

***Valuation Analysis Of***

**A retail property  
Located at 328 Greenwich Avenue  
Stamford, Connecticut 06902**

***Prepared For***

**Mani Poola, P.E.  
Traffic Engineer  
Engineering Department  
888 Washington Boulevard – 7th Floor  
Stamford, CT 06901**

***Prepared By***

**The Austin McGuire Company  
64 Wall Street, Suite 401  
Norwalk, Connecticut 06850**



May 23, 2017

**PERSONAL AND CONFIDENTIAL**

Mani Poola, P.E.  
Traffic Engineer  
Engineering Department  
888 Washington Boulevard – 7th Floor  
Stamford, CT 06901

Re: Valuation of a retail property located at 328 Greenwich Avenue in Stamford, Connecticut 06902

Dear Mr. Poola:

Per your request, we have completed our appraisal assignment to estimate the market value of the referenced property ("subject property") according to the definitions stated herein and subject to the assumptions, limiting conditions, and certification also contained in the report. The purpose of this report is to render an opinion of the as is market value of the fee simple interest in the subject property as of May 17, 2017, the date of drive by inspection. The purpose of this appraisal is to estimate the market value in connection with the acquisition of the Rights of Way with the full taking of 328 Greenwich Avenue for the Greenwich Avenue/Southfield Avenue at Selleck Street intersection improvements project.

The appraised property consists of the land and improvements located at 328 Greenwich Avenue in Stamford, Fairfield County, Connecticut 06902. According to the assessor's records, the site is 0.10 +/- acres and located along the east side of Greenwich Avenue at the northeast corner intersection with Selleck Street and Southfield Avenue in the Waterside submarket, south of I-95. Surrounding uses include small commercial and residential uses at the four way intersection with residential, commercial and industrial uses just beyond.

The improvements consist of a one story, 851 square foot retail store with storefront facing Greenwich Avenue. Built in 1920, it was vacant and boarded up at our drive by visit. There appears to be 8 +/- parking spaces on site to the north and east of the improvements.



Mr. Poola  
May 23, 2017  
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This report has been prepared in conformance with Standards One and Two of the Uniform Standards of Professional Appraisal Practice (USPAP) and the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA). We have considered all three classical approaches in determining value, the Income, Cost, and Sales Comparison Approaches. As an improved retail property, we have considered the income and sales comparison approaches. It could be purchased by an owner user or investor. We have excluded the cost approach given the subjectivity of depreciation of older buildings as well as the non-conforming nature of the site for lot size and frontage to current regulations. However, we have included an estimation of land value as a cross check.

Based upon our research and analyses, we have formed the opinion that the as is market value of the fee simple interest in the subject property, as of May 17, 2017, free and clear of financing, is:

**\$295,000**

The report has been prepared by Michael McGuire, MAI and Eileen Boyd. Their certificates of value are part of the report. The Austin McGuire Company has no present or contemplated interest in the property, nor any other interest that might prevent an unbiased valuation. Given the nature of the subject property, the market value estimate developed in this appraisal reflects a marketing period of up to 12 months and a similar exposure time of up to 12 months.

***Extraordinary Assumptions***

1. Building and site size are based on the subject's tax card from the city of Stamford. We reserve the right to alter or change our opinion of value if, subsequent to our appraisal, the measurement data is shown to be in error.
2. At our drive by, no conditions were observed that would indicate the presence or existence of hazardous substances, such as petroleum leakage, asbestos, or other adverse environmental conditions. However, the age of the improvements might suggest the presence of asbestos and/or lead paint. The value stated within this report is subject to change if any other hazardous substances or environmental conditions are detected by an expert in the field. The appraiser is not qualified to detect or measure hazardous materials and this appraisal is predicated upon the assumption that environmental hazards do not exist on the property.



*The Austin McGuire Company*  
"Navigating the built environment"

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Mr. Poola  
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3. At the request of the client, we have performed a drive by inspection.
4. Based on a review of zoning regulations for C-B zoned properties, it appears the subject is nonconforming for lot size and frontage. However, we are not zoning experts. We have made the *extraordinary assumption* the subject is legal non-conforming.

Very truly yours,

Michael D. McGuire, MAI  
CT Certified General R.E. Appraiser  
License Number RCG. 809  
Exp. 4/30/2018

Eileen Boyd  
CT Certified General R.E. Appraiser  
License Number RCG. 1131  
Exp. 4/30/2018

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Area Map



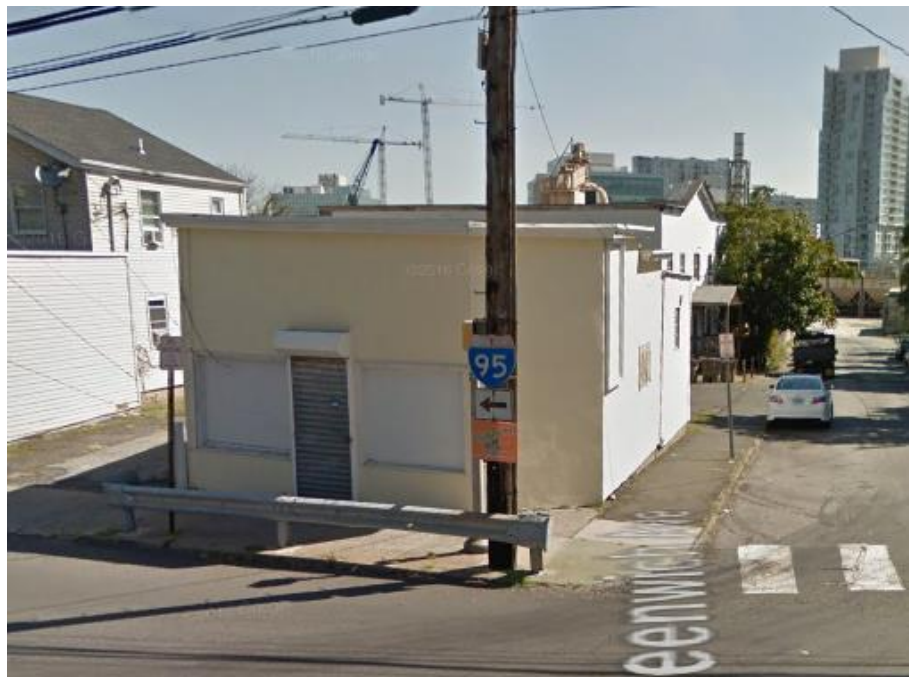
Location Map

## Executive Summary

Property Address:	328 Greenwich Avenue in Stamford, Fairfield County, Connecticut 06902
Property Location:	It is located on the east side of Greenwich Avenue in the City of Stamford, on the northeast corner of its intersection with Selleck Street and Southfield Avenue in the Waterside submarket, south of I-95,
Parcel ID Number:	001/1681
Intended Use:	To estimate the as is market value of the fee simple interest of the subject property in connection the acquisition of the Rights of Way with the full taking of 328 Greenwich Avenue for the Greenwich Avenue/Southfield Avenue at Selleck Street intersection improvements project.
Intender User:	The City of Stamford and/or its affiliates.
Site Size and Shape:	0.10 +/- acre with a near rectangular shape
Improvements Description:	The subject has a one-story retail building, built in 1920 with gross building area of 851 +/- square feet. There is onsite parking for an estimated 8 +/- cars to the north and east of the improvements.
Occupancy:	Vacant
Zoning:	C-B (Community Business district)
Flood Zone:	FEMA Map # 09001C0516G (revised July 8, 2013) in Zone X flood hazard area, an area of minimal flood risk.
Highest and Best Use:	As improved for retail use or as permitted.
Value Conclusion:	\$295,000



Aerial view of subject facing north



Front of subject



# Introduction

## *Identification and History of the Subject Property*

The subject property is located at 328 Greenwich Avenue in Stamford, CT. It is identified on the assessor rolls as parcel number 001/1681. The current owner of record is Louis Katsos et al. The property was acquired by the present owners on July 9, 1998, as per Stamford Land Records Book 5040, Page 144, for recorded consideration of \$115,000.

## *Purpose and Use of the Appraisal*

The purpose of this report is to determine the as is market value of the fee simple interest of the subject property, as of May 17, 2017, the date of drive by inspection. The function of this appraisal is to estimate the as is market value of the subject property to be used in connection with the acquisition of the Rights of Way with the full taking of 328 Greenwich Avenue for the Greenwich Avenue/Southfield Avenue at Selleck Street intersection improvements project.

## *Intended Use of the Report*

This report is intended for use by the City of Stamford and/or its affiliates. This report is not intended for any other use. Use of this report by others is not intended by the appraiser.

## *Effective Date of Value Estimate*

The effective date of our as is market value estimate is May 17, 2017, the date of drive by inspection. On this date, a drive by inspection was conducted by Eileen Boyd.

## *Relevant Definitions*

Market Value<sup>1</sup> 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 and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition are 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 consider their own best interest;
3. 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.

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<sup>1</sup>Source: Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA).

Fee Simple Estate as, “An ownership interest held by a landlord with the right of use and occupancy conveyed by lease to others; the rights of the lessor (the fee simple owner) and the lessee (leaseholder) are specified by contract terms contained within the lease.”

An Extraordinary Assumption, as defined by USPAP is, “an assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser’s opinions or conclusions.”

A Use Value, as defined by the Dictionary of Real Estate Appraisal, is “The value a specific property has for a specific use.”

A Value As Is, as defined by the Dictionary of Real Estate Appraisal, is “The value of specific ownership rights to an identified parcel of real estate as of the effective date of the appraisal; relates to what physically exists and is legally permissible and excludes all assumptions concerning hypothetical market conditions and rezoning.”

A Prospective Value Estimate, as defined by the Dictionary of Real Estate Appraisal, is “A forecast of value expected to occur at a specified future date. A prospective value estimate is most frequently utilized in connection with real estate projects that are proposed, under construction, under conversion to a new use, or that have otherwise not achieved sellout or a stabilized level of long-term occupancy at the time the appraisal report is written.”

Marketing Period as defined by the Dictionary of Real Estate Appraisal is “The time it takes an interest in real property to sell on the market subsequent to the date of appraisal”.

Exposure Period is defined in the Dictionary of Real Estate Appraisal as “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 at market value...Exposure time is always presumed to occur prior to the effective date of the appraisal”.

### ***Scope of Work***

The scope of work addresses the application and extent of appraisal development. For purposes of this assignment, the scope of work included:

1. Properly identify the subject property for the purpose of this analysis as a retail property with related land and site improvements. This analysis does not include any personal property.
2. Interview real estate professionals to determine the characteristics and current condition of the local market; valuation analysis of the fee simple interest in the real property considering the cost, income, and sales comparison approaches to value, which includes an analysis of the rental market and comparable sales.
3. A review of pertinent data and information on the land provided by the local assessors and owners.
4. Consideration of the utility of the assets, expected lives, functional and technological obsolescence of the assets.

5. An analysis of all facts and data compiled resulting in conclusions of value for the subject assets under the stated premises of value. A drive by inspection of the subject property was conducted on May 17, 2017.
6. In this analysis, we have considered all the three classical approaches to value. However, emphasis was ultimately placed on the income and sales comparison approaches. The results are presented in an appraisal report format that describes the analysis and value conclusions in compliance with Standards Rule 2-2 of the USPAP for an appraisal report.

***Marketing Period***

We have estimated it will likely face marketing and exposure periods up to 12 months.

