

Report Type
Appraisal Report

Effective Date
January 13, 2026, as-is
October 1, 2026, as-complete

Client

Vision Bank
Attn: Stephanie Kennedy
4725 Highway 7
St. Louis Park, MN 55416

Subject Property

Church Property – Arlington Hills Lutheran Church
1115 Greenbrier Street
St. Paul, Ramsey County, Minnesota 55106
Borrower: House of Praise Church, Inc.



File # B2512002

Prepared By:

Ethan Waytas, MAI, Appraiser
William R. Waytas, Appraiser
Evan Waytas, Appraiser

Nagell Appraisal Incorporated

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Plymouth, Minnesota 55441
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NAGELL APPRAISAL INCORPORATED

12805 Highway 55, #300

Plymouth, MN 55441

Established in 1968

Phone: 952-544-8966

Fax: 952-544-8969

Vision Bank
Attn: Stephanie Kennedy
4725 Highway 7
St. Louis Park, MN 55416

March 6, 2026

To Stephanie Kennedy:

In accordance with your request, an **appraisal report** has been made on the following described property:

Subject Property: Church Property – Arlington Hills Lutheran Church
1115 Greenbrier Street
St. Paul, MN 55106

Described below is a summary of the appraisal report contained herein.

Property Overview

The subject is a religious property located at 1115 Greenbrier Street in St. Paul.

The current site area is 81,219 SF (1.87 acres) with a religious facility consisting of 64,496 SF. The building was built in 1937 with many additions over the years and has operated as a religious facility since construction.

There is a purchase for \$600,000 or \$9.30 per SF; this is supported within the current market. See sales page for more details regarding the purchase.

After the purchase the buyer is proposing repairs to the roof and interior walls from water damage due to a dated roof. At the time of inspection, the full extent of the damage to the roof system and interior walls is not fully known. The complete scope of damage will likely only be determined once repair work has commenced and the roof and wall components have been opened, allowing for inspection of underlying conditions that are not currently visible. See Proposed Costs page for more details.

Given the proposed repairs, the body of the appraisal will reflect the as-complete scenario. A separate analysis at the end of each approach to value will be completed to determine the as-is value.

As-Complete Scenario:

The property is assumed to have average appeal and average overall condition, including an updated roof and repaired interior walls.

As-Is Scenario:

The property is characterized by average appeal and fair overall condition, with a roof and some interior walls exhibiting deferred maintenance.

The subject is considered to be a special use property.

Special-Purpose Property:

“A property with a unique physical design, special construction materials, or a layout that particularly adapts its utility to the use for which it was built.” The Dictionary of Real Estate, 6th Edition

The subject has multiple tenants; churches and other religious facilities are considered special-purpose properties and are not typically purchased for investment. As a result, these properties rarely transact based on a capitalization rate, and reliable market-derived rental and capitalization rate data is limited. Therefore, illustrative income comments will be provided in order to examine the existing gross rents within the as-is and as-complete scenarios.

Intended Use

Lending purposes

Intended User(s)

Vision Bank

Extraordinary Assumptions

The appraised value assumes the proposed improvements are completed as described herein and in workmanlike manner, if found to be otherwise, appraised value could differ. If actual repair costs differ from proposed cost and cost overruns the final value could differ.

The appraised value assumes a stable market, if found to be otherwise, appraised value could differ.

Hypothetical Conditions

None

Property Rights Appraised

- *Fee Simple Interest:* The subject is effectively an owner-occupied church / non-profit organization; the existing tenants are all on short-term leases and many are related parties; as such, the Fee Simple is appraised.

Property Components Appraised

- *Real Estate:* The appraised value includes the real estate value opinion.
- *Furniture, Fixtures, & Equipment (FF&E):* The appraised value does not include any values of fixtures, furnishings, and equipment. The appraised value reflects real estate only.
- *Business Value:* The appraised value does not include business value.

Highest and Best Use Conclusions

- *As Vacant:* Develop with a residential use.
- *As Improved:* Current church use.

Valuation Methodology

Given the highest and best use, the following approaches are used:

- *Cost Approach:* Due to the subjective depreciation amounts the cost approach is not considered to be reliable.
- *Sales Comparison Approach:* Similar church and school properties will be considered.
- *Income Approach:* Illustrative income comments provided for the current tenants. Limited rental data, considered to be less reliable.

FINAL VALUE OPINION – as-is, effective January 13, 2026	\$635,000
Fee Simple Interest	
FINAL VALUE OPINION – as-complete, effective October 1, 2026	\$1,935,000
Fee Simple Interest	


Exposure Time / Marketing Time


Exposure Time:	Final values reflect “market exposure” time of under 1 year <u>before</u> the effective date of the appraisal. Changes in the market, use, lease and/or building subsequent to the effective appraisal date could impact value.
Marketing Time:	Marketing times for appropriately priced properties is generally 12 months +/-.

Our company has 12 employees, has been in business since 1968 and has sufficient knowledge, education, experience, resources and/or contacts to competently complete this assignment. The accompanying report contains data secured from my personal investigation and from sources considered to be reliable; however, correctness is not guaranteed. To the best of my knowledge and belief, the statements contained in this report are true and correct. Neither my employment to make this appraisal, nor the compensation, is contingent upon the value reported. This report has been prepared in conformity with the code of professional ethics and standards of professional appraisal practice of the Appraisal Institute and appraisal standards set forth by Uniform Standards of Professional Appraisal Practice and Title XI of the Federal Institution Reform, Recovery and Enforcement Act.

Please contact us if you have further questions.

Sincerely,


Ethan Waytas, MAI
Certified General MN 40368613


William R. Waytas
Certified General MN 4000813


Evan Waytas, Associate
Trainee Appraiser MN 40689219

TABLE OF CONTENTS

SUMMARY OF IMPORTANT FACTS & CONCLUSIONS	7
SUBJECT PHOTOGRAPHS	8
VALUE TYPE, CONDITION & STABILITY OF PROPERTY	27
INTENDED USE OF THE APPRAISAL	27
DATE OF APPRAISAL	27
SCOPE OF THE APPRAISAL REPORT	28
PROPERTY RIGHTS APPRAISED	29
PROPERTY COMPONENTS APPRAISED	29
IDENTIFICATION	30
REAL ESTATE TAXES	30
SUBJECT SALES & BUILDING HISTORY	31
REGIONAL DATA	32
REGIONAL MAP	41
CITY & NEIGHBORHOOD DESCRIPTION	42
NEIGHBORHOOD MAP	45
SURROUNDING USES	46
MARKET CONDITIONS OVERVIEW	47
SITE DESCRIPTION	49
ZONING MAP	50
ZONING	51
FUTURE LAND USE MAP	53
FLOOD MAP	54
PLAT MAP	55
DESCRIPTION OF IMPROVEMENTS	56
PROPOSED COSTS	58
BUILDING SKETCH	62
HIGHEST AND BEST USE	68
COST APPROACH	70
INCOME APPROACH	70
SALES COMPARISON APPROACH	71
ILLUSTRATIVE INCOME COMMENTS	82
RECONCILIATION	87
EXPOSURE TIME / MARKETING TIME	88
DEFINITIONS	88
ENVIRONMENTAL & STRUCTURAL ISSUES	89
EXTRAORDINARY ASSUMPTIONS & HYPOTHETICAL CONDITIONS	89
ASSUMPTIONS AND LIMITING CONDITIONS	90
CERTIFICATION	92
QUALIFICATIONS	93
ADDENDA TO APPRAISAL REPORT	97

SUMMARY OF IMPORTANT FACTS & CONCLUSIONS



General Description:	Church	
Appraisal Report:	Appraisal Report	
Current Use:	Arlington Hills Lutheran Church & various related users	
Extraordinary Assumptions:	Yes, see rear of report for details	
Hypothetical Assumptions:	No, see rear of report for details	
Site Size:	81,219 SF (1.87 acres)	
Year Built:	1937	
GBA:	64,496 SF	
Zoning:	H2, Residential	
Future Land Use:	Mixed-Use	
Highest and Best Use:	Current use	
Property Rights Appraised:	Fee Simple Interest	
Business Value / FF&E:	No business value or FF&E included	
	As-Complete	As-Is
Cost Approach:	Not applied	Not applied
Sales Comparison Approach:	\$1,935,000	\$635,000
Income Approach:	Not applied	Not applied
Final Value Opinion:	\$1,935,000	\$635,000

SUBJECT PHOTOGRAPHS



Looking south on Greenbrier Street



Looking north on Greenbrier Street



Looking west on Jessamine Avenue East



Looking east on Jessamine Avenue East

Subject Photographs – Continued



Looking west on Geranium Avenue East



Looking east on Geranium Avenue East



Exterior view



Exterior view

Subject Photographs – Continued



Exterior view



Exterior view



Parking lot



Garage

Subject Photographs – Continued



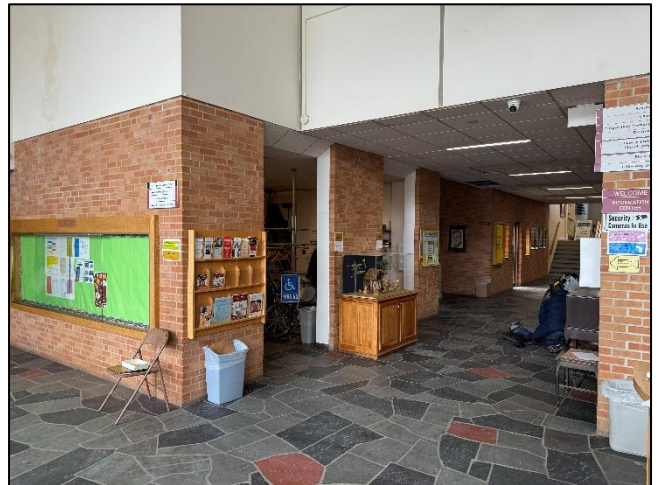
Parking lot Bathroom



Parking lot



Entry



Entry

Subject Photographs – Continued



Interior damage



Interior damage



Worship area



Interior damage

Subject Photographs – Continued



bathroom



Hallway



Classroom



Interior damage on window

Subject Photographs – Continued



Interior damage on window



Roof



Roof



Roof

Subject Photographs – Continued



Roof



Roof damage



Classroom



Worship area

Subject Photographs – Continued



Interior damage



Roof damage area



Classroom area



Mechanicals

Subject Photographs – Continued



Office area



Stairs



Storage area



Bathroom

Subject Photographs – Continued



Storage area



Storage area



Kitchen



Kitchen

Subject Photographs – Continued



Interior damage



Interior damage



Interior damage



Seating area

Subject Photographs – Continued



Interior damage



Interior damage



Seating area



Interior damage

Subject Photographs – Continued



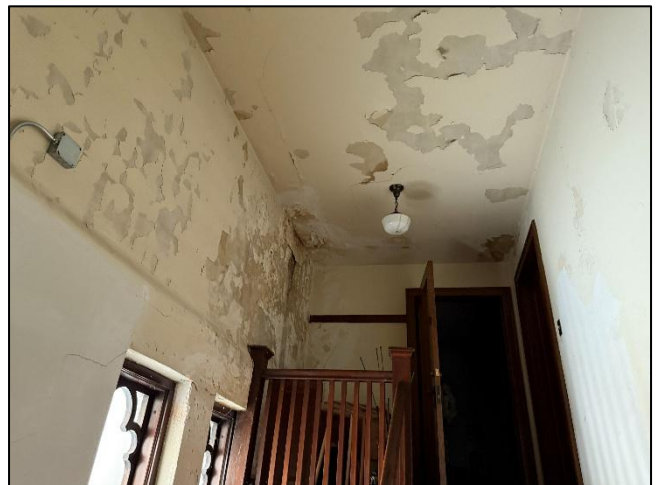
Interior damage



Interior damage



Interior damage



Interior damage

Subject Photographs – Continued



Interior damage



Interior damage



Mechanicals



Elevator mechanicals

Subject Photographs – Continued



Electrical



Interior damage



Interior damage



Interior damage

Subject Photographs – Continued



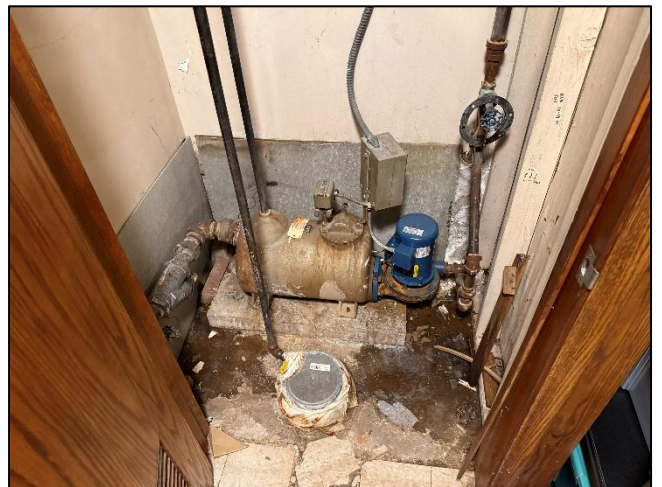
Interior damage



Interior damage



Storage area



Interior damage

Subject Photographs – Continued



Interior



Bathroom



Classroom



Elevator

Subject Photographs – Continued



Elevator



Interior damage

VALUE TYPE, CONDITION & STABILITY OF PROPERTY

Type of Value:	This report provides an opinion of <u>Market Value</u> .
Condition of Value:	This report provides an opinion of the <u>as-is</u> and <u>as-complete value</u> .
Occupancy:	The subject is effectively 100% owner occupied.

INTENDED USE OF THE APPRAISAL

Intended Use:	The client intends to use the appraisal for a <u>lending purposes</u> .
Intended User(s):	Vision Bank No party, other than the named client and listed intended users, may use or rely upon any part of this report without the prior written authorization of both the named client and the appraiser. This report is not valid unless it contains the original signatures in blue ink. Any unauthorized third party relying upon any portion of this report does so at its own risk. Client may only use the report for the noted intended use and no other use. The intended user may only use the appraisal for the noted intended use only.

DATE OF APPRAISAL

Effective Date:	January 13, 2026, as-is October 1, 2026, as-complete <i>Stable market over timeframe is assumed.</i>
Inspection Date:	January 13, 2026
Date of Report:	March 6, 2026

SCOPE OF THE APPRAISAL REPORT

USPAP defines Scope of Work as: The type and extent of research and analyses in an assignment.

For each appraisal, appraisal review and appraisal consulting assignment, an appraiser must:

- 1) *Identify the problem to be solved,*
- 2) *Determine and perform the scope of work necessary to develop credible assignment results; and*
- 3) *Disclose the scope of work in the report.*

1) Provide a reasonably supported value opinion as it relates to the intended use & scope.

2) Per assignment request (engagement letter retained in workfile) the following degree of research and analysis has been made. The narrative format used is an **Appraisal Report**, which is intended to comply with the reporting requirements set forth under Standards Rule 2-2a of USPAP. See individual approaches for further detail.

The scope of work for this appraisal includes:

- **a) *Property Identification:*** Public record, plat maps, zoning maps and aerial photographs were used to identify the subject property.
- **b) *Property Inspection:*** A viewing of the subject property (viewing of available interior and exterior) and neighborhood by the appraiser. *Physical factors:* Based on property viewing and conversations with the client, city and county officials. Lot size is based on county information. *Economic Factors:* Consisted of gathering of information from market experts, city and/or county offices, and internet about the region, community, neighborhood, zoning, utilities, and any pending projects in the area that may affect the subject property.
- 3) • **c) *Extent of Data Researched:*** Sales data of competing properties within the subject market area were given primary consideration. The most relevant data is used in this report. Sources include, appraiser data files, assessor, internet, developers, agents, MLS, periodicals, in-office library, etc. In addition, during the course of appraisal practice and of this appraisal process, the appraiser has had ongoing discussions with market participants (buyers, sellers, property managers, real estate agents/brokers, appraisers, etc.) and/or viewed market data in relation to how the current real estate market may impact the subject value. The appraiser has not researched the title or ownership records.
- **d) *Type and Extent of Analysis Applied at Opinions or Conclusions:*** An extensive review of market data was performed. The most recent, similar and proximate data has been used. The data used will be adjusted on a grid. Reasonable and appropriate collection, verification, analysis and viewing has been performed in the valuation approaches, given the purpose and intended use of the report. A final value opinion will be discussed and correlated.

The data used was obtained from sources considered credible, yet its accuracy is not guaranteed. If found otherwise, value could differ.

PROPERTY RIGHTS APPRAISED

What is valued in a real property appraisal is an estate subject to specified interests. Therefore, an appraiser's task is to identify not only the estate (e.g., the fee simple estate, the leasehold estate, the leased fee estate, the life estate) but also the interests associated with the real estate, such as leases, easements, restrictions, encumbrances, reservations, covenants, contracts, declarations, special assessments, ordinances, or other interests of a similar nature. (The Appraisal of Real Estate, 15th Edition, Page 59)

Fee Simple Interest: Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat. (The Dictionary of Real Estate Appraisal, 7th Edition)

Note: This would typically reflect an owner-occupied property. When the property rights appraised are the unencumbered fee simple interest of the real estate, the appraised value is subject to normal easements for drainage, public streets and utilities, if any. The effect of any existing mortgage or delinquent taxes on the subject property has not been considered in this appraisal.

Leased Fee Interest: The ownership interest held by the lessor, which includes the right to receive the contract rent specified in the lease plus the reversionary right when the lease expires. (The Dictionary of Real Estate Appraisal, 7th Edition)

In appraisal practice, the lessor's interest in a property is considered a leased fee regardless of the duration of the lease, the specified rent, the parties to the lease, or any of the terms in the lease contract. (The Appraisal of Real Estate, 15th Edition, Page 62)

Conclusion of Rights Appraised:

The subject is effectively an owner-occupied church / non-profit organization; the existing tenants are all on short-term leases and many are related parties; as such, the Fee Simple is appraised.

PROPERTY COMPONENTS APPRAISED

Real Estate: The appraised value includes the real estate value opinion. The methods utilized for the real estate valuation include:

- Sales Comparison Approach
- Illustrative Income Comments

FF&E: *Furniture, Fixtures, & Equipment (FF&E):* The appraised value does not include any values of fixtures, furnishings and equipment. The appraised value reflects real estate only.

Business Value: There is no business value included in the appraised value.

IDENTIFICATION

Address:	1115 Greenbrier Street, St. Paul, MN 55106
County PID:	292922120214
Legal:	EVANS ADDITION LOTS 8 & LOT 9 BLK 21 OAK VILLE PARK & IN SD EVANS ADD VAC ALLEY ADJ & FOL SUBJ TO ALLEY LOTS 1,2 AND 3 & LOTS 28,29 AND 30 BLK 2 & SUBJ TO N AND S ALLEY LOT 27 AND ALL OF LOTS 28,29 AND 30 ALSO E 140 FT MOL OF VAC ALLEY ADJ AND LOTS 1 THRU LOT 4 BLK 3
Fee Owner:	English Arlington Hills
Census Tract #:	0310.00

REAL ESTATE TAXES

Taxes, per County Records										
	Payable 2025	Payable 2026								
Tax	\$0	n/a								
Tax ratio	<i>Not applicable</i>	<i>n/a</i>								
Special Assessments / Solid Waste Fee / Other	<u>\$0</u>	<u>n/a</u>								
Total Tax & Assessments:	\$0	n/a								
Delinquent taxes:	None noted									
COUNTY ASSESSOR'S VALUE										
	Payable 2025	Payable 2026								
Land	\$487,300	\$487,300								
Building	<u>\$4,252,100</u>	<u>\$4,550,800</u>								
TOTAL	\$4,739,400	\$5,038,100								
\$/SF of GBA (as-is)	\$73.48 per SF	\$78.11 per SF								
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: center;">Typical Tax Ratios by Property Type</th> </tr> </thead> <tbody> <tr> <td>Commercial (retail, office, industrial, hotel, other, etc.)</td> <td style="text-align: center;">1.5% – 4.0%</td> </tr> <tr> <td>Residential (multi-family, apartment, etc.)</td> <td style="text-align: center;">0.9% – 1.5%</td> </tr> <tr> <td>Single-family dwellings</td> <td style="text-align: center;">0.8% – 1.5%</td> </tr> </tbody> </table>			Typical Tax Ratios by Property Type		Commercial (retail, office, industrial, hotel, other, etc.)	1.5% – 4.0%	Residential (multi-family, apartment, etc.)	0.9% – 1.5%	Single-family dwellings	0.8% – 1.5%
Typical Tax Ratios by Property Type										
Commercial (retail, office, industrial, hotel, other, etc.)	1.5% – 4.0%									
Residential (multi-family, apartment, etc.)	0.9% – 1.5%									
Single-family dwellings	0.8% – 1.5%									
<p>The appraised value given in this report assumes any/all special assessments, and/or liens are paid in full and that there are no delinquent taxes, fees, payments, association dues, etc. Should it be found that any of these exist the amount should be deducted from the appraised value. Appraiser did not research these items; typically, a title search would reveal any of these.</p>										
Comments:	The subject is tax exempt.									

SUBJECT SALES & BUILDING HISTORY

Listing History:	The subject does not appear to be publicly listed for sale. The buyer is one of the long term religious tenants within the building, as such, the property was never publicly listed.	
Sales History:	Sale Price:	\$600,000 or \$9.30 per SF.
	Sale Date:	Pending 2026
	Buyer:	House of Praise Church, Inc.
	Seller:	Arlington Hills English Evangelical Lutheran Church
	Terms:	Typical
	Source:	Purchase Agreement
	<p>There is a purchase agreement for \$600,000 or \$9.30 per SF which is supported within the current market due to the subject's condition. Per buyer, they are receiving a good deal due to being a long-term tenant and understanding the condition of the property that they are buying is as-is and they are taking on the responsibility of the roof and interior repairs.</p> <p>There are no other known or reported sales of the subject property within the past 3 years.</p>	
Pending Sale:	None reported.	
Building History:	The subject was built in 1937 per county records and has had many additions over the years which has led to the subjects unique and large layout.	
Lease History:	The subject is primarily owner occupied and also leases out many spaces to different churches and charity programs.	
Leasehold Interest:	See illustrative income comments.	
Association Dues:	The subject does not appear to be in a CIC.	

