

Date: 10/29/24

City of Grand Rapids  
Mayor  
Grand Rapids City Hall  
420 N. Pokegama  
Grand Rapids, MN 55744-2662

In reply refer to: MS 631  
S.P.: 3104-61RW C.S.: 3104 (2=8) 827 Job: TRW238810  
County: Itasca  
Parcel: 325D - Village of Grand Rapids  
Property Address:

The State of Minnesota, acting through its Department of Transportation (MnDOT), will be purchasing a portion of your property for improvements to Highway 2. The person delivering this purchase package is a representative of MnDOT and will explain the procedures involved in the land acquisition process.

This package includes a copy of an appraisal completed by MnDOT for the property being purchased. The certified appraised amount offered to you is \$1,100.00. This amount is for the real estate being acquired and no other damages or loss in value to the remainder property has been identified in the appraisal.

In accordance with Federal and State laws and regulations, eligible property owners and/or occupants of the property on the date of this purchase offer may be entitled to relocation assistance and benefits.

It is important that you review all of the information provided in this purchase package. It will help explain your rights during the purchasing process and assist you in making your decisions. If at any time you have questions or concerns, please contact your MnDOT representative.

Very truly yours,

Joseph D. Pignato, Director  
Office of Land Management

Enclosures:

"Guide for Property Owners" Booklet

Legal Description describing acquisition

Offer to Sell and Memorandum of Conditions (reference copy if applicable)

Conveyance Instrument (reference copy if applicable)

"Relocation Assistance" Booklet (if applicable)

Valuation Report

Appraisal Reimbursement Claim form

Acquisition Incidental Claim form

Plat map (if applicable)

Parcel sketch

Receipt of Valuation Report:

Date: 10/29/2024

Owners Signature: 

**WARRANTY DEED**

STATE DEED TAX DUE HEREON: \$ \_\_\_\_\_

C.S. 3104 (2=8) 827

Parcel 325D

Date: \_\_\_\_\_

County of Itasca

For and in consideration of the sum of \_\_\_\_\_ Dollars (\$ \_\_\_\_\_),

City of Grand Rapids, successor to Village of Grand Rapids, a municipal corporation under the laws of the state of Minnesota, Grantor, hereby conveys and warrants to the State of Minnesota, Grantee, real property in Itasca County, Minnesota, described as follows:

All of the following:

That part of Government Lot 1 of Section 21, Township 55 North, Range 25 West, shown as Parcel 325D on Minnesota Department of Transportation Right of Way Plat Numbered 31-221 as the same is on file and of record in the office of the County Recorder in and for Itasca County, Minnesota;

containing 5632 square feet, more or less, which is encumbered in its entirety by an existing highway easement.

together with all hereditaments and appurtenances belonging thereto. Subject to mineral rights and utility easements of record, if any.

Check box if applicable:

The Seller certifies that the seller does not know of any wells on the described real property.

STATE OF MINNESOTA  
COUNTY OF ITASCA

- A well disclosure certificate accompanies this document or has been electronically filed. (If electronically filed, insert WDC number \_\_\_\_\_.)
- I am familiar with the property described in this instrument and I certify that the status and number of wells on the described real property have not changed since the last previously filed well disclosure certificate.

CITY OF GRAND RAPIDS, successor to Village of Grand Rapids

By \_\_\_\_\_

Its \_\_\_\_\_

And \_\_\_\_\_

Its \_\_\_\_\_

STATE OF MINNESOTA     )  
  )SS.  
COUNTY OF ITASCA     )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by \_\_\_\_\_ and \_\_\_\_\_, the \_\_\_\_\_ and \_\_\_\_\_ of City of Grand Rapids, successor to Village of Grand Rapids, a municipal corporation under the laws of the state of Minnesota, on behalf of the municipal corporation.

\_\_\_\_\_  
NOTARY PUBLIC

My commission expires: \_\_\_\_\_

This instrument was drafted by the State of Minnesota, Department of Transportation, Legal and Property Management Unit, 395 John Ireland Blvd. St. Paul, MN 55155-1800

Send tax statements to Grantee:  
State of Minnesota  
Department of Transportation  
District 1 Right of Way  
1123 Mesaba Avenue  
Duluth, MN 55811

**COPY**

# Minimum Damage Valuation Appraisal Report

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**A Partial Acquisition From**  
Parcel Number 3104-827-325D  
The City of Grand Rapids Property  
xxx E U.S. Highway 2, Grand Rapids, MN 55744  
PID# 91-021-4100

**Project**  
TH 2 La Prairie Mill & Overlay Project  
Minnesota Department of Transportation (MnDOT)  
State Project Number (SP): 3104-61  
Trunk Highway Number (TH): 2

**Prepared For**  
Mr. John Hinzmann Jr., District 1 Land Management Supervisor  
Minnesota Department of Transportation (MnDOT)

**By**  
Julie Jeffrey Schwartz  
Lake State Realty Services, Inc.

**Effective Date**  
January 23, 2024

**Date of Report**  
September 5, 2025



**Executive Summary**

State Project:	3104-61RW (TH 2)
Control Section:	3104 (2=8) 827
Parcel Number:	3104-827-325D
Owner:	Per a Field Title Report provided by the client, the current fee owner is the City of Grand Rapids
Property Address:	xxx E U.S. Highway 2, Grand Rapids, MN 55744
County:	Itasca County, MN
Legal Description:	See later in this appraisal
Parcel Identification Number(s):	91-021-4100
2022 Assessed Values, Taxes Payable 2023	Land: \$204,300; Improvements: \$0; Total: \$204,300 Taxes Payable 2023: N/A, tax exempt owned by the City of Grand Rapids
Proposed 2023 Assessed Values, Taxes Payable 2024	Land: \$249,200; Improvements: \$0; Total: \$249,200 Proposed Taxes Payable 2024: N/A, tax exempt owned by the City of Grand Rapids
Intended Use/Purpose:	Estimate of value for conversion of existing permanent highway easement (roadway right-of-way) to fee
Client/Intended Users:	Mr. John Hinzmann Jr., District 1 Land Management Supervisor, Minnesota Department of Transportation (MnDOT)
Entire Tract Size:	Per information provided by the client, the subject is 1,006,962 s.f. or 23.12 acres in size, of which 5,632 s.f. are encumbered with a permanent highway easement (roadway right-of-way), giving the subject a net total size of 1,001,330 s.f. or 22.99 acres. It is noted, Itasca County Records reflect the subject parcel as being comprised of 21.22 deeded acres, however, the size per the client is deemed more reliable, assumed based on a survey, as is used as the size throughout the report. It is further noted, the subject parcel is located adjacent to multiple parcels under the same ownership, however, only the subject parcel described within this appraisal is appraised within this appraisal.
Improvements:	The subject is generally comprised of vacant land, however, the area located within the existing permanent highway easement (roadway right-of-way) is improved with roadway right-of-way improvements, and the area to the southwest of the railroad, which is part of the City of Grand Rapids' Veterans Memorial Park, has various park improvements.
Zoning:	The northeastern corner of the subject, area to the northeast of the railroad, is zoned GB, General Business, with the remaining area, area southwest of the railroad, is zoned SPU, Shoreland Public Use and is subject to the Shoreland Management District, as governed by the City of Grand Rapids. The entire subject is also subject to Airport Safety Zone C, and the western portion of the subject is also subject to Airport Safety Zone B, as governed by the Grand Rapids/Itasca Joint Airport Zoning Board.
Guided Land Use:	The northeastern corner of the subject, area to the northeast of the railroad, is guided for Transportation and Utilities use, and the remaining area, area to the southwest of the railroad is guided for Parks and Recreation use, as guided by the City of Grand Rapids
Highest and Best Use:	Roadway right-of-way, as historically and currently used in the area of the proposed acquisition
Interest Appraised:	Fee Simple
Proposed Acquisition:	Conversion of Existing Permanent Highway Easement (Roadway Right-of-Way) to Fee: 5,632 s.f.
Recommended Compensation:	\$1,100 (R)
Effective Date:	January 23, 2024
Appraiser:	Julie Jeffrey Schwartz, Certified General Appraiser, Minnesota #4002423



## Property Appraised

The subject property appraised is comprised of one legal parcel of record. Per information provided by the client, the subject is 1,006,962 s.f. or 23.12 acres in size, of which 5,632 s.f. are encumbered with a permanent highway easement (roadway right-of-way), giving the subject a net total size of 1,001,330 s.f. or 22.99 acres. The subject is located within the City of Grand Rapids, within the southeastern quadrant of Itasca County. Itasca County is located in north central Minnesota. The subject is located on the southern side of U.S. Highway 2 E (TH 2), west of NE 11<sup>th</sup> Avenue, and east of NE 8<sup>th</sup> Avenue. A railroad runs through the northern portion of the parcel in a northwest/southeast direction, splitting the parcel into two areas. The small area located to the northeast of the railroad is located to the southwest of the intersection of U.S. Highway 2 E (TH 2) and NE 11<sup>th</sup> Avenue, and is fully encumbered with an existing permanent highway easement (roadway right-of-way). The larger area of the subject, located to the southwest of the railroad, is part of the City of Grand Rapids' Veterans Memorial Park, and is accessed via an internal roadway, which runs through the subject parcel, as well as adjacent parcels under the same ownership to the north, and connects to NE 8<sup>th</sup> Avenue to the west. The southern boundary of the subject parcel fronts on the Mississippi River. The subject does not have a physical address.

The subject is generally comprised of vacant land, however, the area located within the existing permanent highway easement (roadway right-of-way) is improved with roadway right-of-way improvements, and the area to the southwest of the railroad, which is part of the City of Grand Rapids' Veterans Memorial Park, has various park improvements.

## Subject Legal Description

Per a Title Opinion provided by the client, the subject has the following legal description:

That part of the miscellaneous tract designated as "Depot Ground", Wilson and Gillespie's Addition, on the record plat, described as follows: beginning at a point on the east line of Depot Ground, 320 feet south of the northwest corner of Government Lot 1, Section 21, Township 55 North, Range 25 West of the 4<sup>th</sup> Principal Meridian; thence north 54 degrees 40 minutes west, 470 feet, more or less, to a point on the northwesterly line of Depot Ground; thence southwesterly along said northwesterly line, 55 feet, more or less, to the northerly shore line of Mississippi River; thence southeasterly and downstream along said shore line 500 feet, more or less, to the east line of Depot Ground; thence north along said east line 50 feet, more or less, to the point of beginning. The east line of Depot Ground is assumed as the meridian in this description.

All that portion of Government Lot 1, Section 21, Township 55 North, Range 25 West of the 4<sup>th</sup> Principal Meridian, Itasca County, described as follows: and contains 0.4 of an acre, more or less: Beginning at a point on the west line of said lot, 320 feet south of the northwest corner thereof, thence south degrees 50 minutes east, 810 feet; thence south 24 degrees 10 minutes west 25 feet, more or less, to the northerly shore of Mississippi River; thence northwesterly and upstream along said shore line, 800 feet, more or less, to the west line of said Lot 1; thence north along said west line 50 feet, more or less, to the point of beginning. The west line of said Lot 1 is assumed as the meridian in this description.



## **Appraisal Report Type**

An MDV is a restricted appraisal report whereby damages resulting from a right-of-way related acquisition to the subject property are estimated to be under \$25,000. This appraisal report is intended to comply with the reporting requirements of USPAP (Uniform Standards of Professional Appraisal Practice). Only summary information and discussion of the data, reasoning and analyses are contained within this report. This report may not contain supporting rationale for all of the opinions and conclusions set forth in the report. Supporting documentation not contained in this report is retained in the appraiser's work file. The depth of data and analysis contained in this report are specific to the intended needs of the client, Mr. John Hinzmann Jr., District 1 Land Management Supervisor, Minnesota Department of Transportation (MnDOT), for the intended use of negotiations related to the proposed partial acquisition of conversion of existing permanent highway easement (roadway right-of-way) to fee.

## **Scope of Work**

**Appraisal Type/Format:** This is a minimum damage valuation (MDV) appraisal report (land only) reported in a restricted appraisal format, with no departure from the Uniform Standards of Professional Appraisal Practice (USPAP) requirements, and is in compliance with the reporting requirements of Standards Rule 2-2 (b) of USPAP.

**Inspection:** Julie Jeffrey-Schwartz, Certified General Appraiser, MN #4002423, and Alexander Schwartz, Licensed Residential Appraiser Trainee, MN License #40464386, inspected and photographed the subject property on January 23, 2024, the effective date of valuation. The property owner representative, Matt Wegwerth, was afforded the opportunity to accompany the appraiser via a telephone message (218-326-7626) left on January 15, 2024, and with no return phone call the property was inspected without the presence of an owner.

