

## City Tax Abatement for Demo Loan Security - No Inflation

City of Grand Rapids, MN

City-only tax abatement for principal equal to \$52,500.



### ASSUMPTIONS AND RATES

<b>District Type:</b>	<b>Abatement</b>			
<b>First Year Construction or Inflation on Value</b>	<b>2026</b>	Current Total Local Tax Rate:	133.003%	Pay 2026
Inflation Rate - Every Year:	<b>0.00%</b>	Current City Tax Rate	69.0420%	Pay 2026
Interest Rate	<b>2.00%</b>	Current County Tax Rate	46.1710%	Pay 2026
		Current School District No. 318 Tax Rate	17.7900%	Pay 2026
		Current Other Tax Rate	0.0000%	Pay 2026
Present Value Date:	<b>1-Aug-25</b>	State-wide Tax Rate (Comm./Ind. only used for total taxes)	28.3130%	Pay 2026
First Period Ending	1-Feb-26	Market Value Tax Rate (Used for total taxes)	0.08175%	Pay 2026
Cashflow Assumes First Abatement	2028			
Assumes Last Year of Abatement	2035			
Fiscal Disparities Election [Inside, Outside or NA]	Inside			
Incremental or Total Fiscal Disparities	Incremental			
Fiscal Disparities Contribution Ratio	0.2504%	Pay 2026		
Fiscal Disparities Metro-Wide Tax Rate	1.5138%	Pay 2026		
Term of City Abatement	<b>8</b>			
Term of County Abatement	<b>0</b>			
Term of School District Abatement	<b>0</b>			
Total Years of Abatement:	<b>318</b>			
	8			

PROPERTY TAX CLASSES AND CLASS RATES:	
Exempt Class Rate (Exempt)	0.00%
Commercial Industrial Preferred Class Rate (C/I Pref.)	
First \$150,000	1.50%
Over \$150,000	2.00%
Commercial Industrial Class Rate (C/I)	2.00%
Rental Housing Class Rate (Rental)	1.25%
Affordable Rental Housing Class Rate (Aff. Rental)	0.25%
Non-Homestead Residential (Non-H Res. 1 Unit)	1.25%
First \$500,000	1.00%
Over \$500,000	1.25%
Homestead Residential Class Rate (Hmstd. Res.)	
First \$500,000	1.00%
Over \$500,000	1.25%
Agricultural Non-Homestead	1.00%

### BASE VALUE INFORMATION (Original Tax Capacity)

Map #	PID	Owner	Address	Land Market Value	Building Market Value	Total Market Value	Percentage Of Value Used for District	Original Market Value	Tax Year Original Market Value	Property Tax Class	Current Original Tax Capacity	Class After Conversion	After Conversion Orig. Tax Cap. Area/Phase
91-420-2750		Northern Caulking	816 NW 4th St.		740,900	740,900	100%	740,900	Pay 2026	C/I Pref.	14,068		0
91-420-2105		Glen's Army Navy	701 NW 4th St.		752,400	752,400	100%	752,400	Pay 2026	C/I Pref.	14,298		0
91-420-1810		Minor's Incorporated	503 NW 4th St.		2,222,800	2,222,800	100%	2,222,800	Pay 2026	C/I Pref.	43,706		0
91-420-1940		Kellin	533 NW 4th St.		169,500	169,500	100%	169,500	Pay 2026	C/I Pref.	2,640		0
91-420-1950		Cargill & Steffenson	111 Main Ave.		116,700	116,700	100%	116,700	Pay 2026	C/I Pref.	1,751		0
					<b>4,002,300</b>	<b>4,002,300</b>		<b>4,002,300</b>			<b>76,463</b>		<b>0</b>

**Note:**

1. Base values are for pay 2026 based on review of County website on April 22, 2026.
2. Located in SD #318

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PROJECT INFORMATION (Project Tax Capacity)														
Area/Phase	New Use	Estimated Market Value Per Sq. Ft./Unit	Taxable Market Value Per Sq. Ft./Unit	Sq. Ft./Units	Market Value	Property Tax Class	Project Tax Capacity	Percentage Completed 2026	Percentage Completed 2027	Percentage Completed 2028	Percentage Completed 2029	First Year Full Taxes Payable		
1	Abatement		-		0		76,463	100%	100%	100%	100%	2028		
<b>TOTAL</b>					<b>0</b>		<b>76,463</b>							
Subtotal Residential				0	0		0							
Subtotal Commercial/Ind.				0	0		0							

**Note:**

1. Market values are for pay 2026 based on review of County website on April 22, 2026.
2. Taxes and abatement will vary significantly from year to year depending upon values, rates, state law, fiscal disparities and other factors which cannot be predicted.

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Project Tax Capacity	Original Tax Capacity	Fiscal Disparities Incremental	Captured Tax Capacity	Combined City, County, & School Tax Rate	Maximum Annual Gross Tax Abatement	Semi Annual Gross Tax Abatement	100% City Abatement w/ Tax Rate 69.0420%	100% County Abatement w/ Tax Rate 46.1710%	100% School Abatement w/ Tax Rate 17.7900%	Semi Annual Net Tax Abatement	Semi-Annual Present Value	PERIOD ENDING Yrs.	Tax Year	Payment Date
														02/01/26
														08/01/26
														02/01/27
														08/01/27
														02/01/28
76,463	-	-	76,463	133%	101,697	50,849	26,396	-	-	26,396	24,866	0.5	2028	08/01/28
						50,849	26,396	-	-	26,396	49,486	1	2028	02/01/29
76,463	-	-	76,463	133%	101,697	50,849	26,396	-	-	26,396	73,861	1.5	2029	08/01/29
						50,849	26,396	-	-	26,396	97,996	2	2029	02/01/30
76,463	-	-	76,463	133%	101,697	50,849	26,396	-	-	26,396	121,892	2.5	2030	08/01/30
						50,849	26,396	-	-	26,396	145,551	3	2030	02/01/31
76,463	-	-	76,463	133%	101,697	50,849	26,396	-	-	26,396	168,975	3.5	2031	08/01/31
						50,849	26,396	-	-	26,396	192,168	4	2031	02/01/32
76,463	-	-	76,463	133%	101,697	50,849	26,396	-	-	26,396	215,131	4.5	2032	08/01/32
						50,849	26,396	-	-	26,396	237,867	5	2032	02/01/33
76,463	-	-	76,463	133%	101,697	50,849	26,396	-	-	26,396	260,378	5.5	2033	08/01/33
						50,849	26,396	-	-	26,396	282,666	6	2033	02/01/34
76,463	-	-	76,463	133%	101,697	50,849	26,396	-	-	26,396	304,733	6.5	2034	08/01/34
						50,849	26,396	-	-	26,396	326,582	7	2034	02/01/35
76,463	-	#VALUE!	76,463	133%	101,697	50,849	26,396	-	-	26,396	348,214	7.5	2035	08/01/35
						50,849	26,396	-	-	26,396	369,632	8	2035	02/01/36
<b>Total</b>						<b>813,579</b>	<b>422,330</b>	-	-	<b>422,330</b>				
	<b>Present Value From 08/01/2025</b>		<b>Present Value Rate</b>	<b>2.00%</b>		<b>712,063</b>	<b>369,632</b>	-	-	<b>369,632</b>				

Annual Abatement: 52,791