# Area Analysis

## ***Introduction***

The subject is located in the city of Stamford that is in the south central portion of lower Fairfield County adjacent to Long Island Sound. It is situated next to the towns of Greenwich, New Canaan, and Darien and is bordered by New York State at the north. Stamford is served by several major roadways, including I-95, the Merritt Parkway, and US Route 1. US Route 1 traverses the lower portion of the city, largely parallel to I-95. The larger neighborhood includes low and moderate density residential development benefiting from the proximity to the waterfront and the central business area. In addition, the Metro North train line bisects the town in the same manner as US 1 and I-95.

## ***Global Economy***

For 2017, one of the challenges the U.S. economy faces is global volatility ranging from the British public electing to exit the European Union which sent ripples throughout the EU in 2016, the ongoing stagnation of the BRIC nations, the continued turmoil in the Mideast, and Europe's continued malaise to the escalating terrorism. All of these factors together have the potential for negative economic consequences worldwide.

Approximately 30 percent of the U.S. economy is tied to imports and exports. Financial volatility among global markets causes uncertainty and can negatively impact the still fragile U.S. recovery. Over the past three years, the U.S. has represented both a safe haven and a prospect for global capital preservation. Headwinds could challenge investors during 2017 as the Fed continues mulling options and global economies remain far from stable. Economic analysts predict that 2017 will see a return of global capital into mature developed European economies, but theorizes that the U.S. will maintain greater than a fair share of foreign capital investment allocations throughout the year. The election of the Trump administration has brought about a revived optimism in the U.S. markets as corporations anticipate the possibility of reduced federal taxes and regulations that will create a positive business environment.

Despite all the risks and challenges, the U.S. economy has continued to move along at a slow steady grind upward even with a highly contentious presidential campaign. Further, the U.S. economy has performed much better than any other major developed economy since the financial crisis. U.S. real GDP is more than 10 percent above its pre-recession peak, while in the Euro zone and Japan, real GDP has only now recovered what it lost in the downturn. Even the stronger U.K. and German economies have lagged well behind the U.S. Wall Street investors fear that increased tariffs, lower U.S. taxes, and Trump's proposed stimulus infrastructure plan may cause tail winds in the global economy, causing inflation to kick up too fast for the Feds to control.

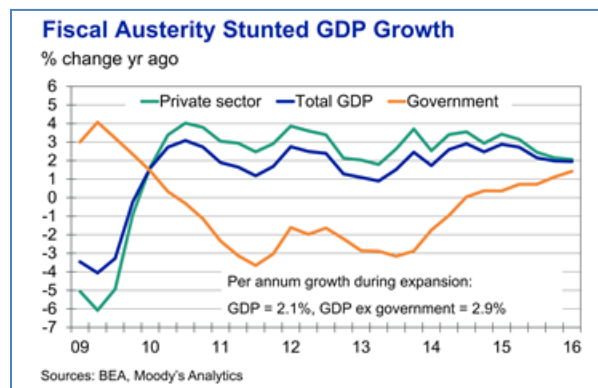
According to IRR, a significant volume of global capital will continue to flow into the U.S. because foreign investors can generate positive leverage against a local economy. The risk outweighs concerns investors have about dollar values and the U.S. economy.

## National Economy

According to the Connecticut Economic Digest, the outlook for the U.S. economy in 2017 remains relatively optimistic based on technical data. The U.S. Gross Domestic Product (GDP), except for Q1-2011 and Q1-2014 (when it slipped 1.5% and 0.9%, respectively), grew for seven years from the “Great Recession” of Q2 2009. Real Gross Domestic Product (RGDP) or the constant dollar value of all goods and services produced by labor and capital located in the U.S. since Q2-2009 has averaged a 2.1 percent annual increase from the preceding quarter. After growing 2.5 percent in 2010, 1.6 percent in 2011, 2.2 percent in 2012, 1.7 percent in 2013, 2.4 percent in 2014, 2.6 percent in 2015, and an estimated 3.2 percent in Q3-2016, RGDP growth near 2.5 percent is likely in 2017.

Major economic forecasters, including HIS Global Insight, The Conference Board, and the OECD, forecast that U.S. Real GDP will grow between 2 to 2 1/2% in 2017. Their outlook for 2016 was 3.4%, a little less than the previous year’s forecast of 3.7 percent. The National Association of Business Economists (NABE) median 2017 outlook calls for 2.3 percent average annual growth.

While the U.S. economy has outshone other developed economies since the crisis, it has lagged other U.S. expansions, particularly with respect to real GDP. This current expansion is just over two percent per annum GDP gain, which is less than half the average experienced in expansions since World War II. Part of the shortfall in GDP growth can be explained by the fiscal severity policymakers pursued after the early stimulus. This was the result of the fierce budget battles that resulted in a federal government shutdown, the "sequester", and a near default on Treasury debt. Private sector GDP (excluding government spending) has increased by nearly three percent per annum, which is close but still short of growth in most past expansions.



*Employment* – The U.S. employment market has drastically changed during the past three years of economic recovery. Total seasonally-adjusted nonfarm payroll employment since the end of the recession has increased by 13.9 million jobs (1.8 million through October 2016 alone), after averaging losses of 208,000 jobs a month in Q3-Q4 2009. Gains averaging 158,000 jobs a month have occurred since the recovery began through September 2016. This improved job growth trend should continue in 2017.

*Consumer Confidence and Consumer Spending* - Consumer spending also saw gains with average monthly increases of .4% in 2016 through September 2016, up from 0.3% from the

same month in 2015. The Thomson Reuters/University of Michigan Preliminary Index of Consumer Sentiment advanced to 91.6 in November 2016, its highest level since mid-2016 and “slightly above the 2016 average of 91.1.” The Conference Board Consumer Confidence Index® also achieved back-to-back nine-month gains to 103.5 in September 2016, but slipped to 98.6 in October. The Board’s release noted “Overall, sentiment is that the economy will continue to expand in the near term, but at a moderate pace.” In November the Index stood at 107.1 (1985=100), up significantly from 100.8 in October. Real exports of U.S. goods and services decreased in Q1, Q2, and Q3-2016 by 5.8% and 4.6%, and 0.1%, respectively, from the previous year quarters, but the U.S. international trade deficit fell sharply year-to-date.

*Housing* - Likewise new U.S. home sales surged 17.8% in October 2016 from 2015 and new housing units authorized by building permits were up 1.4% in October 2016 from 2015; meanwhile, U.S. median home sale prices rose 4.6% in the 12 months up to October 2016.

U.S. retail sales in October 2016 were up 4.3% from the same month in 2015. There is also continued momentum in car sales, up 5.8% in October 2016 over 2015. Moreover, September and October gains alone were the strongest two month stretch for retail sales in two years. Meanwhile, U.S. inflation remains tame; however, Social Security recipients will receive a 0.3% increase in the Cost of Living Adjustment (COLA) in 2017.

*Inflation* – Kiplinger’s 2016 Economic Outlook predicts overall inflation of 2.3 percent by the end of 2016, after a mere 1.1 percent rise this year. The end of declining energy prices will help bring inflation back to more normal levels. The sturdy dollar plus continued price competition will keep prices of commodities and goods fairly flat in the coming months. However, prices of services, which will increase by close to 3.0 percent, will help push up inflation.

*Government* – According to a December 2016 Kiplinger article, Donald Trump’s election is not likely to have much effect on GDP growth in 2017, which Kiplinger expects to be around 2.1%. His proposed tax cuts will have the quickest impact on the economy, but as demonstrated by the 2001 and 2003 Bush cuts, consumers tend to use the initial tax savings to pay down debts. Increased spending, which boosts GDP growth, tends to come later. Trump’s proposal for extra infrastructure spending probably won’t be approved by Congress until the 2018 fiscal year, which starts in October 2017. After approval, it takes months for the money to be spent, as the experience of the 2009 stimulus bill shows. Getting the necessary permits can delay infrastructure projects even more.

Meanwhile, the rise in interest rates and the value of the dollar since the election will act as a drag on 2017 GDP growth. Strong consumer spending, driven by wage and employment gains plus the buoyant stock market, is likely to be the main pillar supporting the economy

Kiplinger economists expect GDP growth in 2018 and 2019 to be spurred by the fiscal stimulus of tax cuts and infrastructure spending, however. Instead of the 2.2 percent growth previously expected for those years, the economy is expected to expand by 2.5 percent to 3 percent, depending on how much of Trump’s program is actually approved and whether Congress enacts other spending cuts to reduce the deficit.

## **Connecticut**

Connecticut's economy should continue to experience modest growth in 2017. Connecticut's real state gross domestic product (SGDP), the broadest measure of the state's economic health, increased 0.6 percent in 2015 (the latest year available). This growth followed a 0.2 percent gain in 2012, a 0.4 percent decline in 2013, and a 1.2 percent gain in 2014.

Connecticut personal income grew 1.6 percent in Q2-2015, seasonally adjusted at quarterly rates, increased by 0.9 percent in Q3-2015 and again in Q4-2015, but decreased 0.3 percent in Q1-2016, and gained again 1.1 percent in Q2-2016, all relative to the preceding quarters.

The latter gain ranked Connecticut 20th for personal income growth among the states. As forecasted by the Connecticut Department of Labor, personal income for Q1-2017 will increase by 3.6 percent from Q1-2016. Increases in disposable personal income indicate stronger growth in consumer spending which can lead to additional gains throughout the economy.

## **Fairfield County**

Fairfield County contains 23 municipalities and occupies 626 square miles at the southwestern corner of Connecticut. The County contains attractive suburban communities as well as established cities. Many of the County's residential towns along the Long Island Sound are among the best-known and most desirable places to live in the country. The more densely populated and developed areas are found along the southern shore (Long Island Sound) while north of the shore area is predominately suburban and rural in character with the exception of the Danbury urban area. Many of the County's most desirable residential communities are located along Long Island Sound. This area is commonly referred to as Connecticut's "Gold Coast". As can be seen, Fairfield County is not a homogeneous market; rather, it offers wide variations in market appeal and rates for space in locations that are no more than a few miles apart. Fairfield County has the healthiest economy in Connecticut as demonstrated by a recent article in the *Connecticut Economic Digest*.

*Roadways* - The County is well served by road, rail, and air transport systems and by municipal and countywide bus service. The automobile remains the primary means of transport in the County. Interstate highways include I-95 (extends from Maine to Florida) and I-84 (regional north-south link). In addition, the Merritt Parkway parallels I-95 and traverses the County. Metro-North Railroad provides daily commuter rail services between Grand Central Terminal in New York City and New Haven with stops along the main line and branch lines throughout the County. Commercial air service is available at the nearby Westchester County Airport in Harrison, New York, as well as Bradley International Airport in Hartford and the three major airports serving the region, LaGuardia, JFK and Newark.

*Population, Income, and Housing* – According to CERC, Fairfield County had an estimated population of 934,215, representing an increase of less than 1 percent per annum since 1990. As of 2014, Stamford's population was estimated to be 125,401 reflecting an increase of less than one percent per annum since 1990.

According to the Federal Bureau of Economic Development data, Connecticut leads the nation in per capita income, which was more than thirty percent higher than the national average. Based on data provided by CERC, the County had median household income of \$83,163 as compared to the state’s median household income of \$69,899 for 2012. In comparison, Stamford reported median household income of \$77,221. In 2013, the median price of a home in Stamford was approximately \$506,000 as compared to the County of \$422,400 and for the state of \$274,500.

*Local Employment* - The following chart summarizes the recent unemployment picture in Connecticut. The subject is located in the Bridgeport-Stamford LMA.

