WELLSPEAK DUGAS & KANE, L.L.C.

Real Estate Appraisal & Consulting

# RESTRICTED APPRAISAL REPORT

## PROPERTIES BEING APPRAISED:

41 Main Street
Stamford, Connecticut
&
Potential Land Swap
Parcels Owned By City of Stamford &
RBS Americas Property Corporation
0 Division Street & Roadbed to Division Street (City)
Portions of 4, 6 & 10 Division Street &
Portion of 75 Clinton Avenue
Stamford, Connecticut

## AUTHORIZED BY:

Mr. Michael E. Handler
Director of Administration
City of Stamford
Stamford Government Center
888 Washington Boulevard
Stamford, Connecticut 06901

## EFFECTIVE DATE OF APPRAISAL:

February 1, 2018

## PREPARED BY:

Wellspeak Dugas & Kane, L.L.C.
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Cheshire, Connecticut 06410
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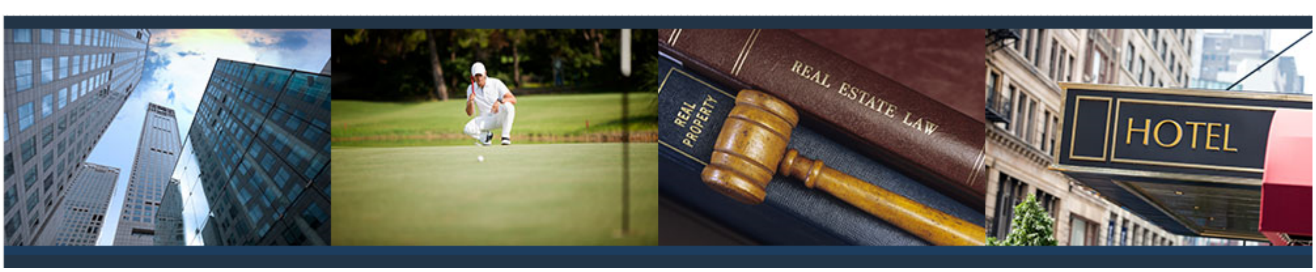

February 6, 2018

Mr. Michael E. Handler
Director of Administration
City of Stamford
Stamford Government Center
888 Washington Boulevard
Stamford, Connecticut 06901

Re: Restricted Real Estate Appraisal
41 Main Street
Stamford, Connecticut
&
Potential Land Swap
Parcels Owned By City of Stamford &
RBS Americas Property Corporation
0 Division Street & Roadbed to Division Street (City)
Portions of 4, 6 & 10 Division Street &
Portion of 75 Clinton Avenue (RBS)
Stamford, Connecticut

Dear Mr. Handler:

Per your authorization, we have re-examined the above-referenced properties, as of February 1, 2018, for the purpose of estimating the market value of 41 Main Street as well as the net land area that would be conveyed by the City of Stamford to RBS Americas Property Corp. as the result of a potential land swap. These same properties were appraised by our firm on July 31, 2015 with the appraisals transmitted to you on August 25, 2015. In all cases the interest appraised is the fee simple estate. The Client(s) for the appraisal are the City of Stamford and RBS Americas Corp., with the Intended User(s) being the City of Stamford and RBS Americas Corp. The Intended Use of the Appraisal is to update the opinion of market value of the respective premises for a possible land swap.

As you requested, we have prepared a Restricted Appraisal Report. As a Restricted Appraisal Report the use of this document is limited to the Client(s) and the rationale for how the appraiser arrived at the opinions and conclusions set forth in the report may not be understood properly without additional information in the appraiser's work file. However, if the reader(s) of this document refer to the Summary Appraisal Reports, that were prepared by our firm with an effective date of valuation of July 31, 2015, they can obtain further descriptive information on each property that is the subject of this updated analysis. We would note, however, that one of the reasons for this updated analysis is that some of the land areas associated with the land swap have changed as has the project density for the potential RBS multi-family development.

Our Scope of Work for the current analysis included a review of the multi-family land sales in Stamford, a study of new multi-family development in the city and conversations with owners of new multi-family developments and zoning officials. We relied upon the Sales Comparison Approaches to value to reach our conclusions that will be outlined in this report. This report satisfies appropriate federal, state and industry (USPAP) standards. Each of the appraised properties is described as follows:

*41 Main Street*

The first appraised property represents a 16,552 square foot, or 0.380-acre site situated at the southeast corner of Clinton Avenue and Main Street in the western section of the Stamford Central Business District (CBD). The site is improved with a free standing Midas store that contains approximately 5,348 square feet of above grade gross building area. The improvement is a nine-bay masonry structure that was constructed in 1972 and is in fair to average condition. The building is over forty years old and reaching the end of its economic life. The subject property is located in the R-H zone. In 2015 meetings with Norman F. Cole, AICP, Former Land Use Bureau Chief for the City of Stamford, it was indicated that, in 2005, the site had been approved for the development of 60 one-bedroom units of assisted housing for Charter Oak Communities. The land was then re-zoned back to R-H in February of 2006 when Charter Oak settled on an alternative location. Mr. Cole indicated that due to this history it is reasonable to assume that the land could be re-zoned back to MRD (Mill River Design District). As the property is smaller in size we are of the opinion that its value under a variety of highest and best use alternatives is relatively consistent. The most likely alternatives would include continued use as an automotive repair facility or demolition and redevelopment with multi-family housing either on an affordable or market rate basis.

As noted, this property is zoned RH but would likely be re-zoned MRD, which primarily permits multi-family and mixed use development. Development standards in the MRD zone limit residential density to 75 dwelling units per acre prior to disposition of open space, provided that on parcels intended for redevelopment by, for, or in cooperation with the Stamford Housing Authority, non-profit developers and/or the City of Stamford (the "City") as residences for low or moderate income elderly and/or disabled persons, residential density shall not exceed 125 units per acre. As a result a multi-family development of between 28 traditional units and 47 residences for low or moderate income elderly and/or disabled persons would be suitable on the subject property. It is our opinion that a multi-family use of the subject site best conforms to the character of the surrounding neighborhood. There do not appear to be any other legal encumbrances that would restrict development.

Based upon analysis of the preceding information, it is our opinion multi-family development would be the highest and best use of the subject site as vacant. This use would produce the greatest net return to the subject land and satisfies the four criteria of highest and best use.

*Potential Land Swap*

Under the proposed land swap RBS would receive 0 Division Street (6,749 square feet of land) and the roadbed of Division Street (10,756 square feet of land west of Clinton Avenue and east of the Mill River). In return the City of Stamford would receive portions of 4, 6 & 10 Division Street and a portion of 75 Clinton Avenue. This land area totals 6,537 square feet that the City of Stamford could then provide to Clinton Court Condominiums for replacement parking and/or for a public access easement. The net gain in land area for RBS Americas Property Corp. would therefore be 10,968 square feet which represents what is the second property that is the subject of this appraisal. It is noted that all of this land is in the same neighborhood in the western section of the Stamford Central Business District (CBD). In recent years this land has been re-zoned from R-5 to MRD.

As noted, the land swap includes two properties owned by the City of Stamford and portions of four properties owned by RBS Americas Property Corp. The land is located in the area bound by the Rippowam (Mill) River to the west, Clinton Court Condominiums to the north, Clinton Avenue to the east and Richmond Hill Road to the south. Respectively the City owned properties total 17,505 square feet and the RBS properties total 6,537± square feet. The land is zoned MRD and all of these parcels are surrounded either by the Mill River, Clinton Avenue or Richmond Hill Avenue, or land holdings of RBS.

Independent of surrounding land these sites have limited to no development potential. This is particularly true of the northerly portions of the RBS land and the roadbed of Division Street. While 0 Division Street could support a small multi-family development this is an inferior option to assembling the land with surrounding holdings of RBS.

Overall we have concluded that the highest and best use of all of this land is for assemblage with the surrounding holdings of RBS for a larger scale mixed use development that would include ground floor commercial space and parking and upper floor multi-family residential development. We have projected that development would be in conformance with the 2016 approvals for the property west of Clinton Avenue at a density of 95 residential units per acre.

Essentially the value of the subject properties will be set based on a negotiation between the City of Stamford and RBS. In order to quantify the contributory value of the net land gained by RBS through the proposed land swap we considered the development potential of neighboring land holdings of RBS with and without the City owned parcels.

Absent the inclusion of the City owned parcels it is likely that RBS would be able to construct two independent developments on the north and south sides of Division Street. The land north of Division Street has a rectangular shape and totals approximately 39,339 square feet, or 0.903-acre. The land south of Division Street has a more irregular shape and totals approximately 79,842 square feet, or 1.833 acres. Without the City owned parcels the southerly parcel has an “L” shape and development would likely be on an area that excludes 1 Division Street. We estimate that before a land swap this would result in a lower density of 90 units per acre for the land south of Division Street while the full 95 units per acre could be developed on the more rectangular shaped land north of Division Street. That means that that that the land north of Division Street could support approximately 86 dwelling units while the land south of Division Street could support approximately 165 dwelling units (for a total of 251 dwelling units between two development sites).

Under the proposed land swap the City owned parcels (0 Division Street and roadbed to Division Street) would be conveyed to RBS and the northern portions of 4, 6 & 10 Division Street and the northern portion of 75 Clinton Avenue would be conveyed to the City of Stamford. This land swap would provide RBS with a net gain in land area of 10,968 square feet and it would provide them with a rectangular shaped site that could incorporate all of their holdings (including 1 Division Street) and the development could be done as one large complex instead of two separate projects both north and south of Division Street. This would add to the efficiency and desirability of any proposed development. We estimate that at a density of 95 units acre for the entire site that the more functional assemblage could support approximately 284 dwelling units. Essentially the result of the land swap is that RBS could support an additional 33 dwelling units compared with not conducting the land swap. While a point that RBS would make in negotiations is that the City owned parcels have very limited utility on their own the counter point to be made by the City is that including these parcels increases the efficiency of the development in the defined area as one building, rather than two, would save on design fees, material costs, project management, etc.