**Property Data:** General and specific information related to the subject property and its location was obtained from various sources, including public records from the City of Grand Rapids, and Itasca County. Information including assessor's estimated market value, any applicable annual property taxes, current and proposed zoning, and current and guided land use, was obtained.

**Property Analysis:** Based on the inspection and subject property data, the subject property was analyzed in context to its neighborhood, its market, including supply and demand factors, and the highest and best use was concluded before the proposed acquisition. Information related to the proposed partial acquisition was provided by the client, and the impact of the acquisition was considered in the opinion of highest and best use and conclusion of damages.





**Highest and Best Use and Approaches to Value:** Based on the information gathered and investigation of the market, the highest and best use was concluded both before and after the partial acquisition. The highest and best use determined the applicable approach to value which, in the instance of the subject, included only the sales comparison approach (f/k/a as the market approach). The highest and best use supported the types of comparables to use in the comparable sales analysis. The cost approach was not applicable due to lack of improvements impacted by the proposed acquisition. The income approach was not applicable due to lack of rental data in the market for vacant land.

**Sources for Market Data:** Market data related to the recent land sales was obtained from various sources, including assessor's records, local data exchanges including, Realist and the Regional Multiple Listing Service, and private appraiser databases. The comparable data was confirmed by this appraisal office, as detailed on each comparable data sheet.

**Reconciliation:** The opinion of market value for the subject has been reconciled and that opinion of market value was used to base compensation for damages related to the partial acquisition from the subject property.

### **Definition of Market Value**

The Appraisal Institute's The Dictionary of Real Estate Appraisal, 6th Edition, includes the following in its definition for "market value":

"The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under undue duress"

Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated.
2. Both parties are well informed or well advised and each acting in what they consider their own best interest.
3. A reasonable time is allowed for exposure in the open market.
4. Payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto; and



5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale, or creative terms, services, fees, costs or credits involved in the transaction.

### **Purpose / Intended Use**

The purpose of this appraisal is to provide an estimate of market value of a partial acquisition related to the Minnesota Department of Transportation's State Project 3104-61RW (TH 2). The partial acquisition includes conversion of existing permanent highway easement (roadway right-of-way) to fee. This appraisal is being completed for the requestor, Mr. John Hinzmann Jr., District 1 Land Management Supervisor, Minnesota Department of Transportation (MnDOT), who intends to use this report (function) for acquisition negotiation purposes related to the partial acquisition of the subject property.

### **Five Year Sale History**

Per county records, and a Title Opinion provided by the client, there has not been a sale of the property in the past five years.

### **Assumptions and Conditions**

The certification of this appraisal report is subject to the following:

1. The Appraiser assumes no responsibility for matters of a legal nature affecting the property appraised or the marketability of the title.
2. The property is assumed to be under responsible ownership and management.
3. The property is appraised as though clear and free of any liens, encumbrances, or indebtedness, unless stated otherwise.
4. To the best of the appraisers' belief, the information contained in this report is true and reported correctly. The information in this report, while not guaranteed, has been taken from sources or records believed to be reliable.
5. The Appraisers assume that there exists no hidden defects with the site, sub-soil, or improvements, which would render it more or less valuable.
6. Disclosure by the Appraisers of the contents of this appraisal report is subject to review in accordance with the by-laws and regulations of the professional appraisal organizations with which the Appraisers are affiliated.



7. The Appraisers are not required to appear in court or give testimony because of having made this report, unless arrangements have been made in advance.

8. This report, or any portions thereof, will not be distributed, or otherwise disseminated, to anyone other than the person who commissioned this or those involved in the certification, except as required by law.

9. This entire appraisal report must be considered as a whole and any excerpts or portions from this report cannot be considered separately.

10. It is assumed there is full compliance with all applicable federal, state and local environmental regulations and laws, as well as applicable zoning regulations and restrictions, unless otherwise stated.

11. It is assumed that all required licenses, consents or other authority from any local, state, or federal governments has been obtained or can be renewed.

12. It is assumed that the subject improvements, if any, are within the stated boundaries, and that there are no encroachments on neighboring property, or neighboring encroachments on the subject property, unless otherwise stated in this report.

13. The existence of potentially hazardous material such as urea-formaldehyde foam insulation, asbestos, existence of toxic water, toxic waste, or radon gas may have an effect on the value of the property. The Appraisers are not qualified to determine if such substances are present. The client may wish to consult an expert in this field.

14. Acceptance of or use of this appraisal report constitutes an understanding of and acceptance of these assumptions and limiting conditions.

15. The maximum liability which can accrue to the Appraisers or the Companies, as a result of performing this appraisal, is limited to the amount paid for the appraisal.

16. The Uniform Standards of Professional Appraisal Practice (USPAP 2024 edition), includes the following definitions for hypothetical condition and extraordinary assumption:

Hypothetical Condition:

“A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.



Comment: Hypothetical conditions are contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis. (USPAP, 2024 ed.)”

**Extraordinary Assumption:**

“An assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser’s opinions or conclusions.

Comment: Uncertain information might include physical, legal, or economic characteristics of the subject property; or conditions external to the property, such as market conditions or trends; or the integrity of data used in an analysis. (USPAP, 2024 ed.)”

Additionally, USPAP Standards Rule 1-2 (f) and (g) state the following about the reporting and use of hypothetical conditions and extraordinary assumptions:

(f) Identify any extraordinary assumptions necessary in the assignment. An extraordinary assumption may be used in an assignment only if:

- the extraordinary assumption is required to properly develop credible opinions and conclusions;
- the appraiser has a reasonable basis for the extraordinary assumption; and
- use of the extraordinary assumption results in a credible analysis;

(g) Identify any hypothetical conditions necessary in the assignment. A hypothetical condition may be used in an assignment only if:

- use of the hypothetical condition is clearly required for legal purposes, for purposes of reasonable analysis, or for purposes of comparison; and
- use of the hypothetical condition results in a credible analysis.

There are no extraordinary assumptions employed in this appraisal. There is one hypothetical condition employed in this appraisal, as follows:

There is a hypothetical condition, that the proposed acquisition is presumed to exist as of the effective date of value. This hypothetical condition is assumed in order to value the damages related to the partial acquisition. The use of this hypothetical condition may have affected the assignment results.



### Subject Description, Before the Acquisition

The subject property appraised is comprised of one legal parcel of record. Per information provided by the client, the subject is 1,006,962 s.f. or 23.12 acres in size, of which 5,632 s.f. are encumbered with a permanent highway easement (roadway right-of-way), giving the subject a net total size of 1,001,330 s.f. or 22.99 acres. The subject is located within the City of Grand Rapids, within the southeastern quadrant of Itasca County. Itasca County is located in north central Minnesota. The subject is located on the southern side of U.S. Highway 2 E (TH 2), west of NE 11<sup>th</sup> Avenue, and east of NE 8<sup>th</sup> Avenue. A railroad runs through the northern portion of the parcel in a northwest/southeast direction, splitting the parcel into two areas. The small area located to the northeast of the railroad is located to the southwest of the intersection of U.S. Highway 2 E (TH 2) and NE 11<sup>th</sup> Avenue, and is fully encumbered with an existing permanent highway easement (roadway right-of-way). The larger area of the subject, located to the southwest of the railroad, is part of the City of Grand Rapids' Veterans Memorial Park, and is accessed via an internal roadway, which runs through the subject parcel, as well as adjacent parcels under the same ownership to the north, and connects to NE 8<sup>th</sup> Avenue to the west. The southern boundary of the subject parcel fronts on the Mississippi River. The subject does not have a physical address.

TH 2 has an Average Annual Daily Traffic count (AADT) of 6,700 (2019 count), and NE 8<sup>th</sup> Avenue has an AADT count of 10,300 (2017 count), in the area of the subject.

The subject has generally level topography on the northeastern corner of the parcel, the area to the northeast of the railroad, with the area to the southwest of the railroad having level, rolling and sloping topography. The subject has an irregular but conventional shape, and is split into two areas by a railroad. The drainage on the site is deemed adequate, and the subject is not located within floodplain.

The subject has access to all urban utilities including city sewer and water.

The northeastern corner of the subject, area to the northeast of the railroad, is zoned GB, General Business, with the remaining area, area southwest of the railroad, is zoned SPU, Shoreland Public Use and is subject to the Shoreland Management District, as governed by the City of Grand Rapids. Following is the purpose of the GB, General Business zoning district, followed by the purpose of the SPU, Shoreland Public Use zoning district, taken from the City of Grand Rapids' Zoning Ordinance:

*GB general business district and SGB shoreland general business district. These districts are intended to accommodate a broad range of retail goods and services, land uses and generally serve the entire community. Though not exclusively so, businesses in this district are relatively freestanding and tend to occupy independent building sites. They may enjoy close proximity to like businesses but depend primarily on good accessibility, high visibility and a relatively large volume of passing traffic. For uses permitted by right refer to section 30-512. The SGB districts are also subject to shoreland management standards.*



*PU public use district and SPU shoreland public use district.* The public land use districts are primarily intended to be used for major public and quasipublic uses of land as set forth in the comprehensive plan. They are also intended to accommodate major essential public facilities that provide governmental, educational, recreational, cultural and health care services to the entire community. For uses permitted by right refer to section 30-512. The SPU districts are also subject to shoreland management standards.

The entire subject is also subject to Airport Safety Zone C, and the western portion of the subject is also subject to Airport Safety Zone B, as governed by the Grand Rapids/Itasca Joint Airport Zoning Board. The subject is not negatively impacted by the Airport Safety Zone C, with height restrictions high enough that traditional development can occur. Safety Zone B places the following additional restrictions on the subject, as taken from the Airport Zoning Ordinance:

*Zone B:* Subject at all times to the height restrictions set forth in subsection 30-64(b), and to the general restrictions contained in subsection 30-65(b)(1), areas designated as zone B shall be restricted in use as follows:

- a. Each use shall be on a site whose area shall not be less than three acres.
- b. Each use shall not create, attract, or bring together a site population that would exceed 15 times that of the site acreage.
- c. Each site shall have no more than one building plot upon which any number of structures may be erected.
- d. A building plot shall be a single, uniform, and non-contrived area, whose shape is uncomplicated and whose area shall not exceed the following minimum ratios with respect to the total site area:

Site Area at least (Acres)	But Less Than (Acres)	Ratio of Site Area to Bldg. Plot Area	Building Plot Area (sq. ft.)	Max. Site Population (15 persons/Acre)
3	4	12:1	10,900	45
4	6	10:1	17,400	60
6	10	8:1	32,600	90
10	20	6:1	72,500	150
20 and up		4:1	218,000	300

- e. The following uses are specifically prohibited in Zone B: Churches, hospitals, schools, theaters, stadiums, hotels, motels, trailer courts, campgrounds, and other places of frequent public or semi-public assembly.

The subject parcel is a legal and conforming parcel, compliant with the minimum lot requirements allowed. The subject's park use appears to be an allowed use.



Per a Title Opinion provided by the client, the subject is also subject to the following:

Reserving unto the United States of America the full, complete and perpetual right to overflow the land above described, in connection with the maintenance and operation of the reservoir notice of which decree vesting title in the United States of America together with a description of the land and the names of the respondents, was duly filed and recorded in the office of the Register of Deeds in and for Itasca County, Minnesota on the 24<sup>th</sup> day of October, 1900, as shown in Quit Claim Deed dated April 28, 1953, recorded June 26, 1953 as Doc. No. 189486 in Book 170 of Deeds, Page 380.

