

# **REAL ESTATE APPRAISAL REPORT**

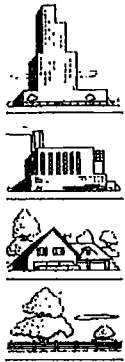
of property owned by  
**THE COLUMBIA ECONOMIC DEVELOPMENT CORPORATION**

situated at  
**STATE ROUTE 66  
TOWNS OF GHENT AND CLAVERACK  
COLUMBIA COUNTY, NEW YORK**

as of  
**MARCH 26, 2014**

requested by  
**EDWARD STIFFLER  
ECONOMIC DEVELOPER**

prepared by  
**EMPIRE STATE APPRAISAL CONSULTANTS, INC.**



**EMPIRE STATE APPRAISAL CONSULTANTS, INC.**

SIXTEEN HUDSON STREET KINDEHOOK, NEW YORK 12106  
518/758-7594 FAX/758-1993 esac@berk.com

April 4, 2014

Edward Stiffler  
Economic Developer  
Columbia Economic Development Corporation  
4303 Route 9  
Hudson, New York 12534

Re: 33 ACRES  
STATE ROUTE 66

Dear Mr. Stiffler:

Pursuant to your request, we have made a personal inspection and have prepared an Appraisal Report of the captioned property, for the purpose of estimating the fee simple market value. As a result of our investigation and analysis, it is our conclusion and opinion that the market value of the property, as of March 26, 2014, was

**TWO HUNDRED EIGHTY THOUSAND DOLLARS**  
**\*\*\*(\$280,000)\*\*\***

Be advised our report has been prepared in conformance with the Uniform Standards of Professional Appraisal Practice (USPAP), as promulgated by the Appraisal Foundation, as well as the Principles of Appraisal Practice and Code of Ethics of the American Society of Appraisers.



EMPIRE STATE APPRAISAL CONSULTANTS

Edward Stiffler, April 4, 2014, Page 3

If you have any questions, please do not hesitate to contact us. We appreciate being asked to serve in this matter.

Yours very truly,

EMPIRE STATE APPRAISAL CONSULTANTS, INC.

A handwritten signature in black ink, reading "Stephen R. Clark". The signature is written in a cursive, flowing style.

STEPHEN R. CLARK  
Member - New York State Society  
Of Real Estate Appraisers  
NYS Certified-General  
Real Estate Appraiser  
Certificate #46-46087

A handwritten signature in black ink, reading "Barry M. Herbold". The signature is written in a cursive, flowing style.

BARRY M. HERBOLD, ASA  
NYS Certified-General  
Real Estate Appraiser  
Certificate #46-3453

SRC/mbh

Enclosure

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### **SUMMARY OF IMPORTANT FACTS & CONCLUSIONS**

SUBJECT PROPERTY: 33 acres of unimproved vacant commercial land.

LOCATION: State Route 66, Towns of Ghent and Claverack  
Columbia County, New York

OWNERSHIP: Columbia Economic Development Corporation

DATE OF VALUATION: March 26, 2014

DATE OF INSPECTION: March 26, 2014

PROPERTY RIGHTS  
APPRAISED: fee simple interest

PURPOSE OF APPRAISAL: estimate market value

HIGHEST & BEST USE: commercial use land

#### **VALUATION SUMMARY:**

Cost Approach	n/a
Income Approach	n/a
Sales Comparison Approach	\$280,000
Final Opinion of Value	\$280,000

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**APPRAISAL DEVELOPMENT  
AND  
REPORTING PROCESS**

This Appraisal Report is intended to comply with the reporting requirements set forth under Standards Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice. As such, it presents discussions of the data, reasoning, and analyses that were used in the appraisal process to develop the appraiser's opinion of value. The depth of the discussion contained in this report is specific to the needs of the client and for the intended use stated in the report. The appraiser is not responsible for unauthorized use of this report.

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### **SCOPE OF WORK**

The scope of the appraisal process consisted of:

- Identifying the property rights appraised and function of the appraisal.
- Analyzing the deed for ownership, property rights, easements and restrictions.
- A complete physical inspection of the subject property and disclosure of apparent defects or conditions which may indicate the need for additional inspections such as engineering, termite, environmental, etc.
- Analyzing the property type and area for economic characteristics, life-cycle trends and market behavior.
- Research that may include recent comparable sales, offerings and rentals, analysis of local building costs, and analysis of net rental income and relating this information to the subject property so as to reliably estimate value.
- Analyze the highest and best use of the property as vacant land and as improved, if applicable.
- Define the appraisal problem and describe the valuation methods and procedures, which are both appropriate and inappropriate, and then apply the appropriate appraisal method(s) to the appraisal problem.
- Reconcile the value indications into a final opinion of value.

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### **MARKET VALUE DEFINED**

Market value is defined as the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and acting in what they considers their own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

### **HIGHEST AND BEST USE DEFINED**

Highest and best use is defined as that reasonable and probable use that will support the highest present value as of the effective date of the appraisal. Alternatively, that use, from among reasonably probable and legal alternative uses, found to be physically possible, appropriately supported, financially feasible, and which results in highest land value.

### **PURPOSE OF APPRAISAL**

The purpose of this appraisal is to estimate the market value of the fee simple interest as of March 26, 2014.

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### **IDENTITY OF CLIENT AND INTENDED USE OF APPRAISAL**

The intended use of this appraisal is to assist our client, Columbia Economic Development Corporation, in evaluating the market value of the property for economic development purposes.

### **OWNERSHIP, OCCUPANCY AND SALES HISTORY**

The subject property is part of the former Ribley farm, and was purchased as vacant land by the Columbia Economic Development Corporation on February 14, 1997, per deed filed at the Columbia County Courthouse in liber 289 at page 1581. The overall property contains 33 acres, with 26.1 acres located in the Town of Ghent, with the remaining 6.9 acres located in the Town of Claverack.

### **LOCATION**

The subject is located on State Route 66, in the Towns of Ghent and Claverack, Columbia County, New York, and is further identified as follows:

<u>TOWN</u>	<u>TAX MAP</u>
Ghent	101.-1-4
Claverack	101.-2-3.2

Although having a municipal boundary line, the parcels form a cohesive 33 acre site.

### **NEIGHBORHOOD AND AREA DATA**

The immediate neighborhood is a semi-rural, commercial/light industrial area, located east of the City of Hudson, east of the intersection of NYS Route 9H and Route 66. Entities in the neighborhood include a farm

