

**Appendix B.1:**  
**Property Value Technical Memorandum, BRKW Appraisals, Inc.**

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**MARKET ANALYSIS  
(BRKW File #6631)**

**OF**

IMPACT ON PROPERTY VALUES  
IN TERMS OF PRESENT AND FUTURE DEVELOPMENT  
AND POTENTIAL DEGRADATION OF TAX REVENUE POTENTIAL  
1-MILE RADIUS

**FROM**

PROPOSED MINING OPERATON ZAVORAL SITE  
EAST OF STATE TRUNK HIGHWAY 95  
AT THE INTERSECTION OF STATE TRUNK HIGHWAY 97  
SCANDIA, MINNESOTA

**FOR**

AECOM  
161 CHESHIRE LANE NORTH  
SUITE 500  
MINNEAPOLIS, MINNESOTA 55441

**BY**

**BRKW APPRAISALS, INC.**  
REAL ESTATE VALUATION SERVICES

# BRKW APPRAISALS, INC.

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August 12, 2011

Ms. Leslie H. Knapp  
Project Manager  
AECOM  
161 Cheshire Lane N.  
Suite 500  
Minneapolis, MN 55411

Re: Impact on property values  
1-Mile Radius  
Proposed Zavoral Mining Project  
Intersection of TH 95 and 97  
Scandia, MN

Dear Ms. Knapp

BRKW has concluded an analysis of the impact that the Zavoral Mine and Reclamation Project (Project) could have on property values within a 1-mile radius of the proposed facility. Tiller Corporation proposes to mine and reclaim 64 acres of the 114 acre Zavoral property. The intended use of the study is as part of an Environmental Impact Statement (EIS) for the proposed Project. The intended users of this report are representatives of EDAW Inc, an AECOM Company and the City of Scandia. The City of Scandia is the client.

The Zavoral property is a 114 acre tract of land located easterly of State Trunk Highway (TH) 95 (St. Croix Trail) at the intersection of TH 97 in the City of Scandia. The property comprises gently rolling and hilly terrain. The westerly 56 acre portion of the property (Site) was mined at one time but has been dormant for over 20 years. The area is now covered with grass, scattered trees, rock outcroppings and material stockpiles. Approximately 8 acres of undisturbed area is located at the southwest end. The rest of the Site consists of wooded hillside terrain along the easterly and southerly sides.

It is the intention of Tiller Corporation to mine 52 acres already disturbed by past mining activity along with the 8 acres of undisturbed area at southwest end of the property. Upon completion, the 60 acres would be restored, along with 4 acres that was previously disturbed by mining, but not utilized in Tiller Corporation's mining plan.

This study has been completed to determine whether the proposed mining and reclamation would have any negative impact on property values within a 1-mile radius (impact area) of the proposed Site. The term 1-mile radius implies a specific reference point. Recognizing the irregular shape of the Site and the location of the proposed mining operation, a fixed point was established inside the property, with a circle extending outward for a radius of 1,200 feet. This circle encompassed all of the proposed mining and reclamation area and the majority of the Site itself. The 1-mile impact area was then measured from this circle encompassing all properties that are 1-mile from the outside edge of the mining area.

The 1-mile radius extends northward to the intersection of TH 95 and Pilar Avenue, westward to near Parish Avenue, southward to near 197<sup>th</sup> Street and eastward across the St. Croix River to a point approximately  $\frac{1}{3}$  mile westerly of 280<sup>th</sup> Street. The area encompasses approximately 3,043.37 acres of land and water. On the Minnesota side the majority of development involves small acreage home sites (generally 1.5 to 12 acres) along with various larger sites that reach to a maximum size of 115 acres.

This analysis has been made with the **Extraordinary Assumption**<sup>1</sup> that the proposed Project would meet or exceed all MPCA requirements in terms mining operation. This would be required as part of the permitting process.

In order to determine the impact, if any, from the introduction of a gravel mining operation into the area, a study was made of sales of single family residences within and without gravel mining and sites with perceived environmental hazard areas (i.e. demolition landfill and former superfund site). It is noted that home prices have been declining over recent years due to a variety of economic problems. In order to avoid the corruption of data from this down turn, single family home sale activity in the years 2006 and 2007 were selected. This timeframe is period of market stabilization and change from the rapid increase of property values in the first half of the decade and the sharp declines of the past few years. Based upon this study, it was concluded that a negative impact would most likely occur to property values within, but not beyond,  $\frac{1}{4}$  mile of the Zavoral Site.

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<sup>1</sup> The term Extraordinary Assumptions is defined by the Uniform Standards of Professional Appraisal Practice (USPAP) 2010, Page 3 as “an assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser’s opinions and Conclusions.

If the question is placed to a perspective property owner as to whether they would prefer living near a gravel mining operation or other residential land use, the answer would invariably be other residential. However, in a property transaction that item becomes one of many factors to be considered such number and size of bedrooms, age/condition, floor plan layout and utility, amenity factors and so forth. The sales data contained in this analysis reveals that the market fails to recognize a measurable impact, based on proximity to an existing gravel mine or perceived hazard areas. However, the Zavoral Site has not been operated as a gravel mine for over twenty years. The proposed mining operation has the same effect as the introduction of a new gravel mining operation into an area. The current economic situation includes declining property values. The introduction of a perceived negative factor into this environment can have a stronger impact than if appearing in a growth market where demand is more important. The impact could be reflected in price and/or the time a property remains on the market.

It is logical to assume that the value of properties abutting a new gravel mining operation could be adversely affected. This affect dissipates with distance from the mining operation. It was concluded that the impact is limited to a radius of  $\frac{1}{4}$  mile from the Site. Within that area an up to 2% impact was concluded for properties between the bluff and the St. Croix River. A similar situation exists on the southern side of the Site where an up to 2% impact was estimated, except for the Westphal ownership, which abuts the southern boundary of the Site and thus may have a somewhat greater impact. An up to 5% potential value loss has been established for this property.

Properties that are within  $\frac{1}{4}$  mile to the southwest, west, northwest and north are more exposed to the gravel mining operation. It is noted that an 8-foot high berm would be installed along the western boundary. However, this is less of a barrier than that available to the properties to the east and south. After analyzing the situation, it was concluded that an impact of up to 5% would reflect the potential value loss to those properties. No value loss was ascribed to the Fusco property, which is a vacant Site that being zoned for commercial use and is not impacted.

In determining the value loss, the Assessor's 2011 Estimate of Market Value has been utilized. Consideration has also been given to the impact of the potential value losses to the real estate taxes from the individual properties. The 2011 real estate taxes for the individual properties were compared with the Assessor's 2010 property taxes (which are used for determining the 2011 real estate taxes). The resulting tax rates were compared with the individual value losses to arrive at the potential annual loss of real estate tax income (to all taxing authorities that base the tax amount on property value). The potential value losses are concluded as shown in Table 1

Table 1 - Potentially Impacted Properties							
Property Address	Owner	Property Identification No.	2011	Percent of Potential Value Loss	Potential Value Loss	2011 % Tax Rate	Potential Annual
			Assessor's M. V.				Real Estate Tax
			For 2012 R.E. Tax				Loss
<b>Southeast Sector</b>							
	Zavoral	18-032-19-43-0001	\$484,200	2.00%	\$9,684	1.01%	\$98.23
	Nat. Park Ser.	18-032-19-43-0002/34-0002		0.00%	\$0	0.00%	\$0.00
20923 Quint	O'Halloron	19-032-19-12-0001	\$587,600	2.00%	\$11,752	1.03%	\$121.05
20853 Quint	Plowman	19-032-19-12-0003	\$242,300	2.00%	\$4,846	1.00%	\$48.34
20921 Quint	Bowlin Family	19-032-19-12-0005	\$461,100	2.00%	\$9,222	1.01%	\$93.47
20919 Quint	Smith	19-032-19-12-0006	\$492,400	2.00%	\$9,848	1.01%	\$99.93
Quint	McClanahan	19-032-19-12-0007/0012	\$442,200	2.00%	\$8,844	1.01%	\$89.14
20789 Quint	Clary	19-032-19-12-0008	\$482,900	2.00%	\$9,658	1.01%	\$98.00
20733 Quint	Fitzpatrick	19-032-19-13-0003/0011	\$446,500	2.00%	\$8,930	1.01%	\$90.31
20699 Quint	Bowin Robert	19-032-19-13-0004/0009	\$453,500	2.00%	\$9,070	0.99%	\$89.90
	Schlingerman L.	19-032-19-13-0005/0006/0010	\$448,300	2.00%	\$8,966	1.06%	\$94.69
20661 Quint	Schlingerman A.	19-032-19-13-0007/24-0017	\$172,100	2.00%	\$3,442	0.82%	\$28.38
- 205th	Clapp, S.	19-032-19-13-0008	\$648,400	2.00%	\$12,968	1.04%	\$135.50
20685 Quinnell	Westphal	19-032-19-21-0002/0003	\$380,000	5.00%	\$19,000	0.99%	\$187.99
		19-032-19-24-0007/0008/0009					
		19-032-19-24-0013/0014					
16797 - 205th	Wallace	19-032-19-24-0015	\$157,200	2.00%	\$3,144	0.85%	\$26.79
	Wurzinger	19-032-19-24-0012	\$4,200	2.00%	\$84	0.93%	\$0.78
20595 Quinnell	Tuenge	19-032-19-24-0011	\$156,600	2.00%	\$3,132	0.85%	\$26.51
20457 Quinnell	Sumerby	19-032-19-13-0001/42-0002	\$547,700	2.00%	\$10,954	1.00%	\$109.62
20455 Quinnell	Eberhart	19-032-19-13-0002	\$200,500	2.00%	\$4,010	0.99%	\$39.69
20525 St. Croix T.	Dietrich	19-032-19-24-0021	\$383,400	2.00%	\$7,668	0.99%	\$75.88
16810 - 205th Ct	Hannah	19-032-19-31-0005	\$474,500	2.00%	\$9,490	1.00%	\$94.60
16775 - 205th Ct	Pary	19-032-19-31-0006	\$438,300	2.00%	\$8,766	1.00%	\$87.38
<b>Southwest Sector</b>							
xxxx St. Croix T.	Srock	19-032-19-22-0002/0003	\$360,800	5.00%	\$18,040	0.53%	\$95.61
16297 Scandia T.	Fusco	18-032-19-33-0001/0002	\$151,000	0.00%	\$0	2.42%	\$0.00
21060 St. Croix T.	Boesel	18-032-19-44-0001/0003	\$342,200	5.00%	\$17,110	0.46%	\$79.43
16601 Scandia T.	Buck	18-032-19-44-0001	\$197,300	5.00%	\$9,865	0.90%	\$88.76
16141 Scandia T.	Anderson	18-032-19-43-0010	\$444,400	5.00%	\$22,220	0.95%	\$210.58
16390 - 209th	Herlke	19-032-19-22-0005	\$262,900	5.00%	\$13,145	0.94%	\$123.90
16850 - 209th	Welsh	24-032-20-11-0003	\$261,200	5.00%	\$13,060	0.95%	\$123.43
20939 Quadrant	Fehey	24-032-20-11-0002	\$247,400	5.00%	\$12,370	1.25%	\$154.47
20969 Quadrant	Schwartz	24-032-20-11-0001	\$196,200	5.00%	\$9,810	1.16%	\$114.10
<b>Northwest Sector</b>							
20965 St. Croix T.	Srock	18-032-19-32-0004/23-0002	\$325,200	5.00%	\$16,260	0.66%	\$107.80
21420 St. Croix T.	Maguson	18-032-19-32-0002	\$392,100	5.00%	\$19,605	0.99%	\$194.50
16290 Scandia T.	Hendrickson	13-032-20-41-0001	\$206,000	5.00%	\$10,300	0.77%	\$79.40
16240 Scandia T.	Wolkerstorfer	13-032-20-41-0004	\$368,900	5.00%	\$18,445	1.00%	\$183.90
16140 Scandia T.	Gilberson	13-032-20-41-0005	\$267,400	5.00%	\$13,370	0.95%	\$126.70
<b>Northeast Sector</b>							
17001 - 220th	Page, G	18-032-19-31-0006	\$363,600	5.00%	\$18,180	0.96%	\$175.37
21565 St. Croix T.	Lundgren	18-032-19-24-0002/13-0003	\$252,000	5.00%	\$12,600	0.55%	\$68.90
	Nat. Park Serv.	18-032-19-42-0003/12-0005	\$0	0.00%	\$0		
		18-032-19-43-0001/42-0001					
	McGinley	18-032-19-13-0002	\$143,200	5.00%	\$7,160	1.33%	\$95.53
<b>Totals</b>			\$12,885,700		\$405,018		\$3,758.54
<b>Rounded to</b>			\$12,886,000		\$405,000		\$3,800.00

The negative impact would remain as long as the facility is in operation. The impact would diminish as reclamation takes place, to a level of zero with completion of the reclamation plan.

This report presents possible impacts to property values for use in an EIS process. The County Assessor would not prospectively lower property values or related tax rates for groups of properties based on changes that may or may not occur in the future. The values would not be modified unless sales took place or documented appraisal information for individual properties were submitted for County consideration in the valuation process.

This report has been prepared in conformity with the Code of Ethics and Standards of Professional Practice of the Appraisal Institute and in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) as mandated by the State of Minnesota. Your attention is invited to data and discussions, which, in part, form the basis of this conclusion.

Yours Truly,

A handwritten signature in blue ink that reads "Michael J. Bettendorf". The signature is written in a cursive style with a large, stylized initial "M".

Michael J. Bettendorf, MAI  
Certified General Real Property Appraiser  
Minnesota License #4001398

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## THE ZAVORAL MINING PROPERTY

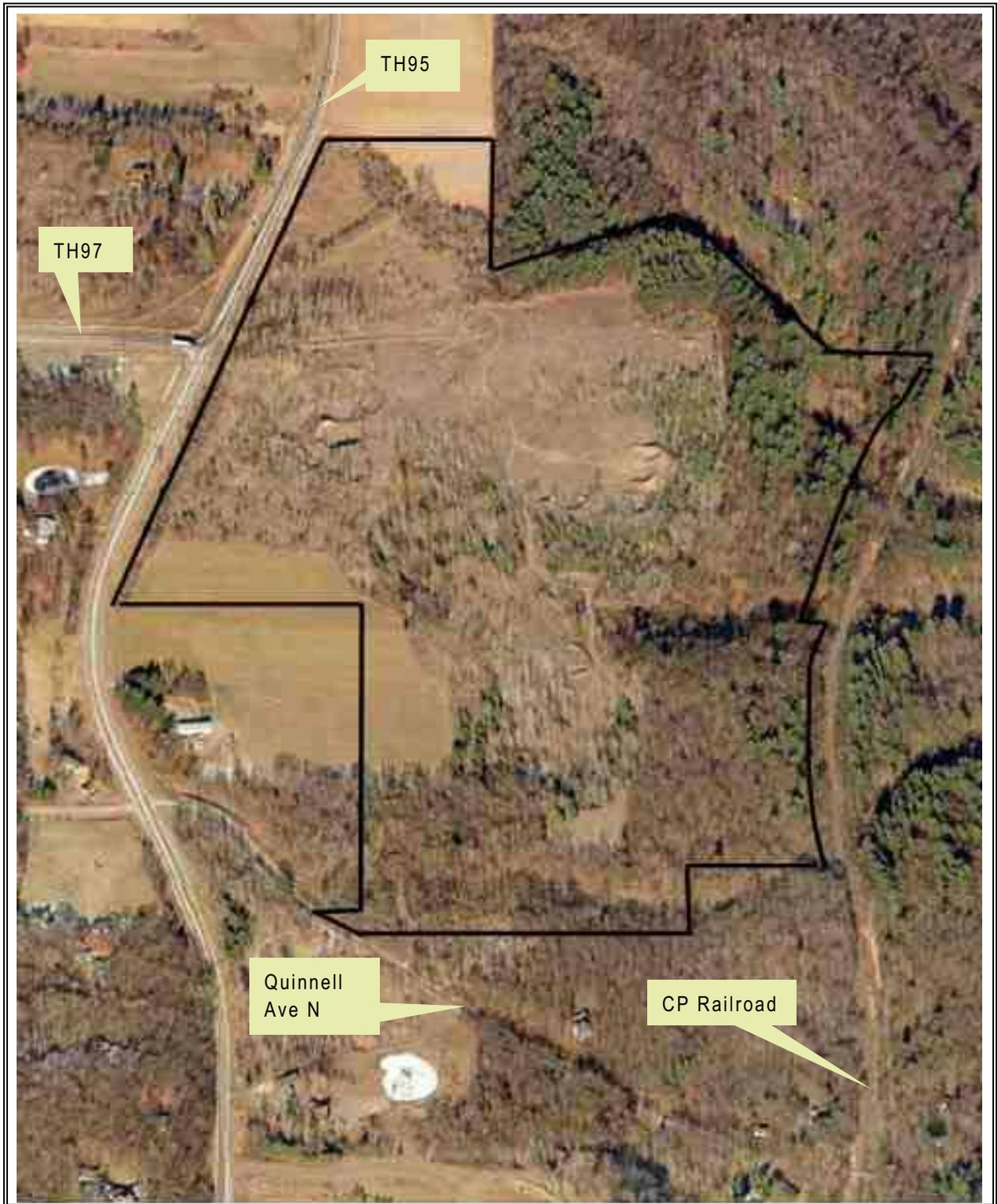
The Zavoral Site encompasses 114 acres located east of TH 95 at the intersection of TH 97 in the City of Scandia, Washington County, Minnesota (Figure 1). TH 95 is a paved 2 lane roadway that extends through Washington County in a general north/south direction. North of the subject area, the roadway continues northward to Taylors Falls in Chisago County and then turns westward continuing on to St. Cloud in the central portion of the State. The traffic volume on this roadway in the area of the subject was 7,800 vehicles per day in 2008. TH 97 is a 2-lane paved roadway that extends westward from TH 95 to Interstate Highway 35 in Forest Lake, at the west end of Washington County. The traffic volume on this roadway was 5,000 vehicles per day in 2008.

The northwestern boundary of the Site is TH 95, with the Site having  $\pm 970$  feet of frontage. Properties under separate ownership are located between the southwestern boundary of the Site and TH 95. The southwest corner touches Quinnell Avenue, approximately 800 feet southeasterly of the intersection of Quinnell Avenue with TH 95. The Site has  $\pm 150$  feet of frontage on Quinnell Avenue. Properties under separate ownership are located between the balance of the southern boundary and Quinnell Avenue. The western boundary of the Site is formed by the Canadian Pacific railroad right-of-way. This right-of-way is improved with one track that presently handles 1 train per day. The rail right-of-way separates the Site from the St. Croix River. A grove of trees marks much of the northern boundary of the Site.

The easterly  $\pm 400$  feet of the Site consist of wooded bluff land that declines approximately 50 feet to the rail track. Fifty acres or 44% of the Site, including the bluff land is encumbered with a St. Croix River Scenic Easement. Changes to the land with the easement area are prohibited.

The remaining 64 acres of the Site are separated into 56 acres of disturbed and 8 acres of undisturbed area. The disturbed portion represents previously mined area, which has been dormant for many years. The area has a disturbed land cover together with gravel/dirt mounds. The proposed project would involve mining 52 acres of the disturbed area.

The mining operation would be set back approximately 100 feet from TH 95 and 50 feet from property abutting the southwest corner of the Site. An 8-foot high screening berm would be installed in the setback areas. The mining operation would remove material in selected areas to a level of 840 feet above sea level. Much of the existing elevation within the mining area is presently at 850 to 870 feet above sea level. Tiller has indicated a general mining depth of 15 feet.



**Figure 1 - Aerial – Zavoral Mining Property**

Source: Composite of Bing Maps Reported as 2010 Aerial but more likely a 2005-2007 Aerial.

As part of the proposed Project the entrance to the facility, now somewhat offset from the TH 95/97 intersection, would be aligned with this intersection. Project reclamation would include all of 60 acres to be disturbed and an additional 4 acres of presently disturbed land that would not be mined.

### **SITE PHOTOGRAPHS**



Existing Zavoral Site Entry off of TH 95



Western Portion of Zavoral Site near TH 95 – To be Mined



Central Portion of Zavoral Site – To be Mined



North Central Area of Zavoral Site – To be Mined



South Central Portion of Zavoral Site – To be Mined



South Central Portion of Zavoral Site – To be Mined



Southern End of Zavoral Site – Remains Undisturbed



Eastern Portion of Zavoral Site– Remains Undisturbed



Northeastern Area of Zavoral Site– Disturbed Area to be Restored



Northeastern Area of Zavoral Site – Scenic Easement – Not to be Disturbed



North/Northwest Area Zavoral Site– Western Portion to be Mined

## SCOPE OF WORK

As part of an EIS process a need exists to consider the impact of the proposed Project on surrounding properties. This was accomplished by analyzing the market to determine the impact, if any, the proposed gravel mining and reclamation would have on property values within a 1-mile radius of the Site (Figure 2). In this instance it is necessary to recognize that the property comprises a partially mined site that has been a dormant for many years. The impact to the area is similar to beginning new mining operation rather than continuation of an existing operation.