For this reason we quantified the value of net gain in land to RBS based on the added density that we estimated that the proposed swap would create. As a check on our subsequent valuation we would note that the value premium for the City providing an extra 10,968 square feet of land to RBS is $1,650,000. This total would seem to recognize the following factors:

1. Excluding costs of demolition RBS effectively paid in excess of $215 per square foot of land for small (between 6,200 square feet and 11,000 square feet) parcels that they acquired in the area that includes the subject properties. These parcels were acquired from sellers such as Russell Davis, et. al., John Landsiedel, Stuart Miller and others.

2. While it is recognized that the aforementioned transactions were motivated purchases in an inflated market the resulting value for the net gain in land to RBS is $1,650,000. Dividing this by the 10,968 square feet of added land that RBS would acquire under a land swap indicates that RBS would pay the City just over $150 per square foot to acquire the added land area. This represents a significant discount to the price RBS paid other property owners in 2008 and 2009. This seems reasonable considering the reduced motivation in this instance and the fact that the City owned parcels have very limited utility on their own.

Based upon analysis of the preceding information, it is our opinion that assemblage of the subject parcels with surrounding land holdings of RBS would be the highest and best use of the properties. Once assembled multi-family development would be the highest and best use of the combined property with the assemblage supporting an added 33 units versus if RBS were to develop their holdings north and south of Division Street as two complexes. As a result we have valued the City owned properties based on a per unit basis considering our estimate that they would add 33 units versus if RBS were to develop their holdings as two complexes

*Valuation of 41 Main Street*

The chart on the following page summarizes the details of those sales considered most applicable in estimating market value for the subject real estate on a per unit basis.

## SUMMARY OF COMPARABLE LAND SALES

| Sale No.: | Subject Property | Sale 1 (1) | Sale 2 (2) | Sale 3 (3) | Sale 4 (4) | Sale 5 (5) | Sale 6 (6) |
|---|---|---|---|---|---|---|---|
| **Sale Data:** | | | | | | | |
| Address | 41 Main Street | Garden & Atlantic St. | 112 Southfield Avenue | 896-914 Washington | Morgan Street | Tresser Blvd. & | 750 Summer Street |
| City/State | Stamford, CT | Stamford, CT | Stamford, CT | Stamford, CT | Stamford, CT | Stamford, CT | Stamford, CT |
| Grantor | --- | Atlantic Garden Transit Group | Southfield Realty, LLC | Rippowam Park Co., LLC | The First Presbyterian Church | TGA/Eureka III, LLC | Star Partners, LLC |
| Grantee | --- | Henry Stamford, LLC | Baypointe Holding, LLC | RMS Main Street, LLC | Element One, LLC | RB Stamford Associates, LLC | RMS 750 Summer Street, LLC |
| Legal Reference (Vol/Pg) | | Vol 11786, Pages 98-116 | Vol. 11284, Page 261 | Vol. 11205, Page 139 | Vol. 11183, Page 326 | Vol. 11088, Page 183 | Vol. 10808, Page 265 |
| Date of Sale | --- | 10-Aug-17 | 9-Jul-15 | 18-Mar-15 | 24-Feb-15 | 11-Sep-14 | 23-Jul-13 |
| Sale Price | --- | $13,500,000 | $8,500,000 | $6,100,000 | $9,420,000 | $32,000,000 | $3,500,000 |
| Prop. Rights Conveyed | Fee Simple | Fee Simple | Fee Simple | Fee Simple | Fee Simple | Fee Simple | Fee Simple |
| **Land Data:** | | | | | | | |
| Zone | MRD | M-G | CWD | MRD | RH | CCN | MXD |
| Land Area (Acres) | 0.380 | 1.789 | 2.810 | 0.924 | 3.115 | 4.320 | 0.568 |
| Land Area (Sq. Ft.) | 16,552 | 77,917 | 122,458 | 40,240 | 135,907 | 188,206 | 24,750 |
| Proposed Units of Residential | 28 | 191 | 109 | 122 | 175 | 672 | 58 |
| Proposed Building Area | N/A | 215,000 | 144,875 | 139,845 | 214,780 | 551,650 | 67,652 |
| FAR | N/A | 2.76 | 1.18 | 3.48 | 1.58 | 2.93 | 2.73 |
| **Comments:** | | | | | | | |
| Conditions of Sale | Arm's Length | Arm's Length | Arm's Length | Arm's Length | Arm's Length | Arm's Length | Arm's Length |
| Financing | Market Terms | Market Terms | Market Terms | Market Terms | Market Terms | Market Terms | Market Terms |
| **Unit Prices:** | | | | | | | |
| **Sale Price/Unit** | | **$70,681** | **$77,982** | **$50,000** | **$53,829** | **$47,619** | **$60,345** |
| **Sale Price/Acre** | | **$7,546,115** | **$3,024,911** | **$6,601,732** | **$3,024,077** | **$7,407,407** | **$6,161,972** |
| **Sale Price/SF of Land** | | **$173.26** | **$69.41** | **$151.59** | **$69.31** | **$170.03** | **$141.41** |
| **Sale Price/Sq. Ft. of GBA** | --- | **$62.79** | **$58.67** | **$43.62** | **$43.86** | **$58.01** | **$51.74** |

**Notes:**

**(1) Assemblage planned for 191 apartments and 15,000 square feet of ground floor retail.**

**(2) Former Marshall Trucking site planned for 109 units; Developer to contribute $800,000 to local infrastructure upgrades and $500,000 of brownfields remediation costs.**

**(3) Recorded price adjusted upward to $6,100,000 per buyer to account for demolition and environmental. Site planned for 122 apartments and ground floor retail.**

**(4) Site planned for 175 apartments and 6,575 square feet of ground floor retail. Grantor will also lease surface parking spaces to grantee.**

**(5) Site planned for 672 multi-family units and a limited amount of commercial space.**

**(6) Development planned for 58 units elevated over ground level lobby.**

CONCLUSION

A survey of comparable multi-family land sales yielded six relevant transactions that sold for prices ranging from a low of $47,619 per unit to a high of $77,982 per unit. When considering the data points available we have concluded that the subject should be valued at a range of $58,000 to $62,000 per unit. In the chart included below we have summarized our adjustments to the sales with a value estimate via the Sales Comparison Approach of $60,000 per potential unit which results in a (rounded) value of $1,700,000.

**Recapitulation of Adjustments**

| | Subject | Sale 1 | Sale 2 | Sale 3 | Sale 4 | Sale 5 | Sale 6 |
|---|---|---|---|---|---|---|---|
| Property Address | 41 Main Street Stamford, CT | AGTG Site Stamford, CT | Baypointe Stamford Stamford, CT | Rippowam Place Stamford, CT | Element One Stamford, CT | Re-Use Parcel 38 Stamford, CT | The Verano Stamford, CT |
| **Unadjusted Sale Price/Unit** | --- | **$70,681** | **$77,982** | **$50,000** | **$53,829** | **$47,619** | **$60,345** |
| **Element of Comparison** | | | | | | | |
| Property Rights | Fee Simple | 0% | 0% | 0% | 0% | 0% | 0% |
| Financing Terms | Market Terms | 0% | 0% | 0% | 0% | 0% | 0% |
| Conditions of Sale | Arm's Length | -15% | 0% | 0% | 0% | 0% | 0% |
| Market Conditions | As of February 1, 2018 | 0% | 0% | 0% | 0% | 0% | 0% |
| **Adjusted Sale Price/SF** | | **$60,079** | **$77,982** | **$50,000** | **$53,829** | **$47,619** | **$60,345** |
| Location | Stamford | -5% | -5.0% | -5% | -2.5% | -2.5% | -2.5% |
| Physical Characteristics | | 15% | -10% | 25% | 15% | 30% | 0% |
| Land Area (SF) | 16,552 | ++ | ++ | + | ++ | ++ | 0 |
| Units Per Acre | 75 | + | --- | ++ | - | ++ | 0 |
| Soil Conditions | None | 0 | 0 | 0 | 0 | 0 | 0 |
| Extraordinary Demolition | None | 0 | 0 | 0 | 0 | 0 | 0 |
| Economic Characteristics | Requires Entitlements | 0% | 0% | 0% | 0% | 0% | 0% |
| Subtotal | | 10.0% | -15.0% | 20.0% | 12.5% | 27.5% | -2.5% |
| **Indicated Sale Price/Unit** | | **$66,087** | **$66,285** | **$60,000** | **$60,558** | **$60,714** | **$58,836** |

**Notes:**
+ = upward adjustment / - = downward adjustment

| | | |
|---|---|---|
| Mean Sale Price/Unit | $62,080 | $1,738,239 |
| Median Sale Price/Unit | $60,636 | $1,697,806 |
| High Sale Price/Unit | $62,198 | $1,741,544 |
| Low Sale Price/Unit | $57,884 | $1,620,752 |

Therefore: 28 units @ $60,000/Unit = $1,680,000

Rounded to $1,700,000

**VALUE INDICATED VIA**
**SALES COMPARISON APPROACH ....................................................................$1,700,000**

*Valuation of Potential Land Swap*

The chart on the following page summarizes the details of those sales considered most applicable in estimating market value for the subject real estate on a per unit basis.

