



Collection Information:

Folder: Parcel No. 55 and 230. 82 South Robert Street.

Series: Area 1-B, Parcels 1-240A, 1961-1962.

Collection: Port Authority of the City of Saint Paul.
Records.

Copyright Notice:

This material may be protected by copyright law (U.S. Code, Title 17). Researchers are liable for any infringement. For more information, visit www.mnhs.org/copyright.

JOSEPH L. BETTENDORF, M.A.I.

Realtor - Appraiser - Consultant

AN APPRAISAL REPORT

of

Lee-Hoff Elevator Company
82 South Robert Street
St. Paul, Minnesota

for

The Port Authority of the City of St. Paul
60 East Fourth Street
St. Paul, Minnesota

by

Joseph L. Bettendorf, M. A. I. -S. R. A
232 Minnesota Building
St. Paul, Minnesota





JOSEPH L. BETTENDORF, M.A.I.

MEMBER
ST. PAUL BOARD OF REALTORS
AMERICAN INSTITUTE OF REAL ESTATE APPRAISERS
SOCIETY OF RESIDENTIAL APPRAISERS

Real Estate Appraisals - Consultant - Analyst

CA. 4-2002

MINNESOTA BUILDING

ST. PAUL 1, MINNESOTA

November 16, 1961

The Port Authority of the
City of St. Paul
60 East Fourth Street
St. Paul, Minnesota

Re: Lee-Hoff Elevator Company
Parcels #230 & #55

Gentlemen:

In accordance with your request I have made a careful inspection of the captioned property, which is more particularly described elsewhere in this report, and have made a study of conditions affecting its value.

By virtue of my investigation I have formed the opinion that the market value of the subject property, as of November 16, 1961, is:

PARCEL NO. 230 \$ 45,000.00


PARCEL NO. 55 \$ 15,250.00

Your attention is invited to data and discussions following which, in part, form the basis of this conclusion.

Respectfully submitted,

JOSEPH L. BETTENDORF, Appraisals

By:


J. L. Bettendorf, M.A.I.
Cert. No. 2288

SALIENT FACTS AND CONCLUSIONS

MARKET VALUE ESTIMATE

Parcel No. 230	\$ 45,000.00
Parcel No. 55	\$ 15,250.00

Size of Parcels

Parcel No. 230	4,000 sq. ft.
Parcel No. 55	27,750 sq. ft.

Age of Building

Recorded as "Old" per Court House records.

TAXES

Parcel No. 230	\$ 921.86
Parcel No. 55	\$ 194.86
Lot 7	\$37.22
Lot 8	44.66
Lot 15	46.08
Lot 16	66.90

ASSESSOR'S FULL AND TRUE VALUE

Parcel No. 230	
Land	\$ 1,800.00
Building	\$ 10,500.00
Parcel No. 55	
<u>Land Only</u>	
Lot 7	500.00
Lot 8	600.00
Lot 15	550.00
Lot 16	800.00

THE PROPERTY

The subject property is located at the south end of the Robert Street bridge, approximately 100 feet North of the intersection of Robert and Fillmore Streets, on the east side of Robert Street, facing West. The property comprises a brick building having three stories above the street grade of Robert Street, with a basement and sub-basement extending two stories below street grade. The structure is a full five stories as viewed from the rear of the site.

The property is served with public sanitary sewer, public water, gas, electricity, hard surfaced street, curb and sidewalk. The estimated remaining economic life of the subject property is 15 years from the date of appraisal.

ZONING

The zoning of the subject site is "Heavy Industrial".

LEGAL DESCRIPTION

Parcel No. 230

Except the Southwesterly Twenty (20) feet for street; the Northwesterly Fifty (50) feet of Lots Ten (10) and Eleven (11), Block One (1), Bazille and Roberts Addition to West St. Paul, Ramsey County, Minnesota

Parcel No. 55

Strip Southwesterly thereof, and the Northwesterly Thirty-five (35) feet of Lot Fifteen (15) and all of Lot Sixteen (16) Block Nine (9), and Lots Seven (7) and Eight (8), Block Nine (9), Marshall's Addition, Ramsey County, Minnesota

PROPERTY RIGHTS TO BE APPRAISED

Title in fee simple, unencumbered, subject to usual easements for utilities, if any.

HIGHEST AND BEST USE

The present program of utilization is considered the highest and best use of the subject property.

PURPOSE OF THE APPRAISAL

To estimate the market value of the subject property as of November 16, 1961.

DEFINITION OF MARKET VALUE

Market value is the highest price expressed in terms of money which the property will bring when exposed for sale in the open market with a reasonable time allowed to find a purchaser buying with a full knowledge of all the uses and purposes to which it is adapted and for which it is capable of being used.

