

Dorset Appraisal
Carsten Burros
22248 County 80
Nevis, MN 56467

February 22, 2010

Duane Arndt
838 W. Willard St, Stillwater, MN 55082

Re: Property: 23998 County 86
Nevis, MN 56467
Borrower: Owner-Duane Arndt
File No.: Dorset #1106

In accordance with your request, I have appraised the above referenced property. The report of that appraisal is attached.

The purpose of this appraisal is to estimate the market value of the property described in this appraisal report, as improved, in unencumbered fee simple title of ownership.

This report is based on a physical analysis of the site and improvements, a locational analysis of the neighborhood and area and an economic analysis of the market for properties such as the subject. The appraisal was developed and the report was prepared in accordance with the Uniform Standards of Professional Appraisal Practice.

The value conclusions reported are as of the effective date stated in the body of the report and contingent upon the certification and limiting conditions attached.

It has been a pleasure to assist you. Please do not hesitate to contact me if I can be of additional service to you.

Sincerely,


Carsten A. Burros, Appraiser

FROM: Dorset Appraisal Carsten Burros 22248 County 80 Nevis, MN 56467 Telephone Number: Fax Number:		<h2 style="margin: 0;">INVOICE</h2>																
TO: Duane Arndt 838 W. Willard Street Stillwater, MN 55082 Telephone Number: Fax Number: Alternate Number: E-Mail:		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th colspan="2" style="text-align: left; padding: 2px;">INVOICE NUMBER</th> </tr> <tr> <td style="padding: 2px;">1107</td> </tr> <tr> <th colspan="2" style="text-align: left; padding: 2px;">DATE</th> </tr> <tr> <td style="height: 20px;"></td> </tr> <tr> <th colspan="2" style="text-align: left; padding: 2px;">REFERENCE</th> </tr> <tr> <td style="padding: 2px;">Internal Order #: 1107</td> </tr> <tr> <td style="padding: 2px;">Lender Case #:</td> </tr> <tr> <td style="padding: 2px;">Client File #:</td> </tr> <tr> <td style="padding: 2px;">Main File # on form: Dorset #1106</td> </tr> <tr> <td style="padding: 2px;">Other File # on form:</td> </tr> <tr> <td style="padding: 2px;">Federal Tax ID:</td> </tr> <tr> <td style="padding: 2px;">Employer ID:</td> </tr> </table>		INVOICE NUMBER		1107	DATE			REFERENCE		Internal Order #: 1107	Lender Case #:	Client File #:	Main File # on form: Dorset #1106	Other File # on form:	Federal Tax ID:	Employer ID:
INVOICE NUMBER																		
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Client File #:																		
Main File # on form: Dorset #1106																		
Other File # on form:																		
Federal Tax ID:																		
Employer ID:																		
DESCRIPTION																		
Lender: Duane Arndt Purchaser/Borrower: Owner-Duane Arndt Property Address: 23998 County 86 City: Nevis County: Hubbard Legal Description: See attached		Client: State: MN Zip: 56467																
FEES		AMOUNT																
Appraisal of improvements and land in Sections 21 and 28, Mantrap Township, Hubbard County		0.00																
20+ hours @\$50 per hour		800.00																
SUBTOTAL		800.00																
PAYMENTS		AMOUNT																
Check #:	Date:	Description:																
Check #:	Date:	Description:																
Check #:	Date:	Description:																
SUBTOTAL																		
TOTAL DUE			\$ 800.00															

Uniform Residential Appraisal Report

File # Dorset #1106

50150
ACR

The purpose of this summary appraisal report is to provide the lender/client with an accurate, and adequately supported, opinion of the market value of the subject property.

Property Address: 23998 County 86 **City:** Nevis **State:** MN **Zip Code:** 56467

Borrower: Owner-Duane Arndt **Owner of Public Record:** Same **County:** Hubbard

Legal Description: See attached

Assessor's Parcel #: 20.28.00200 **Tax Year:** 2010 **R.E. Taxes \$:** 2,978.00

Neighborhood Name: Crow Wing Lake **Map Reference:** County **Census Tract:** NA

Occupant: ☒ Owner ☐ Tenant ☐ Vacant **Special Assessments \$:** 147 **In taxes:** ☐ PUD **HOA \$:** ☐ per year ☐ per month

Property Rights Appraised: ☒ Fee Simple ☐ Leasehold ☐ Other (describe)

Assignment Type: ☐ Purchase Transaction ☐ Refinance Transaction ☒ Other (describe) **Market Value Determination**

Lender/Client: Duane Arndt **Address:** 838 W. Willard St, Stillwater, MN 55082

Is the subject property currently offered for sale or has it been offered for sale in the twelve months prior to the effective date of this appraisal? ☐ Yes ☒ No

Report data source(s) used, offering price(s), and date(s). **Owner**

I ☐ did ☐ did not analyze the contract for sale for the subject purchase transaction. Explain the results of the analysis of the contract for sale or why the analysis was not performed. **NA**

Contract

Contract Price \$: NA **Date of Contract:** **Is the property seller the owner of public record?** ☐ Yes ☐ No **Data Source(s):**

Is there any financial assistance (loan charges, sale concessions, gift or downpayment assistance, etc.) to be paid by any party on behalf of the borrower? ☐ Yes ☐ No

If Yes, report the total dollar amount and describe the items to be paid. **NA**

Note: Race and the racial composition of the neighborhood are not appraisal factors.

Neighborhood Characteristics

Location	One-Unit Housing Trends	One-Unit Housing	Present Land Use %
<input type="checkbox"/> Rural <input type="checkbox"/> Suburban <input checked="" type="checkbox"/> Urban	<input type="checkbox"/> Increasing <input type="checkbox"/> Stable <input checked="" type="checkbox"/> Declining	PRICE AGE One-Unit 40 %	
<input type="checkbox"/> Built-Up <input checked="" type="checkbox"/> Over 75% <input type="checkbox"/> 25-75% <input type="checkbox"/> Under 25%	<input type="checkbox"/> Demand/Supply <input type="checkbox"/> Shortage <input type="checkbox"/> In Balance <input checked="" type="checkbox"/> Over Supply	\$ (000) (yrs) 2-4 Unit %	
<input type="checkbox"/> Growth <input type="checkbox"/> Rapid <input type="checkbox"/> Stable <input checked="" type="checkbox"/> Slow	<input type="checkbox"/> Marketing Time <input type="checkbox"/> Under 3 mths <input type="checkbox"/> 3-6 mths <input checked="" type="checkbox"/> Over 6 mths	150 Low 5 Multi-Family %	
Neighborhood Boundaries: Bounded on the west by Hubbard County Road #86, on the north and east by Crow Wing Lake and on the south by Spider Lake.		400 High 50 Commercial %	
		300 Pred. 30 Other 60 %	

Neighborhood Description: The area around the subject is mainly water and wooded with one residential home about a quarter of a mile to the north and other residential homes to the west off of County 86. There are cabins and homes on Spider Lake to the east and to the north there is considerable state and county public lands.

Market Conditions (including support for the above conclusions): The market is very slow due to the general economy of the state and country. Prices appear to be decreasing, especially on rural residences, wooded land, on poorer quality lakes and less on good quality lakes with good quality homes and cabins.

Dimensions: Varied **Area:** 50.50 acres **Shape:** Irregular **View:** Crow Wing Lake

Specific Zoning Classification: Natural Environment Lake **Zoning Description:** Hubbard County Lake Shore Ordinance

Zoning Compliance: ☒ Legal ☐ Legal Nonconforming (Grandfathered Use) ☐ No Zoning ☐ Illegal (describe)

Is the highest and best use of subject property as improved (or as proposed per plans and specifications) the present use? ☒ Yes ☐ No If No, describe

Utilities: **Public:** ☒ Electricity ☐ Gas ☐ LPG **Other (describe):** Water ☐ Sanitary Sewer ☐ **Off-site Improvements - Type:** Street Bituminous ☒ Alley None ☐

FEMA Special Flood Hazard Area: ☐ Yes ☒ No **FEMA Flood Zone:** **FEMA Map #:** No map in Hubbard County **FEMA Map Date:**

Are the utilities and off-site improvements typical for the market area? ☒ Yes ☐ No If No, describe

Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? ☐ Yes ☒ No If Yes, describe

No adverse easements or encroachments were noted on the subject. No adverse environmental conditions were noted on the subject or in the immediate area.