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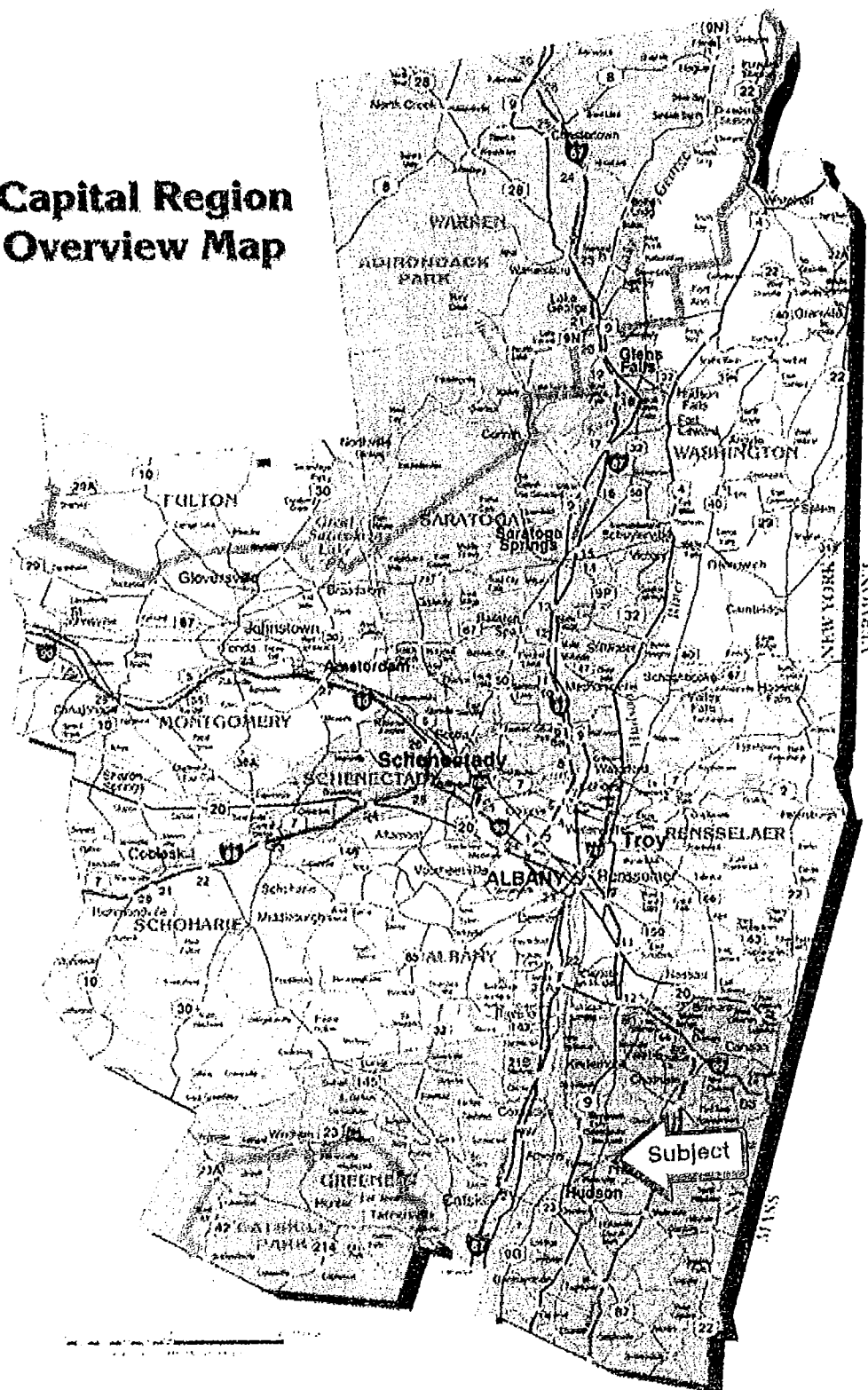
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implement dealer, a refrigeration manufacturer, food service distributor, an auto dealer and the Gerald R. Simons Commerce Park, home to a variety of businesses. Vacant land abounds in the immediate area.

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## Capital Region Overview Map



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### **MARKET TRENDS**

Based upon data compiled by the Albany based Commercial and Industrial Brokers (CIRESB), marketing time for sold vacant land listings in Columbia and Greene Counties averaged 349 days with a range of 172 to 979 days.

In general, commercial property market trends are gradually recovering from post-recession stagnation caused by the bid-ask stalemate and low market demand precipitated by the 2008 economic recession, and are considered stable for vacant commercial land.

### **EXPOSURE TIME**

Reasonable exposure time is one of a series of conditions in market-value definitions. Exposure time is always presumed to precede the effective date of the appraisal. Exposure time may be defined as follows: the estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale of market value on the effective date of the appraisal; a retrospective opinion based on an analysis of past events assuming a competitive and open market. The overall concept of reasonable exposure encompasses not only adequate, sufficient and reasonable time but also adequate, sufficient and reasonable effort. This statement focuses on the time component. Based upon local market data, we anticipate an exposure time of approximately two years would have resulted in the consummation of a sale for the subject property.

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### PROPERTY DESCRIPTION

#### SITE

33 acres, being somewhat rectangular in shape, consisting of former farmland. The parcel sits on a rise, with a gradual upward slope from Route 66 to the rear. Presently a mowed field, the soils are SICO silt loam. There are gradual downward slopes to each sideline. There are 572 feet of frontage on Route 66.

#### IMPROVEMENTS

Type: there are no improvements. The site is currently serviced by public electric.

#### SUMMARY

The site has a gently sloping topography, minimal tree growth, and offers a large usable land area.

### ENVIRONMENTAL FINDINGS

The value estimated is based on the assumption that the property is not negatively affected by the existence of hazardous substances or detrimental environmental conditions. The appraiser is not an expert in the identification of detrimental environmental conditions. It is possible that tests and inspections made by a qualified expert would reveal the existence of hazardous substances on or around the property that would negatively affect its value.

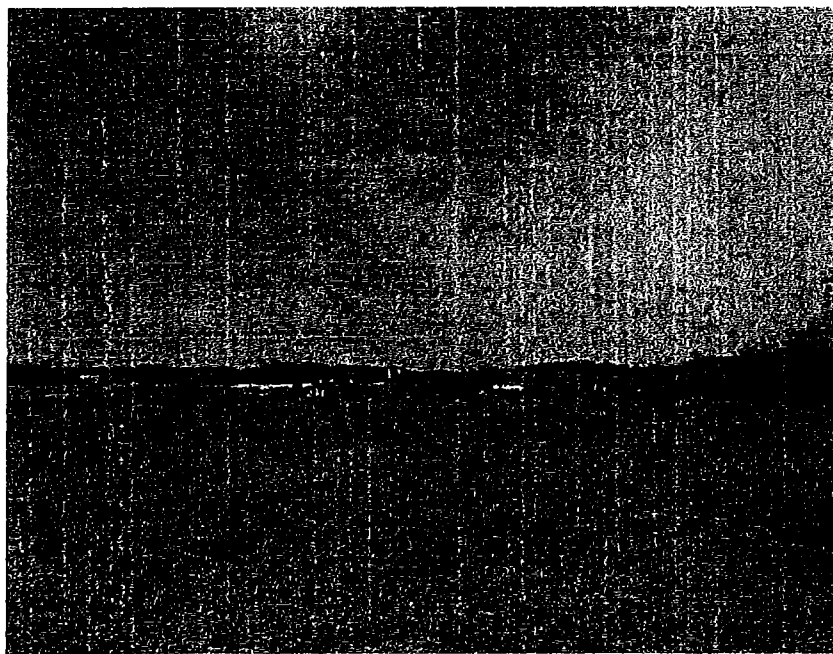
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SUBJECT PHOTOGRAPHS



INTERIOR VIEW TO SOUTH



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INTERIOR VIEW TO NORTH



INTERIOR VIEW TO SOUTHWEST



ROUTE 66 VIEW TO EAST

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ROUTE 66 VIEW TO WEST



PROPERTY ENTRANCE FROM ROUTE 66

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## PROPERTY TAXES AND ASSESSMENT

### ASSESSED VALUE

The subject property is currently assessed as follows:

	<u>LOT 4</u>	<u>LOT 3.2</u>	
Land	\$223,000	\$33,000	
Improvements	<u>0</u>	<u>0</u>	
Total	\$223,000	\$33,000	\$256,000

### ZONING

**GHENT:** Limited Commercial/Business. Special permit uses include offices, wholesale businesses with retail, assembly, multi-use industrial/commercial structure, non-nuisance industry, truck terminal and warehousing. The minimum lot area is 5 acres with a minimum lot width of 300 feet at a front yard setback of 40 feet.

**CLAVERACK:** Zoned Commercial Industrial Park. Permitted and special uses include offices, delivery services, multi-use commercial, non-nuisance industry, assembly, research, warehouse and multi-use industrial. The minimum lot area is one acre with a minimum lot width of 150 feet.