## SUMMARY OF COMPARABLE LAND SALES

| Sale No.: | Subject Property | Sale 1 (1) | Sale 2 (2) | Sale 3 (3) | Sale 4 (4) | Sale 5 (5) | Sale 6 (6) |
|---|---|---|---|---|---|---|---|
| **Sale Data:** | | | | | | | |
| Address | City of Stamford Land/ RBS Assemblage | Garden & Atlantic St. | 112 Southfield Avenue | 896-914 Washington | Morgan Street | Tresser Blvd. & | 750 Summer Street |
| City/State | Stamford, CT | Stamford, CT | Stamford, CT | Stamford, CT | Stamford, CT | Stamford, CT | Stamford, CT |
| Grantor | --- | Atlantic Garden Transit Group | Southfield Realty, LLC | Rippowam Park Co., LLC | The First Presbyterian Church | TGA/Eureka III, LLC | Star Partners, LLC |
| Grantee | --- | Henry Stamford, LLC | Baypointe Holding, LLC | RMS Main Street, LLC | Element One, LLC | RB Stamford Associates, LLC | RMS 750 Summer Street, LLC |
| Legal Reference (Vol/Pg) | | Vol 11786, Pages 98-116 | Vol. 11284, Page 261 | Vol. 11205, Page 139 | Vol. 11183, Page 326 | Vol. 11088, Page 183 | Vol. 10808, Page 265 |
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| Sale Price | --- | $13,500,000 | $8,500,000 | $6,100,000 | $9,420,000 | $32,000,000 | $3,500,000 |
| Prop. Rights Conveyed | Fee Simple | Fee Simple | Fee Simple | Fee Simple | Fee Simple | Fee Simple | Fee Simple |
| **Land Data:** | | | | | | | |
| Zone | MRD | M-G | CWD | MRD | RH | CCN | MXD |
| Land Area (Acres) | 0.252 | 1.789 | 2.810 | 0.924 | 3.115 | 4.320 | 0.568 |
| Land Area (Sq. Ft.) | 10,968 | 77,917 | 122,458 | 40,240 | 135,907 | 188,206 | 24,750 |
| Proposed Units of Residential | 33 | 191 | 109 | 122 | 175 | 672 | 58 |
| Proposed Building Area | N/A | 215,000 | 144,875 | 139,845 | 214,780 | 551,650 | 67,652 |
| FAR | N/A | 2.76 | 1.18 | 3.48 | 1.58 | 2.93 | 2.73 |
| **Comments:** | | | | | | | |
| Conditions of Sale | Arm's Length | Arm's Length | Arm's Length | Arm's Length | Arm's Length | Arm's Length | Arm's Length |
| Financing | Market Terms | Market Terms | Market Terms | Market Terms | Market Terms | Market Terms | Market Terms |
| **Unit Prices:** | | | | | | | |
| **Sale Price/Unit** | | **$70,681** | **$77,982** | **$50,000** | **$53,829** | **$47,619** | **$60,345** |
| **Sale Price/Acre** | | **$7,546,115** | **$3,024,911** | **$6,601,732** | **$3,024,077** | **$7,407,407** | **$6,161,972** |
| **Sale Price/SF of Land** | | **$173.26** | **$69.41** | **$151.59** | **$69.31** | **$170.03** | **$141.41** |
| **Sale Price/Sq. Ft. of GBA** | --- | **$62.79** | **$58.67** | **$43.62** | **$43.86** | **$58.01** | **$51.74** |

**Notes:**

**(1) Assemblage planned for 191 apartments and 15,000 square feet of ground floor retail.**

**(2) Former Marshall Trucking site planned for 109 units; Developer to contribute $800,000 to local infrastructure upgrades and $500,000 of brownfields remediation costs.**

**(3) Recorded price adjusted upward to $6,100,000 per buyer to account for demolition and environmental. Site planned for 122 apartments and ground floor retail.**

**(4) Site planned for 175 apartments and 6,575 square feet of ground floor retail. Grantor will also lease surface parking spaces to grantee.**

**(5) Site planned for 672 multi-family units and a limited amount of commercial space.**

**(6) Development planned for 58 units elevated over ground level lobby.**

CONCLUSION

A survey of comparable multi-family land sales yielded six relevant transactions that sold for prices ranging from a low of $47,619 per unit to a high of $77,982 per unit. When considering the data points available we have concluded that the subject should be valued at a range of $48,000 to $52,000 per unit. In the chart included below we have summarized our adjustments to the sales with a value estimate via the Sales Comparison Approach of $50,000 per potential unit which results in a (rounded) value of $1,650,000.

**Recapitulation of Adjustments**

| | Subject | Sale 1 | Sale 2 | Sale 3 | Sale 4 | Sale 5 | Sale 6 |
|---|---|---|---|---|---|---|---|
| Property Address | Stamford/RBS Land<br>Stamford, CT | AGTG Site<br>Stamford, CT | Baypointe Stamford<br>Stamford, CT | Rippowam Place<br>Stamford, CT | Element One<br>Stamford, CT | Re-Use Parcel 38<br>Stamford, CT | The Verano<br>Stamford, CT |
| **Unadjusted Sale Price/Unit** | --- | **$70,681** | **$77,982** | **$50,000** | **$53,829** | **$47,619** | **$60,345** |
| **Element of Comparison** | | | | | | | |
| Property Rights | Fee Simple | 0% | 0% | 0% | 0% | 0% | 0% |
| Financing Terms | Market Terms | 0% | 0% | 0% | 0% | 0% | 0% |
| Conditions of Sale | Arm's Length | -15% | 0% | 0% | 0% | 0% | 0% |
| Market Conditions | As of February 1, 2018 | 0% | 0% | 0% | 0% | 0% | 0% |
| **Adjusted Sale Price/SF** | | **$60,079** | **$77,982** | **$50,000** | **$53,829** | **$47,619** | **$60,345** |
| Location | Stamford | -5% | -5% | 0% | 0% | 5% | 5% |
| Physical Characteristics | | -10% | -10% | 0% | -5% | 5% | -20% |
| Land Area (SF) | 10,968 | - | ++ | - | - | 0 | -- |
| Units Per Acre | 95 | 0 | --- | ++ | + | ++ | 0 |
| Soil Conditions | Flood Plain Impact | - | 0 | - | - | - | - |
| Extraordinary Demolition | None | 0 | 0 | 0 | 0 | 0 | 0 |
| Economic Characteristics | Approved | 0% | 0% | 0% | 0% | 0% | 0% |
| Subtotal | | -15% | -15% | 0% | -5% | 10% | -15% |
| **Indicated Sale Price/Unit** | | **$51,067** | **$66,285** | **$50,000** | **$51,138** | **$52,381** | **$51,293** |

**Notes:**
+ = upward adjustment / - = downward adjustment

| | | |
|---|---|---|
| Mean Sale Price/Unit | $53,694 | $1,771,899 |
| Median Sale Price/Unit | $51,215 | $1,690,108 |
| High Sale Price/Unit | $52,471 | $1,731,543 |
| Low Sale Price/Unit | $47,031 | $1,552,023 |

Therefore: 33 units @ $50,000/Unit = $1,650,000

Rounded to $1,650,000

**VALUE INDICATED VIA**
**SALES COMPARISON APPROACH ....................................................................$1,650,000**

RECONCILIATION AND FINAL VALUE ESTIMATES

Within this appraisal, it was determined that the only applicable valuation procedure was the Sales Comparison Approach.

Based upon our analysis of the subject it is our opinion that the fee simple market value of 41 Main Street, as of February 1, 2018, is contained within a range of $1,600,000 to $1,800,000 and is best represented by the following amount:

**ONE MILLION SEVEN HUNDRED THOUSAND DOLLARS**
**$1,700,000**

Based upon our analysis of the subject it is our opinion that the fee simple market value of the potential land swap[1] as of February 1, 2018, is contained within a range of $1,550,000 to $1,750,000 and is best represented by the following amount:

**ONE MILLION SIX HUNDRED FIFTY THOUSAND DOLLARS**
**$1,650,000**

We would note that since the time of our appraisals as of July 31, 2015 that we have noted no change in the value of 41 Main Street that would be received by the City of Stamford. However, the net effect of the land swap is that RBS would be better off than we opined in 2015. This is due to the higher density that the property achieved versus what we projected at that time. This was due to changes in the zoning regulations. While the overall transfer of assets provides the City of Stamford with a net benefit it is not as large as we projected in 2015. However, with higher density the City of Stamford will achieve other benefits such as higher real estate taxes than they would with a lower density project on the RBS parcels.

Very truly yours,

Patrick J. Wellspeak, MAI
CT Certified General Real Estate Appraiser
License No. RCG.618 - Expires: April 30, 2018

[1] The subject property represents that net land area that would be conveyed by the City of Stamford to RBS Americas Property Corp. as the result of a potential land swap. The net gain in land area provided to RBS Americas Property Corp. would be 10,968 square feet. Furthermore, the utility of 1 Division Street would be enhanced.

## CERTIFICATION

The undersigned does hereby certify that to the best of my knowledge and belief:

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

2. 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.

3. In compliance with the ethics rule of USPAP, I hereby certify that this appraiser has no current or prospective interest in the subject property or parties involved, and has not performed any services regarding the subject property within the 3 year period immediately preceding acceptance of the assignment other than appraisals completed for the same clients with an effective date of valuation of July 31, 2015.

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

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

6. 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.

7. My analysis, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Appraisal Institute's Code of Professional Ethics and Standards of Professional Appraisal Practice, which includes the Uniform Standards of Professional Appraisal Practice.

8. No one provided significant real property appraisal assistance to the person(s) signing this report.

9. Patrick J. Wellspeak, MAI, made a personal inspection of the property that is the subject of this report.

As of the date of this report, Patrick J. Wellspeak has completed the requirements under the continuing education program of the Appraisal Institute.

Patrick J. Wellspeak, MAI
CT Certified General Real Estate Appraiser
License No. RCG.618 - Expires: April 30, 2018

## ASSUMPTIONS AND LIMITING CONDITIONS

1. No investigation of title to the property has been made, and the premises are assumed to be free and clear of all deeds of trust, use restrictions and reservations, easements, cases or actions pending, tax liens, and bonded indebtedness, unless otherwise specified. No responsibility for legal matters is assumed. All existing liens and encumbrances have been disregarded and the property is appraised as though free and clear, unless otherwise specified.

2. A request was made for all pertinent information regarding the subject property for the purpose of this valuation. The request included any data deemed relevant to this analysis. The valuation contained herein reflects all such information received.

3. The maps, plats, and exhibits included in this report are for illustration only to help the reader visualize the property. They should not be considered as surveys or relied upon for any other purpose. No appraiser responsibility is assumed in connection therewith.

4. This appraiser, by reason of this report, is not required to give testimony or be in attendance in any court or before any governmental body with reference to the property in question unless arrangements have been previously made.