REGIONAL DATA

Metro Area

Regional hub Minneapolis-Saint Paul is the most populous urban area in Minnesota and is composed of 186 cities and townships. Built around the Mississippi, Minnesota and St. Croix rivers, the area is also nicknamed The Twin Cities for its two largest cities, Minneapolis and Saint Paul. Saint Paul is the second largest city in Minnesota, as well as the state capital.

The area is part of a larger U.S. Census division named Minneapolis-St. Paul-Bloomington, MN-WI, the country's 16th-largest metropolitan area, composed of eleven counties in Minnesota and two counties in Wisconsin. This larger area, in turn, is enveloped in the U.S. Census combined statistical area called Minneapolis-St. Paul-St. Cloud, MN-WI with an estimated population of 3.65 million people in 2019.

In both of the fully developed central cities—Minneapolis and St. Paul—the population has declined due to smaller household sizes, yet growth in other areas of their counties has been more than offsetting. Below is detailed where this growth has occurred:

POPULATION							
County	Census 2000	Census 2010	Forecast 2024	Growth 2000 - 2010		Growth 2010 - 2024	
				total	annual	total	annual
Hennepin	1,116,200	1,152,425	1,273,334	3.25%	0.32%	10.49%	0.75%
Ramsey	511,035	508,640	542,015	-0.47%	-0.05%	6.56%	0.47%
Dakota	355,904	398,552	453,156	11.98%	1.20%	13.70%	0.98%
Anoka	298,084	330,844	376,840	10.99%	1.10%	13.90%	0.99%
Washington	201,130	238,136	283,960	18.4%	1.84%	19.24%	1.37%
Scott	89,498	129,928	157,206	45.17%	4.52%	20.99%	1.50%
Wright	89,986	124,700	154,593	38.58%	3.86%	23.97%	1.71%
Carver	70,205	91,042	112,628	29.68%	2.97%	23.71%	1.69%
Sherburne	64,417	88,499	103,059	37.38%	3.74%	16.45%	1.18%
Chisago	41,101	53,887	59,105	31.11%	3.11%	9.68%	0.69%
Total	2,837,560	3,116,653	3,515,896	9.84%	0.98%	12.81%	0.91%

Source: US Census Bureau

Overall, the area has experienced moderate to good income growth. Annualized income growth of 2.5% to 4.0% is consistent with national averages.

MEDIAN HOUSEHOLD INCOME				
County	Census 2010	Estimate 2024	Growth 2010 - 2024	
			total	annual
Hennepin	59,236	95,274	60.84%	4.35%
Ramsey	50,136	78,319	56.21%	4.02%
Dakota	69,508	105,330	51.54%	3.68%
Anoka	65,771	100,812	53.28%	3.81%
Washington	77,239	111,428	44.26%	3.16%
Scott	77,314	117,064	51.41%	3.67%
Wright	66,833	100,596	50.52%	3.61%
Carver	80,173	127,312	58.80%	4.20%
Sherburne	69,971	112,251	60.43%	4.32%
Chisago	63,810	98,260	53.99%	3.86%

Source: US Census Bureau

Regional Data – continued

Economic Trends

The current residential interest rates for a typical 30-year mortgage are around 6.50% to 7.50%+. Commercial rates are around 6.50% to 7.50%+. Rates are expected to increase to combat inflation.

New construction labor costs have steadily increased along with material costs as well, however during the COVID-19 pandemic costs increased drastically due to supply chains not being able to meet demand. Overall, construction costs are at all-time highs. New construction of commercial, industrial, and multi-family is occurring, however, limited office new construction is occurring.

Listing prices have been increasing steadily since 2012 +/- and are starting to approach peak levels similar to the market in 2006, which was a period of high seller expectations. However, recent buyer and seller expectations regarding value and list prices appear to be trending towards equilibrium.

Although well diversified, the TCMA and surrounding Minnesota economy is not immune to the recent soft/declining trends of the overall economy.

**Consumer Price Index,
Percent Change from One Year Ago**



Source: Minnesota DEED

The CPI had been relatively steady from 2010 to 2020. In 2020, due to the COVID-19 pandemic, prices began to rise. With the various programs used to combat a potential recession, inflation rose, which further increased prices. Recently, the CPI has started to drop, which shows prices returning to more historic norms.

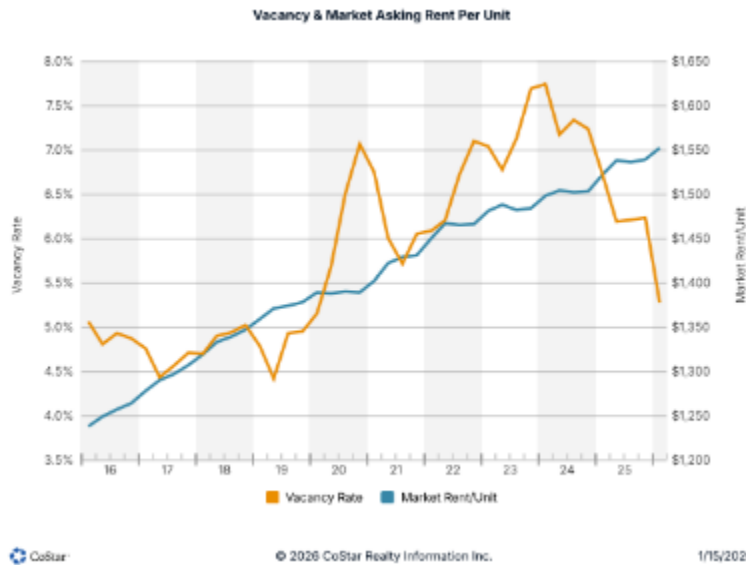
EMPLOYMENT & LABOR



Over the past sixteen years, unemployment rates have gone from a peak of around 7.7% to near historical lows of around 2.3% in mid 2020s. In 2020, the COVID-19 pandemic created a significant spike in the unemployment rate to about 11.1%. The most recent data, shown above, indicates that the rate had dropped significantly; however, the chart is indicating that the rate is slowly starting to climb again.

Regional Data – continued

APARTMENT MARKET

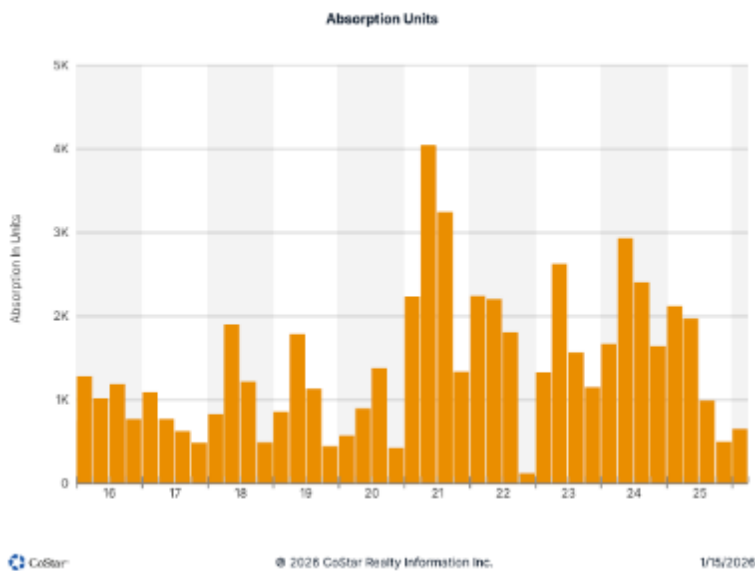


CoStar reports that rents have been trending upward consistently for the past 10+ years. The current average asking rate for an apartment unit in the Twin Cities Metro is around \$1,539 per month.

Vacancy has fluctuated but was trending downward until 2020. The COVID-19 pandemic caused a spike in vacancy, which has since been declining.

However, vacancy is higher due to significant new construction, both in Minneapolis and surrounding suburbs.

The following chart shows the annual absorption of apartment units:

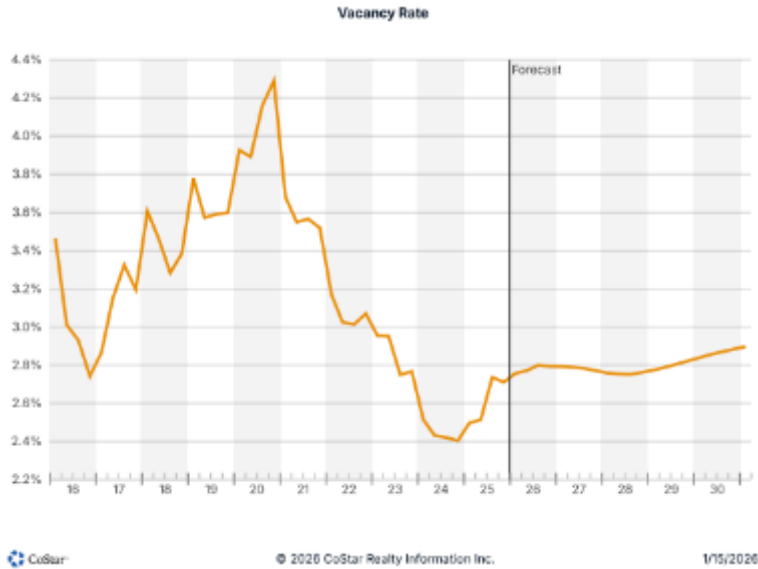


Regional Data – continued

RETAIL MARKET

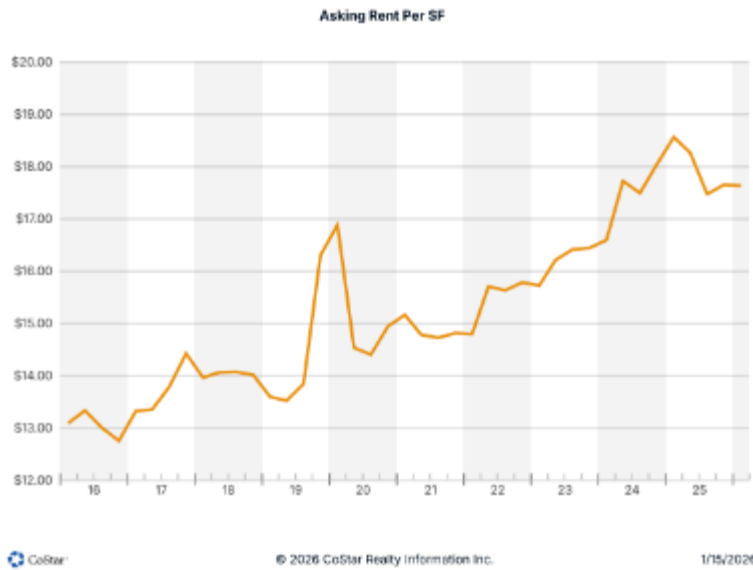
CBRE, Cushman & Wakefield, and Colliers are not publishing current retail market reports. CoStar tracks retail properties in the Twin Cities Metro and reports the following information.

Retail Vacancy:



Retail vacancy experienced an increase in 2020 due to the COVID-19 pandemic. Since 2020, vacancy rates have been dropping across the metro area.

CoStar reports asking rents have been steadily increasing in the Twin Cities Metro:



Regional Data – continued

OFFICE MARKET

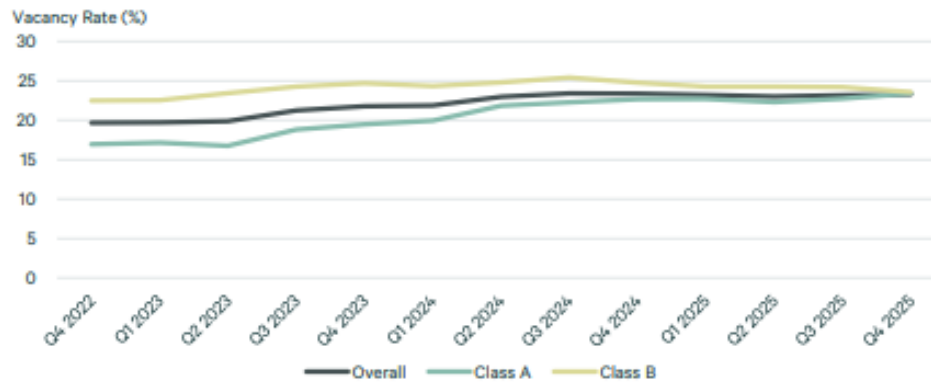
In Q4, the direct market vacancy rate stabilized quarter-over-quarter, with a slight increase of 20bps. Direct vacancy has been decreasing from its peak in Q3 2024, 24.7%, to 23.3%.

Class A office properties are sitting at 23.4% direct vacancy, only 10 bps higher year-over-year. Class B properties have continued to decrease their vacancy, as of Q4 at 23.6%, a decrease of 60 bps quarter-over-quarter and 2.5% year-over-year.

The suburban markets decreased by 40 bps quarter-over-quarter from 19% to 18.6% and decreased by 220 bps from 20.8% in 2024. Downtown markets reported vacancy at 29.7%, a slight increase quarter-over-quarter by 90 bps and 110 bps increase year-over-year from 28.5% In 2024.

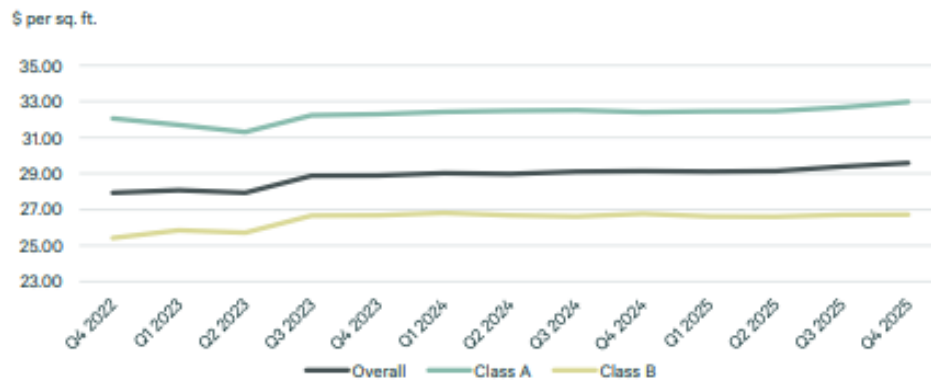
CBRE reports the following vacancy and asking rates for the Twin Cities Metro:

FIGURE 2: Vacancy Rates by Class



Source: CBRE Research, Q4 2025

FIGURE 3: Avg. Direct Asking Rate (FSG/YR) by Class



Source: CBRE Research, Q4 2025

Regional Data – continued

OFFICE MARKET

The Minneapolis/St. Paul office market felt a second quarter of negative net absorption, (141k) sq. ft. in Q4. Year-to-date, Minneapolis/St. Paul had a net absorption of nearly 91k sq. ft., the first time the market has seen a positive year-to-date absorption number since 2020.

The direct vacancy rate has decreased by 140 bps to 23.3%, from the market’s peak at 24.7% in Q3 2024. In Q4 market vacancy stabilized quarter-over-quarter, increasing by only 20 bps.

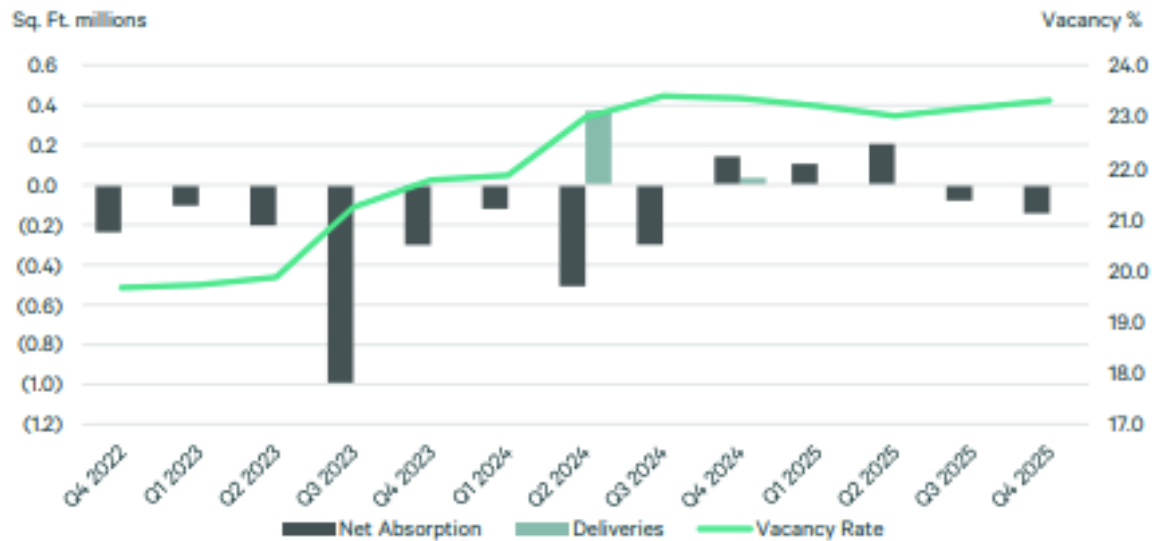
There was over 1.1M sq. ft. of leasing activity in Q4, bringing the year-end total to 5.2M. Downtown and Suburban markets nearly split the share of leasing, with 47.5% and 52.5%, respectively. Downtown Class A buildings contributed to 38% of the total amount leased.

The Minneapolis/St. Paul market currently has 253k sq. ft. under construction. With an overall prelease rate of 46.2%.

Office Sales totaled over \$428M, up 414% from last quarter and bringing 2025 total sales amount to over \$771M, 9.2% higher than 2024 total sales volume.

CBRE reports the overall historic quarterly vacancy and absorption for the Twin Cities Metro:

FIGURE 1: Historical Absorption, Deliveries, and Vacancy



Source: CBRE Research, Q4 2025

Regional Data – continued

INDUSTRIAL MARKET

In the Minneapolis/St. Paul Industrial market, over 610k sq. ft. of positive net absorption was seen in Q4. Year-to-date the market absorbed over 3.6 million sq. ft.

Construction delivered in Q4 contributed 831,664 sq. ft., bringing the year-to-date total to nearly 3.3M sq. ft, a 1.5% increase year-over-year. Build-to-suit developments constituted 80% of the 3M sq. ft. underway at year end.

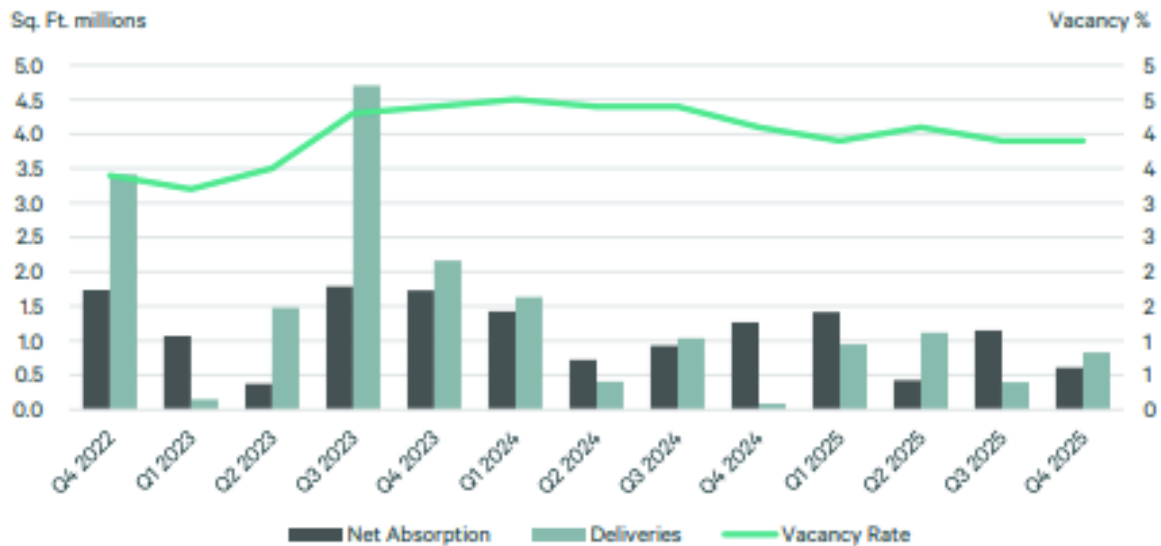
The direct vacancy rate remained consistent at 3.8%. In Q4, the East submarket had the largest drop in vacancy quarter-over-quarter, down to 6.8% from 8.9% in Q3. This is largely due to Superior Logistics occupying 252k sq. ft.

Q4 leasing activity reached over 3M sq. ft., a 24.6% increase quarter-over-quarter. New leases signed accounted for 59.6% while renewals contributed 28.8%.

Industrial sales volume totaled over \$447M in Q4, a 22.9% increase quarter-over-quarter. The 2025 total sales volume was \$1.68B.

CBRE reports the overall historic quarterly vacancy and absorption for the Twin Cities Metro:

FIGURE 1: Historical Absorption, Deliveries, and Vacancy



Source: CBRE Research, Q4 2025

Regional Data – continued

INDUSTRIAL MARKET

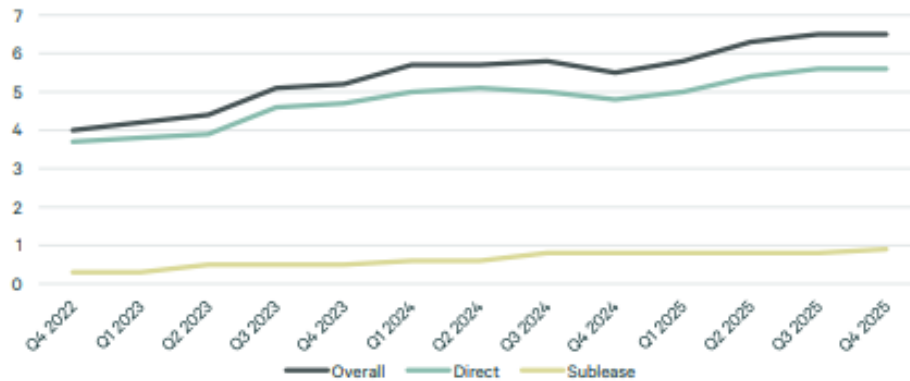
The Minneapolis/St. Paul industrial market reported a direct vacancy of 3.8% in Q4, unchanged from the previous quarter. New construction delivered this quarter contributed an additional 520k sq. ft. of vacant space.

