

Staff Report for 2024 State Board of Equalization

File No.: 2024-WARD-MINOT-DAKOTA SQUARE MALL CMBS, LLC **Prepared By:** Property Tax Division

County or City: CITY OF MINOT

Appellant: DAKOTA SQUARE MALL CMBS, LLC

Type of Appeal: COMMERCIAL VALUE

Appeal Issue: Dakota Square Mall CMBS, LLC, represented by Daniel Willaert of DMA, Inc., is appealing the property value of \$56,100,000 on parcel number MI356770000110, located at 2400 10th Street SW, Minot, ND.

Analysis:

Summary:

Proposal for Review:



Appellant Information – State Board of Equalization

County or City: Ward County
 Appellant: Dakota Square Mall CMBS, LLC
 Type of Appeal: Commercial

Please complete this form in its entirety. The information provided will be taken into consideration when investigating and reaching a conclusion regarding the appeal presented. To provide ample time for investigation, all information to support the appeal (property information, pictures, income information, etc.) must be received by August 1, 2024, and is subject to open records. Please provide one questionnaire per property.

Please email or mail any supporting documentation to:

propertytax@nd.gov

or

The Office of State Tax Commissioner, Attn: Property Tax,
 600 E Boulevard Ave., Bismarck, ND 58505-0599

Information for Property Referenced in Appeal:

Address: 2400 10th St SW
 Township Name: Minot
 County: Ward
 Parcel ID: MI356770000110
 Legal Description:

Appellant Contact Information:

Appellant Name: DMA, Inc. c/o Daniel Willaert & Melanie Brennan
 Address: 9229 Delegates Row, Suite 375, Indianapolis, IN 46250
 Phone Number: 317-596-3260 x2372
 Email Address: dwillaert@dmainc.com; mbrennan@dmainc.com

Answer the questions below that apply to the appeal:

Are you the owner of the property of this appeal? Yes No
 (If No, please see the Consent to Release Financial Info)

Did you receive a notice of increase letter from the city/township? (choose all that apply)
 Prior to After Township/City Equalization Meeting
 Prior to After County Equalization Meeting
 No Notification Received

At which meeting(s) did you appeal your assessment? (choose all that apply)
 Township/City County N/A

****Please note NDCC § 57-13-04.3(a)(1)(2) requires appellants to appeal to the State Board of Equalization must have applied to both local and county boards.***

Has a recent appraisal been completed on the property?

Yes (if yes, please attach) No

What grounds is your appeal based upon? Please check all that apply and provide supporting documentation for each selection.

- Factual error, that is, a data collection or clerical error.
- Equity and uniformity claim of discriminatory level of assessment.
- Belief that the valuation is inaccurate.
- Exemption, classification, or assessment limitation.

Please attach or email (propertytax@nd.gov) the following:

1. A detailed explanation of your appeal
2. Evidence to validate the assessment appealed
3. Consent to Release Financial Information, if required

Appeal Process:

- 1.) Appellant notifies the Property Tax Division of intent to appeal.
- 2.) Submit this form and all applicable documentation to propertytax@nd.gov by the date specified above.
- 3.) The State Board of Equalization meets on the second Tuesday in August to examine and compare the returns of the assessment of taxable property as submitted by North Dakota counties. This is locally assessed property. The board equalizes the property so that all assessments of similar taxable property are uniform and equal throughout the state. During this meeting, tax directors or other representatives from a county will speak, along with city representatives, and individual taxpayers.
- 4.) After the State Board meeting, your case will be assigned, and staff will reach out to schedule an onsite review of the property (when deemed applicable). While an interior inspection of the property is not required, interior reviews may affect the consideration of value. If denied an interior review, we will assess from the exterior only. Staff will not be allowed to enter the property without the owner or a representative present.
- 5.) Generally, by the first Thursday of October, the property tax division staff will present their findings to the State Board of Equalization with a recommendation. The board deliberates and votes. You can attend this meeting; however, public comments are not accepted.



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PROPERTY TAX
CERTIFICATE OF AUTHORITY

Date: March 19, 2024

TO WHOM IT MAY CONCERN:

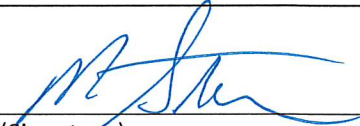
This certifies that DuCharme, McMillen & Associates, Inc. and/or its designees is hereby authorized to represent the undersigned in all matters of property tax assessments before any governmental assessing officials or any other authority having jurisdiction regarding the assessment levied on the following described property for current or past years of assessment:

Dakota Square Mall CMBS, LLC

2400 10th St SW (Parcel #MI35.677.000.0110)

Minot, ND 58701

BY:



(Signature)

Mark Stephens

(Typed Signature)

Property Tax Administrator

(Corporate Title)

Dakota Square Mall CMBS, LLC

(Company)



AN EXTENSION OF YOUR TAX DEPARTMENT

To: North Dakota State Board of Equalization
From: Daniel Willaert, Director and Melanie Brennan, Director – DMA, Inc.
Date: July 16th, 2024
RE: Dakota Square Mall

Parcel: MI356770000110

2400 10th St SW
Minot, ND

Attached and within you will find a valuation analysis for the subject property, a regional enclosed mall known as Dakota Square Mall. This report is provided for informational and real estate assessment review purposes only. DMA is a state-and-local-tax (SALT) tax consulting firm, not an appraisal firm, and its employees are not engaged in the practice of appraisal. This report and any work-product is not represented as, and should not be construed as, a real estate appraisal report. In addition to this paperwork, we have attached supporting documentation and an analysis in support of our recommended assessment. After completing our analysis, we believe the 2024 proposed assessed valuation to be excessive.

Property Description

The subject property is a multi-tenant regional mall located at 2400 10th St SW in Minot, ND. The site contains approximately 49.05 acres. The property is improved with 1 building, originally constructed in 1980, and totaling 435,963 net rentable square feet.



Dakota Square Mall

Property Photos



Property Summary

Client: CBL & Associates
Property Owner Dakota Square Mall CMBS, LLC
Property Name Dakota Square Mall
PARCEL: MI356770000110
ADDRESS: 2400 10th St SW
CITY: Minot
STATE: ND
SUBMARKET: Ward County

GENERAL DESCRIPTION
ACREAGE: 49.05
BUILDING:
 GROSS AREA: 569,094 LEASEABLE AREA: 435,963
 YR. BUILT: 1980
PROPERTY TYPE: Enclosed Mall
TENANCY: Multi

Assessment Summary & Comments

	TY 2024	TY 2023
Land:	\$ 13,888,000	\$ 13,888,000
Building:	\$ 42,212,000	\$ 42,964,000
Total FMV:	\$ 56,100,000 \$ 99	\$ 56,852,000 \$ 100
Abated:	0%	0%
Total Taxable AV:	\$ 2,805,000	\$ 2,842,600
Tax Rate:	36.5400%	36.5400%
Taxes:	\$ 1,024,947 \$ 1.80	\$ 1,038,686 \$ 1.83
% Change:	-1.32%	

Indicated Values

Reconciliation of Suggested Values	Value
Income Analysis	\$ 20,204,608
DMA Suggested Value	\$ 20,200,000
2024 Assessment	\$ 56,100,000



Mall Classification

We analyzed this property to determine the proper Mall Classification that it would fall under from an investor and/or appraiser viewpoint. A critical step in this process is reviewing the Annual Gross Sales Per Square Foot and being aware of recent market trends. The below table was obtained from the Korpacz Regional Mall Classification report:

KORPACZ REALTY ADVISORS, INC.					
REGIONAL MALL CLASSIFICATION SURVEY CONCLUSIONS					
Inline Retail Sales Per Square Foot					
Mall Classification	As of 1/1/2019	As of 1/1/2020	As of 1/1/2021 ⁽¹⁾	As of 1/1/2022	As of 1/1/2023
Trophy	\$900 and up	\$925 and up	\$925 and up	\$925 and up	\$935 and up
A+	\$715 to \$899	\$735 to \$924	\$735 to \$924	\$760 to \$924	\$775 to \$934
A	\$550 to \$714	\$575 to \$734	\$575 to \$734	\$600 to \$759	\$600 to \$774
B+	\$460 to \$549	\$460 to \$574	\$460 to \$574	\$480 to \$599	\$480 to \$599
B	\$390 to \$459	\$390 to \$459	\$390 to \$459	\$400 to \$479	\$400 to \$479
C+	\$325 to \$389	\$325 to \$389	\$325 to \$389	\$325 to \$399	\$325 to \$399
C	\$275 to \$324	\$275 to \$324	\$275 to \$324	\$280 to \$324	\$275 to \$324
D	Less than \$275	Less than \$275	Less than \$275	Less than \$280	Less than \$275

The below table shows the CY-2023 Annual Gross Sales performance for the Dakota Square Mall. As you can see, the overall Retail Gross Sales was \$191.04 PSF. Please note that the average has been calculated based upon the stores that have provided this data to the Landlord and their corresponding square footages - most of the stores have complied and provided. However, the above Korpacz table focuses only on the inline space. The subject's inline space Annual Gross Sales were \$278.28 PSF which would fall into the Class C category.

	<u>Area</u>	<u>Sales</u>	<u>PSF</u>
Grand Total	299,584	\$49,299,875	\$191.04
Retail Greater than 10,000 SqFt	195,248	\$20,265,749	\$103.79
Retail Less than 10,000 SqFt	104,336	\$29,034,126	\$278.28

Further, per the attached Lease Analytics as of 1/1/2024 you can see a decline of inline sales PSF from 2022 to 2023. While we understand that this is one metric for valuing a mall, we acknowledge that there are others as well - such as tenant make up, location, demographics, and condition. Below, Green Street shows Common Tenants by Mall Grade:



Common Tenants by Mall Grade			
A++ / A+	A / A-	B	C
Alo Yoga Anthropologie Arhaus Antzlia Canada Goose Diesel Forward Free People Gorjana Laderach Chocolatier Levi's Luxury Retailers Neiman Marcus Nespresso Rimowa Scotch & Soda Tesla Travis Mathew Untuckit Warby Parker	Aldo Apple Amani Exchange Banana Republic Coach Cotton On GAP J. Crew Lovesac Lovisa Lucky Brand Jeans Lululemon Lush Michael Kors Offline by Aerie Primark Sephora Swarovski Cheesecake Factory The Lego Store	American Eagle Bath & Body Works Carrabba's Italian Grill Claire's Finish Line Foot Locker Forever 21 Gamestop H&M Hollister Hot Topic JCPenney Kay Jewelers Lids Macy's Spencer's Gifts Sunglass Hut The Children's Place Victoria's Secret Zumies	Applebee's Bar & Grill Army Recruiting BAM! Belk Big Lots Burlington Chuck E. Cheese David's Bridal Dollar Tree Harbor Freight Tools Hibbett Sports Hobby Lobby Joann Fabric Maurices Ollie's Bargain Outlet Ross Dress For Less Rural King Shoe Dept. Encore Spirit Halloween TJ Maxx

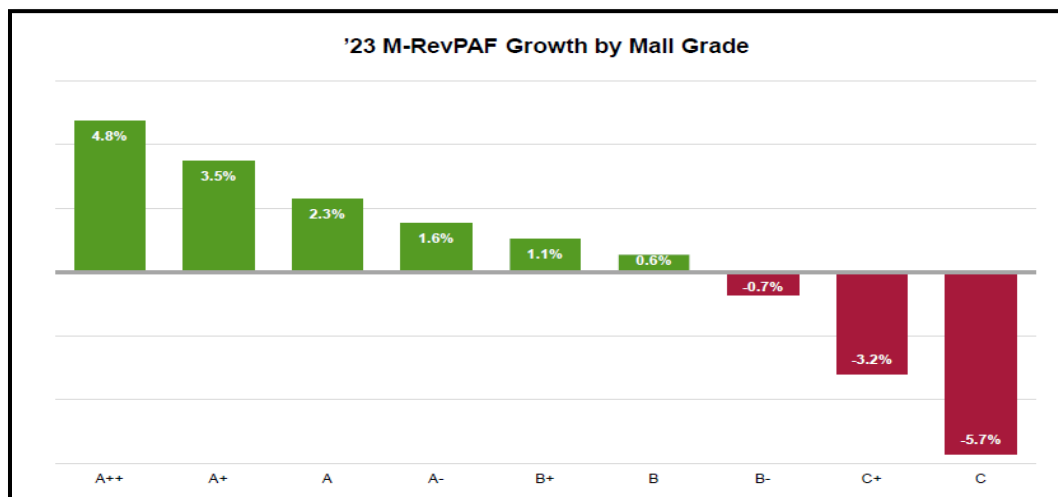
While there are tenants at this mall that indicate a B grade such as - American Eagle, Bath and Body Works, Claire's, Hot Topic, Kay Jewelers, Lid's, Spencer's, Victoria's Secret, Zumies, etc., there is also Armed Forces Recruiting, Ross Dress for Less, Maurice's, Party City, Famous Footwear and Five Below (which is a Dollar Tree/ Big Lots equivalent) these would indicate a C grade.

Further, the most recently signed leases are for lower quality or non-common/chain equivalent tenants such as Daily Thread and Designs by Arella. The B grade tenants at this mall all have signed leases during or prior to 2013 with most being prior to 2006.