March 2017 - Current Monthly Data				
Not Seasonally Adjusted	Labor Force	Employed	Unemployed	Unemployment Rate
<b>STATE OF CONNECTICUT</b>	<b>1,909,500</b>	<b>1,811,500</b>	<b>98,000</b>	<b>5.1%</b>
Bridgeport-Stamford	467,825	444,223	23,602	5.0%
Danbury	108,591	103,777	4,814	4.4%
Enfield	50,672	48,114	2,558	5.0%
Hartford	627,001	595,204	31,797	5.1%
New Haven	325,240	308,680	16,560	5.1%
* Norwich-New London-Westerly CT	127,228	120,931	6,297	4.9%
Torrington-Northwest	47,325	44,711	2,614	5.5%
Waterbury	111,919	104,616	7,303	6.5%
Danielson-Northeast	43,691	41,234	2,457	5.6%
<small>* Connecticut portion only. For whole Area, including Rhode Island towns, see below.</small>				
Norwich-New London-Westerly RI	143,169	136,030	7,139	5.0%
Westerly, RI	15,941	15,099	842	5.3%
<b>UNITED STATES</b>	<b>159,912,000</b>	<b>152,628,000</b>	<b>7,284,000</b>	<b>4.6%</b>

Source: Connecticut Department of Labor

Although job losses or unemployment claims began to abate over the past year, the unemployment rate continues to fluctuate on a monthly basis. Among the LMAs in Connecticut, the subject’s is generally in the middle of the range. The unemployment rate for the city of Stamford stood at 4.4 percent in March 2017. Notably, however, the rates tend to fall within a narrow range.

### **Stamford**

Stamford is a coastal community along Connecticut's shoreline with approximately 125,401 citizens, consisting of 38 square miles. Stamford is 25 miles to the northeast of New York City, and 40 miles southwest of New Haven. Connecticut's Capitol is Hartford, which is 90 miles to the north. Stamford lies within Fairfield County, and borders Greenwich, New Canaan, Darien, and Pound Ridge, New York. Strategically located in southwestern Connecticut, Stamford is less than one hour from midtown Manhattan by commuter rail or interstate highway. Stamford is located directly on the major rail and highway routes between New York and Boston and is within easy driving distance of the major New York airports. The City is also exploring the possibility of high-speed ferry service between Stamford and key locations in New York in order to expand the number of commuting options.

In the early part of the 20th Century, Stamford progressed from a factory hub to a research center, and in the last quarter of the century, to the country's third largest corporate



headquarters community. Today, it is the 4th largest city in Connecticut and its economic growth has soared, as it has become known as a financial center. Stamford has also been ranked as the eighth largest business center in the United States.

Stamford is an economically sound community and continues to pursue appropriate economic development initiatives to both attract and retain companies and corporations. Stamford boasts a diverse economic base and serves as the business center of Fairfield County. Many major U.S. companies have located their corporate headquarters in Stamford, including Pitney Bowes, Novitex Enterprise Solutions, Nestle Waters North America, World Wrestling Entertainment and Gartner Group, among others. Moreover, precision manufacturing maintains a significant presence in Stamford. Total employment in the Stamford Labor Market Area currently exceeds 200,000 non-farm jobs.

Stamford is also a major residential community within the New York metropolitan region. With a resident population of approximately 125,000, Stamford offers a broad range of housing opportunities. From Stamford's waterfront neighborhoods located adjacent to Long Island Sound, to downtown luxury rental housing, to the wooded hills of North Stamford, Stamford provides a number of housing options.

The central core of the City, Stamford Downtown, offers a wide assortment of places of entertainment, restaurants, retail stores, a shopping mall, and a variety of attractions. Downtown is also home to the University of Connecticut's Stamford Campus. Further, Target and Burlington Coat Factory opened stores in the vicinity of Broad Street and Washington Boulevard. The Stamford Town Center, the retail center for the City and region, has 1,000,000 square feet of retail space on four levels, served by seven levels of enclosed parking that can accommodate 4,000 vehicles. Stamford's proximity to New York allows those who live and work here ample opportunity to avail themselves of its cultural, retail, employment and other resources. Metro North Railroad provides express train service to New York's Grand Central Station in approximately 40 minutes. The Stamford Transportation Center (the rail road station) is located in Stamford's Downtown business district, near I-95. Another major highway is Route 15, the Merritt Parkway, which crosses Stamford and merges into New York's Hutchinson River Parkway.

### ***Conclusion***

While viewpoints differ on the current state of the U.S. economic cycle, with some suggesting it is near the end of the current cycle and others suggesting the economic expansion is just beginning, the U.S. economy has performed much better than any other major developed economy since the financial crisis. As a result, the U.S. has represented both a safe haven and a prospect for global capital preservation. Many analysts' remain bullish on the U.S. real estate sector for 2016 with foreign capital continuing to flow into the U.S. Over the past year, the economy has benefitted from an increase in consumer confidence, low unemployment, rising home sales and median prices, and inflation returning to more normal levels. However, the U.S. economy faces challenges from global volatility ranging from the British public electing to exit the European Union which sent ripples throughout the EU, the ongoing stagnation of the BRIC nations, the continued turmoil in the Mideast, and Europe's continued malaise to the escalating terrorism. Combined with the global challenges, the U.S. faces some uncertainty on the home front resulting from the recent presidential election.

Stamford benefits from its location in one of the most prosperous counties in the country. In addition, Stamford is largely influenced by its proximity to New York City. Overall, data indicates that the market has bottomed out with an economic recovery taking place. Going forward this recovery is expected to continue barring unforeseen contraction due to rising interest rates, slowing growth globally, and debt issues.

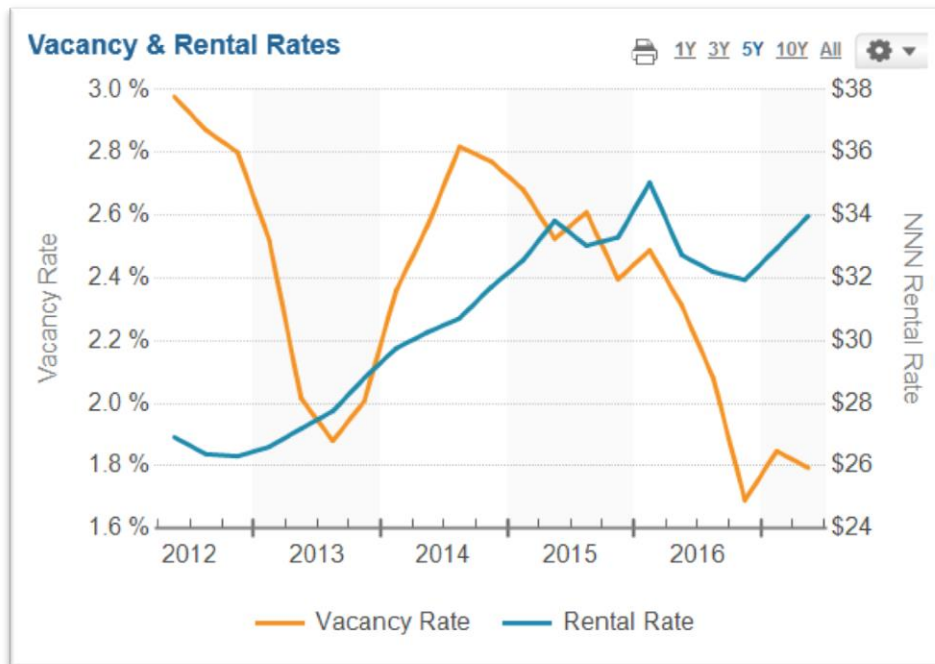
# Market Analysis

The subject is a retail property situated along Greenwich Avenue in the Waterside submarket of Stamford at a four way intersection. There is onsite parking. The property was vacant and boarded up at our drive by visit, but appears to be in average condition overall. The primary source utilized for market statistics was CoStar Property which monitors and tracks commercial properties and transactions and reports the results on a quarterly basis. The data used in this analysis was based on data available as of May 2017.

## *Stamford Retail Market*

The existing Stamford retail market consists of 679 properties with 7.1 million square feet of net rentable area. Currently, the vacancy rate for existing retail in Stamford is 1.8 percent, just below the five year average of 2.4 percent. Since 2012 the retail vacancy rate has remained under 3.0 percent with a dip in early 2013 to under 2 percent. Notably figures fall within a narrow range.

As of May 2017, the asking retail rents average \$33.97 per square foot on a triple net basis, with a five year average rental rate of \$28.66. The average rental rate has been trending upward since 2012 where it appeared to have bottomed from prior years at that time at around \$26 per square foot. The average rental rate for Fairfield County at large is about \$31 per square foot on a triple net basis, slightly below the city of Stamford average. The following chart provides a summary of the Stamford retail market.



Vacancy and Rental Rates of Existing Retail Properties in Stamford, CT

***Subject Property Submarket –Retail***

The subject is located in the Waterside submarket of Stamford. This area as defined in CoStar includes properties south of I-95 in Stamford that also covers Stamford's West Side and South End market areas. Over the past five years as the five year average, the average per square foot rent is \$16.36 on a triple net basis, with an average vacancy rate of 2.3 percent among 41 properties with net rentable area of 303,000 square feet. With the limited availability for current quarter data whereby statistics are not truly meaningful, we look to the five year average rental rate and vacancy as one indication of current market conditions.

***Conclusion***

Although Stamford remains a desirable retail location, it has not been immune to the economic downturn. Overall, retail vacancy has fluctuated but nonetheless falls within a fairly narrow band and below 3.0 percent, whereas rental rates appear to be heading steadily upward. With a limited dataset available for the subject's immediate area, vacancy nonetheless remains low. The outlook for the subject is positive at this time.

## Description of the Property

### *Site Description*

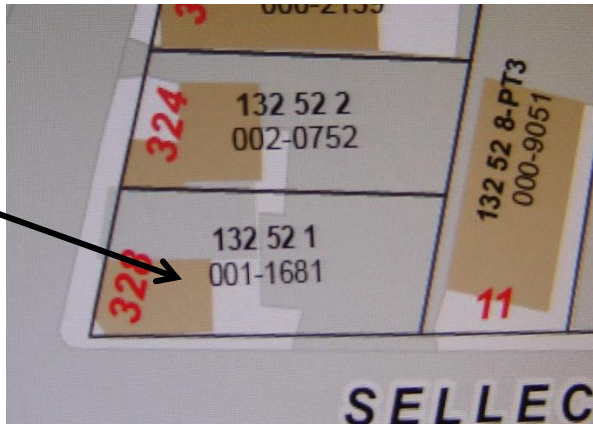
The subject is located along the east side of Greenwich Avenue in the City of Stamford, on the northeast corner of its intersection with Selleck Street and Southfield Avenue. The submarket area is referred to Waterside. It is located south of I-95 within two blocks of the west branch of the Rippowam River. It is comprised of a single tax lot of 0.10 +/- acres according to the tax assessor records. It has a physical address of 328 Greenwich Avenue.

The subject parcel is near rectangular in shape. Total frontage is about 45+/- feet along Greenwich Avenue and 100 +/- feet along Selleck Street. The topography of the subject site is slightly downward sloping from west to east. All utilities common to the area, including water, storm and sanitary sewer, electricity, gas, and telephone, are available to the site. As per National Flood Insurance Community Map # 09001C0516G (revised July 8, 2013), it is located in a Zone X flood hazard area, which designates an area of minimal flood risk.

The subject is zoned C-B (Community Business). The primary function of this district “is to provide central concentrations of convenience goods and services as well as other commercial uses serving several neighborhoods. It is intended that only uses compatible with adjacent residential areas be permitted and that convenient and adequate parking be provided. Parking areas are to be screened and made attractive through the use of landscaping. Permitted uses include: small offices, banks, community centers, various retail uses, food catering, and restaurants.” Minimum lot frontage is 50 feet, with a minimum lot size of 5,000 square feet. Height is limited to four stories or 50 feet, and lot coverage is 40 percent. Given these criteria, it is assumed the subject is legal, non-conforming and given the age of improvements, grandfathered as improved, for site size among other non-conforming requirements.