The East submarket saw the largest drop in vacancy from last quarter's 8.9% to 6.8%. This notable drop is due to the Owner User sale from Superior Logistics in Ramsey, occupying 252k sq. ft of vacant space this quarter.

The market availability felt a slight increase of 5 bps at 6.5%. Direct availability remained unchanged at 5.9% with sublease availability increasing up by 10 bps to 0.9%. Bulk Warehouse product maintained the lowest availability rate at 4.6%, compared to 7.3% for Office Warehouse, and 7.4% for Office Showroom

CBRE reports the following vacancy and asking rates for the Twin Cities Metro:

FIGURE 2: Availability Rates
Availability Rate (%)



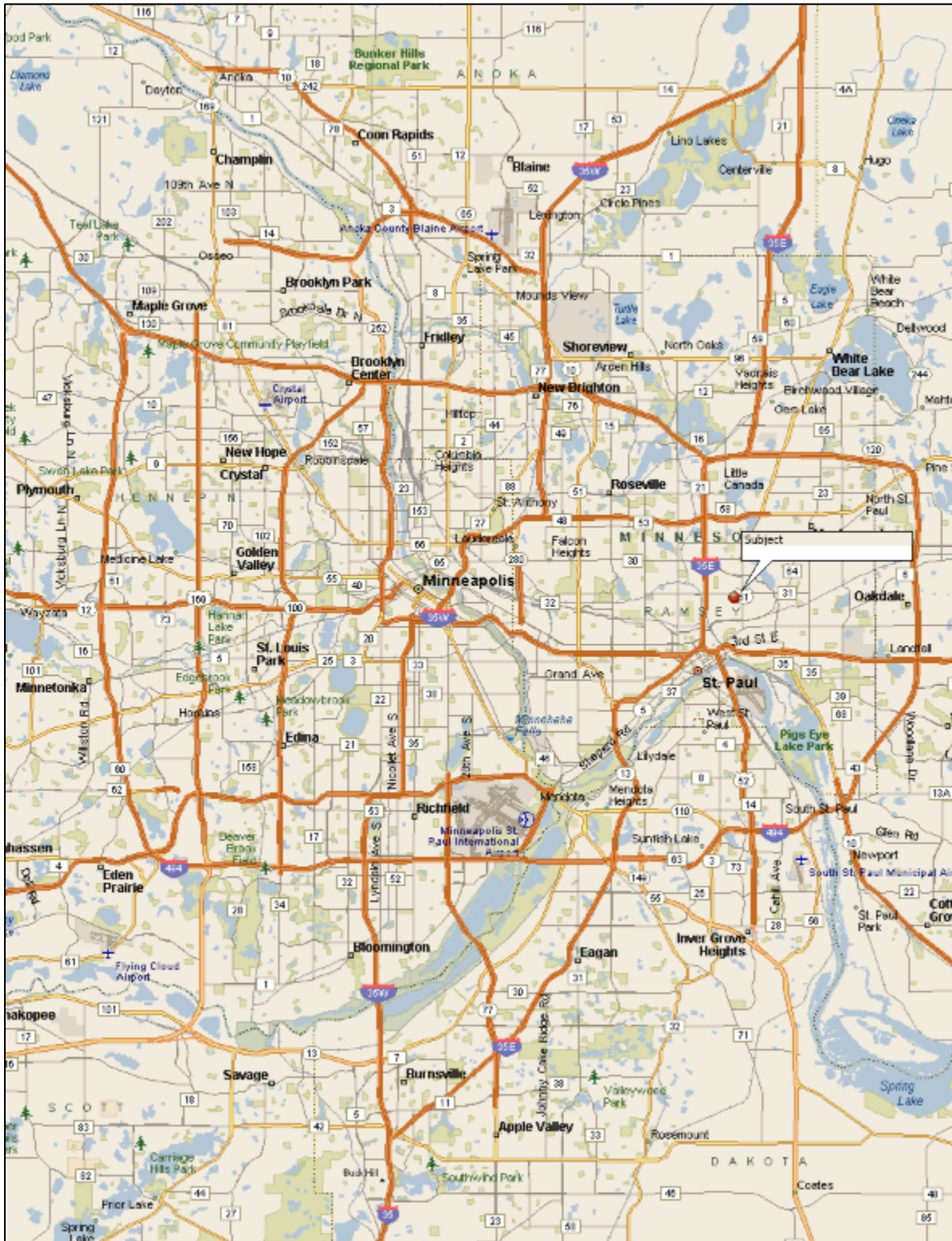
Source: CBRE Research, Q4 2025

FIGURE 3: Avg. Direct Asking Rate (NNN/YR)



Source: CBRE Research, Q4 2025

REGIONAL MAP



CITY & NEIGHBORHOOD DESCRIPTION

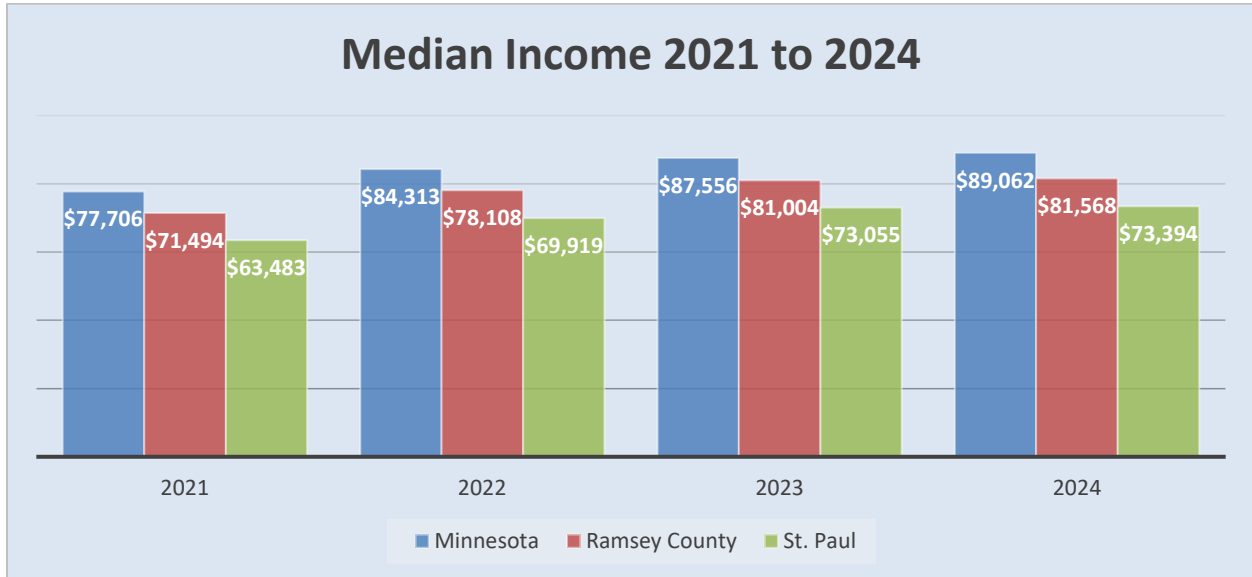
Type of Neighborhood:	Urban Community	
Percent Built-Up:	96% Developed	
Stage of Development:	Stable	
Subject Neighborhood:	City Limits	
Major Transportation:	Interstate 94, State Highway 280, Snelling Avenue, Interstate 35E, Highway 52	
Predominant Type & Conformity:	<i>Single-Family Residential</i>	<i>37%</i>
	<i>Two- & Multi-Family</i>	<i>10%</i>
	<i>Commercial / Industrial</i>	<i>13%</i>
	<i>Other Developed Land (Right of way, utility, institutional, etc.)</i>	<i>36%</i>
	<i>Agriculture & Undeveloped land</i>	<i>4%</i>
	<i>Total:</i>	<i>100%</i>
Single-Family Home Sales:	\$100,000 - \$500,000+	
Apartment Sales:	\$50,000 to \$125,000+ per Unit	
Office Property Sales:	\$75 to \$200+ per SF	
Retail Property Sales:	\$80 to \$300 + per SF	
Industrial Property Sales:	\$35 to \$90+ per SF	
Capitalization Rates:	6-10% Historic	
Vacancy Rates:	5% to 15%+ Historic	

St. Paul, along with Minneapolis, is a hub of the Twin Cities Metro Area. Major roadways in the area include Interstate 94, Interstate 35E, Highway 280, and Snelling Avenue, which provide good access to Downtown Minneapolis/St. Paul and surrounding communities. The Mississippi River runs through St. Paul, adding appeal to the city. There are no apparent adverse influences. The subject is located within the Payne-Phalen Neighborhood of St. Paul.

City & Neighborhood Description – continued

Subject City:

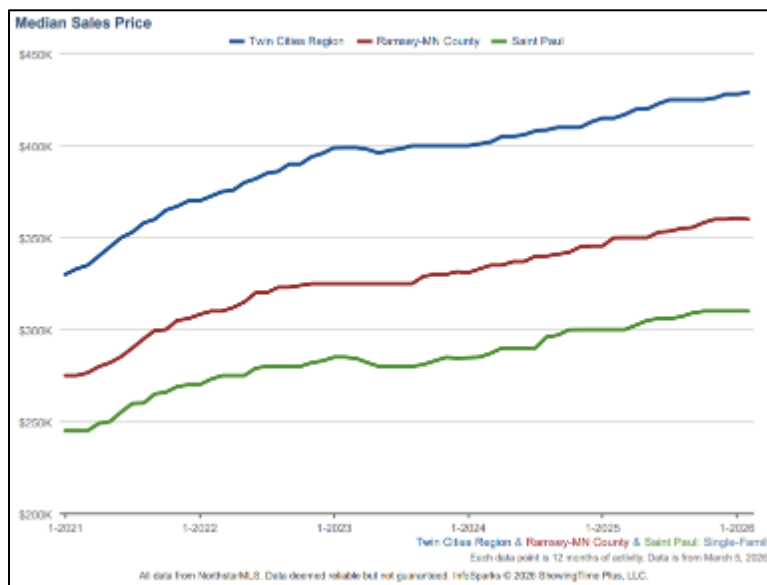
As of the 2020 census the population was 311,527, in 2010 it was 285,068. This represents a net increase of **9.3%** from 2010 to 2020. The 2023 population estimate for the city is 303,820, a decrease of **2.5%**.



The median household income for the city is below state and county levels (per Census Bureau). Income has increased over the timeframe noted above.

Median Home Prices: City of St. Paul

Source: NorthstarMLS Stats



The median sale price for a single-family home has increased over the timeframe. The median sale price in the region, county, and city have shown signs of slowing and even plateauing due to increased interest rates in recent years.

Local Market Update – January 2026
A RESEARCH TOOL PROVIDED BY MINNEAPOLIS AREA REALTORS®



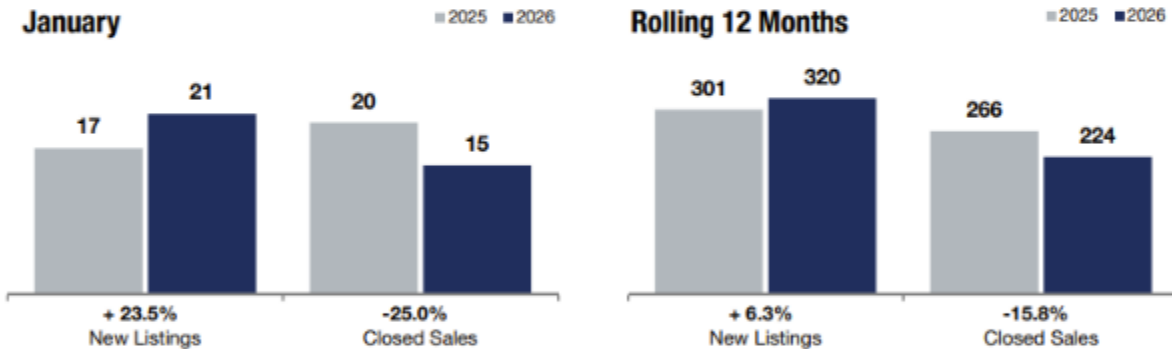
Saint Paul – Payne-Phalen

+ 23.5% **- 25.0%** **- 1.9%**

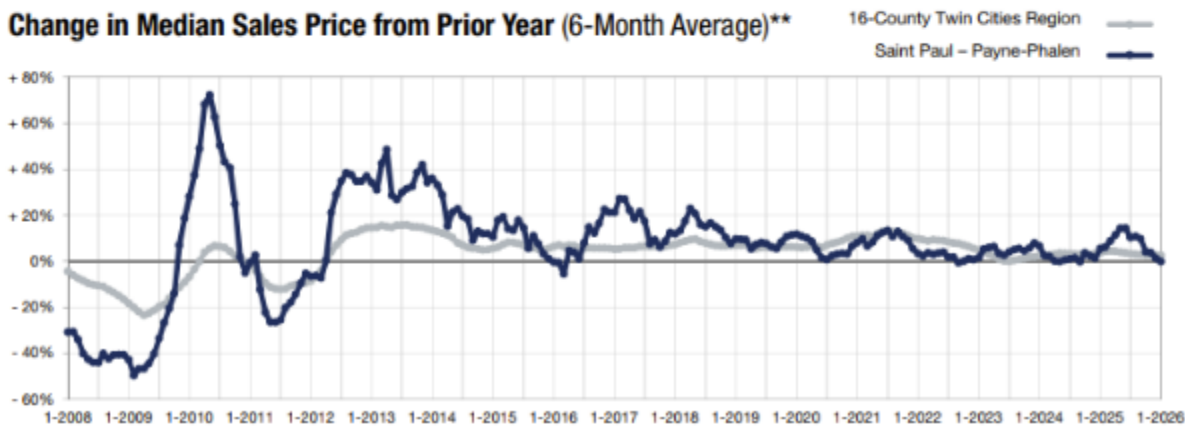
Change in **New Listings** Change in **Closed Sales** Change in **Median Sales Price**

	January			Rolling 12 Months		
	2025	2026	+ / -	2025	2026	+ / -
New Listings	17	21	+ 23.5%	301	320	+ 6.3%
Closed Sales	20	15	-25.0%	266	224	-15.8%
Median Sales Price*	\$270,000	\$265,000	-1.9%	\$249,900	\$257,752	+ 3.1%
Average Sales Price*	\$267,001	\$250,160	-6.3%	\$251,939	\$253,723	+ 0.7%
Price Per Square Foot*	\$180	\$163	-9.1%	\$178	\$177	-0.8%
Percent of Original List Price Received*	98.9%	96.2%	-2.7%	99.8%	99.5%	-0.3%
Days on Market Until Sale	37	34	-8.1%	37	38	+ 2.7%
Inventory of Homes for Sale	27	43	+ 59.3%	--	--	--
Months Supply of Inventory	1.2	2.3	+ 91.7%	--	--	--

* Does not account for seller concessions. | Activity for one month can sometimes look extreme due to small sample size.



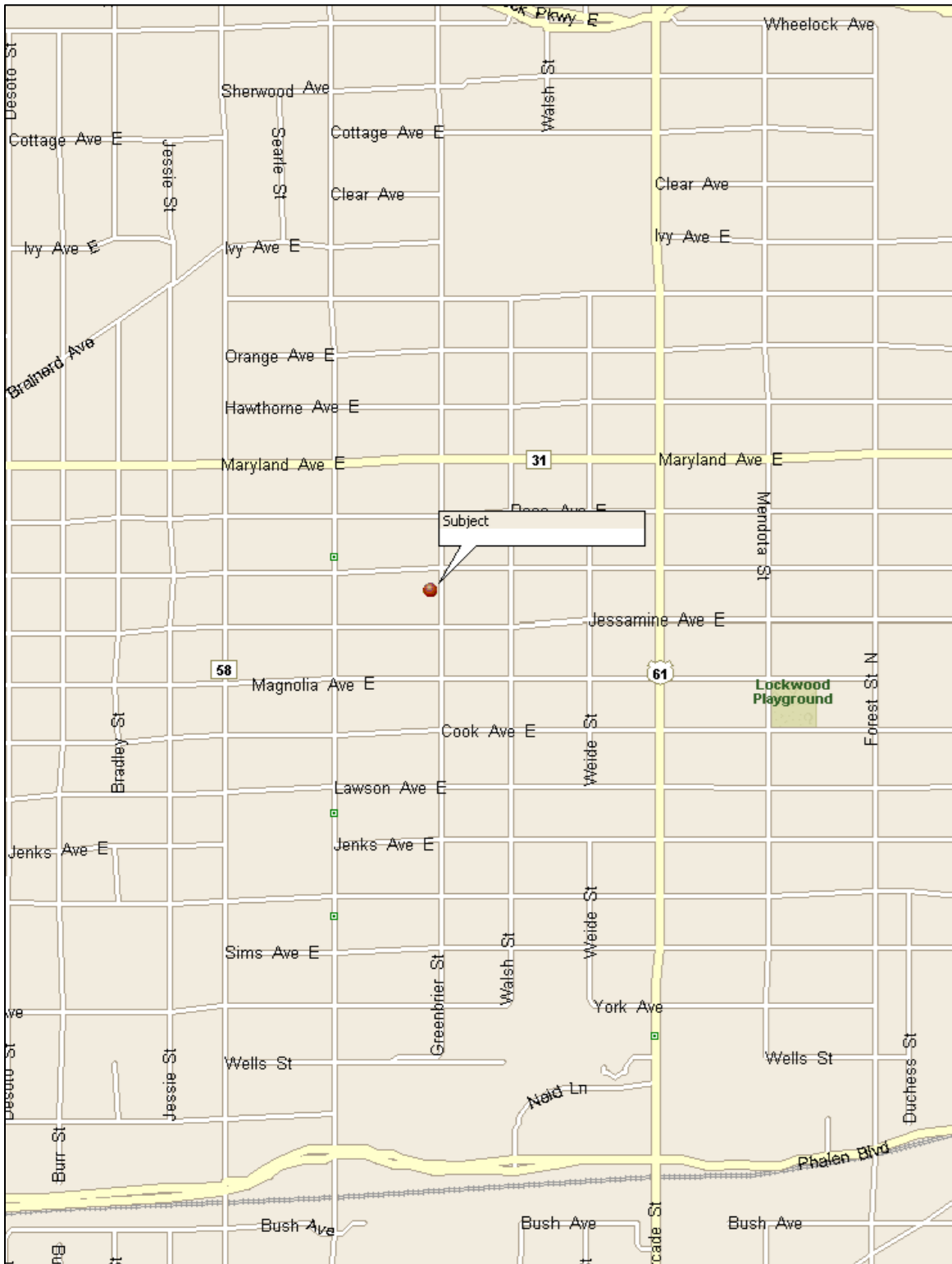
Change in Median Sales Price from Prior Year (6-Month Average)**



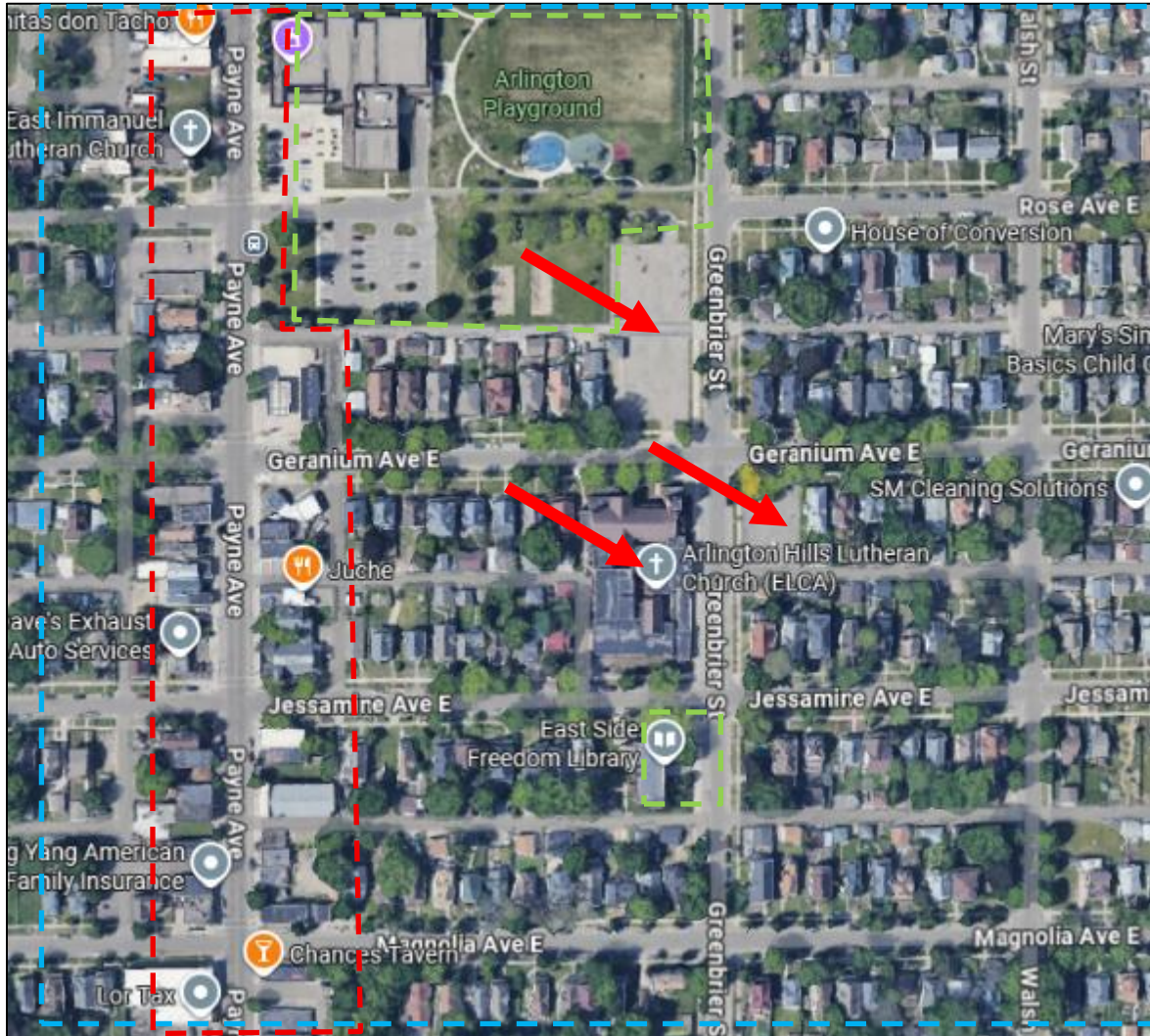
** Each dot represents the change in median sales price from the prior year using a 6-month weighted average. This means that each of the 6 months used in a dot are proportioned according to their share of sales during that period.