Minerals and mineral rights reserved by Grant Iron Mining Company, a Minnesota corporation, in Quit Claim Deed dated July 1, 1948, recorded July 20, 1949 as Doc. No. 173101 in Book 170 of Deeds, Page 131;

Reserved by Edward A. Kremer and Bertha J. Kremer, husband and wife, in Deed dated June 20, 1924, recorded January 3, 1925 as Doc. No. 101316 in Book 84 of Deeds, Page 376-377;

Reserved by Jackson Mining Company, a Minnesota corporation, in Quit Claim Deed dated June 7, 1923, recorded December 16, 1939 as Doc. No. 137433 in Book 88 of Deeds, Pages 622-623;

Reserved by Alvin H. Kremer and Edna M. Kremer, husband and wife, Clara McAllister, a single woman, Cora Aiton, a single woman, Ada Kremer Fisk and Frank S. Fisk, wife and husband, in Quit Claim Deed dated July 30, 1948, recorded July 20, 1949 as Doc. No. 173098 in Book 168 of Deeds, Page 449;

Reserved by The Shogomoc Company, a Minnesota corporation, in Quit Claim Deed dated April 30, 1923, recorded December 16, 1939 as Doc. No. 137435 in Book 88 of Deeds, Pages 624-625;

Reserved by J. Henry Gruber and Hortense G. Gruber, husband and wife, in Deed dated October 29, 1906, recorded December 28, 1906 as Doc. No. 5065 in Book 21 of Deeds, Page 632;

Reserved by Allie A. Knox, a widow, in Warranty Deed dated July 24, 1916, recorded November 15, 1916 as Doc. No. 70024 in Book 60 of Deeds, Page 56;

Reserved by Lena S. King, a widow, in Quit Claim Deed dated August 1, 1924, recorded December 16, 1939 as Doc. No. 137436 in Book 130 of Deeds, Page 531-532;

Conveyance of mineral reservation by Shogomoc Corporation, a Minnesota corporation, to Cavour Hartley, Irma H. Claypool, and Guilford Hartley, as Trustees of the Trust created by and under the Hartley Trust Indenture dated September 2, 1952, in Deed dated October 27, 1952, recorded December 29, 1953 as Doc. No. 191849 in Book 206 of Deeds, Page 2-8;

Conveyance of mineral reservation by Cavour Hartley, Jessie H. Congdon, unmarried, Irma H. Claypool, unmarried, and Guilford Hartley, and Judith H. Lewis, unmarried, to Cavour Hartley, Irma H. Claypool, and Guilford Hartley, as Trustees of the Trusts Created by and under the Hartley Trust Indenture dated September 2, 1952, in Deed dated October 27, 1952, recorded December 29, 1953 as Doc. No. 191848 in Book 200 of Deeds, Page 331-338;

Reservation by Syver Hanson AKA Sever Hanson and Ragnhild Hanson as shown in Quit Claim Deed dated May 6, 1957, recorded May 13, 1957 as Doc. No. 207891 in Book 170 of Deeds, Page 582;

Reservation by David Hartley, Guilford Hartley, and Irma H. Claypool, as Trustees of the Trusts Created by and under the Hartley Trust Indenture dated September 2, 1952 in Statement of Severed Mineral Interest recorded December 31, 1974 as Doc. No. 299732;

Reservation by David Hartley, Guilford Hartley and Irma H. Claypool, as Trustees of the Trusts Created by and under the Hartley Trust Indenture dated September 2, 1952, in Statement of Severed Mineral Interest recorded December 31, 1974 as Doc. No. 299733;

Reservation by William W. Watson, Philip L. Hill, Jr., and Harry L. Holtz, trustees under that certain trust agreement executed December 7, 1906, by and between the Lake Superior Company, Limited, a Michigan association, and Louis W. Hill, James H. Hill, Walter J. Hill, and Edward T. Nichols, in Verified Statement of Ownership recorded September 17, 1974 as Doc. No. 297075;

Reservation by HT-TF Properties L.L.C. in Statement of Adverse Claim recorded December 20, 1996 as Doc. No. 467306.



Duluth, Superior and Western Railway Company First Mortgage executed by Duluth Superior and Western Railway Company First Mortgage dated December 1, 1896, recorded December 21, 1896 as Doc. No. 9529 in Book H of Mortgages, Pages 1-31, and all other mortgages, supplements and amendments thereto. FOR A COPY OF THIS DOCUMENT SEE MASTER LIST

Easement for highway purposes in favor of the State of Minnesota taken in Final Certificate dated March 23, 1975, recorded April 18, 1975 as Doc. No. 301684. FOR A COPY OF THIS DOCUMENT SEE MASTER LIST

Easement for highway-railway crossing at grade in favor of the City of Grand Rapids, a municipal corporation, dated September 16, 1975, recorded September 22, 1975 as Doc. No. 304709. FOR A COPY OF THIS DOCUMENT SEE MASTER LIST

Plat of Wilson and Gillespie's Addition to Grand Rapids, Cass County, Minnesota, dated November 13, 1882, recorded November 25, 1882 in Book "A" of Town Plats (also shows a designation of "A9"). FOR A COPY OF THIS DOCUMENT SEE MASTER LIST

Public Service and Infrastructure Easement in favor of The City of Grand Rapids dated March 12, 2010, recorded April 8, 2015 as Doc. No. A000692636.

There are no other legal restrictions placed on the subject property that would affect value, which the appraiser has been made aware.

The northeastern corner of the subject, area to the northeast of the railroad, is guided for Transportation and Utilities use, and the remaining area, area to the southwest of the railroad is guided for Parks and Recreation use, as guided by the City of Grand Rapids. It is likely the zoning of the subject on the northeastern corner, area to the northeast of the railroad, will change in the near future to be consistent with the guided land use plan, as that area of the subject is currently encumbered with an existing permanent highway easement (which is being converted to fee, per the reason of this appraisal), and is used as roadway right-of-way.

There is no reason to believe the zoning on the remaining area of the subject, area to the southwest of the railroad, would change in the near future, nor would it be logical to consider a re-zoning request, as the zoning conforms with the guided land use.

The subject is generally comprised of vacant land, however, the area located within the existing permanent highway easement (roadway right-of-way) is improved with roadway right-of-way improvements, and the area to the southwest of the railroad, which is part of the City of Grand Rapids' Veterans Memorial Park, has various park improvements.

**Acquisition Description**

According to the acquisition sketch, the northeastern corner of the subject is affected by the proposed acquisition. The acquisition area is as follows:

<b>Conversion of Existing Permanent Highway Easement (Roadway Right-of-Way) to Fee:</b>	<b>5,632 s.f.</b>
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Following is a caption block provided by the client:

C.S. 3104(2=8-27)827 S.P. 3104-61								
SEC 21 T55N R25W								
PARCEL NUMBER	MN/DOT PLAT	OWNER	CONTIGUOUS PROPERTY	ENTIRE TRACT WITH ROADS	NEW T.H. R/W	BALANCE	ENCUM BY EX TH R/W	PERMANENT R/W INTEREST
				SQ. FEET	SQ. FEET	SQ. FEET	SQ. FEET	
325D	31-221	Village of Grand Rapids	PART OF GOVT LOT 1	1006962	5632	1001330	5632	FEE

The orientation, configuration, width and length of the acquisition area can be best viewed on the acquisition sketch found later in this appraisal. Within the area of the proposed conversion of existing permanent highway easement (roadway right-of-way) to fee appears to be roadway right-of-way improvements that are owned by the public.

**Subject Description, After the Acquisition**

In the before situation, the subject is 1,006,962 s.f. or 23.12 gross acres in size. As an effect of the acquisition, the subject is smaller by the area of the proposed roadway right-of-way fee acquisition of 5,632 s.f., effectively reducing the size of the subject to 1,001,330 s.f. or 22.99 acres in the after situation. It is noted, the entire 5,632 s.f. of the proposed roadway right-of-way fee acquisition are encumbered with an existing permanent highway easement (roadway right-of-way) and is located at the northeast corner, severed by railway right-of-way from the remainder of the larger parcel that is utilized as a city park.

**Highest and Best Use, Before and After Acquisition**

The subject is separated into two areas by a railroad. The northeastern corner of the subject, area to the northeast of the railroad, is zoned GB, General Business, and the remaining area, area southwest of the railroad is zoned SPU, Shoreland Public Use, and is subject to the Shoreland Management District. The entire subject is also subject to Airport Safety Zone C, and the western portion of the subject is also subject to Airport Safety Zone B, as governed by the Grand Rapids/Itasca Joint Airport Zoning Board.

The area of the proposed acquisition is located on the northeastern corner of the parcel which is zoned GB, General Business, and its highest and best use, if not encumbered with a permanent highway easement (roadway right-of-way), and improved as such, would be for assemblage to adjacent parcels which are also zoned GB, General Business, for commercial use. The highest and best use of the remaining



area of the subject, larger area to the southwest of the railroad, is for Shoreland Public Use. As the area of the proposed acquisition is within the area zoned GB, General Business, the subject is compared to other commercially zoned properties.

The highest and best use as improved, is not applicable, as the subject is comprised of vacant land in the area of the larger parcel appraised and impacted by the acquisition. It is noted the balance of the larger parcel (that portion severed from the part appraised by railway right-of-way), is improved with city park-related improvements.

The highest and best use is not impacted as a result of the proposed project, or its partial acquisition from the subject property. The larger subject parcel will not sustain any permanent negative affect resulting from the proposed acquisition, and has the same entitlements and development options after, as before acquisition.

### **Approaches to Value**

The cost approach is not used because the subject is appraised as vacant land, although certain improvements or landscaped elements affected by the proposed acquisition may be compensated based on cost, to establish appropriate compensation for costs to cure. The income approach was not applicable due to lack of rental data in the market for vacant land.

The Sales Comparison Approach is the only applicable approach to value, and it compares the subject property with other similar properties that have recently sold or are currently listed for sale. Positive and negative adjustments are made to the comparable sales for the differences which exist between them and the subject. Objective comparison with comparable sales provides an indication of value for the subject.

### **Comparable Sales Data and Adjustment Analysis**

In order to value the proposed acquisition area, the subject's underlying fee land value is estimated. Comparables were located from county assessor records, Realist, and the Regional Multiple Listing Service, as well as private appraiser databases. An ample amount of applicable comparable data was located within the large competitive market.

Following is an adjustment chart with the subject and comparables, and a qualitative analysis comparing certain factors to the subject property. If the comparable sale is deemed superior to the subject in a particular item, the comparable is adjusted downward, and if inferior, is adjusted upward.



### Comparable Sale Adjustment Chart

Subject	Comparable #1	Comparable #2	Comparable #3	Comparable #4	Comparable #5	Comparable #6	Comparable #7	
<b>Address</b>	xxx U.S. Highway 2 E, Grand Rapids, MN 55744	1300 E US Highway 169, Grand Rapids, MN 55744	710 NE 4th Street, Grand Rapids, MN 55744	301 NE 4th Street, Grand Rapids, MN 55744	416 NW 7th Avenue, Grand Rapids, MN 55744	1402 NW 4th Street, Grand Rapids, MN 55744	xxx SW 2nd Avenue, Grand Rapids, MN 55744	xxx US Hwy 169, Grand Rapids, MN 55744
<b>Sale Price</b>	\$700,000	\$175,000	\$150,000	\$110,000	\$120,000	\$421,936	\$125,000	
<b>Price/SF</b>	\$3.60	\$5.02	\$8.83	\$7.89	\$3.99	\$6.05	\$4.63	
<b>Effective Sale Date</b>	1/23/2024	10/2022	01/2022	06/2023	12/2022	10/2022	04/2022	11/2022
<b>Market Conditions</b>	0.00%	=	=	=	=	=	=	=
<b>Terms/Transfer Docs/Property Rights</b>	Cash/Warranty Deed/Fee Simple	Market Rate Financing/Warranty Deed/Fee Simple	Cash/Warranty Deed/Fee Simple	Cash/Warranty Deed/Fee Simple	Cash/Warranty Deed/Fee Simple	Cash/Warranty Deed/Fee Simple	Cash/Warranty Deed/Fee Simple	Cash/Warranty Deed/Fee Simple
<b>Motivations</b>	Adj Owner - Buyer leased prior to sale	Adj Owner	Word of Mouth	Adj Owner	Word of Mouth	Typical	Adj Owner - Right of First Refusal	
<b>Adjusted Price/SF</b>	\$3.60	\$5.02	\$8.83	\$7.89	\$3.99	\$6.05	\$4.63	
<b>Site Size</b>	1,001,330 net s.f. (22.99 net acres) but assume typical-sized parcel for across-the-fence	194,713 SF (4.47 acres)	34,848 SF (0.80 acres)	16,988 SF (0.39 acres)	13,939 SF (0.32 acres)	30,056 SF (0.69 acres)	69,696 SF (1.60 acres)	27,007 SF (0.62 acres)
<b>Location</b>	City of Grand Rapids - Interior	City of La Prairie - Interior	City of Grand Rapids - Interior	City of Grand Rapids - Corner	City of Grand Rapids - Corner	City of Grand Rapids - Interior	City of Grand Rapids - Interior	City of Grand Rapids - Interior
<b>Immediate Area</b>	Rural	Commercial	Commercial	Commercial	Commercial	Commercial	Regional Commercial Area	Commercial
<b>AAAT</b>	6,700 (in area of acq.)	12,200 & 1,539	7,555, one parcel removed from 9,300-13,900	14,200 & 1,871	2,190-4,330	13,300	None recorded, but views of Hwy 169 @ 19,800 and TH 23 @ 10,623	19,800
<b>Utilities</b>	All Available	All Available	All Available	All Available	All Available	All Available	All Available	All Available
<b>Zoning</b>	GB, General Business & Airport Safety Zone C (in area of acq.)	GB, General Business & Airport Safety Zone C	GB, General Business & Airport Safety Zone C	GB, General Business & Airport Safety Zone C	GB, General Business	SGB, Shoreland General Business	GB, General Business & Airport Safety Zone C	GB, General Business & Airport Safety Zone C
<b>Topography/Soils/Shade</b>	Generally level (in area of acq.)/Buildable/Irregular but conventional	Generally level/Buildable/Irregular but conventional - 3 parcels	Generally level /Buildable/Generally rectangular	Generally level/Buildable/Irregular but conventional	Generally level/Buildable/Generally rectangular - 2 parcels	Generally level/Buildable/Generally rectangular	Generally level/Buildable/Generally rectangular	Generally level/Buildable/Generally rectangular
<b>Other</b>		N/A	N/A	Environmental	Improvements razed after sale	N/A	N/A	Improved with gazebo
<b>Gross Adjustment</b>		1 + 2-	1 -	1 + 3 -	2 -	2 -	3 -	2 -
<b>Net Adjustment</b>		1 -	1 -	2 -	2 -	2 -	3 -	2 -
<b>Final Price/SF</b>		Slightly less than \$3.60	Slightly less than \$5.02	Less than \$8.83	Less than \$7.89	Less than \$3.99	Less than \$6.05	Less than \$4.63



## **Adjustment Analysis**

The most similar comparables were chosen. Preferably properties chosen for the adjustment analysis should be similar enough that few adjustments are necessary. Unfortunately, this is rarely the case, so an adjustment analysis is performed. All adjustments applied are typically based on market trends, market demands and preferences, and physical characteristics. If the comparable sale is deemed superior to the subject in a particular item, the comparable is adjusted downward, and if inferior, is adjusted upward. This adjustment analysis is a qualitative analysis, where the precise amount of the individual adjustment is not quantified, only that a positive or negative adjustment exists. After the qualitative adjustments are applied, the adjusted comparables support an estimated market value within the range of the comparables, reconciled.