### HIGHEST AND BEST USE

#### CRITERIA

The highest and best use of both land as though vacant and property as improved must meet four criteria. The highest and best use must be legally permissible, physically possible, financially feasible, and maximally productive. These criteria are often considered sequentially. The tests of legal permissibility and physical possibility *must* be applied before the remaining tests of financial feasibility and maximal productivity. A use may be financially feasible, but this is irrelevant if it is legally prohibited or physically impossible. Only when there is a reasonable possibility that one

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of the prior, unacceptable conditions can be changed is it appropriate to proceed with the analysis. If, for example, current zoning does not permit a potential highest and best use, but there is a reasonable probability that the zoning could be changed, the proposed use could be considered on that basis. Physical limitations that prevent a site from achieving its optimal use may often be overcome by applying additional capital.<sup>1</sup>

#### Legally Permissible

The property is zoned for a variety of commercial and industrial uses.

#### Physically Possible

The size, shape, frontage, depth and topography of the site are favorable for commercial use.

#### Financially Feasible

Capital invested in the property should provide a significant financial return.

#### Maximally Productive

As vacant commercial land, an allowable use per the applicable zoning will contribute to value.

#### SUMMARY

In determining the Highest and Best Use of the subject property, careful consideration was given to the economic, legal and social factors which motivate investors to develop, manage, own, buy, sell and lease real estate. After considering the necessary criteria of physically possible, legally permissible, financially feasible and maximally productive, it is our conclusion that the highest and best use of the subject property is for commercial industrial development.

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<sup>1</sup> *The Appraisal of Real Estate*, 13th Edition, Appraisal Institute, Chicago, IL, 2001

**APPRAISAL PROBLEM  
AND  
APPROACH TO VALUE**

As this appraisal is concerned with vacant land, the only applicable valuation method is the sales comparison approach. With the sales comparison approach, similar properties transferred in the marketplace are compared with and adjusted to the subject property in order to generate an indication of value.

**SALES COMPARISON APPROACH**

The sales comparison approach is essential in most appraisals of real property value. Market value, when estimated by this approach, frequently is defined as "the price at which a willing seller would sell and a willing buyer would buy, neither being under abnormal pressure". This definition is based on the assumption that both buyer and seller are fully informed about the property and the state of the market for the type of property and that the property has been exposed in the open market for a reasonable time.

In applying the Sales Comparison Approach the appraiser:

1. Seeks similar properties for which pertinent sales, listings, offerings, and/or rental data are available.
2. Ascertains the conditions of sale, including the price, motivating forces, and its bona fide nature.
3. Analyzes each of the comparable properties important attributes in relation to the corresponding attributes of the property being appraised under the general divisions of time, location, physical characteristics, and terms of sale.

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4. Considers the dissimilarities in the characteristics disclosed in Step 3, in terms of their probable effect on the sale price.
5. Formulates, in the light of the comparisons made, an opinion of the relative value of the property being appraised.

An estimate of value of a property is derived using this approach. Similar properties that have been sold recently or are currently offered for sale in the same or competing areas are compared to the subject property. Estimating the degree of comparability between two properties involves a judgment as to their similarity with respect to value factors such as location, construction, age and condition, layout and equipment. The sales, offerings, and list prices of the properties deemed most comparable tend to set the range in which the value of the appraised property will fall. Further consideration of the comparative data will indicate to the appraiser a figure representing the value of the appraised property, in keeping with the definition of value sought, as of the date of the appraisal.

The data involved in the application of this process concerns comparable properties as well as the property being appraised and will vary with the type of property. Four categories of data, however, are basic and apply to all types of property. They are:

1. Date of sale.
2. Conditions and terms influencing each sale.
3. Location of each property.
4. Physical characteristics of each property.

Our investigation revealed five comparable sales to use in estimating the market

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value of the 33 acre site, which are presented on the following pages.

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**COMPARABLE LAND SALE NO. 1**

LOCATION: Falls Road Industrial Park, Town of Ghent  
Columbia County, NY

GRANTOR: Geojon Corp.

GRANTEE: Summit Development Group, Ltd.

DEED: liber 624, page 2293

DATE: November 27, 2007

PURCHASE PRICE: \$306,900

TAX MAP PARCEL: 82-1-37.221

LAND AREA: 76.70 acres

SHAPE: irregular

TOPOGRAPHY: level to sloping

NEIGHBORHOOD: commercial/industrial

ZONING: industrial

HIGHEST & BEST USE: commercial/industrial

SUMMARY: The sale consists of a 76.70 acre parcel, being the rear portion of the Falls Road Industrial Park. Access is via a 50 foot wide shared right-of-way extending from Route 9H. Subsequent to the purchase, the grantee developed a 22 lot subdivision plan for the property.

ANALYSIS: The sale price equates to \$4,000 per acre.

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**COMPARABLE LAND SALE NO. 2**

LOCATION: Route 9H and Falls Road, Town of Ghent  
Columbia County, NY

GRANTOR: Edward G. Coons and Shirley J. Gibbons

GRANTEE: Habeck Group LLC

DEED: liber 637, page 2191

DATE: May 30, 2008

PURCHASE PRICE: \$199,000

TAX MAP: part of 73-1-53.111

LAND AREA: 26.74 acres

FRONTAGE: 950 feet on Route 9H and 1,100 feet on Falls Road

SHAPE: rectangular

TOPOGRAPHY: generally level

UTILITIES: public electric

NEIGHBORHOOD: commercial/rural residential

ZONING: CI-Commercial to a depth of 750 feet (16± acres)

HIGHEST & BEST USE: commercial

SUMMARY: The sale consists of 26.74 acres of level land with 950 feet of frontage on Route 9H, located north of the subject. 16 ± acres are zoned commercial, with the remainder zoned residential. The purchasers constructed a Toyota dealership on the site.

ANALYSIS: The sale price equates to \$7,440 per acre.

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**COMPARABLE LAND SALE NO. 3**

LOCATION: State Route 23, Town of Claverack  
Columbia County, NY

GRANTOR: Buck Hill Development Ltd.

GRANTEE: Donna and Conrad Coon

DEED: liber 625, page 1762

DATE: December 5, 2007

PURCHASE PRICE: \$205,000

TAX MAP: 133-2-13

LAND AREA: 34.4 acres

FRONTAGE: 700 feet on NYS Route 23 and 52 feet on County  
Route 11

SHAPE: irregular

TOPOGRAPHY: level to sloping at rear

UTILITIES: public electric

NEIGHBORHOOD: rural residential

ZONING: Commercial Highway/Residential

HIGHEST & BEST USE: commercial

SUMMARY: The sale consists of 34.4 acres located on Route 23, bordering the Taconic State Parkway, across from the Martindale Chief Diner. The purchasers constructed self-storage units.

ANALYSIS: The sale price equates to \$5,960 per acre.

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**COMPARABLE LAND SALE NO. 4**

LOCATION: 11639 Route 9W, Town of Coxsackie  
Greene County, NY

GRANTOR: Maxi Store LLC

GRANTEE: John and Jeannie A. Halsted

DEED: liber 1330, page 288

DATE: December 22, 2009

PURCHASE PRICE: \$75,000

TAX MAP/O PARCEL: 55.00-5-30.11

LAND AREA: 5.58 acres

FRONTAGE: 333 feet on NYS Route 9W

SHAPE: rectangular

TOPOGRAPHY: level

UTILITIES: public water, sewer and electric

NEIGHBORHOOD: commercial/agricultural

ZONING: Commercial

HIGHEST & BEST USE: commercial development

SUMMARY: The sale consists of 5.58 acres of land located on Route 9W in the Town of Coxsackie in a moderately developed commercial area west of the village.

ANALYSIS: The sale price equates to \$13,440 per acre.