Current as of February 6, 2026. All data from NorthstarMLS. | Copyright ShowingTime Plus, LLC.

NEIGHBORHOOD MAP




SURROUNDING USES



Subject	Indicated by red arrow.	
 Industrial	Industrial is not located within the area per se.	
 Commercial	Commercial is located mainly along Payne Avenue.	
 Residential	Residential is located all around the subject.	
 Other	East Side Freedom Library, Arlington Hills Community Center and Playground	

MARKET CONDITIONS OVERVIEW

Market Conditions Overview is based on conversations with market participants, articles, publications and data. Listed below are pertinent conditions of the subject market.

Current Market						
	Location	GBA	Age	List Date	Current List Price	\$/SF
	217 Mackubin St, St. Paul	39,516	1888	1 Year 4 Months	\$2,250,000	\$56.94
Church property located in St. Paul.						

Land sales:	\$5 to \$30+ per SF, varies on density allowed by zoning.	
Building Sales:	\$5 to \$100+ per SF, depending on location, building quality, size, etc.	
Building Rents:	n/a, most properties are owner-occupied, rarely rented.	
Typical concessions:	n/a, most properties are owner-occupied, rarely rented.	
Expenses:	Tax	\$2.00 to \$5.00+ per SF
	Op. Ex.	\$2.00 to \$5.00+ per SF
	Total	\$4.00 to \$10.00+ per SF
Vacancy:	Not applicable, typically owner-occupied	
Lease up period:	Not applicable, typically owner-occupied	
Capitalization Rates:	Tier 1	6.0% - 8.0%, good credit tenants, recent construction, good location
	Tier 2	7.50% - 9.5%, average credit tenants, older building, average location
	Tier 3	9.0% - 10.5%+, below average credit tenants, older building, fair location

Market Conditions Overview – continued

<p>Market Supply</p>	<p>Search Parameters: <i>Source:</i> CoStar <i>Property Type:</i> Churches / Schools <i>Location:</i> Minnesota</p> <p>Search Results: Currently, there are 15 offerings/available properties</p>
<p>Market Absorption</p>	<p>Search Parameters: <i>Source:</i> CoStar <i>Property Type:</i> Churches / Schools <i>Location:</i> Minnesota</p> <p>Search Results: 19 sales within the past year</p>
<p>Supply & Demand:</p>	<p>Considering the above market data/statistics, and based on market observations, the <i>subject market appears to be oversupplied.</i></p>
<p>Subject Market:</p>	<p>Owner-occupants, limited buyers/users</p>
<p>Marketing Time:</p>	<p>Market exposure times can vary based on seller motivations; Typically 12 months.</p>
<p>Market participant comments/ observations:</p>	
<p>General Comments</p>	<p>Special use properties can have limited alternative uses and users, as such, can result in lower values if converted to alternative uses.</p> <p>Churches are special use properties that appeal to a relatively small segment of the market and are almost exclusively owner-occupied. Churches sell on a more infrequent basis. The quality/appeal of churches can vary widely from buildings with simple floor plans and average quality to buildings with very specialized floor plans and a high level of detail and variation in the finishing. Construction cost versus market value deviation can be large with church/school properties, especially ones with unique layouts and highly detailed quality/appeal. Sale prices can vary widely depending on the quality/appeal and layout of the property, the number of active buyers in the market and the conditions surrounding the sale of the property.</p>
<p>Overall Market Condition:</p>	<p>Uncertain: Economists are indicating that tariffs are causing investment uncertainty. Buyers still appear to be optimistic about commercial property. The Federal Reserve dropped rates by 25 basis points in September of 2025 and by another 25 basis points in October and December of 2025.</p>

SITE DESCRIPTION

Dimensions:	Mainly rectangular	
Gross Site Size:	81,219 SF, (1.87 acres) , per county, confirmed with GIS measure	
Non-Useable Area:	None apparent	
Net Useable Area:	81,219 SF, (1.87 acres)	
Topography / Shape / Low:	Fairly level, general sloping / Mainly rectangular / None	
Soil conditions / Drainage:	Assumed stable / Appears average	
Utilities:		
Electricity/Gas	Yes / Yes	
Water/Sanitary Sewer	City Water & Sewer	
Off-Site Improvements:		
Street/Curb/Gutter:	Bituminous / Concrete	
Sidewalk/Alley:	None / Yes	
Visual Road Condition:	Average, typical wear and tear	
Street Lights / Storm Sewer:	Standard / Surface	
Frontage/Access to site (#):	Greenbrier Street (1, walk-up access), Geranium Avenue East (4, walk-up access), Jessamine Avenue East (1, walk-up access), Alley (1)	
Visibility/Exposure:	Average, located on a neighborhood collector street	
Flood hazard zone:	None apparent, see following map	
Bus Line:	None apparent in the immediate area	
Apparent Easements:	Typical utility and drainage apparent	
Encroachments/Conditions:	None apparent, no survey provided	
Surplus/Excess Land:	All the site size is under one PID but is not all physically connected, two of the areas are utilized for onsite parking. This is not uncommon for religious properties and is captured within the sales comparison approach.	
Land to Building Ratio:	1.3 to 1, typical for property type	
Use / Functional Adequacy:	Church with childcare	
Surrounding Uses:	N – Agriculture, detached single-unit homes	S – Religious facility
	E – Detached single-unit homes	W – Detached single-unit homes, parks
Distance to Major Road:	About 4 miles southeast to Highway 10	
<p>The subject is located along Greenbrier Street, Geranium Avenue East, and Jessamine Avenue East. The surrounding uses are predominately residential in nature. No apparent adverse influences noted or reported.</p>		

ZONING MAP



- T1 Traditional Neighborhood
- T1M T1 with Master Plan
- T2 Traditional Neighborhood**
- T3 Traditional Neighborhood
- T3M T3 with Master Plan
- T4 Traditional Neighborhood
- T4M T4 with Master Plan

Subject Use: Religious

T2, Traditional Neighborhood: The T2 traditional neighborhood district is designed for use in existing or potential pedestrian and transit nodes. Its intent is to foster and support compact, pedestrian-oriented commercial and residential development that, in turn, can support and increase transit usage. It encourages, but does not require, a variety of uses and housing types, with careful attention to the amount and placement of parking and transitions to the adjacent residential neighborhoods.

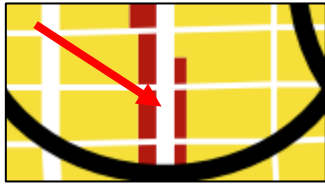
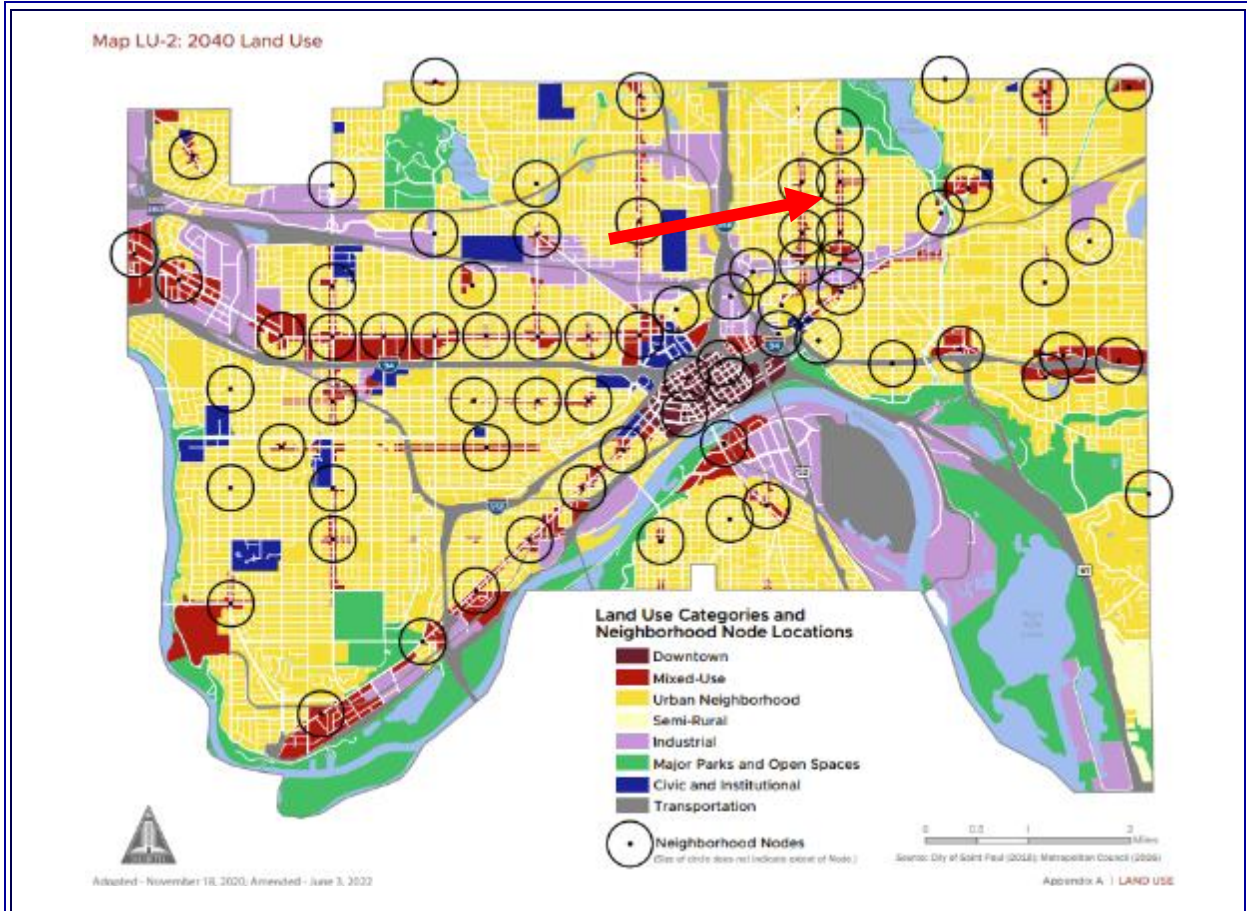
ZONING

Subject Zoning:	T2, Traditional Neighborhood
Intent (city code)	The T2 traditional neighborhood district is designed for use in existing or potential pedestrian and transit nodes. Its intent is to foster and support compact, pedestrian-oriented commercial and residential development that, in turn, can support and increase transit usage. It encourages, but does not require, a variety of uses and housing types, with careful attention to the amount and placement of parking and transitions to the adjacent residential neighborhoods.
Permitted Uses:	One-family dwelling; Two-family dwelling; Townhouse; Multiple-family dwelling; Housing for the elderly; Home occupation; Live-work unit; Mixed residential and commercial use; Foster home; Supportive housing facility; Shelter for battered persons; Sober house; Adult care home; Dormitory; Fraternity, sorority; Day care; School, grades K-12; College, university, seminary, etc.; Trade school, arts school, dance school, etc.; Club, fraternal organization, lodge hall; Museum; Public library; Public and private park, playground; Recreation, noncommercial; Church, chapel, synagogue, place of worship; Rectory, parsonage; Convent, monastery, religious retreat; Antenna, cellular telephone; Municipal building or use; Solar energy generation facility, community; Administrative office; Artist, photographer studio, etc.; Insurance office, real estate office, sales office; Professional office; Clinic, medical or dental; Medical laboratory; Veterinary clinic; General retail; Bank, credit union; Business sales and services; Dry cleaning, commercial laundry; Farmers market; Food and related goods sales; Food shelf; Garden center, outdoor; Laundromat, self-service; Liquor store; Massage center; Mortuary, funeral home; Outdoor uses, commercial; Post office; Service business; Service business with showroom or workshop; Small appliance repair; Tattoo shop Tobacco products shop; Bar; Brew on premises store; Catering; Coffee shop, tea house; Restaurant; Restaurant, carry out, deli; Restaurant, fast food; Restaurant, outdoor; Bed and breakfast residence; Hotel; Health/sports club; Short term rental dwelling unit; Theater, assembly hall; Agriculture; Brewery, craft; Distillery, craft; Limited production and processing; Mail order house; Printing and publishing; Winery, craft.
Conditional Uses:	Carriage house dwelling; Community residential facility, licensed correctional; Emergency housing facility; Shelter for battered persons; Sober house; Rooming house; Antenna, cellular telephone; Solar energy generation facility, community; Utility or public service building; Hospital; General retail; Drive-through sales and services, primary and accessory; Farmers market; Food and related goods sales; Liquor store; Outdoor uses, commercial; Service business with showroom or workshop; Tobacco products shop; Bar; Coffee shop, tea house; Restaurant; Restaurant, carry out, deli; Restaurant, fast food; Indoor recreation; Reception hall/rental hall; Short term rental dwelling unit; Theater, assembly hall; Auto convenience market; Auto service station; Parking facility, commercial; Railroad right-of-way; Agriculture; Brewery, craft; Distillery, craft; Limited production and processing; Printing and publishing; Winery, craft.

Zoning – continued

<p>Major Restriction/ requirements in this district:</p>	<p>Minimum lot size: N/A Minimum lot width: N/A Minimum building height: None Maximum building height: 35'</p>
<p>Parking:</p>	<p>Maximum Number of Surface Parking Spaces: Church: 1 space per 150 SF GFA in the main unit of worship</p>
<p>Use:</p>	<p>The subject's current use appears to be allowed under the zoning; if found otherwise the appraised value could differ.</p>
<p>Source:</p>	<p><i>Zoning map, city code</i></p>

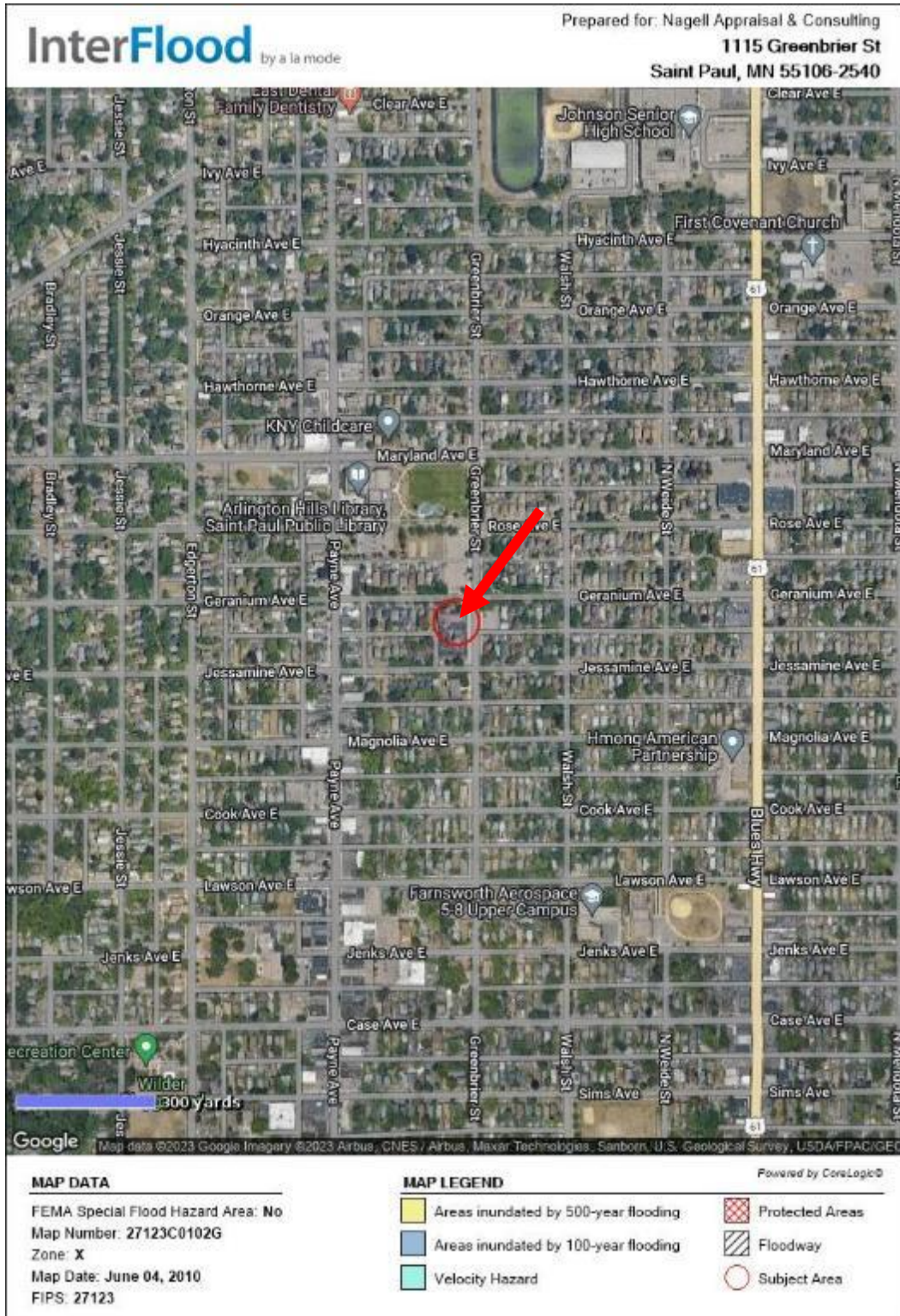
FUTURE LAND USE MAP



 **Mixed-Use**

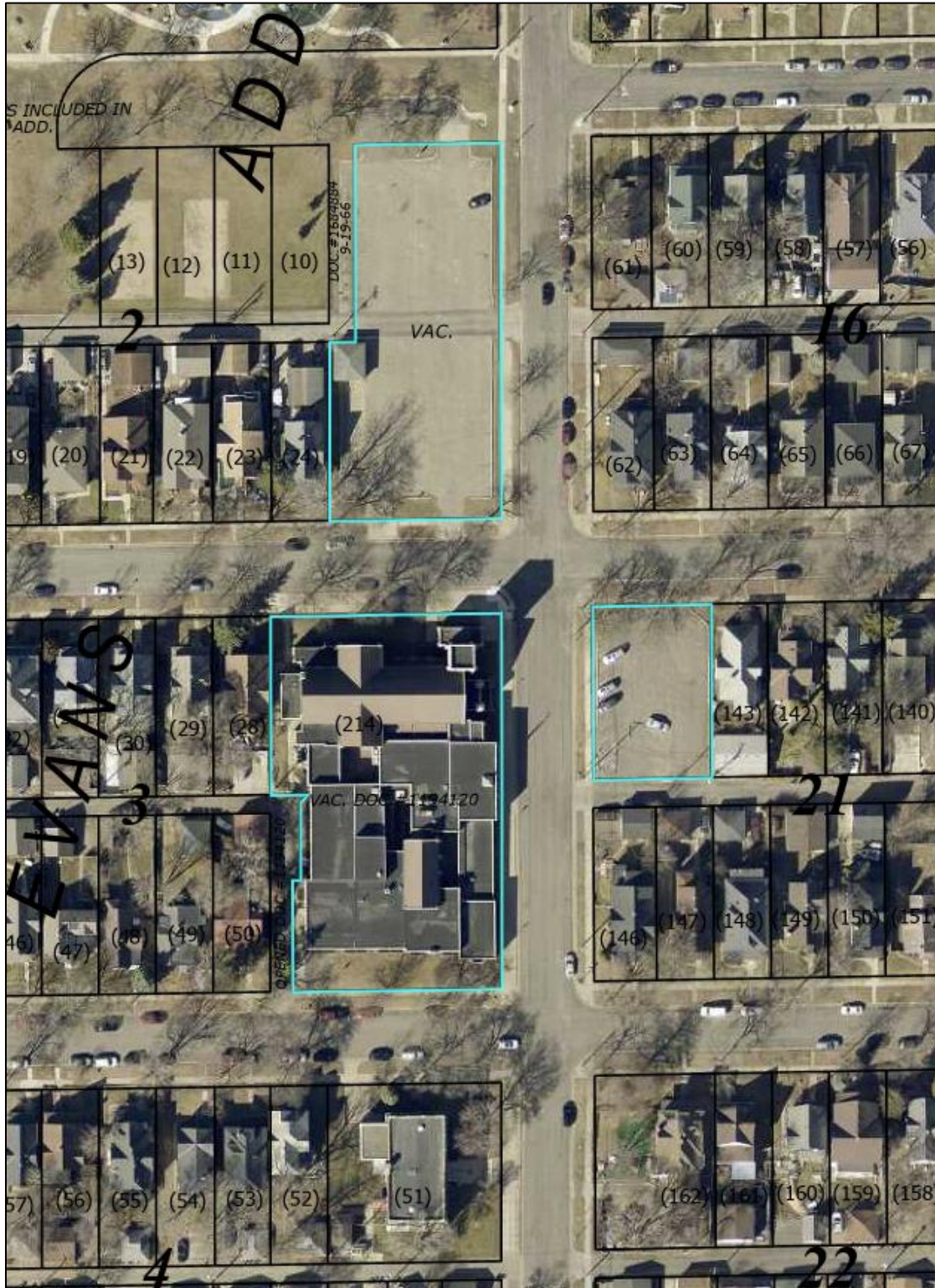
Mixed-Use: Mixed-Use areas are primarily along thoroughfares well-served by transit. The main distinguishing characteristic is a balance of jobs and housing within walking distance of one another.

FLOOD MAP



The subject does not appear to be in a flood zone.

PLAT MAP



Per County.