General Description

Units	Foundation	Exterior Description	materials/condition	Interior	materials/condition
<input checked="" type="checkbox"/> One <input type="checkbox"/> One with Accessory Unit	<input type="checkbox"/> Concrete Slab <input type="checkbox"/> Crawl Space	Foundation Walls Conc. Block/Gd	Floors Wd, Cpt, C. Tile/Ave		
# of Stories: 1.25	<input checked="" type="checkbox"/> Full Basement <input type="checkbox"/> Partial Basement	Exterior Walls Log/Gd	Walls Wd&log/Ave		
Type: <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/> S-Det/End Unit	Basement Area: 1,364 sq.ft.	Roof Surface Cedar Shakes/Ave	Trim/Finish Wd/Ave		
<input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Under Const.	Basement Finish: 5 %	Gutters & Downspouts Partial/Ave	Bath Floor Wd/Ave		
Design (Style): Log with loft	<input type="checkbox"/> Outside Entry/Exit <input type="checkbox"/> Sump Pump	Window Type Casement/Ave	Bath Wainscot Basement/Fiberglass		
Year Built: 1977	Evidence of: <input type="checkbox"/> Infestation <input type="checkbox"/> None	Storm Sash/Insulated Yes	Car Storage <input type="checkbox"/> None		
Effective Age (Yrs): 20	<input type="checkbox"/> Dampness <input type="checkbox"/> Settlement	Screens Yes	<input type="checkbox"/> Driveway # of Cars		
Attic: <input checked="" type="checkbox"/> None <input type="checkbox"/> Heating <input type="checkbox"/> FWA <input type="checkbox"/> HWBB <input type="checkbox"/> Radiant		Amenities <input checked="" type="checkbox"/> Woodstove(s) # 1	Driveway Surface Grass & Sand		
<input type="checkbox"/> Drop Stair <input type="checkbox"/> Stairs <input type="checkbox"/> Other	<input type="checkbox"/> Fuel Elec.&Wood	Fireplace(s) # 1	<input checked="" type="checkbox"/> Garage # of Cars One		
<input type="checkbox"/> Floor <input type="checkbox"/> Scuttle	<input type="checkbox"/> Cooling <input type="checkbox"/> Central Air Conditioning	<input checked="" type="checkbox"/> Patio/Deck -Cov	<input checked="" type="checkbox"/> Porch Enclosed		
<input type="checkbox"/> Finished <input type="checkbox"/> Heated	<input type="checkbox"/> Individual <input type="checkbox"/> Other None	<input type="checkbox"/> Pool	<input checked="" type="checkbox"/> Other Shed		
Appliances: <input checked="" type="checkbox"/> Refrigerator <input checked="" type="checkbox"/> Range/Oven <input type="checkbox"/> Dishwasher <input type="checkbox"/> Disposal <input type="checkbox"/> Microwave <input type="checkbox"/> Washer/Dryer <input type="checkbox"/> Other (describe)					

Finished area above grade contains: 7 Rooms 3 Bedrooms .5 Bath(s) **1,961 Square Feet of Gross Living Area Above Grade**

Additional features (special energy efficient items, etc.): See addendum page 3.

Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.): See addendum.

Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? ☒ Yes ☐ No If Yes, describe

Subject does not have a septic system and uses a compost unit for cleansing the toilet wastes. There is a shower, stool and sink in the basement and a stool and sink on the main floor in addition to the kitchen sink.

Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? ☐ Yes ☒ No If No, describe

Except for no septic system. May have to install a mound system due to the terrain around the cabin site. The Hubbard County Zoning office would have to make that determination.

Uniform Residential Appraisal Report

File # Dorset #1106

There are comparable properties currently offered for sale in the subject neighborhood ranging in price from \$		to \$	
There are comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$		to \$	
FEATURE	SUBJECT	COMPARABLE SALE # 1	COMPARABLE SALE # 2
Address	23998 County 86 Nevis, MN 56467	11203 County 32 Park Rapids	COMPARABLE SALE # 3
Proximity to Subject			
Sale Price	\$ NA	\$ 179,600	\$
Sale Price/Gross Liv. Area	\$ sq.ft.	\$ 99.78 sq.ft.	\$ sq.ft.
Data Source(s)		Broker-Re/Max	
Verification Source(s)		County Assessor	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjustment
Sales or Financing		Repossession	
Concessions		None	
Date of Sale/Time		6-26-09	
Location	Average	Average	
Leasehold/Fee Simple	Fee	Fee	
Site	50.50 acres	28.20 acres	+45,000
View	Crow Wing Lake	Sloan Lake	
Design (Style)	Log with loft	1&1/4 story	
Quality of Construction	Average	Ave-Fair	+8,000
Actual Age	A33/E20	A33/E25	+3,000
Condition	Average	Fair	+10,000
Above Grade	Total Bdrms. Baths	Total Bdrms. Baths	Total Bdrms. Baths
Room Count	7 3 .5	6 3 1	+1,000
Gross Living Area	1,961 sq.ft.	1,800 sq.ft.	+4,800
Basement & Finished	1,364 Sq.Ft.	1320 s.f.	
Rooms Below Grade	5%-sink&Showr	1-0-1	-2,000
Functional Utility	Equal	Equal	
Heating/Cooling	Elec.&Wd/None	FAO/None	
Energy Efficient Items	Log walls	Average	+10,000
Garage/Carport	240s.f.-Det	576 s.f.-Det	-3,400
Porch/Patio/Deck	496 s.f.	508 s.f.-Deck	
Frame Shed			
Fireplace	Split Stone		
Net Adjustment (Total)		<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ 76,400	<input type="checkbox"/> + <input type="checkbox"/> - \$
Adjusted Sale Price		Net Adj. 42.5 %	Net Adj. %
of Comparables		Gross Adj. 48.6 % \$ 256,000	Gross Adj. % \$
<input checked="" type="checkbox"/> did <input type="checkbox"/> did not research the sale or transfer history of the subject property and comparable sales. If not, explain			
My research <input type="checkbox"/> did <input type="checkbox"/> did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.			
Data Source(s)			
My research <input type="checkbox"/> did <input checked="" type="checkbox"/> did not reveal any prior sales or transfers of the comparable sales for the year prior to the date of sale of the comparable sale.			
Data Source(s) Hubbard County Assessor			
Report the results of the research and analysis of the prior sale or transfer history of the subject property and comparable sales (report additional prior sales on page 3).			
ITEM	SUBJECT	COMPARABLE SALE #1	COMPARABLE SALE #2
Date of Prior Sale/Transfer	None	8-18-06	
Price of Prior Sale/Transfer		436,000	
Data Source(s)		County Records	
Effective Date of Data Source(s)		2-12-10	
Analysis of prior sale or transfer history of the subject property and comparable sales The current owner of the subject is the original owner.			
Comparable No 2 is used even tho it was a foreclosure property that had been listed in the high \$300,000, reduced to the \$200,000 than to \$189,000 to \$167,000 and sold at \$179,600 with more than 2 bidder. This was previously used as a bed and breakfast prior to the sale in 2006. Property was in poor condition with the new owner installing new cabinets, new flooring, new septic system, new bath and a new heating system (all needed may not all be in)			
Summary of Sales Comparison Approach Based on the sales cited and based on my knowledge of the area it is my opinion the subject would sell for about \$300,000.00 in today's market.			
This would give the land of 50.5 acres a value of \$2000 per acre or \$101,000.00 and the improvements a value \$199,000.00. This does not consider the need for a new septic system and updating the interior with a new kitchen and bath rooms.			
Indicated Value by Sales Comparison Approach \$ 300,000.00			
Indicated Value by: Sales Comparison Approach \$ 300,000.00 Cost Approach (if developed) \$ NA Income Approach (if developed) \$ NA			
This appraisal is made <input checked="" type="checkbox"/> "as is", <input type="checkbox"/> subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed, <input type="checkbox"/> subject to the following repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed, or <input type="checkbox"/> subject to the following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair:			
Based on a complete visual inspection of the interior and exterior areas of the subject property, defined scope of work, statement of assumptions and limiting conditions, and appraiser's certification, my (our) opinion of the market value, as defined, of the real property that is the subject of this report is \$ 300,000.00 , as of February 5, 2010 , which is the date of inspection and the effective date of this appraisal.			