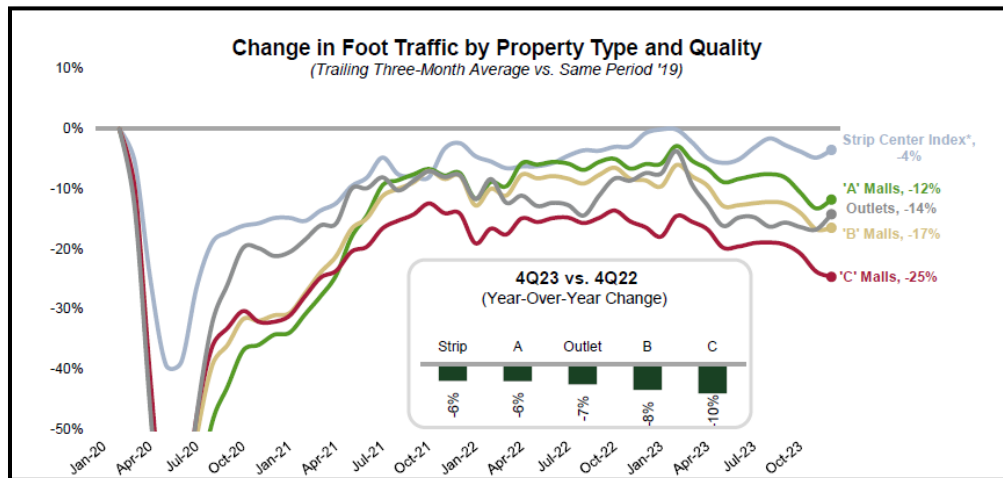
Taking all these factors into consideration (i.e. Annual Gross Sales PSF, declining trend in sales and Tennant makeup), a C grade is supportable when valuing this property and looking towards Capitalization Rates. **To support the assessors fair market value, the mall would need to be graded at least as an A-. To be graded an A- mall, the sales per square foot would need to be in excess of \$625, which is more than 3 times the actual sales per square foot of the subject.**

Economic Obsolescence

A study performed by Green Street Advisors revealed the gap in growth between higher performing malls to lower performing malls. Below is one of the graphs from their study:



Mall foot traffic has been on the decline since COVID-19. Foot traffic deteriorated throughout the year with 4Q23 down 12% versus 4Q19 for “A” level malls - **weaker malls have fared even worse**.



Lastly, there are several economic obsolescence factors affecting the retail industry, and malls specifically, to consider:

- Recent bankruptcies and tenant mergers have led to modest store closures with potentially more to come;
- Stagnant foot traffic- foot traffic has seemed to stabilize at these lower levels;
- Luxury retailers experienced an unprecedented boom in sales following the pandemic, leading to sizable overage rents paid to landlords. This trend was unsustainable and sales have begun to moderate, which should weigh on overage rents going forward. Demand for new stores from high-end tenants is still strong but a further normalization of sales could change this trend;
- The Growth in ecommerce sales outpaced that of brick & mortar '23, a trend that is forecasted to continue. Ecommerce will always be a meaningful long-term threat to malls. Ecommerce's growth rate is expected to be more than double that of brick & mortar over the near term.

Income Analysis

Our Income Analysis of the subject property is based on a review of the current rent roll. A further analysis was then completed by reviewing recent lease signings occurring at the mall.

JR BOX LEASE COMPS									
Building ID	Suite ID	Occupant Name	Rent Start	Expiration	GLA SqFt	Annual Rate PSF	% of Total	Weighted Rent PSF	
100-0678	BLDG-H	ROSS DRESS FOR LESS	10/11/2019	1/31/2030	18,014	\$ 9.49	27%	\$	2.57
100-0678	BLDG-E	TILT STUDIO	11/16/2022	1/31/2033	48,423	\$ 4.13	73%	\$	3.01
TOTAL					66,437		100%	\$	5.58



INLINE LEASE COMPS								
Building ID	Suite ID	Occupant Name	Rent Start	Expiration	GLA SqFt	Annual Rate PSF	% of Total	Weighted Rent PSF
100-0678	405	THE CANDY EMPORIUM, LLC	3/3/2023	3/31/2030	1,998	\$ 24.17	7%	\$ 1.76
100-0678	206	DESIGNS BY ARELLA	3/1/2022	4/30/2024	3,808	\$ 7.09	14%	\$ 0.98
100-0678	K-1	EAGLE VISION	10/1/2023	1/31/2024	160	\$ 37.50	1%	\$ 0.22
100-0678	J-2	FIVE BELOW	10/29/2022	1/31/2033	9,660	\$ 20.20	35%	\$ 7.10
100-0678	204	GLIK'S	10/17/2019	10/31/2026	3,079	\$ 22.06	11%	\$ 2.47
100-0678	PK-2	PHONE ZONE	2/1/2023	1/31/2028	120	\$ 330.57	0%	\$ 1.44
100-0678	PK-5	PREMIER SKIN CARE	2/1/2019	1/31/2024	120	\$ 541.22	0%	\$ 2.36
100-0678	346	ROLLING IN SUGAR	2/1/2023	1/31/2025	718	\$ 29.92	3%	\$ 0.78
100-0678	360	SAPPHIRE BEAUTY	4/1/2023	1/31/2024	463	\$ 19.05	2%	\$ 0.32
100-0678	J-4	T-MOBILE	1/14/2020	1/31/2027	2,354	\$ 27.32	9%	\$ 2.34
100-0678	236	TOTAL BEAUTY SUPPLY	1/15/2019	8/31/2024	4,284	\$ 5.95	16%	\$ 0.93
100-0678	108	WONDERFUL MASSAGE	7/16/2022	7/31/2024	735	\$ 26.12	3%	\$ 0.70
TOTAL					27,499		100%	\$ 21.39

Vacancy rate – A vacancy rate of **10%** was utilized. The actual vacancy of the mall is 12%.

Expenses – After reviewing the historical operating statements of the subject property, we have reconciled to an expense ratio of approximately **28%** of effective gross income. The 2022 & 2023 profit and loss statements are attached to the end of this report for review.

Capitalization Rate – Based upon the previously developed mall classification of a C grade, we believe a capitalization rate of **24%** is supported per Green Street. The effective tax rate of 1.74% was then loaded for an overall capitalization rate of **25.74%**. As shown below Green Street indicates the capitalization rate range of 24-28% for Class C malls:

Mall Unlevered IRR Assumptions by Quality Grade					
Quality Grade	Sales / SF	Avg. Cap Rate	Cap Rate Range		Estimated IRR
			Lower Bound	Upper Bound	
A++	\$1,250	6.4%	6.0%	7.0%	7.6%
A+	\$1,100	7.5%	7.0%	8.0%	7.9%
A	\$850	8.4%	8.0%	9.0%	8.1%
A-	\$625	10.3%	9.0%	11.5%	8.5%
B+	\$550	12.3%	11.5%	13.0%	9.1%
B	\$475	15.0%	13.0%	17.0%	9.4%
B-	\$400	19.0%	17.0%	21.0%	9.7%
C+	\$350	22.6%	21.0%	24.0%	10.2%
C	\$300	26.1%	24.0%	28.0%	10.6%
U.S. Mall Wtd. Avg.		9.5%			8.1%

Source: Green Street.
 100 Bayview Circle, Suite 400, Newport Beach, CA 92660
 T + 1 949 640 8780 / my.greenstreet.com

Important disclosure on page 37
 © 2024, Green Street



2024 INCOME ANALYSIS				
Dakota Square Mall				
Income Proforma				
PGI			Rent/SF	Annual
Anchor Rent	105,547	x	\$4.00	= \$422,188
Jr. Anchor Rent	149,096	x	\$9.00	= \$1,341,864
Inline Rent	181,320	x	\$22.00	= \$3,989,046
Specialty Income	435,963	x	\$1.20	= \$523,156
Other Income	435,963	x	\$0.85	= \$370,569
% Rent	435,963	x	\$0.50	= \$217,982
Total Rental Income	435,963	x	\$15.75	= \$6,864,803
Reimbursements	435,963	x	\$2.70	= \$1,177,101
Total PGI	435,963	x	\$18.45	= \$8,041,904
Less V&C Loss				
Total V&C Loss	-10.00%		(\$1.84)	(\$804,190)
EGI			\$16.60	\$7,237,714
Expenses:				
Fixed Expenses:	% of EGI		/SF	Annual
Insurance	-1.81%		(\$0.30)	(\$130,789)
R.E. Taxes	0.00%		\$0.00	\$0
Variable Expenses:				
Central Energy Expense	-0.60%		(\$0.10)	(\$43,426)
Utility Expense	-2.25%		(\$0.37)	(\$162,849)
Payroll Expense	-5.50%		(\$0.91)	(\$398,074)
Contract Expense	-6.00%		(\$1.00)	(\$434,263)
Non-Contract Expense	-6.75%		(\$1.12)	(\$488,546)
Maintenance & Repair	-2.00%		(\$0.33)	(\$144,754)
Administrative	-2.25%		(\$0.37)	(\$162,849)
Marketing Expense	-1.00%		(\$0.17)	(\$72,377)
Total Expenses	-28.16%		(\$4.67)	(\$2,037,927)
Net Operating Income	71.84%		\$11.93	\$5,199,787
Net Operating Income			\$11.93	\$5,199,787
Cap Rate / Loaded Cap Rate	24.00%	/	25.74%	\$20,204,608
INDICATED STABILIZED VALUE				\$20,200,000

County BOE Decision

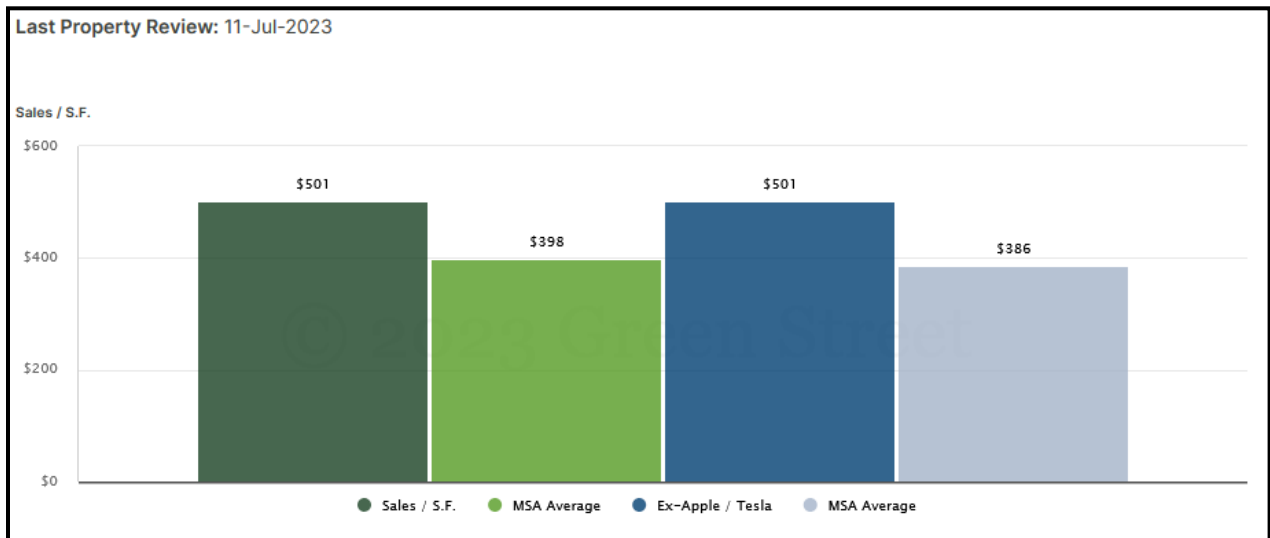
As mentioned in the attached minutes of the BOE meeting, the reasoning for the slight reduction in assessment granted was due to the comparison of the subject property to the Crossroads Center in St Cloud, MN. While it is apparent an adjustment to the assessment is warranted, we believe the comparison to the Crossroads Center was inaccurate and not based on anything other than the Board thought it to be “comparable”.

In a review of the tenant roster at the Crossroads Center and based on the “Common Tenants by Mall Grade” chart shown in previous pages, the majority of the tenants would indicate a mall classification of a solid “B grade”. The tenant roster as of July 12th, 2024, is listed below:

Last Review: 12-Jul-2024

Jewelry HELZBERG DIAMONDS KAY JEWELERS PANDORA RIDDLE'S JEWELRY ROGERS & HOLLANDS JEWELERS	Services ALMOST FAMOUS BODY PIERCING JCPENNEY OPTICAL JCPENNEY PORTRAITS MOBILE XPRESS NEW DRAGON ACUPRESSURE	Teen Apparel AEROPOSTALE AMERICAN EAGLE OUTFITTERS HOLLISTER & CO. HOT TOPIC JOURNEYS SPENCER'S GIFTS TORRID ZUMIEZ	Mom & Pop Count: 18 Men & Women's Apparel BUCKLE CHICO'S DAILY THREAD EARTHBOUND TRADING COMPANY FRANCESCO'S GLIK'S HALBERSTADT'S MAURICES MEN'S WEARHOUSE MINS FASHIONS PINK - VICTORIA'S SECRET RAG STOCK VICTORIA'S SECRET
Shoes BOOT BARN DSW FINISH LINE FOOT LOCKER SHOE DEPT, ENCORE TRADEHOME SHOES	Accessories / Watch / Lens Wear CLAIRE'S LENSRAFTERS LIDS THE WATCHMAN & MORE VISIONWORKS	Children Apparel & Toys ANIMAL RIDERS CARTER'S GAMES BY JAMES	

Further, the Crossroads Center is significantly outperforming the subject property on a sales per square foot basis, which based on the previously disclosed Korpacz chart, again supports a B+ rating.



