



August 8, 2019

Michael Kerski
Director of Planning
City of Shakopee
408 Gorman St.
Shakopee, MN 55379

SUBJECT: Market Value Appraisal
 Shakopee Land
 600 Canterbury Rd. S.
 Shakopee, Scott County, Minnesota 55379
 Client Reference: CSAH 83 (Canterbury Road)
 IRR - Minneapolis/St. Paul File No. 124-2019-0168

Dear Mr. Kerski:

Integra Realty Resources – Minneapolis/St. Paul is pleased to submit the accompanying appraisal of the referenced property. The purpose of the appraisal is to develop an opinion of the market value of the fee simple interest in the property. The client for the assignment is City of Shakopee and the intended use is for property acquisition purposes. The subject is to be acquired in its entirety for construction of a new roadway by the City of Shakopee.

The subject is a parcel of vacant land containing an area of 2.98 acres or 129,687 square feet. The property is zoned I-1, Light Industry. The purpose of the Light Industry Zone is to provide an area for industrial, light manufacturing, and office uses which are generally not obtrusive and which serve as a transition between more intensive industrial sites and residential and business land uses. The Light Industry zoning permits warehousing and wholesaling, research laboratories, establishments supplying goods or services primarily to industrial uses; agricultural uses, utility services; utility service structures; offices within the principal structure, public buildings; single- and mixed-use developments; office buildings; breweries; distilleries; wineries.

The appraisal is intended to conform with the Uniform Standards of Professional Appraisal Practice (USPAP), the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, applicable state appraisal regulations, and the appraisal guidelines of City of Shakopee.

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To report the assignment results, we use the Appraisal Report option of Standards Rule 2-2(a) of USPAP. As USPAP gives appraisers the flexibility to vary the level of information in an Appraisal Report depending on the intended use and intended users of the appraisal, we adhere to the Integra Realty Resources internal standards for an Appraisal Report – Standard Format. This format summarizes the information analyzed, the appraisal methods employed, and the reasoning that supports the analyses, opinions, and conclusions.

Based on the valuation analysis in the accompanying report, and subject to the definitions, assumptions, and limiting conditions expressed in the report, our opinion of value is as follows:

Value Conclusion

Appraisal Premise	Interest Appraised	Date of Value	Value Conclusion
Market Value	Fee Simple	July 25, 2019	\$597,000

Extraordinary Assumptions and Hypothetical Conditions

The value conclusions are subject to the following extraordinary assumptions that may affect the assignment results. An extraordinary assumption is uncertain information accepted as fact. If the assumption is found to be false as of the effective date of the appraisal, we reserve the right to modify our value conclusions.

1. None

The value conclusions are based on the following hypothetical conditions that may affect the assignment results. A hypothetical condition is a condition contrary to known fact on the effective date of the appraisal but is supposed for the purpose of analysis.

1. None

If you have any questions or comments, please contact the undersigned. Thank you for the opportunity to be of service.

Respectfully submitted,

INTEGRA REALTY RESOURCES - MINNEAPOLIS/ST. PAUL



Warren Czaia
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August 8, 2019

Michael Kerski
Director of Planning
City of Shakopee
408 Gorman St.
Shakopee, MN 55379

SUBJECT: Market Value Appraisal
 SanMar
 3700 4th Ave. E.
 Shakopee, Scott County, Minnesota 55379
 Client Reference: CSAH 83 (Canterbury Road)
 IRR - Minneapolis/St. Paul File No. 124-2019-0169

Dear Mr. Kerski:

Integra Realty Resources – Minneapolis/St. Paul is pleased to submit the accompanying appraisal of the referenced property. The purpose of the appraisal is to develop an opinion of the market value - before partial acquisition of the fee simple interest in the property. As requested, we also estimate the market value - after partial acquisition and the resulting difference. The client for the assignment is City of Shakopee and the intended use is for negotiation for partial acquisition.

The subject is a parcel of land containing an area of 41.68 acres or 1,815,581 square feet. The subject is improved with a 730,800-square foot warehouse-office building constructed in 2012. Being the proposed project acquisition does not influence the improvements, only the land is appraised. The property is zoned I-1, Light Industrial. The purpose of the Light Industry Zone is to provide area for industrial, light manufacturing, and office uses which are generally not obtrusive and which serve as a transition between more intensive industrial sites and residential and business land uses. This district permits warehousing and wholesaling, research laboratories, establishments supplying goods or services primarily to industrial uses; agricultural uses, utility services; utility service structures; offices within the principal structure, public buildings; single- and mixed-use developments; office buildings; breweries; distilleries and wineries.

The appraisal is intended to conform with the Uniform Standards of Professional Appraisal Practice (USPAP), the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, applicable state appraisal regulations, and the appraisal guidelines of City of Shakopee.

To report the assignment results, we use the Appraisal Report option of Standards Rule 2-2(a) of USPAP. As USPAP gives appraisers the flexibility to vary the level of information in an Appraisal Report depending on the intended use and intended users of the appraisal, we adhere to the Integra Realty Resources internal standards for an Appraisal Report – Standard Format. This format summarizes the information analyzed, the appraisal methods employed, and the reasoning that supports the analyses, opinions, and conclusions.

Based on the valuation analysis in the accompanying report, and subject to the definitions, assumptions, and limiting conditions expressed in the report, our opinion of values are as follows:

Value Conclusions			
Appraisal Premise	Interest Appraised	Date of Value	Value Conclusion
Market Value - Before Partial Acquisition	Fee Simple	July 25, 2019	\$7,444,000
Market Value - After Partial Acquisition	Fee Simple	July 25, 2019	\$7,390,000
Resulting Difference			\$54,000

Extraordinary Assumptions and Hypothetical Conditions

The value conclusions are subject to the following extraordinary assumptions that may affect the assignment results. An extraordinary assumption is uncertain information accepted as fact. If the assumption is found to be false as of the effective date of the appraisal, we reserve the right to modify our value conclusions.

1. It is assumed the project will be completed as currently planned.

The value conclusions are based on the following hypothetical conditions that may affect the assignment results. A hypothetical condition is a condition contrary to known fact on the effective date of the appraisal but is supposed for the purpose of analysis.

1. The project is complete as of the date of valuation

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If you have any questions or comments, please contact the undersigned. Thank you for the opportunity to be of service.

Respectfully submitted,

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