Uniform Residential Appraisal Report

File # Dorset #1106

SUBJECT DESCRIPTION:	<p>The subject is a 50.5 acre parcel of land located in Section 21 and Section 28 of Mantrap Township north west of Nevis, MN. This parcel of land has frontage on The west and south side of Crow Wing Lake and the north side of a bay on Spider Lake. The bay on Spider Lake is very shallow and during dryer years is coated with emergent vegetation, mainly water lilies (see attached air photo). The land around Spider Lake is quite marshy and probably not suitable for building a cabin or home with any decent access to the water. The subject has 250+ feet to Spider Lake from the cabin and the shore line is quite low. Crow Wing Lake is also quite low around the shore but there is one spot on west side that could possibly make a decent spot for a cabin site. Crow Wing Lake is a 43 acre lake that has a maximum depth of 17 feet and is quite weedy. A 1962 survey by the Minnesota Department of Natural Resources indicated there were sunfish and bullheads in the lake. They can possibly navigate up from Spider Lake but they probably freeze out in many winters. A small area between the two lakes could allow for fish to go between the lakes, especially in spring during higher water periods. The lake level also depends of beaver activity. This channel is narrow and choked with emergent vegetation.</p> <p>The subject cabin is constructed of Norway Pine logs and appears to be well constructed. The interior walls are mainly log and a full block basement exists. The cabin was built mainly for hunting as in the late 70's and thru the 80's duck hunting was quite good, especially for bluebills and ring necks. The last 15 to 20 years has seen a big decline in diving ducks using this part of the state. Deer hunting can also be good at times. Usage during the middle of summer (middle of June to Mid August) is not very enjoyable as the deer flies are very nasty. The cabin has some use limitations as there is no septic tank system and a compost is used for waste materials from the cabin. A toilet is found on the main floor as is a sink in another room. A sink and shower are found in the basement. The well is a sand point that is about 7 to 8 feet deep. The kitchen is very sparse as the cupboards are minimal and the stove is an old wood stove and is used for cooking along with a gas three burner counter top unit. The cabin has a nice split field stone fireplace in the living or great room and one bedroom and a sitting room are also found on the main floor. The loft consists of an open floored area above the kitchen and 2 bedrooms off of this room. Access to the back bedroom is thru the first bedroom. Walls are mainly log and the floor is pine boards with a cathedral ceiling above the living room and in the loft area. Considerable money would have to be spent to update the kitchen and add a couple of bath rooms as well as install a septic system. This would possibly have to be a mound system due to the low terrain around the cabin. A screen porch and a covered deck are also found. (refer to building sketch).</p> <p>The lack of sales in the area the past year makes for a difficult appraisal as prices are decreasing. I did find a sale of some bare land in the southwest corner of Big Stoney Lake south of Nevis and I found a foreclosure sale on a shallow lake to the north west of Park Rapids. In addition I located a property for sale on a similar sized but shallower lake north west of Park Rapids and a 120 acre tract of land that is listed for sale on a shallow lake north of Park Rapids. Air Photos and/or photos and listing sheets are in this appraisal for those properties.</p>		
ADDITIONAL COMMENTS:			
COST APPROACH	<p style="text-align: center;">COST APPROACH TO VALUE (not required by Fannie Mae)</p> <p>Provide adequate information for the lender/client to replicate the below cost figures and calculations. Support for the opinion of site value (summary of comparable land sales or other methods for estimating site value)</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; vertical-align: top;"> <p>ESTIMATED <input type="checkbox"/> REPRODUCTION OR <input type="checkbox"/> REPLACEMENT COST NEW</p> <p>Source of cost data</p> <p>Quality rating from cost service Effective date of cost data</p> <p>Comments on Cost Approach (gross living area calculations, depreciation, etc.)</p> </td> <td style="width: 50%; vertical-align: top;"> <p>OPINION OF SITE VALUE = \$</p> <p>DWELLING Sq. Ft. @ \$ = \$</p> <p>Sq. Ft. @ \$ = \$</p> <p>Garage/Carport Sq. Ft. @ \$ = \$</p> <p>Total Estimate of Cost-New = \$</p> <p>Less Physical Functional External</p> <p>Depreciation = \$()</p> <p>Depreciated Cost of Improvements = \$</p> <p>"As-is" Value of Site Improvements = \$</p> </td> </tr> </table> <p>Estimated Remaining Economic Life (HUD and VA only) _____ Years</p>	<p>ESTIMATED <input type="checkbox"/> REPRODUCTION OR <input type="checkbox"/> REPLACEMENT COST NEW</p> <p>Source of cost data</p> <p>Quality rating from cost service Effective date of cost data</p> <p>Comments on Cost Approach (gross living area calculations, depreciation, etc.)</p>	<p>OPINION OF SITE VALUE = \$</p> <p>DWELLING Sq. Ft. @ \$ = \$</p> <p>Sq. Ft. @ \$ = \$</p> <p>Garage/Carport Sq. Ft. @ \$ = \$</p> <p>Total Estimate of Cost-New = \$</p> <p>Less Physical Functional External</p> <p>Depreciation = \$()</p> <p>Depreciated Cost of Improvements = \$</p> <p>"As-is" Value of Site Improvements = \$</p>
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INCOME	<p style="text-align: center;">INCOME APPROACH TO VALUE (not required by Fannie Mae)</p> <p>Estimated Monthly Market Rent \$ _____ X Gross Rent Multiplier _____ = \$ _____ Indicated Value by Income Approach</p> <p>Summary of Income Approach (including support for market rent and GRM)</p>		
PUD INFORMATION	<p style="text-align: center;">PROJECT INFORMATION FOR PUDs (if applicable)</p> <p>Is the developer/builder in control of the Homeowners' Association (HOA)? <input type="checkbox"/> Yes <input type="checkbox"/> No Unit type(s) <input type="checkbox"/> Detached <input type="checkbox"/> Attached</p> <p>Provide the following information for PUDs ONLY if the developer/builder is in control of the HOA and the subject property is an attached dwelling unit.</p> <p>Legal Name of Project _____</p> <p>Total number of phases _____ Total number of units _____ Total number of units sold _____</p> <p>Total number of units rented _____ Total number of units for sale _____ Data source(s) _____</p> <p>Was the project created by the conversion of existing building(s) into a PUD? <input type="checkbox"/> Yes <input type="checkbox"/> No If Yes, date of conversion. _____</p> <p>Does the project contain any multi-dwelling units? <input type="checkbox"/> Yes <input type="checkbox"/> No Data Source _____</p> <p>Are the units, common elements, and recreation facilities complete? <input type="checkbox"/> Yes <input type="checkbox"/> No If No, describe the status of completion. _____</p> <p>Are the common elements leased to or by the Homeowners' Association? <input type="checkbox"/> Yes <input type="checkbox"/> No If Yes, describe the rental terms and options. _____</p> <p>Describe common elements and recreational facilities. _____</p>		

Uniform Residential Appraisal Report

File # Dorset #1106

This report form is designed to report an appraisal of a one-unit property or a one-unit property with an accessory unit, including a unit in a planned unit development (PUD). This report form is not designed to report an appraisal of a manufactured home or a unit in a condominium or cooperative project.

This appraisal report is subject to the following scope of work, intended use, intended user, definition of market value, statement of assumptions and limiting conditions, and certifications. Modifications, additions, or deletions to the intended use, intended user, definition of market value, or assumptions and limiting conditions are not permitted. The appraiser may expand the scope of work to include any additional research or analysis necessary based on the complexity of this appraisal assignment. Modifications or deletions to the certifications are also not permitted. However, additional certifications that do not constitute material alterations to this appraisal report, such as those required by law or those related to the appraiser's continuing education or membership in an appraisal organization, are permitted.

SCOPE OF WORK: The scope of work for this appraisal is defined by the complexity of this appraisal assignment and the reporting requirements of this appraisal report form, including the following definition of market value, statement of assumptions and limiting conditions, and certifications. The appraiser must, at a minimum: (1) perform a complete visual inspection of the interior and exterior areas of the subject property, (2) inspect the neighborhood, (3) inspect each of the comparable sales from at least the street, (4) research, verify, and analyze data from reliable public and/or private sources, and (5) report his or her analysis, opinions, and conclusions in this appraisal report.