This analysis has been made with the **Extraordinary Assumption**<sup>2</sup> that the proposed Project would meet or exceed all MPCA requirements in terms of design, operation and monitoring. This would be required as part of the permitting process.

The first step in the process was to identify the types of properties within the 1-mile radius. The next step was to research sales of similar properties within and without a close proximity to similar type property use. Consideration has been given to sales near new and/or existing gravel mining operations. In addition, consideration was given to sales of property that are influenced with other types of perceived detrimental activity nearby. Generally speaking, no 2 properties are identical in all respects. Adjustments for major differences were made to the values of properties outside the impact area, thus isolating any value change that may be reflected by being within close proximately or away from the environmental concern.

The impact, if any, is known as Stigma, which is defined in The Dictionary of Real Estate Appraisal<sup>3</sup> as:

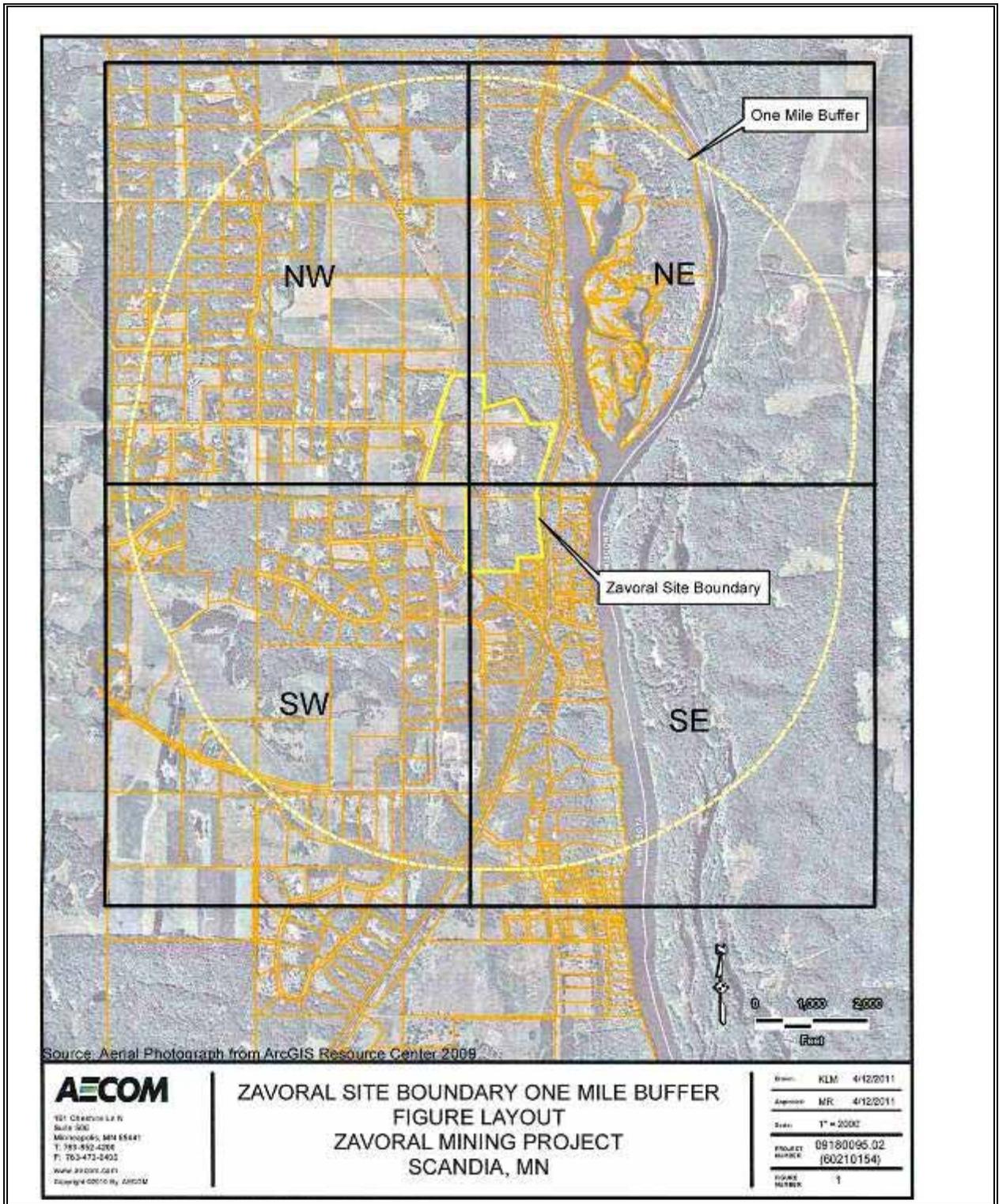
*An adverse public perception regarding a property; the identification of a property with a condition (e.g., environmental contamination, a grisly crime) that exacts a penalty on the marketability of the property and may also result in a diminution of value.*

It is noted that home prices have been declining over recent years due to a variety of economic problems. In order to avoid the corruption of data from this down turn, single family sale activity in the years 2006 and 2007 were selected. This timeframe is period of market stabilization and change from the rapid increase of property values in the first half of the decade and the sharp declines of the past few years.

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<sup>2</sup> The term Extraordinary Assumption is defined by the Uniform Standards of Professional Appraisal Practice (USPAP) © 2010, page 3 as “an assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser’s opinions and conclusions”.

<sup>3</sup> The Dictionary of Real Estate Appraisal, fifth Edition, published by the Appraisal Institute, @2010 Page 187



**Figure 2 - 1-Mile Radius Map**

## **Perception**

In making this analysis recognition is given to market perceptions. Generally speaking, no matter how strong the factual evidence is that a certain activity is safe to the environment and people, there are those who will continue to perceive a problem. It is recognized that perception has its own reality. The analysis will consider market perceptions.

## **COMPETENCY PROVISION**

Michael J. Bettendorf has been a full-time professional real estate appraiser since February 1971. His career began with the appraisal of farms and residential properties to be purchased for the creation of the Lake Elmo Regional Park, located within central Washington County. In 1983, as part of the conversion of TH 12 into I-94 in Washington County, he appraised the Tiller Company Gravel Mining facility (West Lakeland Pit #776) for the State of Minnesota. In 2007, he analyzed the same facility as part of third party EIS regarding depositing fly ash on site. He has the necessary experience and knowledge to allow preparation and completion of this market impact assignment in accordance with the competency provisions of the Uniform Standards of Professional Appraisal Practice.

## **LAND USES WITHIN 1 MILE**

The uses within 1-mile of the mine Site are a mixture of homes on acreages, farms, public lands, roadways and a railroad right-of-way. For clarification purposes, the uses within the 1-mile radius have been separated into Northwest, Southwest, Southeast and Northeast sectors. Figure 2 prepared by AECOM and found on page eleven, shows the location of the various sectors in relation to the subject property.

In addition to this map, BRKW Appraisals Inc. has prepared maps that reflect the  $\frac{1}{2}$  mile and 1-mile radius (Figures 3 and 4) Given the irregular shape of the Site, a circle, with a radius of 1,200 feet was made from the center of Zavoral Site to establish a consistent starting point. The circle encompasses all of the proposed mining area. Rings for the  $\frac{1}{2}$ -mile and 1-mile radius begin at the outside edge of this circle. Separation into the 4 sectors generally follows the sector lines as established on the AECOM Map. The Northwest Sector lies generally west of Quarry Avenue

The discussion of sector includes information on property ownerships. The names of the owners and the sizes of the ownership were obtained from Washington County records.

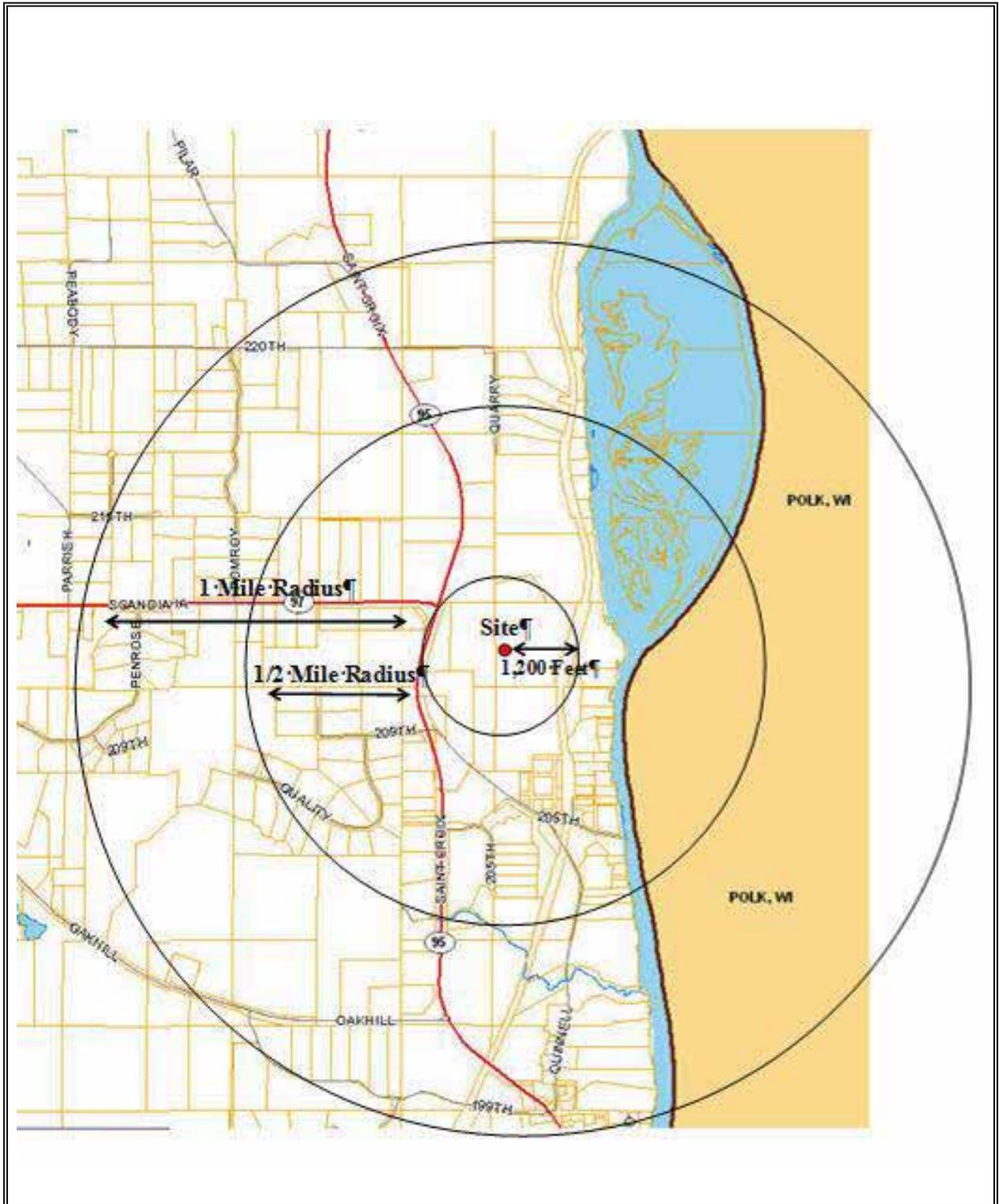


Figure 3 - Appraiser's 1-Mile Radius Map - Minnesota

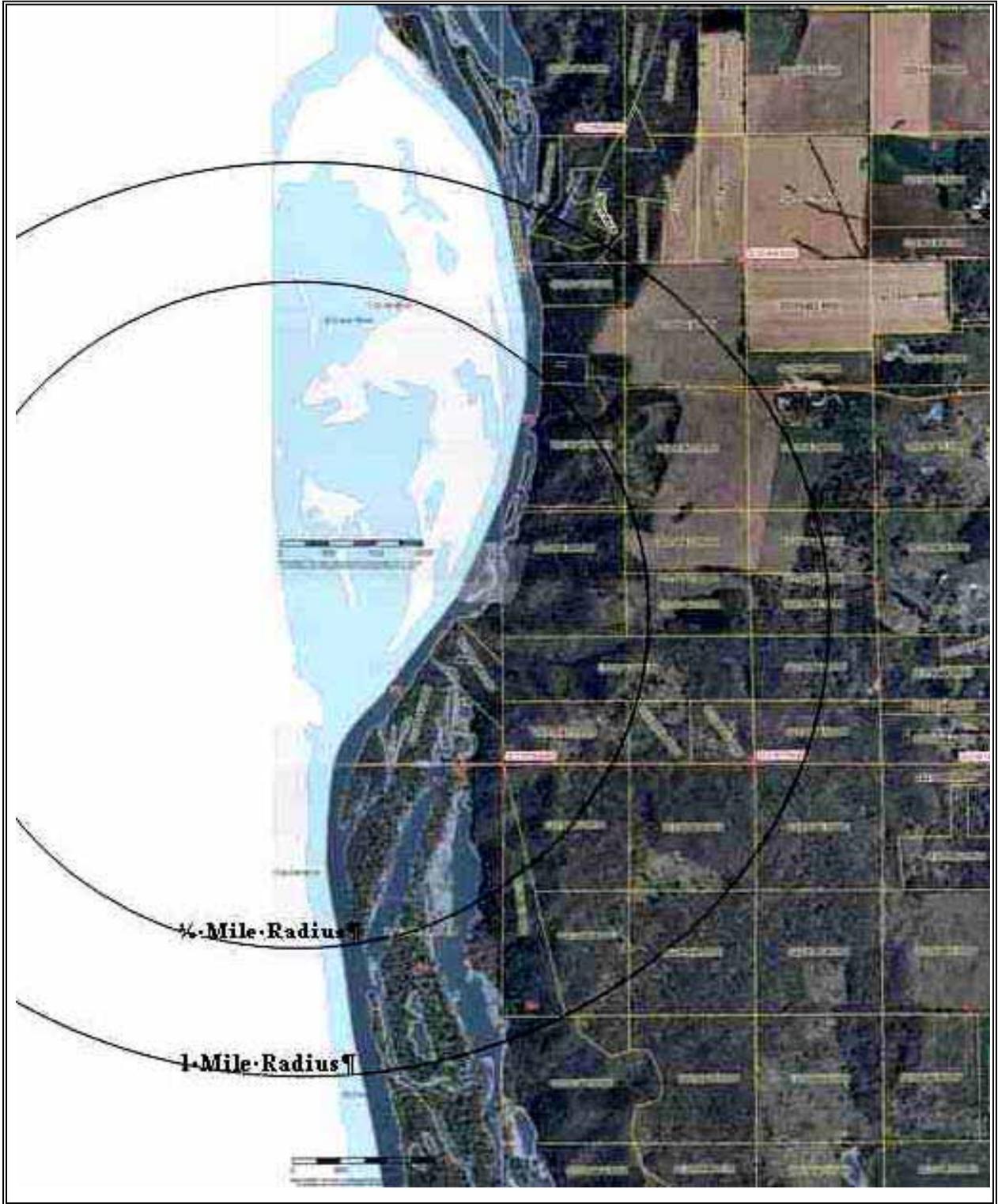


Figure 4 - Appraiser's 1-Mile Radius Map - Wisconsin

## Northwest Sector

The northwest sector is located generally between Quarry Avenue on the north and TH 95 on the east. Sixty people own property within this sector. Fifty three of the properties are small acreage home sites with lots ranging in size from 1<sup>1</sup>/<sub>2</sub> acres to 20 acres. There are 3 larger improved acreage sites between 32.98 acres to 81 acres with 2 designated as farms noting more buildings than a typical house/garage. There are 4 vacant sites with 2 being small sites and 2 large sites of which 1 is woodland and the other cropland. As shown on Table 2 the total size of the 60 ownerships is 621.71 acres.

<b>Property Address</b>	<b>Owner</b>	<b>Property Identification No.</b>	<b>Size</b>	<b>Improvement</b>
St. Croix T.	Hopkins	18-032-19-22-0001/23-0001	115.34 Ac	
		13-032-20-11-0001/12-0001		
21959 St. Croix T.	Bakken	18-032-19-22-0023	5.27 Ac	House
16021 Pilar	Wykes	12-032-20-43-0002	13.97 Ac	House
16023 Pilar	Olson	12-032-20-44-0003/0004	6.66 Ac	House
16090 Pilar	Ecklund	12-032-20-42-0002	Ac	House
15660 - 220th	Larson	12-032-20-43-0001/34-0001	52.34 Ac	House
		12-032-20-34-0004		
15750 - 220th	Dockter	12-032-20-34-0003	5.04 Ac	House
15676 - 220th	Dempsey	12-032-20-34-0002	1.50 Ac	House
16190 - 220th	Schriber	12-032-20-44-0006	7.32 Ac	House
16040 - 220th	Steinberg	12-032-20-44-0007/43-0003	15.16 Ac	
15969 - 220th	Carlson	13-032-20-12-0004	6.90 Ac	House
15879 - 220th	Sanderson	13-032-20-12-0003	7.59 Ac	House
15xxx - 220th	Mullins	13-032-20-21-0004	0.67 Ac	
21980 Pomroy	Schwintek	12-032-20-21-0005	3.79 Ac	
15679 - 220th	Smith	12-032-20-21-0003	5.00 Ac	House
15565 - 220th	State of Mn	12-032-20-21-0011	5.56 Ac	House
15449 - 220th	Philstrom	12-032-20-22-0006	19.39 Ac	House
21881 Pomroy	Alexander	13-032-20-12-0005	4.72 Ac	House
21799 Pomroy	Freier	13-032-20-12-0006	7.65 Ac	House
21788 Pomroy	Tockman	13-032-20-21-0008/0009	9.23 Ac	House
21860 Pomroy	Mead	12-032-20-21-0007/0010	9.20 Ac	House
21922 Pomroy	Gray	12-032-20-21-0006	4.45 Ac	House
20965 St. Croix Tr.	Srock	18-032-19-32-0004/23-0002	51.73 Ac	Farmstead
		23-0001/22-0004/22-0003		
21525 Pomroy	Aden	13-032-20-13-0001	32.98 Ac	Farm
21535 Pomroy	Crabtree	13-032-20-13-0003	6.48 Ac	House
21720 Pomroy	Harnetty	13-032-20-24-0003	8.48 Ac	House
21550 Pomroy	Foster	13-032-20-24-0004	7.90 Ac	House
21590 Pomroy	Erickson	13-032-20-24-0005	6.20 Ac	House
21530 Pomroy	Hegland	13-032-20-24-0006	6.20 Ac	House

**Table 2 - Northwest Sector - Continued**

15510 - 215th	Krinke	13-032-20-24-0002	6.74 Ac	House
21531 Penfield	Peters	13-032-20-23-0008	4.50 Ac	House
21591 Penfield	Spencer	13-032-20-23-0007	4.50 Ac	House
21651 Penfield	Hageman	13-032-20-23-0006	4.25 Ac	House
21701 Penfield	Cornier	13-032-20-23-0005	4.96 Ac	House
21530 Penfield	Brambilla	13-032-20-22-0004	4.42 Ac	House
21420 St. Croix T.	Maguson	18-032-19-32-0002	15.89 Ac	House
16290 Scandia T.	Hendrickson	13-032-20-41-0001	10.19 Ac	House
16240 Scandia T	Wolkerstorfer	13-032-20-41-0004	8.92 Ac	House
16140 Scandia T.	Gilberson	13-032-20-41-0005	8.87 Ac	House
16080 Scandia T.	Booth	13-032-20-41-0003	9.28 Ac	House
16030 Scandia T.	Heilman	13-032-20-42-0001	8.84 Ac	House
15978 Scandia T.	Cusick	13-032-20-42-0002	9.95 Ac	House
15850 Scandia T	Rasmussen	13-032-20-42-0006	4.35 Ac	House
21303 Pomroy	Howell	13-032-20-42-0005	4.35 Ac	House
21399 Pomroy	Wheaton	13-032-20-42-0004	4.75 Ac	House
21455 Pomroy	Brannan	13-032-20-42-0003	4.70 Ac	House
21540 Pomroy	Rodsjo	13-032-20-31-0004	4.43 Ac	House
21400 Pomroy	Zwinga	13-032-20-31-0005	4.44 Ac	House
21350 Pomroy	Sogga	13-032-20-31-0006	4.44 Ac	House
21300 Pomroy	Kissler	13-032-20-31-0007	4.52 Ac	House
15660 Scandia T.	Smith	13-032-20-31-0001	5.00 Ac	House
15570 Scandia T.	Kirvida	13-032-20-31-0001	9.88 Ac	House
15520 Scandia T.	Milbrandt	13-032-20-31-0003	9.95 Ac	House
21335 Parish	Bossel	13-032-20-32-0007	4.88 Ac	House
21401 Parish	Fernholtz	13-032-20-32-0004	4.93 Ac	House
21355 Parish	Kertzsch	13-032-20-32-0001	4.86 Ac	House
21477 Parish	Miller	13-032-20-32-0003	4.50 Ac	House
15455 - 215th	Spence	13-032-20-32-0006	4.51 Ac	House
15505 - 215th	Grifford	13-032-20-32-0005	4.55 Ac	House
15651 - 215th	Traner	13-032-20-31-0007	4.64 Ac	House
<b>Total</b>			621.71 Ac	

### Southwest Sector

The Southwest Sector extends from TH 95 in the west to 205<sup>th</sup> Court extended in the south. The sector extends outward to near Penrose Avenue on the west, Oakhill on the southwest and St. Croix Trail at Copas on the south. The sector contains 775.46 acres of private ownership. There are 61 individual owners, with 55 of the ownerships being homes on small acreage of 1.5 to 6.5 acres. Three are larger acreage farms from 43.96 acres to 78.65 acres, with the smallest one having additional acreage in the Southeast Sector. There are 3 small vacant ownerships. As shown in Table 3 the area contains 775.40 acres of land under ownership.