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**COMPARABLE LAND SALE NO. 5**

LOCATION: Riverside Avenue, Town of East Greenbush  
Rensselaer County, NY

GRANTOR: Bray Terminals

GRANTEE: Island Park LLC

DEED: liber 6330, page 102

DATE: May 30, 2012

PURCHASE PRICE: \$75,000

TAX MAP/O PARCEL: 165.-1-29

LAND AREA: 8.9 acres

FRONTAGE: 400 feet

SHAPE: rectangular

TOPOGRAPHY: level

UTILITIES: public electric

NEIGHBORHOOD: industrial/agricultural

ZONING: R-2

HIGHEST & BEST USE: commercial use

SUMMARY: The sale consists of 8.9 acres of vacant land, located on Riverside Avenue Extension; just north of the Port of Rensselaer. This is a moderately developed industrial area with no municipal services. The purchaser operates a large commercial nursery in the immediate area.

ANALYSIS: The sale price equates to \$8,430 per acre.

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SUMMARY

After considering adjustments where appropriate, it is our conclusion and opinion that the market value of the subject land is \$8,500 per acre.

33 acres @ \$8,500 = \$280,500

**INDICATED VALUE VIA THE**  
**SALES COMPARISON APPROACH**    SAY, **\$280,000**

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**SUMMARY AND RECONCILIATION**

This appraisal problem has been concerned with finding the market value of 33 acres of commercial/industrial land. The market value has been established utilizing the Sales Comparison Approach, and as this approach is relied upon in most appraisal problems, and where sufficient data is available, it is an accurate indicator of value.

Therefore, based upon the preceding discussion and analysis, and after considering all of the information contained herein, together with all factors which influence value, it is our conclusion and opinion the market value of the subject property, as of March 26, 2014, was,

**TWO HUNDRED EIGHTY THOUSAND DOLLARS**

**\*\*\*\*(\$280,000)\*\*\*\***

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## ADDENDUM

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**CERTIFICATE OF APPRAISER**

The Appraiser certifies and agrees that:

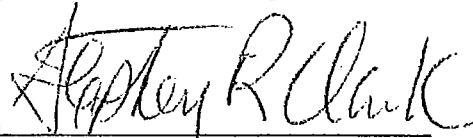
1. This report was prepared in conformity with the Uniform Standards of Professional Appraisal Practice as promulgated by the Appraisal Standards Board of the Appraisal Foundation.
2. This report conforms with the rules and regulations of the NYS Board of Real Estate Appraisal of the Department of State.
3. This appraisal report has been made in conformity with and is subject to the requirements of the Code of Professional Ethics and Standards of Professional Conduct of the appraisal organizations with which the Appraiser is affiliated.
4. The Appraiser has no present or contemplated future interest in the property appraised, and the compensation for preparing this appraisal is not contingent upon the reporting of a pre-determined value, minimum value, or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, the occurrence of a subsequent event, or the approval of a loan.
5. The Appraiser is entirely impartial and has no personal interest in or bias with respect to the subject matter of the appraisal report, the intended users of the report or the participants to a pending sale of the property. The "Opinion of Market Value" in the appraisal report is not based in whole or in part upon the race, color, creed, or national origin of the prospective owners or present occupants of the property appraised or properties in the vicinity of the property appraised.

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6. The Appraiser has personally inspected the property listed in the report. To the best of the Appraiser's knowledge and belief, all statements and information in this report are true and correct, and the Appraisers have not knowingly withheld any significant information.
7. All contingent and limiting conditions imposed by the terms of the assignment, or by the undersigned, affecting the Appraiser's analyses, opinions, and conclusions are fully set forth in this report.
8. All conclusions and opinions concerning the real estate that are set forth in the appraisal report were prepared by the Appraisers, and no one provided significant professional assistance to the Appraisers signing this report, unless otherwise noted. No change of any item in the appraisal report shall be made by anyone other than the Appraisers, and the Appraisers shall have no responsibility for any such unauthorized change.
9. The American Society of Appraisers conducts a mandatory program of recertification for its Senior Members. Your Appraiser is recertified as set forth in the Constitution, Bylaws and Administrative Rules of the American Society of Appraisers.
10. I have performed no services as an appraiser, or in any other capacity regarding the property that is the subject of this report, within the three year period immediately preceding acceptance of this assignment.

April 4, 2014

  
STEPHEN R. CLARK  
Member - New York State Society  
Of Real Estate Appraisers  
NYS Certified-General  
Real Estate Appraiser  
Certificate #46-46087

**CERTIFICATE OF APPRAISER**

The Appraiser certifies and agrees that:

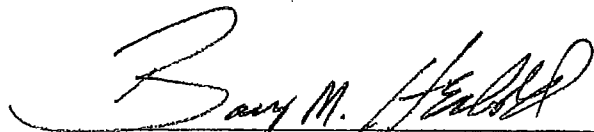
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3. This appraisal report has been made in conformity with and is subject to the requirements of the Code of Professional Ethics and Standards of Professional Conduct of the appraisal organizations with which the Appraiser is affiliated.
4. The Appraiser has no present or contemplated future interest in the property appraised, and the compensation for preparing this appraisal is not contingent upon the reporting of a pre-determined value, minimum value, or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, the occurrence of a subsequent event, or the approval of a loan.
5. The Appraiser is entirely impartial and has no personal interest in or bias with respect to the subject matter of the appraisal report, the intended users of the report or the participants to a pending sale of the property. The "Opinion of Market Value" in the appraisal report is not based in whole or in part upon the race, color, creed, or national origin of the prospective owners or present occupants of the property appraised or properties in the vicinity of the property appraised.

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6. The Appraiser has not personally inspected the property listed in the report. To the best of the Appraiser's knowledge and belief, all statements and information in this report are true and correct, and the Appraisers have not knowingly withheld any significant information.
7. All contingent and limiting conditions imposed by the terms of the assignment, or by the undersigned, affecting the Appraiser's analyses, opinions, and conclusions are fully set forth in this report.
8. All conclusions and opinions concerning the real estate that are set forth in the appraisal report were prepared by the Appraisers, and no one provided significant professional assistance to the Appraisers signing this report, unless otherwise noted. No change of any item in the appraisal report shall be made by anyone other than the Appraisers, and the Appraisers shall have no responsibility for any such unauthorized change.
9. The American Society of Appraisers conducts a mandatory program of recertification for its Senior Members. Your Appraiser is recertified as set forth in the Constitution, Bylaws and Administrative Rules of the American Society of Appraisers.
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April 4, 2014

  
BARRY M. HERBOLD, ASA  
NYS Certified-General  
Real Estate Appraiser  
Certificate #46-3453

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**COPY*****Executor's Deed***

This Indenture, made the ~~14~~<sup>15</sup> day of February, Nineteen Hundred and Ninety Seven,

Between BRUCE J. RIBLEY with a mailing address of 14 Steeplechase, Tijeras, New Mexico 87059 and BRIAN C. YORCK with a mailing address of 13 Doodletown Road, Ancram, New York 12502, as Executors of the Estate of ROYAL J. RIBLEY, late of Gahbauer Road, Town of Claverack, Columbia County, New York, deceased, parties of the first part, and

COLUMBIA ECONOMIC DEVELOPMENT CORPORATION with a mailing address of 444 Warren Street, Hudson, New York 12534, party of the second part:

Witnesseth, that the parties of the first part, by virtue of the power and authority to them given in and by the said Last Will and Testament, and in consideration of One Hundred and Nine Thousand Nine Hundred Fifty Dollars (\$109,950.00), lawful money of the United States, paid by the party of the second part, do hereby grant and release unto the party of the second part, its successors and assigns forever,

All that piece, parcel or lot of land situate, lying and being in the Towns of Ghent and Claverack, County of Columbia and State of New York, bounded and described as follows:

**BEGINNING** at a point on the southerly road line of NYS Route 66, said point being the northeast corner of the herein described parcel and the northwest corner of lands of Columbia County; Thence the following five (5) courses and distances along the westerly boundary of said lands of Columbia County and partially along a wire fence: S5-26-03W 824.46 feet to a point; S14-17-46E 96.99 feet to a point; S4-31-03E 224.61 feet to a point; S11-41-00E 340.84 feet to a point and S25-25-09E 389.55 feet to a point on the easterly boundary of the herein described parcel, said point also being the southwest corner of lands of Columbia County and the northwest corner of lands of Ithlenburg; Thence along said lands of Ithlenburg the following three (3) courses and distances: S-63-38-58W 87.73 feet to a point; S52-30-55W 68.13 feet to a point and S31-18-07W 62.54 feet to a point on the southeast corner of the herein described parcel, the northeast corner of Parcel "B" and the westerly boundary line of lands of Ithlenburg; Thence through lands of the Estate of Royal J. Ribley, along the northerly boundary line of Parcel "B", S88-37-10W 1114.73 feet to a point on the southwest corner of the herein described parcel, said point also being on the easterly boundary line of lands of Columbia County; Thence along said lands of Columbia County the following three (3) courses and distances: N19-32-09E 713.27 feet to a point; N17-55-36E 326.00 feet to a point and N15-08-40E 813.13 feet to a point on the aforementioned southerly road line of NYS Route 66, said point being the northwest corner of the herein described parcel and the northeast corner of lands of Columbia County; Thence along the said road line N67-37-13E 571.72 feet to the point of beginning. Containing 33 acres, more or less. The said thirty three (33) acres is designated as Parcel "A" on an official survey map prepared by Bernard J. Kellcher, NYS PELS,

License No. 24951, Canaan, New York and duly filed as Map 96-205 in the Columbia County Clerk's Office on September 25, 1996.

The parcel herein being a portion of the same premises conveyed by Lillian J. Ribley, as surviving tenant by the entirety of Harry J. Ribley who died a resident of the County of Saratoga, State of New York on February 10, 1953 to Lillian J. Ribley and Royal J. Ribley, as joint tenants, with right of survivorship, by Deed dated November 17, 1958 and recorded in the Columbia County Clerk's Office on November 17, 1958 in Liber 349 of Deeds at page 367.

That the aforesaid Lillian J. Ribley died a resident of the County of Columbia, State of New York, on April 19, 1973, and by virtue of her death, title to the real property described herein became solely vested in Royal J. Ribley, her surviving joint tenant by operation of law.

That the aforesaid Royal J. Ribley died a resident of the County of Columbia, State of New York, on November 30, 1993 and his Last Will and Testament, duly executed on March 15, 1975, was duly admitted to probate in the Surrogate Court of Columbia County on February 8, 1994 with Letters Testamentary issued to Executors Bruce J. Ribley and Brian C. Yorck on February 8, 1994 who by virtue of said Last Will and Testament of Royal J. Ribley are empowered and authorized to convey the parcel herein for the sum of One Hundred and Nine Thousand Nine Hundred Fifty Dollars (\$109,950.00).

Together with the appurtenances, and also all the estate which the said testator had at the time of his decease, in said premises, and also the estate therein, which the parties of the first part have or had power to convey or dispose of, whether individually or by virtue of said Will, or otherwise.

To have and to hold the premises herein granted unto the party of the second part, its successors and assigns forever.

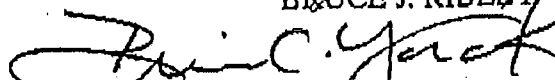
Subject to the Trust Fund provisions of Section 13 of the Lien Law.

And the parties of the first part covenant that they have not done or suffered anything whereby the said premises have been incumbered in any way whatever.

In Witness Whereof, the parties of the first part have hereunto set their hands and seals the day and year first above written.



BRUCE J. RIBLEY



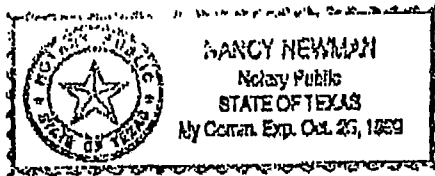
BRIAN C. YORCK

As Executors under the Last Will and Testament  
of ROYAL J. RIBLEY, Deceased

State of Texas

County of Cameron

On this 14th day of February, Nineteen Hundred and Ninety Seven, before me, the subscriber, personally appeared BRUCE J. RIBLEY, the Executor of the Last Will and Testament of ROYAL J. RIBLEY, to me personally known and known to me to be the same person described in and who executed the within Instrument and he acknowledged to me that he executed the same as such Executor as aforesaid for the purposes therein mentioned.



Nancy Newman  
Notary Public

State of New York  
County of Columbia

On this 21st day of February, Nineteen Hundred and Ninety Seven, before me, the subscriber, personally appeared BRIAN C. YORCK, the Executor of the Last Will and Testament of ROYAL J. RIBLEY, to me personally known and known to me to be the same person described in and who executed the within Instrument and he acknowledged to me that he executed the same as such Executor as aforesaid for the purposes therein mentioned.

Joseph A. Cutro  
Notary Public

Executor's Seal

BRUCE J. RIBLEY  
and  
BRIAN C. YORCK

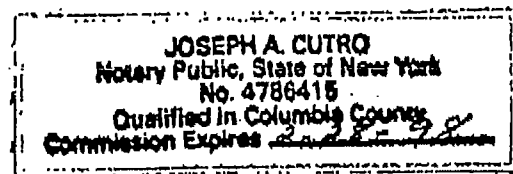
TO

COLUMBIA ECONOMIC  
DEVELOPMENT CORPORATION

Dated: February 1997

Joseph A. Cutro, Esq.  
1049 Old Post Road  
Kinderhook, NY 12106

(518) 758-1527



R&amp;R

Bernhardt Karp, Esq.  
46 Green St.  
Hudson, NY 12534

**QUALIFICATIONS OF APPRAISER**

Stephen R. Clark

**PROFESSIONAL LICENSE**

NYS Certified-General Real Estate Appraiser  
 Certificate #46-46087

**PROFESSIONAL EXPERIENCE**

Empire State Appraisal Consultants, Inc.

2001

Real Estate Brokerage, Management, Development

1973-2001

Have appraised, sold, leased, managed and developed properties for various clients throughout New York State for over 38 years.

**EDUCATION**

College of St. Rose, B.S. Finance and Business Administration  
 Completed numerous courses in real estate appraisal, financing and law

**MEMBERSHIPS**

New York State Society of Real Estate Appraisers

**TYPES OF ASSIGNMENTS**

Tax Certiorari  
 Estate Tax  
 Leased Fee  
 Leasehold  
 Revaluation  
 Value-in-use

Development Rights  
 Appraisal Review  
 Depreciation Analysis  
 Investment Financing  
 Feasibility Studies  
 Life Estates

Easements  
 Conservation Easements  
 Takings

**TYPES OF PROPERTY APPRAISED**

Banks  
 Apartments  
 Warehouses  
 Offices  
 Subdivisions  
 Schools  
 Restaurants  
 Condominiums  
 Banquet Houses  
 Churches  
 Funeral Homes

Supermarkets  
 Mobile Homes  
 Shopping Centers  
 Service Stations  
 Manufacturing Facilities  
 Indoor Tennis Clubs  
 Trucking Terminals  
 Mobile Home Parks  
 Hotels  
 Nursing Homes  
 Drug Stores

Self-Storage Facilities  
 Timeshare Developments  
 Retail Stores  
 Medical Offices  
 Municipal Buildings  
 Power Centers  
 Big Box Retail  
 Vacant Land  
 Landfills  
 Distribution Warehouses  
 Regional Malls

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APPRAISERS - CONSULTANTS

**QUALIFICATIONS OF APPRAISER**

Barry M. Herbold, ASA

**PROFESSIONAL DESIGNATIONS & LICENSE**

Senior member, American Society of Appraisers with a designation in Real Property Ad Valorem (ASA).