INTENDED USE: The intended use of this appraisal report is for the lender/client to evaluate the property that is the subject of this appraisal for a mortgage finance transaction.

INTENDED USER: The intended user of this appraisal report is the lender/client.

DEFINITION OF MARKET VALUE: The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he or she considers his or her own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U. S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions* granted by anyone associated with the sale.

*Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgment.

STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS: The appraiser's certification in this report is subject to the following assumptions and limiting conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it, except for information that he or she became aware of during the research involved in performing this appraisal. The appraiser assumes that the title is good and marketable and will not render any opinions about the title.
2. The appraiser has provided a sketch in this appraisal report to show the approximate dimensions of the improvements. The sketch is included only to assist the reader in visualizing the property and understanding the appraiser's determination of its size.
3. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in this appraisal report whether any portion of the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
4. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand, or as otherwise required by law.
5. The appraiser has noted in this appraisal report any adverse conditions (such as needed repairs, deterioration, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the research involved in performing the appraisal. Unless otherwise stated in this appraisal report, the appraiser has no knowledge of any hidden or unapparent physical deficiencies or adverse conditions of the property (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) that would make the property less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, this appraisal report must not be considered as an environmental assessment of the property.
6. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that the completion, repairs, or alterations of the subject property will be performed in a professional manner.

Uniform Residential Appraisal Report

File # Dorset #1106

APPRAISER'S CERTIFICATION: The Appraiser certifies and agrees that:

1. I have, at a minimum, developed and reported this appraisal in accordance with the scope of work requirements stated in this appraisal report.
2. I performed a complete visual inspection of the interior and exterior areas of the subject property. I reported the condition of the improvements in factual, specific terms. I identified and reported the physical deficiencies that could affect the livability, soundness, or structural integrity of the property.
3. I performed this appraisal in accordance with the requirements of the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.
4. I developed my opinion of the market value of the real property that is the subject of this report based on the sales comparison approach to value. I have adequate comparable market data to develop a reliable sales comparison approach for this appraisal assignment. I further certify that I considered the cost and income approaches to value but did not develop them, unless otherwise indicated in this report.
5. I researched, verified, analyzed, and reported on any current agreement for sale for the subject property, any offering for sale of the subject property in the twelve months prior to the effective date of this appraisal, and the prior sales of the subject property for a minimum of three years prior to the effective date of this appraisal, unless otherwise indicated in this report.
6. I researched, verified, analyzed, and reported on the prior sales of the comparable sales for a minimum of one year prior to the date of sale of the comparable sale, unless otherwise indicated in this report.
7. I selected and used comparable sales that are locationally, physically, and functionally the most similar to the subject property.
8. I have not used comparable sales that were the result of combining a land sale with the contract purchase price of a home that has been built or will be built on the land.
9. I have reported adjustments to the comparable sales that reflect the market's reaction to the differences between the subject property and the comparable sales.
10. I verified, from a disinterested source, all information in this report that was provided by parties who have a financial interest in the sale or financing of the subject property.
11. I have knowledge and experience in appraising this type of property in this market area.
12. I am aware of, and have access to, the necessary and appropriate public and private data sources, such as multiple listing services, tax assessment records, public land records and other such data sources for the area in which the property is located.
13. I obtained the information, estimates, and opinions furnished by other parties and expressed in this appraisal report from reliable sources that I believe to be true and correct.
14. I have taken into consideration the factors that have an impact on value with respect to the subject neighborhood, subject property, and the proximity of the subject property to adverse influences in the development of my opinion of market value. I have noted in this appraisal report any adverse conditions (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) observed during the inspection of the subject property or that I became aware of during the research involved in performing this appraisal. I have considered these adverse conditions in my analysis of the property value, and have reported on the effect of the conditions on the value and marketability of the subject property.
15. I have not knowingly withheld any significant information from this appraisal report and, to the best of my knowledge, all statements and information in this appraisal report are true and correct.
16. I stated in this appraisal report my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the assumptions and limiting conditions in this appraisal report.
17. I have no present or prospective interest in the property that is the subject of this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or opinion of market value in this appraisal report on the race, color, religion, sex, age, marital status, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property or on any other basis prohibited by law.
18. My employment and/or compensation for performing this appraisal or any future or anticipated appraisals was not conditioned on any agreement or understanding, written or otherwise, that I would report (or present analysis supporting) a predetermined specific value, a predetermined minimum value, a range or direction in value, a value that favors the cause of any party, or the attainment of a specific result or occurrence of a specific subsequent event (such as approval of a pending mortgage loan application).
19. I personally prepared all conclusions and opinions about the real estate that were set forth in this appraisal report. If I relied on significant real property appraisal assistance from any individual or individuals in the performance of this appraisal or the preparation of this appraisal report, I have named such individual(s) and disclosed the specific tasks performed in this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in this appraisal report; therefore, any change made to this appraisal is unauthorized and I will take no responsibility for it.
20. I identified the lender/client in this appraisal report who is the individual, organization, or agent for the organization that ordered and will receive this appraisal report.

Uniform Residential Appraisal Report

File # Dorset #1106

21. The lender/client may disclose or distribute this appraisal report to: the borrower; another lender at the request of the borrower; the mortgagee or its successors and assigns; mortgage insurers; government sponsored enterprises; other secondary market participants; data collection or reporting services; professional appraisal organizations; any department, agency, or instrumentality of the United States; and any state, the District of Columbia, or other jurisdictions; without having to obtain the appraiser's or supervisory appraiser's (if applicable) consent. Such consent must be obtained before this appraisal report may be disclosed or distributed to any other party (including, but not limited to, the public through advertising, public relations, news, sales, or other media).

22. I am aware that any disclosure or distribution of this appraisal report by me or the lender/client may be subject to certain laws and regulations. Further, I am also subject to the provisions of the Uniform Standards of Professional Appraisal Practice that pertain to disclosure or distribution by me.

23. The borrower, another lender at the request of the borrower, the mortgagee or its successors and assigns, mortgage insurers, government sponsored enterprises, and other secondary market participants may rely on this appraisal report as part of any mortgage finance transaction that involves any one or more of these parties.

24. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

25. Any intentional or negligent misrepresentation(s) contained in this appraisal report may result in civil liability and/or criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Section 1001, et seq., or similar state laws.

SUPERVISORY APPRAISER'S CERTIFICATION: The Supervisory Appraiser certifies and agrees that:

1. I directly supervised the appraiser for this appraisal assignment, have read the appraisal report, and agree with the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
2. I accept full responsibility for the contents of this appraisal report including, but not limited to, the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
3. The appraiser identified in this appraisal report is either a sub-contractor or an employee of the supervisory appraiser (or the appraisal firm), is qualified to perform this appraisal, and is acceptable to perform this appraisal under the applicable state law.
4. This appraisal report complies with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.
5. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

APPRAISER Carsten A. Burros

Signature Carsten A. Burros
 Name Carsten A. Burros
 Company Name Dorset Appraisal
 Company Address 22248 County 80
Nevis, MN 56467
 Telephone Number 218-652-3254
 Email Address dorset@unitelc.com
 Date of Signature and Report February 24, 2010
 Effective Date of Appraisal February 5, 2010
 State Certification # 4002665
 or State License # _____
 or Other (describe) _____ State # _____
 State MN
 Expiration Date of Certification or License 8-31-11

ADDRESS OF PROPERTY APPRAISED

23998 County 86
Nevis, MN 56467

APPRAISED VALUE OF SUBJECT PROPERTY \$ \$300,000.00

LENDER/CLIENT

Name _____
 Company Name Duane Arndt
 Company Address 838 W. Willard St, Stillwater, MN 55082
 Email Address _____

SUPERVISORY APPRAISER (ONLY IF REQUIRED)

Signature _____
 Name _____
 Company Name _____
 Company Address _____
 Telephone Number _____
 Email Address _____
 Date of Signature _____
 State Certification # _____
 or State License # _____
 State _____
 Expiration Date of Certification or License _____

SUBJECT PROPERTY

- ☐ Did not inspect subject property
☐ Did inspect exterior of subject property from street
 Date of Inspection _____
☐ Did inspect interior and exterior of subject property
 Date of Inspection _____

COMPARABLE SALES

- ☐ Did not inspect exterior of comparable sales from street
☐ Did inspect exterior of comparable sales from street
 Date of Inspection _____

SUPPLEMENTAL ADDENDUM

File No. Dorset #1106 Page #9

File No. Dorset #1106

Borrower/Client	Owner-Duane Arndt		
Property Address	23998 County 86		
City	Nevis	County	Hubbard
		State	MN
Lender	Duane Arndt	Zip Code	56467

COMPARABLE SALES:

No 1, Irving Barret to Terry Bliss 87.2 acres Part of the SW1/4 Section 12, 139N. R34W.