<b>Table 3 - Southwest Sector</b>				
<b>Property Address</b>	<b>Owner</b>	<b>Property Identification No.</b>	<b>Size</b>	<b>Improvement</b>
16297 Scandia T.	Fusco	18-032-19-33-0001/0002	2.78 Ac	
21060 St. Croix T.	Boesel	18-032-19-44-0001/0003	24.89 Ac	House
16601 Scandita T	Buck	18-032-19-44-0001	4.85 Ac	House
16141 Scandita T	Anderson	18-032-19-43-0010	25.44 Ac	House
16390 - 209th	Helke	19-032-19-22-0005	4.64 Ac	House
16850 - 209th	Welsh	24-032-20-11-0003	10.09 Ac	House
20969 Quadrant	Schwartz	24-032-20-11-0001	5.45 Ac	House
20939 Quadrant	Fehey	24-032-20-11-0002	5.44 Ac	House
20970 Quadrant	Moncur	24-032-20-12-0003	5.44 Ac	House
20940 Quadrant	Crothers	24-032-20-12-0004	5.42 Ac	House
16099 - 209th	Redig	24-032-20-12-0001	21.15 Ac	House
16015 Scandita T	Roggerman	13-032-20-43-0005	5.00 Ac	House
Scandita T	Rangitsch	13-032-20-43-0006	5.02 Ac	House
15901 Scandita T	Kline	13-032-20-43-0008	3.39 Ac	House
15747 Scandita T	Gordon	13-032-20-43-0001/0003	20.99 Ac	House
		13-032-20-43-0008/34-0002		
15689 Scandita T	KB Homestead	13-032-20-24-0003	6.24 Ac	House
21181 Penrose	Nickleson	13-032-20-24-0004	5.26 Ac	House
21133 Penrose	Hornbury	13-032-20-24-0005	4.88 Ac	House
21077 Penrose	Boston	13-032-20-24-0006	4.96 Ac	House
Penrose	Scandia City	13-032-20-33-0006	0.75 Ac	
	Wild Bush HOV	24-032-20-22-0006/0005	22.07 Ac	
		24-032-20-22-0008/0007		
- 209th	G.P. Land	24-032-20-22-0012/0011	6.36 Ac	
		24-032-20-22-0009/0016		
15457 - 209th	North Amer Title	24-032-20-22-0015	1.64 Ac	
15433 - 209th	Pereboom	24-032-20-22-0014	1.55 Ac	House
- 209th	North Amer Title	24-032-20-22-0013	1.65 Ac	
15240 Oakhill	Barkely	24-032-20-23-0001/41-0004	18.79 Ac	House
		24-032-20-32-0007		
Oakhill	Nickelson	24-032-20-23-0004	53.90 Ac	
15526 Oakhill	Morrison	24-032-20-31-0002	75.99 Ac	Farmstead
15640 Oakhill	Hanson	24-032-20-34-0007	4.56 Ac	House
Oakhill	Froiland	24-032-20-34-0008/43-0001	51.19 Ac	
16602 Oakhill	Warmington	24-032-20-44-0002/0001	78.65 Ac	Farmstead
		24-032-20-41-0001		
16370 Oakhill	Sandager	19-032-19-33-0001	4.98 Ac	House

**Table 3 - Southwest Sector - Continued**

	20240 St. Croix T.	Knefelkamp	19-032-19-33-0003	2.54 Ac	House
	20250 St. Croix T.	Harvieux	19-032-19-32-0006	4.26 Ac	House
	20286 St. Croix T.	Kosman	19-032-19-32-0003	6.49 Ac	House
	20374 St. Croix T.	DeWolfe	19-032-19-32-0004	5.58 Ac	House
	20516 St. Croix T.	Nelson	19-032-19-23-0011	5.01 Ac	House
*	20540 St. Croix T.	Ostrand	19-032-19-23-0006/0007	2.54 Ac	House
			19-032-19-23-0010		
	20600 St. Croix T.	Grogan	19-032-19-23-0008	2.42 Ac	House
	20680 St. Croix T.	Diberardini	19-032-19-23-0005	4.80 Ac	House
	205th Ct	Ekdahl	19-32-19-20-0003	16.34 Ac	
	20021 St. Croix T.	Sandager	19-032-19-33-0002/32-0008	43.96 Ac	Farmstead
			19-032-19-22-0001		
	16755 - 205th Ct	Torkelson	19-032-19-31-0009	3.12 Ac	House
	20263 St. Croix T.	Stavish	19-032-19-22-0007	2.97 Ac	House
	20575 St. Croix T.	Amundson	19-032-19-23-0012	12.72 Ac	House
	20800 Quinnell	Joliceoeur	19-032-19-22-0010	7.30 Ac	House
	20965 St. Croix T.	Scrock	19-032-19-22-0002/0003	20.44 Ac	House
	16315 - 209th	Boesel	19-032-19-22-0004/0008	6.15 Ac	House
	16227 Quality	Dockerman	24-032-20-11-0004	4.13 Ac	House
	16235 Quality	Waite	24-032-20-11-0005	3.49 Ac	House
	16195 Quality	Kern	24-032-20-14-0001	3.56 Ac	House
	16155 Quality	Finnigan	24-032-20-14-0002	3.13 Ac	House
	16115 Quality	Bol	24-032-20-14-0002/0003	7.44 Ac	House
	16035 Quality	Shurb	24-032-20-14-0005	3.24 Ac	House
	15995 Quality	Moszer	24-032-20-13-0001	4.46 Ac	House
	15945 Quality	Sweeney	24-032-20-13-0002	4.49 Ac	House
	15905 Quality	Se-tac Prop.	24-032-20-13-0003	4.41 Ac	House
	15865 Quality	Aldentaler	24-032-20-13-0004	5.80 Ac	House
	15825 Quality	Anderson	24-032-20-13-0004	4.99 Ac	House
	15965 Quality	Jemelka	24-032-20-24-0001/21-0002	50.45 Ac	House
	15820 Quality	Danielson	24-032-20-12-0002	3.58 Ac	House
	15880 Quality	Van Hoven	24-032-20-13-0007	4.44 Ac	House
	15940 Quality	Merriar	24-032-20-13-0006	6.89 Ac	House
	16050 Quality	Larson	24-032-20-14-0007	5.49 Ac	House
	16190 Quality	Hawkinson	24-032-20-14-0006	4.59 Ac	House
	16220 Quality	Hackman	24-032-20-11-0007	5.55 Ac	House
	16256 Quality	Erickson	24-032-20-11-0006	5.28 Ac	House
<b>Total</b>				<b>775.46 Ac</b>	

## Southeast Sector

The Southeast Sector is located between 205<sup>th</sup> Court extended on the South to a line extended easterly from TH 95 on the east. This area extends across the St. Croix River into the Town of Farmington in Polk County, Wisconsin. In Minnesota there are 52 separate ownerships of which 49 are private and 3 are public (Table 4). The public owners consist of the National Park Service (9.45 acres) and Minnesota Department of Transportation (MnDOT) (0.98 acres). Of the 52 ownerships, 40 involve small acreage sites (0.25 acres to 11.58 acres) that are improved with homes. The balance reflects vacant land, except for the railroad, whose 21.96 acres in this sector is improved with rail track. The total area within the Minnesota portion of this sector, excluding the river, is 296.26 acres.

The St. Croix River lies between the States of Minnesota and Wisconsin with approximately 60 acres within this sector. The remainder of the sector, 546.11 acres is located in the State of Wisconsin (Table 5). Forty acres of that amount is in private ownership (used for farming), with the balance being owned by the United States or by the Standing Cedars Community Land Conservancy.

<b>Property Address</b>	<b>Owner</b>	<b>Property Identification No.</b>	<b>Size</b>	<b>Improvement</b>
	Zavoral	18-032-19-43-0001	1.40 Ac	House
	Nat. Park Ser.	18-032-19-43-0002/34-0002	4.45 Ac	
20923 Quint	O'Halloron	19-032-19-12-0001	2.96 Ac	House
	Nat. Park Ser.	19-032-19-12-0002/0004	5.00 Ac	
		18-032019-21-0001		
	C.P. Railroad	Not Assigned	21.96 Ac	
20853 Quint	Plowman	19-032-19-12-0003	4.83 Ac	House
20921 Quint	Bowlin Family	19-032-19-12-0005	1.12 Ac	House
20919 Quint	Smith	19-032-19-12-0006	1.08 Ac	
Quint	McClanahan	19-032-19-12-0007/0012	2.03 Ac	House
20789 Quint	Clary	19-032-19-12-0008	2.31 Ac	House
20733 Quint	Fitzpatrick	19-032-19-13-0003/0011	2.46 Ac	House
20699 Quint	Bowin Robert	19-032-19-13-0004/0009	2.51 Ac	House
	Schlingerman L.	19-032-19-13-0005/0006/0010	2.34 Ac	House
20661 Quint	Schlingerman A.	19-032-19-13-0007/24-0017	1.46 Ac	House
16950 - 205th	Clapp, S.	19-032-19-13-0008	3.04 Ac	House
20685 Quinnell	Westphal	19-032-19-21-0002/0003	10.67 Ac	House
		19-032-19-24-0007/0008/0009		
		19-032-19-24-0013/0014		
16797 - 205th	Wallace	19-032-19-24-0015	0.37 Ac	House
	Wurzingler	19-032-19-24-0012	0.52 Ac	
20595 Quinnell	Tuenge	19-032-19-24-0011	0.28 Ac	House

<b>Table 4 - Southeast Sector - Continued</b>				
20457 Quinnell	Sumerby	19-032-19-13-0001/42-0002	7.53 Ac	House
20455 Quinnell	Eberhart	19-032-19-13-0002	1.23 Ac	House
20077 Quinnell	Anderson F.	19-032-19-42-0001/0003	5.95 Ac	House
	Anderson L	19-032-19-42-0004	0.41 Ac	House
20299 Quinnell	McKay	19-032-19-42-0006/0007	4.36 Ac	House
20233 Quinnell	Mitchell	19-032-19-42-0008	4.89 Ac	House
20201 Quinnell	Gross	19-032-19-43-0001	21.01 Ac	House
20077 Quinnell	Faye	19-032-19-43-0003	10.38 Ac	House
20033 Quinnell	Bowen A.	19-032-19-43-0002	9.29 Ac	House
19955 Quinnell	Clapp A.	19-032-19-12-0005	11.51 Ac	House
19899 Quinnell	Burczak	19-032-19-12-0001	8.87 Ac	House
19802 Quinnell	Lynch	19-032-19-12-0003	8.64 Ac	House
19723 Quinnell	Copas	19-032-19-12-0002	11.58 Ac	House
20412 Quinnell	Radquist	19-032-19-31-0002	6.01 Ac	House
20220 Quinnell	Weinbert	19-032-19-31-0003	3.30 Ac	House
20200 Quinnell	Fearing	19-032-19-31-0005/0006	11.29 Ac	House
20050 Quinnell	Smith, M.	19-032-19-31-0007	4.92 Ac	House
20030 Quinnell	Bowen R	19-032-19-31-0008	3.32 Ac	House
19940 Quinnell	Hartwig	19-032-19-21-0007	0.40 Ac	House
19920 Quinnell	Herbert	19-032-19-21-0009	0.95 Ac	House
19880 Quinnell	Carlisle	19-032-19-21-0018	1.47 Ac	House
19840 Quinnell	Svec	19-032-19-21-0008	0.94 Ac	House
19800 Quinnell	Gabrielson	19-032-19-21-0014/21-0001	15.42 Ac	House
19580 Quinnell	Anderson	19-032-19-21-0007	0.33 Ac	House
St. Croix T.	MnDot	30-032-19-21-0017	0.98 Ac	
St. Croix T.	Metro Gas	30-032-19-21-0011	1.72 Ac	
20021 St. Croix T.	Sandager	19-032-19-34-0003/31-0001	22.93 Ac	
		19-032-19-000		
20588 Quinnell	Black	19-032-19-24-0001	1.99 Ac	
- 205th Ct	Ekdahl	19-032-19-24-0019/32-0003	22.54 Ac	
- 205th Ct	Ekdahl	19-032-19-24-0020/0022	5.50 Ac	
		19-32-19-20-20-0002	0.20 Ac	
20525 St. Croix T.	Dietrich	19-032-19-24-0021	5.16 Ac	House
16810 - 205th Ct	Hannah	19-032-19-31-0005	2.50 Ac	House
16775 - 205th Ct	Pary	19-032-19-31-0006	2.50 Ac	House
16769 - 205th Ct	Chatum	19-032-19-31-0007	2.50 Ac	
16763 - 205th Ct	Williams	19-032-19-31-0008	2.95 Ac	
<b>Total</b>			296.26 Ac	

<b>Table 5 - Southeast Sector - Town of Farmington - Wisconsin</b>				
<b>Property Address</b>	<b>Owner</b>	<b>Property Identification No.</b>	<b>Size</b>	<b>Improvement</b>
Section 19	USA	022-00449-00000	156.56 Ac	
Section 20	USA	022-00459-0000	20.00 Ac	
	Standing Cedars	022-00458-0000/460-0000	179.55 Ac	
		022-00457-0000/456-0000		
		022-00453-0000		
Section 18	USA	022-00447-0000	19.50 Ac	
	Standing Cedars	022-00448-0000	10.50 Ac	
Section 17	Standing Cedars	022-00435-0000/436-0000	120.00 Ac	
		022-00437-0000/438-0000		
		022-00442-0000/00438-0000		
		022-004380-0000		
	Killerman	022-00432-0000/00430-0000	40.00 Ac	
<b>Total</b>			<b>546.11 Ac</b>	

### **Northeast Sector**

The Northeast Sector extends from TH 95 extended east as the southern boundary and Quarry Avenue as the northern boundary with the sector extending outward into the State of Wisconsin to an easterly point ¼ mile west of 280<sup>th</sup> Street and to the south end of 50<sup>th</sup> Street at the northeasterly end.

In Minnesota there are 14 separate ownerships of which 13 are private and one is public (Table 6). The public owner is National Park Service with 29.41 acres. Of the 14 ownerships, 9 involve small acreage sites (1.22 acres to 8.25 acres) of which 5 are improved with homes and 4 are vacant. There are 4 large acreage sites from 27.66 acres to 75.68 acres with each having a house structure. The remaining ownership is the railroad, whose 10.82 acres in this sector is improved with rail track. The total area within the Minnesota portion of this sector, excluding the river, is 224.67 acres.

The St. Croix River encompasses approximately 284.33 acres within this sector. The remainder of the sector, 235.18 acres is located in the State of Wisconsin (Table 7). Approximately 60.26 acres is owned by the United States, with the balance in private ownership. There is one 6.25 acre site improved with a home, a 23.21 acre site that is also improved with a home and 146.78 acres, which is part of a larger farm.

<b>Table 6 - Northeast Sector</b>				
<b>Property Address</b>	<b>Owner</b>	<b>Property Identification No.</b>	<b>Size</b>	<b>Improvement</b>
17001 - 220th	Page, G	18-032-19-31-0006	27.66 Ac	House
21565 St. Croix T.	Lundgren	18-032-19-24-0002/13-0003	33.30 Ac	House
	Nat. Park Serv.	18-032-19-42-0003/12-0005	29.41 Ac	
		18-032-19-43-0001/42-0001		
	McGinley	18-032-19-13-0002	1.22 Ac	
	Enroth	18-032-19-13-0004	2.18 Ac	
	Johnson	18-032-19-13-0005	2.28 Ac	
	Sundberg	18-032-19-13-0006/24-0003	8.32 Ac	House
	C. P. Rail	Not Assigned	10.82 Ac	
21777 Quarry	Deneck	18-032-19-21-0008	5.87 Ac	House
21813 Quarry	Philippi	18-032-19-21-0007	7.75 Ac	House
16560 - 220th	Bancroft	07-032-19-31-0001/33-0001	75.68 Ac	House
	Weiler	18-032-19-21-0006	7.32 Ac	
16565 - 220th	McCloskey	18-032-19-21-0004	8.25 Ac	House
21955 Quarry	Kampfer	18-032-19-21-0003	4.61 Ac	House
<b>Total</b>			224.67 Ac	

<b>Table 7 - Northeast Sector - Town of Farmington - Wisconsin</b>				
<b>Property Address</b>	<b>Owner</b>	<b>Property Identification No.</b>	<b>Size</b>	<b>Improvement</b>
Section 17	USA	022-00428-0000/00172-0000	60.24 Ac	
375 - 220th	Killerman	022-00436-0000/00423-0000	145.78 Ac	Farmstead
		00421-0000/00420-0000		
2078A 50th	Johnson R.	022-00176-0000	6.25 Ac	House
2885A 50th	Gove	022-00171-0200/000171-0000	23.21 Ac	House
<b>Total</b>			235.48 Ac	

The total land area of the 4 sectors is presented in Table 8.

<b>Table 8 - Land Area Within One Mile</b>		
Northwest Sector		653.13 Ac
Southwest Sector		775.46 Ac
Southeast Sector		
	MN	296.26 Ac
	WIS	546.11 Ac
	River	<u>60.00</u> Ac
		902.37 Ac
Northeast Sector		
	MN	224.67 Ac
	WIS	235.48 Ac
	River	<u>284.33</u> Ac
		<u>744.48</u> Ac
		3,075.44 Ac

### **Neighborhood Factors**

There are various positive items within the neighborhood that may have an influence on property values. The positive features include the scenic St. Croix River, various creeks and the semi-rural nature of the area with homes on predominately wooded acreage home sites. William O'Brien State Park is located a few miles south of the neighborhood. The Standing Cedars Community Land Conservancy is located on the Wisconsin side of the St. Croix River, with a portion located within the 1-mile radius of the Site.

### **UTILITIES**

The general area is served by electricity, natural gas, and paved/concrete surfaced roads. No public water or public sanitary sewer is located within the area. The potential of extension of these utilities into the area is remote.

### **ZONING**

The impact area is located within the City of Scandia, Washington County, Minnesota and in the Town of Farmington, Polk County Wisconsin. Both city and town have zoning maps and comprehensive land use maps, which will be found on Figures 5 and 6.