NYS Certified-General Real Estate Appraiser  
Certificate #46-3453**PROFESSIONAL EXPERIENCE**

Continuously and actively engaged in the appraisal of real estate for the last 40 years.

President and Senior Consultant, Empire State Appraisal Consultants, Inc.

1975 to present.

Chief Appraiser for Cole-Layer-Trumble Co. in New York State Supreme Court certiorari proceedings,

1973-1975

Staff Appraiser and Project Supervisor, Cole-Layer-Trumble Co., Real Estate Appraisers, Dayton, Ohio,

1968-1973

Have appraised over thirty thousand properties for clients in Connecticut, New Jersey, Massachusetts, Pennsylvania, Indiana, and New York.

Directed and administered the appraisal of over thirty-thousand properties in five separate property tax assessment equalization programs.

**CERTIFICATIONS****Qualified Fee Appraiser**

New York State Department of Environmental Conservation

New York State Office of Parks, Recreation &amp; Historic Preservation

New York State Department of Transportation

U.S. Department of the Treasury, Internal Revenue Service

Veterans Administration

**EDUCATION**

Sacred Heart University, Fairfield, Conn.

Completed numerous courses in real estate appraisal including all courses required for licensing and renewals by the New York State Department of State.

**OTHER MEMBERSHIPS**

Chairman, Architectural Control Committee, Hereford Hills, Inc.

New York State Society of Real Estate Appraisers

Village of Kinderhook, N.Y. Planning Board (1995-'99)

**TYPES OF ASSIGNMENTS**Tax Certiorari  
Estate Tax  
Leased Fee  
Leasehold  
RevaluationConservation Easements  
Riparian Rights  
Eminent Domain  
Mineral Rights  
Feasibility StudiesAvigation Easements  
Development Rights  
Appraisal Review  
Depreciation Analysis  
Investment FinancingValue-In-use  
Diminution  
Scenic Easements  
Deficiency Judgment  
Equalization Studies  
Adverse Possession**TYPES OF PROPERTY APPRAISED**Farms  
Hotels  
Motels  
Banks  
Churches  
Hospitals  
Apartments  
Warehouses  
Offices  
Dams  
Subdivisions  
Theatres  
Nursing Homes  
Restaurants  
Condominiums  
Forest Lands  
Quarry Lands  
Country Clubs  
Golf Courses  
Supermarkets  
Mobile Homes  
Bulk Plants  
Cold Storage  
Health ClubsShopping Centers & Enclosed Malls  
Service Stations  
University Complexes  
Correctional Facilities  
Manufacturing Facilities  
Cement Plants  
Indoor Tennis Clubs  
Trucking Terminals  
Private Sewer & Water Systems  
Municipal Sewer & Water Systems  
Mobile Home Parks  
Automobile SalesPublic Utilities  
Reservoirs  
Railroads  
Bowling Centers  
Amusement Parks  
Gravel Extraction & Mining  
Historic Properties  
Schools  
Yacht Clubs  
Horse Breeding Facilities  
Landfills  
Electric & Gas Transmission**PUBLICATIONS***Ad Valorem Taxes And Real Property: Relationship And Analysis*, © 1976, American Society of Appraisers, Valuetape Series.*Real Estate Valuation Trends, Columbia County, N.Y.*, published semi-annually

Author of several copyrighted appraisal schedules concerned with building costs and land valuation.

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**INSTRUCTOR/SPEAKER**

Approved General Appraisal Instructor #1-436, NYS Department of State

Guest speaker, "Assessment of Golf Courses and Country Clubs", Golf Course Superintendents Association of America, St. Louis, Missouri, 1980.

Instructor, "Appraisal of Golf Courses and Country Clubs", American Society of Appraisers, 1978 Recreational Properties Appraisal Symposium, Steamboat Springs, Colorado.

Guest speaker, "Real Estate Appraisal and Tax Equalization", WVIP Radio Issues and Answers, Mt. Kisco, New York 1973.

Course Instructor for various appraisal seminars offered to municipal assessing officials. Lectured to various community organizations on appraisal topics.

**QUALIFIED AS EXPERT APPRAISAL WITNESS**

U.S. District Court - Northern District

New York State Supreme Court

Connecticut Superior Court

U.S. Bankruptcy Court

Various county courts, commissions, and boards of review.

Appointed Commissioner in partition actions.

**TESTIMONY IN SIGNIFICANT NYS SUPREME COURT CASES**

*City of Troy v. Kusala* (municipal reservoir)

*City of New York v. Town of Hurley* (Ashokan Reservoir)

*Sterling Drug (Eastman Kodak) v. City of Rensselaer* (chemical mfg.)

*Eden Park v. City of Troy* (nursing home)

*Lehigh Portland Cement v. Town of Catskill* (cement mfg.)

*Eckerd v. City of Watervliet* (net lease drug store)

*Playtex v. City of Watervliet* (manufacturing)

*Lowe's v. Town of Queensbury* (retail big box)

**PARTIAL CLIENT LIST****Mortgage Lenders**

Berkshire Bank & Trust Co.

BNY Mellon

Citibank

Citicorp

Chemical Bank of New York

Evergreen Bank

Farmers Home Administration

First National Bank of Glens Falls

First Agricultural Bank

First Niagara

Fleet/Norstar

Island Federal Savings & Loan

JP Morgan Chase

Key Bank, N.A.

Kinderhook Bank

Lee Bank

PHH US Mortgage

Prudential Home Mortgage

Statewide Funding Corp.

Troy Savings Bank

**Major Corporations**

Allied Signal

American Insurance Co.

Archer Daniels Midland Co.

Benderson Development Co.

Besicorp

Capital Mutual Insurance Co.

Coates Field Service

Coca Cola

Commonwealth Title Insurance

Consolidated Edison Co.

Continental Insurance Co.

Crystal Run Health Care

D & H Railway Co.

Eastman Kodak

Eberhard Brothers

Fidelity Title Insurance

First American Title Insurance

First Union Realty Trust

Garden Homes Management Corp.

General Electric Company

George Pacific

Golub Corp.

Hannaford Bros. Inc.

Hartford Insurance Co.

Homequilly, Inc.

I.B.M.

Iron Mountain

Keeler Motor Car Co.

Liberly Health Care

Macerich Companies

McDonald's Corp.

Meditrust

Mirant

Niagara Mohawk Power Corp.

NYSEG

Pfizer International

Prudential Relocation

Rite Aid Corp.

Rochester and Southern, RR

Scotts-Hyponex

Suburban Propane

Title Guarantee Co.

Traveler's Relocation Co.

Unigard Insurance Co.

Universal Match Co.

Zurich American Insurance

**Government/Public**

Albany County, N.Y.

Albany, N.Y.

Albany Port Commission

Amsterdam, N.Y.

Army Corps of Engineers

Athens, N.Y.

Austerlitz, N.Y.

Broadalbin, N.Y.

Bedford, N.Y.

Binghamton, N.Y.

Caroga, N.Y.

Cairo, N.Y.

Catskill, N.Y.

Catskill Watershed Corp.

Chatham, N.Y.

Chester, N.Y.

Claverack, N.Y.

Clermont, N.Y.

Clifton Park, NY

Cohoes, N.Y.

Colonie, NY

Columbia Co., N.Y.

Corlandt, NY

Coxsack, N.Y.

Croton-on-Hudson, N.Y.

Delaware Co., N.Y.

East Greenbush, N.Y.

Fishkill, NY

Fort Edward, N.Y.

Fullton County, N.Y.

Ghent, NY

Glens Falls, NY

Greene Co., N.Y.

Greenport, N.Y.

Halfmoon, N.Y.

Hudson, N.Y.

Hurley, NY

Hyde Park, NY

Internal Revenue Service

Johnstown, N.Y.

Kinderhook, N.Y.

Kingston, N.Y.

Lake George, N.Y.