Sale Price: \$250,000.00 or \$2866.98 per acre

Sale Date: 10-02-09 Buildings considered to be of no value

Land only; 5 acres lake front 800 front feet @\$275/ front foot = \$220,000.00

50 acres grass & scattered woods @\$500/acre = \$ 25,000.00

20 acres low land @\$250/acre = \$ 5,000

5.7 acres road - No value 0

80.7 acres \$250,000.00

Big Stoney Lake has about 320 acres of water with a maximum depth of 24 feet. All species of fish are found and a number of cabins and or homes are around this lake. The above break down of land types and values are my estimate of a possible value determination for this sale. There appears to be a possibility of 2 to 3 building sites for a cabin or home. The rest of the shoreline is low and not qualified for lake frontage and is similar to the subject lake frontage on Spider Lake.

COMPARABLE LISTING: Land Only

No. 1: Lower Mud Lake - County Road 89 - Hubbard County

120 acres listed for \$250,000.00 or \$2083.34 per acre

2000 +/- lake front feet @ \$125 per front foot

Access is across the land from the south with permission.

Lake is about 15 feet in depth and a nice ridge of pines and deciduous trees is on the east side of the lake. A

Tamarack Swamp is to the south east of this ridge. Fish found are northerns, sunfish and a few bass and probably bullheads. Due to the depth this can freeze out during severe winters but is probably re stocked each spring from

Island Lake each spring from a creek that empties into Island Lake.

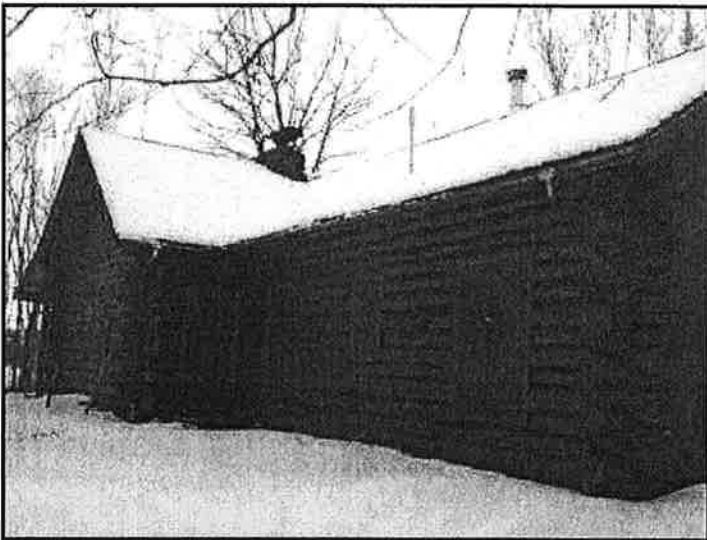
One could expect a lesser selling price from the listing price above.

Subject Photo Page

Borrower/Client Owner-Duane Arndt			
Property Address 23998 County 86			
City Nevis	County Hubbard	State MN	Zip Code 56467
Lender Duane Arndt			

**Subject Front**

23998 County 86
 Sales Price NA
 Gross Living Area 1,961
 Total Rooms 7
 Total Bedrooms 3
 Total Bathrooms .5
 Location Average
 View Crow Wing Lake
 Site 50.50 acres
 Quality Average
 Age A33/E20
 Covered deck in front

**Subject Rear****Subject Street**

Looking north at County
 86

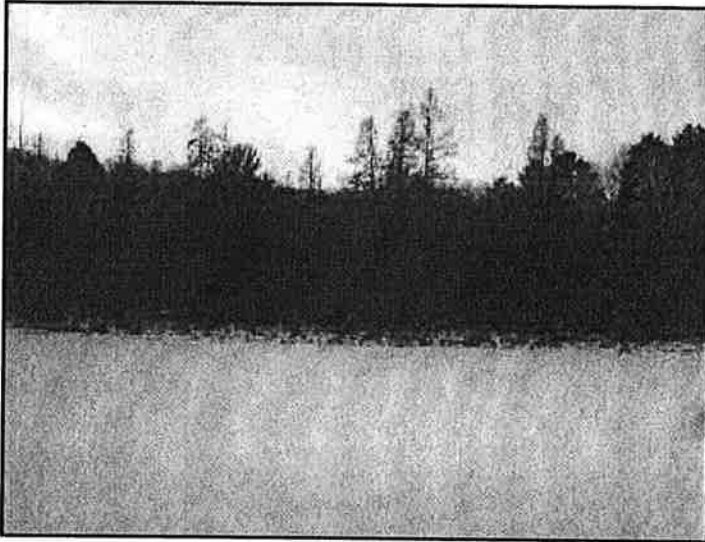
Subject Photo Page

Borrower/Client Owner-Duane Arndt			
Property Address 23998 County 86			
City Nevis	County Hubbard	State MN	Zip Code 56467
Lender Duane Arndt			

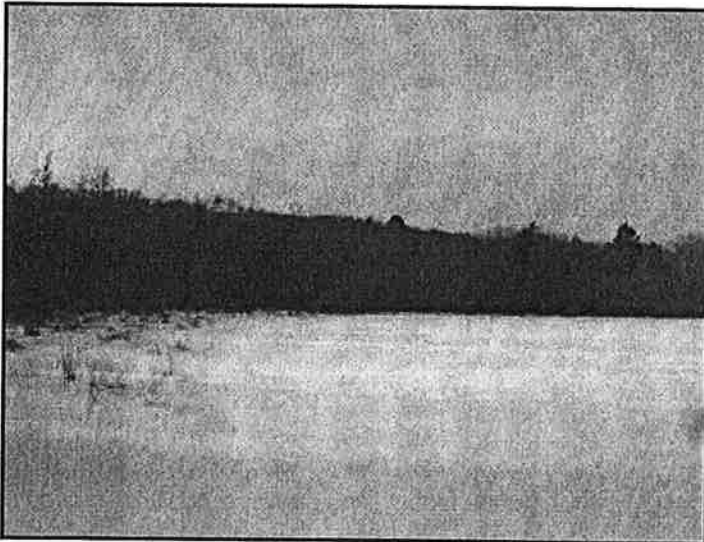
Subject West Shore

23998 County 86
 Sales Price NA
 Gross Living Area 1,961
 Total Rooms 7
 Total Bedrooms 3
 Total Bathrooms .5
 Location Average
 View Crow Wing Lake
 Site 50.50 acres
 Quality Average
 Age A33/E20

Looking west at shore of
 Crow Wing Lake

**Subject**

Looking north west at
 subject shore and trees

**Subject Street**

Trail to house thru the
 deciduous trees on the
 westerly side



Subject Photo Page

Borrower/Client Owner-Duane Arndt			
Property Address 23998 County 86			
City Nevis	County Hubbard	State MN	Zip Code 56467
Lender Duane Arndt			

**Subject Garage**

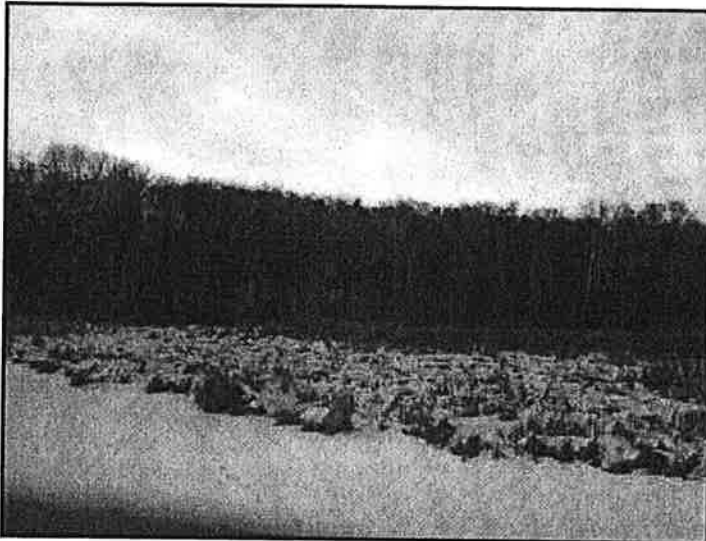
23998 County 86
 Sales Price NA
 Gross Living Area 1,961
 Total Rooms 7
 Total Bedrooms 3
 Total Bathrooms .5
 Location Average
 View Crow Wing Lake
 Site 50.50 acres
 Quality Average
 Age A33/E20