At the drive by inspection of the subject, no conditions were observed that would indicate the presence or existence of hazardous substances, such as petroleum leakage, asbestos, or other adverse environmental conditions. However, the age of the improvements might suggest the presence of asbestos and/or lead paint. The value stated within this report is subject to change if any other hazardous substances or environmental conditions are detected by an expert in the field. The appraiser is not qualified to detect or measure hazardous materials and this appraisal is predicated upon the assumption that environmental hazards do not exist on the property.

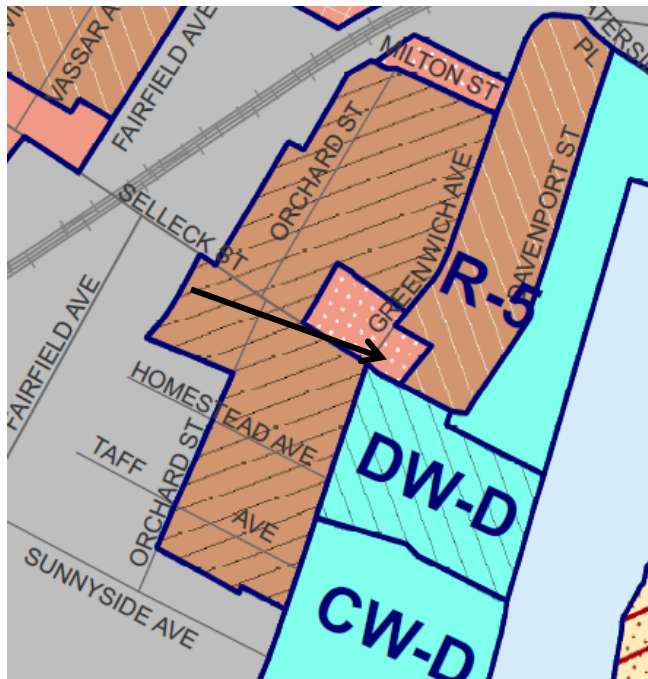
Land uses in the area are mixed with small commercial, multi-family residential and industrial uses.



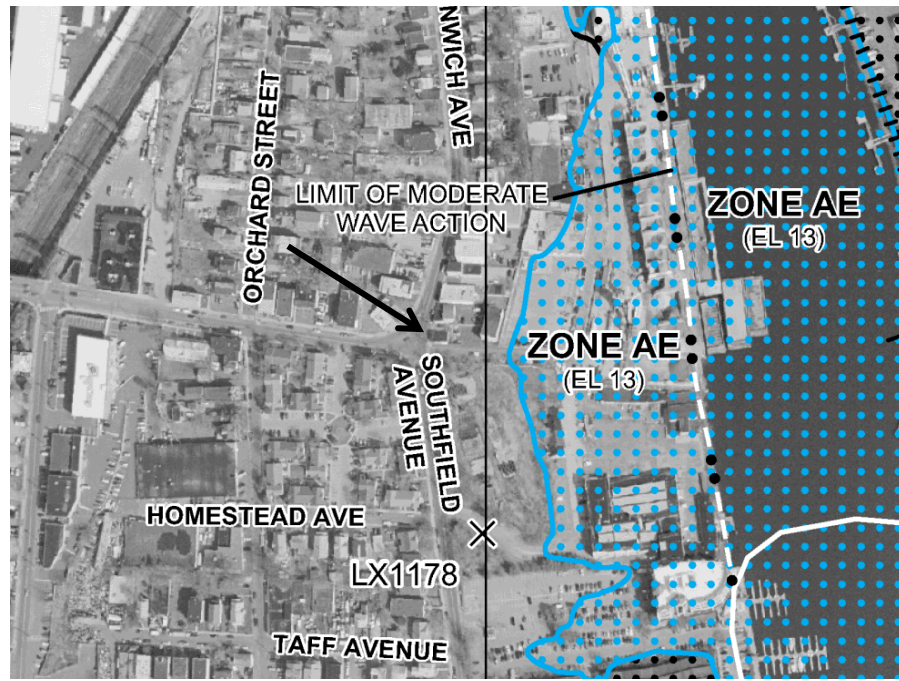
Subject Tax Map



Aerial view of subject site



Zoning Map – C-B District



Flood Map – Zone X

*Subject Photographs*



Greenwich Avenue heading south and north near subject



Selleck Street heading west and east near subject



Front and rear of subject



Front and north side of subject



South side



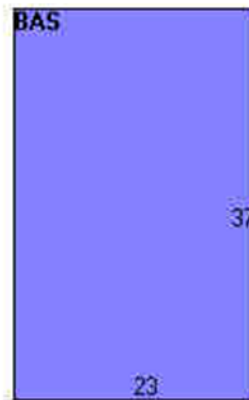
Across from subject at intersection



**Improvement Description**

The following description is based on public records and a drive by inspection of the property.

The subject improvements are a one story retail building that was built in 1920 with 851 +/- square feet, as per the assessor's property records. It is of frame construction with stucco and vinyl siding, a flat tar and gravel roof. The tax card notes drywall interior and vinyl flooring. It is heated by a gas forced air system per the tax card and cooled by window units. It features two large glass windows and a door at the front of the building which faces west. There also two small windows along the south side of the building. It is presently vacant and the windows and doors are boarded up. At drive by, the improvements appear to be in average to fair condition.



Building Layout (per assessor's records)

Parking appears to the north of the building for about four cars parked in tandem as a driveway. At the rear of the building (east side), there is a small grassy area and retaining wall. According to the tax map, the paved area east of the retaining wall is also part of the subject and would appear to allow for parking for another four or so cars.

*Real Estate Taxes:* The subject property lies within the taxing jurisdiction of the City of Stamford and is identified on the tax rolls as parcel identification numbers 001/1681. By state statute in Connecticut, real estate is assessed for real estate tax purposes at 70 percent of the assessor's estimate of market value. The subject's most recent assessments and market value are summarized in the following chart.

<b>328 Greenwich AV</b>	<b>2015</b>	
<b>Stamford, CT</b>	<b>Appraised Value</b>	<b>Assessed Value</b>
Building	\$40,690	\$28,480
Land	<u>\$237,510</u>	<u>\$166,260</u>
Total	\$278,200	\$194,740
Mill Rate		26.12
Tax Liability		\$5,087

Based on a mill rate of 0.02612 (\$26.12 per \$1,000 of assessed value), the total annual tax bill is \$5,087. According to online records, taxes at the property are current.

## Highest and Best Use

### ***Highest and Best Use - As If Vacant***

The subject site is 0.10 +/- acres with a physical address of 328 Greenwich Avenue in the Waterside submarket of Stamford, CT. It is located on the east side of Greenwich Avenue on the northeast corner with its intersection with Selleck Street and Southfield Avenue. The topography is slightly sloping from west to east but otherwise at grade and suitable for development. The subject has all utilities in place. The site is not located in a special flood hazard area. Surrounding uses include small commercial and residential buildings.

The subject lies within the zoning jurisdiction of the City of Stamford. It is zoned C-B – Community Business district. “The primary function of this district is to provide central concentrations of convenience goods and services as well as other commercial uses serving several neighborhoods.” Permitted uses include small offices, banks, various retail uses, food catering, and restaurants as well as specified residential uses, among other uses.

As noted in the *Market Analysis*, Stamford’s retail segment has remained relatively stable over the recent past with vacancy rates under 3 percent and slowly rising rental rates. The subject is located in the Waterside submarket where five year vacancy is reported at 2.3 percent. Overall, commercial real estate investors consider the Stamford market in general, a safe bet. Based on the preceding discussion, the highest and best use of the site, if it were vacant and available for development, would be for development of a permitted use by an owner user or investor on a built to suit basis.

### ***Highest and Best Use - As Improved***

The subject is improved with a one-story retail building of 851 +/- square feet built in 1920. It appeared to be in average to fair condition, and boarded up at our drive by visit. There appears to be onsite parking for 8 +/- cars to the north and east of the improvements. The site is located in the Right of Way for the Greenwich Avenue/Southfield Avenue at Selleck Street intersection improvements project.

The final analysis between the highest and best use as vacant and the highest and best use as improved considers the contributory value of the improvements. Wherein, if the overall value of the property as improved exceeds the value of the property as vacant, a prudent purchaser would leave the existing improvements intact. Therefore, the highest and best use is as improved for continued commercial use or vacant for future permitted development of a permitted use.

# Valuation

## *Methodology*

In our valuation, all three approaches: the income, cost, and sales comparison approaches, were considered. Given the nature of the subject where ownership could be by an owner user or investor, we have relied on the income and sales comparison approaches. The cost approach has been excluded due to the subjectivity of depreciation with older buildings.

# Income Approach

As a vacant property, we have used the Direct Capitalization method.

## Market Rent

The subject is a small, one story retail building with a single entry and two storefront windows. It appears to offer parking to the east and north of the improvements. We researched market rent for small retail spaces in Stamford. Typically small spaces rent on a monthly basis with a wide range of terms. The following is our survey from CT MLS, CoStar and our appraisal files for Stamford mixed use and retail properties for closed and active listings. To note, active listing information has been excluded from the summary statistics given the speculative nature of listings.

Address	Begin	Size (SF)	Rent / Month	Rent PSF	Exp	Rent NNN	Comments
1 705 Shippan AV	Dec-16	1,200	\$2,600	\$26.00	NNN	\$26.00	Storefront shop space in updated building
2 457 Fairfield AV	May-16	1,128	\$2,200	\$23.40	+util+tx	\$21.80	Current deli lease rate with term thru 2021
3 947 Hope ST	Jun-15	725	\$1,800	\$29.79	+util	\$22.29	Newly constructed 1st floor retail in mixed use
4 305 West AV	Aug-16	3,800	\$9,342	\$29.50	NNN	\$29.50	Space in strip center on Route 1
5 19-21 W Main ST	Jan-17	1,200	\$2,500	\$25.00	+util + tx	\$23.40	First floor retail in mixed use
6 926 Hope ST	Nov-16	900	\$2,000	\$26.67	+util	\$19.17	First floor retail in mixed use
7 819-823 E Main ST	Jul-16	1,500	\$2,600	\$20.80	+util + tx	\$19.20	Small one story strip on Route 1
8 863 E Main ST	Aug-16	3,400	\$5,000	\$17.65	NNN	\$17.65	First floor retail in strip center on Route 1
9 219-221 Hope ST	Aug-16	2,000	\$4,167	\$25.00	NNN	\$25.00	Strip plaza anchored by CVS
10 69 Stillwater AV	Active	3,030	\$4,293	\$17.00	NNN	\$17.00	First floor retail with LL warehouse; parking
11 1011 Hope ST	Active	1,400	\$3,383	\$29.00	NNN	\$21.55	Newly constructed 1st floor retail in mixed use
12 79 Atlantic ST	Active	1,200	\$4,000	\$40.00	NNN	\$40.00	Downtown storefront w/full basement
Minimum		725	\$1,800	\$17.65		\$17.00	
Maximum		3,800	\$9,342	\$29.79		\$29.50	
Average		1,761	\$3,579	\$24.87		\$22.67	
Median		1,200	\$2,600	\$25.00		\$22.29	

## Rental Comparable Photos





Map of comparable rentals

For the rentals in our survey, the rental rates were from \$1,800 to \$9,342 per month (\$17.65 to \$29.79 per square foot) for units sized between 725 to 3,800 square feet. The rentals were located in the subject’s market area as well as downtown, the South End, and Springdale. The average unit size was about 1,760 square feet with a median size of 1,200 square feet and average and median monthly rents of \$3,579 and \$2,600 per month respectively, with a range of expense terms – from triple net whereby the tenant picks up most of the building operating expenses to plus utilities where the tenant is only responsible for utilities. The three listings were sized from 1,200 to 3,030 square feet and ranged in price per square foot from \$17 to \$40 per square foot on a triple net basis. As can be seen in the photos, they represent a range of storefront properties.