Lastly, the Minnesota Department of Revenue reviews all sales to determine whether they were arm's length in nature and should be accepted into their sales ratio study for assessment purposes. While only the preliminary Electronic Certificate of Real Estate Value (eCRV) has been published, it shows two things, first, the sale was not completed until April 26th, 2024, a few months after the lien date for North Dakota. And second, the sales agreement information shows the purchase price to be the exact amount of the remaining mortgage, meaning this transaction was not based on any fair market value, other than the assumption of the debt. While the screenshot is listed below of the pertinent information, the full eCRV is provided as an attachment.

Sales Agreement Information			
Deed Type:	Other Transaction		
Date of Deed or Contract:	04/26/2024		
Purchase amount:	\$79,867,741.00		
Downpayment amount:	\$0.00		
Seller-paid points:	\$0.00		
Delinquent Special Assessments and	\$0.00		
Delinquent Taxes Paid by Buyer:			
Financing type:	Assumed Mortgage		
<i>Finance Arrangements</i>			
Mortgage or contract amount:	\$79,867,741.00		
Payment type:	Monthly		
Payment amount:	\$487,657.00		
Payment is for:	Interest Only		
Interest rate type:	Fixed		
Interest rate:	3.25%		
Number of payments:	36		
Balloon payment amount:	\$79,867,741.00		
Balloon payment date:	05/06/2027		
<i>Personal Property</i>			
Personal property included:	No		
<i>Sales Agreement Questions</i>			
Buyer leased before sale:	No	Lease option to buy:	No
Seller leased after sale:	No	Minimum rental income guaranteed:	No
Partial interest indicator:	No	Contract payoff or deed resale:	No
Received in trade:	No	Like exchange (IRS section 1031):	No
Purchase over two years old:	No		

Conclusion

As it is shown above, the Income Approach supports an adjusted assessment for the subject property. **We respectfully request the assessment be adjusted to \$20,200,000 based on the attached supporting data.**

Reconciliation of Suggested Values	Value
Income Analysis	\$ 20,204,608
DMA Suggested Value	\$ 20,200,000
2024 Assessment	\$ 56,100,000

If you have any questions or require any additional information, please do not hesitate to contact us. Thank you for your time and consideration and we look forward to hearing from you in the near future.

We can be reached directly at 317-596-3260 ext. 2372, or via email at dwilllaert@dmainc.com and 800-309-2110 ext. 1839, or via email at mbrennan@dmainc.com.

Sincerely,

Daniel Willaert

Daniel Willaert
Director, Property Tax

Melanie Brennan

Melanie Brennan
Director, Property Tax



Minutes of the Ward County Board of Equalization

June 4, 2024

The meeting of the Ward County Board of Equalization was called to order by Commissioner/Chairman Fjeldahl at 1:00 PM. with Comm. Anderson, Olson, Rostad, and Wepler present.

Also present were department heads Marisa Haman and Noreen Wilkie.

Moved by Comm. Wepler, seconded by Comm. Rostad to approve the agenda. Roll call: all voted yes; motion carried.

Director of Tax Equalization Noreen Wilkie gave the Board a brief summary of the 2024 County Board of Equalization Report.

Ms. Wilkie stated the Office of Tax Equalization recommends a True and Full value adjustment for approval for the following cities: City of Berthold decreases \$7,000; City of Douglas decreases \$26,000; City of Kenmare decreases \$270,000; City of Ryder decreases \$3,000 and City of Sawyer decreases \$17,000 for the 2024 assessment year with the above changes included on Attachment B.

Moved by Comm. Wepler, seconded by Comm. Anderson, to approve the True and Full Value adjustment decrease for the cities of Berthold, Douglas, Kenmare, Ryder, and Sawyer as shown on Attachment B. Roll call: all voted yes: motion carried.

The Office of Tax Equalization recommends a True and Full value adjustment for approval for the following townships: Berthold decrease \$235,000; Carbondale decrease \$64,000; Eureka decrease \$34,000; Freedom decrease \$565,000; Hilton decrease \$100,000; Maryland decrease \$30,000 and Rice Lake decrease \$48,000 for the 2024 assessment year with the above changes are included on Attachment B.

Moved by Comm. Wepler, seconded by Comm. Olson, to approve the True and Full Value adjustment decrease for Berthold, Carbondale, Eureka, Freedom, Hilton, Maryland, and Rice Lake Townships. Roll call: all voted yes, motion carried.

Chairman Fjeldahl opened the floor for any property owners from Rushville Township (151-83) that would like to appeal their 2024 property assessments. No one came forward at this time.

A memorandum was presented for Rushville Township 2023 and 2024 values and the percent of increase for Residential and Commercial; and percent of decrease for Agricultural (Attachment C). True and Full values of residential properties had a 10.26% increase in value and commercial properties had a 63.22% increase in value. Agricultural land reassessed using the most current soils data from the USDA-

Natural Resources Conservation Service (NRCS) and land use and the total agricultural value decreased 5.06%. The total True and Full Value for Rushville Township for 2024 is \$18,660,000.

Moved by Comm. Rostad, seconded by Comm. Wepler, to approve the 2024 Rushville Township values as presented. Roll call: all voted yes; motion carried.

The floor was opened for property owners to make appeals.

Daryl Lies appeared regarding Parcel #DG000010100070 and the increase in the value of his property. He stated that he has not made any updates or improvements to his property and he has a building that is uninsurable causing it to have no value. Ms. Wilkie addressed this issue and adjusted the value of the building.

Moved by Comm. Wepler, seconded by Comm. Olson, to lower the value to \$34,000. Roll called: Comm. Wepler and Olson voted yes; Comm. Rostad, Anderson, and Fjeldahl voted no; motion failed.

Moved by Comm. Rostad, seconded by Comm. Anderson, to lower the value to \$33,000. Roll call: all voted yes; motion carried.

Melanie Brennan, DMA Director, came forward to speak on the appeal for Dakota Square Mall, Parcel #MI356770000110. Ms. Brennan is requesting the assessment for Dakota Square Mall be set at a value between \$34,000,000 and \$35,000,000 due to economic obsolescence. Ryan Kamrowski, City of Minot Assessor, also spoke on this item regarding data and comparable values.

Moved by Comm. Olson, seconded by Comm. Wepler, to accept a value of \$56.1 million based on a 2024 sale of the St. Cloud Mall which they deemed comparable for the value of Dakota Square Mall. Roll call: Comm. Olson, Wepler, Anderson, and Rostad voted yes; Chairman Fjeldahl voted no; motion carried.

Silver Springs Development Inc. submitted an appeal. No one from Silver Springs Development appeared to speak to the appeal.

Moved by Comm. Rostad, seconded by Comm. Anderson, to follow the recommendation of the Office of Tax Equalization and approve the 2024 values, of eight parcels, totaling \$2,211,000. Roll call: all voted yes; motion carried.

Cass Oil Company submitted an appeal for Parcel #MI36D410100030. No one from Cass Oil Company came forward to speak on the appeal. Ryan Kamrowski, City of Minot Assessor, spoke on the property assessment that was conducted by the City.

Moved by Comm. Wepler, seconded by Comm. Olson, to follow the recommendation of the Office of Tax Equalization and approve the 2024 value of \$2,213,000. Roll call: all voted yes; motion carried.

Joseph Banchy appeared regarding Parcel #MI132570100010. Mr. Banchy states that he will allow the city assessor to complete an interior assessment on his property.

Moved by Comm. Rostad, seconded by Comm. Wepler, to approve a value of no higher than \$172,000 and to grant the City of Minot the ability to lower the value if needed after an interior inspection has been completed.

Motion withdrawn by Comm. Rostad

Moved by Comm. Rostad, seconded by Comm. Wepler, to table item. Roll call: all voted yes motion carried.

Comm. Rostad stepped out of the meeting at 2:48 PM.

Moved by Comm. Wepler, seconded by Comm. Olson, to take the appeal for Parcel #MI132570100010 off the table. Roll call: all voted yes motion carried.

Moved by Comm. Wepler, seconded by Comm. Anderson, to approve a value of no higher than \$172,000 and to grant the City of Minot the ability to lower the value if needed after an interior inspection has been completed. Roll call: all voted yes motion carried.

Stanley Solberg appeared regarding Parcel #MY080990000020. He questioned the increase in his value since he recently parceled off the house and sold that parcel. It was determined that this parcel could be classified as ag land as the property owner has farmable land adjacent to the land.

Moved by Comm. Wepler, seconded by Comm. Rostad, to reclassify the parcel to ag land from commercial real estate and reassess the value. Roll called: all voted yes motion carried.

Ms. Wilkie addressed the omitted assessment for 2024.

Moved by Comm. Wepler, seconded by Comm. Rostad, to approve the 2024 omitted assessments. Roll call; all voted yes; motion carried.

Moved by Comm. Wepler, seconded by Comm. Olson, to have the adopt the 2024 resolution and be signed by Chairman Fjeldahl.

At 3:03PM with no further business was adjourned.

RESOLUTION

WHEREAS, this Board of Equalization has reviewed the 2024 property assessment; and
WHEREAS, any errors and inequalities have come to the attention of this Board; and
WHEREAS, the County Director of Tax Equalization has reported that the notices of
increases and decreases have been given to the owners and local equalization boards as provided
by law; and opportunity to be heard in protest is such changes have been given;

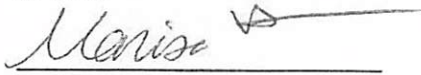
NOW, THEREFORE, BE IT RESOLVED, that all returns as made by local equalization
boards be approved except for changes ordered by this Board, and that all actions taken by this
Board of Equalization be confirmed, and that such revised assessments be noted on the County
Assessment Rolls and included in the report to the States Tax Commissioner.

Adopted this 4th day of June, 2024



John Fjeldahl
Ward County Commission Chairman

ATTEST:



Marisa Haman
Ward County Auditor/Treasurer

ACCEPTED AND APPROVED THIS 16TH DAY OF JULY, 2024.



John Fjeldahl
Ward County Commission Chairman

ATTEST:



Marisa Haman
Ward County Auditor/Treasurer

View Summary for Preliminary eCRV ID 1642296

County:Stearns Auditor ID:Michelle

Submit Date: 04/26/2024 3:16 PM Accept Date: 05/01/2024 10:47 AM

Buyers Information

Organization name: **CONTRARIAN CROSSROADS LLC, a Delaware limited liability company**
Address: **1600 Post Oak Boulevard #1708, Houston, TX 77056 United**
Foreign address: **Yes**
Phone number: **(214) 749-4747**
Email:

*** MN Revenue does not display SSN/Tax ID fields due to privacy. ***

Sellers Information

Organization name: **TRIGILD IVL, LLC, a Delaware limited liability company, NOT IN ITS OWN RIGHT BUT SOLELY IN ITS CAPACITY AS COURT APPOINTED RECEIVER**
Address: **c/o Trigild, Inc. 4131 N. Central Expressway, Suite 775, Dallas, TX 75204 United States**
Foreign address: **Yes**
Phone number: **(214) 661-5569**
Email:

*** MN Revenue does not display SSN/Tax ID fields due to privacy. ***

Property Information

County: **Stearns**
Legal description:

PARCEL 1: LOT 1, BLOCK 1, CROSSROADS ADDITION PLAT 5, CITY OF ST. CLOUD, STEARNS COUNTY, STATE OF MINNESOTA. PARCEL 2: LOT 2, BLOCK 1, CROSSROADS ADDITION PLAT 3, CITY OF ST. CLOUD, STEARNS COUNTY, STATE OF MINNESOTA. PARCEL 3: LOT 5, BLOCK 1, CROSSROADS ADDITION PLAT 3, CITY OF ST. CLOUD, STEARNS COUNTY, STATE OF MINNESOTA. PARCEL 4: LOT 1, BLOCK 2, CROSSROADS ADDITION PLAT 4, CITY OF ST. CLOUD, STEARNS COUNTY, STATE OF MINNESOTA. PARCEL 5: LOT 2, BLOCK 2, CROSSROADS ADDITION PLAT 4, CITY OF ST. CLOUD, STEARNS COUNTY, STATE OF MINNESOTA. PARCEL 6: LOT 1, BLOCK 1, CROSSROADS ADDITION PLAT 4, CITY OF ST. CLOUD, STEARNS COUNTY, STATE OF MINNESOTA. Parcel ID Nos. 82.46411.0031, 82.46411.0027, 82.46411.0030, 98.60666.0071, 98.60666.0072, 98.60666.0070

Deeded acres:

Will use as primary residence: **No**

What is included in the sale: **Land and Buildings**

New construction: **No**

Property Location(s)

Property location: **4101 WEST DIVISION STREET, St. Cloud, 56301**

Preliminary Parcel IDs

Parcels to be split or combined: **No**

Primary parcel ID:

Additional parcel ID(s):

Use(s)

Planned use: **Retail / Neighborhood shopping center**

Primary use: **Yes**

Prior use: **Retail / Neighborhood shopping center**

Rental buildings: **0** Rental units: **0**

Square Footage: **2428266**

Sales Agreement Information

Deed Type: **Other Transaction**

Date of Deed or Contract: **04/26/2024**

Purchase amount: **\$79,867,741.00**

Downpayment amount: **\$0.00**

Seller-paid points: **\$0.00**

Delinquent Special Assessments **\$0.00**

and Delinquent Taxes Paid by

Buyer:

Financing type: **Assumed Mortgage**

Finance Arrangements

Mortgage or contract amount: **\$79,867,741.00**

Payment type: **Monthly**
 Payment amount: **\$487,657.00**
 Payment is for: **Interest Only**
 Interest rate type: **Fixed**
 Interest rate: **3.25%**
 Number of payments: **36**
 Balloon payment amount: **\$79,867,741.00**
 Balloon payment date: **05/06/2027**

Personal Property

Personal property included: **No**

Sales Agreement Questions

Buyer leased before sale:	No	Lease option to buy:	No
Seller leased after sale:	No	Minimum rental income guaranteed:	No
Partial interest indicator:	No	Contract payoff or deed resale:	No
Received in trade:	No	Like exchange (IRS section 1031):	No
Purchase over two years old:	No		

Supplementary Information

Buyer paid appraisal:	No	Appraisal value:	\$0.00
Seller paid appraisal:	No	Appraisal value:	\$0.00
Buyer and seller related:	No	Organization tax exempt:	No
Government sale:	No	Foreclosed, condemned or legal proceedings:	No
Gift or inheritance:	No	Name change:	No
Buyer owns adjacent property:	No		
Public promotion:	Yes		
Significant different price paid:	No		
Comment on price difference:			

Submitter Information

Submit date: **04/26/2024 3:16:17 PM**
 Submitter: **Michael Scott**
 Organization: **First Nationwide Title**
 Email: **michael.scott@fnta.com**
 Phone number: **(646) 386-2688**
 Comments:

Terms Accepted by the Submitter:

I declare under penalty of law that I have examined the information entered and submitted on this form, and, based on what I know and believe to be true, the information entered on this form is complete and correct.

Annual Statement

Period = Jan 2022-Dec 2023

Book = Cash ; Tree = .mgmt_rpt_3

	EOY	EOY
	Dec 2022	Dec 2023
Lease Income		
Base Rent	4,899,983.71	5,747,513.98
Unearned Revenues - Rent	-34,612.90	-23,796.21
Free Rent	-117,271.90	-97,450.58
Uncollectable Revenue Direct WO	704.34	-6.95
Uncollectable Abatement (COVID)	-20,392.00	0.00
Minimum Annual Rent	4,728,411.25	5,626,260.24
Percentage in Lieu	145,807.21	113,052.63
Percent in Lieu	145,807.21	113,052.63
Percentage Rents	102,407.01	90,881.81
Percentage Rent	102,407.01	90,881.81
CAM - Pro Rata Fee Income	1,200.33	301.74
CAM - Fixed Fee Income	789,466.43	765,887.28
CAM - Year End Billing	-1,721.74	-46,090.87
CAM - Food Court Maintenance	492.12	0.00
CAM - Food Court Maint Fixed	70,874.57	45,818.16
CAM - Insurance Reimbursement	4,748.74	6,066.00
CAM - Per Leasing Abatement (COVID)	-20,755.40	-15,999.96
CAM - Income from Consolidated Affiliates	15,516.55	11,451.75
Common Area Maintenance	859,821.60	767,434.10
RET - Fee Income	219,481.72	233,473.71
RET - Prior Year End Billing	78,918.45	81,862.57
Real Estate Tax Income	298,400.17	315,336.28
Utilities - Central Utilities Reimbursement	3,572.28	6,355.57
Utilities - Central Water Reimbursement	20,351.48	51,600.21
Utilities - Central Energy Reimbursement	1,458.60	9,453.10
Central Utility Income	25,382.36	67,408.88
Other Tenant Reimbursement	2,374.92	2,374.92
Tenant Late Charges	2,413.28	600.00
Other Tenant Income	4,788.20	2,974.92
Total Lease Income	6,165,017.80	6,983,348.86
Specialty Leasing & Branding		
Specialty Leasing - Inline Income LTR	158,109.07	170,127.96
Specialty Leasing - RMU Income LTR	35,000.00	46,540.71
Specialty Leasing - Kiosk Income LTR	56,200.00	16,097.18
Specialty Leasing - Vending Income LTR	41,087.28	32,830.59
Specialty Leasing - Storage Income LTR	114,092.88	118,785.15
Specialty Leasing - Inline Income STR	15,680.38	16,665.00
Specialty Leasing - Beverage Income STR	19,001.32	16,686.64
Specialty Leasing - Stroller Income STR	2,189.60	1,854.20
Specialty Leasing - RMU Income STR	16,870.66	5,893.95
Specialty Leasing - Kiosk Income STR	5,802.30	4,240.00
Specialty Leasing - Storage Income STR	675.00	0.00
Specialty Leasing - Parking Lot Income STR	14,222.75	17,031.64
Specialty Leasing - Interior Shows STR	3,425.00	4,050.00
Specialty Leasing - Miscellaneous Fees	250.00	1,425.00

Specialty Leasing	482,606.24	452,228.02
Brand Dev - Digital Partnership Agreements	12,216.86	10,446.92
Brand Dev - Activations and Events	750.00	0.00
Brand Dev - Static Display	31,850.00	38,416.00
Brand Dev - Production	0.00	175.00
Brand Dev - Display RMUs	2,295.83	3,500.00
Sponsorship Branding Income	47,112.69	52,537.92
Total Specialty Leasing & Branding Income	529,718.93	504,765.94
Other Income		
Miscellaneous Income	14,669.73	94,639.10
Credit Card Fees	2,312.21	396.44
Business Dev - Ad Panels	27,835.00	28,270.00
Business Dev - Banners	1,750.00	0.00
Business Dev - Sponsorship Misc	54,500.00	50,000.00
Business Dev - Common Area Advertising	23,580.00	23,850.00
Business Dev - Digital Advertising	39,032.30	43,972.22
Business Dev - Production Fees	6,610.00	10,457.99
Business Dev - Administration Fees	650.00	650.00
Specialty Leasing - Holiday Photo Income	21,669.04	0.00
CAM - OBO - Pro Rata Fee Income	50,896.87	115,640.98
Other Revenue	243,505.15	367,876.73
Marketing - Tenant Dues	16,319.88	17,021.53
Marketing Income	16,319.88	17,021.53
Insurance Proceeds - Repairs and Maintenance	1,396.00	0.00
Interest Income	1,396.00	0.00
Total Other Income	261,221.03	384,898.26
Total Income	6,955,957.76	7,873,013.06
Expenses		
Central Water Expenses	20,437.74	56,246.56
Energy Consultant	20,938.40	10,221.18
Central Energy Expense	41,376.14	66,467.74
Electricity Interior	111,465.29	110,979.43
Water and Sewer Interior	32,751.42	-12,988.81
Natural Gas	30,883.86	19,490.19
Utility Expense	175,100.57	117,480.81
Payroll - Salaries and Wages	335,900.19	345,294.50
Payroll - Employment Taxes	23,739.65	23,974.23
Payroll - Group Insurance	39,572.79	48,735.47
Payroll - Workers Compensation	516.69	563.32
Payroll - Unemployment Taxes	405.53	405.77
Payroll - 401k Employer Contribution	7,465.13	7,878.01
Employee Training Recoverable	1,959.14	1,987.37
Payroll Expense	409,559.12	428,838.67
Janitorial Contract Interior ERM	256,704.35	219,901.45
HVAC Contract Interior	2,357.29	0.00
Landscaping Contract Interior	21,324.72	10,662.36
Alarm Contract Interior	408.00	480.00
Exterminating Interior	1,116.00	1,209.00

Container Rental Interior	38.80	0.00
Interior Contract Expense	281,949.16	232,252.81
Janitorial Contract Exterior ERM	202,049.04	165,763.84
Exterior Contract Expense	202,049.04	165,763.84
HVAC Non-Contract Interior	2,887.25	1,465.63
Sprinkler Non-Contract Interior	62.38	0.00
Electrical Non-Contract Interior	8,302.69	3,023.63
Plumbing Non-Contract Interior	6,015.46	6,313.21
Painting Non-Contract Interior	112.84	164.89
Landscaping Non-Contract Interior	160.40	67.41
General Building Supplies Interior	20,293.16	19,642.26
Equipment Maintenance and Repairs Interior	6,832.12	5,333.55
Doors Interior	1,018.00	6,655.70
Facilities Cleaning Interior	0.00	2,988.32
Facilities Maintenance and Repairs Interior	8,585.70	4,995.55
Interior Non-Contract Expense	54,270.00	50,650.15
Electrical Non-Contract Exterior	4,945.10	10,660.42
Plumbing Non-Contract Exterior	1,429.88	0.00
Painting Non-Contract Exterior	8,835.99	0.00
Landscaping Non-Contract Exterior	8,906.30	1,314.43
Parking Area	12,452.75	18,083.91
Roof	16,763.14	22,161.92
Snow Removal	365,655.25	325,951.30
Automotive Expenses Exterior	12,755.28	11,693.16
Exterior Non-Contract Expense	431,743.69	389,865.14
General Building Supplies Exterior	316.86	341.17
HVAC Non-Contract Exterior	73.10	0.00
Equipment Maintenance and Repairs Exterior	0.00	715.86
Doors Exterior	774.03	726.04
Facilities Maintenance and Repairs Exterior	14,523.65	1,096.85
Security Contract Interior ERM	194,053.06	159,792.24
Security Supplies Interior	1,665.68	3,132.21
Security Supplies Exterior	3,233.02	3,161.34
Safety Systems Contract Interior	1,115.88	695.00
Safety Systems Contract Exterior	379.00	0.00
Other Maintenance & Repair	216,134.28	169,660.71
Muzak	378.00	483.00
Postage	446.71	37.66
Telephone	13,931.51	12,373.18
Office Supplies	2,235.96	1,874.39
Copy Machine Expense	835.35	764.76
IT and Communications Expenses	2,223.93	14,310.40
Miscellaneous Expenses	34.24	43.55
Billable General & Administrative	20,085.70	29,886.94
Travel Expenses	5,250.83	4,760.85
Meals and Entertainment	1,801.02	1,873.78
Employee Relocation	111.30	0.00
Tenant Utilities	37,638.33	50,424.97
Tenant Maintenance and Repairs	23,053.07	23,721.63
Fire Protection and Sprinkler Service	4,471.20	6,896.50
HVAC Maintenance and Repairs	2,709.10	1,978.37
Land Rent Expenses	2,950.00	2,950.00
Advertising	1,000.00	600.00
Specialty Leasing Expenses	996.16	453.94

Brand Dev - Expenses	2,018.00	2,025.00
Dues and Subscriptions	3,350.00	3,939.04
Printing and Duplicating	13,977.77	9,861.90
Misc G and A Non-Recoverable	91.36	91.36
Licenses and Fees Tenant and UCC1	100.00	140.00
Architect Fees	2,550.00	0.00
Legal Fees	18,050.00	129.00
Other Professional Fees	14,085.00	0.00
Bank Charges and Fees	26,820.42	26,520.58
Visa Merchant Fees	5,809.29	2,994.64
State Tax - Franchise Tax State Taxes	300.00	300.00
State Annual Report Fees	50.00	50.00
Management Fees - CBL	0.00	76,716.94
Non-Billable General & Administrative	167,182.85	216,428.50
Real Estate Taxes	822,648.50	965,246.39
Real Estate Taxes	822,648.50	965,246.39
Liability Insurance Interior	50,392.00	56,740.00
Liability Insurance Exterior	0.00	5,252.00
Property and Fire Insurance	66,570.00	78,780.87
Environmental Insurance	12,177.78	2,438.00
Insurance Expense	129,139.78	143,210.87
Marketing - Salaries	41,349.12	40,379.73
Marketing - FICA	2,977.78	2,861.55
Marketing - Group Insurance	3,881.10	3,846.56
Marketing - Workers Compensation	104.49	167.28
Marketing - Unemployment Taxes	79.17	82.33
Marketing - 401K Plan	886.74	878.16
Marketing - Telephone and Fax	403.70	358.40
Marketing - Travel Expense	9.36	0.00
Marketing - Miscellaneous G and A	62.50	0.00
Marketing - Music Licensing Fees	-279.00	1,033.49
Marketing - Exhibits Talents Special Event	5,401.62	6,748.11
Marketing - Promotional Equipment	275.25	605.78
Marketing - Seasonal Decorating	0.00	197.94
Marketing - Incentives and Premiums	0.00	2,867.57
Marketing - Mobile Website and Digital	8,883.59	8,172.96
Marketing - Publicity and PR	1,072.62	1,184.98
Marketing - Publicity and PR Special Projects	800.00	1,200.00
Marketing - Digital Media Advertising	8,046.12	10,107.48
Marketing - Property Specific	49.47	0.00
Marketing - Printing and Collaterals	1,506.02	7,602.25
Marketing Expenses	75,509.65	88,294.57
Total Expenses	3,026,748.48	3,064,047.14
NET OPERATING INCOME - SAME CENTER	3,929,209.28	4,808,965.92
Lease Termination Revenues	98,321.41	2,994.80
Lease Buy Out	98,321.41	2,994.80
Legal Fees	260.00	0.00
General And Administrative	-260.00	0.00
Reorganization - Professional Fees	-11,117.00	0.00
Reorganization - Trustee Fees	-2,263.00	0.00
TOTAL REORGANIZATION	-13,380.00	0.00
NET INCOME	4,013,890.69	4,811,960.72



