



Collection Information:

Folder: Parcel No. 217. 139 Indiana Avenue.

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

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JOSEPH L. BETTENDORF, M. A. I.

MEMBER OF
ST. PAUL AND MINNEAPOLIS
AMERICAN INSTITUTE OF REAL ESTATE APPRAISERS
BUREAU OF REAL ESTATE APPRAISERS

Real Estate Appraisals Consultant - Analyst

CA 42002

MINNESOTA BUILDING

ST. PAUL 1, MINNESOTA

March 2, 1962

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


Att: Mr. Werner L. Pitzen

Re: PARCEL NO. 217
139 Indiana Avenue
Isadore & Ida Levinsohn

Gentlemen:

In accordance with our telephone conversation of February 21, 1962,
the appraisal report covering the captioned case has been reviewed
and no change in the final conclusion of value appears warranted.

Respectfully,


J. L. Bettendorf, M. A. I.

JLB/ab

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

January 29, 1962

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

Re: PARCEL NO. 217
139 Indiana Avenue
Isadore & Ida Levinsohn

Gentlemen:

In accordance with your request I have made a careful inspection of the property located at 139 Indiana Avenue, St. Paul, Minnesota, 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 January 29, 1962, is:

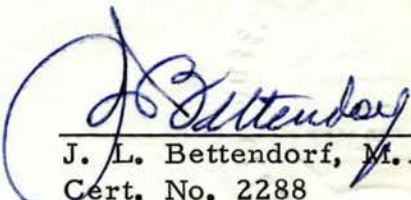
SEVENTEEN THOUSAND FIVE HUNDRED DOLLARS \$17,500.00

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 \$ 17,500.00

Lot Size: 59.5' x 100'

Building Size: 42.5' x 52'

Number of Units: Four (4) Units

TAXES - \$577.02 - Includes Street Flushing Assessment of \$7.56

ASSESSOR'S FULL AND TRUE VALUE

Land \$ 900.00

Building \$ 6,300.00

THE PROPERTY

The subject property is a four (4) unit apartment building, located on an interior lot, approximately one half block east of Robert Street, on the north side of Indiana Avenue, and known as 139 Indiana Avenue. The lot size is 59.5 feet x 100 feet, and has a 12 foot alley immediately contiguous and parallel to the westerly lot line. The lot is comparatively level. The property is served with public water, sewer, gas, electricity, concrete curb and public sidewalk.

PROPERTY RIGHTS TO BE APPRAISED

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

ZONING

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

HIGHEST AND BEST USE

The present program of utilization is considered the highest and best use irrespective as to the zoning.

PURPOSE OF THE APPRAISAL

To estimate the market value of the subject property as of January 29, 1962.

LEGAL DESCRIPTION

The Southwesterly half of Lots Four (4) and Five (5), Block Nine (9), Bazille and Robert's Addition, according to the plat on file and of record in the office of the Register of Deeds in and for Ramsey County.

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

TYPE: 2 story, detached, 4-plex, on an interior lot - 59.5' x 100'.

AGE: Built in 1912.

CONDITION: Fair.

NUMBER OF ROOMS: Each Unit: Living room, dining room, kitchen, 3 bedrooms and bath.

FOUNDATION: Limestone.

BASEMENT: Full. Poured concrete floor; storage areas for each of the four units; 2" x 10" joists; 8" x 10" solid timber girder; 2 compartment laundry trays; 75 gallon Buckeye automatic gas water heater.

EXTERIOR WALLS: Brick. Rear stairway and front porch - wood framing.

HEAT: Hot water oil (conversion burner).

FLOORS: Maple.

TRIM: Hardwood.

WALLS: Lath and plaster, painted.

BATH: 1 bath with three fixtures in each unit.

ELECTRIC FIXTURES: Standard quality, based upon age and condition of structure.

ROOF: Flat - built-up.

INCOME APPROACH

This portion of the appraisal process deals with the return an owner-investor may obtain in the market. The subject property presently rents for \$60.00 per month, per unit, which, in the opinion of your appraiser, is insufficient based upon other known rentals. A stabilized rental of \$67.50 has been established for the subject property which, in the opinion of your appraiser, the market will pay, recognizing that each unit consists of three bedrooms, living room, dining room, kitchen and bath, or six rooms per unit.