A review of the rental data for the retail segment at large indicates that triple net leases are the market standard; in this lease arrangement, the tenant either pays directly or reimburses the landlord for their pro-rata share of operating expenses such as real estate taxes, insurance, common area maintenance; spaces are typically individually metered for utilities. To make all lease terms comparable, we adjust the varied expenses of the closed leases based on the subject’s expenses by subtracting \$7.50 per square foot to the plus utilities leases and subtracting \$1.60 per square foot to the plus utilities plus taxes leases to arrive at triple net

terms for all the leases. The adjusted range in rates is from \$17 to \$29.50 per square foot with average and median rates per square foot of \$22.67 and \$22.29 per square foot on a triple net basis. According to data in our *Market Analysis*, the current average asking retail rental rate in Stamford is \$33.97 per square foot on a triple net basis. The average asking rent for properties (five year average) in the Waterside is lower at \$16.36 per square foot on a triple net basis.

### ***Conclusion***

The subject is single tenant storefront of 851 square feet. It is located at a four way intersection in a mixed use neighborhood with onsite parking. In considering the market rent survey, the average spaces are larger than the subject with average monthly rent of around \$3,600 per month and an average rental rate on a triple net basis of \$23 per square foot for about 1,761 square feet. In considering the subject's smaller size, intersection location and onsite parking, we have assigned a rate of \$1,800 per month or about \$25.38 per square foot on a triple net basis.

### ***Vacancy and Collection Loss***

The subject is currently vacant. As noted in the *Market Analysis*, vacancy rates in the Stamford retail market are presently 1.8 percent and have averaged less than 3.0 percent over the past five years. Within subject submarket, vacancy rates have averaged about 2.3 percent over the past five years. Given the subject's location, condition and overall appeal as a single tenant building, a vacancy and collection loss of 5 percent has been utilized in estimating effective gross income.

### ***Operating Expenses***

Projections for operating expenses reflect the typical costs that are incurred by an investor such as taxes, insurance, utilities, management, repairs and maintenance, and legal/accounting fees. The expense estimates in the pro forma are taken from owners, managing agents or data available from similar properties. We were not provided with any expenses for the subject. The subject's expenses are presented on a triple net basis whereby the tenant pays for most operating expenses (taxes, insurance, utilities, repairs and maintenance), and the owner picks up management and legal and accounting fees and only pays the former expenses during vacancy.

We were not provided operating expenses for the subject and thus estimated these based on expenses from area mixed use and retail properties. Our pro forma shows tenant and landlord expenses and estimates operating expenses for the subject under typical market conditions under the Appraiser's Estimate (2017E).

Operating Statements			851
328 Greenwich AV			
		<i>Pro forma</i>	
	Source	2017E	PSF
Operating Expenses			
Real Estate Taxes	Assessor	\$5,087	\$5.98
Insurance	Market	\$600	\$0.71
Utilities	Market	\$2,550	\$3.00
Repairs & Main.	Market	\$850	\$1.00
Management	Market	\$616	\$0.72
Legal/Acct. Fees	Market	<u>\$500</u>	<u>\$0.59</u>
Total		\$10,202	\$11.99

*Real Estate Taxes:* The current assessment and tax burden, per the tax assessor's office.

*Insurance:* The insurance expense for the subject has been estimated at \$0.71 per square foot.

*Repairs & Maintenance:* Typically, these are covered by the tenant in a single user building with the exception of structural repairs.

*Utilities:* These are the responsibility of the tenant except during vacancy.

*Management Fee:* These typically range from 3 to 5 percent for a commercial property. We selected a rate of 3 percent for a management fee for this property.

*Legal/Accounting Fees:* The professional services category includes fees for legal and accounting services. For the subject property, we have included professional fees at \$500.

### ***Selection of Overall Rate***

We have determined an overall going-in capitalization rate utilizing three different methods - mortgage equity analysis, investor survey information and market cap rates.

A. *Mortgage Equity Analysis:* This is a widely used method that is based on the premise that financing is typically involved in a real estate transaction, and that equity investors seek the best available financing in order to maximize the potential benefits of leverage. The overall rate therefore needs to satisfy the market return to both the debt and equity components.

Area bankers have quoted us a rate of just around 5.0 percent for commercial loans to typical customers for a term of 10 years fixed rate with a 20-year amortization. Typical loan to value ratios are around 70 percent for a property of this nature. The following illustrates the assumptions and calculation in the development of the mortgage/equity analysis. For the equity component we have determined the equity capitalization rate based on investors requirements reflecting the relationship between one year's equity dividend rate and the initial equity investment. The following chart summarizes the current equity return requirements for an all cash transaction for institutional investment in strip shopping centers, the closest segment to the subject.

Market Segment - Institutional	Overall Rate
National Strip Shopping Center	4.0-9.5%
Average	6.32%

As would be expected, the lowest capitalization rates represent Class A, well-located properties in top markets and are inherently indicative of the demand for such investment properties. Given the subject's small size and neighborhood location, one would expect an equity rate on the upper end of the range relative of risk to an owner user. We have used an equity dividend rate of 10.0 percent. With the market's steady nature, we have used one percent appreciation. Our calculations are shown below.

Interest R.	5.00%						
Term	20	years					
Holding Per.	10						
LTV	70%						
Equity	10%						
Apr.	1.0%	/year					
			70%	x	0.0791947	=	0.055436
			30%	x	0.100000	=	<u>0.030000</u>
							0.085436
Less Credit for Equity Build-up							
	70%	x	0.3777848	(x)	0.062745	(y)	= <u>(0.016593)</u>
						(r)	0.068843
Less Credit for Appreciation							
	10%	(z)	0.062745	(y)		=	<u>(0.00627)</u>
							0.062569

Based on the preceding data, the indicated capitalization rate for the subject would be approximately 6.25 percent.

- B. *Market Surveys:* The chart below illustrates a range of going in capitalization rates for institutional investors as reported by *PwC Investor Survey* for the first Quarter 2017.

Market Segment - Institutional	Overall Rate
National Strip Shopping Centers	4.0-9.5%
Average	6.32%

The preceding survey data is based on responses from institutional investors. As would be expected, responses from non-institutional investors indicate higher capitalization rates. For non-institutional investors in national strip shopping centers, the spread ranged from 25 to 500 basis points higher, with 134 basis points higher, on average. This suggests rates for non-institutional investors from 4.25 to 14.5 percent with an average rate of 7.66 percent.

- C. *Market Derived Rates:* Given the changing market conditions, derivation of capitalization rates from recent sales activity is an instructive measure of current market conditions. We looked to CoStar to learn of published cap rates for sales of small retail and mixed use properties in Stamford. We were able to identify the following three sales.



Address	457 Fairfield Av	268 Hope ST	543 New field AV
Sale Price	\$579,900	\$400,000	\$938,000
Date	Apr-16	Jan-15	Feb-15
Size	4,323	1,395	2,939
PSF	\$134.14	\$286.74	\$319.16
Cap rate	6.5%	6.2%	5.9%

The range for the sales is from 5.9 to 6.5 percent with an average rate of 6.2 percent.

*Selection of Rate:* Using the methods illustrated above, the overall rates are as follows:

	<b>Rates</b>
A Band of Investment Analysis	6.25%
B Investor Survey ( <i>non-institutional</i> )	4.25-14.5%, Avg 7.7%
C Market Sales	5.9-6.5%, Avg 6.2%

In this analysis, the greatest consideration in the derivation of a capitalization rate for the subject was placed on the mortgage equity analysis and market sales. The investor survey information is more general in nature is nonetheless supportive of our concluded rate. Given the subject building could be an owner user or investor building in a good location, a capitalization rate of 6.5 percent has been utilized for the subject and is considered to be reflective of the subject's location and physical features, as well as the current economic environment.

***Value Conclusion – Income Approach***

Based upon our research and analyses, we have formed an opinion that the as-is market value of the fee simple interest in the subject, free and clear of financing, as of May 17, 2017, rounded, is:

**\$290,000**

<b>Direct Capitalization</b>				851
<b>328 Greenwich AV</b>				
<b>Stamford, CT</b>				
<b>Rental Income</b>	<b>SF</b>	<b>Rent/SF</b>	<b>Rent/Mo</b>	<b>Annual</b>
Retail store	851	\$25.38	\$1,800	\$21,598
Less: Vacancy & Collection Loss			5%	<u>(\$1,080)</u>
Effective Gross Income				\$20,518
Operating Expenses	<u>PSF</u>	<u>Exp</u>	<u>LL Exp</u>	
Real Estate Taxes	\$5.98	\$5,087	5%	\$254
Insurance	\$0.71	\$600	5%	\$30
Utilities	\$3.00	\$2,550	5%	\$128
Repairs & Main.	\$1.00	\$850	5%	\$43
Management	\$0.72	\$616	100%	\$616
Legal/Acct. Fees	<u>\$0.59</u>	<u>\$500</u>	100%	<u>\$500</u>
	\$11.99	\$10,202		\$1,570
Net Operating Income				\$18,949
Capitalization Rate				<u>6.50%</u>
Indicated Value				\$291,517
Rounded, Say				\$290,000

## Sales Comparison Approach

### Comparable Sales

The subject is a one story retail storefront building of 851 +/- square feet located in the Waterside submarket at a four way intersection. It has onsite parking for about 8 +/- cars. The area is mixed use in nature comprised of small commercial, residential and industrial properties.

Our search for comparable sales focused on small retail properties in Stamford in the past few years. Our research of comparable sales revealed three sales that closed from February 2015 forward in Stamford. The sales ranged in size from 340 to 1,500 square feet and in price from \$215.48 to \$500.00 per square foot. A discussion of each sale is below with a photo, a summary chart and map follow.

*Sale One – 124 Jefferson Street* sold December, 2016 for \$170,000 (\$500 PSF). This 340 SF frame retail building, formerly a bait and tackle shop, is located in the Shippan market near the east branch of Stamford Harbor. It has 3 parking spots on the lawn and 3 to the left of the building. According to MLS, it was reconstructed in 2006. It listed for \$180,000 for a few months. Source: *CT MLS, Conn-Comps, Public Record.*



*Sale Two – -831 Cove Road* sold May, 2016 for \$490,000 (\$327 PSF). This 1,500 SF brick retail building, a laundromat, is located in the Cove market. It sold to another operator, based in the Springdale submarket. There is onsite parking for 8 or so cars to the rear. We were not able to learn anything more about the sale but included it as an indication of value for small retail buildings. Source: *Conn-Comps, Public Record.*



*Sale Three – 268 Hope Street* sold February, 2015 for \$400,000 (\$287 PSF). This 1,395 SF single retail store is located in the Glenbrook submarket. It is a corner property, listing in 'as is' condition for over a year at \$499,000. It sold at a noted cap rate of 6 percent to an investor occupied with an escalating lease, according to marketing materials. It has a rear gated interior yard but appears not to offer any customer parking. Source: *CT MLS, CoStar Comps, Public Record.*



<b>Summary of Improved Sales</b>			
<b>Stamford, CT</b>			
	<b>Sale 1</b>	<b>Sale 2</b>	<b>Sale 3</b>
Location	124 Jefferson St	829-831 Cove RD	268 Hope ST
City, State	Stamford, CT	Stamford, CT	Stamford, CT
Date of Sale	Dec-16	May-16	Feb-15
Sale Price	\$170,000	\$490,000	\$400,000
Building Size (SF)	340	1,500	1,395
Sale Price/SF	\$500.00	\$326.67	\$286.74
Grantor	Peter Miller	Bruno Carmello	FM85 LLC
Grantee	Ham Hyunsoo	HEB Cove Laundromat LLC	268 Hope Street LLC
Volume/Page	11637/50	11476/142	11177/91
Property Rights	Fee Simple	Fee Simple	Leased Fee
Financing	All cash	All cash	All cash
Conditions	Typical	Typical	Typical
Land Area (Acs)	0.05	0.14	0.05
Land/Building	6.41	4.07	1.56
Type of Space	Store	Store	Retail
Construction	Frame	Brick	Masonry
Zone	MG	CN	CN
Year Built	1900	1910	1938
	\$500.00	\$326.67	\$286.74



Comparable Sales Map

**Analysis of Comparable Sales**

Sales price per square foot was considered to be the most appropriate unit of measure for the subject and comparable sales; therefore, this was the unit of comparison used in the value estimate by the Sales Comparison Approach. Each of the sales were analyzed and compared to

the subject and adjusted upward/downward based on their dissimilar characteristics. Elements of comparison considered in the sales analysis included property rights conveyed, financing, conditions of sale, date of sale, location, and physical characteristics.