AN EXTENSION OF YOUR TAX DEPARTMENT

To: North Dakota State Board of Equalization
From: Daniel Willaert, Director and Melanie Brennan, Director – DMA, Inc.
Date: July 16th, 2024
RE: Dakota Square Mall

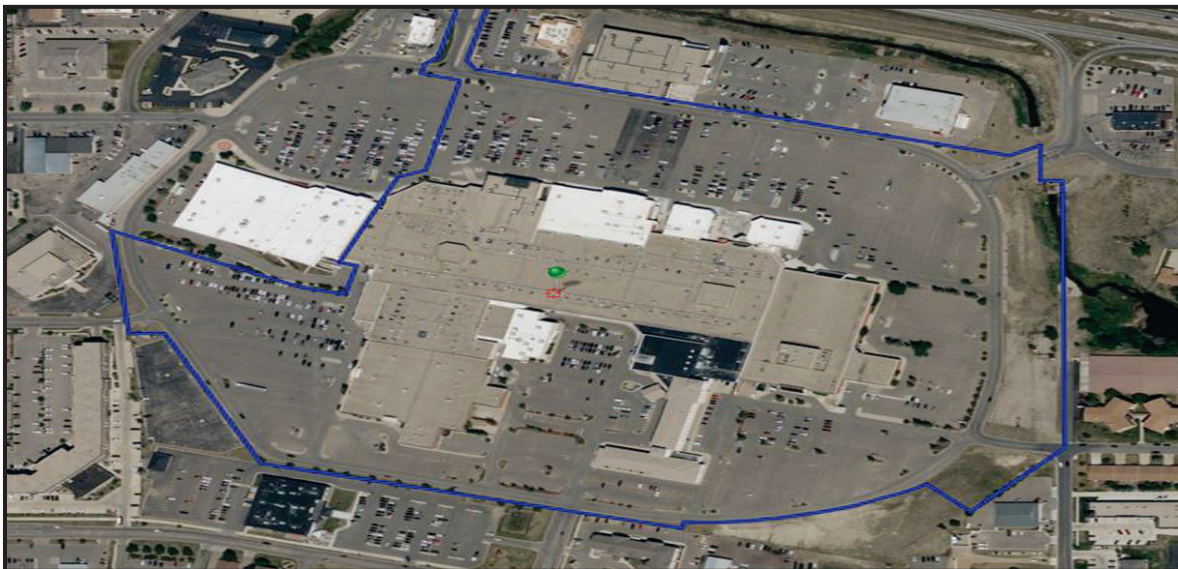
Parcel: MI356770000110

2400 10th St SW
Minot, ND

Attached and within you will find a valuation analysis for the subject property, a regional enclosed mall known as Dakota Square Mall. This report is provided for informational and real estate assessment review purposes only. DMA is a state-and-local-tax (SALT) tax consulting firm, not an appraisal firm, and its employees are not engaged in the practice of appraisal. This report and any work-product is not represented as, and should not be construed as, a real estate appraisal report. In addition to this paperwork, we have attached supporting documentation and an analysis in support of our recommended assessment. After completing our analysis, we believe the 2024 proposed assessed valuation to be excessive.

Property Description

The subject property is a multi-tenant regional mall located at 2400 10th St SW in Minot, ND. The site contains approximately 49.05 acres. The property is improved with 1 building, originally constructed in 1980, and totaling 435,963 net rentable square feet.



Dakota Square Mall

Property Photos



Property Summary

Client: CBL & Associates
Property Owner Dakota Square Mall CMBS, LLC
Property Name Dakota Square Mall
PARCEL: MI356770000110
ADDRESS: 2400 10th St SW
CITY: Minot
STATE: ND
SUBMARKET: Ward County

GENERAL DESCRIPTION
ACREAGE: 49.05
BUILDING:
 GROSS AREA: 569,094 LEASEABLE AREA: 435,963
 YR. BUILT: 1980
PROPERTY TYPE: Enclosed Mall
TENANCY: Multi

Assessment Summary & Comments

	TY 2024	TY 2023
Land:	\$ 13,888,000	\$ 13,888,000
Building:	\$ 42,212,000	\$ 42,964,000
Total FMV:	\$ 56,100,000 \$ 99	\$ 56,852,000 \$ 100
Abated:	0%	0%
Total Taxable AV:	\$ 2,805,000	\$ 2,842,600
Tax Rate:	36.5400%	36.5400%
Taxes:	\$ 1,024,947 \$ 1.80	\$ 1,038,686 \$ 1.83
	% Change: -1.32%	

Indicated Values

Reconciliation of Suggested Values	Value
Income Analysis	\$ 20,204,608
DMA Suggested Value	\$ 20,200,000
2024 Assessment	\$ 56,100,000



Mall Classification

We analyzed this property to determine the proper Mall Classification that it would fall under from an investor and/or appraiser viewpoint. A critical step in this process is reviewing the Annual Gross Sales Per Square Foot and being aware of recent market trends. The below table was obtained from the Korpacz Regional Mall Classification report:

KORPACZ REALTY ADVISORS, INC.					
REGIONAL MALL CLASSIFICATION SURVEY CONCLUSIONS					
Inline Retail Sales Per Square Foot					
Mall Classification	As of 1/1/2019	As of 1/1/2020	As of 1/1/2021⁽¹⁾	As of 1/1/2022	As of 1/1/2023
Trophy	\$900 and up	\$925 and up	\$925 and up	\$925 and up	\$935 and up
A+	\$715 to \$899	\$735 to \$924	\$735 to \$924	\$760 to \$924	\$775 to \$934
A	\$550 to \$714	\$575 to \$734	\$575 to \$734	\$600 to \$759	\$600 to \$774
B+	\$460 to \$549	\$460 to \$574	\$460 to \$574	\$480 to \$599	\$480 to \$599
B	\$390 to \$459	\$390 to \$459	\$390 to \$459	\$400 to \$479	\$400 to \$479
C+	\$325 to \$389	\$325 to \$389	\$325 to \$389	\$325 to \$399	\$325 to \$399
C	\$275 to \$324	\$275 to \$324	\$275 to \$324	\$280 to \$324	\$275 to \$324
D	Less than \$275	Less than \$275	Less than \$275	Less than \$280	Less than \$275

The below table shows the CY-2023 Annual Gross Sales performance for the Dakota Square Mall. As you can see, the overall Retail Gross Sales was \$191.04 PSF. Please note that the average has been calculated based upon the stores that have provided this data to the Landlord and their corresponding square footages - most of the stores have complied and provided. However, the above Korpacz table focuses only on the inline space. The subject's inline space Annual Gross Sales were \$278.28 PSF which would fall into the Class C category.

	Area	Sales	PSF
Grand Total	299,584	\$49,299,875	\$191.04
Retail Greater than 10,000 SqFt	195,248	\$20,265,749	\$103.79
Retail Less than 10,000 SqFt	104,336	\$29,034,126	\$278.28

Further, per the attached Lease Analytics as of 1/1/2024 you can see a decline of inline sales PSF from 2022 to 2023. While we understand that this is one metric for valuing a mall, we acknowledge that there are others as well - such as tenant make up, location, demographics, and condition. Below, Green Street shows Common Tenants by Mall Grade:



Common Tenants by Mall Grade			
A++ / A+	A / A-	B	C
Alo Yoga Anthropologie Arhaus Antzlia Canada Goose Diesel Forward Free People Gorjana Laderach Chocolatier Levi's Luxury Retailers Neiman Marcus Nespresso Rimowa Scotch & Soda Tesla Travis Mathew Untuckit Warby Parker	Aldo Apple Amani Exchange Banana Republic Coach Cotton On GAP J. Crew Lovesac Lovisa Lucky Brand Jeans Lululemon Lush Michael Kors Offine by Aerie Primark Sephora Swarovski Cheesecake Factory The Lego Store	American Eagle Bath & Body Works Carrabba's Italian Grill Claire's Finish Line Foot Locker Forever 21 Gamestop H&M Hollister Hot Topic JCPenney Kay Jewelers Lids Macy's Spencer's Gifts Sunglass Hut The Children's Place Victoria's Secret Zumies	Applebee's Bar & Grill Army Recruiting BAM! Belk Big Lots Burlington Chuck E. Cheese David's Bridal Dollar Tree Harbor Freight Tools Hibbett Sports Hobby Lobby Joann Fabric Maurices Ollie's Bargain Outlet Ross Dress For Less Rural King Shoe Dept. Encore Spirit Halloween TJ Maxx

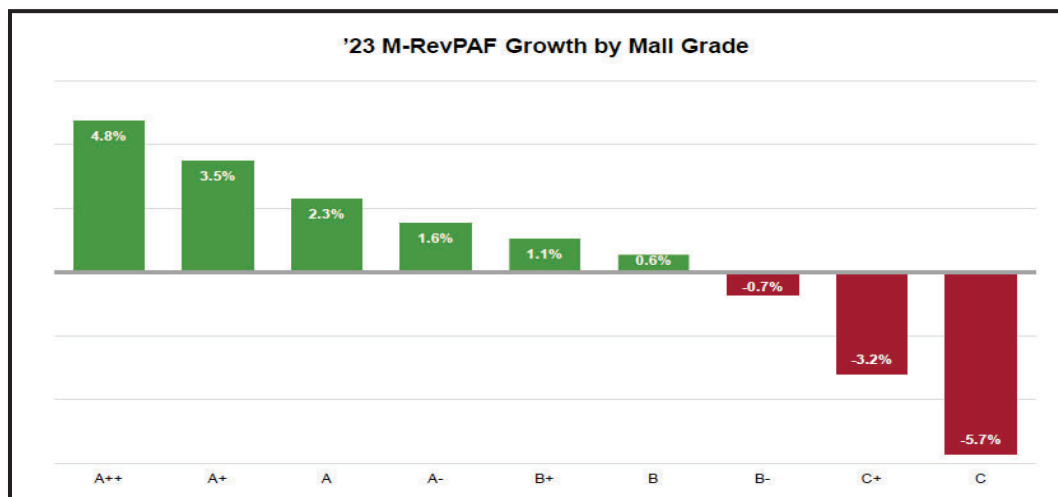
While there are tenants at this mall that indicate a B grade such as - American Eagle, Bath and Body Works, Claire's, Hot Topic, Kay Jewelers, Lid's, Spencer's, Victoria's Secret, Zumies, etc., there is also Armed Forces Recruiting, Ross Dress for Less, Maurice's, Party City, Famous Footwear and Five Below (which is a Dollar Tree/ Big Lots equivalent) these would indicate a C grade.

Further, the most recently signed leases are for lower quality or non-common/chain equivalent tenants such as Daily Thread and Designs by Arella. The B grade tenants at this mall all have signed leases during or prior to 2013 with most being prior to 2006.

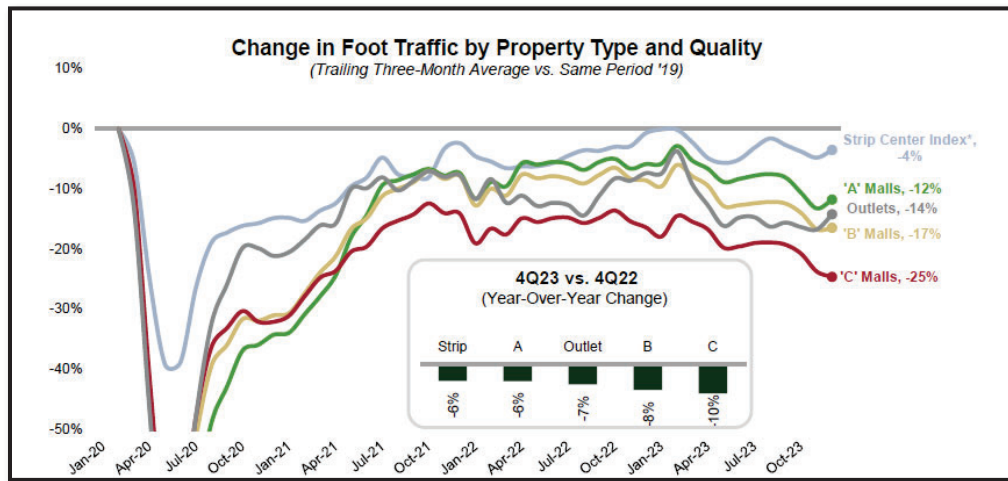
Taking all these factors into consideration (i.e. Annual Gross Sales PSF, declining trend in sales and Tennant makeup), a C grade is supportable when valuing this property and looking towards Capitalization Rates. **To support the assessors fair market value, the mall would need to be graded at least as an A-. To be graded an A- mall, the sales per square foot would need to be in excess of \$625, which is more than 3 times the actual sales per square foot of the subject.**

Economic Obsolescence

A study performed by Green Street Advisors revealed the gap in growth between higher performing malls to lower performing malls. Below is one of the graphs from their study:



Mall foot traffic has been on the decline since COVID-19. Foot traffic deteriorated throughout the year with 4Q23 down 12% versus 4Q19 for “A” level malls - **weaker malls have fared even worse**.