BUILDING DESCRIPTION

The subject building is basically a five (5) story structure, with two levels below the grade of Robert Street. It measures 50 feet across the front with a depth of 65 feet. Immediately adjoining to the north is a parking lot estimated at 20 feet below the grade of Robert Street, and supported by reinforced concrete ramp along Robert Street. The lot has been surfaced with crushed rock and belongs to American Hoist and Derrick. The lower level, or basement, is fully excavated with a walkout, or access, to the rear. The floor is both softwood and concrete - the south half being softwood and the north half concrete. The foundation consists of a 30 inch limestone wall which extends two stories in height. The remaining three stories are red brick. There is a 30 inch bearing partition wall which runs through the approximate center of the basement. The basement ceiling height is 11-1/2 feet to the subfloor. Ceiling joists are 2" x 14", 16" on center. Heat is provided by low pressure steam boiler - stoker fired. The property is served by a freight elevator with a capacity of 2,500 pounds.

The second floor lies one story below the street grade of Robert Street and immediately above the basement. The floor is softwood and walls are limestone, 30 inches thick. The height is 12 feet to the underside of the joists, and the joists are 3" x 14", 16" on center. Below the ceiling joists are 15" steel "I" beams installed as a reinforcement measure for heavy machinery located on the floor above. The second floor is also divided by a 30 inch bearing partition wall. The south half of this floor has a wooden beam supporting the floor joists which is 8" x 8" and is tied to the supporting walls on either end by steel rods. At the extreme southwest corner of the second floor is a washroom containing 5 sinks with hot and cold running water, 1 water closet elevated approximately 3 feet above the floor, water tank with side arm gas heater, and 9 wooden lockers. The floor is softwood.

The third floor, as viewed from the rear, is at street level with Robert Street. The south half is finished with lath and plaster walls and ceiling, and softwood floors. A portion of the third floor has an electric overhead crane used for assembling finished products. The north half of this floor is approximately one foot above the south half and is ramped at two points for access through the main bearing partition wall. The northerly half of this level has been reinforced to provide bearing for heavy machinery, and this is where all heavy machinery is located. The ceiling is open in this portion of the building and walls are plastered. Ceiling joists are

BUILDING DESCRIPTION - Con't

3" x 14", 16" on center. Subflooring varies from 8" to 12" in width, laid diagonally. Ceiling height is 13'8" whereas the south half of this third floor is 15 feet in height.

The fourth level (second story above Robert Street) has a separate entrance off Robert Street, providing access by stairway to the fourth level, in addition to the elevator located in the rear. Approximately 25% of the westerly portion of the fourth level is partitioned off into office spaces with walls and ceilings plastered. Floors are asphalt tile. An oil-fired space heater for auxiliary heat is located on the fourth level in addition to the low pressure steam heat. There is a lavatory located off the office. Immediately adjoining the office is a drafting room with an additional, partitioned off, small room with two fixtures - water closet and lavatory. Walls and ceilings of the drafting room are drywall. The approximate northeasterly portion of the fourth floor is used as a workshop with light machinery. The floor in this portion of the fourth level is softwood and the walls and ceilings are lath and plaster. Approximately two thirds of this level is also used for shop and bin storage. A small partitioned off room, with only a water closet, is located in the southwest corner of the fourth level.

The fifth level (third story above Robert Street) has a spray booth in the south half, in addition to machinery for manufacturing. This south half of the fifth level is partitioned off into five separate rooms used for storage. The north half of the fifth level is used for bin and general storage. There is a skylight in the approximate center of this level. The building, initially, was constructed and designed as an apartment building. It was purchased in 1923, at which time it was converted to manufacturing. Additions on the south half of the fifth level still remain as originally designed, however, the rooms are presently used for storage only. Ceiling height of the fifth floor is 9-1/2 feet.

The roof is flat, built-up, pitch and gravel.

REPLACEMENT COST ESTIMATE

BUILDING - Parcel No. 230

50' x 65' = 3,250 sq. ft.

3,250 sq. ft. x 74' (height) = 240,500 cu. ft.

\$0.60 per cu. ft. x 240,500 cu. ft. = \$ 144,300.00

Less Depreciation \$ 108,225.00

Depreciated Replacement Cost of Building - - - - \$ 36,075.00

Add Depreciated Replacement Cost of Elevator \$ 4,000.00

Add Overhead Crane \$ 500.00

Add LAND Value \$ 5,000.00

\$ 45,575.00

Rounded to - - - \$ 45,500.00

VALUE OF PARCEL NO. 230 by Replacement Cost \$ 45,500.00

JOSEPH L. BETTENDORF, M.A.I.

Realtor - Appraiser - Consultant

PARCEL NO. 55

Lot 7	50' x 150' M	7,500 sq. ft.
Lot 8	50' x 150' M	7,500 sq. ft.
Lot 15	35' x 150' M	5,250 sq. ft.
Lot 16	50' x 150' M	<u>7,500 sq. ft.</u>
		27,750 sq. ft.