The various items for which the subject has been analyzed include:

***Market conditions (time)*** – A time adjustment is used to reflect changes in the marketplace over time. Things such as declining or inflationary economies, or over-supply or under-demand situations can create differences in market prices through time. All of the comparable sales have occurred since January 2022 and are relatively recent. During this time period, the market conditions have remained stable and there are no upward or downward market pressures, so no adjustment is applied.

***Financing Terms of Sale/Transfer Documents*** – Sometimes financing terms may affect purchase price. All of the comparables sold with cash or its equivalent, market rate financing, so no adjustments are necessary. Comparables 1-4, 6 & 7 transferred with warranty deeds, and no adjustments are required. Comparable 5 transferred via a quit claim deed, but is not adjusted, due to careful practices of title companies and closing agents that reduce any risk associated with a deeded transfer.

***Motivations*** – Sometimes different motivational factors of a buyer or seller may affect negotiations and eventual purchase price. The motivations of the buyers and sellers were explored. Comparable 6 had typical buyer and seller motivations, and is not adjusted. Comparable 1 was purchased by an adjacent owner who had leased the property prior to the transfer for storage purposes. Comparables 2 and 4 were purchased by adjacent owners. Comparables 3 and 5 were marketed through word of mouth. Comparable 7 was purchased by an adjacent owner who had right of first refusal. After review of the comparable sales, and relative land prices in the market area it appears that even with the seller and/or buyers different motivations, all of the comparables sold at market value. Additionally reviewed were the Certificates of Real Estate Value (eCRV), as filed through the State of Minnesota's Department of Revenue, in which comparables 2-7 all



reflected that no significant different price was paid (in other words, market value was paid). Although, comparable 1's eCRV reflected they thought they paid a significant different price, after our research it appears that a market amount was paid, and no adjustments are required.

**Site Size** – The subject parcel is bifurcated by railway right-of-way which divides the property and its zoning, and creates separate highest and best uses. The smaller portion of the larger parcel is the part appraised, and it has a highest and best use of assemblage to abutting property also zoned similarly (GB, General Business). As the subject exists as improved roadway right-of-way, the suitable approach to value is across-the-fence, and as such, the larger parcel size, which includes land with a separate highest and best use and related value, is not appraised, and the size of the subject is assumed market-typical so that across-the-fence valuation methodology can be observed. Comparables 2-7 are within a market-typical size range and do not require adjustment. Comparable 1 is larger than market-typical and is adjusted upward for its larger size, as typically larger parcels sell for less per s.f. than smaller parcels.

**Location** – The subject is located within the City of Grand Rapids, as is comparables 2-6. Comparable 1 is located in La Prairie, but within a highly similar area, and is not adjusted. The subject is located on an interior location which has less exposure than a corner location. Corner locations are superior and adjusted downward.

**Immediate Area** – The comparables are all located in commercially-defined areas, while the subject is located in a more rural area. The comparables are all adjusted downward one adjustment factor for their superior more commercially defined areas. Comparable 6, however, stands out as the most superior, located in the regional shopping area in a highly desirable commercial area and is superior and adjusted downward two adjustment factors.

**AADT** – The area of the subject appraised is located on a roadway with an AADT count of 6,700. AADT can have an impact on value for commercial properties, with properties on higher-trafficked corridors selling for more than lower-trafficked corridors. Comparables with significantly more AADT are superior and adjusted downward. Comparable 6 is located on a roadway with unrecorded AADT, but is in view and exposure to two highly-trafficked roadways and with its anticipated 4-story construction will have exposure to these two roadways, and is overall superior and adjusted downward.

**Utilities** – The comparables and subject all have access to typical urban utilities, including city water and sewer, and no adjustments are necessary.



**Zoning** – The area of the subject being appraised is zoned GB, General Business, as are all of the comparables with the exception of comparable 5, which is zoned SGB, Shoreland General Business. The subject and comparables 1-3, 6 & 7, are also subject to Airport Safety Zone C (in the area of acquisition), however this does not negatively impact value, with height restrictions high enough that traditional development can occur. With no comparable having a competitive advantage or disadvantage over another, no adjustments are necessary.

**Topography/Soils/Shape** – The subject and comparables are all similar enough in topography, soils and shape to not require any adjustments. Although some comparables have multiple legal parcels of record, this does not inure any competitive benefit and no adjustment is applied.

**Other** – Comparable 3 had some environmental issues discovered whereby the entire purchase price is in escrow, and the buyer is pulling from the escrow to pay for the Phase 2 environmental study, and at conclusion of the study, the decision regarding release of the remaining funds will be made, but under no circumstance will the buyer pay more than purchase price. The agreement is the buyer will buy the site clean for the purchase price. An upward adjustment is applied not for the contamination and remediation, but because the contamination and remediation cause a delay in developing this property. Comparable 4 was improved with a single family residence and ancillary site improvements which required removal. The abutter purchased this parcel as it prevented relocating for expansion needs, and although the buyer found it worthwhile to remove the improvements, the market might not, and as such, demolition costs for these improvements is not additionally considered, rather these improvements are deemed value-neutral and not adjusted. Comparable 7 was improved with a gazebo but it did not add value, as a typical buyer would demolish it in order to develop. This particular buyer the gazebo had value as part of the grounds to the Judy Garland Museum, but the market would deem this improvement value-neutral and therefore no adjustment is applied.

It is noted, more information about these comparables is located in the appraiser's file, although a comparable location map and comparable data sheets are located in the addenda of this report.



### **Reconciled Land Value**

After the qualitative adjustment analysis, the adjusted comparable sales prices fall into value suggestions for the subject property's fee simple value.

Two comparables suggest values slightly less than \$3.60/s.f. and \$5.02/s.f.

The remaining comparables have value suggestions less than \$3.99 to \$8.83/s.f.

A value estimate of \$3.50/s.f. for the underlying fee simple interests, is supported by this qualitative adjustment analysis. The subject overall is slightly inferior to the comparables and this qualitative adjustment analysis appropriately suggests a value less than the comparables sales price range.

### **Estimated Value of Conversion of Existing Permanent Highway Easement (Roadway Right-of-Way) to Fee:**

The entire subject parcel appraised, or 5,632 s.f., is proposed to be acquired, leaving no remainder. The entire area is encumbered with an existing permanent highway easement (roadway right-of-way), and much of the fee simple rights are deemed encumbered, with few remaining fee simple rights and no practical use. As the owner is deprived of any practical use of this parcel, due to its existing roadway right-of-way use, the remaining rights are estimated to contribute about 5% of the underlying fee value of \$3.50/s.f. The 0.13 acres or 5,632 s.f. of area encumbered with existing roadway right-of-way is valued at 5% of the underlying fee, or \$0.18/s.f., as most of the rights and all of the practical use of this area results from the encumbrance.

The estimated land market value as encumbered is as follows:

5,632 s.f. (size) X \$0.18/s.f. (estimated s.f. value) = \$1,013.76, say \$1,014, rounded to the nearest dollar

The estimated value of conversion of the existing permanent highway easement (roadway right-of-way) to fee is the entire estimated land market value of the subject as encumbered, or \$1,014.

### **Site Improvements Damaged Within the Acquisition Area**

Within the area of the proposed conversion of existing permanent highway easement (roadway right-of-way) to fee appears to be roadway right-of-way improvements that are owned by the public and not subject to compensation.



### **Conclusions and Allocation of Damages**

Conversion of Existing Permanent Highway Easement (Roadway Right-of-Way) to Fee:	\$1,014
Affected Site Improvements:	N/A
Estimated Damages:	\$1,014
Final Rounded Estimated Damages:	\$1,100





## **Attachments**

Appear in the following order.

***Certification***

***Aerial Photograph***

***Acquisition Sketches***

***Acquisition Legal Description***

***Project Description from MnDOT***

***Subject Photos***

***Comparable Sales Location Map & Data Sheets***

***Professional Qualifications – Julie Jeffrey Schwartz***



## Certification

S.P.: 3104-61RW (TH 2)

Parcel: 3104-827-325D

Control Section: 3104 (2=8) 827

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

That I have personally inspected the property herein appraised. The subject and the comparable sales relied upon in making said appraisal were as represented in said appraisal.

Julie Jeffrey-Schwartz, Certified General Appraiser, MN #4002423, and Alexander Schwartz, Licensed Residential Appraiser Trainee, MN License #40464386, inspected and photographed the subject property on January 23, 2024, the effective date of valuation. The property owner representative, Matt Wegwerth, was afforded the opportunity to accompany the appraiser via a telephone message (218-326-7626) left on January 15, 2024, and with no return phone call the property was inspected without the presence of an owner.

That to the best of my knowledge and belief, the statements contained in the appraisal herein set forth are true, and the information upon which the opinions expressed therein are based on are correct; subject to the limiting conditions therein set forth.

Katie Huspek, Licensed Residential Appraiser Trainee, MN License #40160103, and Alexander Schwartz, Licensed Residential Appraiser Trainee, MN License #40464386 provided assistance in this appraisal. Ms. Huspek researched subject information, comparable sales, market information and the compilation of the report. Mr. Schwartz accompanied on the inspection, reached out to property owners, and confirmed comparable data. No one other than Ms. Huspek and Mr. Schwartz and the appraiser signing this report have provided significant professional assistance in the compilation of this report, its data, or analysis.

That I understand that such appraisal may be used in connection with the acquisition by the Minnesota Department of Transportation (MnDOT) related to the TH 2 La Prairie Mill & Overlay Project, State Project No. 3104-61.

That any decrease or increase in the market value of real property prior to the date of valuation caused by the improvements for which such property is acquired, or by the likelihood that the property would be acquired for such improvement, other than that due to physical deterioration within the reasonable control of the landowner, was disregarded in determining the compensation for the property.

This appraisal report has been completed in conformance with the Uniform Standards of Professional Appraisal Practice (USPAP) of the American Appraisal Foundation, the MnDOT Right of Way Manual, Section 301 of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and appropriate state laws, regulations, policies and procedures applicable to an appraisal of right-of-way for such purposes, and that



to the best of my knowledge no portion of the value assigned to such property consists of items which are non-compensable under established State or Federal law.

That neither my employment nor my compensation for making this appraisal and report are in any way contingent upon the values reported herein.

That I have no present or prospective interest, or personal bias, regarding the property that is the subject of this report and no personal interest or bias with respect to the parties involved.

That 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.

The reported analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute.

The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

As of the date of this report, Julie Jeffrey-Schwartz has completed the Standards and Ethics Education Requirements for Practicing Affiliates of the Appraisal Institute.

As of the date of this report, Julie Jeffrey-Schwartz has completed the continuing education program for Practicing Affiliates of the Appraisal Institute.