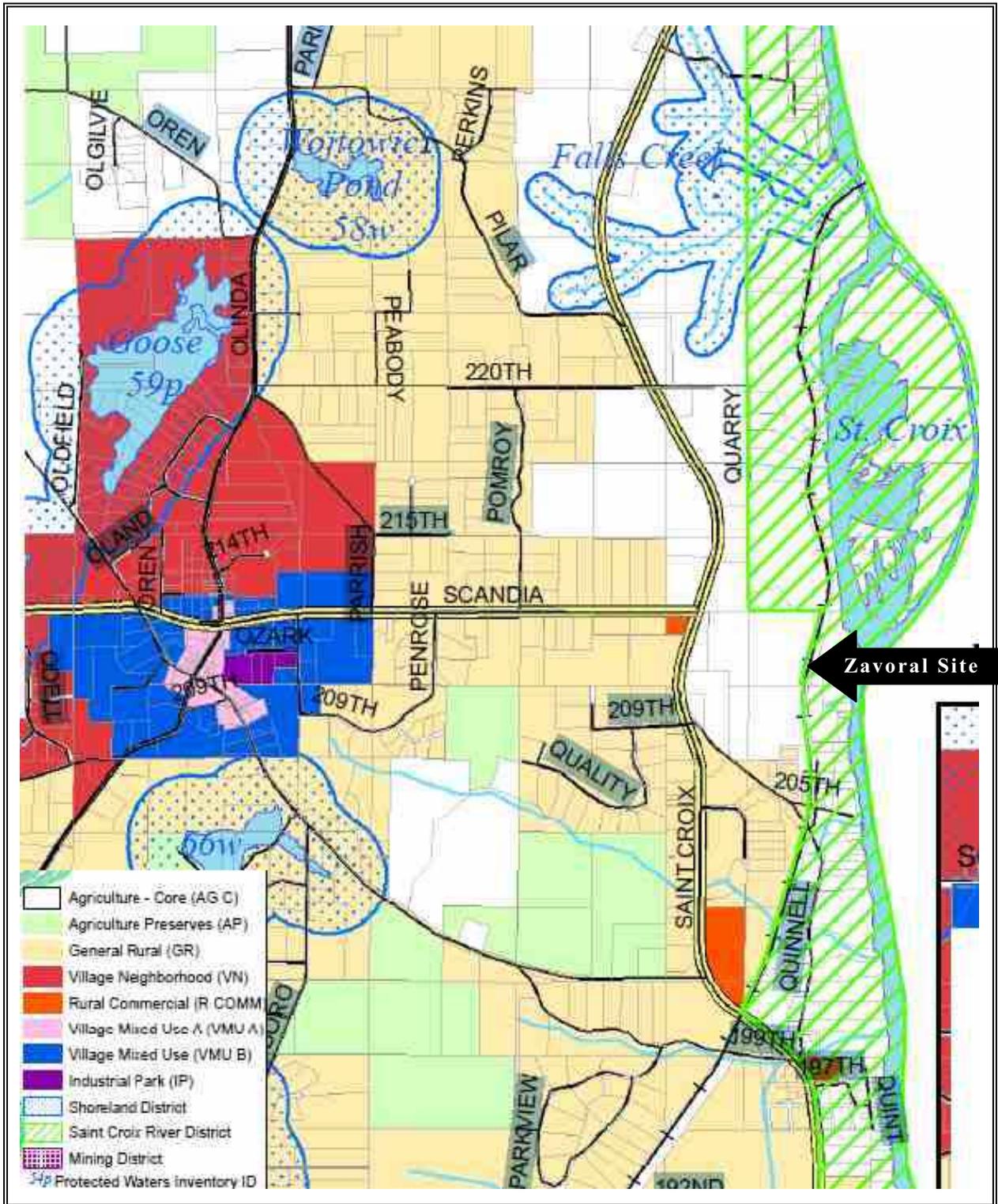


Figure 5 - Zoning Map – City of Scandia

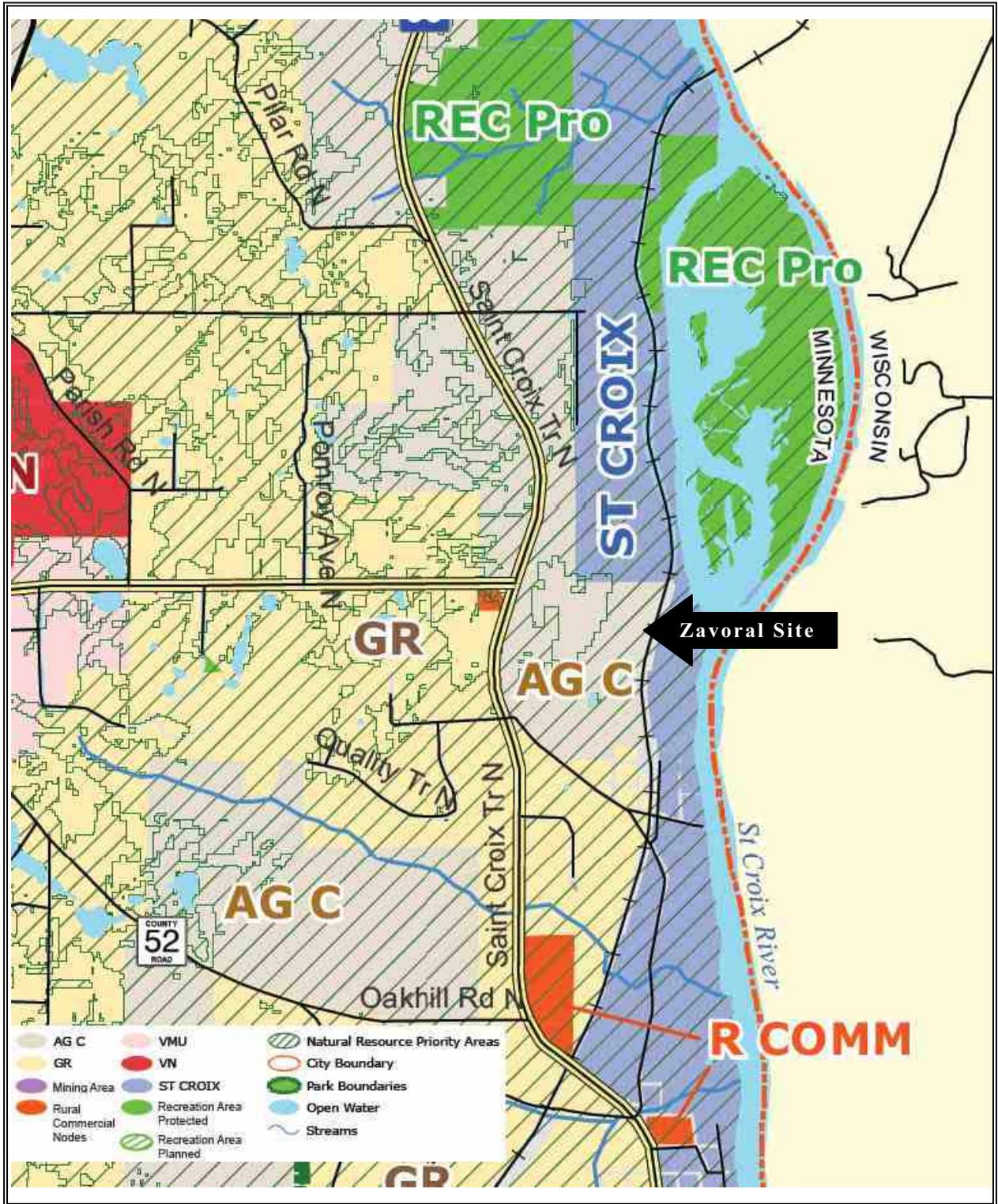


Figure 6 - Comprehensive Land Use Map – City of Scandia

## **City of Scandia**

### **Zoning**

The impact area is encumbered with 4 zoning districts consisting of Agricultural District – Core (AG-C), General Rural (GR), Rural Commercial District (R COMM). – The Lower St. Croix River District (St. Croix) (Figure 5).

#### **AG-C District**

A portion of the impact area on either side of TH 97 north of TH 95 and on the east side of TH 97, south of TH 95 together with an area north of Oakhill Road are within the Agricultural District – Core. Permitted uses in this classification include agricultural and single family residential. The minimum density is 4 dwelling units per 40 acres. The minimum lot sizes are 2 acres to 5 acres (except under certain conditions) or 20 acres and greater. The minimal building area is 1 acre with the maximum building height being 35 feet. For 2 to 3 acre sites the minimum frontage on a public road is 160 feet. For 3 acres to less than 4 acres, the minimum public road frontage is 240 feet for site 4 acres or greater, the minimum public road frontage is 300 feet. The maximum lot coverage is 25%

The front yard setback is 40 feet except when fronting on roads designated major or minor collectors, where the setback is 100 feet from centerline or 50 feet from right-of-way line, whichever is greater. For Minor Arterial roads, the setback is 150 feet from center line or 75 feet from right-of-way line, whichever is greater. The side yard setback is 20 feet. The rear yard setback is 50 feet

#### **GR District**

Another major development district is the General Rural District. The permitted uses in this district also include agricultural and single family residences. This district has the same minimum lot requirements as the AG-C District except for side yard setbacks of sites less 1.5 acres where the setback is ten feet as compared with twenty feet for larger sites.

#### **R-COMM District**

There are 2 sites designated within the Rural Commercial District. One is at the southwest corner of THs 95 and 97, which is presently vacant. The other is on the east side of TH 97 at the intersection of Oakhill Road. This site is improved with Abrahamson's Nursery. A wide variety of commercial uses such as flower shops, hardware stores, offices, hotel/motels and clothing sales are permitted within this district. The minimum requirements are the same as in the AG-C district except for maximum lot coverage of 65% rather than 25% and a minimum frontage of 160 feet regardless of size.

## **St. Croix River District**

The St. Croix River Corridor District is presently governed by the Washington County Lower St. Croix River Bluffland and Shoreland Management Ordinance except that lots must meet the density and lot requirements of the AG-C District. The Washington County ordinance requires a building and onsite sewage treatment system setback from ordinary high water mark of 200 feet. Building setback from Bluff line is 100 feet, with sewage treatment system setback of 40 feet. No development on sites with slopes greater than twelve percent.

### **Comprehensive Plan**

In March of 2009, the City of Scandia adopted a 2030 Comprehensive Plan (Figure 6). The foregoing zoning information reflects a recent update to conform with the Comprehensive Plan. As such, the zoning and comprehensive land use maps are similar. However, a new designation is noted in the Comprehensive Plans Future Land Use Map, which is called the REC-Pro or Recreation Protected District. This district consists of lands owned by the National Park Service and comprises the islands and part of the shoreline of the St. Croix River along with the Falls Creek area.

## **Town of Farmington**

### **Zoning**

The area within the 1-mile radius of subject is zoned Agricultural (Figure 7). Permitted uses include those in the Residence District such as single family residences. Also included is general farming; public warehouses, public shops and storage yards; roadside stands; mobile home park subject to certain conditions and so forth.

The minimum lot area is 2 acres. Setbacks from Town roads and County Roads are 75 feet from center line or 42 feet from right-of-way line, whichever is greater. Side yard setbacks are 25 feet with rear yard setbacks at 25 feet. The maximum Height of habitable structures is 2.5 stories or 35 feet.

### **Comprehensive Plan**

The Town of Farmington adopted a Comprehensive Plan on December 28, 2010 (Figure 8). The plan designates the majority of land within the radius as agricultural with wetland/ shoreland along the St. Croix River and a small area along the eastern edge of the area under consideration.

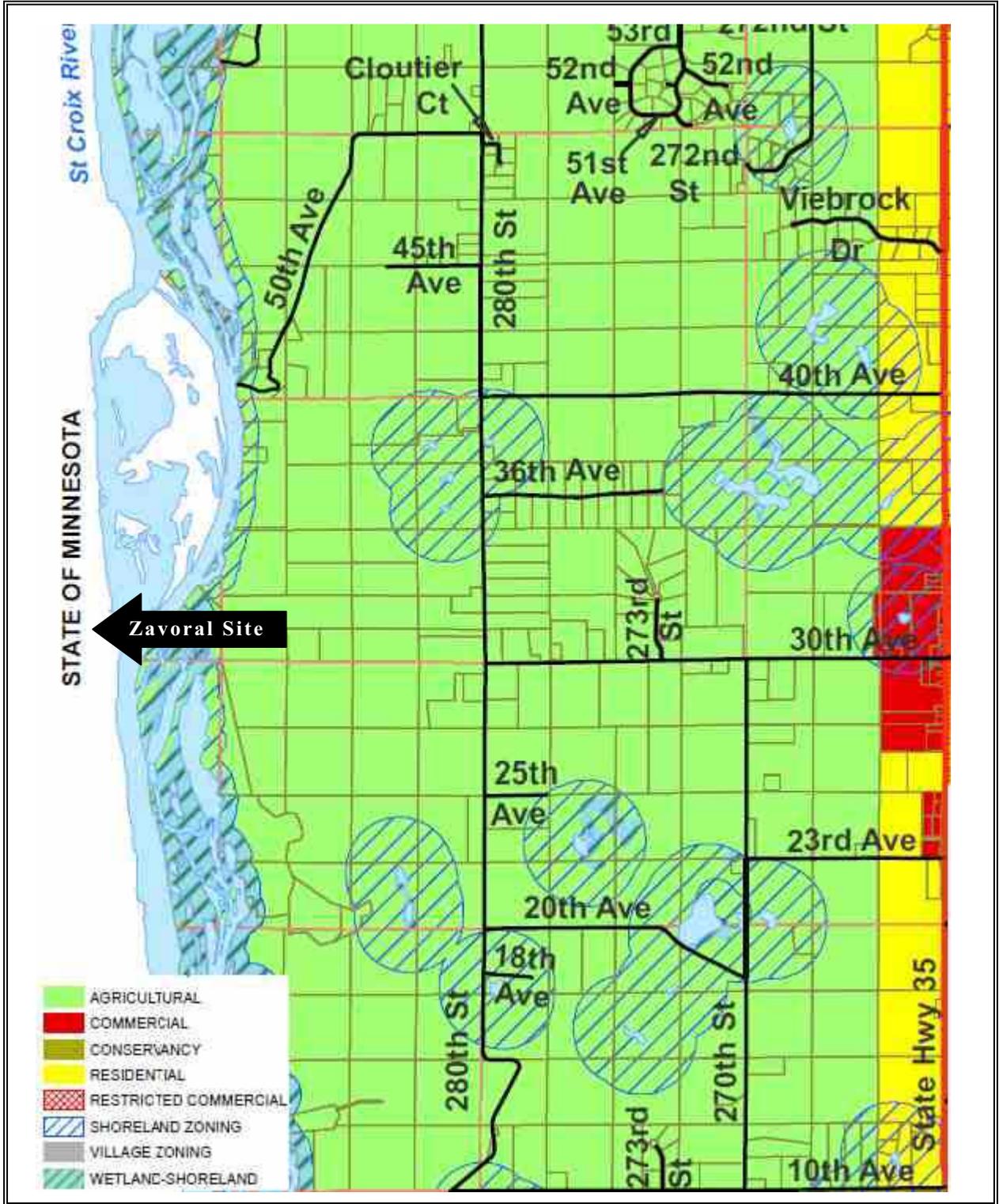
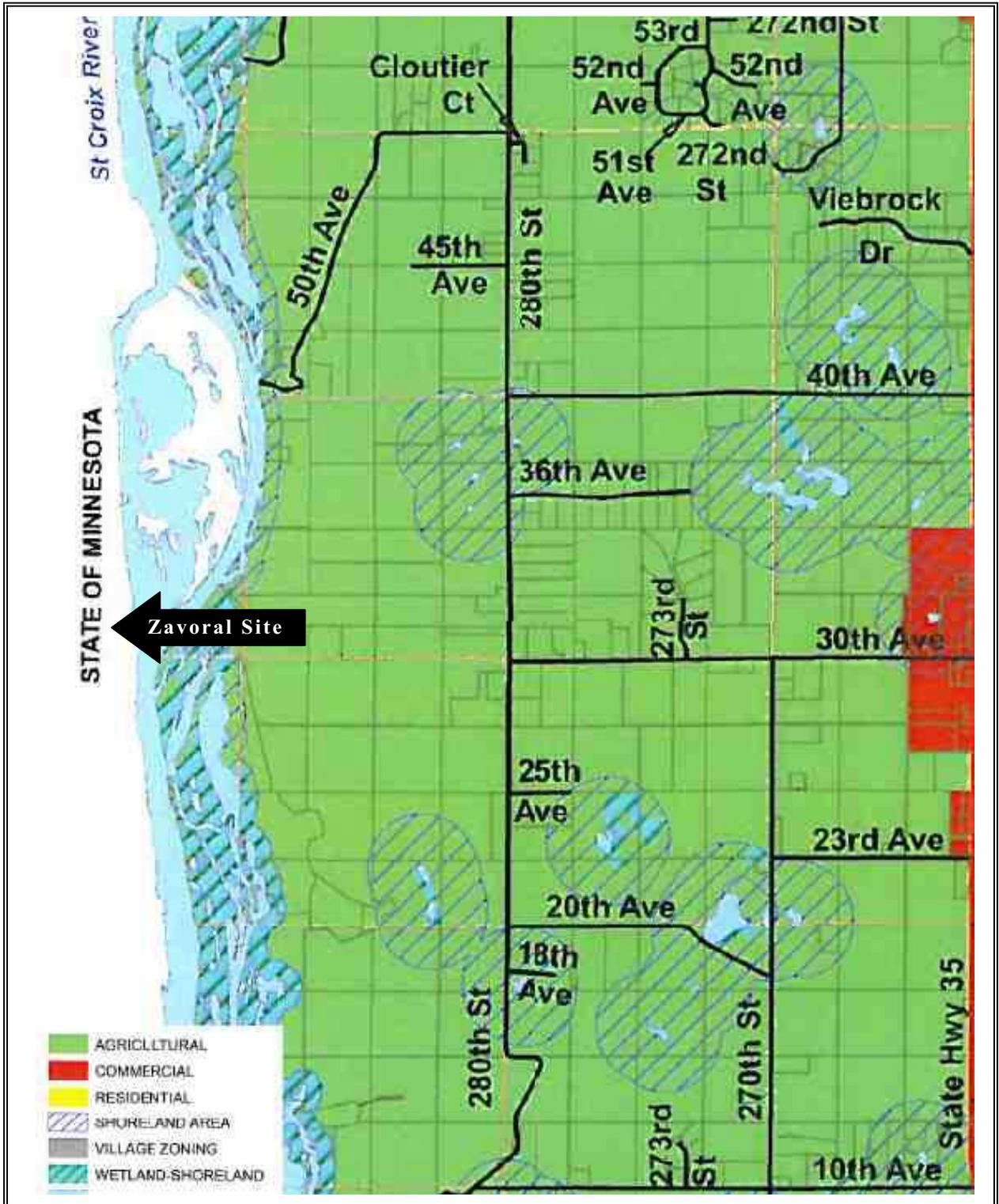


Figure 7 - Zoning Map – Town of Farmington



**Figure 8 - Comprehensive Land Use Map – Town of Farmington**

## VALUATION IMPACT

The majority of the properties, in Minnesota, within a 1-mile radius of the proposed mine are single family homes on small acreage sites.

In order to determine the impact, an analysis was made of single family residential sales in the Twin Cities Market that are close-in and further removed from existing gravel mining operations and other environmental concerns. The focus was placed on sales activity in areas where similarity in house design, layout, land area and other factors allowed for isolation of the mining influence factor or lack thereof.

A critical factor in making this study is to determine a time frame for this analysis. The collapse of the housing bubble in the past few years has caused single family residential values to decline. As such, an analysis of the current market would be flawed by the declining market. While the market fluctuates from year to year, the most stable time frame was in 2006 and 2007, where the market began turning from the run up in prices that occurred in previous years and the steep declines of year 2008 and beyond. Table 9 summarizes the change in median price within the 4 communities studied in this report. Recognizing the changing market, it was concluded that the analysis would be focused on activity in the 2006/2007 time frame.

		2008			2007			2006			2005	
MLS District	Cities in District	# of Sales	Median Price	% gain/Loss 2008/2007	# of Sales	Median Price	% Gain/Loss 2007/2006	# of Sales	Median Price	% Gain/Loss 2006/2005	# of Sales	Median Price
365	Maple Grove/ Osseo	1,005	\$254,900	1.35%	996	\$251,500	1.82%	1,304	\$247,000	2.07%	1,405	\$242,000
617	Hastings	246	\$170,000	-13.49%	366	\$196,500	-2.72%	309	\$202,000	-0.25%	402	\$202,500
616	Rosemount	337	\$223,500	-8.78%	373	\$245,000	-1.29%	364	\$248,200	4.20%	487	\$238,200
762	Andover	335	\$227,350	-15.15%	295	\$267,950	-1.66%	372	\$272,475	-0.92%	573	\$275,000

Source: Northstar MLS

The study has been focused on urban/suburban settings where there is a general conformity in terms of lot size and building design. The area of the subject contains an abundance of small acreage properties. Generally these types of properties differ more significantly in land area, open versus wooded terrain, building design and layout together with age and condition, which makes the possibility of isolating the impact very problematic.

## Maple Grove Gravel Mine

In the City of Maple Grove a major gravel mining area is located on the south side of Weaver Lake Road, west of Zachary Lane. This Maple Grove gravel mining area is owned by Tiller and others. Figure 9 notes the relationship of the sales to the gravel operation and to each other together with photographs.

### SET 1

#### Sale 1A

Within  $\frac{1}{4}$  mile of the facility is the property at 12116 85<sup>th</sup> Avenue which sold on January 19, 2007 for \$329,000 with the seller providing \$9,897 in financial support. The cash equivalent sale price is \$319,103. The property consists of a 2 story, 4 bedroom home, with attached 2 car garage, on a 6,652 SF lot. The house was constructed in the year 2000.