5. No engineering survey has been furnished to the appraiser, and no responsibility is assumed for engineering matters, mechanical or structural. Good mechanical and structural condition is assumed to exist.

6. It is assumed, unless specifically disclosed, that there are no structural defects hidden by floor or wall coverings or any other hidden or unapparent conditions of the property; that all mechanical equipment and appliances are in good working condition; and that all electrical components and the roofing are in good condition. If the client has any questions regarding these items, it is the client's responsibility to order the appropriate inspections. The appraiser does not have the skill or expertise needed to make such inspections. The appraiser assumes no responsibility for these items.

7. It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws, unless noncompliance is stated and considered in this report. Specifically, it is assumed that hazardous substances, including friable asbestos, lead paint, toxic waste or contaminated ground water do not exist at the subject property. Members of this office are not qualified to determine the existence of, nor is any certification made as to the presence or absence of, any hazardous substances. No responsibility is therefore assumed for such conditions.

8. No soil borings or analysis have been made of the subject. It is assumed that soil conditions are adequate to support standard construction consistent with the highest and best use as stated in this report.

9. It is assumed that all required licenses, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based, unless noncompliance is stated and considered in this report.

10. We have not completed a compliance survey and analysis of the subject property to determine whether or not it is in conformity with the requirements of the Americans with Disabilities Act (ADA), nor have we considered possible noncompliance with the requirements of ADA in estimating the value of the subject property.

11. The individual values estimated for the various components of the subject property are valid only when taken in the context of this report and are invalid if considered individually or as components in connection with any other appraisal.

12. When the Discounted Cash Flow Analysis is utilized, it is prepared on the basis of information and assumptions stipulated in this report. The achievement of any financial projections will be affected by fluctuating economic conditions and is dependent upon the occurrence of other future events that cannot be assured. Therefore, the actual results achieved may well vary from the projections and such variations may be material.

13. The date of value to which the opinions expressed in this report is set forth in a letter of transmittal. The appraiser assumes no responsibility for economic or physical factors occurring at some later date that may affect the opinions herein stated.

14. If this report is used within a credit sale-leaseback-type transaction, or the offering structure of a syndicate or syndication partnership, joint venture, or association, it is to be noted that the market value estimate rendered is restricted exclusively to the underlying real property rights defined in this report. No consideration whatsoever is given to the value of any partnership units or interest(s), broker or dealer selling commissions, general partners' acquisition fees, operating deficit reserves, offering expenses, atypical financing, and other similar considerations.

15. Our value estimate presumes that <u>all</u> benefits, terms, and conditions have been disclosed in any lease agreements, and we have been fully informed of any additional considerations (i.e., front-end cash payments, additional leasehold improvement contributions, space buybacks, free rent, equity options).

16. Neither all nor any part of the contents of this report shall be conveyed to the public, without the written consent and approval of the authors, particularly as to valuation conclusions, the identity of the authors or firm with which they are connected, or any reference to the Appraisal Institute, or to the MAI designation.

## PROFESSIONAL RESUME OF THE APPRAISER

### PATRICK J. WELLSPEAK, MAI

### Real Estate Appraisal Experience

Principal of Wellspeak Dugas & Kane, since 1995. Specific areas of expertise include the appraisal of multitenanted office developments, industrial buildings, and low income housing developments. Proficient in the use of financial software including ARGUS, PROJECT, EXCEL and LOTUS 1-2-3

Principal of Heberger Associates, Inc., between 1986 and 1995. Assignments included the preparation of narrative and bank form appraisals of commercial properties as well as marketability, feasibility, and highest and best use studies.

Qualified as an expert witness in the State of Connecticut and United States Federal court systems.

Qualified as an expert witness before tax review boards of numerous Connecticut municipalities.

State of Connecticut - General Certified Real Estate Appraiser - License No. RCG.0000618 – Effective 05/01/17 to 04/30/18

### Educational Background

Graduated Magna Cum Laude from the University of Bridgeport with a Master's Degree in Business Administration.

Graduated Magna Cum Laude from the University of Connecticut with a Bachelor of Science Degree in Business Administration.

### Appraisal Education

Member of the Appraisal Institute, Member No. 9219.

The Appraisal Institute is the result of the January 1, 1991, unification of the American Institute of Real Estate Appraisers and the Society of Real Estate Appraisers. Completed courses that were formerly offered by AIREA and the Society are recognized by the Appraisal Institute.

Successfully completed courses or challenged examinations for the following:

- AIREA 1A1: Real Estate Appraisal Principles
- AIREA 1A2: Basic Valuation Procedures
- AIREA 1BA: Capitalization Theory and Techniques - Part A
- AIREA 1BB: Capitalization Theory and Techniques - Part B
- AIREA 2-1: Case Studies in Real Estate Valuation
- AIREA 2-2: Report Writing and Valuation Analysis
- AIREA SPP: Standards of Professional Practice

# GLOSSARY OF TERMS

The following glossary defines terminology used by the real estate appraiser in the appraisal report. This list is not intended to represent a complete dictionary of real estate appraisal terms.

**Assessed Value:** Assessed value applies in ad valorem taxation and refers to the value of a property according to the tax rolls. Assessed value may not conform to market value, but it is usually calculated in relation to a market value base.

**Absorption:** Short-term capture; the process whereby any specific commodity is occupied, leased, and/or sold to an end user.

**Appraisal:** The act or process of developing an opinion of value; an opinion of value. Of or pertaining to appraising and related functions such as appraisal practice or appraisal services.

**Building Capitalization Rate:** 1) The rate used in certain residual techniques or in a band of investment to convert building income into an indication of building value. 2) The ratio of building income to building value.

**Capitalization Rate:** Any rate used to convert income into value.

**Comparative Analysis:** The process by which a value indication is derived in the sales comparison approach. Comparative analysis may employ quantitative or qualitative techniques, either separately or in combination.

**Direct Capitalization:** 1) A method used to convert an estimate of a single year's income expectancy into an indication of value in one direct step, either by dividing the income estimate by an appropriate rate or by multiplying the income estimate by an appropriate factor. 2) A capitalization technique that employs capitalization rates and multipliers extracted from sales. Only the first year's income is considered.

**Discounted Cash Flow (DCF) Analysis:** The procedure in which a discount rate is applied to a set of projected income streams and a reversion. The analyst specifies the quantity, variability, timing, and duration of the income streams as well as the quantity and timing of the reversion and discounts each to its present value at a specified yield rate. DCF analysis can be applied with any yield capitalization technique and may be performed on either a lease-by-lease or aggregate basis.

**Discount Rate:** An interest rate used to convert future payments or receipts into present value. The discount rate may or may not be the same as the internal rate of return (IRR) or yield rate depending on how it is extracted from the market and/or used in the analysis.

**Disposition Value:** The most probable price that a specified interest in real property is likely to bring under all of the following conditions: 1) Consummation of a sale will occur within a limited future marketing period specified by the client; 2) The actual market conditions currently prevailing are those to which the appraised property interest is subject; 3) The buyer and seller is each acting prudently and knowledgeably; 4) The seller is under compulsion to sell; 5) The buyer is typically motivated; 6) Both parties are acting in what they consider their best interests; 7) An adequate marketing effort will be made in the limited time allowed for the completion of a sale; 8) Payment will be made in cash in U.S. dollars or in terms of financial arrangements comparable thereto; and 9) 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.

**Easement:** An interest in real property that conveys use, but not ownership, of a portion of an owner's property. Access or right of way easements may be acquired by private parties or public utilities. Governments dedicate conservation, open space, and preservation easements.

**Effective Rent:** The rental rate net of financial concessions such as periods of no rent during the lease term; may be calculated on a discounted basis, reflecting the time value of money, or on a simple, straight-line basis.

**Encumbrance:** An interest or right in real property that may decrease or increase the value of the fee estate but does not prevent its conveyance by the owner. An encumbrance effects a permanent reduction in an owner's property rights, while a lien represents a claim against the owner's property rights, which may or may not become permanent. Mortgages, taxes, and judgments are liens; restrictions, easements, and reservations are encumbrances.

**Excess Land:** In regard to an improved site, the land not needed to serve or support the existing improvement. In regard to a vacant site or a site considered as though vacant, the land not needed to accommodate the site's primary highest and best use. Such land may be separated from the larger site and have its own highest and best use, or it may allow for future expansion of the existing or anticipated improvement. See also surplus land.

**Exposure Time:** 1) The time a property remains on the market. 2) 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 on the effective date of the appraisal; a retrospective estimate based on an analysis of past events assuming a competitive and open market. Exposure time is always presumed to occur prior to the effective date of the appraisal. The overall concept of reasonable exposure encompasses not only adequate, sufficient and reasonable time but also adequate, sufficient and reasonable effort. Exposure time is different for various types of real estate and value ranges and under various market conditions. (Appraisal Standards Board of The Appraisal Foundation, Statement on Appraisal Standards No. 6, "Reasonable Exposure Time in Real Property and Personal Property Market Value Opinions") Market value estimates imply that an adequate marketing effort and reasonable time for exposure occurred prior to the effective date of the appraisal. In the case of disposition value, the time frame allowed for marketing the property rights is somewhat limited, but the marketing effort is orderly and adequate. With liquidation value, the time frame for marketing the property rights is so severely limited that an adequate marketing program cannot be implemented. (The Report of the Appraisal Institute Special Task Force on Value Definitions qualifies exposure time in terms of the three above-mentioned values.) See also marketing time.

**Extraordinary Assumption:** An assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser's opinions or conclusions. Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property such as market conditions or trends; or about the integrity of data used in an analysis.

**Fee Simple Estate:** Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.

**Furniture, Fixtures, and Equipment (FF&E):** The movable property of a business enterprise not classified as stock or inventory or leasehold improvements; frequently found in the ownership of hotels or motels, restaurants, assisted-living facilities, service stations, car washes, greenhouses and nurseries, and other service-intensive properties. Furniture, fixtures, and equipment frequently wears out much more rapidly than other components of those properties.

**Going Concern:** A going concern is an established and operating business with an indefinite future life. For certain types of property (e.g., hotels and motels, restaurants, bowling alleys, manufacturing enterprises, athletic clubs, land fills), the physical real property assets are integral parts of an on-going business.