*Property Rights Appraised:* In this analysis, we are appraising the fee simple interest in the subject property. All of the comparable sales represent the conveyance of fee simple interests and/or property with leases that are at or near market. Therefore, no adjustment for property rights appraised is required.

*Financing:* The financing for each sale was considered to be cash or terms equivalent to cash; therefore, no adjustment was made for financing.

*Conditions of Sale:* In this analysis, each sale was subject to typical conditions of sale, so no adjustment was made.

*Market Conditions (Time Adjustment):* The comparable sales sold from February 2015 forward. Historically property values have increased at approximately three percent per year, which coincides with CPI increases. Commercial property prices increased significantly through 2007 due to the availability of capital in the market, combined with “irrational exuberance”. However, as a result of the subprime and financial crises and ensuing recession, prices declined considerably from 2007 to 2009 but have somewhat stabilized since then. In this case, the sales occurred in the past two or so years. The market is showing some signs of improvement, with slowly rising rental rates. However, there has been little noted consistency yet from which to draw a solid conclusion. Therefore, the sales were not adjusted for market conditions.

*Location:* As can be seen from Sales Map, the sales are located within the city of Stamford. All of the sales were considered comparable in terms of location.

*Condition/Age:* The sales were constructed, per their tax cards, between 1900 and 1938. In each case, it is likely that the improvements have been updated, likely many times, since their original construction, so no adjustments are made. However, we made a downward adjustment to sale one to include its full renovation in 2006.

*Size:* Typically, larger buildings will sell for a lower price per square foot than smaller buildings because of the greater outlay of funds. That is, the overall numbers of buyers decrease as the outlay of funds increases, thereby lowering the price per square foot. As noted previously, the subject contains 851 square feet. Among these very small properties, there appears a breakpoint in value at around 250 square feet. For each difference in size of 250 square feet, we made a 10 percent adjustment, rounded. Thus, sale one received a downward adjustment and sales two and three, upward adjustments.

*Land to Building Ratio/Parking:* The subject has a ratio of 5.12 that affords it 8 +/- parking spaces around the building. The sales have some parking with similar ratios, however, sale three has a relatively low ratio and a rear, interior fenced yard that appears ineffective. We made an upward adjustment for this aspect.

**Value Conclusion – Sales Comparison Approach**

The sales have been adjusted for property rights, financing, and conditions of sale appraised. Further adjustments were conducted for physical characteristics and occupancy. After adjustments the indicated range of values is from \$344.09 to \$359.33, with an average and median price per square foot of \$351.14 and \$350.00, respectively.

Overall, we have concluded a value of \$350.00 per square foot via the sales comparison approach in considering all comparables after adjustments. Therefore, the indicated as is market value of the fee simple interest in the subject, as of May 17, 2017 is:

**\$300,000**

<b>Summary of Improved Sales</b>				
<b>Stamford, CT</b>				
	<b>Subject</b>	<b>Sale 1</b>	<b>Sale 2</b>	<b>Sale 3</b>
Location	328 Greenwich AV	124 Jefferson St	829-831 Cove RD	268 Hope ST
City, State	Stamford, CT	Stamford, CT	Stamford, CT	Stamford, CT
Date of Sale	NA	Dec-16	May-16	Feb-15
Sale Price	NA	\$170,000	\$490,000	\$400,000
Building Size (SF)	851	340	1,500	1,395
Sale Price/SF	NA	\$500.00	\$326.67	\$286.74
Property Rights	Fee Simple	Fee Simple	Fee Simple	Leased Fee
Financing	NA	All cash	All cash	All cash
Conditions	NA	Typical	Typical	Typical
Land Area (Acs)	0.10	0.05	0.14	0.05
Land/Building	5.12	6.41	4.07	1.56
Type of Space	Retail	Store	Store	Retail
Construction	Frame	Frame	Brick	Masonry
Zone	CB	MG	CN	CN
Year Built	1920	1900	1910	1938
		\$500.00	\$326.67	\$286.74
Property Rights		0%	0%	0%
Financing		0%	0%	0%
Conditions of Sale		<u>0%</u>	<u>0%</u>	<u>0%</u>
Adjusted Price/SF		\$500.00	\$326.67	\$286.74
Market Conditions		<u>0%</u>	<u>0%</u>	<u>0%</u>
Adjusted Price/SF		\$500.00	\$326.67	\$286.74
Location		0%	0%	0%
Condition/Age		-10%	0%	0%
Size		-20%	10%	10%
LTB Ratio/Parking		<u>0%</u>	<u>0%</u>	<u>10%</u>
Net Adjustment		-30%	10%	20%
Adjusted Price/Unit		\$350.00	\$359.33	\$344.09
Average Adj Price	\$351.14	\$350.00		
Median Adj Price	\$350.00			
Indicated value	\$297,850			
Value, rounded	\$300,000			

**Crosscheck – Land Value**

Lastly, at the request of the client, we considered land value. The subject lot of 0.10 +/- acres is located in the CB zone (Community Business District) in Stamford. We have made the *extraordinary assumption* the lot is legal non-conforming for size and frontage. With so few sales of C-B zoned vacant land, we reviewed local sales of retail properties in Stamford in the past few years and derived a land value through extraction. The following seven sales are of retail properties in Stamford that closed from 2012 forward.

Retail Land Extraction Stamford, CT							
Sale	One	Two	Three	Four	Five	Six	Seven
<b>Property Address</b>	968-980 High Ridge Rd	2010 W Main St	483-485 W Main St	1033 Washington Blvd	2720 Summer St	955 E Main St	1003-1007 High Ridge Rd
<b>Property City</b>	Stamford	Stamford	Stamford	Stamford	Stamford	Stamford	Stamford
<b>Property County</b>	Fairfield	Fairfield	Fairfield	Fairfield	Fairfield	Fairfield	Fairfield
<b>Property State</b>	CT	CT	CT	CT	CT	CT	CT
<b>Property Zip Code</b>	06905	06902	06902	06901	06905	06902	06905
<b>Property Type</b>	Retail	Retail	Retail	Retail	Retail	Retail	Retail
<b>Secondary Type</b>	Strip Center	Restaurant	Freestanding	Freestanding	Freestanding	Freestanding	Strip Center
<b>Land Area AC</b>	1.12	0.34	0.33	0.18	0.31	0.33	0.52
<b>Sale Date</b>	10/20/2016	3/1/2016	7/15/2015	7/10/2015	5/28/2015	5/1/2014	12/14/2012
<b>Sale Price</b>	\$13,293,500	\$1,700,000	\$1,600,000	\$1,250,000	\$1,210,000	\$2,440,000	\$5,215,000
<b>Bldg SF</b>	26,280	6,060	9,277	4,964	4,194	5,573	8,520
<b>SP/SF</b>	\$506	\$281	\$172	\$252	\$289	\$438	\$612
<b>Year Built</b>	1960	1933	1929	1948	1960	1985	1996
<b>Zoning</b>	CN	ML	CL	CCN	CL	CB	CN
<b>Building Materials</b>	Masonry	Masonry	Masonry	Masonry	Masonry	Reinf Concrete	Masonry
<b>Number Of Floors</b>	2	1	1	1	1	1	1
<b>Grantor</b>	Phoenix High Ridge LLC	Jean Daniel	Bisaillon Maurice H	1033 Washington Assoc Llc	A L Summer Llc	955 East Main Street Llc	High Ridge Partners LLC
<b>Grantee</b>	Urstadt Biddle Properties Inc.	CJS Properties I LLC	483-493 West Main LLC	PMF Washington Associates, LLC	2720 Summer LLC	R & R Apts Llc	HRR Investments LLC
<b>Buyer</b>			Steven Wise Associates LLC	PMF Washington Associates, LLC	Donut Delight		Advanced Holdings
<b>Book/Page</b>	11597/87	11429/169	11286/252	11284/340	11252/201	10998/39	10608/152
<b>No Of Pkng Spaces</b>	150	17	12	15	20	18	10
<b>Transaction Notes</b>	This property was sold as an investment sale. The historically well-leased property is located just off Exit 35 of the Merritt Parkway and is situated amid a high concentration of retailers on one of Stamford's busiest corridors with 37,100± cars passing the site per day. The Property's success is based on a combination of quality national and local tenants, the surrounding density of retail on High Ridge Road, and the Property's strategic crossroads location within a supply constrained, established regional corridor.	The restaurant located on 2010 W Main Street in Stamford, CT sold for a deed price of \$1,700,000 via public record. The property was previously the La Bretagne French Restaurant and was open for 40 years, run by the same owners and is currently closed. Neither party was able to be contacted with regards to the sale. All information is based on recorded county documents and county assessor records.	On July 15, 2015, A private investor sold the 9,227 square foot general retail building to 483-493 West Main LLC for \$1,600,000. The subject property is located at 483-485 W Main Street in Stamford, CT. The building was constructed in the year 1929. It has a lot size of 0.32 acres or 14,242 square feet. Zoning of the property is CL. Transaction was not a regular market deal. All information is based on recorded county documents and county assessor records.	This 4,964 square foot general retail building was constructed in the year 1948. It has a lot size of 0.18 acres or 7,841 square feet. The single story property is commercially zoned CCN. The secondary type of the property is freestanding. All information is based on recorded county documents and county assessor records.	On May 28, 2015, A L Summer Llc sold the 31,581 square foot general retail building to 2720 Summer LLC for \$1,210,000. The subject property is located at 2720 Summer Street in Stamford, CT. The building was constructed in the year 1960. It has a lot size of 0.31 acres or 13,569 square feet. Zoning of the property is CL. All information is based on recorded county documents and county assessor records.	R&R Apartments LLC acquired a 5,573 square foot retail building encumbered by a long-term (15 years) NNN lease with Advance Autoparts	High Ridge Partners have sold 1003-1007 High Ridge Rd in Stamford CT to HRR Investments LLC for \$5,215,000 or about \$612.09 per square foot. The was a sale of a 8,520-square foot retail property with 8,520-square feet of basement space. This property was built in 1966 and is fully leased to 3 stores, Vitamin Shoppe, Subway and High Ridge Printing & Copy.

The land value is extracted in the following chart by way of removing the depreciated value of the improvements and parking area using the Cost Approach. To do this we have used the Marshall Valuation Service which is an industry standard reference source for replacement costs and building life estimates. In the analysis below, we derive a land value per square foot.