#### Sale 1B

A 2 story single family residence, 8909 Oakview Lane, approximately 1 mile northwest of the gravel operation sold on January 31, 2007 for \$309,000. This property consists of a 2 story 4 bedroom home with 2 car attached garage on a 10,960 square foot lot, similar to Sale 1A. The house was constructed in 1988. Although possessing a superior lot, this property was older and in less desirable condition. An adjusted price of \$320,300 was obtained after adjusting for these differences

Sale 1B - 8909 Oakview Lane	\$320,300 (1 mile from gravel mine)
Sale 1A - 12116 85 <sup>th</sup> Avenue	<u>\$319,103</u> ( $\frac{1}{4}$ mile from gravel mine)
Result	\$ 1,197 – 0.03% impact

This set indicates that the property closer to the gravel operation sold for 0.03% less than a property 1 mile away.

## SET 2

### Sale 2A

Approximately ½ mile northwest of the gravel mining operation is the property at 8643 Pineview Lane, which sold on April 21, 2006 for \$342,000 with cash equivalent terms. This property consists of a 2 story home, which was constructed in 1993, with 3 bedrooms above grade and 1 in the basement level walkout. There is an attached 3 car garage. The land across the street from this property had been an operating gravel mine, which closed in 2005 and, at the time of sale was being prepared with a single family residential subdivision.

### Sale 2B

A 2 story single family residence 1½ miles north of the operating gravel pit, at 14054 94<sup>th</sup> Avenue N., sold on September 9, 2007 for \$335,900 with the seller contributing \$8,000 in financial support, reducing the cash equivalent price to \$327,900. This property consists of a two story home, constructed in 1986, with 3 above grade bedrooms that is basically similar to Sale 2A. The basement level, while partially finished does not contain a bedroom or walkout capability. There is a 2 car garage. The comparable has a larger lot, which is irregular and reduced back yard privacy that offsets the smaller size of Sale 2A. Sale 2B sold 16 months after Sale 2A, with the Multiple Listing Service reporting a median price increase of 1.82% in property values between 2006 and 2007. Adjusting for differences in building size, age, garage, and deck resulted in an adjusted indicator of \$333,100 for Sale 2B.

Sale 2B – 14054 – 94 <sup>th</sup> Avenue N -	\$333,100 (1½ miles from gravel mine)
Sale 2A – 8643 Pineview Lane	<u>\$342,000</u> (½ mile from gravel mine)
Result	(\$ 8,900) 2.6%

This set indicates that the property closer to the gravel operation sold for 2.6% more than a property 1½ miles away.

### SET 3

#### Sale 3A

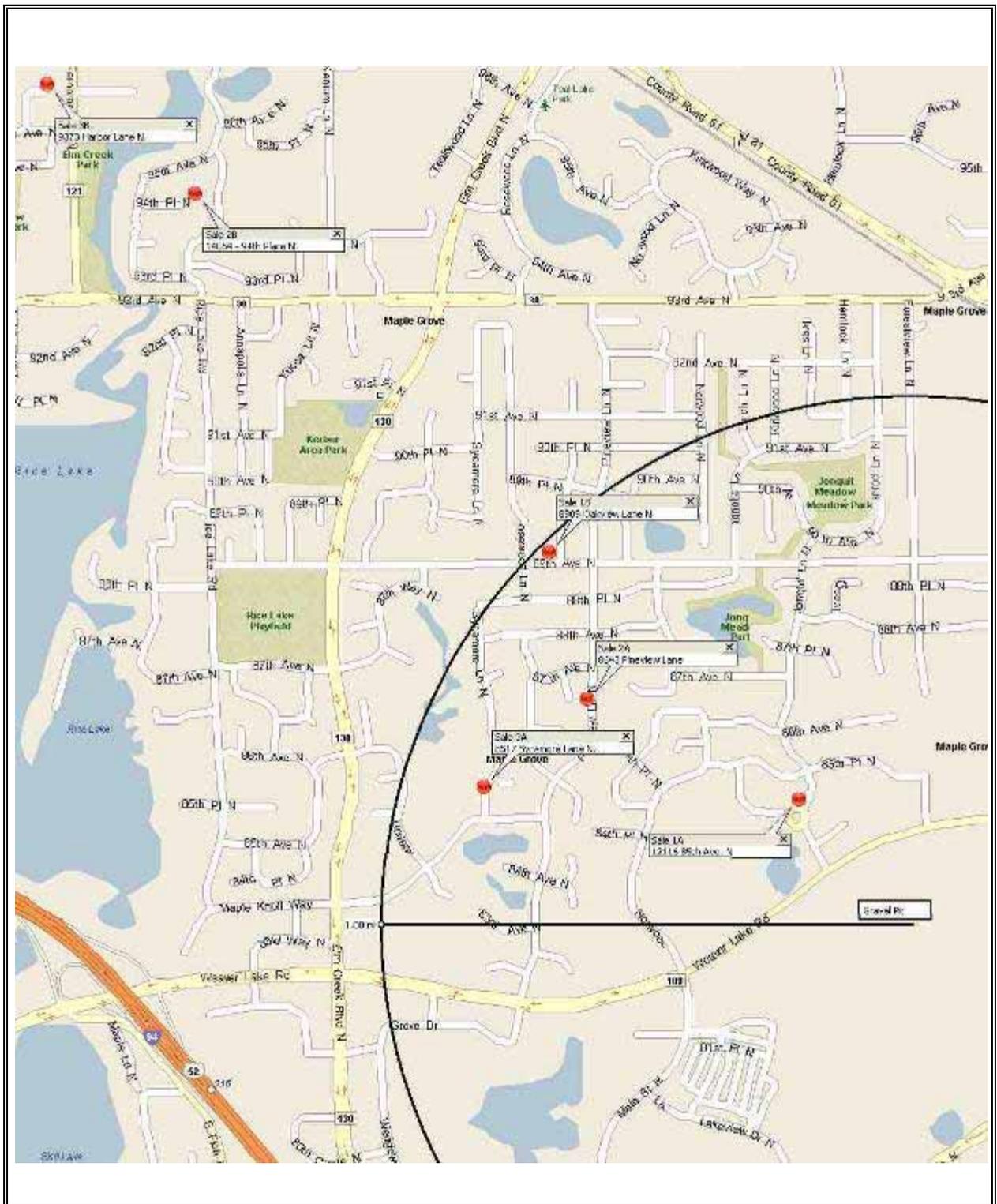
The property at 8517 Sycamore Lane N., approximately ½ mile northwest of the gravel operation sold on August 31, 2006 for \$296,000 with cash equivalent terms. This property consists of a 2 story home, which was constructed in 1991, with 3 bedrooms above grade and 1 in the basement level walkout. There is an attached 3 car garage. The house is located on a 17,854 square foot site.

#### Sale 3B

Sale 3B is located at 9673 Harbor Lane, approximately 2 miles northwest of the gravel operation. This property sold on January 6, 2006 for \$295,000. The house is a two story, 4 bedroom house that was constructed in 1986. There is an attached two car garage. The house is located on a site containing 20,132 square feet. The house is older than Sale 3A, but in similar condition. This house has 4 upper level bedrooms as compared with 3 up and 1 down in Sale 3A. The house also lacked a finished basement, walk out and 3<sup>rd</sup> garage stall. Adjusting for these items produced an adjusted indicator of \$305,700.

Sale 3B – 9673 Harbor Lane	\$305,700 (2 Miles from gravel mine)
Sale 3A –8517 Sycamore	<u>\$296,000</u> (½ mile from gravel mine)
Result	\$ 9,700 (3.2%) impact

This set indicates that the property closer to the gravel operation sold for 3.2% less than a property 2 miles away.



**Figure 9 - Maple Grove Sales Location Map**



**Maple Grove Sale 1A – 12116 85<sup>th</sup> Avenue**



**Maple Grove Sale 1B – 8909 Oakview**



**Maple Grove Sale 2A – 8643 Pineview Lane**



**Maple Grove Sale 2B – 1405494<sup>th</sup> Avenue N.**



**Maple Grove Sale 3A 8517 Sycamore Lane**



**Maple Grove Sale 3B – 9673 Harbor Lane**

## Hastings Gravel Mine

South of the City of Hastings, is a gravel mining operation owned by Midwest Asphalt. Prior to 2006, the facility was a small operation. In 2006, the facility was converted into a major mining operation. Michaels Avenue was upgraded to serve as the primary access that extends northward to intersect with Highway 316, at the south end of Hastings. A single family residential neighborhood abuts Michaels Avenue and is within 1 mile of the gravel operation. Figure 10 shows the location of the sales in relation to the gravel mine and each other together with photographs of the properties.

### SET 1

#### Sale 1A

At 4164 Sterling Drive, approximately  $\frac{3}{4}$  mile north of the mine is a split entry style residence that sold on September 29, 2006 for \$298,000 with the seller contributing \$6,440. The cash equivalent price is 291,560. The previously owned split entry was constructed in 2004 with 2 bedroom in the upper level and 2 bedrooms in the lower level and a 3 car attached garage on a 12,797 square foot lot.

#### Sale 1B

A split entry style single family residence, 511 Williams Drive, approximately  $1\frac{3}{4}$  miles northwest of the gravel mine, sold on January 26, 2006 for \$312,000. This property consists of a split entry 5 bedroom home with 3 bedrooms in the upper level and 2 in the lower level that was constructed in 2003. The house, with a 3 car garage is on a site containing 12.952 square feet. The house, having a similar style to Sale 1A, possesses a extra bedroom while also being slightly superior in construction quality and building size. Also, based upon the aforementioned MLS statistics, there was a slight decline in the market between January and September. An adjusted price of \$301,500 was obtained after adjusting for these differences

Sale 1B – 511 Williams Dr	\$301,500 ( $1\frac{3}{4}$ miles from gravel mine)
Sale 1A - 4164 Sterling Drive	<u>\$291,560</u> ( $\frac{3}{4}$ mile from gravel mine)
Result	\$ 9,940 – 3.3% impact

In this set the property closer to the gravel operation sold for 3.3% below that of a house  $1\frac{3}{4}$  miles away.

## SET 2

### Sale 2A

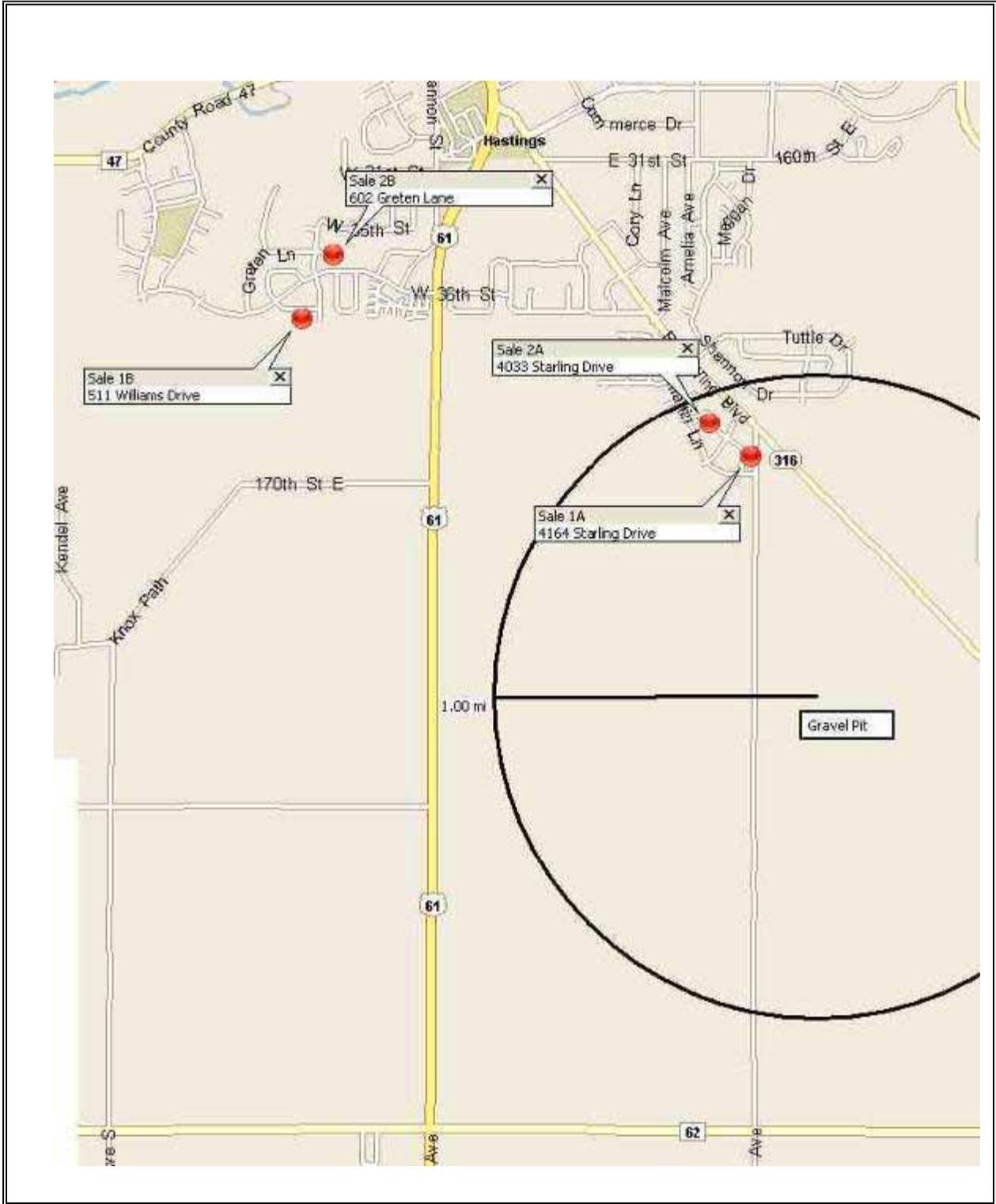
At 4033 Starling Drive, in the same area as Sale 1A, there is a 2 story single family residence that sold on April 17, 2006 for \$341,500. The house, containing 2,040 square feet of above grade space has 3 bedrooms and 2.5 baths. This had been a former model home. The house, with a 3 car attached garage is on a site containing 13,000 square feet.

### Sale 2B

Sale 2B is a two story single family residence at 602 Greten Court, which sold on September 29, 2006 for \$322,000. This house located 1<sup>1</sup>/<sub>2</sub> miles from the gravel pit has 1,960 square feet of above grade space with 3 bedrooms and 2<sup>1</sup>/<sub>2</sub> baths. The house, constructed in 2002 has an attached 3 car garage and sits on a site containing 9,583 square feet. This property sold a few months after Sale2A in a declining market, requiring an adjustment. Sale 2B also had a smaller lot area and slightly smaller finished area and lacked a fireplace. The house did have a walkout and a patio not found in Sale 1A. After adjusting for these differences, an adjusted price of \$333,100 was obtained for Sale 2B.

Sale 2B– 602 Greten Court	\$333,100 (1 <sup>1</sup> / <sub>2</sub> miles from gravel mine)
Sale 2A - 4033 Sterling Drive	<u>\$341,500</u> (3/4 mile from gravel mine)
Result	(\$ 8,400) – 2.5%

This set indicates that the property closer to the gravel operation sold for 2.5% more than a property 1<sup>1</sup>/<sub>2</sub> miles away.



**Figure 10 - Hastings Sales Location Map**



**Hastings Sale 1A – 4164 Starling Drive**



**Hastings Sale 1B - 711 Williams Drive**



**Hastings Sale 2A – 4033 Starling Drive**



**Hastings Sale 2B - 602 Greten Court**



Result

\$ 2,000 – 0.08% impact

This set indicates that the property closer to the gravel mine sold for 0.08% less than a property 1 mile away.

## SET 2

### Sale 2A

Sale 2A at 15784 Cicerone Court is a modified 2 story home that sold on July 31, 2007 for \$304,200. The house, which was constructed in 1999, has 3 bedrooms and a finished above grade area of 1,776 square feet. The basement level has 173 square feet of finished space with 1 bedroom and a walkout. There is a 3 car attached garage. The improvements are located on 14,374 square foot site with a pond view. The property is within 1 mile of all 3 potential negative influences.

### Property 2B

Sale 2B at 14344 Dawson is a modified 2 story home that sold on June 15, 2007 for \$300,000. The house, which was constructed in 1998 has 3 bedrooms and a finished above grade area of 2,008 square feet. The basement is partial and unfinished. There is a 3 car garage. The improvements are located on a 16,552 square foot site. Major differences include a lack of pond view; presence of upper level den and family room; partial unfinished basement with egress windows but no walkout and presence of a deck. No adjustment for time was made given the few months between sales. Adjusting for various differences produced a value of \$299,200.

Sale 2B – Adjusted Price	\$299,200 (outside of 1 mile)
Sale 2A – Sale Price	<u>\$304,200 (within 1 mile)</u>
Result	(\$ 5,000) – 1.02%

The foregoing indicates that Sale 2A, which was within the impact area sold for 1.2% more than Sale 2B, which is outside the impact area.

## SET 3

### Sale 3A

Sale 3A at 3700 158<sup>th</sup> Street is a modified two story single family home that sold on July 25, 2007 for \$363,500. The house, which was constructed in 2000, has 5 bedrooms with 4 above grade and 1 in basement level. The finished above grade area is 2,057 square feet. The basement has 1,003 square feet of finished space which includes, along with bedroom, a family room, bath and walkout. The property has a pond view. There is a 3 car attached garage. The improvements are located on a 16,400 square foot site. The property is within ¼ mile of the landfill and propane gas facility and ¾ mile from the gravel operation.

### Sale 3B

Sale 3B at 13537 Dellwood Court is a 2 story single family home that sold on April 16, 2007 for \$350,000. The house, which was constructed in 1993, has 5 bedrooms with 4 above grade and 1 in basement level. The finished above grade area is 2,204 square feet. The basement has 810 square feet of finished space, which includes in addition to the bedroom, a family room, bath and walkout. There is a 3 car attached garage. The improvements are located on a 14,810 square foot site. The property is located 2 miles outside of the impact area.

Sale 3B lacks a pond view is older has fewer appliances and lacks a yard sprinkler system, as compared with Sale 3A. However, property 3B has a larger building area, extra deck and patio. No adjustment for time was made given the few months between sales. The indicated price for Sale 3 B, after adjustments, is \$356,500.

Sale 3B – Adjusted Price	\$356,500 (outside impact area)
Sale 3A – Sale Price	<u>\$363,500 (within impact area)</u>
Result	(\$ 7,000) -2.0%

The foregoing indicates that Sale 3A, which was within the impact area sold for 2% more than Sale 3B, which is outside the impact area.