**Gross Lease:** A lease in which the landlord receives stipulated rent and is obligated to pay all or most of the property's operating expenses and real estate taxes.

**Hypothetical Condition:** A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis. (USPAP, 2014-2015 ed.)

**Investment Value:** The specific value of an investment to a particular investor or class of investors based on individual investment requirements; distinguished from market value, which is impersonal and detached. See also market value.

**Leased Fee Estate:** An ownership interest held by a landlord with the rights of use and occupancy conveyed by lease to others. The rights of the lessor (the leased fee owner) and the lessee are specified by contract terms contained within the lease.

**Leasehold Estate:** The interest held by the lessee (the tenant or renter) through a lease transferring the rights of use and occupancy for a stated term under certain conditions. The leasehold estate can be negative or positive. Negative Leasehold is a lease situation in which the market rent is less than the contract rent. Positive Leasehold is a lease situation in which the market rent is greater than the contract rent.

**Liquidation Value:** The most probable price that a specified interest in real property is likely to bring under all of the following conditions: 1) Consummation of a sale will occur within a severely limited future marketing period specified by the client; 2) The actual market conditions currently prevailing are those to which the appraised property interest is subject; 3) The buyer is acting prudently and knowledgeably; 4) The seller is under extreme compulsion to sell; 5) The buyer is typically motivated; 6) The buyer is acting in what he or she considers his or her best interest; 7) A limited marketing effort and time will be allowed for the completion of a sale; 8) Payment will be made in cash in U.S. dollars or in terms of financial arrangements comparable thereto; and 9) 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.

**Market Rent:** The most probable rent that a property should bring in a competitive and open market reflecting all conditions and restrictions of the specified lease agreement including term, rental adjustment and revaluation, permitted uses, use restrictions, and expense obligations; the lessee and lessor each acting prudently and knowledgeably, and assuming consummation of a lease contract as of a specified date and the passing of the leasehold from lessor to lessee under conditions whereby: 1) Lessee and lessor are typically motivated; 2) Both parties are well informed or well advised, and acting in what they consider their best interests; 3) A reasonable time is allowed for exposure in the open market; 4) The rent payment is made in terms of cash in United States dollars, and is expressed as an amount per time period consistent with the payment schedule of the lease contract; and 5) The rental amount represents the normal consideration for the property leased unaffected by special fees or concessions granted by anyone associated with the transaction.

**Marketing Time:** 1) The time it takes an interest in real property to sell on the market sub-sequent to the date of an appraisal. 2) Reasonable marketing time is an estimate of the amount of time it might take to sell an interest in real property at its estimated market value during the period immediately after the effective date of the appraisal; the anticipated time required to expose the property to a pool of prospective purchasers and to allow appropriate time for negotiation, the exercise of due diligence, and the consummation of a sale at a price supportable by concurrent market conditions. Marketing time differs from exposure time, which is always presumed to precede the effective date of the appraisal. (Advisory Opinion 7 of the Appraisal Standards Board of The Appraisal Foundation and Statement on Appraisal Standards No. 6, "Reasonable Exposure Time in Real Property and Personal Property Market Value Opinions" address the determination of reasonable exposure and marketing time.) See also exposure time.

**Market Value:** 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 is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: 1) Buyer and seller are typically motivated; 2) Both parties are well informed or well advised, and acting in what they consider their own best interests; 3) A reasonable time is allowed for exposure in the open market; 4) Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and 5) The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

**Modified Gross Lease:** A lease in which the landlord receives stipulated rent and is obligated to pay most, but not all, of the property's operating expenses and real estate taxes.

**Most Probable Selling Price:** The price at which a property would most probably sell if exposed on the market for a reasonable time, under the market conditions prevailing on the date of appraisal.

**Net Lease:** Generally a lease in which the tenant pays for utilities, janitorial services, and either property taxes or insurance, and the landlord pays for maintenance, repairs, and the property taxes or insurance not paid by the tenant. Sometimes used synonymously with single net lease but better stated as a partial net lease to eliminate confusion. Also called single net lease; modified gross lease single net lease; modified gross lease. Other variations of the net lease are as follows: 1) *Net Net Lease*: Generally a lease in which the tenant pays for utilities, janitorial services, property taxes, and insurance in addition to the rent, and the landlord pays for maintenance and repairs. Also called double net lease; 2) *Net Net Net Lease*: A net lease under which the lessee assumes all expenses of operating a property, including both fixed and variable expenses and any common area maintenance that might apply, but the landlord is responsible for structural repairs. Also called triple net lease; and 3) *Absolute Net Lease*: A lease in which the tenant pays all expenses including structural maintenance and repairs; usually a long-term lease to a credit tenant.

**Occupancy Rate:** The relationship or ratio between the income received from the rented units in a property and the income that would be received if all the units were occupied.

**Personal Property:** Identifiable tangible objects that are considered by the general public as being "personal," for example, furnishings, artwork, antiques, gems and jewelry, collectibles, machinery and equipment; all tangible property that is not classified as real estate. (USPAP, 2014-2015 ed.)

**Prospective Value Opinion:** A forecast of the value expected at a specified future date. A prospective value opinion is most frequently sought in connection with real estate projects that are proposed, under construction, or under conversion to a new use, or those that have not achieved sellout or a stabilized level of long-term occupancy at the time the appraisal report is written.

**Real Estate:** Physical land and appurtenances attached to the land, e.g., structures. An identified parcel or tract of land, including improvements, if any.

**Real Property:** All interests, benefits, and rights inherent in the ownership of physical real estate; the bundle of rights with which the ownership of the real estate is endowed. In some states, real property is defined by statute and is synonymous with real estate.

**Rentable Area:** 1) The amount of space on which the rent is based; calculated according to local practice; and 2) The tenant's pro rata portion of the entire office floor, excluding elements of the building that penetrate through the floor to areas below. The rentable area of a floor is fixed for the life of a building and is not affected by changes in corridor sizes or configuration. Rentable area is recommended for measuring the total income-producing area of a building and for computing a tenant's pro rata share of a building for purposes of rent escalation. Lenders, architects, and appraisers use rentable area in analyzing the economic potential of a building. On multi-tenant floors, both the rentable and usable area for any specific office suite should be computed. The rentable area of a floor is computed by measuring to the inside finished surface of the dominant portion of the permanent building walls, excluding any major vertical penetrations of the floor. No deductions should be made for columns and projections necessary to the building. (BOMA).

**Replacement Cost:** The estimated cost to construct, at current prices as of the effective appraisal date, a building with utility equivalent to the building being appraised, using modern materials and current standards, design, and layout.

**Reproduction Cost:** The estimated cost to construct, at current prices as of the effective date of the appraisal, an exact duplicate or replica of the building being appraised, using the same materials, construction standards, design, layout, and quality of workmanship and embodying all the deficiencies, superadequacies, and obsolescence of the subject building.

**Stabilized Value:** 1) A value opinion that excludes from consideration any abnormal relationship between supply and demand such as is experienced in boom periods, when cost and sale price may exceed the long-term value, or during periods of depression, when cost and sale price may fall short of long-term value. 2) A value opinion that excludes from consideration any transitory condition that may cause excessive construction costs, e.g., a bonus or premium for material, the abnormal inefficiency of labor, the cost of delay or an excessive sale price, e.g., a premium paid due to a temporary shortage of supply.

**Superadequacy:** An excess in the capacity or quality of a structure or structural component; determined by market standards.

**Surplus Land:** Land not necessary to support the highest and best use of the existing improvement but, because of physical limitations, building placement, or neighborhood norms, cannot be sold off separately. Such land may or may not contribute positively to value and may or may not accommodate future expansion of an existing or anticipated improvement. See also excess land.

**Usable Area:** The area available for assignment or rental to an occupant, including every type of usable space; measured from the inside finish of outer walls to the office side of corridors or permanent partitions and from the centerline of adjacent spaces; includes subdivided occupant space, but no deductions are made for columns and projections. There are two variations of net area: single occupant net assignable area and store net assignable area.

**Use Value:** 1) In economics, the attribution of value to goods and services based upon their usefulness to those who consume them. 2) In real estate appraisal, the value a specific property has for a specific use; may be the highest and best use of the property or some other use specified as a condition of the appraisal; may be used where legislation has been enacted to preserve farmland, timberland, or other open space land on urban fringes.

**Value in Use:** The value a specific property has to a specific person or specific firm as opposed to the value to persons or the market in general. Special-purpose properties such as churches, schools, and public buildings, which are seldom bought and sold in the open market, can be valued on the basis of value in use. The value in use to a specific person may include a sentimental value component. The value in use to a specific firm may be the value of the plant as part of an integrated multiplant operation. See also use value.

**Value Indication:** An opinion of value derived through application of the appraisal process.

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Sources:

1) *The Dictionary of Real Estate Appraisal*, Fourth Edition, Appraisal Institute, 2002.

2) (12 C.F.R. Part 34.42(g); 55 Federal Register 34696, August 24, 1990, as amended at 57 Federal Register 12202, April 9, 1992; 59 Federal Register 29499, June 7, 1994; Federal Register, Vol. 75, No. 237, December 10, 2010.