Lake Placid, N.Y.

Lloyd, N.Y.

Malla, N.Y.

Marbletown, NY

Mayfield, N.Y.

Middletown, N.Y.

Milton, N.Y.

Monroe, N.Y.

Moreau, N.Y.

Mt. Vernon, N.Y.

NYS AFL-CIO

Neversink, N.Y.

Newburgh, N.Y.

New Lebanon, N.Y.

New Windsor, N.Y.

City of New York DEP

New York State DOT

North Greenbush, N.Y.

Olive, N.Y.

Open Space Institute

Orange County, N.Y.

Ossining, N.Y.

Patterson, N.Y.

Pittstown, N.Y.

Poughkeepsie, NY

Queensbury, N.Y.

Rensselaer, N.Y.

Saugerties, N.Y.

Scenic Hudson

Sullivan County, N.Y.

Taghkanic, N.Y.

Troy, NY

Ulster, N.Y.

Washington, N.Y.

Watervliet, N.Y.

White Plains, NY

Wilton, N.Y.

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APPRAISERS - CONSULTANTS

Legal/Professional/Private

Ben Affleck  
 Barlett, Pontiff, Stewart and Rhodes  
 Carter, Conboy, Bardwell, Case & Blackmore  
 Caputo, Aulisi & Skoda  
 Cerlilman Bailin Adler & Hyman  
 Cooper Erving & Savage LLP  
 Daniel G. Vincelette Law Firm  
 Steely Dan  
 Deily, Testa & Dautel  
 Donohue, Sabo, Varley & Armstrong  
 Flint Law Firm  
 Frederick A.O. Schwarz, Jr.  
 George Rickey  
 Jennifer Garner

U.S. District Judge Lewis A. Koplan  
 Marc Gold, Esq.  
 Hacker & Murphy  
 Helm, Shapiro, Anito & McCale  
 Hiscock and Barclay  
 Jerrold F. Janata & Associates  
 Koeppel Marlene & Lelsman  
 Kowack, Cranna, Agata & McEvoy  
 Lally and Lally  
 Lee & LeForesier  
 Lemery, MacKrell and Greisler  
 Lombardi, Reinhard, Walsh & Harrison  
 McNamee, Lochner, Tiltus & Williams  
 Michael J. O'Connor, Esq.

Miller, Mannix, Schachner & Hafner  
 Paul Weiss, Rifkind, Wharton & Garrison  
 Rapport, Meyers, Griffen & Whitbeck  
 Ruberli, Girvin & Ferlazzo  
 Segel, Goldman & Mazzotta  
 Schroder & Strom  
 James G. Sweeney, Esq.  
 Tabner, Ryan & Keniry  
 Thuillez, Ford, Gold & Conolly  
 VanDeWater & VanDeWater  
 Whiteman, Osterman & Hanna  
 Young, Sommer, Ward, Ritzenberg,  
 Wooley, Baker and Moore

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APPRAISERS—CONSULTANTS

## **CONTINGENT CONDITIONS, SPECIAL ASSUMPTIONS AND LIMITATIONS OF APPRAISAL**

The certification of the appraiser appearing in the appraisal report is subject to the following conditions and to such other specific and limiting conditions as are set forth by the Appraiser in this report.

This appraisal is for no purpose other than property valuation, and the appraisers are neither qualified nor attempting to go beyond that narrow scope. The reader should be aware that there are also inherent limitations to the accuracy of the information and analysis contained in this appraisal. Before making any decision based on the information and analysis contained in this report, it is critically important to read this entire section to understand these limitations.

### **LAND SURVEY**

It is assumed that the utilization of the land and improvements is within the boundaries of the property lines of the property described and that there is no encroachment or trespass unless noted with the report.

No survey of the property has been made by the appraiser and no responsibility is assumed in connection with such matters. Any maps, plats, or drawings reproduced and included in this report are intended only for the purpose of showing spatial relationships. The reliability of the information contained on any such map or drawing is assumed by the appraiser and cannot be guaranteed to be correct. A surveyor should be consulted if there is any concern as to boundaries, setbacks, encroachments, or other survey matters.

### **LEGAL OPINIONS**

No responsibility is assumed for matters of a legal nature that affect title to the property nor is an opinion of title rendered. The title is assumed to be good and marketable. The value estimate is given without regard to any questions of title, boundaries, encumbrances, or encroachments. We are not usually provided an abstract of the property being appraised and, in any event, we neither made a detailed examination of the title nor do we give any legal opinion concerning same.

It is assumed there is full compliance with all applicable federal, state, and local environmental regulations and laws unless noncompliance is stated, defined, and considered in the appraisal report. Information and analysis shown in this report concerning these items is based only on a rudimentary investigation. Any significant question should be addressed to local zoning or land use officials and/or an attorney.

It is assumed that all required licenses, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based. Appropriate government officials and/or an attorney should be consulted if an interested party has any questions or concerns as to these items since we have not made a comprehensive examination of laws and regulations affecting the subject property.

### **ENGINEERING AND INSPECTION**

This appraisal should not be considered a report on the physical items that are a part of this property. Although the appraisal may contain information about the physical items being appraised, including their adequacy and/or condition, it should be clearly understood that this information is only to be used as a general guide for property valuation and not as a complete or detailed engineering report. The appraisers are not construction, engineering, environmental, or legal experts, and any statement given on these matters in this report should be considered preliminary in nature.

The observed condition of the foundation, roof, exterior walls, interior walls, floors, heating system, plumbing, insulation, electrical service, and all mechanicals and construction is based on a casual inspection only and no detailed inspection was made. For example, we are not experts on heating systems and no attempt was made to inspect the interior of the furnace. The structures were not checked for building code violations, and it is assumed that all buildings meet applicable building codes unless otherwise stated in the report.

The Americans with Disabilities Act (ADA) became effective in January 1992. No survey or inspection of the subject property has been conducted by us to determine whether the improvements comply with ADA accessibility guidelines, because ADA weighs the financial ability of the property owner against the cost to cure potential physical barriers. We are therefore unable to make any determination as to ADA compliance and our value estimate does not consider the financial impact of possible non-compliance.

Some items such as conditions behind walls, above ceilings, behind locked doors, or under the ground are not exposed to casual view and therefore were not inspected. The existence of insulation, if mentioned, was found by conversation with others and/or circumstantial evidence. Since it is not exposed to view, the accuracy of any statements about insulation cannot be guaranteed.

It is assumed there are not hidden or unapparent conditions of the property, sub-soil, or structures that would render it more or less valuable. No responsibility is assumed for such conditions, or for the engineering that may be required to discover such factors. Since no engineering or percolation tests were made, no liability is assumed for soil conditions.

Wells and septic systems, if any, are assumed to be in good working condition and of sufficient size and capacity for the stated highest and best use.

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## **APPRAISERS – CONSULTANTS**

We are not environmental experts, and we do not have the expertise necessary to determine the existence of environmental hazards such as the presence of urea-formaldehyde foam insulation, toxic waste, asbestos or hazardous building materials, or any other environmental hazards on the subject or surrounding properties. If we know of any problems of this nature which we believe would create a significant problem, they are disclosed in this report. However, nondisclosure should not be taken as an indication that such a problem does not exist. An expert in the field should be consulted if any interested party has questions pertaining to environmental factors.

No chemical or scientific tests were performed by the appraiser on the subject property, and it is assumed that the air, water, ground, and general environment associated with the property present no physical or health hazard of any kind unless otherwise noted in the report. It is further assumed that the lot does not contain any type of dump site and that there are no underground tanks (or underground source) leaking toxic or hazardous chemicals into the ground water or the environment unless otherwise noted in the report.