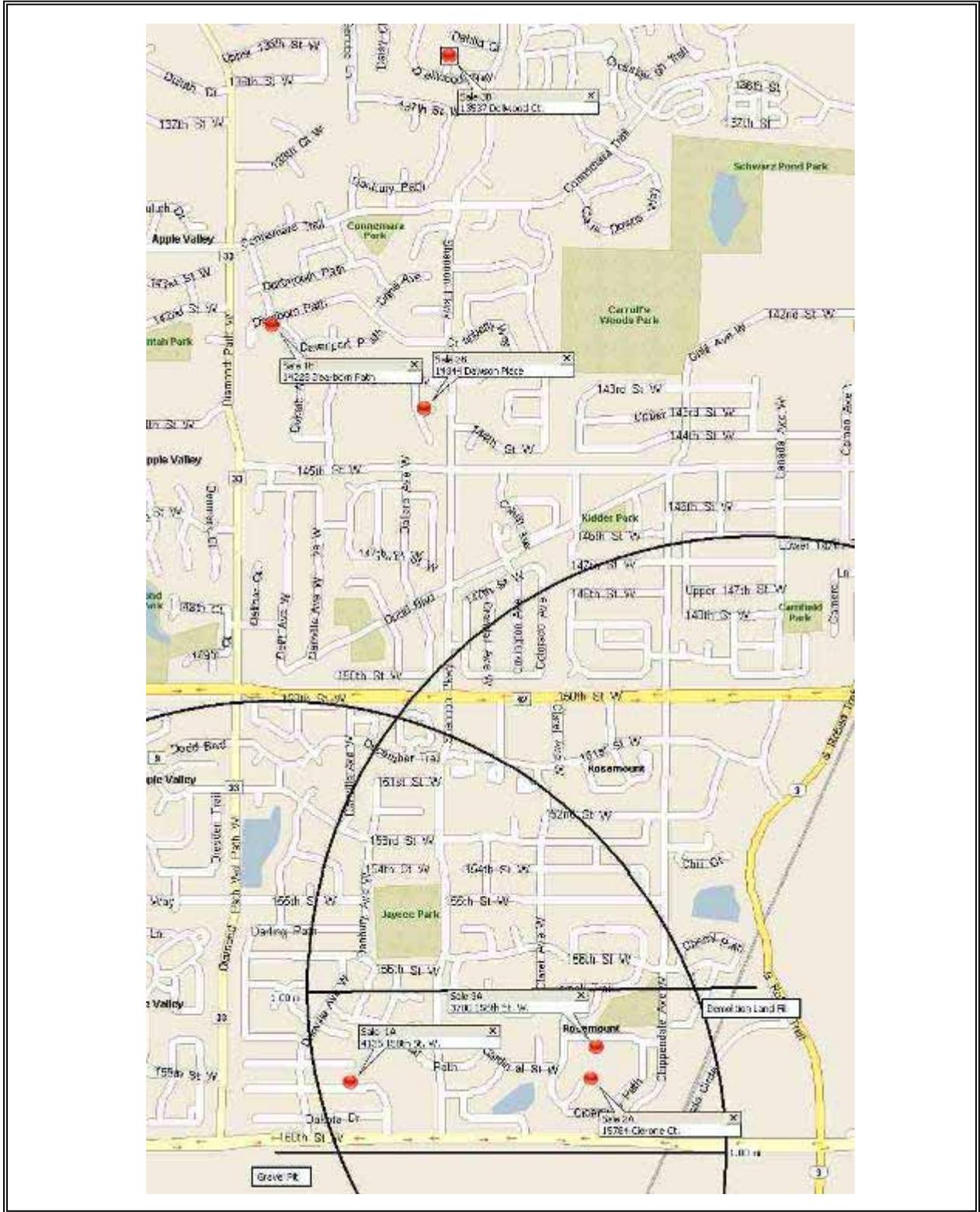


Figure 11 - Rosemount Location Map



**Rosemount Sale 1A -4135 158<sup>th</sup> Street W.**



**Rosemount Sale 1B – 14228 Dearborn Path**



**Rosemount Sale2A – 15784 Cicerone Court**



**Rosemount Sale 2B – 14344 Dawson**



**Rosemount Sale 3A – 3700 158<sup>th</sup> Street W**



**Rosemount Sale 3B – 13537 Dellwood Court**

## **South Andover Superfund Site**

The South Andover Site comprises a Federal and State Superfund site located along the south boundary of Bunker Hills Road between Jay and Quinn Streets in the City of Andover. This site, which comprised approximately 50 acres, was used for salvage and recycling including tires. The site was removed from Minnesota's Superfund list in November of 2003. The site is partially de-listed as a Federal Superfund site but monitoring for ground water concerns continues. Proximately to a former superfund site can be perceived as a detriment to the value of single family homes in the area. Although cleaned up concerns as to whether residual pollution remains and its possible impact on children and adults remain. Sampling in August of 2006 showed the continued presence of vinyl chloride in the groundwater at a level above the maximum containment level.

Since the 2003 delisting, the site has been redeveloped with a Target store (2004) with large parking lot, smaller commercial stores and a pond. A study was made of sales of home in the surrounding area. Figure 12 shows the location of the homes in relation to the superfund site.

### **Set 1**

#### **Sale 1A**

Sale 1A, located at 13754 Quinn Street approximately 1 block north of the former superfund site sold in July of 2006 for \$245,000 with the seller contributing 6,000 in costs, which reduces the cash equivalent price to \$239,000. The property is a split entry style single family residences located on a 19,800 SF site. The house, which was constructed in 1989 and recently remodeled, contains 1,844 SF of finished space with 4 bedrooms and 1<sup>1/2</sup> baths. Lower level has daylight/lookout windows. Amenities include lawn sprinkler, and 1 fireplace. The property has a 2 car attached garage and a 2 car detached garage.

#### **Sale 1B**

Sale 1B, located at 2855 – 141 Street NW approximately 1-mile northwest of the former superfund site sold in August of 2006 for \$231,000. The property is a split entry style single family residences located on an 18,150 SF site. The house, which was constructed in 1981, contains 2,096 SF of finished space with 4 bedrooms and two baths. Lower level has daylight/lookout windows and is a walkout. Amenities include two fireplaces, deck, and backs up to woods. The property has a 2 car attached garage.

An analysis was made of these 2 properties, recognizing differences such as wooded view of Parcel 1B, a 2 car garage versus the 4 car garage of Sale 1A, fireplaces, finished size, age, condition and so forth, which results in an adjusted price for Sale 1B at \$232,700.

Sale 1B – Adjusted Price	\$232.700	(1 mile away)
Sale 1A – Sale Price	<u>\$239,000</u>	(1 block away)
Results	(\$ 6,300) – 2.7%	

The foregoing indicates that Sale 1 block from a former superfund site sold for more than the house 1 mile away.

## Set 2

Sale 1A at 13754 Quinn was also compared with Sale 2B, which is a similar split entry at 1573 – 141<sup>st</sup> Lane NW

### Sale 2B

Sale 2B, located at 1573 – 141<sup>st</sup> Lane NW is approximately 1.25-miles northeast of the former superfund site sold in April of 2006 for \$235,000. The property is a split entry style single family residence located on a 21,344 SF site. The house, which was constructed in 1996, contains 1,600 SF of finished space with 3 bedrooms and 1.75 baths. Lower level has daylight/lookout windows and is a walkout. There are no special amenities. The house needed new carpet and paint. The property has a 3 car attached garage.

An analysis was made of these 2 properties, recognizing differences such as 3 car garage versus the 4 car garage of Sale 1A, fireplaces, finished size, age, condition and so forth, which results in an adjusted price for Sale 2B at \$239,300.

Sale 2B – Adjusted Price	\$239,300	(1.25 Mile Away)
Sale 1A – Sale Price	<u>\$239,000</u>	(1 Block Away)
Results	(\$ 300)	

This set shows no positive or negative impact.

## SET 3

### Sale 3A

Sale 3A, located at 2463 – 135<sup>th</sup> Avenue NW approximately  $\frac{1}{10}$  mile southwest of the former superfund site sold in February of 2006 for \$252,000. The property is a split level style single family residence located on a 14,640 SF site. The house, which was constructed in 1988, contains 2,130 SF of finished space with 3 bedrooms and 1.75 baths. Amenities include deck, porch, lawn sprinkler, 1 fireplace and wetlands view. The property has a 2 car attached garage.

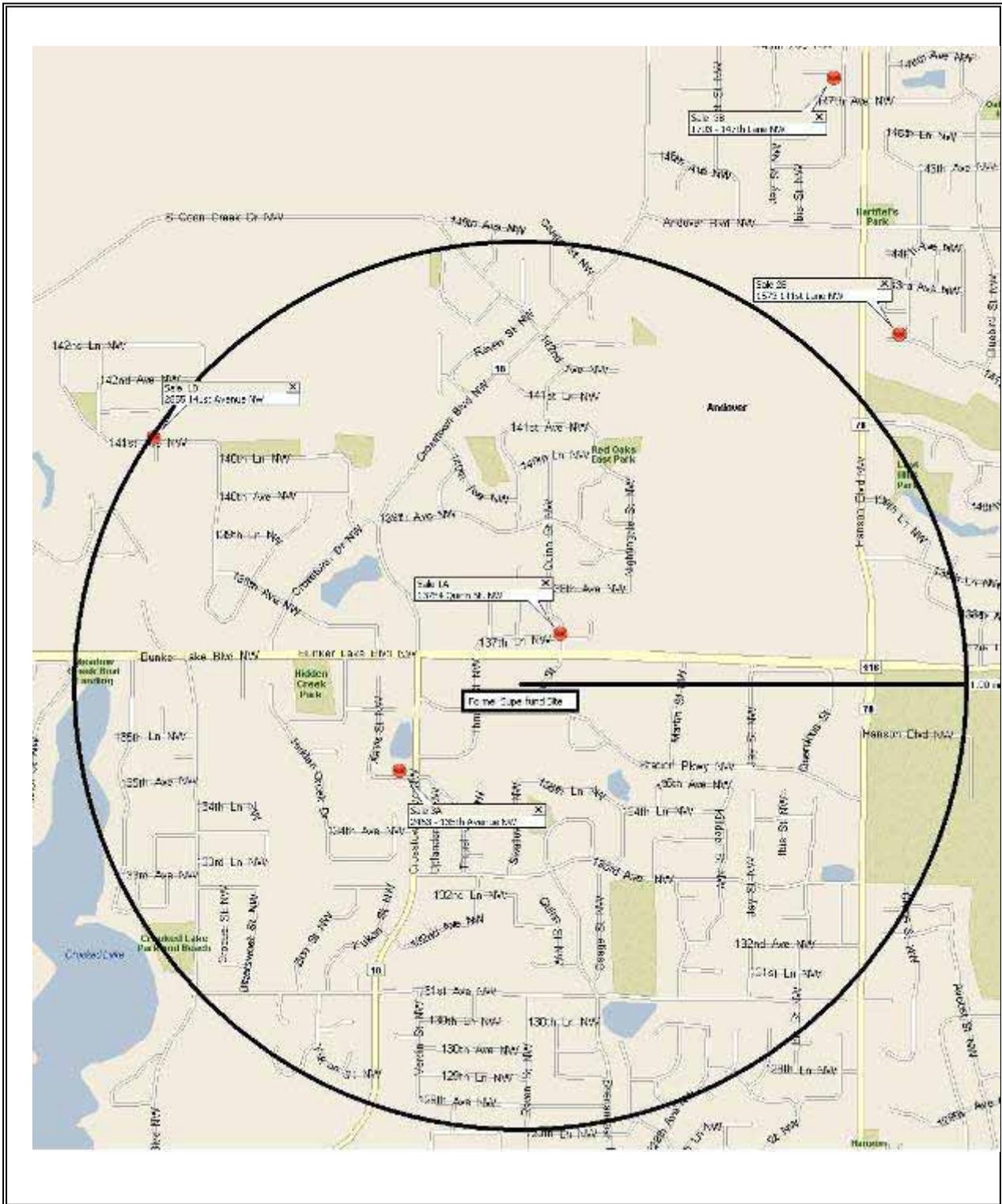
### Sale 3B

Sale 3B, located at 1703-147<sup>th</sup> Lane NW, approximately 1.5 miles northeast of the former superfund site sold in April of 2006 for \$243,400. The property is a split level style single family residence located on an 11,326 SF site. The house, which was constructed in 1993, contains 1,688 SF of finished space with 3 bedrooms and 1.75 baths. Amenities include deck and residential view. The property has a 2 car attached garage.

An analysis was made of these two properties, recognizing differences such as lack of wetland view, smaller building size, and no porch or fireplace in Sale 3B along with it is newer age in comparison to Sale 3A. The analysis results in an adjusted price for Sale 3B at \$251,100.

Sale 3B – Adjusted Price	\$243,200	(1 <sup>1</sup> / <sub>2</sub> miles away)
Sale 3A – Sale Price	<u>\$251,100</u>	( <sup>1</sup> / <sub>10</sub> miles away)
Results	(\$ 7,900) – 1.03%	

In this set, Sale 3A within the impact area sold for more than an property 1<sup>1</sup>/<sub>2</sub> miles away from the impact area.



**Figure 12 - Andover Location Map**



**13754 Quinn Street NW – Sale 1A**



**2855 – 141<sup>st</sup> Avenue NW - Sale 1B**



**1573 – 141<sup>st</sup> Lane NW – Sale 2B**



**2462 – 135<sup>th</sup> Avenue NW – Sale 3A**



**1703 – 147<sup>th</sup> Lane NW – Sale 3B**

## **Other Mining Operations**

### **Scandia – Lofton Avenue Site**

Tiller Corporation operates a gravel mining facility between Lofton and Manning Avenues, south of 228<sup>th</sup> Street in Scandia. The Northstar Multiple Listing Service reported 36 Single family home sales in the Scandia area during 2006 and 2007. This represents a small sampling with even fewer home sales within a possible impact area. Table 10 contains a summary of these sales by year and by style of home, as reported by the Northstar Multiple Listing Service

The amount of sales activity was limited as compared with the areas used in this study. The homes are located on acreage sites that vary from 1 acre to 29 acres with variations between wooded and pasture land. There is also a wide variety of building design and layout age and condition, style of finish, outbuildings and other factors that makes the possibility of isolating the impact very problematic. As such, no meaningful information for the study was obtained in this area.

Table 10 - 2006 - 2007 Scandia Area Single Family Home Sales - MLS

Year	Type	Address	Sale Date	Sale Price	Land Area	No of Bdrms	No of Baths	Finished Areas		Year Built
								Total	1st Floor	
<b>2006</b>	One Story									
1		10282 240th	06/29/06	\$595,000	10.00 Ac	3	3	3,127 SF	1,872 SF	1999
2		10382 217th	06/23/06	\$226,500	1.80 Ac	3	1	1,046 SF	1,046 SF	1973
3		14160 236th	09/26/06	\$365,000	2.50 Ac	4	3	3,332 SF	1,548 SF	1990
4		15855 240th	05/23/06	\$380,000	5.77 Ac	5	3	2,624 SF	1,552 SF	2001
5		14770 197th	10/30/06	\$578,000	4.40 Ac	5	4	4,230 SF	2,230 SF	2004
6		12850 182nd	07/27/06	\$615,000	1.02 Ac	2	1	1,306 SF	1,274 SF	1958
7		23840 St. Croix	08/31/06	\$327,000	14.50 Ac	3	3	1,200 SF	1,200 SF	1966
8		13144 Mayberry	06/30/06	\$360,000	5.77 Ac	3	2	2,170 SF	2,170 SF	1973
	1.5 Story									
9		14842 Oakhill	11/30/06	\$235,000	1.90' Ac	3	2	1,560 SF	800 SF	1891
	Split Entry									
10		11135 243rd	05/19/06	\$268,000	2.30 Ac	4	2	1,020 SF	1,880 SF	1998
11		13987 236th	07/27/06	\$285,000	2.60 Ac	4	2	2,648 SF	1,316 SF	1978
	Split Level									
12		24461 Oldfield	11/22/06	\$278,200	6.40 Ac	4	2	1,976 SF	1,196 SF	1996
	Two Story									
13		20258 St. Croix	03/03/06	\$420,000	4.25 Ac	4	3	2,884 SF	1,412 SF	2001
14		21531 Penfield	10/19/06	\$320,000	4.48 Ac	5	3	2,753 SF	1,176 SF	1991
15		13550 Scandia T.	05/31/06	\$580,000	29.50 Ac	4	2	1,948 SF	974 SF	1934
	Twin Homes									
16		21194 Odell	08/02/06	\$359,900	2.00 Ac	3	3	2,482 SF	1,295 SF	2005
17		21168 Odell	09/01/06	\$359,900	2.00 Ac	3	3	2,482 SF	1,295 SF	2005
<b>2007</b>	One Story									
1		21363 Olinda	06/29/07	\$214,850	0.42 Ac	2	2	1,350 SF	1,350 SF	1350
2		15450 220th	11/30/07	\$287,500	10.00 Ac	4	2	1,684 SF	1,392 SF	1973
3		20665 Kirby	07/30/07	\$295,000	2.80 Ac	3	2	2,502 SF	1,360 SF	1976
4		21477 Parish	01/12/07	\$305,000	5.00 Ac	3	2	2,004 SF	1,226 SF	1973
5		15110 220th	10/19/07	\$309,000	5.01 Ac	3	2	2,679 SF	1,428 SF	1993
6		15333 244th	08/17/07	\$330,000	5.00 Ac	3	2	1,609 SF	1,609 SF	2003
7		16080 Scandia T.	06/13/07	\$305,000	8.50 Ac	4	1	2,484 SF	1,884 SF	1953
	1.5 Story									
8		20620 Manning	10/23/07	\$275,000	5.01 Ac	3	3	2,052 SF	728 SF	1938
	Split Entry									
9		21207 Newberry	10/11/07	\$137,000	1.83 Ac	4	2	2,008 SF	1,008 SF	1981
10		15505 240th	08/01/07	\$310,000	5.30 Ac	4	2	2,052 SF	900 SF	1977
11		21410 Oren	05/01/07	\$276,500	1.76 Ac	3	2	1,912 SF	956 SF	1983
	Split Level									
12		14190 236th	12/21/07	\$190,000	2.00 Ac	3	2	1,620 SF	1,142 SF	1991
13		21303 Pomroy	06/21/07	\$260,500	5.00 Ac	4	2	1,534 SF	1,534 SF	1973
	Two Story									
14		14790 Scandia T.	11/16/07	\$230,000	0.69 Ac	3	3	1,755 SF	1,082 SF	1921
15		13770 195th	09/28/07	\$235,000	6.20 Ac	4	3	2,283 SF	1,425 SF	1972
16		13384 240th	11/30/07	\$300,000	11.37 Ac	3	2	1,920 SF	1,136 SF	1981
17		15901 Scandia T.	11/30/07	\$485,000	3.40 Ac	3	4	3,518 SF	1,102 SF	2004
18		21033 meadowbk	03/15/07	\$389,900	1.50 Ac	3	3	1,957 SF	1,186 SF	2005
19		22355 Kirk Ct	06/19/07	\$410,000	1.50 Ac	6	5	3,724 SF	1,504 SF	2004

Source: Northstar MLS

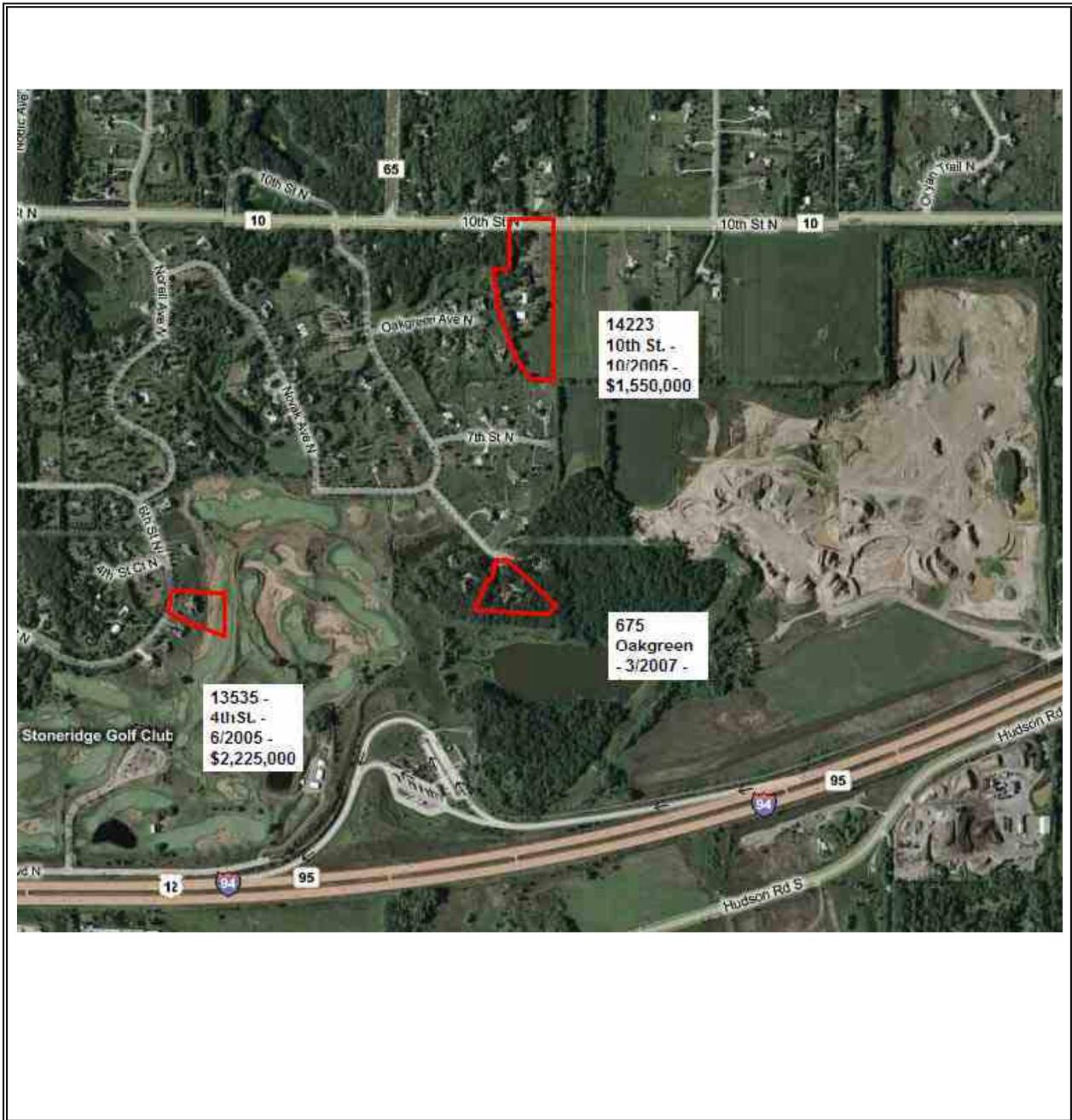
### **Franconia Township**

Franconia Township abuts the City of Scandia to the north. Aggregate Industries North Central operates a gravel mine on the west side of St. Croix Trail, at 260<sup>th</sup> Street. Further north, on the west side of St Croix Trail, near Sugar Bush Trail, Tiller Corporation has a small gravel mining operation. Limited sales activity, coupled with the differences found in small acreage properties, as mentioned above, resulted in no meaningful information for the study being obtained.