$\$0.55 \text{ per sq. ft.} \times 27,750 \text{ sq. ft.} =$ \$ 15,263.00

Rounded to - - - \$ 15,250.00

VALUE OF PARCEL NO. 55

\$ 15,250.00

INCOME APPROACH

PARCEL NO. 230

Basement

\$0.15 per sq. ft. x 3,250 sq. ft. = \$ 488.00

First Floor

\$1.00 per sq. ft. x 3,250 sq. ft. = \$ 3,250.00

Second Floor

25% (office) x 3,250 sq. ft. x \$1.50 = \$ 1,219.00

75% (balance) x 3,250 sq. ft. x \$0.50 = \$ 1,219.00

Third Floor

\$0.25 per sq. ft. x 3,250 sq. ft. = \$ 813.00

GROSS INCOME - - - - - \$ 6,989.00

VACANCY - 5% \$ 350.00

\$ 6,639.00

SCHEDULE OF EXPENSES

Taxes \$ 920.00

Management 5% 350.00

Insurance 275.00

Repairs and Maintenance 350.00

Reserves for Replacements 250.00

\$ 2,145.00

EFFECTIVE NET INCOME - - \$ 4,494.00

\$ 4,494.00 Capitalized at 10% = \$ 44,940.00

Rounded to - - \$ 45,000.00

VALUE BY INCOME APPROACH - Parcel No. 230 \$ 45,000.00

LAND VALUE ESTIMATE AND MARKET DATA

In analyzing this approach to value, sales of properties that had some degree of similarity were studied in the market to obtain an estimate of value based upon sales of other properties. Adjustments were made as required to arrive at the degree of similarity considered essential from this standpoint.

This appraisal report covers two distinct parcels:

Parcel #55 This parcel comprises a tract of vacant land that apparently was low and has been filled in, and currently can be considered as level. Fill is not excessive and would offer no exceptional problems from a development standpoint. This parcel contains 27,750 square feet and can be considered generally rectangular - 100 feet by 300 feet in depth with the exception of the southerly 15 feet by 150 feet in depth of Lot 15, fronting on Eaton Street or at the west end.

It is noted that a frame shed encroaches on Lot 8, a distance of 0.5 feet, at the northwesterly edge of the shed, and 0.25 feet at the northeasterly edge of the shed. This has been given no consideration in this report because of the age and observed condition of the shed and, in keeping with the purpose of the appraisal, would not materially affect the value of the subject tract.

Parcel #230 This parcel is located on Robert Street, on a lot containing 4,000 square feet, with the ground floor building area being 3,250 square feet. This is presently used for the manufacture and assembly of elevators and is the structure discussed at length in this report.

Following are some of the sales that were studied in order to arrive at the land value for Parcel #55.

- | | | |
|----|--------------------|---|
| 1. | Location: | Northwest Corner of Robert and Plato |
| | Date of Sale: | January 28, 1958 |
| | Sales Price: | \$45,000.00 |
| | Size of Parcel: | 250' x 119' or 29,750 sq. ft. |
| | Indicated Factor: | \$1.51 per sq. ft. |
| | Present Use: | Vacant land. |
| | Zoning: | Heavy Industrial |
| | Seller: | Miller and Holmes |
| | Legal Description: | Lots 1, 2, 3, 4, 5, Block 18, Bazille and Roberts Addition to West St. Paul |

MARKET DATA - Con't

4.	Location:	Southeast Corner of Tenth & Sibley
	Date of Sale:	February 1956
	Sales Price:	\$100,000.00
	Building Size:	50' x 140' - 5 stories & basement
	Indicated Factor:	\$2.38 per sq. ft. of building area
	Zoning:	Industrial
	Seller:	McGill - Warner Co.
	Buyer:	Luxe Electric Co.
	Legal Description:	Lot 4 and the Westerly 10 feet of Lot 5, H. Thompson's Subdivision of Block 4, Hoyt's Addition

In analyzing the foregoing properties, and adjusting as required for time, location, height and other pertinent information, it would appear that \$2.75 per square foot of building area, including basement, would reasonably reflect the current market attitude insofar as the subject property is concerned.

\$2.75 per sq. ft. x 16,250 sq. ft. = \$ 44,687.50

Rounded to - \$45,000.00

CONCLUSION

MARKET VALUE ESTIMATE

Parcel No. 55	\$ 15,250.00
Parcel No. 230	\$ 45,000.00

Having carefully considered the class and character of the property under appraisal, together with a full knowledge of the purpose of the appraisal, it is concluded that the value estimate as indicated in this appraisal report, for the two parcels, is in reasonable relation to the current market attitude.