That I have not revealed the findings and results of such appraisal to anyone other than the proper acquisition officials of the Minnesota Department of Transportation, and their consultants, and that based on my independent appraisal and exercise of my professional judgment, the proposed acquisition for the subject property has a market value as of January 23, 2024 (the date of inspection) as follows:

Conversion of Existing Permanent Highway Easement (Roadway Right-of-Way) to Fee:	\$1,014
Affected Site Improvements:	N/A
Estimated Damages:	\$1,014
Final Rounded Estimated Damages:	\$1,100



Appraiser: Julie Jeffrey Schwartz  
Certified General Appraiser  
Minn. #4002423

09/05/2024  
Date



## Aerial Photograph



# Acquisition Sketches

## RIGHT OF WAY PARCEL LAYOUT

C.S. 3104(2-8-27)827 S.P. 3104-61 COUNTY Itasca

LOCATION TH2 In Grand Rapids from TH169 to 0.25 miles east of Gunn Rd In LaPrairie

OWNER Village of Grand Rapids

PARCEL NO. 325D SHEET 1 OF 3



200  
SCALE IN FEET



- LEGEND**
- CONSTRUCTION LIMITS
  - EXISTING RIGHT OF WAY
  - TEMPORARY EASEMENT
  - NEW RIGHT OF WAY
  - TOTAL PROPERTY OWNERSHIP
  - TEMPORARY EASEMENT
  - PERMANENT TAXING

Sec.21 T55N R25W

Sec.22 T55N R25W

Drawn by psoler

Print Date 4/19/2024



## RIGHT OF WAY PARCEL LAYOUT

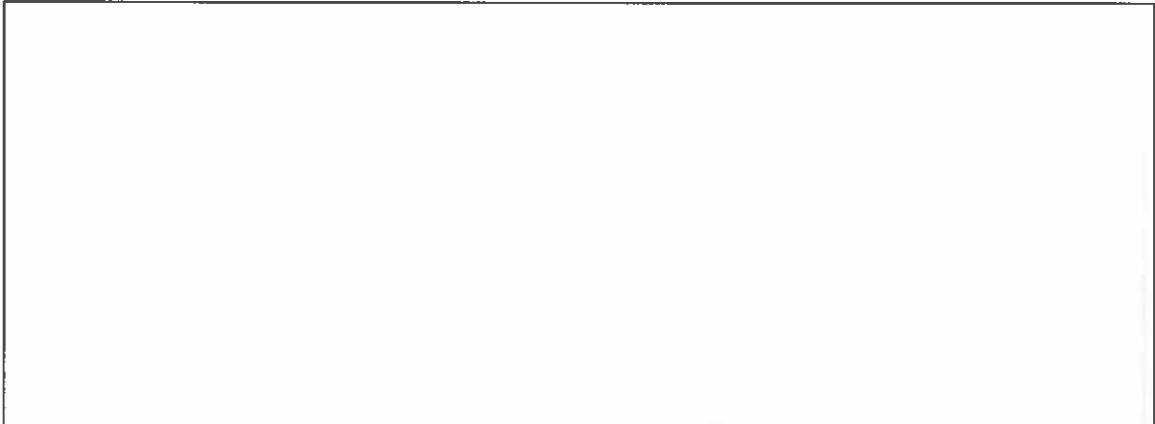


C.S. 3104(2=8-27)827 S.P. 3104-61 COUNTY Itasca

LOCATION TH2 In Grand Rapids from TH169 to 0.25 miles east of Gunn Rd In LoPrairie

OWNER Village of Grand Rapids

PARCEL NO. 325D SHEET 2 OF 3



C.S. 3104(2=8-27)827 S.P. 3104-61

SEC 21 T55N R25W

PARCEL NUMBER	MN/DOT PLAT	OWNER	CONTIGUOUS PROPERTY	ENTIRE TRACT WITH ROADS		BALANCE	ENCUM BY EX TH R/W		PERMANENT R/W INTEREST
				SQ. FEET	SQ. FEET		SQ. FEET	SQ. FEET	
325D	31-221	Village of Grand Rapids	PART OF GOVT LOT 1	1006962	5632	1001330	5632	FEE	

Drawn by psalter

Print Date 4/19/2024



# RIGHT OF WAY PARCEL LAYOUT



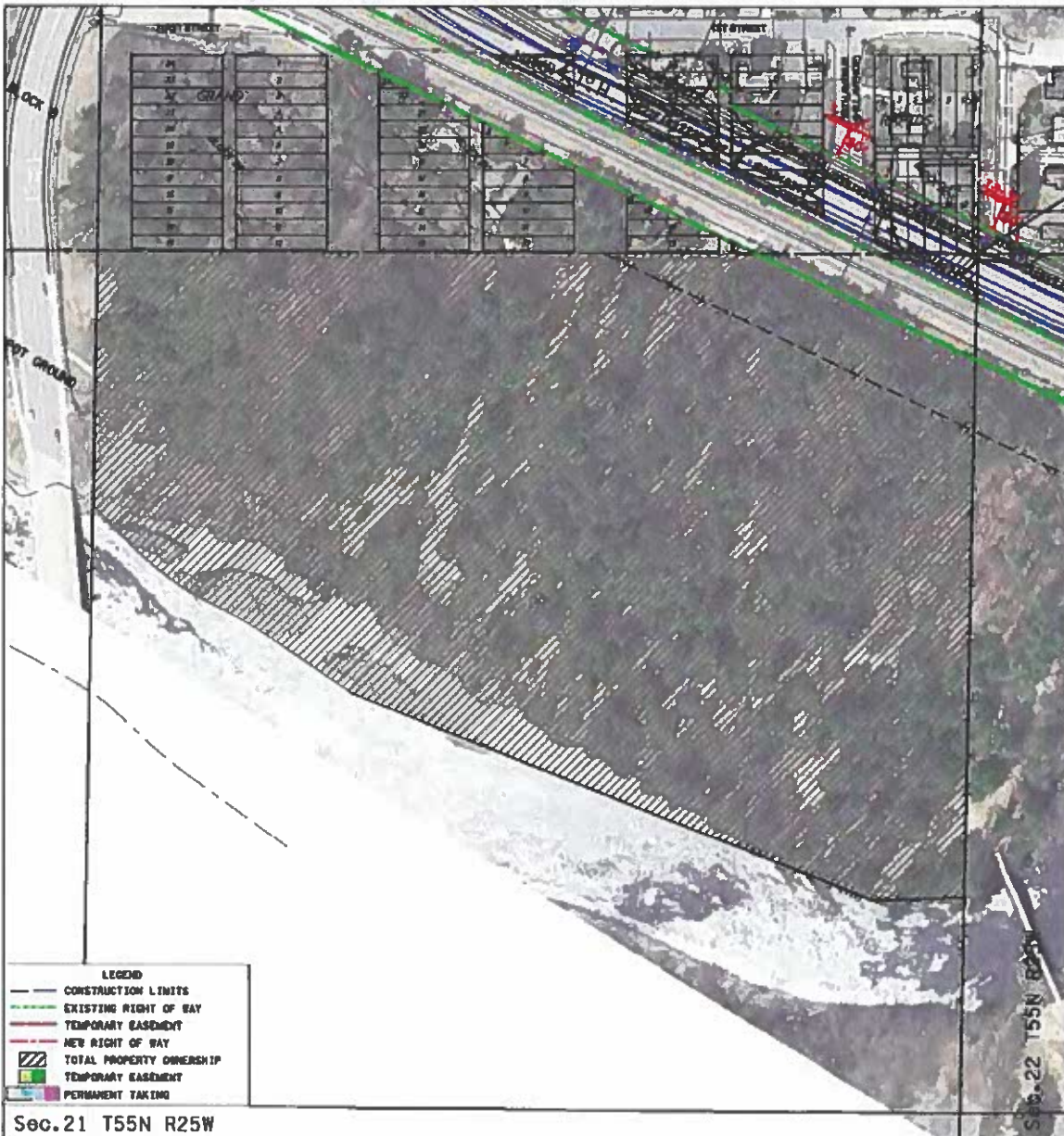
C.S. 3104(2=8-27)827 S.P. 3104-61 COUNTY Itasca

LOCATION TH2 In Grand Rapids from TH169 to 0.25 miles east of Gunn Rd in LaPrairie

OWNER Village of Grand Rapids

PARCEL NO. 325D SHEET 3 OF 3

200  
SCALE IN FEET



LEGEND	
	CONSTRUCTION LIMITS
	EXISTING RIGHT OF WAY
	TEMPORARY EASEMENT
	NEW RIGHT OF WAY
	TOTAL PROPERTY OWNERSHIP
	TEMPORARY EASEMENT
	PERMANENT TAKING

Sec.21 T55N R25W

Drawn by psoler

Print Date 4/19/2024



## Acquisition Legal Description

May 6, 2024  
3104-827-325D

### FEE ACQUISITION

Parcel 325D C.S. 3104 (2=8-27)

S.P. 3104-61RW

All of the following:

That part of Government Lot 1 of Section 21, Township 55 North, Range 25 West, shown as Parcel 325D on Minnesota Department of Transportation Right of Way Plat Numbered 31-221 as the same is on file and of record in the office of the County Recorder in and for Itasca County, Minnesota;

containing 5632 square feet, more or less, which is encumbered in its entirety by an existing highway easement.





## Project Description From MnDOT

The subject is impacted by the Minnesota Department of Transportation's TH 2 La Prairie Mill & Overlay Project, State Project No. 3104-61. The project is on TH 2 in Grand Rapids from TH 169 to 0.25 miles east of Gunn Road in La Prairie, MN in Itasca County, MN. The following mapping and information about the project was taken from MnDOT's website.

### About this project

#### Summary of work

Pavement rehabilitation (mill and overlay), drainage and ADA upgrades.



## **Schedule**

- Construction is scheduled for 2025

## **Location**

- On Hwy 2, Hwy 169 to Gunn Road in LaPrairie

## **Benefits**

- Improved ride and increased service life of the pavement
- Compliance with ADA requirements
- Pedestrian improvements including an enhanced crossing at LaPrairie Avenue and a bikeable/walkable shoulder



**Subject Photographs**  
*Taken January 23, 2024*



Looking southerly across U.S. Highway 2 E (TH 2) from NE 11<sup>th</sup> Avenue. The subject and area of the proposed acquisition are to the right.



Looking south-southwesterly at U.S. Highway 2 E (TH 2) and the subject and area of the proposed acquisition from NE 11<sup>th</sup> Avenue



Looking west-southwesterly at U.S. Highway 2 E (TH 2) and the subject and area of the proposed acquisition from NE 11<sup>th</sup> Avenue





Looking west-northwesterly along U.S. Highway 2 E (TH 2) from NE 11<sup>th</sup> Avenue. The subject and area of the proposed acquisition are to the left.



Looking westerly at U.S. Highway 2 E (TH 2) and the subject and area of the proposed acquisition from NE 11<sup>th</sup> Avenue



Looking east-southeasterly along U.S. Highway 2 E (TH 2) from NE 10<sup>th</sup> Avenue, the subject is ahead to the right