### **West Lakeland Township**

In the Northwest Quadrant of Interstate TH 94 and Stagecoach Trail is a 257 acre gravel mining operation owned by Tiller that has been in operation for approximately 35 years and is anticipated to continue for another 20 to 25 years. Stone Ridge Golf Course, a 18 hole champion course constructed in the 1990s, is located approximately <sup>1</sup>/<sub>2</sub> mile west of the mining facility. An executive residential subdivision known as Wynstone has developed between the golf course and the mining operation, with a wooded buffer area in between. Within this subdivision the property at 675 Oakgreen Avenue North sold in March of 2007 for \$1,700,000. The property at 13535 4<sup>th</sup> Street North sold in June of 2005 for \$2,125,000. In October of 2005 the property at 14223 10<sup>th</sup> Street North sold for \$1,150,000.

In upper bracket homes, each home has special characteristics that are unique to that property. The custom design and quality makes comparison difficult. However, of importance is that it appears proximity to a golf course was more important and overshadowed the proximity to an operating gravel mine. Figure 13 is an aerial photograph) that shows the location of the aforementioned homes, golf course and gravel mine.



**Figure 13 - Home Sales Near West Lakeland Gravel Mine**

## AGRICULTURAL LAND IMPACT CONSIDERATIONS

Agricultural land is located in the study area. Historically, the general area has been in transition from large acreage sites to small acreage home sites. With the current economic situation it is probable that the transition would occur at a slower pace. In doing so, the sales data contained herein and the general market provides no indication that future development of home sites in the area would be adversely impacted by the presence of the gravel mining operation. Supporting this conclusion is the short duration of the mining operation as compared with market demand.

For properties presently used as crop land, it is noted that the focus of buyers and sellers for this type of property is on the quality of soils and crop yields per acre. There is no evidence that the proximity to working gravel mines have adverse impact on crop land or other forms of agricultural use.

## STUDY CONCLUSIONS

The majority of the development within the area is single family residential. The analysis of sales produces a range of 0% to 3.3% negative impact resulting from proximity to an operating facility. Basically the analysis is inconclusive. The presence of a gravel operation is one of many factors (design, number of bedrooms, age/condition etc.) that are considered in the price being paid for a property. The set of Sales 1A and 1B in Hastings produced the highest negative impact of 3.3% while the set of Sales 2A and 2B from the same areas produced no negative impact. The impact is in the eyes of the beholder.

The Zavoral Site has not been operated as a gravel mine for over twenty years. The proposed mining operation would have the same effect as the introduction of a new gravel mining operation into an area. It is logical to assume that properties values abutting a new gravel mining operation could be adversely affected. This affect dissipates with distance from the mining operation. It is also noted the throughout the area, single family homes are in a declining market. The introduction of a perceived negative factor into this environment can have a stronger impact than if appearing in a growth market where demand is more important. Taking all factors into consideration, it was concluded that properties located in a radius of  $\frac{1}{4}$  mile from the Site (Figure 14), have a potential for some loss.

The mining Site is located at the top of the river bluff. The easterly 50 acres of the Site comprises woods that screen the operation from the river and extends down a bluff with the eastern boundary being 50 feet below the bluff line. Much of the area is within the USA Scenic River designation. At the base of the bluff a railroad track separates the Site from properties that front on the river. Given the protection of the bluff it was concluded, based on professional judgement, that a modest impact of up to 2% would reflect the potential value loss to those properties between the railroad track and the river.

A similar situation exists, in our professional judgment, on the southern side of the Site where approximately 8 acres of wooded terrain declines approximately 50 feet into a ravine and then rises 40 to 50 feet to the south boundary. Except for the Westphal ownership, the properties to the south also possess a modest up to 2% potential value loss. The Westphal property abuts the southern boundary of the subject and thus may have a somewhat greater impact. An up to 5% potential value loss has been projected for this property.

Properties that are within  $\frac{1}{4}$  mile to the southwest, west, northwest and north are more exposed to the gravel mining operation. It is noted that a eight foot high berm will be installed along the western boundary. However, this is less of a barrier than that available to the properties to the east and south. After analyzing the situation, it was concluded that an impact of up to 5% would reflect the potential value loss to those properties.

No value loss was ascribed to the Fusco property, which is a vacant Site that being zoned for commercial use is not impacted. A valuation impact was noted to the homestead portion of the Srock Farm (21560 St. Croix trail) but not to the farmland portion.

Public lands and waters within the  $\frac{1}{4}$  mile radius are non-taxable properties and are not influenced by monetary considerations. Also, the railroad right-of-way is not impacted by the project.

In determining the value loss, the Assessor's 2011 Estimate of Market Value has been utilized. Consideration has also been given to the impact of the potential value losses to the real estate taxes (all taxing authorities that base the tax amount on property value) from the individual properties. The 2011 real estate taxes for the individual properties were compared with the Assessor's 2010 property taxes (which are used for determining the 2011 real estate taxes). The estimated resulting tax rates were compared with the individual value losses to arrive at the potential annual loss of real estate tax income. The potential value losses are shown on Table 11.

This report presents possible impacts to property values for use in an EIS process. The County Assessor would not prospectively lower property values or related tax rates for groups of properties based on changes that may or may not occur in the future. The values would not be modified unless sales took place or documented appraisal information for individual properties were submitted for County consideration in the valuation process.



1/4 Mile Radius Map

Table 11 Impacted Properties							
Property Address	Owner	Property Identification No.	2011	Percent of Potential Value Loss	Potential Value Loss	2011 % Tax Rate	Potential Annual
			Assessor's M. V. For 2012 R.E. Tax				Real Estate Tax
<b>Southeast Sector</b>							
	Zavoral	18-032-19-43-0001	\$484,200	2.00%	\$9,684	1.01%	\$98.23
	Nat. Park Ser.	18-032-19-43-0002/34-0002		0.00%	\$0	0.00%	\$0.00
20923 Quint	O'Halloron	19-032-19-12-0001	\$587,600	2.00%	\$11,752	1.03%	\$121.05
20853 Quint	Plowman	19-032-19-12-0003	\$242,300	2.00%	\$4,846	1.00%	\$48.34
20921 Quint	Bowlin Family	19-032-19-12-0005	\$461,100	2.00%	\$9,222	1.01%	\$93.47
20919 Quint	Smith	19-032-19-12-0006	\$492,400	2.00%	\$9,848	1.01%	\$99.93
Quint	McClanahan	19-032-19-12-0007/0012	\$442,200	2.00%	\$8,844	1.01%	\$89.14
20789 Quint	Clary	19-032-19-12-0008	\$482,900	2.00%	\$9,658	1.01%	\$98.00
20733 Quint	Fitzpatrick	19-032-19-13-0003/0011	\$446,500	2.00%	\$8,930	1.01%	\$90.31
20699 Quint	Bowin Robert	19-032-19-13-0004/0009	\$453,500	2.00%	\$9,070	0.99%	\$89.90
	Schlingerman L.	19-032-19-13-0005/0006/0010	\$448,300	2.00%	\$8,966	1.06%	\$94.69
20661 Quint	Schlingerman A.	19-032-19-13-0007/24-0017	\$172,100	2.00%	\$3,442	0.82%	\$28.38
- 205th	Clapp, S.	19-032-19-13-0008	\$648,400	2.00%	\$12,968	1.04%	\$135.50
20685 Quinell	Westphal	19-032-19-21-0002/0003	\$380,000	5.00%	\$19,000	0.99%	\$187.99
		19-032-19-24-0007/0008/0009					
		19-032-19-24-0013/0014					
16797 - 205th	Wallace	19-032-19-24-0015	\$157,200	2.00%	\$3,144	0.85%	\$26.79
	Wurzinger	19-032-19-24-0012	\$4,200	2.00%	\$84	0.93%	\$0.78
20595 Quinell	Tuenge	19-032-19-24-0011	\$156,600	2.00%	\$3,132	0.85%	\$26.51
20457 Quinell	Sumerby	19-032-19-13-0001/42-0002	\$547,700	2.00%	\$10,954	1.00%	\$109.62
20455 Quinell	Eberhart	19-032-19-13-0002	\$200,500	2.00%	\$4,010	0.99%	\$39.69
20525 St. Croix T.	Dietrich	19-032-19-24-0021	\$383,400	2.00%	\$7,668	0.99%	\$75.88
16810 - 205th Ct	Hannah	19-032-19-31-0005	\$474,500	2.00%	\$9,490	1.00%	\$94.60
16775 - 205th Ct	Pary	19-032-19-31-0006	\$438,300	2.00%	\$8,766	1.00%	\$87.38
<b>Southwest Sector</b>							
20965 St. Croix T.	Scrock	19-032-19-22-0002/0003	\$360,800	5.00%	\$18,040	0.53%	\$95.61
16297 Scandia T.	Fusco	18-032-19-33-0001/0002	\$151,000	0.00%	\$0	2.42%	\$0.00
21060 St. Croix T.	Boesel	18-032-19-44-0001/0003	\$342,200	5.00%	\$17,110	0.46%	\$79.43
16601 Scandia T.	Buck	18-032-19-44-0001	\$197,300	5.00%	\$9,865	0.90%	\$88.76
16141 Scandia T.	Anderson	18-032-19-43-0010	\$444,400	5.00%	\$22,220	0.95%	\$210.58
16390 - 209th	Helke	19-032-19-22-0005	\$262,900	5.00%	\$13,145	0.94%	\$123.90
16850 - 209th	Welsh	24-032-20-11-0003	\$261,200	5.00%	\$13,060	0.95%	\$123.43
20939 Quadrant	Fehey	24-032-20-11-0002	\$247,400	5.00%	\$12,370	1.25%	\$154.47
20969 Quadrant	Schwartz	24-032-20-11-0001	\$196,200	5.00%	\$9,810	1.16%	\$114.10
<b>Northwest Sector</b>							
21560 St. Croix T.	Srock	18-032-19-32-0004/23-0002	\$325,200	5.00%	\$16,260	0.66%	\$107.80
21420 St. Croix T.	Maguson	18-032-19-32-0002	\$392,100	5.00%	\$19,605	0.99%	\$194.50
16290 Scandia T.	Hendrickson	13-032-20-41-0001	\$206,000	5.00%	\$10,300	0.77%	\$79.40
16240 Scandia T.	Wolkerstorfer	13-032-20-41-0004	\$368,900	5.00%	\$18,445	1.00%	\$183.90
16140 Scandia T.	Gilberson	13-032-20-41-0005	\$267,400	5.00%	\$13,370	0.95%	\$126.70
<b>Northeast Sector</b>							
17001 - 220th	Page, G	18-032-19-31-0006	\$363,600	5.00%	\$18,180	0.96%	\$175.37
21565 St. Croix T.	Lundgren	18-032-19-24-0002/13-0003	\$252,000	5.00%	\$12,600	0.55%	\$68.90
	Nat. Park Serv.	18-032-19-42-0003/12-0005	\$0	0.00%	\$0		
		18-032-19-43-0001/42-0001					
	McGinley	18-032-19-13-0002	\$143,200	5.00%	\$7,160	1.33%	\$95.53
<b>Totals</b>			\$12,885,700		\$405,018		\$3,758.54
<b>Rounded to</b>			\$12,886,000		\$405,000		\$3,800.00

## CERTIFICATION

The undersigned does hereby certify that in this appraisal report:

1. This appraisal assignment is not based on a requested minimum valuation or specific valuation for approval of a loan. The estimate of market value identified in this report was developed independent of any undue influence.
2. The compensation for completing this assignment is not contingent upon the development or report of a predetermined value or direction in value that favors the cause of the client, the amount of the value, the attainment of a stipulated result or the occurrence of a subsequent event directly related to the intended use of the appraisal.
3. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
4. I have no present or contemplated future interest in the real estate that is the subject of this appraisal report.
5. I have no personal interest or bias with respect to the subject matter of this appraisal report or the parties involved.
6. To the best of my knowledge and belief the statements of fact contained in this appraisal report upon which the analyses, opinions and conclusions expressed herein are based, are true and correct.
7. The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial and unbiased analyses, opinions and conclusions.
8. This appraisal report has been made in conformity with and is subject to the requirements of the Code of Professional Ethics and Standards of Professional Conduct of the Appraisal Institute, and the Uniform Standards of Professional Appraisal Practice.
9. No one provided significant professional assistance to the person signing this report.
10. I have made a personal inspection of the property that is the subject of this report.
11. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
12. As of the date of this report, Michael J. Bettendorf, MAI, has completed the requirements of the continuing education program of the Appraisal Institute.
13. Disclosure of the contents of this appraisal report is governed by the by-laws and regulations of the Appraisal Institute.
14. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser or the firm with which he is connected, or any reference to the Appraisal Institute or MAI designation) shall be disseminated to the public through advertising media, public relations media, news media, sales media, or any other public means of communication without the prior written consent and approval of the undersigned.
15. I have the knowledge and experience to complete this appraisal in a competent manner. Neither my company nor I have been sued by a regulatory agency or financial institution for fraud or negligence involving an appraisal report.



Michael J. Bettendorf, MAI (MN License #4001398)  
Certified General Real Property Appraiser



## PROFESSIONAL QUALIFICATIONS

MICHAEL J. BETTENDORF, MAI

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### PROFESSIONAL MEMBERSHIPS & ASSOCIATIONS

**Member** - Appraisal Institute (MAI)

**Regional Representative** - Appraisal Institute - Ethics Administrator-Region 3 - 2000-2006  
Assistant Regional Representative - 2006 to Present

**President** - Minnesota Chapter #35 - A.I.R.E.A. - 1987

### LICENSE

Certified General Real Property Appraiser - State of Minnesota  
License # 4001398

### EDUCATION

B.A. - St. John's University, Collegeville, MN - 1969

### PROFESSIONAL EXPERIENCE

**March, 1991 to Present** - Independent Fee Appraiser - Bettendorf Rohrer Knoche Wall, Inc, now BRKW Appraisals, Inc. - President

**October 1981 - March 1991** - Independent Fee Appraiser - Dahlen and Dwyer, Inc

**July, 1979 to October, 1981** - Chief Appraiser, Farmer's and Mechanic's Savings Bank of Minneapolis - Mortgage Officer

**February, 1971 to July, 1979** - Independent Fee Appraiser, Bettendorf Appraisals, Inc. serving as Vice-President and then President

**Member** - International Right of Way Association

**Member** - Faculty of Appraisal Institute/A.I.R.E.A. (1978-1991)

**Member** - Faculty of University of Minnesota - Extension Division (1978-1983)

**Instructor** - A.I.R.E.A. Course "Single Family Residential Appraisal" and "Residential Valuation" - University of Minnesota 1978, 1979, 1980 and 1984, "Residential Valuation" - University of North Carolina, 1981

**Instructor** - B.O.M.A. - "Real Estate Investment and Finance" - University of Minnesota - 1987; St. Cloud University - 1990 and 1991/92

**Instructor** - Master of Science Program - Real Estate Appraisals - St. Thomas University - 1996, 1999

Testified as expert witness in District Court Proceedings; Served as Court Appointed Commissioner on real estate matters

### PROFESSIONAL REAL ESTATE STUDIES

Successfully completed courses sponsored by the American Institute of Real Estate Appraisers (Appraisal Institute):

Basic Appraisal Principles Methods and Techniques

Capitalization Theory and Techniques

Urban Properties

Condemnation

Standards of Professional Practice

Numerous Seminars on various aspects of real estate appraising, including Business Valuation, Land Use Planning/Regulations, Engineering Drawings, Review Appraising, Market Analysis, Highest and Best Use, Conservation Easements, Federal Appraisal

Standards

**PROPERTY TYPES APPRAISED**

Retail Buildings  
Office Buildings  
Industrial Buildings  
Schools and Colleges  
Rail Road Corridors  
Sports Arenas  
Benefit Analyses  
Wetlands  
Multi-Family Properties

Shopping Centers  
Hotels  
Hospitals  
Churches  
Golf Courses  
Easements for Public Utilities  
Conservation Easements  
Development Land  
Single Family Residences

**CLIENTS INCLUDE**

Minnesota DNR  
Minnesota Administration  
Dakota County  
Hennepin County  
American Bank  
City of Bloomington  
City of New Brighton  
City of St. Paul Park  
Boston Bay Capital  
Canadian Pacific Railway  
General Cinema  
Health Partners  
White Consolidated  
City of Minnetonka  
City of Richfield  
Highland Bank  
St. Paul Port Authority  
City of Blaine  
Minneapolis Park Board  
Aurora Bank

Minnesota DOT  
Ramsey County  
Washington County  
Twin City Federal  
Anchor Bank  
City of St. Paul  
City of Albertville  
City of Inver Grove Heights  
Burlington Northern Santa Fe  
Gillette Company  
Land for Public Trust  
ANT LLC  
Relocation Resources  
City of South St. Paul  
City of Little Canada  
Comerica Bank  
US Banks  
City of Shoreview  
City of Savage  
Numerous Private Clients

Revised February, 2011

STATE OF MINNESOTA



Department of Commerce

MICHAEL J BETTENDORF  
671 OVERLOOK DR  
ROSEVILLE, MN 55113

The Undersigned COMMISSIONER OF COMMERCE for the State of Minnesota hereby certifies that  
MICHAEL J BETTENDORF

671 OVERLOOK DR  
ROSEVILLE, MN 55113

has complied with the laws of the State of Minnesota and is hereby licensed to transact the business of

**Resident Appraiser : Certified General**

**License Number: 4001398**

unless this authority is suspended, revoked, or otherwise legally terminated. This license shall be in effect until August 31, 2013.

IN TESTIMONY WHEREOF, I have hereunto set my hand this July 25, 2011.

COMMISSIONER OF COMMERCE

Minnesota Department of Commerce  
Licensing Division  
85 7th Place East, Suite 500  
St. Paul, MN 55101-3165  
Telephone: (651) 296-6319  
Email: [licensing.commerce@state.mn.us](mailto:licensing.commerce@state.mn.us)  
Website: [commerce.state.mn.us](http://commerce.state.mn.us)

Continuing Education:

<u>CE Requirement Type</u>	<u>CE Required Hours</u>
Total - Appraiser	30.00
USPAP	7.00

Notes:

- **Continuing Education:** 15 hours is required in the first renewal period, which includes a 7 hour USPAP course. 30 hours is required for each subsequent renewal period, which includes a 7 hour USPAP course.
- **Appraisers:** You must hold a licensed Residential, Certified Residential, or Certified General qualification in order to perform appraisals for federally-related transactions. **Trainees do not qualify.** For further details, please visit our website at [commerce.state.mn.us](http://commerce.state.mn.us).

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## COMPANY PROFILE

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## COMPANY PROFILE

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### **BRKW APPRAISALS, INC.**

1600 University Avenue, Suite 314  
St. Paul, Minnesota 55104

Phone: 651-646-6114  
Fax: 651 646-8086  
email: [brkw@brkw.com](mailto:brkw@brkw.com)  
Website: [www.brkw.com](http://www.brkw.com)

BRKW Appraisals, Inc. (formerly known as Bettendorf Rohrer Knoche Wall, Inc.) is a full service professional real estate appraisal company formed in 1991. The three principals have more than 80 years of combined experience in the valuation of a wide variety of real estate. Located in the Midway area of St. Paul, we concentrate on the appraisal of real estate primarily in the Twin Cities Metropolitan Area, as well as outlying communities in Minnesota.

Our extensive professional training and experience enable us to provide the expertise necessary for consistently reliable real estate valuation. Our appraisal reports are confidential documents completed in accordance with all current standards of professional appraisal practice and ethics. All of the appraisers employed by the company have the Certified General Real Property Appraiser license from the State of Minnesota. Our appraisers stay current with advances in appraisal techniques and the changing real estate market through continuing education programs.

At BRKW Appraisals, Inc. we strive to build and maintain long-lasting relationships with our clients. Our goal is to provide high-quality professional real estate valuation services in a timely manner that is consistent with the needs of our clients.

