated to have a value of $45,000 or $0.783 per square foot and the site size was 57,500 square feet. The site does not have city water or sewer, natural gas or high speed internet attached. After the acquisition it will have all

of these attributes plus a legal, publically-maintained, heavy duty street access as a result of the project.

The project removes 12,375 square feet of land from the useable portions of the east half of the site (21.5% of site area). So, the size of the useable area of the land after the acquisitions is 45,125 square feet. That remainder size times $0.783= $35,333 after value, subject site.

Before Value, Site:	$45,000
After Value, site with reduced area:	-33,333
Estimated Land Value Loss, Taking:	$ 11,667

Severance Damage to the Home and Site:

After the acquisitions the home will still be a reasonable distance from the public right of way at 60' and this is not anticipated to be a high traffic new roadway, so the presence of the road proximity is not a factor which warrants severance damage to the home and garages. I do, however, note that the mature Burr Oak trees (4), small Black Walnut trees (2), mature Peony bushes (4) four Hydrangeas and a twin-trunked birch tree will be destroyed and therefore will not be available as a vegetative screen to the east of the home. Lastly, it appears that approximately 10 (ten) Rain bird lawn sprinklers will be destroyed by the construction and acquisition of the new right of way and easement. I have estimated that the removal of this vegetation and sprinkler units will contribute to the decrease of site value in the after by fifteen percent of the before value, or:

Before value, site:	$45,000
Less 15% loss of Flora& Site Improvements:	- 6,750
Subtotal, Land:	$38,250
Less Part Taken at Site:	- 11,667
Land Value, after:	**$26,583**

SUMMARY OF VALUE CONCLUSIONS, AFTER ACQUISITION:

VALUE OF THE SUBJECT, BEFORE:	$255,000
PORTION ATTRIBUTABLE TO LAND VALUE:	- 45,000
TOTAL ESTIMATED IMPROVEMENTS VALUE, BEFORE:	$210,000
ESTIMATED IMPROVEMENTS VALUE, AFTER:	$210,000
ESTIMATED SITE VALUE, AFTER:	26,583
ESTIMATED TOTAL VALUE, HOME AND SITE, AFTER:	$236,583

RECAPITULATION OF VALUES:

CORRELATED CONCLUSION OF VALUE, BEFORE ACQUISITIONS:	$255,000
CORRELATED CONCLUSION OF VALUE, AFTER ACQUISITIONS:	-236,583
TOTAL DAMAGES DUE TO ACQUISITIONS AND SEVERANCE:	$ 18,417

DAMAGES ALLOCATED TO:

PART TAKEN AS PART OF THE WHOLE, LAND:	$ 11,667
SEVERANCE DAMAGE TO IMPROVEMENTS:	$ 0
SEVERANCE DAMAGES TO LAND, LOSS OF FLORA & SPRINKLERS:	$ 6,750
TOTAL DAMAGES, ACQUISITIONS AND SEVERANCE:	$18,417

APPRAISER QUALIFICATIONS

MIKE AMO, MAI
valueamo@gmail.com
320-282-1961
417 16th Street North
Sauk Rapids, MN 56379

Professional Affiliations:
MAI-Member of the Appraisal Institute, Certificate #11395
MN Certified General Appraiser License #4000495
CAE Designation, IAAO, Retired.

Education:
Associate Degree, Public Admin. Central Lakes College
Numerous appraisal courses, both as an attendee and as an instructor

Experience:

- Currently self-employed, specializing in estates, eminent domain, park acquisition and special purpose real estate
- Forty-two years in the private and public sector in ad valorem and fee appraisal
- Founder and operator of St. Cloud Appraisal for twenty-four years
- Former City Assessor, City of St. Cloud, Minnesota
- Former Morrison County Assessor, Little Falls, Minnesota
- Real Estate Appraisals performed in eight States
- Experienced & Qualified witness in MN tax court, district court and eminent domain cases with Federal Land Acquisition Standards (Yellow Book)

Clients:

Several local and regional banks, twenty-five Minnesota Counties, fifteen Minnesota Cities, various law firms, engineering companies and public land acquisition agencies. Perform custom assessment assignments for South Dakota Counties.

Formal Coursework:

Have completed all of the coursework required to obtain and retain the MAI designation. The Appraisal Institute conducts a mandatory program of continuing education for its designated members. As of the date of this report I have completed the requirements under the continuing education program of the Appraisal Institute. I am certified under this program through December 31, 2018. In addition, I have taken courses from the American Society of Farm Managers and Rural Appraisers, International Right of Way Assn., International Association of Assessing Officers, Natl. Assn. of Independent Fee Appraisers and Pro-Source. I have instructed courses in: Hotel/Motel Appraisal; Use of the Marshall Valuation Cost Manual; Resort Appraisal; Conservation Easement Appraisal; Appraisal of Small City Commercial Property and Commercial/Industrial Inspections for Appraisers.