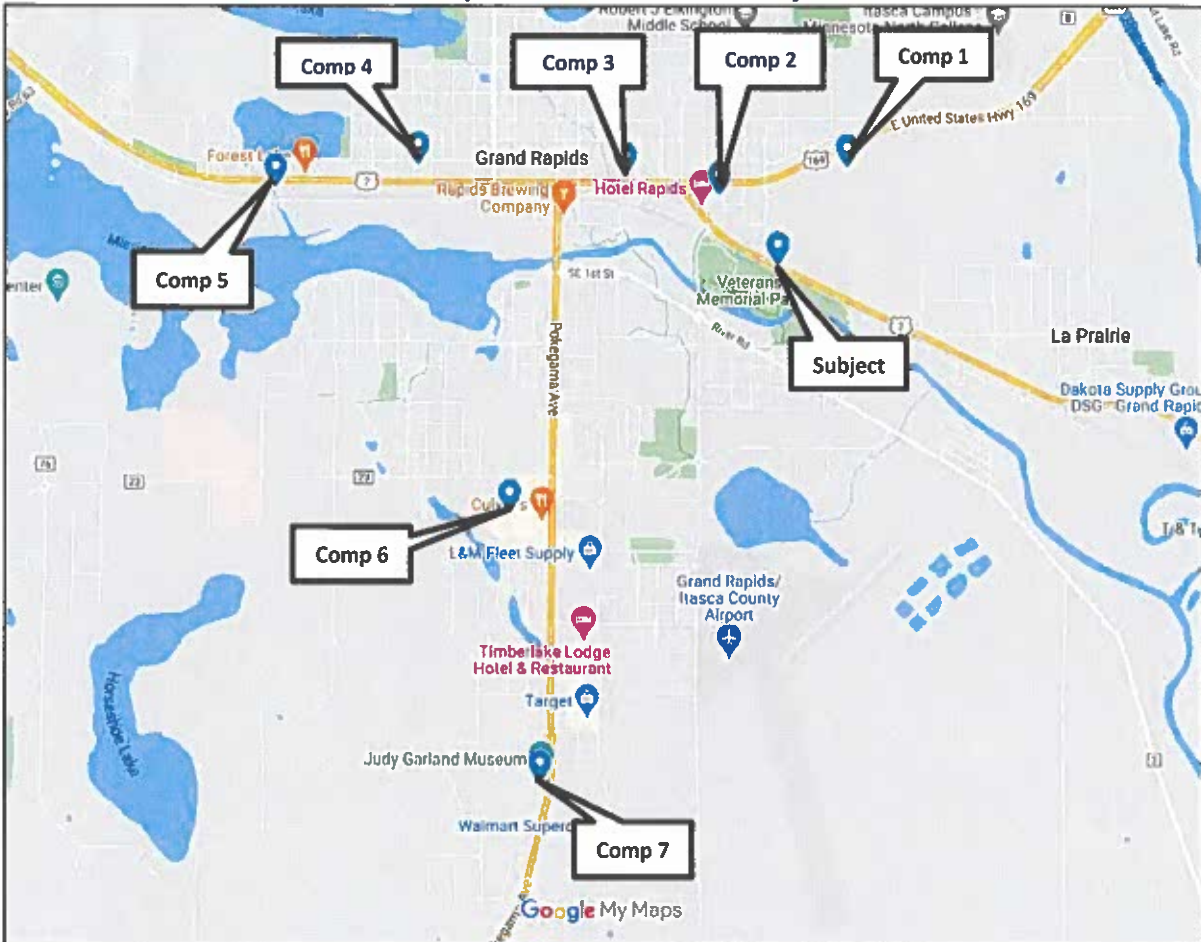


### Comparable Sales Summary

Comp #	Address	Sale Price	Site Size	Sale Date	Price per SF	Zoning	Comments
1	1300 E US Highway 169, Grand Rapids, MN 55744	\$700,000	194,713 s.f. (4.47 acres)	10/2022	\$3.60/s.f.	GB, General Business & Airport Safety Zone C	This transfer included three adjacent parcels of record. The property is located on the southern side of US Highway 169, across from its intersection with NE 13th Avenue. US Highway 169 has an Average Annual Daily Traffic Count (AADT) of 12,200 (2019 count), and NE 13th Avenue has an AADT count of 1,639 (2022 count), in the area of the property. The buyer was an adjacent owner who leased the property from the seller prior to the sale for storage use. There was also a 10,000 gallon fuel tank that was removed and tested with no resulting issues.
2	710 NE 4th Street, Grand Rapids, MN 55744	\$175,000	34,848 s.f. (0.80 acres)	01/2022	\$5.02/s.f.	GB, General Business & Airport Safety Zone C	This property is located on the western side of NE 8th Avenue, one parcel removed to the south of US Highway 169. NE 8th Avenue has an Average Annual Daily Traffic Count (AADT) of 7,555 (2022 count), and US Highway 169 has an AADT count of 9,300-13,900 (2019 counts), in the area of the property. Per the Certificate of Real Estate Value (eCRV), the property was purchased by an adjacent owner.
3	301 NE 4th Street, Grand Rapids, MN 55744	\$150,000	16,988 s.f. (0.39 acres)	06/2023	\$8.83/s.f.	GB, General Business & Airport Safety Zone C	This property is located at the northeast corner of NE 4th Street (US Hwy 2) and NE 3rd Avenue. NE 4th Street (US Hwy 2) has an Average Annual Daily Traffic Count (AADT) of 14,200 (2019 count), and NE 3rd Avenue has an AADT count of 1,871 (2022 count), in the area of the property. Per the Certificate of Real Estate Value (eCRV), the property was promoted through word of mouth. It is also noted, the property priorly transferred on 02/28/2023, via a Warranty Deed, for \$195,000. This prior transfer was for sale by owner, and a transfer between related parties. The entire purchase price is being held in escrow pending a Phase 2 Environmental Study by the buyer who is using funds from the escrow account to pay for the Phase 2 Study.
4	416 NW 7th Avenue, Grand Rapids, MN 55744	\$110,000	13,939 s.f. (0.32 acres)	12/2022	\$7.89/s.f.	GB, General Business	This transfer included two adjacent parcels. This property is located at the southeast corner of NW 7th Avenue and NW 5th Street. NW 5th Street has an Average Annual Daily Traffic Count (AADT) of 2,190-4,330 (2022 counts) in the area of the property. NW 7th Avenue does not have a recorded AADT count in the area. The property was improved with a single family residence, built in 1905, and ancillary site improvements which were assessed at \$31,200 at the time of the sale (2021 taxes payable 2022). The improvements were razed after the sale, and the planned use is for commercial use. The buyers owned adjacent property prior to the sale.
5	1402 NW 4th Street, Grand Rapids, MN 55744	\$120,000	30,056 s.f. (0.69 acres)	10/2022	\$3.99/s.f.	SGB, Shoreland General Business	This property is located on the southern side of NW 4th Street (US Hwy 2). NW 4th Street (US Hwy 2) has an Average Annual Daily Traffic Count (AADT) of 13,300 (2019 count) in the area of the property. Per the Certificate of Real Estate Value (eCRV), the property was promoted through word of mouth, and transferred via a quit claim deed. There was fuel oil contamination on the property and was bought by an adjacent owner for an assemblage. The MPCA closed the site in January of 2023 after purchase.
6	xxx SW 2nd Avenue, Grand Rapids, MN 55744	\$421,936	69,696 s.f. (1.60 acres)	04/2022	\$6.05/s.f.	GB, General Business & Airport Safety Zone C	This property is located on the eastern side of SW 2nd Avenue. SW 2nd Avenue does not have a recorded Average Annual Daily Traffic Count (AADT) in the area. It appears that the property was purchased to construct a 4-story, 63 unit, hotel building.
7	xxx US Hwy 169, Grand Rapids, MN 55744	\$125,000	27,007 s.f. (0.62 acres)	11/2022	\$4.63/s.f.	GB, General Business & Airport Safety Zone C	This property is located on the western side of U.S. Highway 169. U.S. Highway 169 has an Average Annual Daily Traffic Count (AADT) of 19,800 (2019 count) in the area of the property. The property appeared to be improved with a gazebo which was assessed at \$2,600 at the time of the sale (2021 taxes payable 2022). The adjacent owner (Judy Garland Children's Museum) had first right of refusal, and it appears that they chose to purchase the property. The property was assembled with the adjacent parcel they owned after the sale.

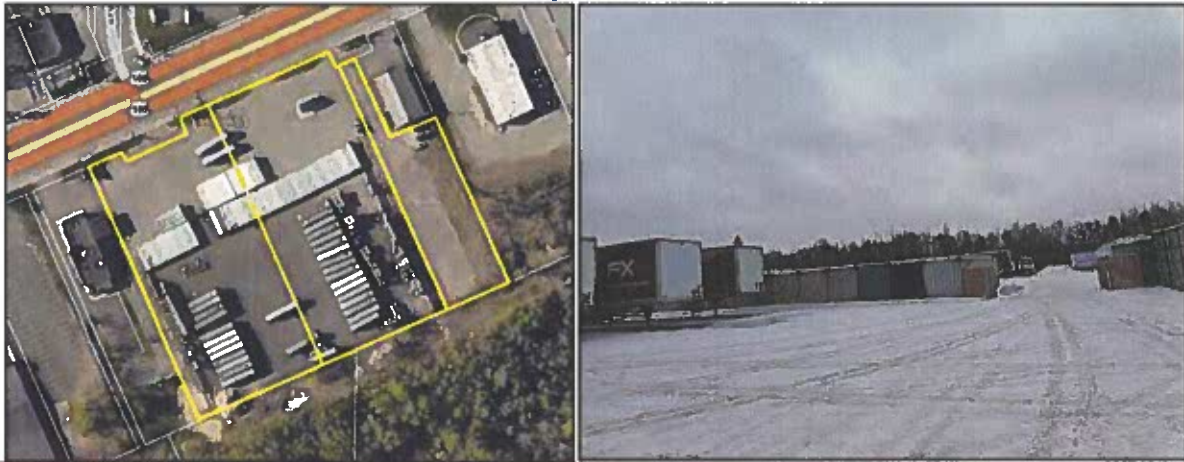


## Comparable Location Map



## Comparable Sales Data Sheets

### Comparable #1



Comp 1	
<b>Address/Location:</b>	1300 E US Highway 169, Grand Rapids, MN 55744
<b>PID #:</b>	93-480-0070, 93-480-0056 & 93-480-0081
<b>Legal Description:</b>	Lengthy Legal
<b>Sale Price:</b>	\$700,000
<b>Price/S.F.:</b>	\$3.60/s.f.
<b>Sale Date:</b>	10/24/2022
<b>Size:</b>	194,713 SF (4.47 acres)
<b>Utilities:</b>	All Available
<b>Zoning:</b>	GB, General Business & Airport Safety Zone C
<b>AADT:</b>	12,200 & 1,639
<b>Topography:</b>	Generally level
<b>Financing Terms/Property Rights Conveyed:</b>	Cash/Warranty Deed/Fee Simple
<b>Grantor/Grantee:</b>	Meds-I Ambulance Service, Inc./L & M LaPrairie Holdings, LLC
<b>Confirmed With:</b>	Certificate of Real Estate Value (eCRV ID 1482755), county records, various data bases, and the seller representative, Timothy George with Meds-I Ambulance Service, Inc.
<b>Comments:</b>	This transfer included three adjacent parcels of record. The property is located on the southern side of US Highway 169, across from its intersection with NE 13th Avenue. US Highway 169 has an Average Annual Daily Traffic Count (AADT) of 12,200 (2019 count), and NE 13th Avenue has an AADT count of 1,639 (2022 count), in the area of the property. The buyer was an adjacent owner who leased the property from the seller prior to the sale for storage use. There was also a 10,000 gallon fuel tank that was removed and tested with no resulting issues.



**Comparable #2**



Comp 2	
<b>Address/Location:</b>	710 NE 4th Street, Grand Rapids, MN 55744
<b>PID #:</b>	91-425-2020
<b>Legal Description:</b>	Lengthy Legal
<b>Sale Price:</b>	\$175,000
<b>Price/S.F.:</b>	\$5.02/s.f.
<b>Sale Date:</b>	1/3/2022
<b>Size:</b>	34,848 SF (0.80 acres)
<b>Utilities:</b>	All Available
<b>Zoning:</b>	GB, General Business & Airport Safety Zone C
<b>AADT:</b>	7,555, one parcel removed from 9,300-13,900
<b>Topography:</b>	Generally level
<b>Financing Terms/Property Rights Conveyed:</b>	Market Rate Financing/Warranty Deed/Fee Simple
<b>Grantor/Grantee:</b>	Hernesman Brothers Partners/KR Real Estate Holdings, LLC
<b>Confirmed With:</b>	Certificate of Real Estate Value (eCRV ID 1367874), county records, various data bases, and the buyer representative, Michael Kellin with KR Real Estate Holdings, LLC.
<b>Comments:</b>	This property is located on the western side of NE 8th Avenue, one parcel removed to the south of US Highway 169. NE 8th Avenue has an Average Annual Daily Traffic Count (AADT) of 7,555 (2022 count), and US Highway 169 has an AADT count of 9,300-13,900 (2019 counts), in the area of the property. Per the Certificate of Real Estate Value (eCRV), the property was purchased by an adjacent owner.





**Comparable #3**



Comp 3	
<b>Address/Location:</b>	301 NE 4th Street, Grand Rapids, MN 55744
<b>PID #:</b>	91-415-2640
<b>Legal Description:</b>	Lengthy Legal
<b>Sale Price:</b>	\$150,000
<b>Price/S.F.:</b>	\$8.83/s.f.
<b>Sale Date:</b>	6/21/2023
<b>Size:</b>	16,988 SF (0.39 acres)
<b>Utilities:</b>	All Available
<b>Zoning:</b>	GB, General Business & Airport Safety Zone C
<b>AADT:</b>	14,200 & 1,871
<b>Topography:</b>	Generally level
<b>Financing Terms/Property Rights Conveyed:</b>	Cash/Warranty Deed/Fee Simple
<b>Grantor/Grantee:</b>	Kirk & Debra Davis/Samuel & Lenora Evans
<b>Confirmed With:</b>	Certificate of Real Estate Value (eCRV ID 1548334), county records, various data bases, and the seller, Kirk Davis.
<b>Comments:</b>	This property is located at the northeast corner of NE 4th Street (US Hwy 2) and NE 3rd Avenue. NE 4th Street (US Hwy 2) has an Average Annual Daily Traffic Count (AADT) of 14,200 (2019 count), and NE 3rd Avenue has an AADT count of 1,871 (2022 count), in the area of the property. Per the Certificate of Real Estate Value (eCRV), the property was promoted through word of mouth. It is also noted, the property priorly transferred on 02/28/2023, via a Warranty Deed, for \$195,000. This prior transfer was for sale by owner, and a transfer between related parties. The entire purchase price is being held in escrow pending a Phase 2 Environmental Study by the buyer who is using funds from the escrow account to pay for the Phase 2 Study.