**Subject Shed****Subject**

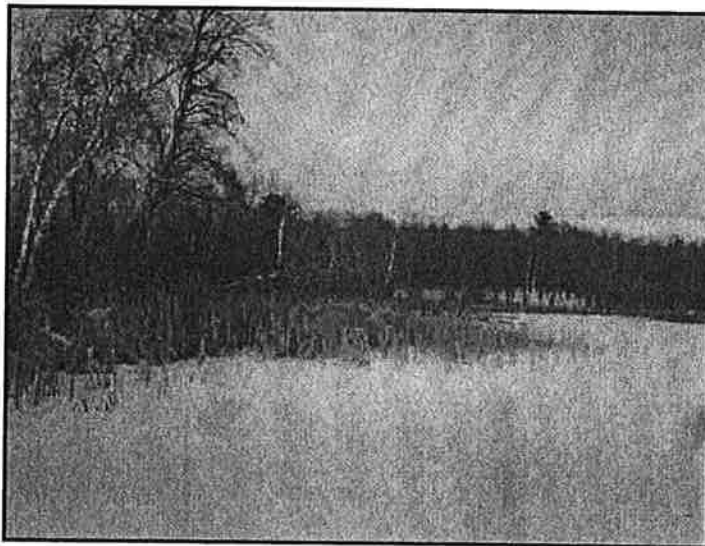
Looking south from
 subject yard toward
 Spider Lake.
 Marshy between cabin
 and lake.

Subject Photo Page

Borrower/Client Owner-Duane Arndt			
Property Address 23998 County 86			
City Nevis	County Hubbard	State MN	Zip Code 56467
Lender Duane Arndt			

**Subject**

23998 County 86
 Sales Price NA
 Gross Living Area 1,961
 Total Rooms 7
 Total Bedrooms 3
 Total Bathrooms 5
 Location Average
 View Crow Wing Lake
 Site 50.50 acres
 Quality Average
 Age A33/E20
 Marsh area in northwest corner of Spider Lake

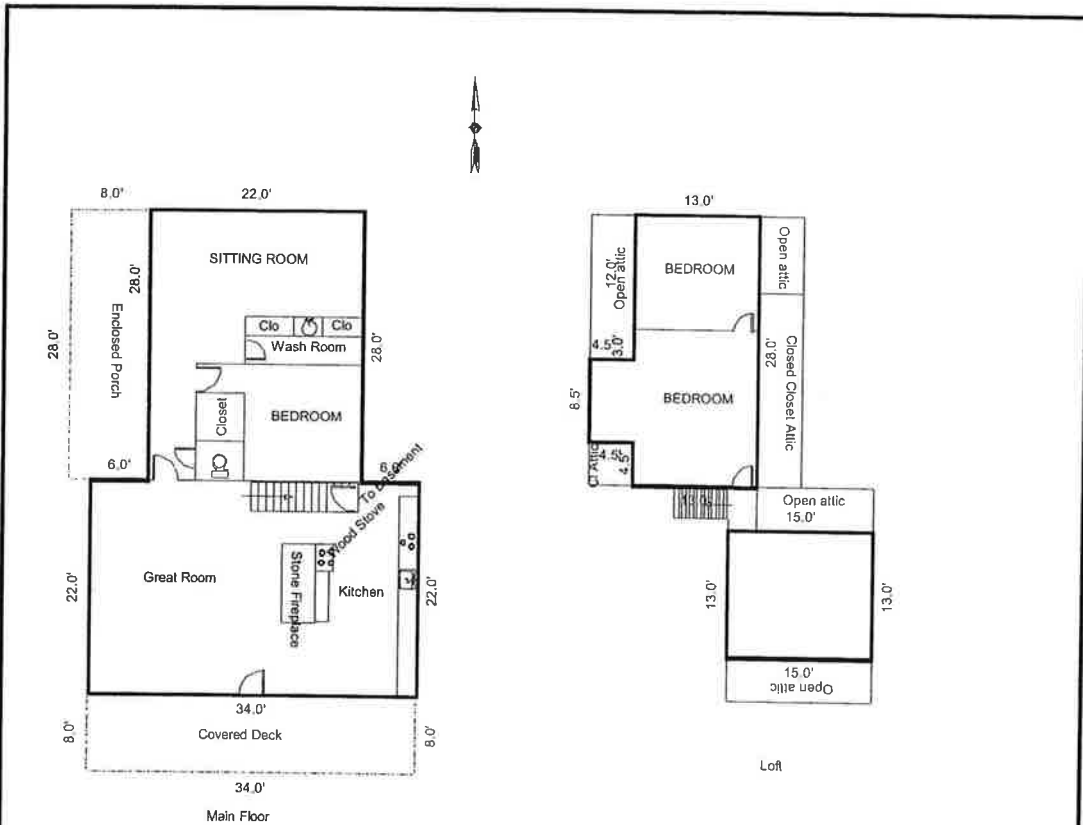
**Subject**

North shoreline of
 Spider Lake.

Subject Street

Building Sketch (Page - 1)

Borrower/Client	Owner-Duane Arndt		
Property Address	23998 County 86		
City	Nevis	County	Hubbard
		State	MN
Lender	Duane Arndt	Zip Code	56467



Sketch by Apex IV™

Comments:

AREA CALCULATIONS SUMMARY

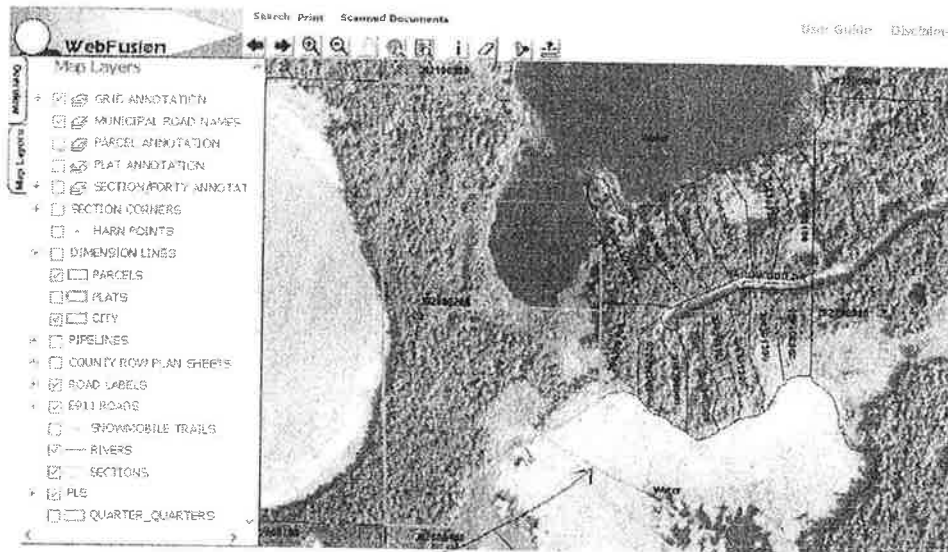
Code	Description	Size	Net Totals
GLA1	First Floor	1364.00	1364.00
GLA2	Loft	195.00	
	Loft	402.25	597.25
P/P	Enclosed Porch	224.00	
	Covered Deck	272.00	496.00
TOTAL LIVABLE (rounded)			1961

LIVING AREA BREAKDOWN

Breakdown		Subtotals
First Floor		
22.0 x 34.0		748.00
22.0 x 28.0		616.00
Loft		
13.0 x 15.0		195.00
4.5 x 8.5		38.25
13.0 x 28.0		364.00
5 Calculations Total (rounded)		1961

Interactive Map

Page 1 of 2



2009 Air Photo of Subject
 Notice weed covered bay of Spidee Lake
 with a boat trail from subject to
 open water
 Platted Lots for sale in center of plot

Scale 1:6619

Printed: 2010-06-10 10:10:10 AM

Map Data

http://www.co.hubbard.mn.us/arc2_hubbardpublic/Default.aspx

7/23/2010

Comparable Photo Page

Borrower/Client Owner-Duane Arndt			
Property Address 23998 County 86			
City Nevis	County Hubbard	State MN	Zip Code 56467
Lender Duane Arndt			

**Comparable 1**

11203 County 32

Prox. to Subject

Sale Price 179,600

Gross Living Area 1,800

Total Rooms 6

Total Bedrooms 3

Total Bathrooms 1

Location Average

View Sloan Lake

Site 28.20 acres

Quality Ave-Fair

Age A33/E25

Improved listing No. 1

**Comparable 2**

Prox. to Subject

Sale Price

Gross Living Area

Total Rooms

Total Bedrooms

Total Bathrooms

Location

View

Site

Quality

Age

Land Sale No 1.