3) The Appraisal of Real Estate, Fourteenth Edition, Appraisal Institute, 2013

## ADDENDA

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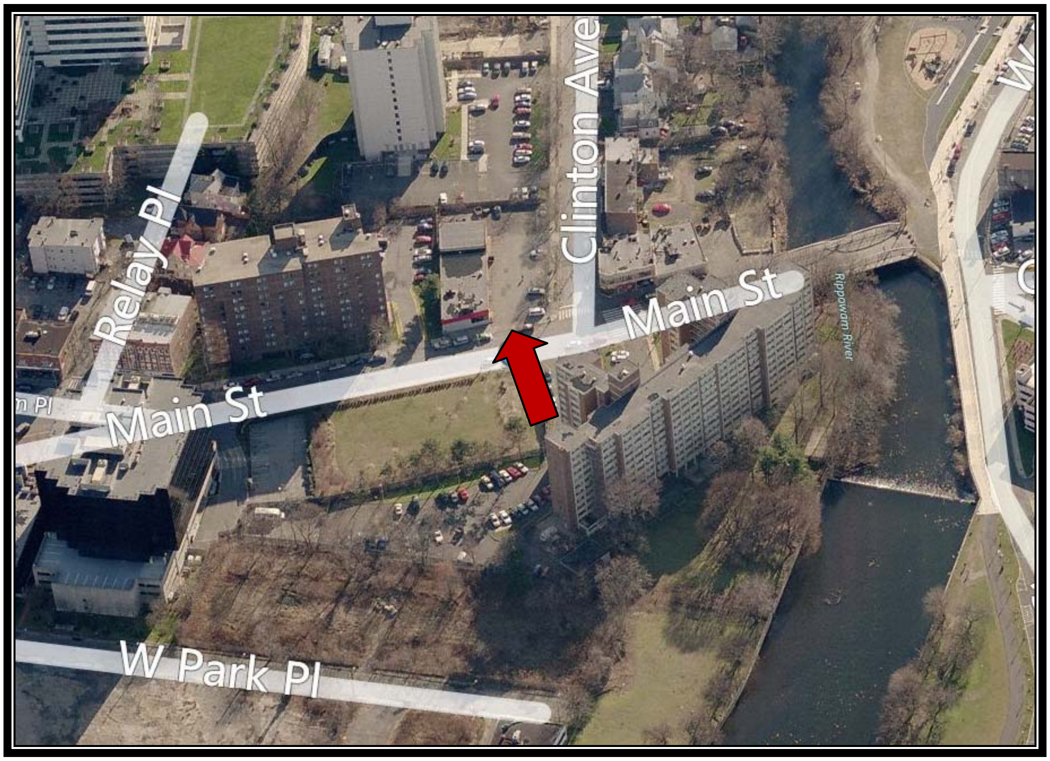
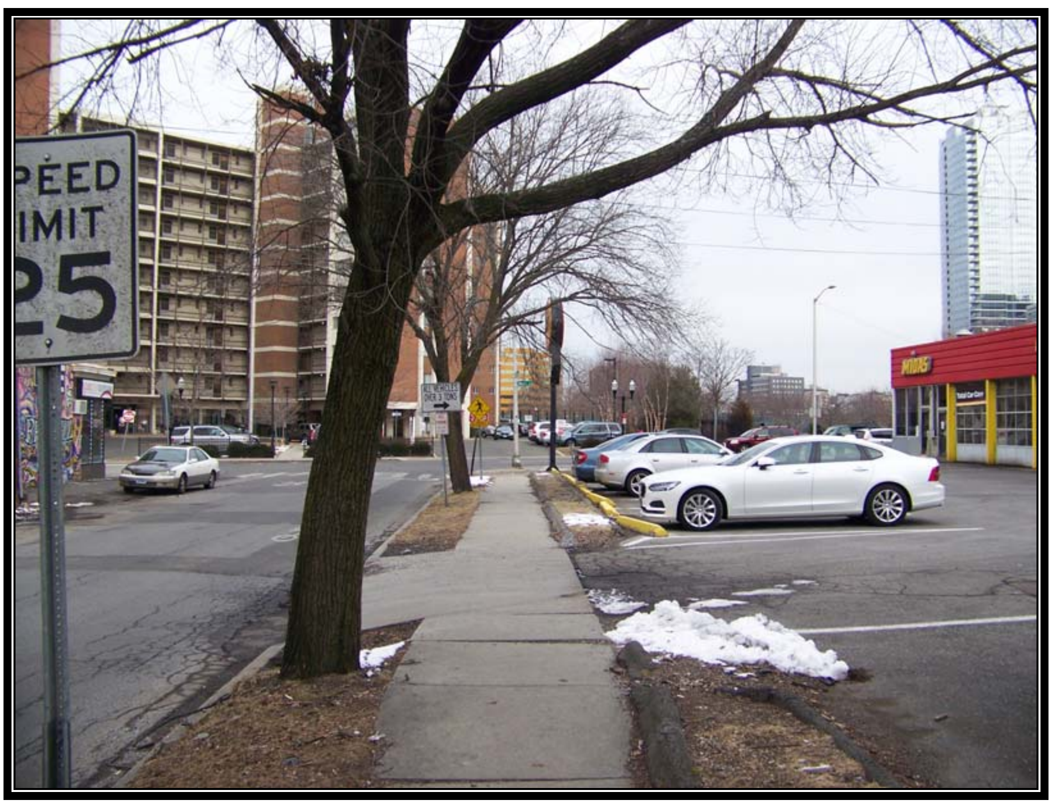
**EXHIBIT A**

**Photographs of Subject Properties**




**Aerial view of the subject property**




**Northerly view of frontage along Clinton Avenue**

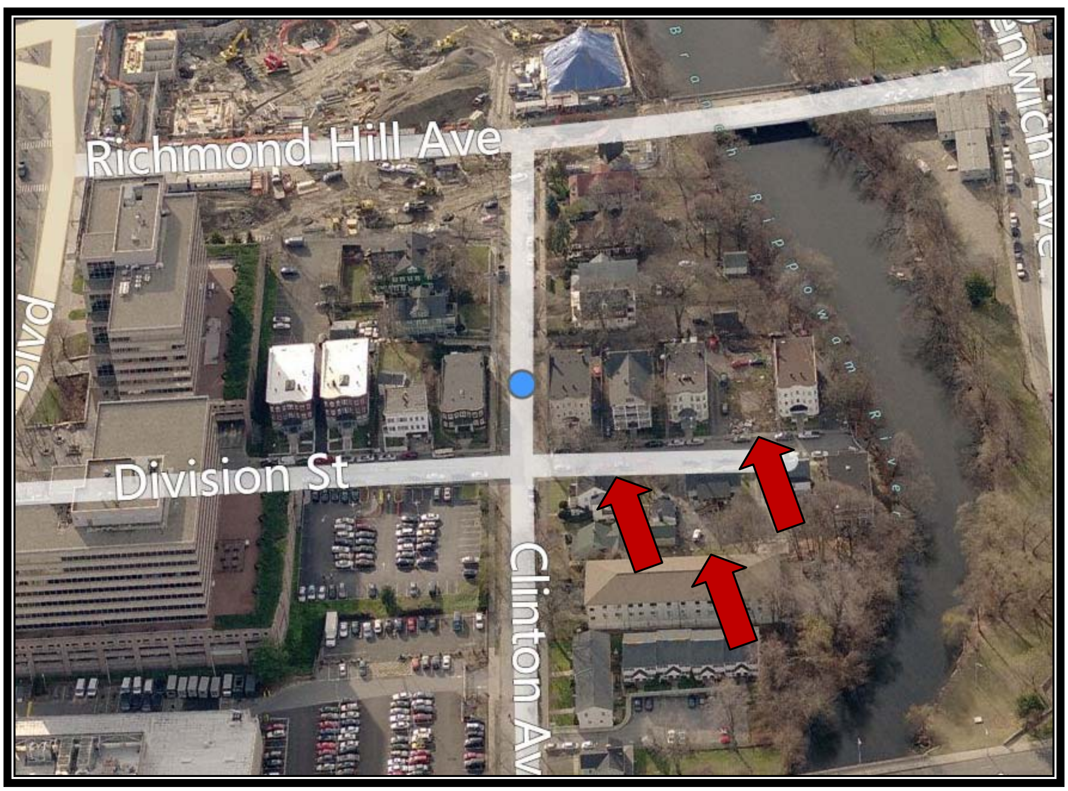
**Southerly view of frontage along Clinton Avenue**


**Easterly view of frontage along Main Street**

**Westerly view of frontage along Main Street**

**Front and side view of improvement**

**Front and side view of improvement**



**Aerial view of the land swap properties**


**Westerly view of roadbed of Division Street (west of Clinton Avenue)**

**Easterly view of roadbed of Division Street (west of Clinton Avenue)**

**View of 0 Division Street**

**View of land between Division Street and Clinton Court Condominiums**

**EXHIBIT B**

**Summary of MRD Zoning Requirements & Zoning Board Certificate**

# I. MILL RIVER DISTRICT (MRD)

The Mill River District (MRD) is a flexible, planned residential design district, subject to special standards and review procedures, intended to provide for and encourage the most appropriate use and development of property, the preservation and enhancement of significant public open spaces and the expansion of public amenities and public access within the Mill River Greenbelt Corridor as defined in the Master Plan. The Mill River District is intended to implement the land use goals, development concepts and design recommendations as described in reports prepared by Sasaki Associates Inc. entitled "Stamford Mill River Corridor", dated January 1998 and "Stamford Mill River Corridor Design Guidelines", dated June 1999. The Mill River District is intended to promote the following objectives:

a. Consistency with the Master Plan and the objectives of comprehensive municipal plans for redevelopment, renewal, or neighborhood preservation and rehabilitation.

b. Provision of housing and such other uses that will be supportive of and contribute to the vitality of the Central Business District and the West Side neighborhood.

c. Protection and expansion of public access to the waterfront, and public open space amenities including attractive walkways of general utility.

d. Conservation of significant natural resources and consistency with the policies of the Connecticut Coastal Area Management Act.

e. Establishment of a public pedestrian district connecting the Mill River and harbor with the downtown and adjacent neighborhoods.

f. Promotion of architecture and site development of design merit that makes best use of natural features, harmonizes with the pattern and scale of the Mill River Greenbelt Corridor, remains compatible with the surrounding architecture and pattern of development, and is generally consistent with the Mill River Greenbelt Corridor Design Guidelines.

g. Provision of dwelling units at below market rates.

