

Dodd Advisory & Valuation LLC

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Proposal and Contract for Services

Date: February 25, 2022

To: City of Grand Rapids, MN
420 N. Pokegama Avenue
Grand Rapids, MN 55744

Attn: Rob Mattei
Director of Community Development

RE: Historic School Property
10 NW 5th Street
Grand Rapids, MN 55744
PID No.: 91-415-3010

Dear Mr. Mattei,

I am pleased to submit this proposal and contract for professional services regarding the above referenced property.

PROPOSAL/CONTRACT SPECIFICATIONS

Client: City of Grand Rapids

Purpose of the Assignment: To provide a market value appraisal of the above referenced property (hereafter the subject property).

Intended Use: Potential Sale

Intended User: The Client and its legal representatives

Value Appraised: Market Value

Interest Appraised: Fee Simple Estate

Scope of Work: The appraisal shall be developed in conformance with the Uniform Standards of Professional Appraisal Practice (USPAP). All approaches to value will be considered. Those approaches to value that are deemed by the appraiser to provide reliable and credible indications of market value shall be developed. The appraiser shall make an on-site inspection of the subject property.

Note: The assignment shall be conducted in three phases, as described on the following page. Acceptance of this Proposal and Contract for Services letter, and payment of the retainer fee, commits the client to Phase 1 only. Phases 2 and 3 shall commence upon written authorization of the client. The client is not obligated to authorize Phase 2 or Phase 3.

Historic School Property - Grand Rapids

Assignment Fee: Phase 1: \$2,500.00
Phase 2: \$7,500.00 (Payment for Phase 1 shall be credited to Phase 2)
Phase 3: \$18,000.00 (Payment for Phase 2 shall be credited to Phase 3)

Scope of Phase 1: Inspection of the subject property; review of the feasibility report (provided by client); preliminary research pertaining to the prospective buyer's redevelopment plan; discussions with MN Historical Society pertaining to permissible uses and alterations to the subject property; discuss findings with the client by telephone.

Scope of Phase 2: A preliminary appraisal shall be developed. The estimate of market value shall be expressed in a range of plus/minus 15% of the midpoint. The appraisal shall be communicated in an written summary report.

Scope of Phase 3: A final appraisal shall be developed. The opinion of market value shall be expressed as a point estimate. The appraisal shall be communicated in a detailed written report, intended to be reviewed and accepted by the applicable governing agency of the State of Minnesota.

Note: Time spent after the completion of Phase 3 shall be billed separately at \$250.00 per hour. Dodd Advisory & Valuation LLC will provide time logs with subsequent invoices.

Likewise, time spent after the completion of Phases 1 and/or 2 and without authorization by the client of the subsequent phase shall be billed separately at \$250.00 per hour.

Retainer Fee: \$2,500.00
Start Date: Upon receipt of signed agreement and retainer payment
Due Date: Phase 1 shall be completed 45 calendar days after receipt of retainer payment.
Arrangements shall be made as to the due dates of Phases 2 and 3 if and when those phases are authorized by the client.

Subject Property Identified: The subject property is identified as a former school property, located at 10 NW 5th Street, Grand Rapids, MN. It is understood the subject property is of historical significance and is listed on the National Register of Historic Places.

Items Needed to Complete the Assignment: Feasibility Study - prepared by others; contact information of the prospective buyer; any building plans which might be in the possession of the client; any relevant correspondence between the client and the MN Historical Society; leases of existing tenants; information pertaining any other offers/proposals regarding the subject property which may have been received by the client.

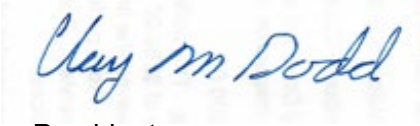
When executed and delivered by all parties, this letter will serve as the Contract for Services by and between Dodd Advisory & Valuation LLC and the Client. Each person signing below represents that it is authorized to enter into this contract and to bind the respective parties hereto.

Historic School Property - Grand Rapids

I appreciate this opportunity to be of service to you on this assignment. If you have additional questions please contact me.

Sincerely,

Dodd Advisory & Valuation LLC



President
Certified General Real Property Appraiser
MN: 20019812

AGREED AND ACCEPTED

Signature

Date

Name

Title

Phone Number

Email Address