<b>Retail Land Extraction</b>							
<b>Stamford, CT</b>							
	One	Two	Three	Four	Five	Six	Seven
<b>Sale</b>							
<b>Property Address</b>	968-980 High Ridge Rd	2010 W Main St	483-485 W Main St	1033 Washington Blvd	2720 Summer St	955 E Main St	1003-1007 High Ridge Rd
<b>Property City</b>	Stamford	Stamford	Stamford	Stamford	Stamford	Stamford	Stamford
<b>Property County</b>	Fairfield	Fairfield	Fairfield	Fairfield	Fairfield	Fairfield	Fairfield
<b>Property State</b>	CT	CT	CT	CT	CT	CT	CT
<b>Property Zip Code</b>	06905	06902	06902	06901	06905	06902	06905
<b>Property Type</b>	Retail	Retail	Retail	Retail	Retail	Retail	Retail
<b>Secondary Type</b>	Strip Center	Restaurant	Freestanding	Freestanding	Freestanding	Freestanding	Strip Center
<b>Land Area AC</b>	1.12	0.34	0.33	0.18	0.31	0.33	0.52
<b>Sale Date</b>	10/20/2016	3/1/2016	7/15/2015	7/10/2015	5/28/2015	5/1/2014	12/14/2012
<b>Sale Price</b>	\$13,293,500	\$1,700,000	\$1,600,000	\$1,250,000	\$1,210,000	\$2,440,000	\$5,215,000
<b>Bldg SF</b>	26,280	6,060	9,277	4,964	4,194	5,573	8,520
<b>SP/SF</b>	\$506	\$281	\$172	\$252	\$289	\$438	\$612
<b>Year Built</b>	1960	1933	1929	1948	1960	1985	1996
<b>Zoning</b>	CN	ML	CL	CCN	CL	CB	CN
<b>Building Materials</b>	Masonry	Masonry	Masonry	Masonry	Masonry	Reinf Concrete	Masonry
<b>Number Of Floors</b>	2	1	1	1	1	1	1
<b>Grantor</b>	Phoenix High Ridge LLC	Jean Daniel	Bisaillon Maurice H	1033 Washington Assoc Llc	A L Summer Llc	955 East Main Street Llc	High Ridge Partners LLC
<b>Grantee</b>	Urstadt Biddle Properties Inc.	CJS Properties I LLC	483-493 West Main LLC	PMF Washington Associates, LLC	2720 Summer LLC	R & R Apts Llc	HRR Investments LLC
<b>Buyer</b>			Steven Wise Associates LLC	PMF Washington Associates, LLC	Donut Delight		Advanced Holdings
<b>Book/Page</b>	11597/87	11429/169	11286/252	11284/340	11252/201	10998/39	10608/152
<b>No Of Pkng Spaces</b>	150	17	12	15	20	18	10
<b>Improvement Value</b>							
<b>MVS Section *</b>	13	13	13	13	13	13	13
<b>Page</b>	26	26	26	26	26	26	26
<b>Class</b>	C	C	C	C	C	C	C
<b>Type</b>	Good	Good	Good	Good	Good	Good	Good
<b>Base Cost/SF</b>	\$105.76	\$105.76	\$105.76	\$105.76	\$105.76	\$105.76	\$105.76
<b>% Sprinkler</b>	100%	100%	100%	100%	100%	100%	100%
	<u>\$3.40</u>	<u>\$3.40</u>	<u>3.4</u>	<u>\$3.40</u>	<u>3.4</u>	<u>\$3.40</u>	<u>\$3.40</u>
<b>Sprinkler Adj. Cost/SF</b>	\$109.16	\$109.16	\$109.16	\$109.16	\$109.16	\$109.16	\$109.16
<b>Current</b>	1.04	1.04	1.04	1.04	1.04	1.04	1.04
<b>Local</b>	<u>1.27</u>	<u>1.27</u>	<u>1.27</u>	<u>1.27</u>	<u>1.27</u>	<u>1.27</u>	<u>1.27</u>
<b>Adjusted/SF</b>	\$144.18	\$144.18	\$144.18	\$144.18	\$144.18	\$144.18	\$144.18
<b>Soft Costs</b>	10%	10%	10%	10%	10%	10%	10%
<b>Entrepreneurial Profit</b>	10%	10%	10%	10%	10%	10%	10%
<b>Replacemtn Cost New</b>	\$173.01	\$173.01	\$173.01	\$173.01	\$173.01	\$173.01	\$173.01
<b>Depreciation</b>							
<b>Yr. Built</b>	1960	1933	1929	1948	1960	1985	1996
<b>Effective Age</b>	15	35	30	25	25	5	10
<b>Usefull Life</b>	50	50	50	50	50	50	50
<b>Percent Depreciated</b>	30%	70%	60%	50%	50%	10%	20%
<b>Dep. Replacement Cost</b>	\$121.11	\$51.90	\$69.21	\$86.51	\$86.51	\$155.71	\$138.41
<b>Estimated Contrib</b>							
<b>Value of Improvements</b>	\$3,182,770	\$314,540	\$642,021	\$429,421	\$362,811	\$867,787	\$1,179,265
<b>Contrib Value -Site Impr.</b>	\$140,665	\$15,942	\$11,253	\$14,067	\$18,755	\$16,880	\$9,378
<b>Extracted Land Value</b>	\$10,110,730	\$1,385,460	\$957,979	\$820,579	\$847,189	\$1,572,213	\$4,035,735
<b>Land Value/Acre</b>	\$9,027,437.64	\$4,074,882.72	\$2,902,966.01	\$4,558,770.40	\$2,732,868	\$4,764,280.33	\$7,761,028.81
<b>Price /SF</b>	\$207.24	\$93.55	\$66.64	\$104.65	\$62.74	\$109.37	\$178.17

### Land Sales Analysis

The unit of comparison for this analysis is price per square foot of land as this unit is that most often used by market participants. Relevant adjustments are discussed in the following paragraphs.



*Property Rights Appraised:* Each of the sales represents the transfer of the fee simple interest; therefore, no adjustment for property rights conveyed was required.

*Financing:* An adjustment for financing was not made because all of the transactions were for cash or terms equivalent to cash.

*Conditions of Sale:* When the conditions of sale are atypical, the result may be a price that is higher or lower than that of a normal market transaction. A review of the sales in question, and discussions with parties knowledgeable about the sales indicate that there were no conditions of sale for any of the properties in question. For Sale Six we made a downward adjustment to reflect the intangible benefits derived from the purchase of a NNN lease property. In this case it was a 15 year term.

*Market Conditions:* The comparable sales were sold within the past 4-years since July 2012. Historically property values have increased at approximately 3 percent per year, which coincides with CPI increases. Commercial property prices increased significantly through 2007 due to the availability of capital in the market, combined with “irrational exuberance”. However, as a result of the subprime and financial crises and ensuing recession, prices declined considerably from 2007 to 2009 and then stabilized from 2010 to 2012. As has been widely reported, there has been capitalization rate compression during this time period, particularly among well-located, anchored shopping centers. Accordingly, vacant land for development has been correspondingly affected by the price increases in finished properties. Accordingly, Sales Five, Six and Seven have been adjusted upward accordingly.

*Location:* The price that a particular property commands on the open market is based on the subjective decisions of individual buyers and sellers. Locational factors such as accessibility to other areas of the city, surrounding properties in the immediate area, and visibility were considered. The subject property is located in the Waterside submarket in a neighborhood location that holds same appeal. We considered traffic counts as a good indicator of this. We looked to CoStar mapping for such counts. Average daily traffic counts near the subject average about 15,000 cars. As compared with the other locations in Stamford, we downward adjusted all the sales by 20 percent for their higher average counts and an additional fifty percent to sales one and seven. For the latter adjustment, using Sale Six as a matched pair with Sales One and Seven resulted in a rather large downward adjustment supported by traffic counts roughly 50 percent higher on average than the other sales (20,000 verses 30,000 daily). Sales One and Seven have also seen a near doubling of recent retail leases in the High Ridge Road area vs. Main Street/Route 1 rental rates.

*Size, Site Utility, Zoning:* There is no readily identifiable difference between the subject and the comparable sales for these items. Therefore no adjustments were warranted.

<b>Retail Land Extraction</b>								
<b>Stamford, CT</b>								
Sale	One	Two	Three	Four	Five	Six	Seven	
<b>Property Address</b>	968-980 High Ridge Rd	2010 W Main St	483-485 W Main St	1033 Washington Blvd	2720 Summer St	955 E Main St	1003-1007 High Ridge Rd	
Price /SF	\$207.24	\$93.55	\$66.64	\$104.65	\$62.74	\$109.37	\$178.17	
<b>Adjustment Grid</b>								
Property Rights Appaise	0%	0%	0%	0%	0%	0%	0%	0%
Conditions of Sale	0%	0%	0%	0%	0%	-10%	0%	0%
Financing	<u>0%</u>	<u>0%</u>	<u>0%</u>	<u>0%</u>	<u>0%</u>	<u>0%</u>	<u>0%</u>	<u>0%</u>
Adjusted \$/SF	\$207.24	\$93.55	\$66.64	\$104.65	\$62.74	\$98.44	\$178.17	
Market Conditions	<u>0%</u>	<u>0%</u>	<u>0%</u>	<u>0%</u>	<u>0%</u>	<u>0%</u>	<u>5%</u>	
Adjusted \$/SF	\$207.24	\$93.55	\$66.64	\$104.65	\$62.74	\$98.44	\$187.08	
Location	-70%	-20%	-20%	-20%	-20%	-20%	-70%	
Size	0%	0%	0%	0%	0%	0%	0%	
Site Utility	0%	0%	0%	0%	0%	0%	0%	
Zoning	<u>0%</u>	<u>0%</u>	<u>0%</u>	<u>0%</u>	<u>0%</u>	<u>0%</u>	<u>0%</u>	<u>0%</u>
	-70%	-20%	-20%	-20%	-20%	-20%	-70%	
Adjusted \$/SF	\$62.17	\$74.84	\$53.31	\$83.72	\$50.19	\$78.75	\$56.12	
Average	\$65.59							
Median	\$62.17							
Value Conclusion/SF	\$65.00							
Value Estimate Before	\$283,140							
Value per Acre	\$2,831,400							

After adjusting for market conditions, conditions of sale and location the adjusted values indicated a mean price of \$65.59 per square foot of land median price of \$62.17 per square foot of land. We have estimated the as-is market value of the site as of May 17, 2017 at \$65.00 per square foot of land or about \$280,000, rounded. This is calculated below.

Land (AC)	Land (SF)	Value PSF	Value
0.10	4,356	\$65.00	\$283,140
		Rounded, say	\$280,000

## Reconciliation and Opinion of Value

The appraised property consists of an 851 +/- square foot single user retail building located at a four street intersection in the Waterside submarket of Stamford. It has onsite parking for 8 +/- cars. The purpose of this appraisal is to provide an opinion of the as is market value as of May 17, 2017 of the fee simple interest in the subject property in connection with the acquisition of the Rights of Way with the full taking of 328 Greenwich Avenue for the Greenwich Avenue/Southfield Avenue at Selleck Street intersection improvements project.

The indications of value are summarized as follows:

Income Approach	\$290,000
Sales Comparison Approach	\$300,000

The income approach is considered to be a reliable indication of value as it is the most meaningful in terms of investor expectations. In this analysis, the subject is a single tenant retail building. We reviewed the rental market to determine market rent to assign at the subject. We also applied a market vacancy rate and deducted market derived expenses. In this approach, consideration was placed on the band of investment analysis and market sales to derive a cap rate. In the small retail segment, with a mixture of owner-occupied and investor properties, equal reliance is placed on this approach.