#### **Appraisal & Consulting Services**

Real Estate Appraisals  
Mortgage Financing Appraisals  
Condemnation/Litigation Appraisals  
Review Appraisals  
Real Estate Tax Abatements  
Special Benefits Analysis  
Expert Witness Testimony  
REO Portfolio Valuation  
Feasibility Studies  
Market Surveys  
Partial Interest Valuations

#### **Property Types**

Commercial Properties  
Industrial Properties  
Multiple Family Residential  
Single Family Residential  
Subdivision Analysis  
Vacant Land Parcels  
Special Purpose Properties  
Gas Station / Convenience Stores  
Schools and Churches  
Recreation Facilities  
Railroad Corridors

## APPRAISAL STAFF

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### **Michael J. Bettendorf, MAI - Principal**

Active as an appraiser since 1971, Michael has the MAI designation of the Appraisal Institute and specializes in commercial, industrial, multiple family, residential, and special purpose property appraisals with extensive litigation experience. Court appointed Commissioner in Ramsey County, past President of Minnesota Chapter A.I.R.E.A. (1987), instructor of appraisal courses and seminars. Michael is a graduate of St. John's University. Licensed as a Certified General Real Property Appraiser.

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### **Marc E. Knoche, MAI - Principal**

Marc has been an appraiser since 1982, and has the MAI designation of the Appraisal Institute. He specializes in commercial, industrial, multiple family, residential, vacant land, and special purpose property appraisals. Marc has done numerous condemnation acquisition appraisals and special benefit studies involving a wide variety of property types. Marc has extensive litigation / expert witness experience and has served as a court appointed commissioner. He is a Past President of the Metro/Minnesota Chapter of the Appraisal Institute (1992 & 1993). A graduate of Macalester College, Marc is licensed by the State of Minnesota as a Certified General Real Property Appraiser.

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### **Paul J. Gleason - Principal**

Paul has been appraising real estate since 1992. He has in-depth experience in the valuation of numerous real estate property types. Over the years, he has developed special expertise in the valuation of land and in eminent domain appraising. Paul is a graduate of the University of Wisconsin at La Crosse. Associate Member of the Appraisal Institute and licensed as a Certified General Real Property Appraiser.

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**William E. Petersen, Appraiser**

Bill has been an active appraiser since 1986 specializing in the valuation of commercial, industrial, multi-family, office and special purpose properties. Bill is a graduate of the University of Minnesota and practiced dentistry from 1970-1986 before becoming licensed as a Certified General Real Property Appraiser.

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**Joseph P. Deutsch, Appraiser**

Joe has been appraising real estate since 1998, specializing in commercial properties. Types of property appraised include multi-family, industrial, office, retail, and special purpose properties. Joe worked for two years as a city building inspector prior to becoming an appraiser. Joe is a graduate of the University of Minnesota majoring in accounting and is a Certified General Real Property Appraiser.

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**Terry A. Ward, Appraiser**

Terry has over 20 years of experience in business management, operations and marketing. Since 2002, she began applying this experience to commercial real estate appraising. Types of properties appraised include office, industrial, hotel/motel, retail/commercial, and other special use properties. She has a degree in Business Management from St. Cloud State University and a Mini Masters Degree in Real Estate Appraising from St. Thomas University. Terry is a Certified General Real Property Appraiser and an Associate Member of the Appraisal Institute.

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**Mark A. Warren, Appraiser**

Mark is a third generation real property appraiser and has been appraising since 2003. Types of property appraised include office, industrial, hotel/motel, retail/commercial, and other special use properties. Mark is a graduate of the University of Minnesota, is an Associate Member of the Appraisal Institute, and is licensed as a Certified General Real Property Appraiser.

**ADDENDUM**

**Maple Grove Analysis Data (Tables 12 and 13)**

Maple Grove Analysis Data - Table 12													
	Set 1					Set 2							
Item	Sale 1A			Sale 1B		Sale 2 A			Sale 2B				
	12116 85th Avenue			8909 Oakview		8643 Pineview			14054 94th Avenue N				
Address	Maple Grove			Maple Grove		Maple Grove			Maple Grove				
Sale Price			\$319,103		\$309,000			\$342,000		\$335,900			
Price/SF Liv. Area			\$163.39		\$163.67			\$185.47		\$155.51			
Verification	Broker			Broker		Broker			Broker				
Source	County Records			County Records		County Records			County Records				
Value Adjustments	Description	Adjustment		Description	Adjustment		Description	Adjustment		Description	Adjustment		
Days on Market	76 Days			97 Days			19 Days			59 Days			
Sales or Financing	Cash Equivalen			Conventional			Conventional			Conventional			
Concessions				At Market			At Market			Seller Pts	-	(\$8,000)	
Effective Date of App.	1/19/2007			1/31/2007			4/21/2006			9/7/2007	-	(\$6,000)	
Location													
Leasehold/Fee	Fee			Fee			Fee			Fee			
Site	6,672 SF			10,960 SF	-	(\$5,000)	10,811 SF			21,816 SF	-	(\$4,000)	
Design/Appeal	2 Sty/Avg			2 Sty Avg			2 Sty/Avg			2 Sty/Avg			
Quality of Const.	Average			Average			Average			Average			
Age	Built 2000			Built 1988	+	\$6,000	Built 1993			Built 1986	+	\$3,500	
Condition	Good			Inferior	+	\$5,000	Good			Good			
Above Grade	Total	Bed	Bath	Total	Bed	Bath	Total	Bed	Bath	Total	Bed	Bath	
Room Count	7	3	2.50	7	3	2.50	7	3	2.50	7	3	2.50	
Gross Living Area	1,953	SF		1,888	SF	+	\$1,300	1,844	SF	2,160	SF	-	(\$6,300)
Basement	Full, No. W.O			Full/ No W.O.			Full/W.O.			Full/No W.O.	+	\$3,000	
Bsmt Finish	1 Bd, Fmly, ba			1Bd,famly,ba			1 Bd, Fmly, ba			Fmly Rm	+	\$5,000	
Functional Utility	Average			Average			Average			Average			
Heating/Cooling	FWA/Central			FWA/Cent			FWA/Central			FWA/Cent			
Energy Eff. Items	No special items			Similar			No special items			Similar			
Garage	2 Car att			2 Car Att			3 Car Att			2 Car Att	+	\$5,000	
Porch, Patio ,Deck	porch			Deck			Deck			None	+	\$3,000	
Fireplaces	One			One			One			One			
pool, fence etc.	Spinkler			No	+	\$1,000	None			None			
Applicances	Standard			Standard			Standard			Standard			
Net Adustment					+	\$8,300					-	(\$4,800)	
Indicated Adjusted Price			\$319,103			\$317,300			\$342,000			\$331,100	

Maple Grove Analysis Data - Table 13						
Set 3						
Item	Sale 3 A			Sale 3B		
	8517 Sycamore			9673 Harbor Lane		
Address	Maple Grove			Maple Grove		
Sale Price			\$296,000			\$295,000
Price/SF Liv. Area			\$175.77			\$146.77
Verification	Broker			Broker		
Source	County Records			County Records		
Value Adjustments	Description	Adjustment		Description	Adjustment	
Days On Market	70 Days			131 Days		
Sales or Financing	Conventional			Conventional		
Concessions	At Market			At Market		
Effective Date of App.	8/31/2006			1/6/2006	+	\$2,700
Location						
Leasehold/Fee	Fee			Fee		
Site	17,854 SF			20,132 SF		
Design/Appeal	2 Sty/Avg			2 Sty Avg		
Quality of Const.	Average			Average		
Age	Built 1991			Built 1980	+	\$5,500
Condition	Good			Similar		
Above Grade	Total	Bed	Bath	Total	Bed	Bath
Room Count	6	3	2.50	8	4	2.50
Gross Living Area	1,684	SF		2,010	SF	
Basement	Full/W.O.			Fuill No W.O.	+	\$3,000
Bsmt Finish	1 Bd, Fmly, ba			Unfinished	+	\$10,000
Functional Utility	Average			Average		
Heating/Cooling	FWA/Central			FWA /Central		
Energy Eff. Items	No special items			Similar		
Garage	3 Car Att			2 Car Att	\$5,000	
Porch, Patio ,Deck	Deck			Deck		
Fireplaces	One			One		
pool, fence etc.				No		
Applicances	Standard			Standard		
Net Adustment					+	\$10,700
Indicated Adjusted Price			\$296,000			\$305,700

**Rosemount Analysis Data (Tables 14 and 15)**

Rosemount Analysis Data - Table 14									
Item	Set 1					Set 2			
	Sale 1A		Sale 1B			Sale 2 A		Sale 2B	
	4135 - 158th St.		14228 Dearborn Path			15784 Cicerone Ct		14344 Dawson	
Address	Rosemount		Rosemount			Rosemount		Rosemount	
Sale Price	Cash Equivalent	\$253,500			\$246,500		\$304,200		\$300,000
Price/SF Liv. Area		\$221.78			\$248.74		\$171.28		\$149.40
Verification	Broker		Broker			Broker		Broker	
Source	County Records		County Records			County Records		County Records	
Value Adjustments	Description	Adjustment	Description	Adjustment	Description	Adjustment	Description	Adjustment	
Days on Market	19 Days		95 Days		1 Day		7 Days		
Sales or Financing	Cash Equivalen		Conventional		Conventional		Conventional		
Concessions			At Market		At Market		At Market		
Date of Sale	4/25/2007		1/30/2007		7/31/2007		6/15/2007		
Location			Pond View	- (\$5,000)	Pond View		None	+ \$5,000	
Leasehold/Fee	Fee		Fee		Fee		Fee		
Site	10,454 SF		6,900 SF	+ \$5,000	14,374 SF		16,552 SF		
Design/Appeal	Split Ent/Avg		Split Ent/Avg		Mod 2sty/avg		Mod 2 Sty/A		
Quality of Const.	Average		Average		Average		Average		
Age	Built 2001		Built 1987	+ \$7,000	Built 1999		Built 1998		
Condition	Good		Superior	- (\$3,000)	Average		Average		
Above Grade	Total Bed Bath		Total Bed Bath		Total Bed Bath		Total Bed Bath		
Room Count	5 2 1.00		5 2 1.00		6 3 2.50		8 3 2.50	- (\$6,000)	
Gross Living Area	1,143 SF		991 SF	+ \$3,000	1,776 SF		2,008 SF	- (\$4,800)	
Basement	Full, No. W.O		Full/W.O.	- (\$3,000)	Full/W.O.		Part/No. W.O	+ \$3,000	
Bsmt Finish	2Bd Fmly Ba		2Bd,Fmly,ba		1Bdrm		Unfinished	+ \$3,000	
Functional Utility	Average		Average		Average		Average		
Heating/Cooling	FWA/Central		FWA/Cent		FWA/Central		FWA/Cent		
Energy Eff. Items	No special items		Similar		No special items		Similar		
Garage	3 Car Att		2 Car Att	+ \$3,000	3 Car Att		3 Car Att		
Porch, Patio ,Deck	None		Deck/Patio	- (\$2,500)	None		Deck	- (\$2,000)	
Fireplaces	One		One		Two - R-I		One		
pool, fence etc.	None				None		None		
Appliances	Add. Apl.		Standard	- (\$500)	Standard		Standard		
			Sprinkler	- (\$1,000)	Sprinkler		None	+ \$1,000	
Net Adustment				+ \$8,000				+ (\$800)	
Indcated Adjusted Price		\$253,500		\$254,500		\$304,200		\$299,200	

Rosemount Analysis Data Table 15						
Set 3						
Item	Sale 3A			Sale 3B		
	3700 158th Street W			13537 Dellwood Ct		
Address	Rosemount			Rosemount		
Sale Price			\$363,500			\$350,000
Price/SF Liv. Area			\$176.71			\$158.80
Verification	Broker			Broker		
Source	County Records			County Records		
Value Adjustments	Description	Adjustment		Description	Adjustment	
Days on Market	30 Days			30 Days		
Sales or Financing	Conventional			Conventional		
Concessions	At Market			At Market		
Date of Sale	7/25/2007			4/16/2007		
Location	Pond View			None	+	\$5,000
Leasehold/Fee	Fee			Fee		
Site	16,400 SF			14,810 SF		
Design/Appeal	Mod 2 Sty/avg			2 Sty/Avg		
Quality of Const.	Average			Average		
Age	Built 2000			Built 1993	+	\$3,500
Condition	Good			Good		
Above Grade	Total	Bed	Bath	Total	Bed	Bath
Room Count	7	4	2.50	8	4	2.50
Gross Living Area	2,057	SF		2,204	SF	- (\$3,000)
Basement	Full, W.O.			Full/W.O.		
Bsmt Finish	1 bd, fmly, ba			1Bd,Fmly,ba		
Functional Utility	Average			Average		
Heating/Cooling	FWA/Central			FWA/Cent		
Energy Eff. Items	No special items			Similar		
Garage	3 Car Att			3 Car Att		
Porch, Patio ,Deck	Deck, Patio			2 Dks/Patio	-	(\$500)
Fireplaces	One			One		
pool, fence etc.	None			None		
Applicances	Add. Apl.			Standard	+	\$500
	Sprinkler			No	+	\$1,000
Net Adustment						\$6,500
Indcated Adjusted Price			\$363,500			\$356,500

### Hastings Analysis Data (Table 16)

Hastings Analysis Data Table 16													
Item	Sale 1A			Sale 1B			Sale 2A			Salee 2B			
	<b>4164 Starling</b>			711 William Dr			4033 Starling			602 Greten CT			
Address	Hastings			Hastings			Hastings			Hastings			
	3/4 Mile from gravel Site			1.75 Miles from Gravel Site									
Sale Price	Cash Equivalent		\$291,560			\$312,000			\$341,500			\$322,000	
Price/SF Liv. Area			\$224.28			\$227.74			\$167.40			\$164.29	
Verification	Broker			Broker			Broker			Broker			
Source	County Records			County Records			County Records			County Records			
Value Adjustments	Description	Adjustment		Description	Adjustment		Description	Adjustment		Description	Adjustment		
Days On Market							143 Days			111 Days			
Sales or Financing	Conventional			Conventional			Conventional			Conventional			
Concessions	Cash Equiv			At Market			At Market			At Market			
Effective Date of App.	9/29/2006			1/2/2006 -			(\$6,400)	4/17/2006		9/29/2006 +		\$3,000	
Location													
Leasehold/Fee	Fee			Fee			Fee			Fee			
Site	12,797 SF			12,956 SF			13,000 SF			9,583 SF +		\$3,000	
Design/Appeal	Splt Ent/Ave			Split Ent/Avg			Two Sty/Avg			Two Sty/Avg			
Quality of Const.	Average			Superior -			(\$3,000)	Average		Average			
Age	Built 2004			Built 2003			Built 2004			Built 2002			
Condition	Good			Good			Good			Inferior +		\$5,000	
Above Grade	Total	Bed	Bath	Total	Bed	Bath	Total	Bed	Bath	Total	Bed	Bath	
Room Count	5	2	1.75	6	3	2.00 -	(\$4,000)	7	3	2.50	7	3	2.50
Gross Living Area	1,300 SF			1,370 SF -			(\$1,500)	2,040 SF		1,960 SF +			\$1,600
Basement	Full/No. W.O			Full/No W.O.			Full, No. W.O			Full/W.O. -		(\$3,000)	
Bsmt Finish	2 bd, fmly, Ba			2Bd, fmly bath			Unfinished			Unfinished			
Functional Utility	Average			Average			Average			Average			
Heating/Cooling	FWA/Central			FWA/Cent			FWA/Central			FWA/Central			
Energy Eff. Items	No special items			No Special Iter			No Special items			No Spec. items			
Garage	3 Car att			3 Car Att			3 Car Att			3 Car Att			
Porch, Patio ,Deck	Patio			patio			None			Patio -		(\$500)	
Fireplaces	None			One -			(\$2,000)	One		None +		\$2,000	
pool, fence etc.	No			No			No			No			
Appliances	Standard			Standard			Standard			Standard			
							Sprinkler			Sprinkler			
Net Adustment							(\$10,500)				\$11,100		
Indicated Adjusted Price	\$291,560			\$301,500			\$341,500		\$341,500		\$333,100		

**Andover Analysis Data (Tables 17 and 18)**

Andover Analysis Data Table 17										
	Set 1					Set 2				
Item	Sale 1A		Sale 1B			Sale 1A		Sale 2B		
	13754 Quin St.		2855 - 141st Aveue			13754 Quin St.		1573 - 141st St.		
Address	Andover		Andover			Andover		Andover		
Proximity to superfund site	One Block		One Mile			One Block		1.25 Miles		
Sale Price		\$239,000			\$231,000					\$235,000
Price/SF Liv. Area		\$243.88			\$210.77		\$239,000			\$276.47
Verification	Broker		Broker			Broker		Broker		
Source	County Records		County Records			County Records		County Record		
Value Adjustments	Description	Adjustment	Description	Adjustment	Description	Adjustment	Description	Adjustment		
Days on Market	132 Days		25 Days		132 Days					
Sales or Financing	Cash Equivalent		Conventional		Cash Equivalent		Conventional			
Concessions			At Market				At Market			
Date of Sale	9/22/2006		8/29/2006		9/22/2006		5/26/2006			
Location			Woods	- (\$3,000)						
Leasehold/Fee	Fee Simple		Fee Simple		Fee Simple		Fee Simple			
Site	19,800 SF		18,150 SF		19,800 SF		21,344 SF			
Design/Appeal	Split Ent/Avg		Split Ent/Avg		Split Ent/Avg		Split Ent/Sup	- (\$2,000)		
Quality of Const.	Average		Average		Average		Average			
Age	Built 1989		Built 1981	+ \$4,000	Built 1989		Built 1996	- (\$3,500)		
Condition	Above Avg		Average	+ \$5,000	Above Avg		Average	+ \$3,000		
Above Grade	Total Bed Bath		Total Bed Bath		Total Bed Bath		Total Bed Bath			
Room Count	4 2 1.00		5 2 1.00	- (\$3,000)	4 2 1.00		4 2 1.00			
Gross Living Area	980 SF		1,096 SF	- (\$2,300)	980 SF		850 SF	+ \$3,300		
Basement	Full, No. W.O		Full/W.O.	- (\$3,000)	Full, No. W.O		Full/W.O	- (\$3,000)		
Bsmt Finish	2Bd Fmly Ba		2Bd,Fmly,ba		2Bd Fmly Ba		1 Bd, fmly ba	+ \$3,000		
Functional Utility	Average		Average		Average		Average			
Heating/Cooling	FWA/Central		FWA/Cent		FWA/Central		FWA/Cent			
Energy Eff. Items	No special items		Similar		No special items		Similar			
Garage	4 Car Att		2 Car Att	+ \$5,000	4 Car Att		3 Car Att	+ \$3,000		
Porch, Patio ,Deck	Deck		Deck		Deck		Deck/Patio	- (\$500)		
Fireplaces	One		Two	- (\$2,000)	One		One			
pool, fence etc.	None		None		None		None			
Applicances	Standard		Standard		Standard		Standard			
Other	Sprinkler		None	+ \$1,000	Sprinkler		None	+ \$1,000		
Net Adustment				+ \$1,700				+ \$4,300		
Indcated Adjusted Price		\$239,000		\$232,700		\$239,000		\$239,300		

Andover Analysis Data - Table 18						
Set 3						
Item	Sale 3A			Sale 3B		
	2462 - 135th Street			1703 - 147th Lane		
Address	Andover			Andover		
Sale Price			\$252,000			\$243,400
Price/SF Liv. Area			\$204.55			\$247.36
Verification	Broker			Broker		
Source	County Records			County Records		
Value Adjustments	Description	Adjustment		Description	Adjustment	
Days on Market	11 Days			77 Days		
Sales or Financing	Conventional			Conventional		
Concessions	At Market			At Market		
Date of Sale	2/26/2006			4/21/2006		
Location/View	Wetlands			Residential	+	\$2,000
Leasehold/Fee	Fee Simple			Fee Simple		
Site	14,640 SF			11,475 SF		
Design/Appeal	Splt Lv/Avg			Split Lv/Avg		
Quality of Const.	Average			Average		
Age	Built 1988			Built 1993	-	(\$2,500)
Condition	Average			Average		
Above Grade	Total	Bed	Bath	Total	Bed	Bath
Room Count	5	2	1.00	5	2	1.00
Gross Living Area	1,232	SF		984	SF	+
Basement	Full/ No W.O			Full/No W.O.		
Bsmt Finish	1 bd, fmly, ba			1bd,fmly,ba		
Functional Utility	Average			Average		
Heating/Cooling	FWA/Central			FWA/Cent		
Energy Eff. Items	No special items			Similar		
Garage	2 Car Att			2 Car Att		
Porch, Patio ,Deck	Patio/Porch			Deck	+	\$3,000
Fireplaces	One			One		
pool, fence etc.	Fence			Fence		
Appliances	Standard			Standard		
Other	Sprinkler			Sprinkler		
Net Adustment						\$8,700
Indcated Adjusted Price			\$252,000			\$252,100