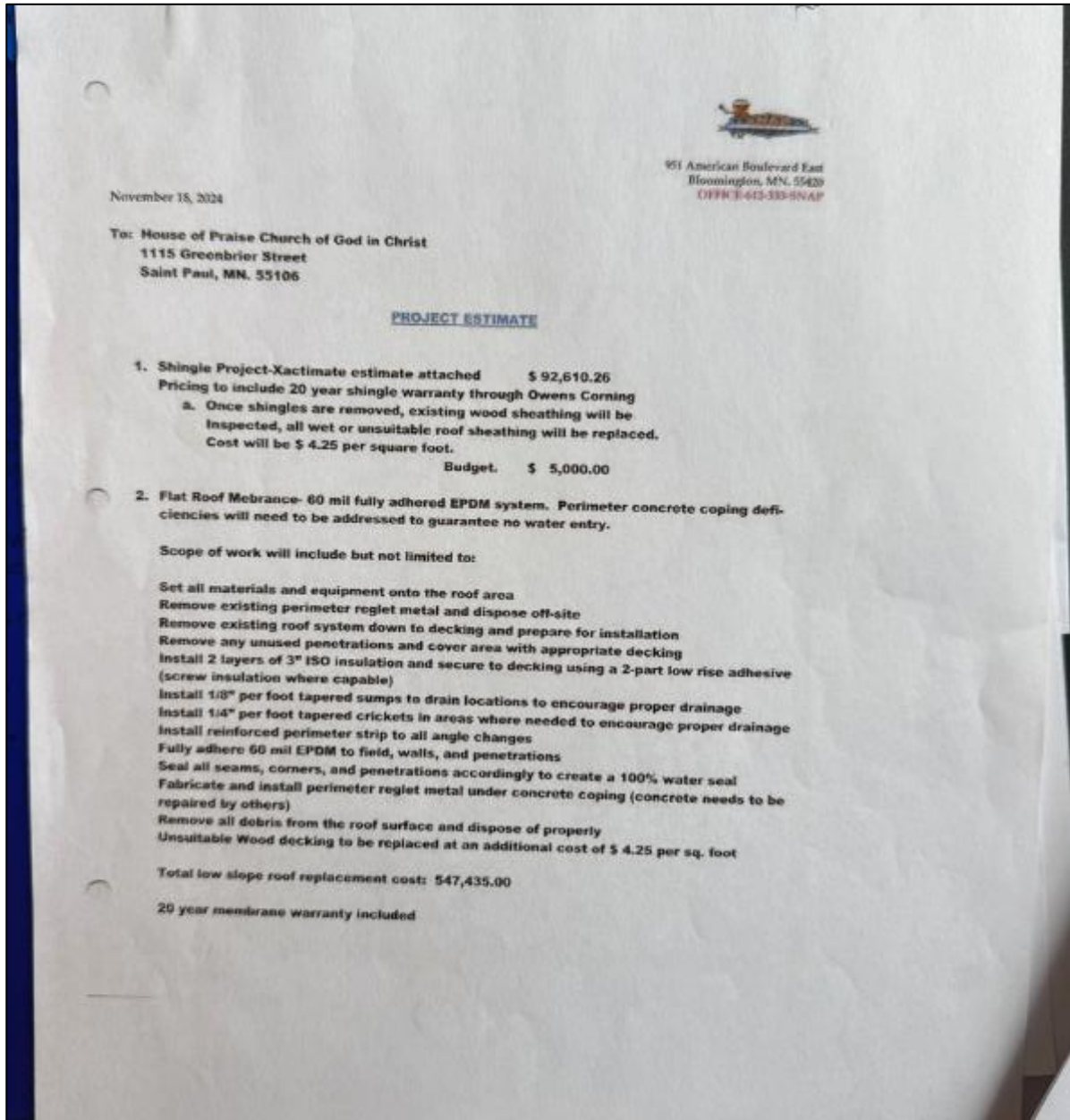
DESCRIPTION OF IMPROVEMENTS

Building Data	
Type of building	Religious Facility – special use property
Number of buildings	One
Number of stories	Mostly one story, some two-story areas
Gross building area	64,496 SF, total
Net rentable area	Religious facilities are almost exclusively owner-occupied
Number of Occupants	Multiple
Year built	1937
Quality Class/Condition As-Complete	Average / Average
Quality Class/Condition As-Is	Average / Fair
Type of construction	
Structure	Masonry, frame
Roof Surface	Flat roof, pitched in areas, in extremely fair condition within the as-is scenario
Exterior Walls	Brick
Doors/Windows	Metal and glass, wood / Fixed pane, ages unknown
Basement/Mezzanine/other	Yes, approximately full basement which is included in overall GBA due to finishings / None / None
Mechanical/Plumbing/Insulation	
HVAC	GFA/CA, rooftop units, fully heated buildings; assumed average
Electrical / Plumbing	Assumed adequate / Adequate
Hot-water heater / Sprinkler	Adequate / None
Elevator / Insulation	Yes / Assumed adequate
Energy Management System	Typical
Security System	Standard
Computer Network System	Assumed adequate
Wired for Phone System	Yes

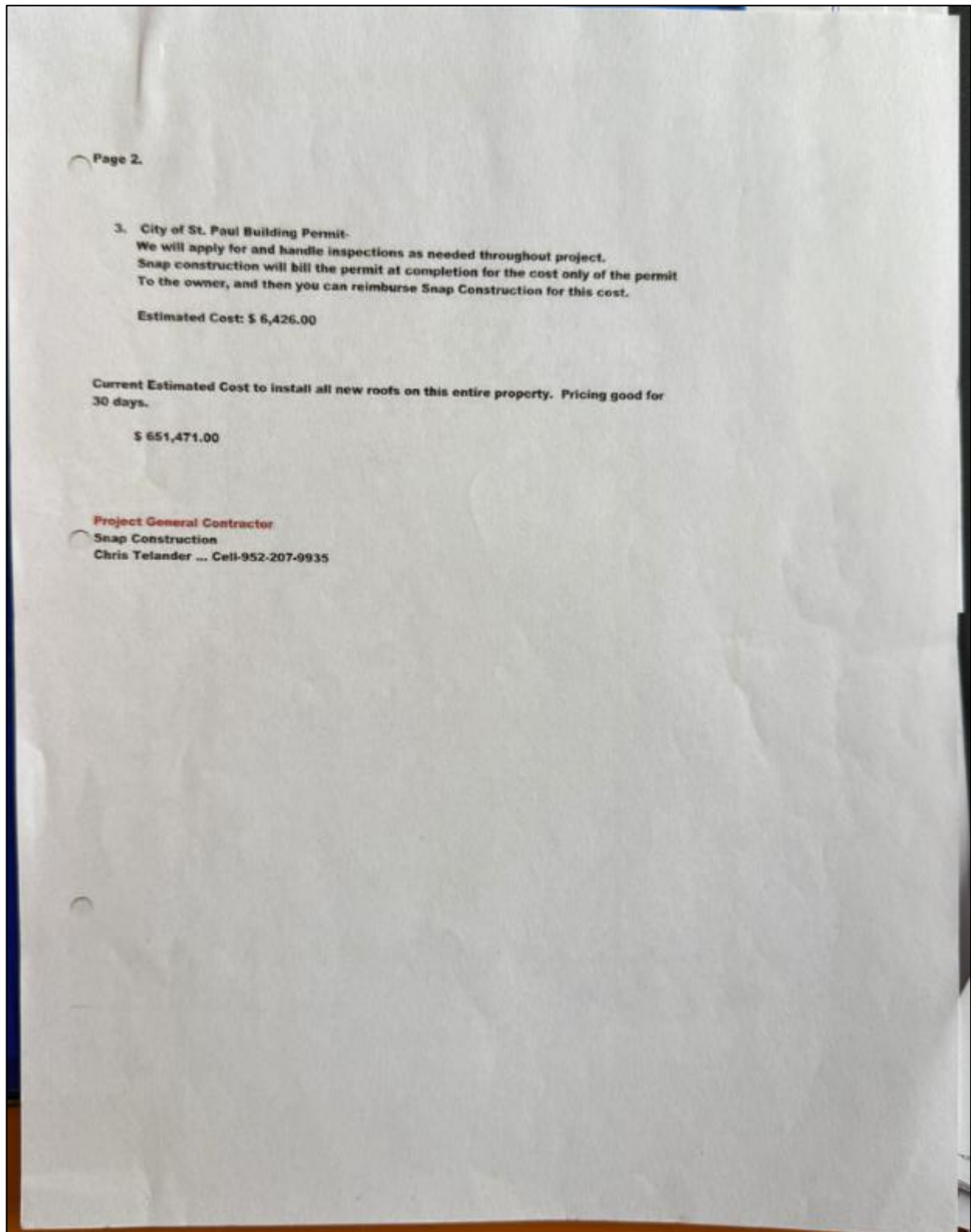
Description of Improvements – continued

Interior Space	
Ceiling	Plaster, Wood, drop down tiles
Clearance	Typical clearance throughout for religious facility with higher clear height in worship areas
Walls	Plaster, finished drywall, composite board
Floors	Carpet, vinyl, composite, tile
Lighting	Fluorescent, decorative, incandescent
Doors	Average, metal; typical trimmings throughout
Restrooms	Adequate bathrooms throughout
Layout	Typical layout with entry, gathering halls, worship areas, recreational areas, kitchen (full kitchen), private offices, classrooms, bathrooms, mechanical rooms;
Site Improvements	
Parking / Landscaping	100 +/- spaces, large parking lots / typical landscaping
Other	Small garage located on northern parking lot.
Depreciation	
Effective age	25 years
Est. Remaining Econ. Life	25 years, assuming proper maintenance and repairs
Physical	Normal wear and tear due to aging. Assumed typical water intrusion, infestation, and settlement. If found, otherwise, value could differ.
Deferred Maintenance	Yes, the current roof is in a dilapidated condition which has led to many roof leaks and water damage throughout the entire church. The full extent of the damage is unknown at the time of inspection.
Functional	Average, typical church layout with entry, common area, fellowship area, classrooms, sanctuary, kitchen (full commercial kitchen), etc. Special use property, limited alternative uses
External	Yes , Cost and value not presently equal for special use properties
<p>The church has been established in the community; there are multiple daycares, adult programs, and charities working out of the church. The property has limited alternative user appeal other than a religious facility, which is typical of the market;</p>	
Recent Updates:	Roof repairs.
Property Strengths:	Adequate onsite parking
Property Weaknesses:	Limited alternative users

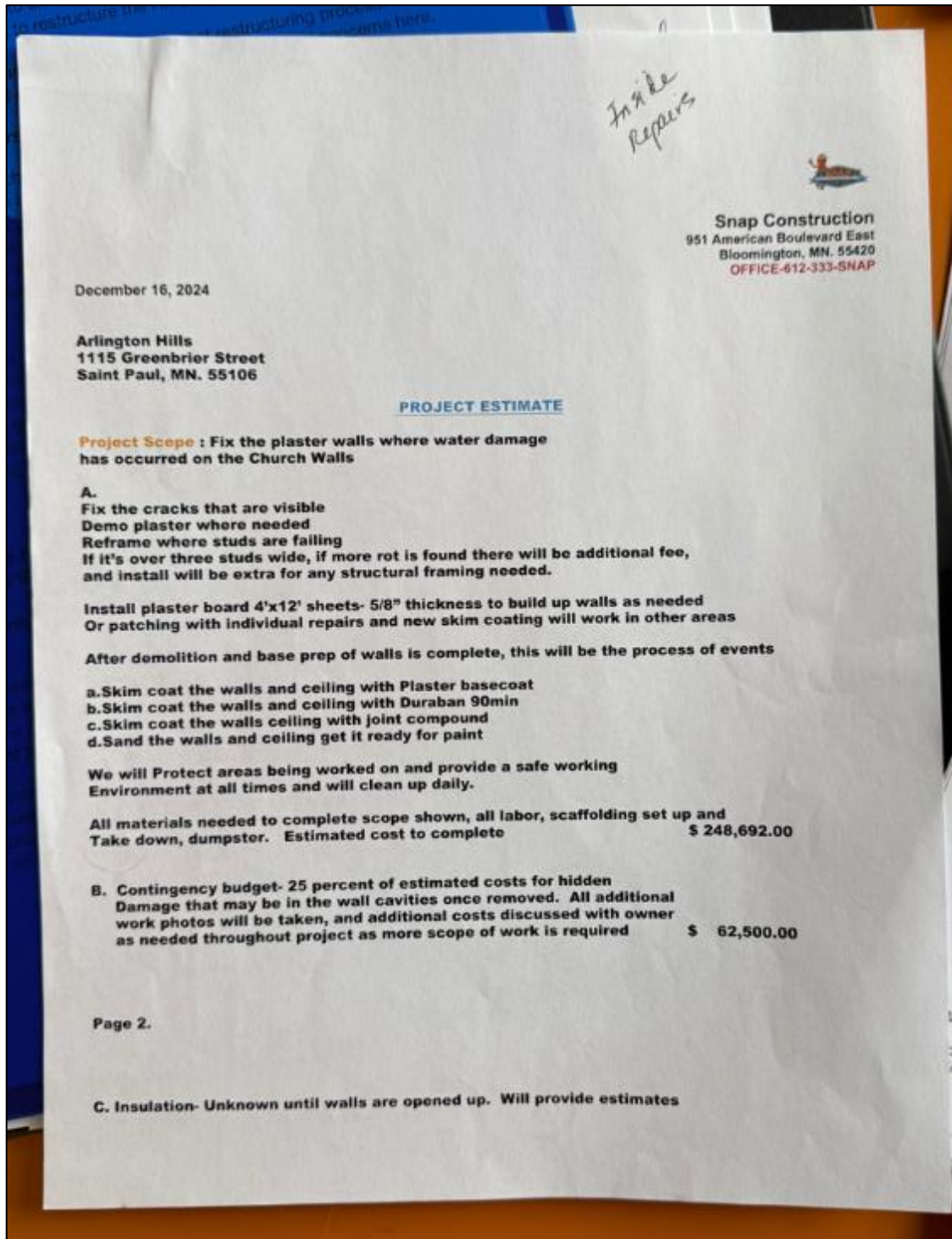
PROPOSED COSTS



Proposed Costs – continued



Proposed Costs – continued



Proposed Costs – continued

Roof Repairs: According to the documentation provided, the estimated cost to complete the required roof repairs is approximately \$651,471.26.

Interior Repairs: Based on the documentation provided, the estimated cost to complete the necessary interior repairs is approximately \$311,192.

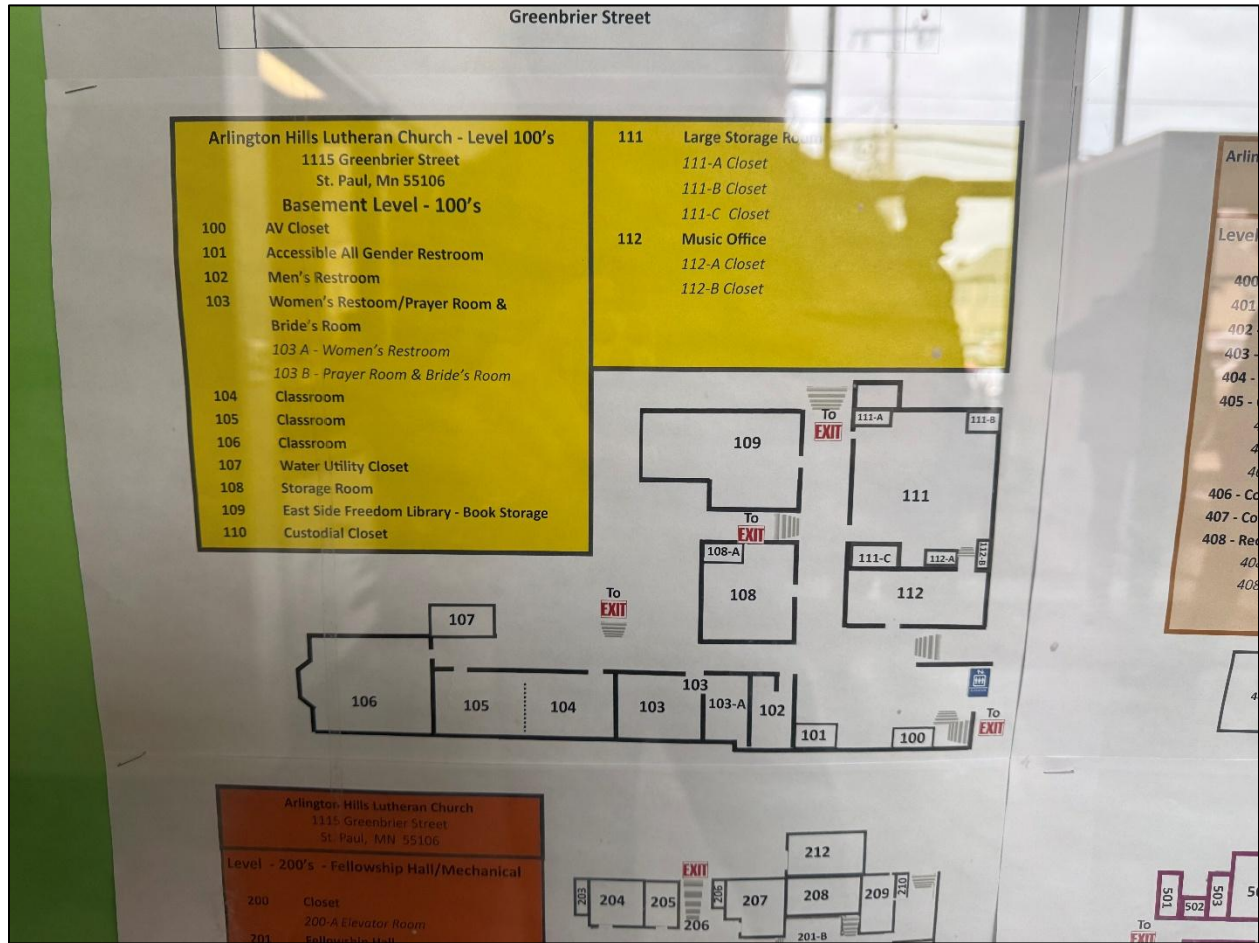
At the time of this analysis, the full extent of the damage to the roof system and interior walls is not fully known. The complete scope of damage will likely only be determined once repair work has commenced and the roof and wall components have been opened, allowing for inspection of underlying conditions that are not currently visible.

Construction projects of this nature typically experience cost overruns in the range of 5% to 10%. However, given the scope of the proposed repairs and the size of the building, cost overruns may exceed typical levels. The appraiser estimates that potential cost overruns could range from 25% to 50%, with a correlated estimate of 35% applied for purposes of this analysis.

The required repairs are considered deferred maintenance. As such, the total projected cost of the repairs, inclusive of the estimated cost overruns, will be deducted from the property's as-complete appraised value in order to estimate the property's as-is value.

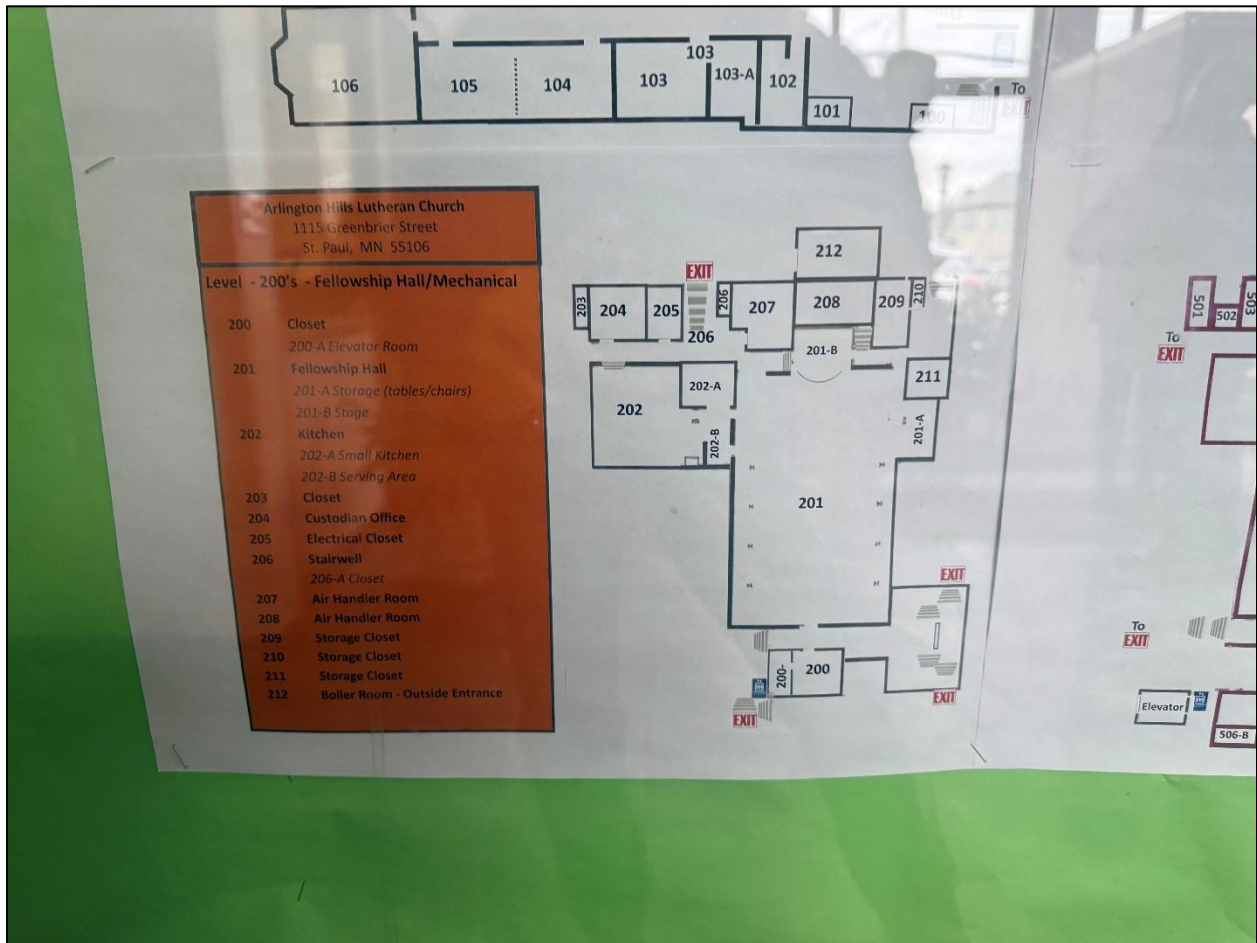
$\$962,663.26 \times 35\% = \mathbf{\$1,299,595.40}$ or $\mathbf{\$1,300,000}$ rnd. to be deducted.