Lastly, there are several economic obsolescence factors affecting the retail industry, and malls specifically, to consider:

- Recent bankruptcies and tenant mergers have led to modest store closures with potentially more to come;
- Stagnant foot traffic- foot traffic has seemed to stabilize at these lower levels;
- Luxury retailers experienced an unprecedented boom in sales following the pandemic, leading to sizable overage rents paid to landlords. This trend was unsustainable and sales have begun to moderate, which should weigh on overage rents going forward. Demand for new stores from high-end tenants is still strong but a further normalization of sales could change this trend;
- The Growth in ecommerce sales outpaced that of brick & mortar '23, a trend that is forecasted to continue. Ecommerce will always be a meaningful long-term threat to malls. Ecommerce's growth rate is expected to be more than double that of brick & mortar over the near term.

Income Analysis

Our Income Analysis of the subject property is based on a review of the current rent roll. A further analysis was then completed by reviewing recent lease signings occurring at the mall.

JR BOX LEASE COMPS									
Building ID	Suite ID	Occupant Name	Rent Start	Expiration	GLA SqFt	Annual Rate PSF	% of Total	Weighted Rent PSF	
100-0678	BLDG-H	ROSS DRESS FOR LESS	10/11/2019	1/31/2030	18,014	\$ 9.49	27%	\$	2.57
100-0678	BLDG-E	TILT STUDIO	11/16/2022	1/31/2033	48,423	\$ 4.13	73%	\$	3.01
TOTAL					66,437		100%	\$	5.58



INLINE LEASE COMPS								
Building ID	Suite ID	Occupant Name	Rent Start	Expiration	GLA SqFt	Annual Rate PSF	% of Total	Weighted Rent PSF
100-0678	405	THE CANDY EMPORIUM, LLC	3/3/2023	3/31/2030	1,998	\$ 24.17	7%	\$ 1.76
100-0678	206	DESIGNS BY ARELLA	3/1/2022	4/30/2024	3,808	\$ 7.09	14%	\$ 0.98
100-0678	K-1	EAGLE VISION	10/1/2023	1/31/2024	160	\$ 37.50	1%	\$ 0.22
100-0678	J-2	FIVE BELOW	10/29/2022	1/31/2033	9,660	\$ 20.20	35%	\$ 7.10
100-0678	204	GLIK'S	10/17/2019	10/31/2026	3,079	\$ 22.06	11%	\$ 2.47
100-0678	PK-2	PHONE ZONE	2/1/2023	1/31/2028	120	\$ 330.57	0%	\$ 1.44
100-0678	PK-5	PREMIER SKIN CARE	2/1/2019	1/31/2024	120	\$ 541.22	0%	\$ 2.36
100-0678	346	ROLLING IN SUGAR	2/1/2023	1/31/2025	718	\$ 29.92	3%	\$ 0.78
100-0678	360	SAPPHIRE BEAUTY	4/1/2023	1/31/2024	463	\$ 19.05	2%	\$ 0.32
100-0678	J-4	T-MOBILE	1/14/2020	1/31/2027	2,354	\$ 27.32	9%	\$ 2.34
100-0678	236	TOTAL BEAUTY SUPPLY	1/15/2019	8/31/2024	4,284	\$ 5.95	16%	\$ 0.93
100-0678	108	WONDERFUL MASSAGE	7/16/2022	7/31/2024	735	\$ 26.12	3%	\$ 0.70
TOTAL					27,499		100%	\$ 21.39

Vacancy rate – A vacancy rate of **10%** was utilized. The actual vacancy of the mall is 12%.

Expenses – After reviewing the historical operating statements of the subject property, we have reconciled to an expense ratio of approximately **28%** of effective gross income. The 2022 & 2023 profit and loss statements are attached to the end of this report for review.

Capitalization Rate – Based upon the previously developed mall classification of a C grade, we believe a capitalization rate of **24%** is supported per Green Street. The effective tax rate of 1.74% was then loaded for an overall capitalization rate of **25.74%**. As shown below Green Street indicates the capitalization rate range of 24-28% for Class C malls:

Mall Unlevered IRR Assumptions by Quality Grade					
Quality Grade	Sales / SF	Avg. Cap Rate	Cap Rate Range		Estimated IRR
			Lower Bound	Upper Bound	
A++	\$1,250	6.4%	6.0%	7.0%	7.6%
A+	\$1,100	7.5%	7.0%	8.0%	7.9%
A	\$850	8.4%	8.0%	9.0%	8.1%
A-	\$625	10.3%	9.0%	11.5%	8.5%
B+	\$550	12.3%	11.5%	13.0%	9.1%
B	\$475	15.0%	13.0%	17.0%	9.4%
B-	\$400	19.0%	17.0%	21.0%	9.7%
C+	\$350	22.6%	21.0%	24.0%	10.2%
C	\$300	26.1%	24.0%	28.0%	10.6%
U.S. Mall Wtd. Avg.		9.5%			8.1%

Source: Green Street.
 100 Bayview Circle, Suite 400, Newport Beach, CA 92660
 T + 1 949 640 8780 / my.greenstreet.com

Important disclosure on page 37
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2024 INCOME ANALYSIS				
Dakota Square Mall				
Income Proforma				
PGI			Rent/SF	Annual
Anchor Rent	105,547	x	\$4.00	= \$422,188
Jr. Anchor Rent	149,096	x	\$9.00	= \$1,341,864
Inline Rent	181,320	x	\$22.00	= \$3,989,046
Specialty Income	435,963	x	\$1.20	= \$523,156
Other Income	435,963	x	\$0.85	= \$370,569
% Rent	435,963	x	\$0.50	= \$217,982
Total Rental Income	435,963	x	\$15.75	= \$6,864,803
Reimbursements	435,963	x	\$2.70	= \$1,177,101
Total PGI	435,963	x	\$18.45	= \$8,041,904
Less V&C Loss				
Total V&C Loss	-10.00%		(\$1.84)	(\$804,190)
EGI			\$16.60	\$7,237,714
Expenses:				
Fixed Expenses:	% of EGI		/SF	Annual
Insurance	-1.81%		(\$0.30)	(\$130,789)
R.E. Taxes	0.00%		\$0.00	\$0
Variable Expenses:				
Central Energy Expense	-0.60%		(\$0.10)	(\$43,426)
Utility Expense	-2.25%		(\$0.37)	(\$162,849)
Payroll Expense	-5.50%		(\$0.91)	(\$398,074)
Contract Expense	-6.00%		(\$1.00)	(\$434,263)
Non-Contract Expense	-6.75%		(\$1.12)	(\$488,546)
Maintenance & Repair	-2.00%		(\$0.33)	(\$144,754)
Administrative	-2.25%		(\$0.37)	(\$162,849)
Marketing Expense	-1.00%		(\$0.17)	(\$72,377)
Total Expenses	-28.16%		(\$4.67)	(\$2,037,927)
Net Operating Income	71.84%		\$11.93	\$5,199,787
Net Operating Income			\$11.93	\$5,199,787
Cap Rate / Loaded Cap Rate	24.00%	/	25.74%	\$20,204,608
INDICATED STABILIZED VALUE				\$20,200,000

County BOE Decision

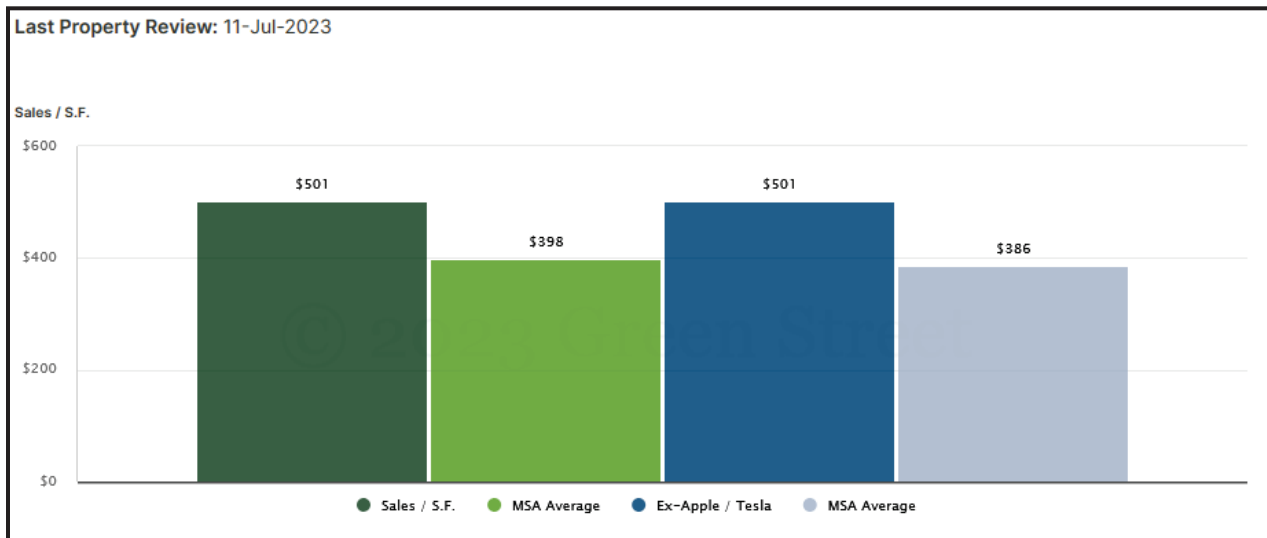
As mentioned in the attached minutes of the BOE meeting, the reasoning for the slight reduction in assessment granted was due to the comparison of the subject property to the Crossroads Center in St Cloud, MN. While it is apparent an adjustment to the assessment is warranted, we believe the comparison to the Crossroads Center was inaccurate and not based on anything other than the Board thought it to be “comparable”.

In a review of the tenant roster at the Crossroads Center and based on the “Common Tenants by Mall Grade” chart shown in previous pages, the majority of the tenants would indicate a mall classification of a solid “B grade”. The tenant roster as of July 12th, 2024, is listed below:

Last Review: 12-Jul-2024

Jewelry HELZBERG DIAMONDS KAY JEWELERS PANDORA RIDDLE'S JEWELRY ROGERS & HOLLANDS JEWELERS	Services ALMOST FAMOUS BODY PIERCING JCPENNEY OPTICAL JCPENNEY PORTRAITS MOBILE XPRESS NEW DRAGON ACUPRESSURE	Teen Apparel AEROPOSTALE AMERICAN EAGLE OUTFITTERS HOLLISTER & CO. HOT TOPIC JOURNEYS SPENCER'S GIFTS TORRID ZUMIEZ	Mom & Pop Count: 18 Men & Women's Apparel BUCKLE CHICO'S DAILY THREAD EARTHBOUND TRADING COMPANY FRANCESCO'S GLIK'S HALBERSTADT'S MAURICES MEN'S WEARHOUSE MINS FASHIONS PINK - VICTORIA'S SECRET RAG STOCK VICTORIA'S SECRET
Shoes BOOT BARN DSW FINISH LINE FOOT LOCKER SHOE DEPT, ENCORE TRADEHOME SHOES	Accessories / Watch / Lens Wear CLAIRE'S LENSRAFTERS LIDS THE WATCHMAN & MORE VISIONWORKS	Children Apparel & Toys ANIMAL RIDERS CARTER'S GAMES BY JAMES	

Further, the Crossroads Center is significantly outperforming the subject property on a sales per square foot basis, which based on the previously disclosed Korpacz chart, again supports a B+ rating.



Lastly, the Minnesota Department of Revenue reviews all sales to determine whether they were arm's length in nature and should be accepted into their sales ratio study for assessment purposes. While only the preliminary Electronic Certificate of Real Estate Value (eCRV) has been published, it shows two things, first, the sale was not completed until April 26th, 2024, a few months after the lien date for North Dakota. And second, the sales agreement information shows the purchase price to be the exact amount of the remaining mortgage, meaning this transaction was not based on any fair market value, other than the assumption of the debt. While the screenshot is listed below of the pertinent information, the full eCRV is provided as an attachment.

Sales Agreement Information			
Deed Type:	Other Transaction		
Date of Deed or Contract:	04/26/2024		
Purchase amount:	\$79,867,741.00		
Downpayment amount:	\$0.00		
Seller-paid points:	\$0.00		
Delinquent Special Assessments and	\$0.00		
Delinquent Taxes Paid by Buyer:			
Financing type:	Assumed Mortgage		
<i>Finance Arrangements</i>			
Mortgage or contract amount:	\$79,867,741.00		
Payment type:	Monthly		
Payment amount:	\$487,657.00		
Payment is for:	Interest Only		
Interest rate type:	Fixed		
Interest rate:	3.25%		
Number of payments:	36		
Balloon payment amount:	\$79,867,741.00		
Balloon payment date:	05/06/2027		
<i>Personal Property</i>			
Personal property included:	No		
<i>Sales Agreement Questions</i>			
Buyer leased before sale:	No	Lease option to buy:	No
Seller leased after sale:	No	Minimum rental income guaranteed:	No
Partial interest indicator:	No	Contract payoff or deed resale:	No
Received in trade:	No	Like exchange (IRS section 1031):	No
Purchase over two years old:	No		

Conclusion

As it is shown above, the Income Approach supports an adjusted assessment for the subject property. **We respectfully request the assessment be adjusted to \$20,200,000 based on the attached supporting data.**

Reconciliation of Suggested Values	Value
Income Analysis	\$ 20,204,608
DMA Suggested Value	\$ 20,200,000
2024 Assessment	\$ 56,100,000

If you have any questions or require any additional information, please do not hesitate to contact us. Thank you for your time and consideration and we look forward to hearing from you in the near future.