We also considered the sales comparison approach. There have been some recent local sales of comparable retail buildings; we included three sales within a reasonable size range of the subject with the most similar zoning as a good indication of current market values. After making adjustments for differences, we consider this approach equally reflective of the subject's market value and supportive of the income approach. As a cross check, we looked to land value. This was achieved by reviewing recent sales of retail properties in Stamford and extracting the land value by removing the depreciated value of the improvements and parking area using the Cost Approach. The value estimated in this case was about \$280,000, supportive of our two values above as a cross check.

Based on our analysis, we have concluded the as is market value of the fee simple interest in the subject property as of May 17, 2017 is:

**\$295,000**

The report has been prepared by Michael McGuire, MAI and Eileen Boyd. Their certification is part of the report. The Austin McGuire Company has no present or contemplated interest in the property, nor any other interest that might prevent an unbiased valuation. Overall, the subject will likely face marketing and exposure periods of 6 to 12 months.

## General Assumptions and Limiting Conditions

This appraisal report, the letter of transmittal and the certificate of value as well as all opinions formulated and the conclusions stated regarding the subject property are subject to and contingent upon all of the following general assumptions and limiting conditions and any additional assumptions and limiting conditions that may be set out elsewhere in this report. Acceptance and/or use of this report constitutes acceptance of all assumptions and limiting conditions in the report.

The legal description of the subject property, which was furnished by others, is assumed to be current, accurate and reliable. We assume no responsibility for legal matters and render no opinion whatsoever with respect to the accuracy of the legal description or the title to the subject property, which was assumed to be good and marketable.

Any information provided by the client or by a third party and relied upon by us in the performance of our services is assumed to be true, correct and reliable. To the extent deemed reasonable and necessary, we make a reasonable effort to verify any such information provided by others. However, we assume no responsibility whatsoever with respect to the accuracy of any such information provided.

Unless otherwise specified, all mortgages, deeds of trust, liens, security agreements, encumbrances, mineral rights, leases, and servitudes pertaining to the subject property were disregarded.

The value estimates assume responsible ownership and capable management of the subject property.

We assume no liability whatsoever with respect to the condition of the subject property or for hidden or unapparent conditions, if any, of the subject property, subsoil or structures, and further assume no liability or responsibility whatsoever with respect to the correction of any defects which may develop in the future. Equipment components considered, if any, were assumed to be adequate for the needs of the property's improvements, and in good working condition, unless otherwise reported.

Any maps, drawings or sketches provided by us in connection with the performance of our services were provided in order to aid the client in visualizing the subject property or the item that is the subject of such map, drawing or sketch. We made no survey of the subject property and assume no responsibility for such matters. It was also assumed that there was no property encroachment or trespass existing on the subject property, unless otherwise stated.

It was assumed that all public and private zoning and use restrictions and regulations had been complied with, unless non-conformity was stated, defined and considered in the report.

Unless otherwise stated in this report, the existence of hazardous substances, including without limitation asbestos, polychlorinated biphenyls, petroleum leakage, or agricultural chemicals, which may or may not be present on the property, or other environmental

conditions, were neither called to our attention nor were we aware of such during our inspection. We have no knowledge of the existence of such materials on or in the property, unless otherwise stated. We are, however, not qualified to test for such substances or conditions. If the presence of such substances, such as asbestos, urea formaldehyde from insulation or other hazardous substances or environmental conditions may affect the value of the property, the value estimated is predicated on the assumption that there is no such condition on or in the property or in such proximity thereto that it would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them.

Any written report or analysis provided by us to the client in connection with performance of our professional services is for the sole use and benefit of the client, and shall not be utilized or relied upon by any third party without our express prior written consent. Possession of this report or a copy of this report does neither imply the right of publication or use, nor may the report be reproduced in whole, or in part, in any manner, by any person, without prior written consent.

Any apportionment or distribution of total value between land and improvements thereon apply only under the existing or specified program utilization. Separate valuation for land and building thereon shall not be used in conjunction with any other study or appraisal, and shall be invalid, if so used.

All analyses and reports were made in conformity with and are subject to the requirements of the Standards of Professional Practice and Conduct of the Appraisal Institute.

Neither all nor any part of the contents of this report, especially any conclusions as to value, the identity of the appraiser or appraiser's agents or employees, or any reference to the Appraisal Institute professional designations, shall be disseminated to the public through advertising media, public relations media, news media, sales media or any other public means of communication without prior written consent.

We are prepared but not required to give testimony or attendance in any legal or other proceeding relative to this valuation of the subject property, unless satisfactory additional arrangement are made prior to such needs.

# Certification

I certify that, to the best of my knowledge and belief...

The statements of fact contained in this report are true and correct.

The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions and conclusions.

I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest with respect to parties involved.

I have performed appraisal services regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.

I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.

My engagement in this assignment was not contingent upon developing or reported predetermined results.

My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice and with the requirements of the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute.

Eileen Boyd has made an exterior inspection of the property that is the subject of this report. No one provided significant professional assistance to the persons signing this certification.

As of the effective date of appraisal and as of the writing of this appraisal, Michael McGuire has complied with the continuing education requirements of the Appraisal Institute.

The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.



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Michael D. McGuire, MAI  
CT Certified General R.E. Appraiser  
License Number RCG. 809  
Exp. 4/30/2018

Eileen Boyd  
CT Certified General R.E. Appraiser  
License Number RCG. 1131  
Exp. 4/30/2018

## Michael D. McGuire, MAI

Michael McGuire has over 20 years of experience in real estate ranging from residential development to financial analysis of complex properties and is a principal of the Austin McGuire Company. Mr. McGuire is a member of the Appraisal Institute (MAI) and a Member of the Commercial Investment Real Estate Institute (CIRESI) holding the Certified Commercial Investment Member (CCIM) designation.

Mr. McGuire's focus is bringing traditional and non-traditional real estate problem solving skills to meet the needs of real estate investors as well as local communities and the businesses that reside there. The Austin McGuire Company provides real estate counseling services related to highest and best use analyses, disposition and acquisition strategy analyses, feasibility studies, financial analyses, value enhancement and alternative use studies, litigation support, and valuation.

In addition, Mr. McGuire views his role as that of a facilitator of his extensive network of professional contacts to solve client problems relating to environmental issues, development analysis, planning and zoning issues, traditional and alternative financial structuring, and architectural and construction issues among others.

Mr. McGuire has participated as a principal in the acquisition and rehabilitation of two multi-family residential and one mixed-use project in Westchester County, New York, a commercial office building in Norwalk, Connecticut, and a residential subdivision in Rowayton, Connecticut.

Prior to joining The Austin McGuire Company, Mr. McGuire was the National Director of Real Estate Valuations for KPMG Peat Marwick LLP. During his five years with KPMG, Mr. McGuire was exposed to a variety of real estate related problems presented by the broad spectrum of KPMG clients.

Mr. McGuire has provided valuations for regional malls, community and neighborhood retail centers, suburban and CBD offices, multifamily properties, sub-divisions, hotels, and industrial properties. A sub-specialty is valuations of value diminution based on damages from environmental or other external factors.

### **COURT TESTIMONY**

Mr. McGuire has testified as an expert witness in the following jurisdictions:

- Federal Tax Court, Minneapolis, Minnesota
- Nassau County Supreme Court, Hempstead, New York
- Stamford Superior Court, Stamford, Connecticut
- Bankruptcy Court, New Haven, Connecticut
- Circuit Court of Oakland County, Michigan
- Bridgeport Superior Court, Bridgeport, Connecticut

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**PROFESSIONAL AFFILIATIONS/ LICENSES**

Member - Commercial Investment Real Estate Institute (CIRESI) holding the CCIM designation

Member - Appraisal Institute (MAI)

Member - New York Chapter of the Appraisal Institute

State of New York – Certified General Real Estate Appraiser

State of Connecticut - Certified General Real Estate Appraiser #RCG.809

**TEACHING EXPERIENCE/LECTURES**

Guest Lecturer - New York University Real Estate Institute- Masters Program “Demand Analysis in the Office Markets” Fall Semester 2006, Spring Semester 2007

Speaker – Center for Real Estate and Urban Economic Studies, University of Connecticut 2005 CT Commercial Real Estate Conference, “New Haven County Office Market Segmentation – Risks & Opportunities”

Speaker – Center for Real Estate and Urban Economic Studies, University of Connecticut 2004 CT Commercial Real Estate Conference, “A 10 year projection for the New Haven County Office Market”

Speaker – Center for Real Estate and Urban Economic Studies, University of Connecticut “2003 CT Commercial Real Estate Conference, New Haven County Office Market”

Guest Lecturer - New York University Real Estate Institute “Enhancing Value” August 1995

Panel Speaker - KPMG Peat Marwick Japanese Practice “Current Market Perspectives” October 1995

**EDUCATION**

*State University of New York - Cortland - B.S. 1984*

Mathematics/Computer Science, Minor in Economics

*New York University and the New York Institute of Finance - 1991-1996*

Professional course work in financial markets & the tax aspect of real estate

*Urban Land Institute - 1993-Present*

Professional course work for real estate investment and development

*Commercial Investment Real Estate Institute- Member 2000*

Designated Member “CCIM”

*Appraisal Institute - Member 1994*

Designated Member of the Appraisal Institute “MAI”.

**PREVIOUS EXPERIENCE**

*KPMG Peat Marwick LLP, New York, New York*

Senior Manager - Director Real Estate Valuations

*Moran & Associates, Stamford, Connecticut*

Commercial Real Estate Appraiser

*McGrath, Basciani & Associates/Doern Appraisals (both in Westchester County)*

Staff Appraiser



## Eileen F. Boyd

Eileen F. Boyd is a Commercial Appraiser with the Austin McGuire Company. Her experience includes the appraisal of real property such as vacant land, retail, office, industrial, mixed use, and other multi-tenant, income producing and owner-occupied properties. Other functions include rental analyses, field inspections, and cost analyses for private investors, attorneys, financial institutions and corporations.

Prior to working with The Austin McGuire Company, Ms. Boyd worked in marketing management with Greenwich Associates in Connecticut and Morgan Stanley in New York. Ms. Boyd's education includes an M.B.A. degree from Babson College and a Bachelor of Arts degree from Stonehill College.

### **PROFESSIONAL LICENSES**

State of Connecticut – Certified General Real Estate Appraiser (RCG.1131)

### **EDUCATION**

*Babson College, Wellesley, MA* – M.B.A. 1991  
International Finance

*Stonehill College, North Easton, MA* – B.A. 1985  
Foreign Languages, Minor in Business Administration

*Sorbonne University, Paris, France*  
Course work in economics and social studies

*State of Connecticut Approved Real Estate Courses*  
Appraisal I  
Principles of Income Producing Property  
Uniform Standards of Professional Practice (USPAP)

*Appraisal Institute Courses*  
Basic Income Capitalization  
General Applications  
Advanced Income Capitalization  
General Market Analysis and Highest and Best Use  
General Appraiser Report Writing and Case Studies  
Fundamentals of Separating Real Property, Personal Property and Intangible Business Assets  
Real Estate Finance, Statistics, and Valuation Modeling

### **EXPERIENCE**

*Greenwich Associates, Greenwich, Connecticut*, Marketing Manager, 1998 – 2003  
*Morgan Stanley, New York, New York*, Marketing Associate, 1996 – 1998  
*State Street Bank & Trust, Boston, Massachusetts*, Senior Credit Officer, 1988 – 1995  
*Fidelity Investments, Boston, Massachusetts*, Staff Accountant, 1986 – 1988

## Addenda