GROSS INCOME

\$67.50 per mo. x 4 units x 12 =	\$ 3,240.00
Vacancy - estimated at 5%	\$ <u>160.00</u>
Effective Gross Income - - -	\$ 3,080.00

SCHEDULE OF EXPENSES

Taxes	\$ 577.00	
Insurance	75.00	
Heat	700.00	
Water & Misc.	100.00	
Maint. and Repair (Est.)	<u>150.00</u>	
		\$ <u>1,602.00</u>
Effective Net Income - - - -		\$ 1,478.00

\$ 1,478.00 capitalized @ 8.5% = \$ 17,400.00

It is specifically noted, in the income approach established above, management and reserves for replacement were excluded from the schedule of expenses. This was done deliberately by your appraiser because the market indicates that properties such as this are generally owner-managed and no reserve for replacements is set aside. Recognizing that a property should be processed with the motivating influence of a typical owner-investor, it was concluded that, for the purpose of this appraisal, these two items would be specifically excepted.

MARKET DATA

Sales of other four family units were studied and adjusted, as required, to provide a degree of comparison to the subject property. Following are some of those that were considered in arriving at the value estimate as stated in this report.

1. 510 Iglehart
 Date of Sale: May 23, 1961
 Sales Price: \$10,000.00, with \$1,000.00 down - C/D.
 No. of Units: 4 units - 3 rooms and bath per unit.
 Gross Income: \$2,352.00 (Raised to \$2,520 after purchase).
 Lot Size: 50' x 132.25'
 Indicated Factor: 4.25 x Gross of \$2,352.00
 4.00 x Gross of \$2,520.00

2. 177 East Winnifred
 Date of Sale: December 1961.
 Sales Price: \$24,500.00
 No. of Units: 4 units - 5 rooms and bath per unit.
 Rental: \$70.00 per mo. each or \$3,360.00 per year
 Indicated Factor: 7.3
 This building had a stucco exterior, is in good condition. No heat was furnished with this rental.

3. 603 Simpson
 Location: Northwest Corner of Thomas.
 Date of Sale: June 1957
 Sales Price: \$23,000.00 Cash.
 Lot Size: 40' x 128'
 Exterior: Stucco.
 Seller: Vincent Hencier.
 Buyer: Rudolph Erickson.
 Income: \$3,840.00
 Indicated Factor: 6 x Gross
 No. of Units: 4 units - Living room, dining room, kitchen and bath - each unit.

4. 87 North Milton
 Location: Corner of Ashland.
 Date of Sale: July 19, 1959
 Sales Price: \$26,000.00 Cash.
 No. of Units: 4 units - Living room, dining room and alcove, kitchen, 2 bedrooms and bath.
 Rental: \$4,300.00
 Indicated Factor: Approximately 6 x Gross.

MARKET DATA - Con't

4. con't

This building was heated by a hot water gas furnace and the heat was furnished and included in the rent. Construction was of brick and tile. The property had a 3 car garage. Condition is considered fair to good.

5. 885 Grand Avenue

Date of Sale:	January 9, 1959
Sales Price:	\$26,000.00
No. of Units:	5 units - 2 and 3 room apartments with bath. (one apartment in basement).
Seller:	Paul N. Nielsen
Buyer:	John P. Sexton
Gross Income:	\$4,560.00
Indicated Factor:	5.7 x Gross

In studying the foregoing sales and adjusting, as required, for location, date of sale, and other factors, it was concluded that 5.4 times the stabilized gross income would be indicative of the value of the subject property.

$\$3,240.00 \times 5.4 =$ $\$17,496.00$ SAY - $\$17,500.00$

CONCLUSION

MARKET VALUE ESTIMATE

Value by Cost Approach	\$ 17,600.00
Value by Income Approach	\$ 17,400.00
Value by Market Approach	\$ 17,500.00

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 estimate of value as shown in this report is in reasonable relation to the current market attitude.

The income approach is based upon a stabilized income of \$67.50 for each apartment which, in the opinion of your appraiser, the market will pay, based upon the accommodations offered, in light of other comparable rentals. The present rental of \$60.00 per month, heated, appears low. The capitalization rate used has been obtained by breaking down the income of other apartments to ascertain what the net return is that the owner will receive from his investment.

The replacement cost approach is considered reliable from the standpoint that it is in reasonable relation to the income and market data approach, and tends to set the upper limit of value, based upon the theory of substitution.

The market data approach, in the opinion of your appraiser, must be given considerable weight in analyzing properties such as this because a determination is obtained from the market, establishing its attitude insofar as properties such as the one under appraisal are concerned.