BUILDING SKETCH



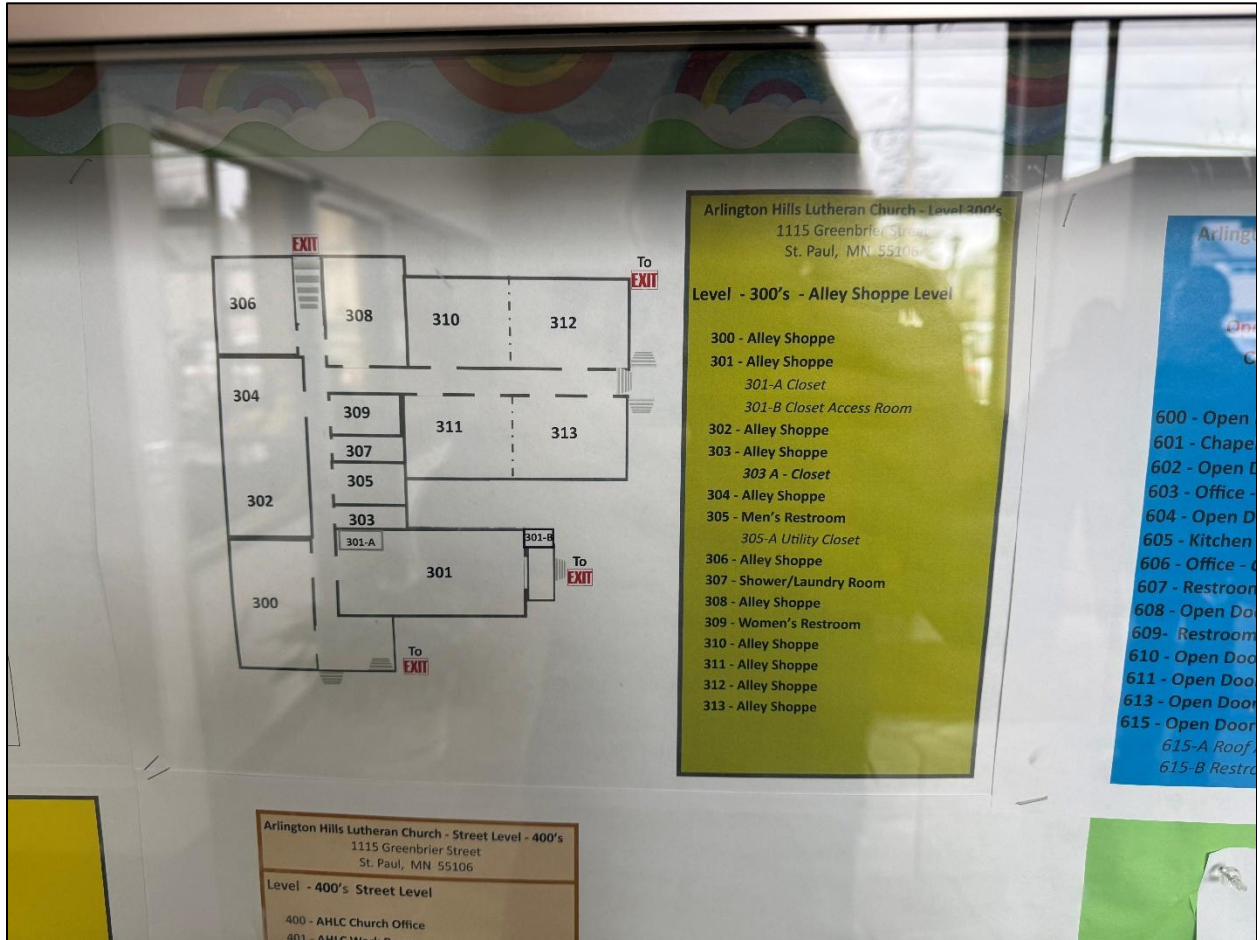
First floor plan.

Building Sketch – continued



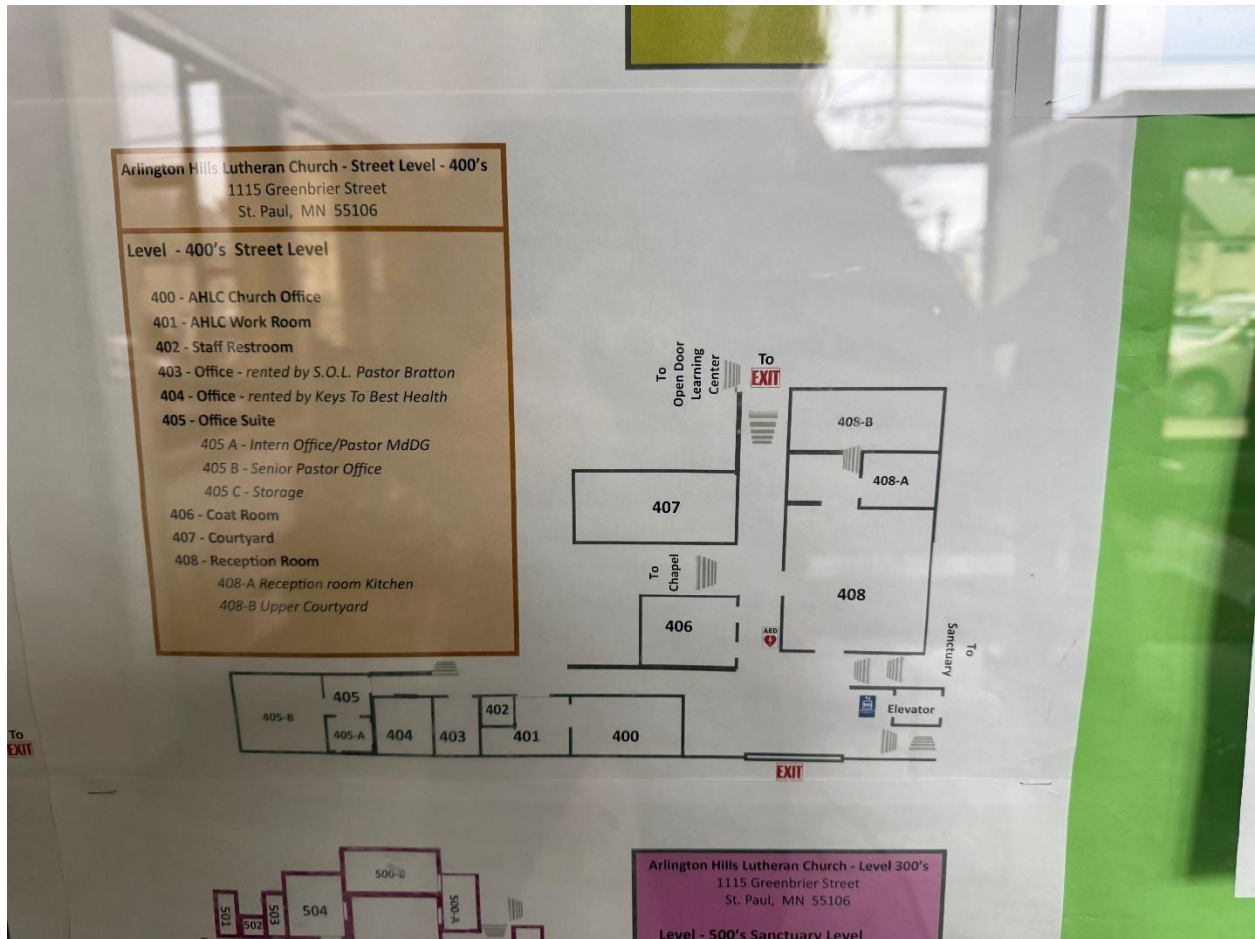
Second floor plan.

Building Sketch – continued



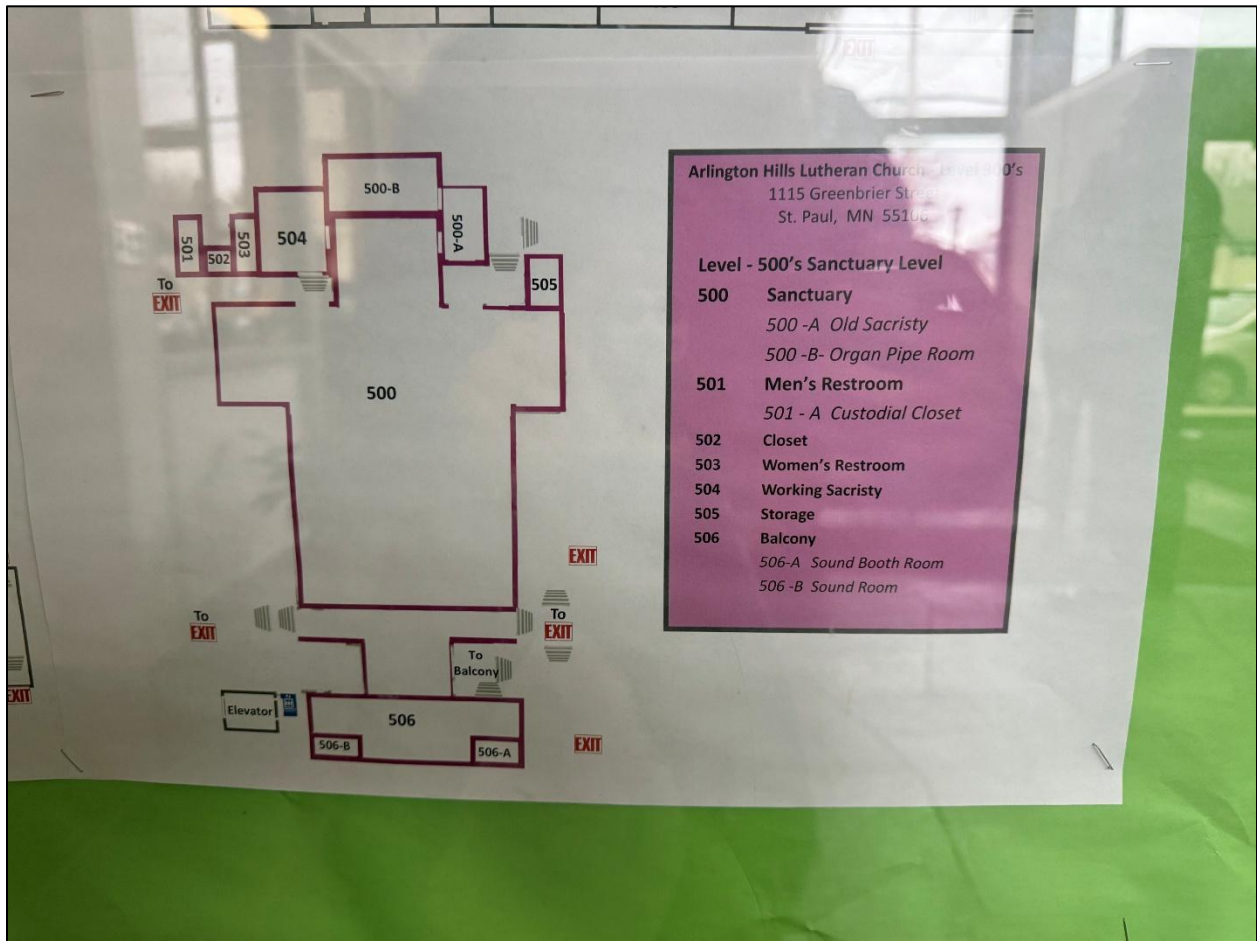
Third floor plan.

Building Sketch – continued



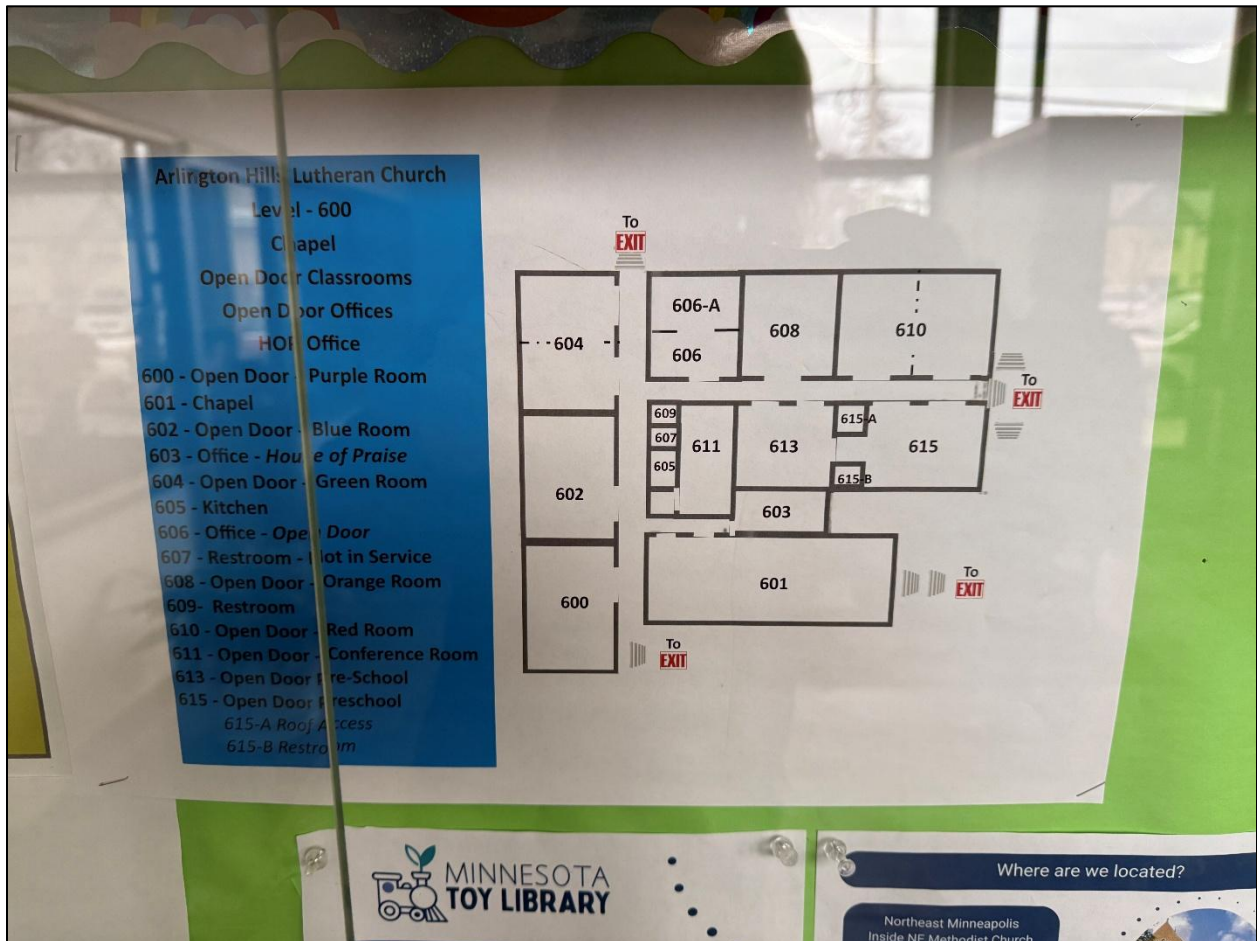
Fourth floor plan.

Building Sketch – continued



Fifth floor plan.

Building Sketch – continued



Sixth floor plan.

HIGHEST AND BEST USE

Highest and best use is defined in The Dictionary of Real Estate Appraisal, Seventh Edition as, “The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity”. Highest and best use is analyzed in two ways, site as vacant and site as improved.

<i>Typically, there are four criteria in highest and best use analysis</i>	
<i>Legally permissible uses</i>	<i>What uses are allowed by zoning?</i>
<i>Physically possible uses</i>	<i>What uses are physically possible on the site?</i>
<i>Financially feasible use</i>	<i>Which possible and permissible uses will produce a positive return?</i>
<i>Maximally productive use</i>	<i>Of the financially feasible uses, which use produces the highest return warranted by the market (the ideal improvements)?</i>

Site as Vacant: The use of the real estate based on the presumption that the parcel of land is vacant or can be made vacant by demolishing any improvements (i.e., as vacant or as if vacant). (The Appraisal of Real Estate, 15th Edition, page 307)

Legally Permissible Uses: The current **T2, Traditional Neighborhood** zoning allows for a variety of commercial and some residential related uses, religious uses are allowed. The site is guided for Mixed-Use which is somewhat of a similar use.

Physically Possible Uses: The physical characteristics would allow for development. The site is a large site, could have some subdivision appeal given the size, growth has occurred in the area The site has public utility appeal including electric, gas, water, sewer, trash, and internet. The topography would allow for typical development.

Financially Feasible Uses: Typically, surrounding uses, market demand, and availability of financing drive financially feasible uses.

Surrounding Uses: Immediate surrounding uses consist primarily of commercial and residential related uses. A residential or commercial-related development would be supported.

Financing: From 2019 to 2022, interest rates were near historic lows, ranging from 1.5% to 3.5%, depending on loan amount, equity down, etc. In order to combat inflation, interest rates were increased. Current loan terms for new construction are generally 20% to 30% down, and in September of 2025 interest rates were lowered by 25 basis points and again lowered by 25 basis points in October and December of 2025. The new range is approximately 5.25% to 7.00+% interest rates with 20-to-30-year amortization and 5-year balloons.

Market Demand: Market demand for residential land is rated to be average. Larger sites can have good demand in the market as it allows for larger development which captures the economy of scale.

Financially Feasible Uses: Commercial related use.

Maximally Productive Use: The surrounding uses and physical characteristics of the subject support a commercial or residential related development for the subject.

The subject is immediately surrounded by mostly commercial and residential. The site has average exposure for a commercial and/or residential site. Access is reasonably convenient. Given the subject's zoning, frontage, and access, the highest and best use for the subject site as vacant would be for a commercial/residential related development as the market demand warrants and zoning allows. Development timing is likely 2+ years.

Highest and Best Use – continued

Site as Improved: The use that should be made of the real estate as it exists (i.e., as currently improved or as if improved as proposed). (The Appraisal of Real Estate, 15th Edition, page 307)

Legally Permissible Uses: The subject's current use is allowed; it is assumed that the subject is allowed and can continue going forward even in a transfer of ownership. There are no other known or reported legality or conformance issues for the subject property that could restrict the current use on an ongoing basis; if found otherwise, the value opinion could differ.

Physically Possible Uses: The building is located in the central portion of the main parcel site with additional parking across the street to the east and north. The subject land-to-building ratio is fairly typical for this property type. Religious properties usually have higher ratios to allow for good onsite parking.

Given current age and condition of the improvements, in addition to land values in the area, redevelopment and/or re-purposing of the subject site are not considered viable options at this time.

Financially Feasible Uses:

Surrounding Uses: Immediate surrounding uses consist primarily of commercial and residential related uses. The current use is conforming to surrounding uses.

Market Demand: Market demand religious facilities like the subject is rated to be soft due to the large size of the subject, very limited number of potential users, only appeals to an owner-occupant. Limited potential alternative uses or users

Property History / Performance: The subject was built in 1937 per county records and has had many additions over the years which has led to the subjects unique and large layout.

Financing: Financing is available; interest rates were at historic lows for well qualified buyers in 2020-2021, however, there were large increases since the start of 2022 in attempts to offset inflation. In September of 2025 interest rates were dropped by 25 basis points and again by 25 basis points in October and December of 2025. Lenders commonly consider the existing vacancy and potential timeframe to secure a tenant(s). Fully occupied properties are appealing to lenders. Current loan terms are 20- to 25-year amortization, 5-year balloons, and 5.50% to 7.00%+ interest rates.

Financially Feasible Uses: Religious facility use.

Highest and Best Use – continued

Maximally Productive Use:

There appear to be multiple options for the subject property.

1. **Raze and redevelop:** Current improvements are substantial and add contributory value to the overall property. Given current land values, surrounding uses, and condition of the improvements, redevelopment at this time is not likely or logical given the high costs of razing.
2. **Continued religious facility use:** Continued use as such is likely and logical. A market participant would continue the current use while maintaining the overall structure.
3. **Conversion to alternative use:** The subject has limited alternative use appeal. Majority of religious facilities that no longer function as such are demolished for redevelopment given the limited alternative use appeal.
4. **Sell off parking lots:** The subject has two separate parking lots; there is very limited appeal to selling these off as religious facilities need ample parking and without it the religious facility would struggle to provide parking for its members. Keeping and maintaining the parking lots is logical.

Continued use as a religious facility is likely and logical. A market participant would continue the current use with routine maintenance to maintain property values.

Site as vacant and site as improved are considered to be different as a market participant would likely develop the site with residential/commercial related uses rather than a religious facility.

Most Probable Buyer: The most probable buyer is an owner-occupant (as-improved). Religious facilities such as the subject are not investment grade properties and as such are not purchased for investments.

COST APPROACH

Due to the subjectivity in physical and external depreciation, the Cost Approach is not considered a reliable indicator of value and therefore was not applied.

INCOME APPROACH

The subject is a special use property and they are rarely rented in the market. In addition to be exclusively owner-occupied the property has limited alternative uses other than a church with childcare or school related uses, as such, leasing out to alternative uses is not likely. Properties like the subject are typically owner-occupied and are land intensive. As such, the Income Approach is considered to be less reliable, and therefore, not applied. If properties are leased, usually they are between related parties.

SALES COMPARISON APPROACH

The Sales Comparison Approach to Value is predicated upon sales of properties with similar characteristics as the subject. The primary premise of this approach is that the market value of the subject is directly related to the prices of competing properties after adjustment. Adjustments are made in an effort to account for significant differences.

Supply and Demand: Sales in the market result from negotiations between buyers, sellers and lenders. Buyers reflect market demand and sellers supply. If demand is high, prices tend to increase, if it is low, prices usually decrease.

Substitution: The principle of substitution holds that the value of a property tends to be set by the price paid to acquire a substitute property of similar utility and desirability within a reasonable amount of time (The Appraisal of Real Estate, 14th Edition). The Sales Comparison Approach is less reliable if substitute properties are not available in the market. There are adequate sales to apply the sales comparison approach and formulate a reliable indication of market value.

Balance: The market tends to force a balance between supply and demand. Balance can change due to shifts in population, variations in purchasing power, consumer tastes and preference and time.

Externalities: When possible, select comparables with similar location, economic conditions and support facilities.