We can be reached directly at 317-596-3260 ext. 2372, or via email at dwilllaert@dmainc.com and 800-309-2110 ext. 1839, or via email at mbrennan@dmainc.com.

Sincerely,

Daniel Willaert

Daniel Willaert
Director, Property Tax

Melanie Brennan

Melanie Brennan
Director, Property Tax



PROPERTY TAX
CERTIFICATE OF AUTHORITY

Date: March 19, 2024

TO WHOM IT MAY CONCERN:

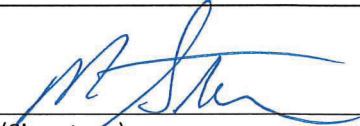
This certifies that DuCharme, McMillen & Associates, Inc. and/or its designees is hereby authorized to represent the undersigned in all matters of property tax assessments before any governmental assessing officials or any other authority having jurisdiction regarding the assessment levied on the following described property for current or past years of assessment:

Dakota Square Mall CMBS, LLC

2400 10th St SW (Parcel #MI35.677.000.0110)

Minot, ND 58701

BY:



(Signature)

Mark Stephens

(Typed Signature)

Property Tax Administrator

(Corporate Title)

Dakota Square Mall CMBS, LLC

(Company)

Minutes of the Ward County Board of Equalization

June 4, 2024

The meeting of the Ward County Board of Equalization was called to order by Commissioner/Chairman Fjeldahl at 1:00 PM. with Comm. Anderson, Olson, Rostad, and Weppler present.

Also present were department heads Marisa Haman and Noreen Wilkie.

Moved by Comm. Weppler, seconded by Comm. Rostad to approve the agenda. Roll call: all voted yes; motion carried.

Director of Tax Equalization Noreen Wilkie gave the Board a brief summary of the 2024 County Board of Equalization Report.

Ms. Wilkie stated the Office of Tax Equalization recommends a True and Full value adjustment for approval for the following cities: City of Berthold decreases \$7,000; City of Douglas decreases \$26,000; City of Kenmare decreases \$270,000; City of Ryder decreases \$3,000 and City of Sawyer decreases \$17,000 for the 2024 assessment year with the above changes included on Attachment B.

Moved by Comm. Weppler, seconded by Comm. Anderson, to approve the True and Full Value adjustment decrease for the cities of Berthold, Douglas, Kenmare, Ryder, and Sawyer as shown on Attachment B. Roll call: all voted yes: motion carried.

The Office of Tax Equalization recommends a True and Full value adjustment for approval for the following townships: Berthold decrease \$235,000; Carbondale decrease \$64,000; Eureka decrease \$34,000; Freedom decrease \$565,000; Hilton decrease \$100,000; Maryland decrease \$30,000 and Rice Lake decrease \$48,000 for the 2024 assessment year with the above changes are included on Attachment B.

Moved by Comm. Weppler, seconded by Comm. Olson, to approve the True and Full Value adjustment decrease for Berthold, Carbondale, Eureka, Freedom, Hilton, Maryland, and Rice Lake Townships. Roll call: all voted yes, motion carried.

Chairman Fjeldahl opened the floor for any property owners from Rushville Township (151-83) that would like to appeal their 2024 property assessments. No one came forward at this time.

A memorandum was presented for Rushville Township 2023 and 2024 values and the percent of increase for Residential and Commercial; and percent of decrease for Agricultural (Attachment C). True and Full values of residential properties had a 10.26% increase in value and commercial properties had a 63.22% increase in value. Agricultural land reassessed using the most current soils data from the USDA-

Natural Resources Conservation Service (NRCS) and land use and the total agricultural value decreased 5.06%. The total True and Full Value for Rushville Township for 2024 is \$18,660,000.

Moved by Comm. Rostad, seconded by Comm. Wepler, to approve the 2024 Rushville Township values as presented. Roll call: all voted yes; motion carried.

The floor was opened for property owners to make appeals.

Daryl Lies appeared regarding Parcel #DG000010100070 and the increase in the value of his property. He stated that he has not made any updates or improvements to his property and he has a building that is uninsurable causing it to have no value. Ms. Wilkie addressed this issue and adjusted the value of the building.

Moved by Comm. Wepler, seconded by Comm. Olson, to lower the value to \$34,000. Roll called: Comm. Wepler and Olson voted yes; Comm. Rostad, Anderson, and Fjeldahl voted no; motion failed.

Moved by Comm. Rostad, seconded by Comm. Anderson, to lower the value to \$33,000. Roll call: all voted yes; motion carried.

Melanie Brennan, DMA Director, came forward to speak on the appeal for Dakota Square Mall, Parcel #MI356770000110. Ms. Brennan is requesting the assessment for Dakota Square Mall be set at a value between \$34,000,000 and \$35,000,000 due to economic obsolescence. Ryan Kamrowski, City of Minot Assessor, also spoke on this item regarding data and comparable values.

Moved by Comm. Olson, seconded by Comm. Wepler, to accept a value of \$56.1 million based on a 2024 sale of the St. Cloud Mall which they deemed comparable for the value of Dakota Square Mall. Roll call: Comm. Olson, Wepler, Anderson, and Rostad voted yes; Chairman Fjeldahl voted no; motion carried.

Silver Springs Development Inc. submitted an appeal. No one from Silver Springs Development appeared to speak to the appeal.

Moved by Comm. Rostad, seconded by Comm. Anderson, to follow the recommendation of the Office of Tax Equalization and approve the 2024 values, of eight parcels, totaling \$2,211,000. Roll call: all voted yes; motion carried.

Cass Oil Company submitted an appeal for Parcel #MI36D410100030. No one from Cass Oil Company came forward to speak on the appeal. Ryan Kamrowski, City of Minot Assessor, spoke on the property assessment that was conducted by the City.

Moved by Comm. Wepler, seconded by Comm. Olson, to follow the recommendation of the Office of Tax Equalization and approve the 2024 value of \$2,213,000. Roll call: all voted yes; motion carried.

Joseph Banchy appeared regarding Parcel #MI132570100010. Mr. Banchy states that he will allow the city assessor to complete an interior assessment on his property.

Moved by Comm. Rostad, seconded by Comm. Wepler, to approve a value of no higher than \$172,000 and to grant the City of Minot the ability to lower the value if needed after an interior inspection has been completed.

Motion withdrawn by Comm. Rostad

Moved by Comm. Rostad, seconded by Comm. Wepler, to table item. Roll call: all voted yes motion carried.

Comm. Rostad stepped out of the meeting at 2:48 PM.

Moved by Comm. Wepler, seconded by Comm. Olson, to take the appeal for Parcel #MI132570100010 off the table. Roll call: all voted yes motion carried.

Moved by Comm. Wepler, seconded by Comm. Anderson, to approve a value of no higher than \$172,000 and to grant the City of Minot the ability to lower the value if needed after an interior inspection has been completed. Roll call: all voted yes motion carried.

Stanley Solberg appeared regarding Parcel #MY080990000020. He questioned the increase in his value since he recently parceled off the house and sold that parcel. It was determined that this parcel could be classified as ag land as the property owner has farmable land adjacent to the land.

Moved by Comm. Wepler, seconded by Comm. Rostad, to reclassify the parcel to ag land from commercial real estate and reassess the value. Roll called: all voted yes motion carried.

Ms. Wilkie addressed the omitted assessment for 2024.

Moved by Comm. Wepler, seconded by Comm. Rostad, to approve the 2024 omitted assessments. Roll call; all voted yes; motion carried.

Moved by Comm. Wepler, seconded by Comm. Olson, to have the adopt the 2024 resolution and be signed by Chairman Fjeldahl.

At 3:03PM with no further business was adjourned.

RESOLUTION

WHEREAS, this Board of Equalization has reviewed the 2024 property assessment; and
WHEREAS, any errors and inequalities have come to the attention of this Board; and
WHEREAS, the County Director of Tax Equalization has reported that the notices of
increases and decreases have been given to the owners and local equalization boards as provided
by law; and opportunity to be heard in protest is such changes have been given;

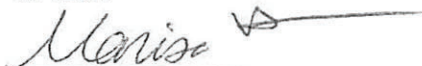
NOW, THEREFORE, BE IT RESOLVED, that all returns as made by local equalization
boards be approved except for changes ordered by this Board, and that all actions taken by this
Board of Equalization be confirmed, and that such revised assessments be noted on the County
Assessment Rolls and included in the report to the States Tax Commissioner.

Adopted this 4th day of June, 2024



John Fjeldahl
Ward County Commission Chairman

ATTEST:



Marisa Haman
Ward County Auditor/Treasurer

ACCEPTED AND APPROVED THIS 16TH DAY OF JULY, 2024.



John Fjeldahl
Ward County Commission Chairman

ATTEST:



Marisa Haman
Ward County Auditor/Treasurer

Annual Statement

Period = Jan 2022-Dec 2023

Book = Cash ; Tree = .mgmt_rpt_3

	EOY	EOY
	Dec 2022	Dec 2023
Lease Income		
Base Rent	4,899,983.71	5,747,513.98
Unearned Revenues - Rent	-34,612.90	-23,796.21
Free Rent	-117,271.90	-97,450.58
Uncollectable Revenue Direct WO	704.34	-6.95
Uncollectable Abatement (COVID)	-20,392.00	0.00
Minimum Annual Rent	4,728,411.25	5,626,260.24
Percentage in Lieu	145,807.21	113,052.63
Percent in Lieu	145,807.21	113,052.63
Percentage Rents	102,407.01	90,881.81
Percentage Rent	102,407.01	90,881.81
CAM - Pro Rata Fee Income	1,200.33	301.74
CAM - Fixed Fee Income	789,466.43	765,887.28
CAM - Year End Billing	-1,721.74	-46,090.87
CAM - Food Court Maintenance	492.12	0.00
CAM - Food Court Maint Fixed	70,874.57	45,818.16
CAM - Insurance Reimbursement	4,748.74	6,066.00
CAM - Per Leasing Abatement (COVID)	-20,755.40	-15,999.96
CAM - Income from Consolidated Affiliates	15,516.55	11,451.75
Common Area Maintenance	859,821.60	767,434.10
RET - Fee Income	219,481.72	233,473.71
RET - Prior Year End Billing	78,918.45	81,862.57
Real Estate Tax Income	298,400.17	315,336.28
Utilities - Central Utilities Reimbursement	3,572.28	6,355.57
Utilities - Central Water Reimbursement	20,351.48	51,600.21
Utilities - Central Energy Reimbursement	1,458.60	9,453.10
Central Utility Income	25,382.36	67,408.88
Other Tenant Reimbursement	2,374.92	2,374.92
Tenant Late Charges	2,413.28	600.00
Other Tenant Income	4,788.20	2,974.92
Total Lease Income	6,165,017.80	6,983,348.86
Specialty Leasing & Branding		
Specialty Leasing - Inline Income LTR	158,109.07	170,127.96
Specialty Leasing - RMU Income LTR	35,000.00	46,540.71
Specialty Leasing - Kiosk Income LTR	56,200.00	16,097.18
Specialty Leasing - Vending Income LTR	41,087.28	32,830.59
Specialty Leasing - Storage Income LTR	114,092.88	118,785.15
Specialty Leasing - Inline Income STR	15,680.38	16,665.00
Specialty Leasing - Beverage Income STR	19,001.32	16,686.64
Specialty Leasing - Stroller Income STR	2,189.60	1,854.20
Specialty Leasing - RMU Income STR	16,870.66	5,893.95
Specialty Leasing - Kiosk Income STR	5,802.30	4,240.00
Specialty Leasing - Storage Income STR	675.00	0.00
Specialty Leasing - Parking Lot Income STR	14,222.75	17,031.64
Specialty Leasing - Interior Shows STR	3,425.00	4,050.00
Specialty Leasing - Miscellaneous Fees	250.00	1,425.00