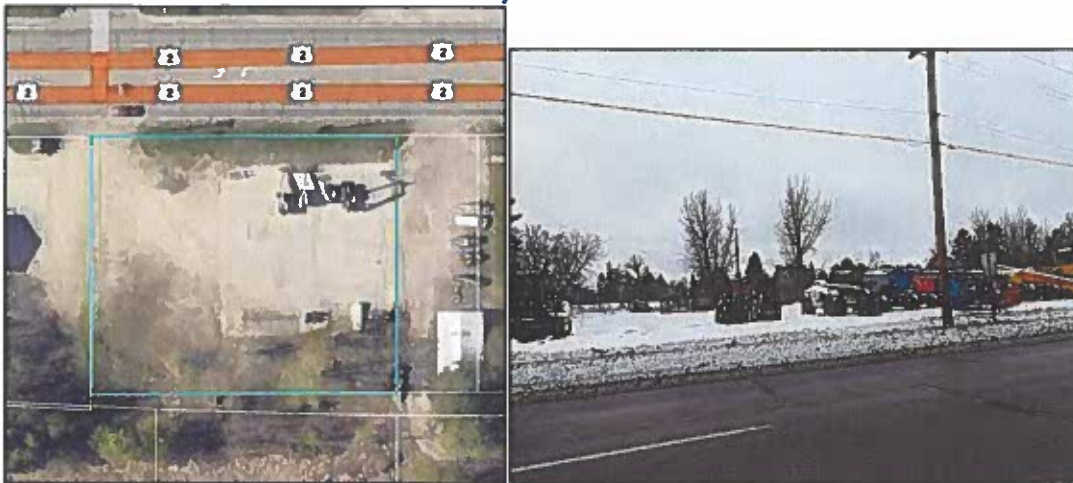
**Comparable #4**



Comp 4	
<b>Address/Location:</b>	416 NW 7th Avenue, Grand Rapids, MN 55744
<b>PID #:</b>	91-420-2060 & 91-420-2065
<b>Legal Description:</b>	Lengthy Legal
<b>Sale Price:</b>	\$110,000
<b>Price/S.F.:</b>	\$7.89/s.f.
<b>Sale Date:</b>	12/29/2022
<b>Size:</b>	13,939 SF (0.32 acres)
<b>Utilities:</b>	All Available
<b>Zoning:</b>	GB, General Business
<b>AADT:</b>	2,190-4,330 (2022 counts)
<b>Topography:</b>	Generally level
<b>Financing Terms/Property Rights Conveyed:</b>	Cash/Warranty Deed/Fee Simple
<b>Grantor/Grantee:</b>	Kathern & Paul Simpson and Mark Peavey/Michael & Bonnie McLynn
<b>Confirmed With:</b>	Certificate of Real Estate Value (eCRV ID 1502640), county records and various data bases
<b>Comments:</b>	This transfer included two adjacent parcels. This property is located at the southeast corner of NW 7th Avenue and NW 5th Street. NW 5th Street has an Average Annual Daily Traffic Count (AADT) of 2,190-4,330 (2022 counts) in the area of the property. NW 7th Avenue does not have a recorded AADT count in the area. The property was improved with a single family residence, built in 1905, and ancillary site improvements which were assessed at \$31,200 at the time of the sale (2021 taxes payable 2022). The improvements were razed after the sale, and the planned use is for commercial use. The buyers owned adjacent property prior to the sale.



**Comparable #5**



Comp 5	
<b>Address/Location:</b>	1402 NW 4th Street, Grand Rapids, MN 55744
<b>PID #:</b>	91-705-2030
<b>Legal Description:</b>	Lengthy Legal
<b>Sale Price:</b>	\$120,000
<b>Price/S.F.:</b>	\$3.99/s.f.
<b>Sale Date:</b>	10/6/2022
<b>Size:</b>	30,056 SF (0.69 acres)
<b>Utilities:</b>	All Available
<b>Zoning:</b>	SGB, Shoreland General Business
<b>AADT:</b>	13,300
<b>Topography:</b>	Generally level
<b>Financing Terms/Property Rights Conveyed:</b>	Cash/Quit Claim Deed/Fee Simple
<b>Grantor/Grantee:</b>	Darrel & Kathleen Wagner/BPB, Incorporated
<b>Confirmed With:</b>	Certificate of Real Estate Value (eCRV ID 1476181), county records, various data bases, and the buyer, Tom Showalter representative of BPB, Incorporated.
<b>Comments:</b>	This property is located on the southern side of NW 4th Street (US Hwy 2). NW 4th Street (US Hwy 2) has an Average Annual Daily Traffic Count (AADT) of 13,300 (2019 count) in the area of the property. Per the Certificate of Real Estate Value (eCRV), the property was promoted through word of mouth, and transferred via a quit claim deed. There was fuel oil contamination on the property and was bought by an adjacent owner for an assemblage. The MPCA closed the site in January of 2023 after purchase.



**Comparable #6**



Comp 6	
<b>Address/Location:</b>	xxx SW 2nd Avenue, Grand Rapids, MN 55744
<b>PID #:</b>	91-562-0130
<b>Legal Description:</b>	Lot 3, Block 1, MY PLACE HOTEL MATURI ADDITION
<b>Sale Price:</b>	\$421,936
<b>Price/S.F.:</b>	\$6.05/s.f.
<b>Sale Date:</b>	4/1/2022
<b>Size:</b>	69,696 SF (1.60 acres)
<b>Utilities:</b>	All Available
<b>Zoning:</b>	GB, General Business & Airport Safety Zone C
<b>AADT:</b>	None recorded
<b>Topography:</b>	Generally level
<b>Financing Terms/Property Rights Conveyed:</b>	Cash/Warranty Deed/Fee Simple
<b>Grantor/Grantee:</b>	MATURI PROPERTIES LLC/IRON RANGE MP LLC
<b>Confirmed With:</b>	Certificate of Real Estate Value (eCRV ID 1395090), county records and various data bases
<b>Comments:</b>	This property is located on the eastern side of SW 2nd Avenue. SW 2nd Avenue does not have a recorded Average Annual Daily Traffic Count (AADT) in the area. It appears that the property was purchased to construct a 4-story, 63 unit, hotel building.



**Comparable #7**



Comp 7	
<b>Address/Location:</b>	xxx US Hwy 169, Grand Rapids, MN 55744
<b>PID #:</b>	91-033-2322
<b>Legal Description:</b>	Lengthy Legal
<b>Sale Price:</b>	\$125,000
<b>Price/S.F.:</b>	\$4.63/s.f.
<b>Sale Date:</b>	11/16/2022
<b>Size:</b>	27,007 SF (0.62 acres)
<b>Utilities:</b>	All Available
<b>Zoning:</b>	GB, General Business & Airport Safety Zone C
<b>AADT:</b>	19,800
<b>Topography:</b>	Generally level
<b>Financing Terms/Property Rights Conveyed:</b>	Cash/Warranty Deed/Fee Simple
<b>Grantor/Grantee:</b>	Leisure Hills Care Center, LP/Judy Garland Children's Museum
<b>Confirmed With:</b>	Certificate of Real Estate Value (eCRV ID 1490685), county records, various data bases, and the buyer representative, Janie Heitz with the Judy Garland Children's Museum.
<b>Comments:</b>	This property is located on the western side of U.S. Highway 169. U.S. Highway 169 has an Average Annual Daily Traffic Count (AADT) of 19,800 (2019 count) in the area of the property. The property appeared to be improved with a gazebo which was assessed at \$2,600 at the time of the sale (2021 taxes payable 2022). The adjacent owner (Judy Garland Children's Museum) had first right of refusal, and it appears that they chose to purchase the property. The property was assembled with the adjacent parcel they owned after the sale.



# Professional Qualifications - Julie Jeffrey Schwartz, Certified General Appraiser

## Professional Qualifications - Julie Jeffrey Schwartz, Certified General Appraiser

Email: [julie@lakestate.com](mailto:julie@lakestate.com) Direct: 651-653-0788

### EDUCATION

#### Appraisal

##### **Appraisal Institute (current to 1991; most current to least current order):**

Advanced Spreadsheet Modeling for Valuation Applications, Appraisal Institute  
Advanced Concepts and Case Studies, Appraisal Institute  
Advanced Market Analysis and Highest and Best Use, Appraisal Institute  
Marketability Studies: Six Step Process and Basic Applications, Appraisal Institute  
Residential Design: The Makings of a Good House, Appraisal Institute  
Oil Spills and Property Values Webinar, Appraisal Institute  
Business Practice and Ethics, Appraisal Institute  
Litigation Appraisal. Specialized Topics and Application, Appraisal Institute  
Uniform Appraisal Standards for Federal Land Acquisitions, Appraisal Institute  
Uniform Standards of Professional Appraisal Practice (numerous times, most recently 2018), Appraisal Institute  
Land Valuation Assignments, Appraisal Institute  
Land Valuation Adjustment Procedures, Appraisal Institute  
The Appraisal of Easements, Appraisal Institute  
Partial Interest Valuation -- Divided, Appraisal Institute  
The Appraisal of Special Use Properties, Appraisal Institute  
Report Writing and Valuation Analysis, Appraisal Institute  
Commercial Highest and Best Use, Appraisal Institute  
Advanced Applications, Appraisal Institute  
Standards of Professional Appraisal Practice A, B & C, Appraisal Institute  
Capitalization Theory and Techniques A & B, Appraisal Institute  
Basic Valuation Procedures, Appraisal Institute  
Real Estate Appraisal Principles, Appraisal Institute  
Appraisal of Special Use Properties: The Road Less Traveled, Appraisal Institute  
Case Studies in Commercial Highest and Best Use, Appraisal Institute  
Analyzing Distressed Real Estate, Appraisal Institute

##### **Other (current to 1988):**

Appraisal Review for Federal-Aid Highway Programs, National Highway Institute  
Investment Property Appraisal and Financial Analysis, ProSource  
Advanced Yield Capitalization, ProSource  
Appraising Income Producing Properties, ProSource  
Appraising Commercial Properties, ProSource  
Appraisal Standards and Ethics, ProSource  
Certified Real Estate Appraisers (CREA) Course, ProSource  
Houses: FHA Appraisal and Construction Standards, ProSource  
Home Inspections. Beyond the Basics, ProSource  
Appraisal of Manufactured Homes  
Numerous Seminars (International Right of Way Assoc., Farm Managers & Rural Appraisers, Appraisal Institute)

#### General

Lakewood College, Associate of Arts Degree with Distinction, 1991  
Realtor Institute, Graduate (G.R.I. Designation), 1987  
Northeast Metro Technical Institute, Computer Operations/Programming Degree, 1984

### EXPERIENCE

President and Owner, Lake State Realty Services, Inc., since 1991  
Real Estate Sales License since 1984, Real Estate Brokerage License since 1991  
Appraising Real Estate since 1985  
Employed by Minnesota Department of Transportation for 4 years, as appraiser/expert witness  
Testified at various hearings, trials and depositions  
General contracting experience and some property management experience (1980 to present)  
Co-developer of 10-lot lakefront subdivision on Lake Vermillion, Minnesota (2002-2005)

### LICENSES, COMMISSIONS, MEMBERSHIPS/AFFILIATIONS, AWARDS, APPOINTMENTS

Certified General Appraiser License, Minn. #4002423  
Certified General Appraiser License, Wisc. #482  
Certified General Appraiser License, Mich. #12-01-005363  
Certified General Appraiser License, Ohio #423328  
Certified General Appraiser License, North Dakota #CG-2301  
Minnesota Real Estate Brokerage License  
Member of St. Paul, Minnesota, and National Association of Realtors  
Member of the Multiple Listing Service  
Member of the International Right of Way Association (IRWA)  
Member of the National Association of Realtors Appraisal Section