The age of any improvements to the subject property mentioned in this report should be considered an approximate estimate. We are not sufficiently skilled in the construction trades to be able to reliably estimate the exact age of the improvements by observation. We therefore rely on circumstantial evidence which may come into our possession, such as dates on architectural plans, or conversations with those who might be familiar with the history of the property, such as property owners, onsite personnel, or others. Parties interested in knowing the exact age of any improvements on the land should contact us to ascertain the source of our data and then make a decision as to whether they wish to pursue additional investigation.

Because no detailed inspection was made, and because such knowledge goes beyond the scope of this appraisal, any observed condition or other comments given in this appraisal report should not be taken as a guarantee that a problem does not exist. Specifically, no guarantee is made as to the adequacy or condition of the foundation, roof, exterior walls, interior walls, floors, heating system, air conditioning system, plumbing, electrical service, insulation, or any other construction component. If any interested party is concerned about the existence, condition, or adequacy of any particular item, we would strongly suggest that a construction expert be hired for a detailed investigation.

#### DATA LIMITATIONS

As can be seen from the preceding limitations, this appraisal has been performed with a limited amount of data. Data limitations result from a lack of certain areas of expertise by the appraiser which go beyond the scope of the ordinary knowledge of an appraiser, the inability of the appraiser to view certain portions of the property, the inherent limitations of relying upon information provided by others, etc.

There is also an economic constraint, as the appraisal budget and the fee for this appraisal did not contain unlimited funds for investigation. We have spent our time and effort in the investigative stage of this appraisal in those areas where we think it will be most productive, but inevitably there is a significant possibility that we do not possess all information relevant to the subject property.

Before relying on any statement made in this appraisal report, interested parties should contact us for the exact extent of our data collection on any point which they believe to be important to their decision making. This will enable such interested parties to determine whether they believe the extent of our data gathering process was adequate for their needs or whether they would like to pursue additional data gathering for a higher level of certainty.

Information, including projections of income and expenses provided by local sources, such as government agencies, financial institutions, accountants, attorneys, and others is assumed to be true, correct, and reliable. No responsibility for the accuracy of such information is assumed by the appraiser.

The comparable sales data relied upon in the appraisal is believed to be from reliable sources. Though all the comparables were examined, it was not possible to inspect them all in detail. The value conclusions are subject to the accuracy of said data.

Engineering analyses of the subject property were neither provided for use nor made as a part of this appraisal contract unless otherwise noted. Any representation as to the suitability of the property for uses suggested in this analysis is therefore based on a rudimentary investigation by the appraiser and the value conclusions are subject to said limitations.

All values shown in the appraisal report are projections based on our analysis as of the date of the appraisal. These values may not be valid in other time periods or as conditions change. We take no responsibility for events, conditions, or circumstances affecting the property's market value that take place subsequent to either the date of value contained in this report or the date of our field inspection, whichever occurs first.

Since projected mathematical models and other projections are based on estimates and assumptions which are inherently subject to uncertainty and variation depending upon evolving events, we do not represent them as results that will actually be achieved.

This appraisal is an estimate of value based on an analysis of information known to us at the time the appraisal was made. We do not assume any responsibility for incorrect analysis because of incorrect or incomplete information. If new information of significance comes to light, the value given in this report is subject to change without notice.

Opinions and estimates expressed herein represent our best judgment but should not be construed as advice or recommendation to act. Any actions taken by the client commissioning this report or any third party should be based on their own judgment, and the decision process should consider many factors other than the value estimates and information given in this report.

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APPRAISERS - CONSULTANTS

**USE OF REPORT**

Appraisal reports are technical documents addressed to the specific technical needs of clients. Casual readers should understand that this report does not contain all of the information we have concerning the subject property or the real estate market. While no factors we believe to be significant but unknown to the client have been knowingly withheld, it is possible that we have information of significance which may be important to others but which, with our limited acquaintance of the property and our limited expertise, does not appear to be important to us.

Appraisal reports made for lenders are technical documents specifically made to lender requirements. Casual readers are cautioned about their limitations and cautioned against possible misinterpretation of the information contained in these reports.

This appraisal was prepared at the request of and for the exclusive use of the client to whom the appraisal is addressed. Although third parties may rely upon the information and conclusions contained herein, the appraiser should be contacted with any questions before this report is relied upon for decision making.

**RESTRICTIONS**

There are no requirements, by reason of this appraisal, to give testimony or appear in court or at any pretrial conference or appearance required by subpoena with reference to the property in question, unless sufficient notice is given to allow adequate preparation and additional fees are paid by the client at our regular rates for such appearances and the preparation necessitated thereby.

This report is made for the information and/or guidance of the client and possession of this report, or a copy thereof, does not carry with it a right of publication. Neither all nor any part of the contents of this report shall be conveyed to the public through advertising, public relations, news, sales or other media without the written consent and approval of the appraiser. Nor shall the appraiser, firm, or professional organization of which the appraiser is a member be identified without the written consent of the appraiser.

It is suggested that those who possess this appraisal report should not give copies to others and that legal advice should be obtained on potential liability issues before this is done. Anyone who transmits an incomplete or altered copy of the appraisal report, including all attachments, does so at their own risk and assumes complete liability for any harm caused by transmitting an incomplete or altered copy. Neither the appraiser nor this company assumes any liability for harm caused by reliance upon an incomplete or altered copy of the appraisal report transmitted by others. Anyone with a question as to whether their copy of an appraisal report is incomplete or altered should contact our office.

Values and conclusions for various components of the subject property contained within this report are valid only when making a summation; they are not to be used independently for any purpose and shall be considered invalid if so used. The allocation of the total value in this report between land and improvements applies only under the reported highest and best use of the property. The separate valuations for land and buildings shall not be used in conjunction with any other appraisal and are invalid if so used.

The *Uniform Standards of Professional Appraisal Practice* requires that appraisers identify and consider the effect on value of both tangible and intangible non-realty items, including business enterprise value. However, with the exception of hotels, nursing homes and other personal-service oriented income producing properties, the business enterprise, if any, is inextricably tied to the fee simple real estate. In the opinion of the appraiser, no defensible means of separating the real estate value from the business enterprise value is available, beyond the deduction associated with a market-based management fee in the income approach. Hence, no additional attempt is made to divide the business enterprise value, if any, from the estimated value of the property identified in this report.

# **ESAC**

APPRAISERS - CONSULTANTS

## Professional Parameters



"The American Society of Appraisers is a professional organization of individuals. International in structure, it is self-supporting, unaffiliated and independent. The Society works cooperatively for the elevation of the appraisal profession. It is one of eight major appraisal societies that helped to found the Appraisal Foundation, a national self-regulatory organization created in 1987 to establish uniform qualification criteria for professional appraisers, to develop standards for appraisal work, and to provide other programs to serve the Public.

"The only major appraisal organization representing all of the disciplines of appraisal specialists, the society was originated in 1936 and incorporated in 1952. It is headquartered in suburban Washington, D.C.

"Society members include specialists in business valuation, machinery and equipment, personal property (fine arts, antiques, residential contents, gems and jewelry, and a variety of other subjects), real property (residential, commercial, industrial, and agricultural), and technical valuation (public utilities, industrials, natural resources, and others); in short, all types of property, tangible and intangible, real or personal.

"Each Society member who has conclusively demonstrated that he or she is qualified to appraise one or more kinds of property has been certified. Such certification is predicated upon Society criteria: intensive written examinations, submission of representative appraisal reports and screening of applicant's practice and ethics. With five years or more of full-time valuation experience members are granted the right to use the professional designation ASA (Accredited Senior Appraiser). With more than two years but less than five years of experience members may use the professional designation AM (Accredited Member).

"Senior appraisers are required to recertify, every five years, through a mandatory continuing education process.

"Ethical practices and conduct required of Society members are clearly defined in *The Principles of Appraisal Practice and Code of Ethics* of the American Society of Appraisers."

International Board of Governors  
Resolution #6-71-4  
Revised 6-88

# ESAC

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