Subject is across the
water low land on the
right and high ground on
the left.

**Comparable 3**

Prox. to Subject

Sale Price

Gross Living Area

Total Rooms

Total Bedrooms

Total Bathrooms

Location

View

Site

Quality

Age

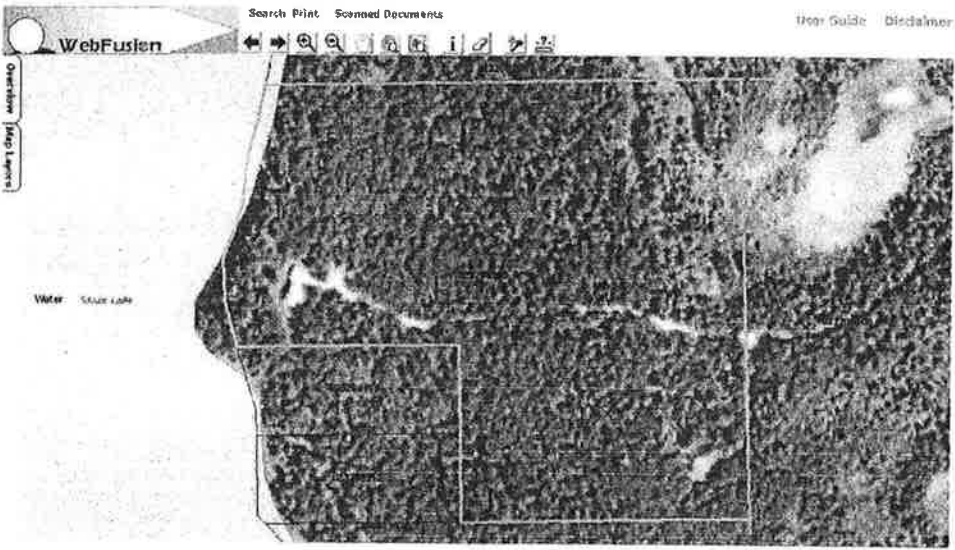
Listing on Lower Mud
Subject is land on the
right side of the photo

Interactive Map Page 1 of 2

WebFusion

Search Print Scanned Documents

Home Guide Disclaimer



Water: State Lake

Comparable Sale No 1

Scale: 2480

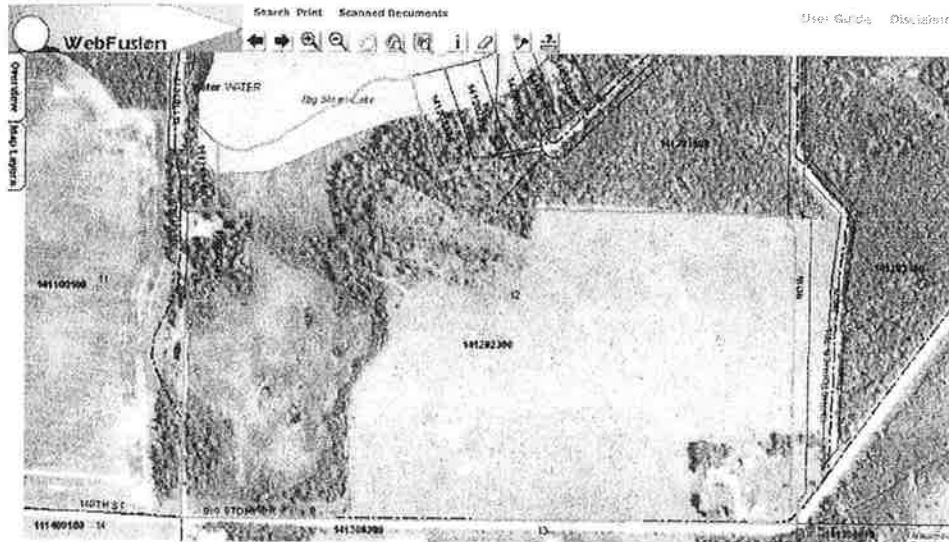
PARISH OF DORSET #1106 (1-800-ALAMODE)

Print Map

http://www.co.hubbard.mn.us/wf2_hubbardpublic/Default.aspx 2/23/2010

Interactive Map

Page 1 of 2



LAND SALE
Comparable No 1

Scale

Scale 1:4774

2500 Feet (Selected) to 1 (M) (Records Selected)

250 Feet (Selected)

http://www.co.hubbard.mn.us/wf2_hubbardpublic/Default.aspx

2/23/2010

LISTING No 1

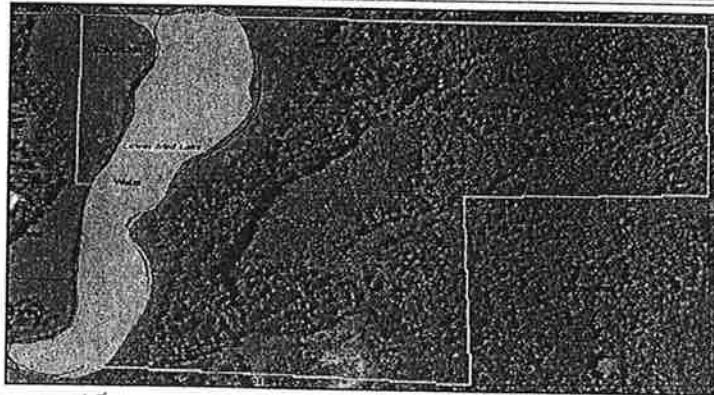
Original

**Prudential****Park Rapids
Real Estate**

MLS 178869

JG 08-411

Hwy 34 East, Park Rapids, Mn. 56470
 (218) 732-8416 Office
 (218) 732-8439 Fax
 info@prudentialparkrapids.com e-mail
 www.pprudentialparkrapids.com

120 Acres Hunting Land**\$250,000**

Subject property
within lines.

Property has
been owned by
the same family
since 1947.

¹⁵ Acreage	255-1237	120	Terms	Cash
Tree Cover		Mixed	Classification	Land
Location	North Hubbard Cty	Taxes		\$1,032 (2008)
School District	Park Rapids	Township		Arago

Remarks: 120 acres with over 2000 ft of lakeshore on Lower Mud Lake. This property has it all! Excellent big deer are plus your own private lake. Great opportunity to own a very private piece of property for recreation or hunting. Mixture of high, level and some low ground.

Directions: From Park Rapids North on Hwy 71 to county road 89. Right on 89 to river. Property is directly North of the river. Listing agent must be present to view property.

(While the information & figures above are believed to be reliable, the providing broker cannot guarantee their accuracy.)

11 Tim- 732-841 Mac

STATE OF MINNESOTA



Department of Commerce

BURROS, CARSTEN A
22248 COUNTY 80
NEVIS MN 56467

The Undersigned COMMISSIONER OF COMMERCE for the State of Minnesota hereby certifies that
CARSTEN A BURROS

22248 COUNTY 80
NEVIS MN 56467

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

Resident Appraiser : Certified Residential

License Number: 4002665

unless this authority is suspended, revoked, or otherwise legally terminated. This license shall be in effect until August 31, 2011.

IN TESTIMONY WHEREOF, I have hereunto set my hand this September 08, 2009.