Based upon the information contained in this report, it is concluded that the value of the subject property, as of January 29, 1962, is:

SEVENTEEN THOUSAND FIVE HUNDRED DOLLARS - \$17,500.00

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.

WAZILLE AND ROBERTS ADD.
TO WEST ST PAUL

MARSHALL'S
TO WEST ST PAUL

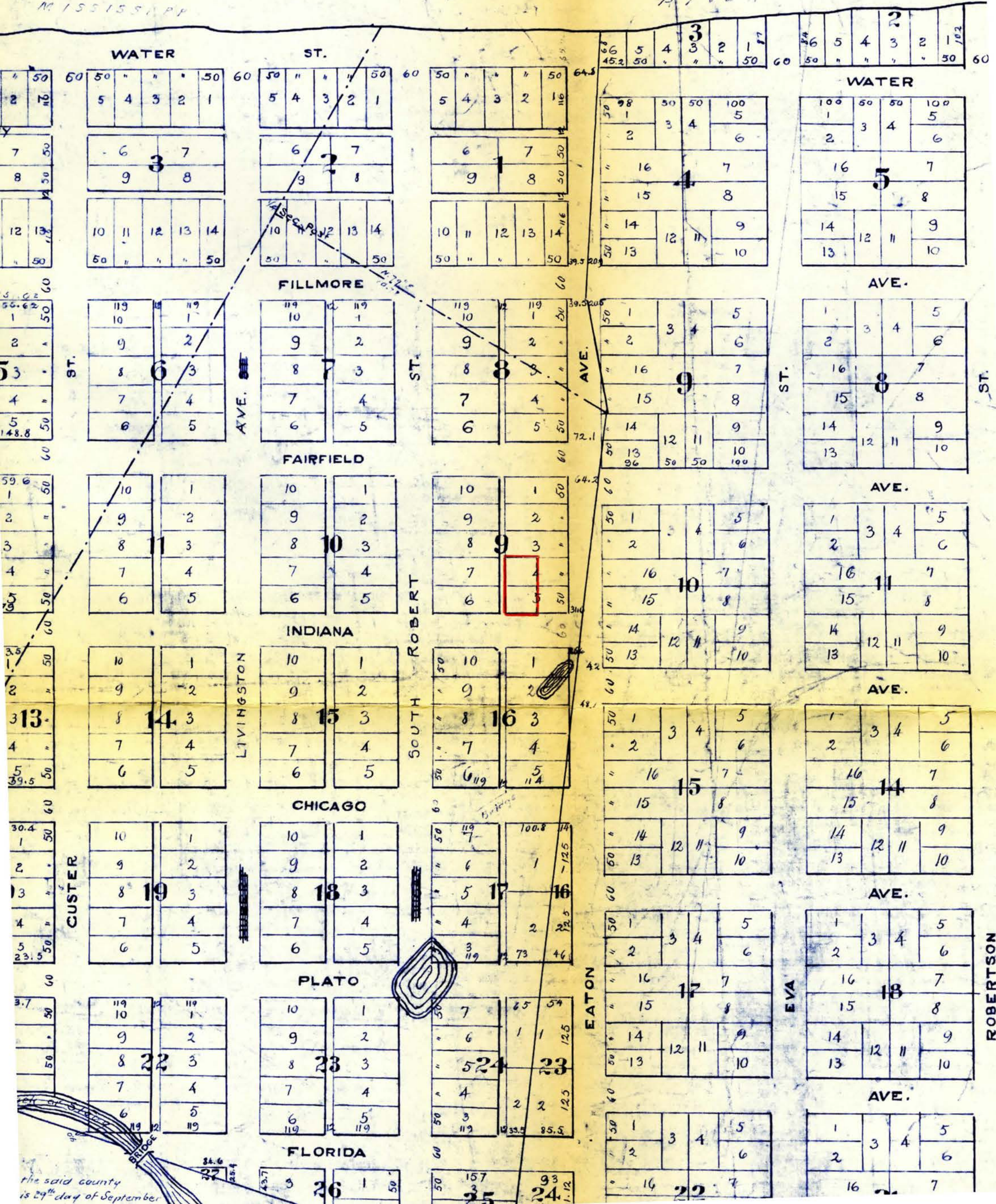
150 FT. HIGH

150 FT. HIGH

Belden Surv. 1856

MISSISSIPPI

RIVER



the said county is 29th day of September