1. Criteria for Designation of a Mill River District. In order to qualify for consideration as a MRD Mill River District, the proposed site shall be within the Mill River Corridor boundary as referenced on the Zoning Map and the area generally described below, with a minimum of fifty (50) feet of frontage on a public street, and shall be comprised of land zoned R-5, RMF, R-H, C-N, C-L or C-G. (202-15)

General Boundary Description: The Mill River District is generally bounded to the south by I-95, to the east by Washington Boulevard, to the west by Greenwich Avenue, West Main Street, Mill River Street, Schuyler Avenue and Adams Avenue, and to the north by West Broad Street. The northerly boundary extends to the northerly limit of the UCONN parking garage and the limit of Master Plan Category 5 immediately north of West Broad Street and those properties included within Master Plan Amendment #381. The westerly boundary extends to those properties included within Master Plan Amendment #368 and #370. (205-36)

2. Permitted Uses. In the Mill River Design District, the following uses may be approved when the Board determines such uses to be appropriate:

a. All uses permitted as-of-right or by Special Exception in the R-MF district.

b. Hotel, Residential

c. Neighborhood Commercial – neighborhood commercial and/or Professional Office uses may be approved on the ground floor only. For the purposes of this Section, neighborhood commercial shall include all uses permitted in the C-N zone.

3. Development Standards. Unless otherwise provided in Subsection 7 below, the following standards shall apply to the development of property within the Mill River Design District: (214-27)

a. Residential Density. The maximum residential density in the MRD District shall be determined by the Zoning Board based on the size, dimensions, topography and physical features of the land and the required dedication of waterfront public access and the desirable orientation and height of proposed buildings. Residential density shall not exceed seventy-five (75) dwelling units per acre (580 square feet of lot area per dwelling unit) prior to disposition of open space, provided that on parcels intended for redevelopment by, for, or in cooperation with the Stamford Housing Authority, non-profit housing developers and/or the City of Stamford (the "City") as residences for low or moderate income elderly and/or disabled persons, residential density shall not exceed one hundred and twenty-five (125) units per acre (350 square feet of lot area per dwelling unit). (205-29; 205-53)

b. Below Market Rate Dwelling Units. All projects shall satisfy the Below Market Rate (BMR) standards as set forth in Subsection 5.

c. Non-Residential Uses. Non-residential uses shall not exceed a Floor/Area Ratio of 0.30 and shall not unnecessarily intrude upon or adversely impact adjacent residential uses.

d. Usable Open Space. A minimum of one hundred (100) square feet of usable open space per dwelling unit shall be provided on the lot, suitably located and designed to meet the needs of the residents of the premises, provided that there shall be no minimum requirement for dwelling units intended for low or moderate income elderly and/or disabled persons developed by, for, or in cooperation with the Stamford Housing Authority, non-profit housing developers and/or the City of Stamford. (214-27)

e. Building Coverage. The total area occupied by principal structures shall not exceed sixty percent (60%) of the site. Portions of parking structures and other accessory structures, whether attached or free-standing, may cover an additional twenty-five percent (25%) of the site provided such structures do not exceed twenty-five (25) feet above average grade (excluding parapet walls) and are suitably screened from pedestrian views. Above-grade parking floors and parking structures shall be screened from pedestrian view by a suitable combination of active uses, landscaping and architectural screens or solid panels, and shall be setback from adjacent waterfront public access areas a distance not less than the height of the parking structures.

f. Building Setbacks. Building setbacks shall satisfy the following standards: front yard setback: 5 feet; side yard setback: 10 feet; rear yard setback: 20 feet. (214-27)

g. Parking Requirements. The parking standards of Section 12-D of the Regulations shall apply, except as otherwise provided for herein. There shall be a minimum residential off-street parking requirement of one and one-quarter (1.25) spaces for each residential unit, or one space for every three (3) dwelling units reserved for occupancy primarily for elderly, special needs, handicapped or disabled persons with income less than 50% of the Area Median Income. Parking for non-residential uses shall be subject to determination by the Zoning Board and may be shared where the hours of the use of stalls would not be in conflict. The potential for shared use of parking stalls shall constitute an additional standard for consideration of parking reduction. Required parking may be provided off-site provided a determination is made by the Zoning Board that the location and availability of said parking is satisfactory. (202-15)

h. Building Height. Building height in the MRD District shall be determined by the Zoning Board based on the location, size, dimensions, and topography of the land, the proximity to waterfront public access, and the existing and planned architectural scale of other buildings within the immediate vicinity. Building height shall not exceed eight (8) stories or ninety (90) feet, and shall be limited to three (3) stories or forty (40) feet for that portion of any building immediately adjacent to dedicated public open space along the Mill River. Building height shall be consistent with the Stamford Mill River Corridor study and the Stamford Mill River Corridor Design Guidelines which recommend generally that building height not exceed six stories fronting on the east side of Clinton Avenue, four stories fronting on the west side of Clinton Avenue, and five stories to the west of the Mill River. Special building height standards for C-G zoned sites are provided in subsection 7.

4. Site Design and Architectural Criteria: Development within the MRD District shall conform to the site plan review standards of Section 7.2 and the coastal site plan review standards and policies of Section 7-T of these Regulations, Stamford Mill River Greenbelt Corridor Design Guidelines, and the following additional standards:

a. Mitigation of Environmental Impact. Appropriate measures shall be taken to mitigate environmental impacts to coastal resources through sensitive design and implementation of best available technologies and methods for controlling pollutant discharges from the site

b. Public Access to the Waterfront. Public access shall be insured through the dedication of real property or a permanent easement area encompassing the area of land necessary to accommodate the Mill River Park Riverwalk improvements as shown on the Mill River Park Middle Corridor Plan also known as The Mill River Collaborative Project Plan provided however that the easement area shall not be wider than 70 feet measured from the mean high water mark. Said dedication or easement shall be executed and delivered prior to issuance of a Building Permit. The limits of the public access area shall be subject to final determination by the Zoning Board to insure that the land is suitable and usable for its intended purpose. Within the dedicated public access area, improvements shall be designed and constructed to provide for passive recreation and enjoyment by the general public, with due consideration of public safety and the efficient movement of anticipated pedestrian traffic. Public access improvements shall be designed in conformance with standards and specifications as adopted by the Zoning Board establishing the required dimensions and materials of public walkways and approved lighting fixtures, benches, trash receptacles, landscape materials, and related fixtures and improvements. Improvements within the public access area shall be designed to link smoothly with existing and/or planned public access facilities on adjoining property or terminate safely at the point where continuation of such facilities cannot be reasonably anticipated. Private use areas and vehicular traffic and parking adjacent to the waterfront public access area shall be sensitively designed to minimize disruption or adverse impact.

c. Preservation and Enhancement of Visual Resources. The design, placement, arrangement, setback, height and bulk of buildings and structures and related site improvements shall serve to protect and enhance the quality of principal public views of the Mill River and associated public open spaces and establish attractive streetscapes within all public and private rights-of-way.

d. Signage. Signage for non-residential uses shall be determined by the Zoning Board, as deemed appropriate to the project design, location and uses, and shall not exceed the standards of the C-N District set forth in Section 13-F of these Regulations. Signage for residential uses shall be limited to wall signage and shall not exceed a total of 60 square feet, subject to review by the Zoning Board. (214-27)

e. Lighting. The intensity, location, height, design and arrangement of outside lighting shall be appropriate to the use and the needs for safety and security while avoiding direct glare on any other lot and avoiding hazards to traffic on any street. Streetscape lighting and lighting within public access areas shall be consistent with adopted City standards.

f. Landscaping. All areas of the tract not devoted to buildings, structures or other designed uses shall be suitably landscaped to the satisfaction of the Board. Landscaping shall be designed, provided and permanently maintained, consistent with the Stamford Mill River Corridor Design Guidelines and the protection of adjacent uses and neighborhoods.

g. Other Governmental Approvals. When site improvements or uses require separate approval by other municipal, state or federal units of government, evidence shall be submitted to the satisfaction of the Board demonstrating the capacity to attain such approvals in a timely manner. When issuance of any significant approvals is in question, the Board, in its sole discretion, may determine the application to be incomplete and may require evidence of such approval to accompany the application. Any approval outside the jurisdiction of the Zoning Board that becomes a condition of approval shall be subject to the performance condition set forth in Subsection 7 below.

5. Below Market Rate Dwelling Unit Requirement:

a. Unless otherwise provided in Subsection 7 below, all residential development within the MRD District shall be required to include Below Market Rate (BMR) dwelling units in an amount not less than twelve percent (12%) of the total number of residential units approved pursuant to the MRD zone change. (214-27)

b. BMR units shall be affordable to a range of household incomes, as set forth herein, and shall be provided in accordance with the standards, definitions and procedures contained within Article III, Section 7.4 of these Regulations. Not less than five-twelfths (42%) of the BMR units shall be affordable to households earning not more than twenty-five percent (25%) of the Stamford Area Median income. Not less than one-third (33%) of the BMR units shall be affordable to households earning not more than fifty percent (50%) of the Stamford Area Median income. The balance of the BMR units shall be affordable to households earning not more than sixty percent (60%) of the Stamford Area Median income.

*Example: [Proposed dwelling units] 100 x .12 =12 required BMR units*
*5 BMR units at 25% of median income,*
*4 BMR units at 50% of median income, and*
*3 BMR units at 60% of median income.*

c. When a portion of the BMR requirement is satisfied through the payment of a cash contribution, not less than five-twelfths (42%) of the BMR units to be constructed on site shall be affordable to households earning not more than twenty-five percent (25%) of the Stamford SMSA median income. (203-15)

6. <u>Non-Contiguous Land Parcels.</u> Within the MRD District, the Zoning Board may, in its sole discretion, authorize two or more non-contiguous parcels of residentially zoned land that are owned in common to be considered merged for purposes of determining permitted residential density. In the aggregate, the parcels of land shall be not less than 30,000 square feet in area. A joint application for MRD District designation and joint application for approval of site and architectural plans and requested uses shall be filed for all affected parcels and reviewed concurrently, subject to approval by the Zoning Board pursuant to the standards and procedures of the MRD District. In approving such applications, the Zoning Board shall make a finding that the proposal is consistent with the Master Plan for the Mill River Greenbelt Corridor, provided that residential density shall not be increased by more than 50% on any individual parcel. Any approval providing for the joint development of separate sites shall be implemented with a suitable easement or covenant, enforceable by the City of Stamford, and duly noted on the Zoning Map.