Land sales are readily obtainable and are indicative of value insofar as Parcel #55 is concerned, after necessary adjustments to provide the degree of comparison essential to arrive at the estimate of value.

Insofar as Parcel #230 is concerned, replacement cost has been estimated, from which depreciation has been taken, and land value added, together with other items considered essential. This is considered less reliable than the market data, notwithstanding the fact that both are in reasonable relation. The income approach, which has been used to estimate the value of the property from an owner-investor standpoint, is considered materially less reliable because buildings such as this are generally not leased in the market. The leases that were studied are predominately one story properties and will run from \$.85 to \$1.00 per square foot overall, with a very small portion for office space. They comprise, basically, a one story, slab type building. This approach is considered the least reliable of the three, however, it gives an indicator that is in reasonable relation to the other values.

The market data approach, in the opinion of your appraiser, is most indicative of value and, in analyzing comparable sales, making the necessary adjustments for size, location, time, and other pertinent factors, \$2.75 per square foot of area appears in reasonable relation to other offerings.

CONTINGENT AND LIMITING CONDITIONS

The legal description furnished us is assumed to be correct.

I assume no responsibility for matters legal in character nor do I render any opinion as to the title, which is assumed to be good. All existing liens and incumbrances have been disregarded and the property is appraised as though free and clear, under responsible ownership and/or competent management.

This appraisal is to be used in whole and not in part by the applicant or by others having written consent of the applicant.

I have made no survey of the property and assume no responsibility in connection with such matters.

I believe to be reliable the information contained in this report and furnished to me by others, but I assume no responsibility for its accuracy.

Possession of this report, or a copy thereof, does not carry with it the right of publication, nor may it be used for any purpose by any but the applicant without the previous written consent of the appraiser or by the applicant and in any event only with proper qualification.

I am not required to give testimony or attendance in court by reason of this appraisal, with reference to the property in question, unless arrangements have been previously made therefore.

The distribution of the total valuation in this report between land and improvements applies only under the existing program of utilization. The separate valuations for land and building must not be used in conjunction with any other appraisal and are invalid if so used.

JOSEPH L. BETTENDORF, M.A.I.

Realtor - Appraiser - Consultant

CERTIFICATION

I, the undersigned, do hereby certify that I have no present or contemplated future interest in the property appraised, that the compensation for the appraisal is in no manner contingent upon the value reported, and that to the best of my knowledge and belief, the statements and opinions contained in this appraisal are correct, subject to the limiting conditions hereinafter set forth; also that this appraisal has been made in conformity with the Rules of Professional Ethics of the American Institute of Real Estate Appraisers of the National Association of Real Estate Boards.

Joseph L. Bettendorf,

M. A. I. - S. R. A.

APPRAISING QUALIFICATIONS

MEMBERSHIP

American Institute of Real Estate Appraisers
Charter Member of Minnesota Chapter No. 35
Member of Education Committee. Director 1959, 1960, 1961
Society of Residential Appraisers—Senior Member
Past President, Secretary-Treasurer, Vice President, of Minnesota Chapter No. 16. Director—1960
St. Paul Board of Realtors
Director—1959, 1960, 1961
National Association of Real Estate Boards
Minnesota Association of Realtors
American Right of Way Association
Charter Member of Minnesota Chapter No. 20
Urban Land Institute

EDUCATION AND GENERAL EXPERIENCE

American Institute of Real Estate Appraisers, Michigan State University, East Lansing, Urban 11, Real Estate
Nine years consisting of property management, brokerage, residential construction and appraisals of real estate
Numerous FHA training courses
Eleven years with Federal Housing Administration as staff appraiser
Engaged in the appraisal of real estate as a profession, exclusively, since 1940

INSTRUCTOR

St. Thomas, Macalester and Augsburg Colleges on the "Principles of Real Estate Appraising" for the Society of Residential Appraisers

APPRAISAL ASSIGNMENTS

St. Paul Housing and Redevelopment Authority; Minnesota State Highway Department; Villages of Roseville, Maplewood and Arden Hills; Moundsview Township; City of Stillwater, Board of County Commissioners; General Mills, Inc.; Minnesota Mining & Manufacturing Co.; Union Carbide and Carbon Corp.; Remington Rand; Minnesota Mining and Manufacturing Co.; Whirlpool Corp.; American Can Co.; Mortgage Guaranty Insurance Corp.; H. & Val J. Rothschild; Clapp-Thomssen Co.; Northern Pacific Railway; Banks and Savings and Loan Assns.; Shopping Centers; Fee Appraiser for Veterans Administration; Federal Housing Administration as Appraiser, Senior Subdivision Appraiser, Review Appraiser; Numerous Private Clients. Qualified in district court as expert witness. Served as commissioner in condemnation. Consultant in subdivision analysis and land planning.