COMMISSIONER OF COMMERCE

Minnesota Department of Commerce

Licensing Division

85 7th Place East, Suite 500

St. Paul, MN 55101-3166

Telephone: (651) 295-6349

Email: licensing@commerce.state.mn.us

Website: commerce.state.mn.us

Continuing Education:

CE Requirement Type	CE Required Hours
Total - Appraiser	30
USPAP	7

Notes:

- Continuing Education: 15 hours is required in the first renewal period, which includes a 7 hour USPAP course. 10 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 appraiser license to perform appraisals for federally-related transactions. Trainees do not qualify. For further details, please visit our website at commerce.state.mn.us.



DORSET APPRAISAL

ROUTE 2, BOX 84 22248 Cty 80

NEVIS, MN 56467

(218) 652-3254 - Phone & Fax 218-652-3255

Carsten Burros: MN Certified Appraiser- #4002665



QUALIFICATIONS OF APPRAISER

CARSTEN A. BURROS

EDUCATION:

1. Graduated from the University of Minnesota, Bachelor of Science, 1965
2. Completed appraisal course given by the U.S. Department of Interior Appraisers
3. Completed American Society of Farm Managers and Rural Appraisers Farm Management School
4. Attended numerous appraisal seminars
5. Completed the required appraisal classes for licensing since inception. Most of these were taken at Pro Source

EXPERIENCE:

1. Worked for 4.5 years for the Minnesota Department of Natural Resources from the Marshall office. Appraised and purchased Wildlife Management areas and managed over 17,000 acres of land during this time in Lyon, Lincoln, Yellow Medicine and Lac Qui Parle Counties.
2. Worked for Jensen Management Services 1969 to 1971, Luverne, Minnesota
3. Partner in Wilson-O'Brien Real Estate 1971-1997, Marshall, Minnesota
4. Started Dorset Appraisal Company 1997, Nevis, Minnesota

APPRAISAL EXPERIENCE:

1. Numerous appraisals completed for the Minnesota Department of Conservation and the Department of Natural Resources
2. Optioned several thousand acres of land for the Mn. Department of Conservation
3. Numerous individual appraisals completed for residential, farm and commercial properties in Southwest Minnesota and North Central Minnesota

CLIENTS REPRESENTED:

1. Minnesota Department of Natural Resources
2. Assisted with appraisals for Administration Estate Tax purposes for the Internal Revenue Service
3. Assisted with Minnesota Department of Highway Appraisals in Minnesota and Iowa for Jensen Management Service, Luverne, Minnesota
4. Minnesota Department of Administration
5. Veterans Administration
6. City of Marshall, Minnesota
7. Nature Conservancy
8. Two Inlets Township, Becker County, White Oak Township, Hubbard County
9. Various attorneys, banks, mortgage bankers, individuals and businesses

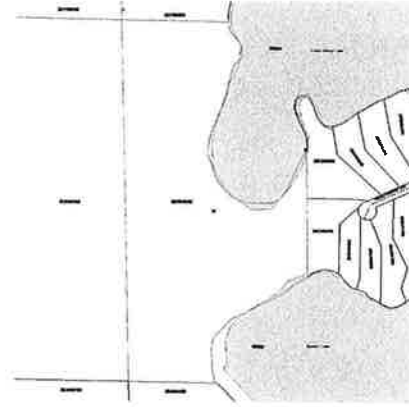
ADDITIONAL CREDENTIALS:

1. Court Appointed Viewer
2. Testimony as Expert Witness; 6th Judicial District Court
3. Testimony in Hubbard County Court with two different land dispute cases

Property Record Details

General Property Information:

Parcel Number: 20.28.00200
 Taxpayer: DUANE ARNDT
 Physical Address 1: 23998 COUNTY 86
 Deeded Acres: 50.50
 Section/Township/Range: 28 141 033
 Legal Description: SECT-28 TWP-141 RANGE-033
 This may be a partial legal description. 50.50 AC 28-2 LOTS 2 & 3
 Lake Name: CROW WING
 DNR Classification: NATURAL ENVIRONMENT
 Township/City: MANTRAP
 School District: NEVIS SD #0308
 Most Recent Sale:
 Date:
 Instrument:
 Grantor:
 Grantee:
 Price:



Tax Information:

Tax Assessment/Payable Year:	2007/2008	2008/2009	2009/2010
Property Classification:	SEASONAL REC RES NON-HOMESTEAD	SEASONAL REC RES NON-HOMESTEAD	SEASONAL REC RES NON-HOMESTEAD TIMBERLANDS NON-HOMESTEAD
Estimated Land Market Value:	\$252,800.00	\$278,800.00	\$254,500.00
Estimated Building Market Value:	\$148,600.00	\$147,500.00	\$145,600.00
Total Estimated Market Value:	\$401,400.00	\$426,300.00	\$400,100.00
Total Limited Market Value:	\$401,400.00	\$426,300.00	\$400,100.00
Property Tax:	\$2,850.00	\$2,831.00	\$2,249.00
Special Assessments:	\$142.00	\$147.00	\$147.00
Tax & Special Assessments:	\$2,992.00	\$2,978.00	\$2,396.00
Total Amount Paid:	\$2,992.00	\$2,978.00	\$0.00
Total Amount Due:	\$0.00	\$0.00	\$2,396.00

Disclaimer: Historical assessment information is used to calculate property tax. Hence, the previous years property classification, estimated and limited market value information is utilized to calculate property tax payable in the current year. If any adjustments were made, they will not appear here. For information regarding the property classification, value or tax call the Hubbard County Assessor's Office @ 1-218-732-3452 or e-mail to bhansen@co.hubbard.mn.us

If the taxes are shown as paid, it is based on a good faith payment by the payer. Should the payment result in a NSF check or other reason for non-payment, the payment may be reversed at a later date. The county assumes no liability for erroneous information taken from the website nor does taking tax information from the website constitute a certification of taxes by the County.

Prior year unpaid taxes do not show interest due and penalty, only tax and assessments.

Building Characteristics:

	Rec. Seq. # 1	Rec. Seq. # 2	Rec. Seq. # 3
Type:	SGL FAM-N	SGL FAM-N	
Year Built:	1978	1984	
Arch/Style:	LOG HOME	LOG HOME	
Footprint Sq. Ft.	1860	209	
Bedrooms:	0	0	
Baths:	0	0	
Bsmt. Fin. Sq. Ft.			
Garage Yr. Blt.	1982		
Sq. Ft.	440		
Misc. Features/Buildings:			

[Print Data](#)

COUNTY ASSESSOR'S OFFICE
HUBBARD COUNTY COURTHOUSE
301 COURT AVENUE
PARK RAPIDS MN 56470
218-732-3452

Notice of Valuation and Classification for Taxes Payable in 2011

- This is NOT a bill -

This form is to notify you of the market value and classification of your property for assessment year 2010. The property taxes you will pay in 2011 will be based on this valuation and classification.

TAXPAYER ID: 10673
DUANE ARNDT
838 W WILLARD ST
STILLWATER MN 55082

C
S 14821

Property Information

Property ID: R20.28.00200
Property Address: 23998 COUNTY 86
NEVIS MN 56457
Municipality: MANTRAP
TaxDescription: Sect-28 Twp-141 Range-033
50.50 AC
28-2 LOTS 2 & 3

If you believe your valuation and property class are correct, it is not necessary to contact your assessor or attend any listed meeting.

If the property information is not correct, if you disagree with the values, or if you have other questions about this notice, please contact your assessor first at 218-732-3452 to discuss any questions or concerns. Often your issues can be resolved at this level.

If your questions or concerns are not resolved, more formal appeal options are available. Please read the back of this notice for important information about the formal appeal process.

Property Classification

2009 Classification for the
taxes you will pay in 2010

RV NHSTD
SEASONAL

2010 Classification for the
taxes you will pay in 2011

RV NHSTD
SEASONAL

Property Valuation

2009 Valuation for the
taxes you will pay in 2010

2010 Valuation for the
taxes you will pay in 2011

Estimated Market Value: 400,100

370,900

Value of New Improvements:

Green Acres Value:

Plat Deferment:

JOBZ Amount Excluded:

This Old House Exclusion:

Dis. Vets Market Value Exclusion:

Taxable Market Value: 400,100

370,900

Open Book Meeting(s)

CONTACT ASSESSOR TO DISCUSS YOUR ?S PRIOR TO THE MEETING

ASSESSOR: DICK HABER PH: 218-652-3313 MAY CALL EVENINGS

Local Board of Appeal and Equalization

MON, APRIL 19, 2010, 1:00 PM
TWP HALL - 23494 240TH ST