
KLEIN APPRAISALS

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September 23, 2020

Ms. Tammy Even
City of Sturgis
1040 Harley-Davidson Way
Sturgis, SD
57785

Re: Appraisal Report, Real Estate Appraisal
Mr. Al's
1219 Main Street, Sturgis,
Meade, SD, 57785

File Name: Mr. Al's

Dear Ms. Even:

At your request, I have prepared an appraisal for the above referenced property, which may be briefly described as follows:

Mr. Al's is a Class C 11,835 Sq. Ft. Building located on Main Street of Sturgis, SD. This building has historically been used for the Sturgis Motorcycle Rally for vendor rentals. This building is being purchased by the City of Sturgis for use as an auditorium and for its continued use during the annual motorcycle rally. After its purchase, the property will be renovated to make it more desirable as a rental for daily and weekly rentals. This renovation will include new doors, windows, the installation of two large restrooms, a prep kitchen, insulation in the exterior walls and the ceiling and improvements of the exterior façade.

Please reference page 10 of this report for important information regarding the scope of research and analysis for this appraisal, including property identification, inspection, highest and best use analysis and valuation methodology.

I certify that I have no present or contemplated future interest in the property beyond this estimate of value. The appraiser has not performed any prior services regarding the subject within the previous three years of the appraisal date.

Your attention is directed to the Limiting Conditions and Assumptions section of this report (page 8). Acceptance of this report constitutes an agreement with these conditions and assumptions. In particular, I note the following:

Hypothetical Conditions:

The "As Complete" value estimate in this appraisal is based on the hypothetical condition construction is complete.

Extraordinary Assumptions:

None.

Based on the appraisal described in the accompanying report, subject to the Limiting Conditions and Assumptions, Extraordinary Assumptions and Hypothetical Condition, I have made the following value conclusions;

Current As Is Market Value:

The "As Is" market value of the Fee Simple estate of the property, as of September 16, 2020, is

**One Million Two Hundred Seventy-Nine Thousand Dollars
(\$1,279,000)**

The market exposure time preceding September 16, 2020 would have been 12 months and the estimated marketing period as of September 16, 2020 is 12 months.

Prospective As Complete Market Value:

The "As Complete" market value of the Fee Simple estate of the property, as of September 16, 2020, is

**One Million Seven Hundred Sixty-Three Thousand Dollars
(\$1,763,000)**

The market exposure time preceding September 16, 2020 would have been 12 months and the estimated marketing period as of September 16, 2020 is 12 months.

Respectfully submitted,
Klein Appraisals



Ray Klein
SD 382