The Following Outline Is Used In The Sales Comparison Approach:

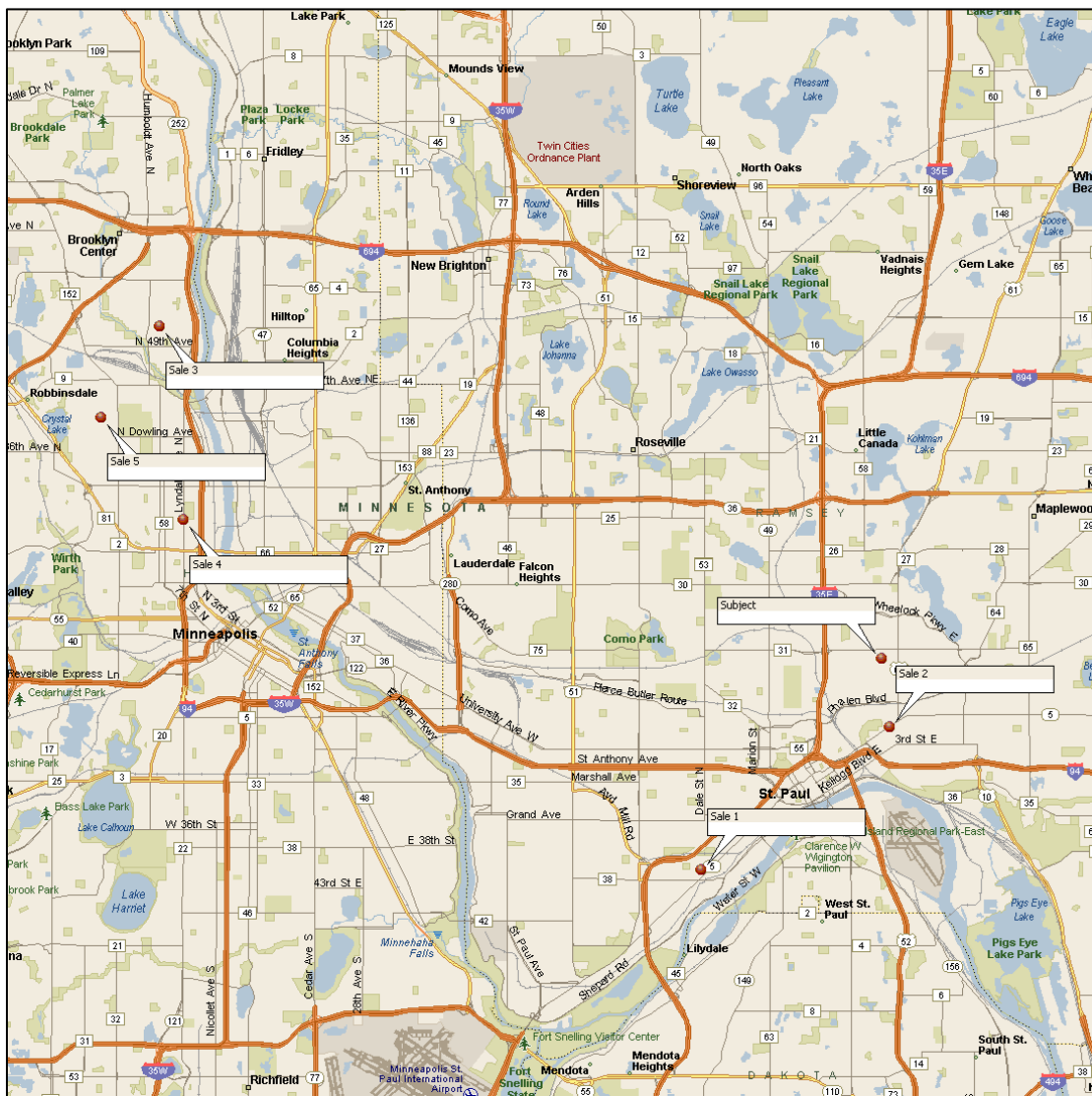
- A location map of the comparable sales.
- Comparable sales are listed.
- An adjustment grid using the comparable sales.
- A discussion of adjustment and conclusion of value.

Sales Comparison Approach -- continued

Comparable Location Map

Primary Comparable Selection/Search Criteria:

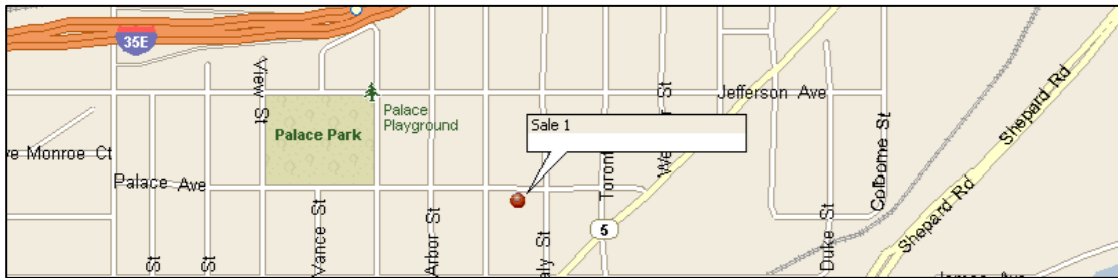
- Churches / Religious Facilities, special use properties; and secondary consideration to schools given the large classroom / childcare addition on the subject
- Emphasis given to comparables with single-user layouts, fee simple sales
- Sale date of January 1, 2020+, older sales may be considered
- Limited available data of large religious facilities that are updated, school of search expanded.
- In some instances, older data and/or data from competing communities will be utilized due to proximity to the subject and other characteristics similar to the subject.



Note: Scope of search area and criteria are expanded due to special use nature of property. Large churches like the subject rarely sell.

Sales Comparison Approach -- continued

Sale Comparable #1



Property Data

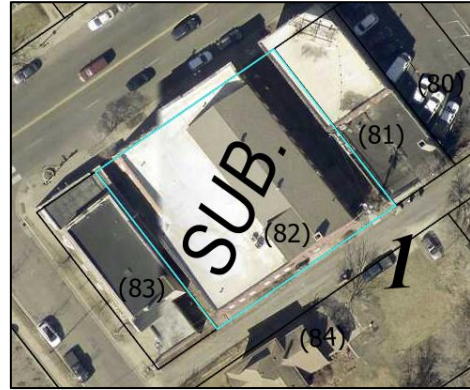
Address:	650 Palace Avenue, St. Paul		
Property Use:	Religious	Tenancy:	Single
Year Built / Effective Age:	1937, '50, '59 / E25	Site size:	113,850 SF
Quality/Appeal:	Average	Land to Bldg Ratio:	1.6 to 1
Condition:	Average	Parking:	Onsite Parking
GBA:	71,630 SF	Basement:	Yes, Included
Comments:	Religious facility located in St. Paul. Sale used due to competing use, recent sale, larger GBA, and proximity to the subject. Average appeal and condition.		

Sale Data

Sale Price:	\$1,365,000	Price /SF (GBA):	\$19.06 per SF
Sale/Close Date:	February 26, 2026		
Property Rights:	Fee Simple	Buyer:	The Saint Paul Seminary
Financing:	Cash	Seller:	The Church of St. Francis de Sales of St. Paul, Minnesota
Conditions:	Typical	Source/Verification:	CoStar / CREV
Comments:	Property was privately sold; appears to be within market range.		

Sales Comparison Approach -- continued

Sale Comparable #2



Property Data

Address:	770 7th Street East, St. Paul		
Property Use:	Religious	Tenancy:	Single
Year Built / Effective Age:	1900 / E25	Site size:	13,200 SF
Quality/Appeal:	Average	Land to Bldg Ratio:	0.4 to 1
Condition:	Average	Parking:	Onsite Parking
GBA:	30,084 SF	Basement:	None
Comments:	Religious facility located in St. Paul. Sale used due to competing use, recent sale, and proximity to the subject. Average appeal and condition.		

Sale Data

Sale Price:	\$1,000,000	Price /SF (GBA):	\$33.24 per SF
Sale/Close Date:	December 17, 2025		
Property Rights:	Fee Simple	Buyer:	Taller Del Maestro Assemblies of God
Financing:	New Mortgage	Seller:	Ethiopian Evangelical Church in Minnesota
Conditions:	Typical	Source/Verification:	County / CREV
Comments:	Property was publicly listed.		

Sales Comparison Approach -- continued

Sale Comparable #3



Property Data

Address:	5140 Fremont Avenue North, Minneapolis		
Property Use:	Religious/School	Tenancy:	Single
Year Built / Effective Age:	1948, '52, '53, '58 / E25	Site size:	162,452 SF
Quality/Appeal:	Average	Land to Bldg Ratio:	2.3 to 1
Condition:	Average	Parking:	Onsite Parking
GBA:	70,593 SF	Basement:	Yes, Included
Comments:	Religious/school property located in Minneapolis. Sale used due to competing use, recent sale, and larger GBA. Average appeal and condition.		

Sale Data

Sale Price:	\$2,800,000	Price /SF (GBA):	\$39.66 per SF
Sale/Close Date:	October 31, 2025		
Property Rights:	Fee Simple	Buyer:	Cardlevitron LLC
Financing:	CD	Seller:	The Church of Our Lady of Victory of Minneapolis
Conditions:	Typical	Source/Verification:	CoStar / CREV
Comments:	Property was publicly listed. CD terms are as follows; down payment of \$1,500,000 with 35 monthly payments of \$8,649 on a fixed interest rate of 7.0% with a balloon payment of \$1,258,757 on 11/01/2028. Reportedly there was another purchase on 10/31/2025 for \$3,700,000 on a CD; it does not appear to be an arms length transaction.		

Sales Comparison Approach -- continued

Sale Comparable #4



Property Data

Address:	2521 Lyndale Avenue North, Minneapolis		
Property Use:	Religious	Tenancy:	Single
Year Built / Effective Age:	1910, 2015 / E20	Site size:	69,180 SF
Quality/Appeal:	Average	Land to Bldg Ratio:	2.0 to 1
Condition:	Average	Parking:	Onsite Parking
GBA:	34,299 SF	Basement:	Yes, Included
Comments:	Religious property located in Minneapolis. Sale used due to competing use, recent sale, and similar multi-parcel layout. Average appeal and condition. The property received some updates in 2015.		

Sale Data

Sale Price:	\$1,230,904	Price /SF (GBA):	\$35.89 per SF
Sale/Close Date:	December 9, 2025		
Property Rights:	Fee Simple	Buyer:	Motherly Love Daycare, Inc
Financing:	CD	Seller:	Foundation Capital Resources, Inc.
Conditions:	Typical	Source/Verification:	Moody's / CREV
Comments:	Property was publicly listed. CD terms are as follows; down payment of \$50,000 with 83 monthly payments of \$7,458 on a fixed interest rate of 7.75% with a balloon payment of \$0.00 on 01/01/2033.		

Sales Comparison Approach -- continued

Sale Comparable #5



Property Data

Address:	4021 Thomas Avenue North, Minneapolis		
Property Use:	Religious/School	Tenancy:	Single
Year Built / Effective Age:	1950 / E25	Site size:	78,408 SF
Quality/Appeal:	Average	Land to Bldg Ratio:	1.4 to 1
Condition:	Average	Parking:	Onsite Parking
GBA:	56,963 SF	Basement:	Yes, Included
Comments:	Religious/school property located in Minneapolis. Sale used due to competing use and larger GBA. Average appeal and condition.		

Sale Data

Sale Price:	\$2,000,000	Price /SF (GBA):	\$35.11 per SF
Sale/Close Date:	June 14, 2022		
Property Rights:	Fee Simple	Buyer:	New Oil Christian Center
Financing:	New Mortgage	Seller:	MCA Holdings LLC
Conditions:	Typical	Source/Verification:	RediComps / CREV
Comments:	Property was publicly listed.		

Sales Comparison Approach -- continued

Listed below is the adjustment grid for the comparables listed on the previous pages. Comparable items of significant difference are adjusted for.

Description	Subject	1	2	3	4	5
Address	1115 Greenbrier Street St. Paul	650 Palace Avenue St. Paul	770 7th Street East St. Paul	5140 Fremont Avenue North Minneapolis	2521 Lyndale Avenue North Minneapolis	4021 Thomas Avenue North Minneapolis
Proximity	As-Complete	4.25 mi SW	1.02 mi S	11.8 mi NW	10.6 mi NW	12.3 mi NW
Property Rights	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Financing	Conventional	Cash	New Mortgage	CD	CD	New Mortgage
Conditions	Typical	Typical	Typical	Typical	Typical	Typical
Market Conditions	--	Feb-26	Dec-25	Oct-25	Dec-25	Jun-22
Location	Average	Average	Average	Average	Average	Average
Zoning/use	Religious	Religious	Religious	Religious/School	Religious	Religious/School
Design	Typical	Typical	Typical	Typical	Typical	Typical
Site SF	81,219	113,850	13,200	162,452	69,180	78,408
L to B ratio	1.3 to 1	1.6 to 1	0.4 to 1	2.3 to 1	2.0 to 1	1.4 to 1
Age	1937 / E25	1937, '50, '59 / E25	1900 / E25	1948, '52, '53, '58 / E25	1910, 2015 / E20	1950 / E25
Quality/Appeal	Average	Average	Average	Average	Average	Average
Condition	Average	Average	Average	Average	Average	Average
Basement	Yes, Included	Yes, Included	None	Yes, Included	Yes, Included	Yes, Included
Parking/Landspg	Onsite Parking	Onsite Parking	Onsite Parking	Onsite Parking	Onsite Parking	Onsite Parking
Sale Price	--	\$1,365,000	\$1,000,000	\$2,800,000	\$1,230,904	\$2,000,000
GBA SF	64,496	71,630	30,084	70,593	34,299	56,963
Unadjusted Price /SF		\$19.06	\$33.24	\$39.66	\$35.89	\$35.11
Adjustments +/-						
Property Rights	Fee Simple					
Financing	Conventional					
Conditions	Typical					
Net Adj.		0%	0%	0%	0%	0%
Partially Adj. Price /SF		\$19.06	\$33.24	\$39.66	\$35.89	\$35.11
Market Conditions	Current					
Equalized Price /SF		\$19.06	\$33.24	\$39.66	\$35.89	\$35.11
Location	Average					
Zoning/use	Religious					
Design	Typical					
L to B ratio	1.3 to 1			-1%		
Age	1937 / E25				-3%	
Quality/Appeal	Average					
Condition	Average					
Basement	Yes, Included		10%			
Parking/Landspg	Onsite Parking					
GBA SF	64,496		-5%		-5%	
Net Adjust		0%	5%	-1%	-8%	0%
Adjusted Price Per SF		\$19.06	\$34.90	\$39.27	\$33.02	\$35.11

Sales Comparison Approach – continued

Discussion of Adjustments

Property Rights:

Refers to the ownership interest conveyed at the time of sale. Properties with leases or other encumbrances in place can sell for more or less than comparable properties that sell fee simple interest.

- Comparables considered to be competing.

Financing:

The impact financing may have had on the sale price, favorable interest rate or term.

- Comparables 3 and 4 were Contract for Deed sales; appears to be within market range.

Conditions of sale:

Reflects non-market conditions, which may or may not have impacted the sale price, such as differing motivations of buyer or seller (related parties, distressed or liquidation sale, listings, pendings, occupancy, assemblage, etc.), impending eminent domain proceedings, influence due to tax ramifications, or lack of market exposure.

- No adjustment applied.

Time of sale:

- No time adjustment is warranted.

Location:

This adjustment is based on the appraiser's judgment and takes into consideration the median household incomes. It takes into consideration surrounding land uses, intended use, neighborhood characteristics, traffic, exposure, and access.

- Comparables considered to have competing locations.

Zoning/Use:

Comparables with different zoning or use can have different allowed uses and appeal on the market.

- Comparables bracket the overall zoning and density for the subject property.

Design:

- Comparables considered competing.

Sales Comparison Approach – continued

Site Size/ Land to Building Ratio:

Site size adjusted using Site SF/GBA SF ratio.

- A rate of ½% per 1.0 difference is considered appropriate.

Age:

Adjustment is based on effective age.

- Adjusted at ½% per year difference from subject.

Quality/Appeal:

Buildings with better design (more detail and variation) are typically considered more appealing.

- Comparables considered to have competing appeal.

Condition:

This is a more subjective item, which is based on reported building condition and external viewing.

- Comparables considered to have competing condition.

Basement:

- Comparables adjusted accordingly.

Parking/Outdoor Storage:

- Comparables considered relatively competing, no adjustment warranted.

Building Size:

Generally, as building size increases the cost of construction tends to decrease.

- Comparables adjusted accordingly.

Sales Comparison Approach – continued

Conclusion:

The comparables used are rated to be the most indicative of data analyzed and bracket the subject value. Other sales reviewed were older, further and/or needed more adjustment. Adjustments are made on a per square foot basis. The comparables utilized in this analysis each have several similar characteristics in common with the subject. While none are totally identical to the subject, each represents a viable alternative to a prospective buyer of the subject property and, after adjustment, can be utilized as an indicator of market value for the subject property.

Indicator	<u>Un-adjusted</u> Price per SF	<u>Adjusted</u> Price per SF
Range	\$19.06 - \$39.66	\$19.06 - \$39.27
Average	\$32.59	\$32.27
Median	\$35.11	\$34.90

Slightly more weight given to the comparables 1 and 2 due to proximity. Given the data, condition and overall appeal, and the overall market, a rate towards the mid-range is considered appropriate.

Size (GBA SF)	Value per SF	Total
64,496	\$30.00	\$1,934,880
Indicated Value - SALES COMPARISON APPROACH As-Complete		\$1,935,000
<i>Less Repair Costs</i>		<i>\$1,300,000</i>
Indicated Value - SALES COMPARISON APPROACH As-Is		\$635,000

ILLUSTRATIVE INCOME COMMENTS

An Illustrative Income Comments is included due to the presence of tenant occupants within the subject property. These tenants are generally compatible with the primary use of the property and consist primarily of religious or charitable organizations.

Churches and other religious facilities are considered special-purpose properties and are not typically purchased for investment purposes. As a result, these properties rarely transact based on a capitalization rate, and reliable market-derived rental and capitalization rate data is limited.

When rental arrangements occur within church facilities, the rents are typically negotiated between related or compatible organizations and may not reflect an open-market leasing environment. Accordingly, such rental data is limited in its applicability for developing a traditional income capitalization analysis. Due to the specialized nature of church properties, tenants occupying space within these facilities are typically organizations with religious or closely related uses. As a result, the existing rental arrangements are generally considered reflective of the functional market for this property type, as traditional commercial tenants rarely seek space within religious facilities.

Therefore, the following Illustrative Income Comments summarizes the subject's existing rent roll and presents an illustrative income review that includes estimated vacancy and operating expenses. A capitalization rate has not been applied due to the limited availability of reliable market data for this property type. Instead, the analysis provides an estimated Net Operating Income (NOI) for informational purposes only.

Illustrative Income Comments -- continued

Reported Subject Rents/Income

Rents: The subject is owner occupied with multiple tenants.

As-Is Rent Roll as of (10/28/2025)							
Tenant	Rentable SF	Term	Lease type	Monthly	Rate Per SF	LL Expenses	Notes
East Side Freedom Library	600	M-t-M	Gross	\$360	\$7.20	n/a	Gross lease; however, there is many shared spaces and as such no exact expenses are available.
House of Praise (Buyer)	6,526	Internal Allocation	Gross	\$2,400	\$4.41	n/a	Gross lease; however, there is many shared spaces and as such no exact expenses are available.
Keys to Best Health	189	M-t-M	Gross	\$345	\$21.90	n/a	Gross lease; however, there is many shared spaces and as such no exact expenses are available.
Ministerios Dias de Gloria	656	Use Agreement	Gross	\$815	\$14.91	n/a	Gross lease; however, there is many shared spaces and as such no exact expenses are available.
Pastor Donnell Bratton	180	n/a	Gross	\$330	\$22.00	n/a	Gross lease; however, there is many shared spaces and as such no exact expenses are available.
Literacy MN / Open Door	5,710	Program Agreement	Gross	\$3,200	\$6.73	n/a	Gross lease; however, there is many shared spaces and as such no exact expenses are available.
AHLC (Seller)	n/a	--	--	--	--	--	Current owners of the church.
Total:	n/a	--	--	\$7,450	--	--	--

Illustrative Income Comments -- continued

As-Complete Rent Roll as of (March 2026 after the purchase)							
Tenant	Rentable SF	Term	Lease type	Monthly	Rate Per SF	LL Expenses	Notes
East Side Freedom Library	600	M-t-M	Gross	\$360	\$7.20	n/a	Gross lease; however, there is many shared spaces and as such no exact expenses are available.
House of Praise (Buyer)	6,526	--	--	--	--	--	Buyer of the church will continue to owner occupy their existing space.
Keys to Best Health	189	M-t-M	Gross	\$345	\$21.90	n/a	Gross lease; however, there is many shared spaces and as such no exact expenses are available.
Ministerios Dias de Gloria	656	Use Agreement	Gross	\$815	\$14.91	n/a	Gross lease; however, there is many shared spaces and as such no exact expenses are available.
Literacy MN / Open Door	5,710	Program Agreement	Gross	\$3,200	\$6.73	n/a	Gross lease; however, there is many shared spaces and as such no exact expenses are available.
Spirit of Liberation Center (New)	n/a	n/a	Gross	\$4,300	n/a	n/a	Gross lease; however, there is many shared spaces and as such no exact expenses are available.
Minnesota Preparatory Academy (New)	n/a	n/a	Gross	\$2,500	n/a	n/a	Gross lease; however, there is many shared spaces and as such no exact expenses are available.
Frogtown Rondo Black Church Alliance (New)	n/a	n/a	Gross	\$3,200	n/a	n/a	Gross lease; however, there is many shared spaces and as such no exact expenses are available.
Total:	n/a	--	--	\$14,720	--	--	--

Within the as-complete scenario, the buyer is bringing in 3 new tenants which is increasing the overall gross rents.

Illustrative Income Comments -- continued

Other Income:

Churches and religious facilities often receive income in the form of grants, tithes, and offerings. However, as this income is neither guaranteed nor consistent, it is not considered typical real estate income and has therefore been excluded from the following income analysis.

Related Party Tenants:

Several of the tenants occupying the subject property are related parties or otherwise affiliated with the church. This is typical for church and religious facilities, as these properties often accommodate organizations with similar religious or charitable missions and may involve shared use of space or facilities. As a result, certain lease arrangements may not reflect a traditional open-market leasing environment.

Vacancy:

Vacancy is not included within this commentary as the only item being reported is the effective gross rates on the subject.

Operating Expenses:

Operating expenses have been estimated based on typical market benchmarks for similar property types, where available. These estimates are intended to provide a reasonable allowance for the subject's operating costs for purposes of the illustrative income comments.