Member of the Appraisal Institute (Practicing Affiliate)  
 Member of the National Association of Real Estate Appraisers (NAREA), Certified Real Estate Appraiser Designation-CREA  
 Member of the American Society of Appraisers – Farm Managers and Rural Appraisers  
 Appointed to the Lino Lakes Economic Development Authority Advisory Board (past 18 years); past Chairperson and Co-Chairperson of the Board numerous times  
 Member Community Emergency Response Team (CERT) City of Lino Lakes and Board Member (Secretary)  
 Co-Chair and Executive Board Member, and past Chair, Lino Lakes Volunteers in Public Safety  
 Appointed to the International Right of Way Association's Appraisal Committee, past Chairperson  
 Past Board of Director, founding member, and past President and Secretary – Quad Cities Chamber of Commerce  
 Received Hammer Award for reinventing a federal government that is more efficient and costs less from Vice President Al Gore in 1999 (for appraisal services contract)  
 Received letters of Commendation/Recognition from Governor Tim Pawlenty, Senator Amy Klobuchar, Senator Norm Coleman, and the American Red Cross for 9-hours of rescue efforts immediately after the I-35W Minneapolis bridge collapse in 2007  
 Hero of the Year Disaster Relief 2008 from the Red Cross for heroic involvement after bridge collapse, including aid to the children from the school bus and heading logistics command to distribute food/water/ice to rescue and recovery workers  
 Girl Scout Leader (2006 to 2011); District Delegate 2008, during critical merger of two councils  
 Honorarium from the Minnesota League of Cities for reviewing, and contributing to the Local Improvement Guide (special assessment benefits) August 2008 and Special Assessment Tool Kit  
 Development Committee Board Member, Phoenix Alternatives Inc. (PAI), a non-profit that provides day programming for developmentally disabled adults, conducting fund raising and advisement  
 Instructor for Continuing Legal Education (CLE) Class "How to Value Residential Real Estate in Construction Defect Litigation"  
 On the Anoka County Condemnation Commissioner's list  
 On the Washington County Condemnation Commissioner and Probate Appraiser list  
 On the Ramsey County Condemnation Commissioner's list  
 Served as Chairperson of the Condemnation Commission  
 Appointed as neutral appraiser by the courts and litigating parties  
 Chisago County "Appraiser of Record" as of 2006 to current  
 Served on St. Paul & Minn. Board of Realtors Gov't Affairs, Prof. Standards, & Ethic Committees  
 Certified Instructor for "Expert Witness Testimony" through the State of Minnesota (Through Int'l. Right of Way Assoc.)  
 Speaker at the Minnesota League of Cities Engineer Conference (2004) on Special Assessment Benefit Analysis  
 Speaker at the Minnesota Banking Risk Management Association "Residential Real Estate: Risks and Opportunities" September 2005  
 Author of *A Neutral Appraisal Provides Accurate Valuation to Fairly Divide Marital Equity*, Family Law Forum, Vol. 24 No. 2, Spring 2016  
 Contributor to the Lake Links Trail Network Master Plan and part of the consultant team, January 2001

**PROPERTY TYPES APPRAISED**

Extensive appraisal experience in MN, WI, OH, MI, ND, and IL, in numerous counties and cities, for various clients, including various government (Federal, State, County, City and other units), lenders, insurers, attorneys, courts, and private clients:

**Residential:** single family (inc. lakeshore/river front), town homes, condos, mobile homes, twin homes, and multi-family (including apartment buildings and complexes).

**Commercial:** restaurants, implement/auto dealerships, retail (stand alone & strips), parking lots/ramps, small to large office buildings, regional medical facilities and clinics, bowling alleys, saw mills.

**Industrial:** manufacturing, hi-tech, warehouses, distribution centers, single-& multi-tenant buildings.

**Rural:** crop land, rice farms, aqua-culture operations, organic farms, farmsteads with all buildings.

**Investment:** apartment buildings, duplex/multi-plex, office buildings, retail strip centers, mixed-use complexes, resorts/camp grounds.

**Land:** commercial, industrial, residential, residential subdivision analysis, wetlands, rural, railroad crossings, sand/gravel pits, timber land, lakeshore/river front, scenic easements and other easements, flood plain land, Tribal and Trust Land.

**Other:** professional liability; extensive litigation consulting/appraisal related to construction defects; trial consultation; special assessment benefit analysis; review appraisals on residential, commercial and special use properties; condemnation/litigation; neutral appraisals; partial takings/severance (right-of-way); feasibility studies, fractional interests; residential, commercial, and government reviews (state and federal); equipment and trade fixtures; special use -- including post offices; federal buildings; courthouses, fire stations, U.S. Customs Border Stations; Tribal and Trust land; park and ride facilities and other transit facilities, railway terminals; churches; auto proving grounds; substantially destroyed structures; lease analysis, and fair annual rental rates; easements (conservation, scenic, right of way, utility, and various others); redevelopment consulting/appraisal; blight determinations; developer feasibility studies and consultation services for residential subdivisions.



STATE OF MINNESOTA  
DEPARTMENT OF TRANSPORTATION

**OFFER TO SELL AND  
MEMORANDUM OF CONDITIONS**

RECOMMENDED FOR APPROVAL

Supervisor of Direct Purchase  
APPROVED

By

C.S.: 3104 (2=8) 827 Parcel: 325D County: Itasca

Owners and addresses: City of Grand Rapids, successor to Village of Grand Rapids, Mayor, Grand Rapids City Hall, 420 N. Pokegama, Grand Rapids, Minnesota, 55744-2662;

For a valuable consideration, on this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, the undersigned owners hereby offer to sell and convey to the State of Minnesota for a total consideration of \_\_\_\_\_ Dollars (\$\_\_\_\_\_) a fee simple title to the real estate or an interest therein situated in Itasca County, Minnesota, described in the copy of the instrument of conveyance hereto attached.

The undersigned parties have this day executed an instrument for the conveyance of the aforesaid real estate or an interest therein to the State of Minnesota, and have conditionally delivered the same to the State of Minnesota, which instrument shall have no effect until and unless this offer to sell and convey is accepted in writing by the Office of Land Management of the Minnesota Department of Transportation within \_\_\_\_\_ days from the date of this offer. Such notice of acceptance shall be by certified mail directed to the address appearing after our signatures hereto. If this offer is not so accepted within the time limited herein such conveyance shall be of no effect, and said instrument shall forthwith be returned to the undersigned owners.

If this offer is accepted it is mutually agreed by and between the owners and the State as follows:

(1) Possession of the real estate shall transfer to the State \_\_\_\_\_ days after the date of acceptance. The owners shall have the right to continue to occupy the property or to rent same to the present occupants or others until the date of transfer of possession. Any change in occupancy shall be subject to approval and concurrence by the State. On or before the date for transfer or possession the owners will vacate the real estate and the improvements (if any) located thereon, or cause same to be vacated, remove all personal effects therefrom and have all utilities (if any) shut off by the supplier of same. No buildings appurtenances or other non-personal items or fixtures will be removed from the premises by the owners or renters, including plumbing and heating fixtures, etc. The owners shall notify the Department of Transportation as soon as the improvements are vacated. The owners will maintain the improvements during their period of occupancy and will make all necessary repairs at their own expense. The State's prospective bidders for the purchase or demolition of the improvements on the property shall have the right of entry for inspection purposes during the last 10 days of possession by the owners.

(2) Title to said real estate shall pass to the State of Minnesota as of the date of said



City of Grand Rapids  
Department of Public Works

OWNERS

CITY OF GRAND RAPIDS, successor to Village of Grand Rapids

By \_\_\_\_\_

Its \_\_\_\_\_

And \_\_\_\_\_

Its \_\_\_\_\_

(Address of Owner where acceptance is to be mailed.)

# RIGHT OF WAY PARCEL LAYOUT



C.S. 3104(2=8-27)827 S.P. 3104-61 COUNTY Itasca

LOCATION TH2 in Grand Rapids from TH169 to 0.25 miles east of Gunn Rd in LaPrairie

OWNER Village of Grand Rapids

PARCEL NO. 325D SHEET 1 OF 3



LEGEND	
	CONSTRUCTION LIMITS
	EXISTING RIGHT OF WAY
	TEMPORARY EASEMENT
	NEW RIGHT OF WAY
	TOTAL PROPERTY OWNERSHIP
	TEMPORARY EASEMENT
	PERMANENT TAKING

Sec.21 T55N R25W

Sec.22 T55N R25W

# RIGHT OF WAY PARCEL LAYOUT

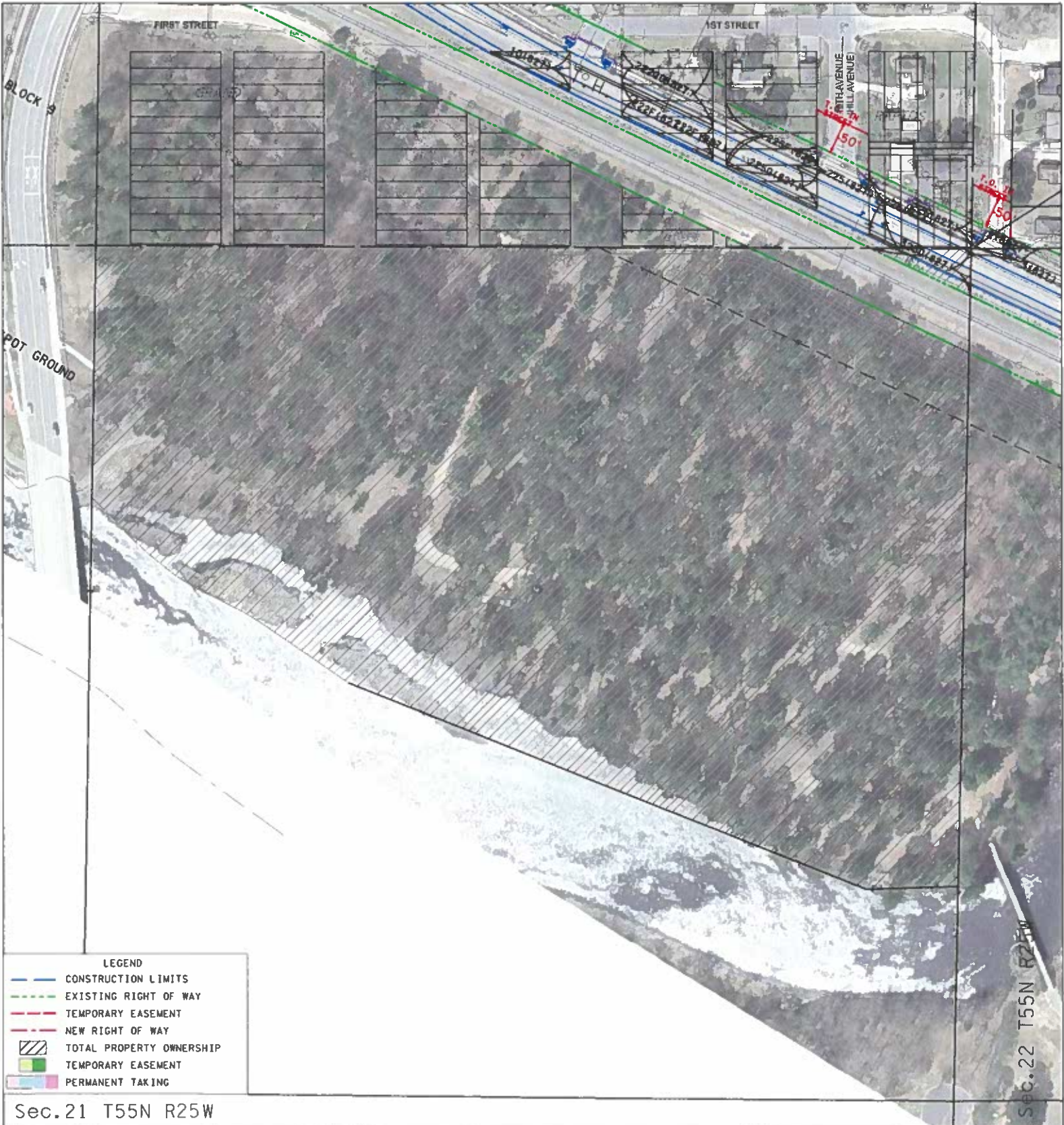


C.S. 3104(2=8-27)827 S.P. 3104-61 COUNTY Itasca

LOCATION TH2 in Grand Rapids from TH169 to 0.25 miles east of Gunn Rd in LaPrairie

OWNER Village of Grand Rapids

PARCEL NO. 325D SHEET 3 OF 3



LEGEND	
	CONSTRUCTION LIMITS
	EXISTING RIGHT OF WAY
	TEMPORARY EASEMENT
	NEW RIGHT OF WAY
	TOTAL PROPERTY OWNERSHIP
	TEMPORARY EASEMENT
	PERMANENT TAKING

Sec. 21 T55N R25W

Drawn by pmeler

Print Date 4/19/2024

Sec. 22 T55N R25W

May 6, 2024  
3104-827-325D

SL  
JM  
BIA

FEE ACQUISITION

Parcel 325D C.S. 3104 (2=8-27)

S.P. 3104-61RW

All of the following:

That part of Government Lot 1 of Section 21, Township 55 North, Range 25 West, shown as Parcel 325D on Minnesota Department of Transportation Right of Way Plat Numbered 31-221 as the same is on file and of record in the office of the County Recorder in and for Itasca County, Minnesota;

containing 5632 square feet, more or less, which is encumbered in its entirety by an existing highway easement.