Specialty Leasing	482,606.24	452,228.02
Brand Dev - Digital Partnership Agreements	12,216.86	10,446.92
Brand Dev - Activations and Events	750.00	0.00
Brand Dev - Static Display	31,850.00	38,416.00
Brand Dev - Production	0.00	175.00
Brand Dev - Display RMUs	2,295.83	3,500.00
Sponsorship Branding Income	47,112.69	52,537.92
Total Specialty Leasing & Branding Income	529,718.93	504,765.94
Other Income		
Miscellaneous Income	14,669.73	94,639.10
Credit Card Fees	2,312.21	396.44
Business Dev - Ad Panels	27,835.00	28,270.00
Business Dev - Banners	1,750.00	0.00
Business Dev - Sponsorship Misc	54,500.00	50,000.00
Business Dev - Common Area Advertising	23,580.00	23,850.00
Business Dev - Digital Advertising	39,032.30	43,972.22
Business Dev - Production Fees	6,610.00	10,457.99
Business Dev - Administration Fees	650.00	650.00
Specialty Leasing - Holiday Photo Income	21,669.04	0.00
CAM - OBO - Pro Rata Fee Income	50,896.87	115,640.98
Other Revenue	243,505.15	367,876.73
Marketing - Tenant Dues	16,319.88	17,021.53
Marketing Income	16,319.88	17,021.53
Insurance Proceeds - Repairs and Maintenance	1,396.00	0.00
Interest Income	1,396.00	0.00
Total Other Income	261,221.03	384,898.26
Total Income	6,955,957.76	7,873,013.06
Expenses		
Central Water Expenses	20,437.74	56,246.56
Energy Consultant	20,938.40	10,221.18
Central Energy Expense	41,376.14	66,467.74
Electricity Interior	111,465.29	110,979.43
Water and Sewer Interior	32,751.42	-12,988.81
Natural Gas	30,883.86	19,490.19
Utility Expense	175,100.57	117,480.81
Payroll - Salaries and Wages	335,900.19	345,294.50
Payroll - Employment Taxes	23,739.65	23,974.23
Payroll - Group Insurance	39,572.79	48,735.47
Payroll - Workers Compensation	516.69	563.32
Payroll - Unemployment Taxes	405.53	405.77
Payroll - 401k Employer Contribution	7,465.13	7,878.01
Employee Training Recoverable	1,959.14	1,987.37
Payroll Expense	409,559.12	428,838.67
Janitorial Contract Interior ERM	256,704.35	219,901.45
HVAC Contract Interior	2,357.29	0.00
Landscaping Contract Interior	21,324.72	10,662.36
Alarm Contract Interior	408.00	480.00
Exterminating Interior	1,116.00	1,209.00

Container Rental Interior	38.80	0.00
Interior Contract Expense	281,949.16	232,252.81
Janitorial Contract Exterior ERM	202,049.04	165,763.84
Exterior Contract Expense	202,049.04	165,763.84
HVAC Non-Contract Interior	2,887.25	1,465.63
Sprinkler Non-Contract Interior	62.38	0.00
Electrical Non-Contract Interior	8,302.69	3,023.63
Plumbing Non-Contract Interior	6,015.46	6,313.21
Painting Non-Contract Interior	112.84	164.89
Landscaping Non-Contract Interior	160.40	67.41
General Building Supplies Interior	20,293.16	19,642.26
Equipment Maintenance and Repairs Interior	6,832.12	5,333.55
Doors Interior	1,018.00	6,655.70
Facilities Cleaning Interior	0.00	2,988.32
Facilities Maintenance and Repairs Interior	8,585.70	4,995.55
Interior Non-Contract Expense	54,270.00	50,650.15
Electrical Non-Contract Exterior	4,945.10	10,660.42
Plumbing Non-Contract Exterior	1,429.88	0.00
Painting Non-Contract Exterior	8,835.99	0.00
Landscaping Non-Contract Exterior	8,906.30	1,314.43
Parking Area	12,452.75	18,083.91
Roof	16,763.14	22,161.92
Snow Removal	365,655.25	325,951.30
Automotive Expenses Exterior	12,755.28	11,693.16
Exterior Non-Contract Expense	431,743.69	389,865.14
General Building Supplies Exterior	316.86	341.17
HVAC Non-Contract Exterior	73.10	0.00
Equipment Maintenance and Repairs Exterior	0.00	715.86
Doors Exterior	774.03	726.04
Facilities Maintenance and Repairs Exterior	14,523.65	1,096.85
Security Contract Interior ERM	194,053.06	159,792.24
Security Supplies Interior	1,665.68	3,132.21
Security Supplies Exterior	3,233.02	3,161.34
Safety Systems Contract Interior	1,115.88	695.00
Safety Systems Contract Exterior	379.00	0.00
Other Maintenance & Repair	216,134.28	169,660.71
Muzak	378.00	483.00
Postage	446.71	37.66
Telephone	13,931.51	12,373.18
Office Supplies	2,235.96	1,874.39
Copy Machine Expense	835.35	764.76
IT and Communications Expenses	2,223.93	14,310.40
Miscellaneous Expenses	34.24	43.55
Billable General & Administrative	20,085.70	29,886.94
Travel Expenses	5,250.83	4,760.85
Meals and Entertainment	1,801.02	1,873.78
Employee Relocation	111.30	0.00
Tenant Utilities	37,638.33	50,424.97
Tenant Maintenance and Repairs	23,053.07	23,721.63
Fire Protection and Sprinkler Service	4,471.20	6,896.50
HVAC Maintenance and Repairs	2,709.10	1,978.37
Land Rent Expenses	2,950.00	2,950.00
Advertising	1,000.00	600.00
Specialty Leasing Expenses	996.16	453.94

Brand Dev - Expenses	2,018.00	2,025.00
Dues and Subscriptions	3,350.00	3,939.04
Printing and Duplicating	13,977.77	9,861.90
Misc G and A Non-Recoverable	91.36	91.36
Licenses and Fees Tenant and UCC1	100.00	140.00
Architect Fees	2,550.00	0.00
Legal Fees	18,050.00	129.00
Other Professional Fees	14,085.00	0.00
Bank Charges and Fees	26,820.42	26,520.58
Visa Merchant Fees	5,809.29	2,994.64
State Tax - Franchise Tax State Taxes	300.00	300.00
State Annual Report Fees	50.00	50.00
Management Fees - CBL	0.00	76,716.94
Non-Billable General & Administrative	167,182.85	216,428.50
Real Estate Taxes	822,648.50	965,246.39
Real Estate Taxes	822,648.50	965,246.39
Liability Insurance Interior	50,392.00	56,740.00
Liability Insurance Exterior	0.00	5,252.00
Property and Fire Insurance	66,570.00	78,780.87
Environmental Insurance	12,177.78	2,438.00
Insurance Expense	129,139.78	143,210.87
Marketing - Salaries	41,349.12	40,379.73
Marketing - FICA	2,977.78	2,861.55
Marketing - Group Insurance	3,881.10	3,846.56
Marketing - Workers Compensation	104.49	167.28
Marketing - Unemployment Taxes	79.17	82.33
Marketing - 401K Plan	886.74	878.16
Marketing - Telephone and Fax	403.70	358.40
Marketing - Travel Expense	9.36	0.00
Marketing - Miscellaneous G and A	62.50	0.00
Marketing - Music Licensing Fees	-279.00	1,033.49
Marketing - Exhibits Talents Special Event	5,401.62	6,748.11
Marketing - Promotional Equipment	275.25	605.78
Marketing - Seasonal Decorating	0.00	197.94
Marketing - Incentives and Premiums	0.00	2,867.57
Marketing - Mobile Website and Digital	8,883.59	8,172.96
Marketing - Publicity and PR	1,072.62	1,184.98
Marketing - Publicity and PR Special Projects	800.00	1,200.00
Marketing - Digital Media Advertising	8,046.12	10,107.48
Marketing - Property Specific	49.47	0.00
Marketing - Printing and Collaterals	1,506.02	7,602.25
Marketing Expenses	75,509.65	88,294.57
Total Expenses	3,026,748.48	3,064,047.14
NET OPERATING INCOME - SAME CENTER	3,929,209.28	4,808,965.92
Lease Termination Revenues	98,321.41	2,994.80
Lease Buy Out	98,321.41	2,994.80
Legal Fees	260.00	0.00
General And Administrative	-260.00	0.00
Reorganization - Professional Fees	-11,117.00	0.00
Reorganization - Trustee Fees	-2,263.00	0.00
TOTAL REORGANIZATION	-13,380.00	0.00
NET INCOME	4,013,890.69	4,811,960.72

Table with columns: Property, Customer, DEA, Ready to Close, EA, Exception Date, Lease Start, EO Date, Unit Ownership, Leases/Fc On, Crmt, Preless, Sales, 3 Month Trend, 6 Month Trend, Previous Year's Sales/Cy, All Time Sales/Cy, P/V, P/AV, Additional Charges, From Date, To Date, Amortized Rent, Option 1 Rent, Amortized Rent, From Date, To Date, Option 2 Rent.

View Summary for Preliminary eCRV ID 1642296

County:Stearns Auditor ID:Michelle

Submit Date: 04/26/2024 3:16 PM Accept Date: 05/01/2024 10:47 AM

Buyers Information

Organization name: **CONTRARIAN CROSSROADS LLC, a Delaware limited liability company**
Address: **1600 Post Oak Boulevard #1708, Houston, TX 77056 United**
Foreign address: **Yes**
Phone number: **(214) 749-4747**
Email:

***** MN Revenue does not display SSN/Tax ID fields due to privacy. *****

Sellers Information

Organization name: **TRIGILD IVL, LLC, a Delaware limited liability company, NOT IN ITS OWN RIGHT BUT SOLELY IN ITS CAPACITY AS COURT APPOINTED RECEIVER**
Address: **c/o Trigild, Inc. 4131 N. Central Expressway, Suite 775, Dallas, TX 75204 United States**
Foreign address: **Yes**
Phone number: **(214) 661-5569**
Email:

***** MN Revenue does not display SSN/Tax ID fields due to privacy. *****

Property Information

County: **Stearns**
Legal description:

PARCEL 1: LOT 1, BLOCK 1, CROSSROADS ADDITION PLAT 5, CITY OF ST. CLOUD, STEARNS COUNTY, STATE OF MINNESOTA. PARCEL 2: LOT 2, BLOCK 1, CROSSROADS ADDITION PLAT 3, CITY OF ST. CLOUD, STEARNS COUNTY, STATE OF MINNESOTA. PARCEL 3: LOT 5, BLOCK 1, CROSSROADS ADDITION PLAT 3, CITY OF ST. CLOUD, STEARNS COUNTY, STATE OF MINNESOTA. PARCEL 4: LOT 1, BLOCK 2, CROSSROADS ADDITION PLAT 4, CITY OF ST. CLOUD, STEARNS COUNTY, STATE OF MINNESOTA. PARCEL 5: LOT 2, BLOCK 2, CROSSROADS ADDITION PLAT 4, CITY OF ST. CLOUD, STEARNS COUNTY, STATE OF MINNESOTA. PARCEL 6: LOT 1, BLOCK 1, CROSSROADS ADDITION PLAT 4, CITY OF ST. CLOUD, STEARNS COUNTY, STATE OF MINNESOTA. Parcel ID Nos. 82.46411.0031, 82.46411.0027, 82.46411.0030, 98.60666.0071, 98.60666.0072, 98.60666.0070

Deeded acres:

Will use as primary residence: **No**
 What is included in the sale: **Land and Buildings**
 New construction: **No**

Property Location(s)

Property location: **4101 WEST DIVISION STREET, St. Cloud, 56301**

Preliminary Parcel IDs

Parcels to be split or combined: **No**
 Primary parcel ID:
 Additional parcel ID(s):

Use(s)

Planned use: **Retail / Neighborhood shopping center**
 Primary use: **Yes**
 Prior use: **Retail / Neighborhood shopping center**
 Rental buildings: **0** Rental units: **0**
 Square Footage: **2428266**

Sales Agreement Information

Deed Type: **Other Transaction**
 Date of Deed or Contract: **04/26/2024**
 Purchase amount: **\$79,867,741.00**
 Downpayment amount: **\$0.00**
 Seller-paid points: **\$0.00**
 Delinquent Special Assessments and Delinquent Taxes Paid by Buyer: **\$0.00**
 Financing type: **Assumed Mortgage**

Finance Arrangements

Mortgage or contract amount: **\$79,867,741.00**

Payment type: **Monthly**
Payment amount: **\$487,657.00**
Payment is for: **Interest Only**
Interest rate type: **Fixed**
Interest rate: **3.25%**
Number of payments: **36**
Balloon payment amount: **\$79,867,741.00**
Balloon payment date: **05/06/2027**

Personal Property

Personal property included: **No**

Sales Agreement Questions

Buyer leased before sale:	No	Lease option to buy:	No
Seller leased after sale:	No	Minimum rental income guaranteed:	No
Partial interest indicator:	No	Contract payoff or deed resale:	No
Received in trade:	No	Like exchange (IRS section 1031):	No
Purchase over two years old:	No		

Supplementary Information

Buyer paid appraisal:	No	Appraisal value:	\$0.00
Seller paid appraisal:	No	Appraisal value:	\$0.00
Buyer and seller related:	No	Organization tax exempt:	No
Government sale:	No	Foreclosed, condemned or legal proceedings:	No
Gift or inheritance:	No	Name change:	No
Buyer owns adjacent property:	No		
Public promotion:	Yes		
Significant different price paid:	No		
Comment on price difference:			

Submitter Information

Submit date: **04/26/2024 3:16:17 PM**
Submitter: **Michael Scott**
Organization: **First Nationwide Title**
Email: **michael.scott@fnta.com**
Phone number: **(646) 386-2688**
Comments:

Terms Accepted by the Submitter:

I declare under penalty of law that I have examined the information entered and submitted on this form, and, based on what I know and believe to be true, the information entered on this form is complete and correct.