Real Estate Taxes:

Real estate taxes have not been included in the following income analysis, as churches are typically exempt from property taxation. It is assumed that the tenants occupying the property are religious or charitable organizations that would support the continuation of the property's tax-exempt status. If a tenant were determined to be a non-qualifying use, a portion of the property could become subject to taxation, which may affect the income analysis.

Income Approach Conclusion:

Based on the foregoing assumptions, the following analysis summarizes the subject's rent roll and develops an estimated Net Operating Income (NOI) for illustrative purposes.

Notes:

If additional information is provided illustrative income comments could differ.

Illustrative Income Comments -- continued

Below is a summary of the gross income within the as-is and as-complete scenarios.

As-Is Rental Analysis	
Effective Gross Rent	\$89,400
Expenses/Reserves	40%
NOI	\$53,640

As-Complete Rental Analysis	
Effective Gross Rent	\$176,640
Expenses/Reserves	40%
NOI	\$105,984

The above difference in the effective gross rent is due to the buyer bringing in 3 new tenants. No LOI's have been provided for the space; if found to be otherwise the above could differ.

Total Operating Expenses (recoverable + non recoverable): Expense comparables for churches and religious facilities are extremely rare and as such market estimations are utilized for the overall expenses and reserves for the property.

The above Net Operating Income (NOI) figures are presented for informational and illustrative purposes only and are not intended to support a value indication. Therefore, no direct capitalization analysis has been performed as properties like the subject are almost exclusively owner occupied.

RECONCILIATION

Values	As-Complete	As-Is
Cost Approach	Not Applied	Not Applied
Sales Comparison Approach	\$1,935,000	\$635,000
Income Approach	Not Applied	Not Applied

In the **Cost Approach** was not considered reliable due to the subjective depreciation amounts.

The Direct **Sales Comparison Approach** to value analyzed recent sales of buildings as compared with the characteristics of the subject property. Adjustments were made to the comparables to make them as similar to the subject as possible. This results in an indication of market value at which a typical buyer would be willing to pay for the subject property. Quantity and quality of data rated to be average to fair.

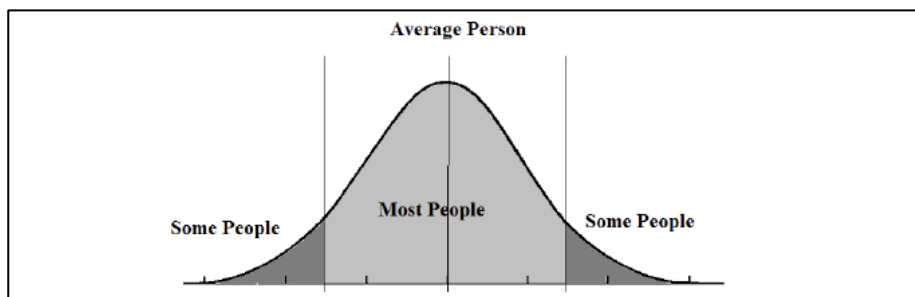
The **Income Approach** was not necessary or applicable due to churches being predominately owner occupied; considered to be a less reliable indicator of value. As such, income analysis comments of the existing rents and rents after purchase are examined.

Conclusion: All weight given only to the Sales Comparison Approach.

Final Value Opinion	
The value opinion is as-complete:	\$1,935,000
The value opinion is as-is:	\$635,000

NOTE: Changes in the economy, market, building, use, lease, foreclosures, and/or management, etc., subsequent to the effective appraisal date could impact market value. Typically, unstable and/or distressed properties with unusual conditions and/or motivated sellers tend to sell below market value. Based on market observations and discussions with various market experts, bank owned discounts can range from 10%-50%+.

The appraised value opinion is considered to be indicative of the most probable price within the subject market (see Market Value Definition in rear of report). The actions of buyers and sellers operating in said market generally reflects a bell curve, with most participants and prices in the middle of the curve. However, there are right and left tail market participants that may have a different perception of value than most buyers/sellers resulting in a willingness to pay more or less than the appraised value opinion. Seller may be fortunate and find a buyer who needs this property and is willing to pay more, conversely there could only be buyers that are towards the left, that are willing to pay less.



EXPOSURE TIME / MARKETING TIME

Reasonable Exposure Time: Typically 12 months before the effective date of the appraisal.

Marketing Time Opinion: 12 months or less after the effective date of the appraisal.

DEFINITIONS

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:

(A) buyer and seller are typically motivated;

(B) both parties are well informed or well advised, and each acting in what they consider their own best interest;

(C) a reasonable time is allowed for exposure in the open market;

(D) payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and

(E) 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.

Source: [Dictionary of Real Estate Appraisal, Fifth Edition, Appraisal Institute](#)

SPECIAL PURPOSE PROPERTY – A property with a unique physical design, special construction materials, or a layout that particularly adapts its utility to the use for which it was built; also called a special-design property.

Source: [Dictionary of Real Estate Appraisal, Sixth Edition, Appraisal Institute](#)

ENVIRONMENTAL & STRUCTURAL ISSUES

Regarding any adverse environmental and/or improvement structural conditions (such as, but not limited to, hazardous wastes, toxic substances, mold, construction defects or inadequacies, etc.) present in the improvements, on the site, or in the immediate vicinity of the subject property: **None are apparent**, however, appraiser is not an expert in this field. Value assumes no hazardous or structural conditions exist. Value assumes any abandoned wells will be properly sealed. If any of these conditions exist the appraised value could differ significantly.

EXTRAORDINARY ASSUMPTIONS & HYPOTHETICAL CONDITIONS

As stated by USPAP;

Extraordinary Assumption: An assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser's opinions of conclusions.

The appraised value assumes the proposed improvements are completed as described herein and in workmanlike manner, if found to be otherwise, appraised value could differ. If actual repair costs differ from proposed cost and cost overruns the final value could differ.

The appraised value assumes a stable market, if found to be otherwise, appraised value could differ.

Hypothetical Condition: That which is contrary to what exists but is supposed for the purpose of analysis.

None

ASSUMPTIONS AND LIMITING CONDITIONS

1. The appraisers assume no responsibility for matters of a legal nature affecting the property appraised or the title thereto, nor do the appraisers render any opinion as to the title, which is assumed to be good and marketable. The property is appraised as though under responsible ownership and good management.
2. The furnished legal description is assumed to be correct.
3. Any sketch in the report may show approximate dimensions and is included to assist the reader in visualizing the property. The appraisers have made no survey of the property. It is assumed unless otherwise noted that no survey has been viewed and that all improvements are located within the legally described property.
4. The appraisers are not required to give testimony or appear in court because of having made the appraisal with reference to the property in question, unless arrangements have been previously made therefore.
5. The distribution of the total valuation in this report between land and improvements applies only under the reported highest and best use of the property. The allocations of value for land and improvements must not be used in conjunction with any other appraisal and are invalid if so used.
6. The appraisers assume that there are no hidden or unapparent conditions of the property, subsoil, or structures, which would render it more or less valuable. The appraisers assume no responsibility for such conditions, or for engineering, which might be required to discover such factors.
7. Unless otherwise stated in this report, the existence of hazardous materials, which may or may not be present on the property, was not observed by the appraiser. The appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, radon gas, or other potentially hazardous materials may affect the value of the property. The value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.
8. Information, estimates, and opinions furnished to the appraisers, and contained in the report, were obtained from sources considered reliable and believed to be true and correct. However, the appraisers can assume no responsibility for accuracy of such items furnished the appraisers.
9. Disclosure of the contents of the appraisal report is governed by the Bylaws and Regulations of the professional appraisal organizations with which the appraisers are affiliated. No part of the contents of this report, or copy thereof (including conclusions as to the property value, the identity of the appraiser, professional designations, reference to any professional appraisal organizations, or the firm with which the appraiser is connected), shall be disseminated to the public through advertising, public relations, news, sales, or any other public means of communications without the prior written consent and approval of the appraisers.


Assumptions & Limiting Conditions – continued

10. The appraisers have no present or contemplated future interest in the property appraised; and neither the employment to make the appraisal, nor the compensation for it, is contingent upon the appraised value of the property. The appraisers have no personal interest or bias with respect to the parties involved.
11. The appraiser has personally inspected the subject site (unless noted otherwise). The comparable sales data has been viewed via aerial maps, photographs and/or online street views along with file pictures, when available. To the best of the appraiser's knowledge and belief, all statements and information in this report are true and correct, and the appraisers have not knowingly withheld any significant information.
12. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and is our personal, unbiased professional analyses, opinions, and conclusions. Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice. The appraisal is for the sole use of the named client.
13. The Americans with Disabilities Act ("ADA") became effective January 26, 1992. We have not made a specific compliance survey and analysis of the property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property, together with a detailed analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative effect upon the value of the property. Since we have no direct evidence relating to this issue, we did not consider possible non-compliance with the requirements of ADA in estimating the value of the property.
14. This appraisal assignment was not based on a requested minimum valuation or specific valuation or approval of a loan.
15. To the best of our knowledge and belief, the reported analysis, opinions, and conclusions were developed, and this report was prepared in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.
16. The appraised value opinion assumes all leases (if any) are current and paid in full as of the effective date of the appraisal.
17. Excel grids and tables may have slight deviations due to rounding, which may have a nominal impact on value.
18. The appraised value opinion assumes all formulas used in the Excel grids throughout the report are accurate.
19. Unless noted, value assumes no apparent adverse site, building or zoning issues or conditions.
20. Site and building sizes are based on public record, data services, client and/or appraiser measurement at the time of appraisal and are considered reliable, but not guaranteed. Actual sizes herein could vary if made by an engineer/surveyor/contractor.
21. Because market and property conditions may change rapidly, the appraised value set forth in this appraisal should not be relied on after thirty days from the date of the report.
22. If any of the above is found to be different, value could change.


CERTIFICATION

I certify that, to the best of my knowledge and belief:

- 1) The statements of fact contained in this report are true and correct.
- 2) The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analysis, opinions, and conclusions.
- 3) I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.
- 4) I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- 5) My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- 6) My compensation for completing this assignment is not contingent upon the development or reporting of predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- 7) My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- 8) The reported analyses, opinions and conclusions were developed, and this report has been prepared in conformity with the requirements of the Appraisal Institute's Code of Professional Ethics and Standards of Professional Appraisal Practice, which includes the Uniform Standards of Appraisal Practice.
- 9) **Evan Waytas and William R. Waytas** made a personal inspection of the property that is the subject of this report. **Ethan Waytas, MAI** have not inspected the subject property.
- 10) No one provided significant professional assistance to the person signing this report.
- 11) In accordance with the competency provision USPAP, I have verified that my knowledge, experience, and education are sufficient to allow me to competently complete this appraisal. See attached qualifications.
- 12) As of the date of this report, William R. Waytas and Ethan Waytas have completed the requirements of the continuing education program of the appraisal institute.
- 13) The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representative.
- 14) We **have** provided services (inspected the property for a potential assignment) as an appraiser regarding the subject property within the 3-year period immediately preceding acceptance to this assignment.



Ethan Waytas, MAI
Certified General MN 40368613
Date: see report



William R. Waytas
Certified General MN 4000813
Date: see report



Evan Waytas, Associate
Trainee Appraiser MN 40689219
Date: see report

QUALIFICATIONS

Appraisal Experience

Presently and since 2006, **Ethan Waytas, MAI** has been employed as an employee of Nagell Appraisal Incorporated, an independent appraisal firm (12 employees) who annually prepare 1,500 +/- appraisal reports of all types. He is currently a full time licensed certified general real estate appraiser, partner, and director of the company's IT department.

Properties appraised:

- **Commercial** - low and high-density multi-family, retail, office, industrial, restaurant, church, strip-mall, fast-food, convenience stores, auto-service and repair, cinema, numerous special use properties, golf courses, and subdivision analysis.
- **Residential** – single-family residences, hobby farms, lakeshore, condominiums, townhouses, REO and land.
- **Eminent Domain** – extensive partial and total acquisition appraisal services provided to numerous governmental agencies and private owners.
- **Special Assessment** – numerous street improvement and utilities projects for both governmental and private owners.
- **Clients** - served include banks, savings and loan associations, trust companies, corporations, governmental bodies, relocation companies, attorneys, REO companies, accountants and private individuals.
- **Area of Service** - most appraisal experience is in the greater Twin Cities Metro Area (typically an hour from downtown metro). Numerous assignments throughout Minnesota.

Testimony

-- Court, commission, mediation testimony, etc. has been given

Professional Membership, Associations & Affiliations

License: Certified General Real Property Appraiser, MN License #40368613
Holds the MAI designation from the Appraisal Institute

Education

-- Graduate of the University of Minnesota: College of Science and Engineering, Twin Cities Campus
Bachelor of Science in Computer Science, with distinction, 3.86 GPA.

General & Professional Practice Courses & Seminars

- Basic Appraisal Procedures
- Basic Appraisal Principles
- 2012-2013 15-Hour National Uniform Standards of Professional Appraisal Practice
- General Appraiser Sales Comparison Approach
- General Appraiser Income Approach – Part 1
- General Appraiser Income Approach – Part 2
- Advanced Income Capitalization
- General Appraiser Report Writing and Case Studies
- Real Estate Finance, Statistics and Valuation Modeling
- 2014-2015 7-hour National USPAP Update Course
- General Appraiser Site Valuation & Cost Approach
- Advanced Market Analysis and Highest & Best Use
- Advanced Concepts & Case Studies
- Quantitative Analysis

Curriculum Vitae -- continued

Appraisal Experience

Presently and since 1985, **William R. Waytas** has been employed as a full-time real estate appraiser. Currently a partner and President of Nagell Appraisal Incorporated, an independent appraisal firm (12 employees) who annually prepare 1,500 +/- appraisal reports of all types. Mr. Waytas was employed with Iver C. Johnson & Company, Ltd., Phoenix, AZ from 1985 to 1987.

Properties appraised:

- **Commercial** - low and high-density multi-family, retail, office, industrial, restaurant, church, strip-mall, fast-food, convenience stores, auto-service and repair, hotel, hotel water park, bed & breakfast, cinema, marina, numerous special use properties, and subdivision analysis.
- **Residential** – single-family residences, hobby farms, lakeshore, condominiums, townhouses, REO and land.
- **Eminent Domain** – extensive partial and total acquisition appraisal services provided to numerous governmental agencies and private owners.
- **Special Assessment** – numerous street improvement and utilities projects for both governmental and private owners.
- **Review** – residential, commercial and land development.
- **Clients** - served include banks, savings and loan associations, trust companies, corporations, governmental bodies, relocation companies, attorneys, REO companies, accountants and private individuals.
- **Area of Service** - most appraisal experience is in the greater Twin Cities Metro Area (typically an hour from downtown metro). Numerous assignments throughout Minnesota.

Professional Membership, Associations & Affiliations

License: Certified General Real Property Appraiser, MN License #4000813.
Appraisal Institute: SRA, Senior Residential Appraiser Designation,
General Associate Member
Employee Relocation Council: CRP Certified Relocation Professional Designation.
International Right-Of-Way Association: Member
HUD/FHA: On Lender Selection Roster and Review Appraiser
DNR: Approved appraiser for Department of Natural Resources

Testimony

-- Court, deposition, commission, arbitration & administrative testimony given.

Mediator

-- Court appointed in Wright County.

Committees

-- President of Metro/Minnesota Chapter, 2002, Appraisal Institute.
-- Chairman of Residential Admissions, Metro/MN Chapter, AI.
-- Chairman Residential Candidate Guidance, Metro/Minnesota Chapter, AI.
-- Elm Creek Watershed Commission, Medina representative 3 years.
-- Medina Park Commission, 3 years.

Curriculum Vitae -- continued

Education

- Graduate of Bemidji State University, Minnesota. B.S. degree in Bus. Ad.
- During college, summer employment in building trades (residential and commercial).
- Graduate of Cecil Lawter Real Estate School. Past Arizona Real Estate License.

- **General & Professional Practice Courses & Seminars**
- Course 101-Introduction to Appraising Real Property.
- Numerous Standards of Professional Practice Seminar.
- Fair Lending Seminar.
- Eminent Domain & Condemnation Appraising.
- Eminent Domain (An In-Depth Analysis)
- Property Tax Appeal
- Eminent Domain
- Business Practices and Ethics
- Scope of Work
- Construction Disturbances and Temporary Loss of Going Concern
- Uniform Standards for Federal Land Acquisitions (Yellow Book Seminar)
- Partial Interest Valuation Divided (conservation easements, historic preservation easements, life estates, subsurface rights, access easements, air rights, water rights, transferable development rights)

- **Commercial/Industrial/Subdivision Courses & Seminars**
- Capitalization Theory & Techniques
- Highest & Best Use Seminar
- General & Residential State Certification Review Seminar
- Subdivision Analysis Seminar.
- Narrative Report Writing Seminar (general)
- Advanced Income Capitalization Seminar
- Advanced Industrial Valuation
- Appraisal of Local Retail Properties
- Appraising Convenience Stores
- Analyzing Distressed Real Estate
- Evaluating Commercial Construction
- Fundamentals of Separating Real Property, Personal Property and Intangible Business Assets

- **Residential Courses & Seminars**
- Course 102-Applied Residential Appraising
- Narrative Report Writing Seminar (residential)
- HUD Training session local office for FHA appraisals
- Familiar with HUD Handbook 4150.1 REV-1 & other material from local FHA office.
- Appraiser/Underwriter FHA Training
- Residential Property Construction and Inspection
- Numerous other continuing education seminars for state licensing & AI

Speaking Engagements

- Bankers
- Auditors
- Assessors
- Relocation (Panel Discussion)

Publications

- Real Estate Appraisal Practice (book): Acknowledgement
- Articles for Finance & Commerce and Minnesota Real Estate Journal

Curriculum Vitae -- continued

Appraisal Experience

Presently and since 2019, **Evan Waytas** has been employed as an employee of Nagell Appraisal Incorporated, an independent appraisal firm (12 employees) who annually prepares 1,500 +/- appraisal reports of all types. He is currently a full-time licensed trainee real estate appraiser, as well as data support for Nagell.

Properties appraised:

- **Commercial** - low and high-density multi-family, retail, office, office condos, storage units, mixed-use, industrial, restaurant, strip-centers, convenience stores, auto- service and repair, greenhouse/landscaping properties, mini-storage complexes, redevelopment land, food production and distribution, churches, bed & breakfasts, and numerous special use properties.
- **Residential** – single-family residences, hobby farms, lakeshore, condominiums, townhouses, and land.
- **Clients** – served and assisted include banks, savings and loan associations, trust companies, corporations, governmental bodies, attorneys, and private individuals.
- **Area of Service** - most appraisal experience is in the greater Twin Cities Metro Area (typically an hour from downtown metro). Numerous assignments throughout Minnesota and Wisconsin.

Professional Membership, Associations & Affiliations

License: Trainee Real Property Appraiser, MN License #40689219

Education

-- University of Minnesota Duluth
B.S. in Business Adm. with a concentration in Organizational Management

-- General & Professional Practice Courses & Seminars

-- Basic Appraisal Procedures
-- Basic Appraisal Principles
-- 2020-2021 15-Hour National Uniform Standards of Professional Appraisal Practice
-- Supervisory Appraiser/Trainee Appraiser Course
-- General Appraiser Income Approach – Part 1
-- General Appraiser Income Approach – Part 2
-- Real Estate Finance, Statistics, and Valuation Modeling
-- General Sales Comparison Approach
-- General Appraiser Market Analysis and Highest and Best Use
-- General Appraiser Site Valuation & Cost Approach
-- Advanced Income Capitalization

ADDENDA TO APPRAISAL REPORT



V I S I O N B A N K

Nagell Appraisal & Consulting
12805 Highway 55 #300
Plymouth, MN 55441
952-544-8966

Re: Appraisal

To whom it may concern:

VisionBank is requesting that your firm perform an appraisal on the below-referenced property. The report should be prepared for VisionBank and shall be for the sole and exclusive use of VisionBank. The pertinent information is as follows:

Property Description: 1115 Greenbrier Street, St. Paul, MN 55106
Borrower: House of Praise Church of God in Christ
Contact: Pastor Richard Pittman (richardpittmann77@gmail.com)
Contact Phone Number: 651.276.4511
Borrower's Address: 1115 Greenbrier Street
City/State/Zip: St. Paul, MN 55106
Report Type: Summary
Purpose of Appraisal: Financing
Property Rights to be Appraised: Fee Simple
Type of Value: As Is
Enclosed Documents: None
Notes/Special Instructions: None
Cost of Appraisal: [REDACTED]
Appraiser's Time Estimate: [REDACTED]
Intended User: VisionBank

Your instructions for the appraisal are as follows:

1. Conform to generally accepted appraisal standards as evidenced by the Uniform Standards of Professional Appraisal Practice (USPAP) adopted by the Appraisal Standards Board (ASB) of the Appraisal Foundation unless principles of safe and sound banking require compliance with stricter standards.
2. Be written and contain sufficient information and analysis to support the institution's decision to engage in the transaction.
3. Analyze and report appropriate deductions and discounts for proposed construction or renovation, partially leased buildings, non-market lease terms, and tract developments with unsold units.

It's possible here.

4725 Highway 7, St. Louis Park, MN 55416 | 952.920.8400 | www.bankwithvision.com | Member FDIC



V I S I O N B A N K

- 4 Be based upon the definition of market value as set forth below:

Market value means 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 and knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition are the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- i. Buyer and seller are typically motivated;
 - ii. Both parties are well informed or well advised, and acting in what they consider their own best interests;
 - iii. A reasonable time is allowed for exposure in the open market;
 - iv. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
 - v. 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.
- 5 Be performed by State licensed or certified appraisers in accordance with the requirements under Title XI or FIRREA.
- 6 Include a legal description of the real estate being appraised in addition to the description required by USPAP.
- 7 Include in the certification required by USPAP an additional statement that the appraisal assignment was not based upon a requested minimum valuation, a specific valuation, or the approval of a loan.

We request that you index your appraisal to locate the seven points listed above. If information required or deemed pertinent to the completion of this appraisal is unavailable, please contact me at 952-548-9869 for further instruction.

Sincerely,

Stephanie Kennedy
Loan Administrator
VisionBank

William R. Waytas, Nagell Appraisal

See email bid for details of assignment.

It's possible here.

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