7. Special Residential Development Standards (216-24)

In order to encourage the redevelopment of land within the Mill River Corridor for residential purposes and the expeditious construction of public access improvements, the special standards set forth in (b) below shall apply to parcels that meet at least one of the following criteria in (a):

a. Parcels that are (i) zoned C-G for at least 50% of their development site area or (ii) directly adjacent to the Rippowam River and jointly developed with a non-contiguous site (separated only by a street) that is zoned C-G for at least 50% of its development site area or (iii) where at least 75% of the site is currently used for nonconforming commercial purposes and will be brought into conformity with the proposed development.

b. Special Standards

(i) Commercial use shall not exceed a Floor Area Ratio of 0.30 and shall be limited to ground floor retail and service uses accessible to the general public.

(ii) The total Floor Area Ratio for all uses shall not exceed three and one-half (3.5) for C-G zoned sites and jointly developed sites defined under subsection 6 above, and two (2.0) for sites with a nonconforming commercial use that will be brought into conformity with the proposed development, excluding ground floor retail and service uses and resident amenity space and excluding portions of parking structures that do not exceed twenty-five (25) feet above grade (excluding parapet walls) or are fully integrated within the principal structure and are suitably screened from pedestrian views.

(iii) Building height shall not exceed 125 feet.

(iv) The total area occupied by principal structures shall not exceed sixty-five percent (65%) of the site. Portions of parking structures and other accessory structures may cover up to an additional twenty percent (20%) of the site, as described in subsection 3(e) above. When parking structures are fully integrated within the principal structure and suitably screened from pedestrian views, the total area occupied by all structures shall not exceed eighty-five percent (85%).

(v) All projects shall satisfy the Below Market Rate (BMR) standards set forth in Article III, Section 7.4 of these Regulations and shall provide not less than nine percent (9 %) of the total number of dwelling units as BMR units affordable to households earning not more than fifty percent (50%) of the Area Median Income. At the time of Final Site Plan approval, at the discretion of the Zoning Board, the number and affordability of BMR units may be modified consistent with the standards of Section 7.4-C-4(f) of these Regulations. (210-18)

(vi) Following Special Exception approval from the Zoning Board, the residential off-street parking requirement may be reduced to one (1) parking space for each residential unit of two bedrooms or less and one and one-quarter (1.25) spaces for each residential unit of three bedrooms or more. Any application for this Special Exception shall include a Parking Management Plan and may include parking management strategies including, but not limited to, valet, tandem, vehicle elevator, and/or stacked vehicles. (214-27)

(vii) On sites that are within 500 feet of open space/public parks in the Mill River Corridor Boundary, no additional open space is required on the lot. (214-27)

(viii) There shall be no required front yard or side yard setback provided the average sidewalk width for all street frontages is a minimum of 10 feet. However, on a site specific basis, the Zoning Board may increase the required setbacks to 5 feet in the front yard and 10 feet in the side yard for sites within the ARD after considering the relationship of yard requirements and separation of structures on the site to each other with the objective of assuring adequate light, open space, screening, landscape, safety and privacy for existing and proposed dwelling units, and overall urban design considerations. The requirements of Article III, Section 7-K of these Regulations shall not apply. (214-27)

Application Review Procedures. An application for MRD District designation shall only be considered simultaneously and in common with an application for General Development Plans, and subsequent or simultaneous approval of Final Site Plans, in conformance with the review and application procedures of Section 9AAAA-7 and 8, except that references to DWD shall be construed as references to MRD. When a project consists of a single phase and General Development Plan approval and Final Site Plan approval are considered simultaneously, separate General Architectural Plans as described in Section 9AAAA-8-b-4 are not required. Where a Mill River Corridor Project Plan has been adopted, an application for MRD District designation and approval of General Development Plans shall be referred to the reviewing authority for consistency with the adopted Mill River Corridor Project Plan in the same manner and procedure as a referral to the Stamford Planning Board. A MRD designation proposal disapproved by the reviewing authority may be approved by the Zoning Board only by an affirmative vote of not less than four (4) members. Significant modifications of an approved MRD General Development Plan shall only be considered by petitioning the Zoning Board to rezone the property to the original underlying zone, coupled with a separate request to rezone the property to MRD and approve the amended General Development Plan. Failure of an applicant to submit Final Plans within one year from the approval of a General Development Plan, or expiration of Final Plan approval shall be cause for the Zoning Board to rezone the property to the zoning classification that existed immediately prior to MRD designation. Provided; however, when an obligation for required public access to the waterfront is satisfied within two (2) years of General Development Approval, an approved General Development Plan shall remain in effect for five (5) years with the opportunity for up to a five (5) year extensions each not more than one year, upon timely application and good cause shown. (00-010, 214-27, 216-24)

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## ZONING BOARD CERTIFICATE

I, Thomas R. Mills, Chairman of the ZONING BOARD of the CITY OF STAMFORD, in compliance with Special Act. No 619 of the 1953 General Assembly hereby certify that on July 18, 2016 and July 21, 2016 Public Hearings were held by the ZONING BOARD on the application of:

**Appl. 216-24 – RBS Americas Property Corp & City of Stamford, Text Change**

To amend Article III, Section 9-I, Subsections 4 (Site Design and Architectural Criteria), 6 (Non-Contiguous Land Parcels), and 7 (Mixed-Use Commercial Development) as well as the Application Review Procedures of the Zoning Regulations of the City of Stamford.

*******************************************************************************
And that the following is a statement of its findings: UNANIMOUSLY APPROVED AS MODIFIED at its meeting held on August 1, 2016, and the regulations will now read as follows:

4. Site Design and Architectural Criteria: Development within the MRD District shall conform to the site plan review standards of Section 7.2 and the coastal site plan review standards and policies of Section 7-T of these Regulations, Stamford Mill River Greenbelt Corridor Design Guidelines, and the following additional standards:

...

b. Public Access to the Waterfront. Public access shall be insured through the dedication of real property or a permanent easement area encompassing the area of land necessary to accommodate the Mill River Park Riverwalk improvements as shown on the Mill River Park Middle Corridor Plan also known as The Mill River Collaborative Project Plan provided however that the easement area shall not be wider than 70 feet measured from the mean high water mark. Said dedication or easement shall be executed and delivered prior to issuance of a Building Permit. The limits of the public access area shall be subject to final determination by the Zoning Board to insure that the land is suitable and usable for its intended purpose. Within the dedicated public access area, improvements shall be designed and constructed to provide for passive recreation and enjoyment by the general public, with due consideration of public safety and the efficient movement of anticipated pedestrian traffic. Public access improvements shall be designed in conformance with standards and specifications as adopted by the Zoning Board establishing the required dimensions and materials of public walkways and approved lighting fixtures, benches, trash receptacles, landscape materials, and related fixtures and improvements. Improvements within the public access area shall be designed to link smoothly with existing and/or planned public access facilities on adjoining property or terminate safely at the point where continuation of such facilities cannot be reasonably anticipated. Private use areas and vehicular traffic and parking adjacent to the waterfront public access area shall be sensitively designed to minimize disruption or adverse impact.

Note: Balance of section 4 to remain unchanged.

6. <u>Non-Contiguous Land Parcels.</u> Within the MRD District, the Zoning Board may, in its sole discretion, authorize two or more non-contiguous parcels of land, separated only by a street, that are owned in common to be considered merged for purposes of determining permitted residential density, Floor Area Ratio and building coverage. In the aggregate, the parcels of land shall be not less than 30,000 square feet in area. A joint application for MRD District designation and joint application for approval of site and architectural plans and requested uses shall be filed for all affected parcels and reviewed concurrently, subject to approval by the Zoning Board pursuant to the standards and procedures of the MRD District. In approving such applications, the Zoning Board shall make a finding that the proposal is consistent with the Master Plan for the Mill River Greenbelt Corridor, provided that total residential density, including density permitted in accordance with subsection 7-a below, shall not exceed 108 units per acre and Floor Area and building coverage shall not be increased by more than fifteen percent (15%) over what would otherwise be permitted on any individual parcel. Any approval providing for the joint development of separate sites shall be implemented with a suitable easement or covenant, enforceable by the City of Stamford and filed on the City of Stamford Land Records.

7. <u>Special Residential Development Standards</u>

In order to encourage the redevelopment of land within the Mill River Corridor for residential purposes and the expeditious construction of public access improvements, the special standards set forth in (b) below shall apply to parcels that meet at least one of the following criteria in (a):

a. Parcels that are (i) zoned C-G for at least 50% of their development site area or (ii) directly adjacent to the Rippowam River and jointly developed with a non-contiguous site (separated only by a street) that is zoned C-G for at least 50% of its development site area or (iii) where at least 75% of the site is currently used for nonconforming commercial purposes and will be brought into conformity with the proposed development.

b. Special Standards

(i) Commercial use shall not exceed a Floor Area Ratio of 0.30 and shall be limited to ground floor retail and service uses accessible to the general public.

(ii) The total Floor Area Ratio for all uses shall not exceed three and one-half (3.5) for C-G zoned sites and jointly developed sites defined under subsection 6 above, and two (2.0) for sites with a nonconforming commercial use that will be brought into conformity with the proposed development, excluding ground floor retail and service uses and resident amenity space and excluding portions of parking structures that do not exceed twenty-five (25) feet above grade (excluding parapet walls) or are fully integrated within the principal structure and are suitably screened from pedestrian views.

(iii) Building height shall not exceed 125 feet.

(iv) The total area occupied by principal structures shall not exceed sixty-five percent (65%) of the site. Portions of parking structures and other accessory structures may cover up to an additional twenty percent (20%) of the site, as described in subsection 3(e) above. When parking structures are fully integrated within the principal structure and suitably screened from pedestrian views, the total area occupied by all structures shall not exceed eighty-five percent (85%).

Note: Balance of section 7 to remain unchanged.

Application Review Procedures An application for MRD District designation shall only be considered simultaneously and in common with an application for General Development Plans, and subsequent or simultaneous approval of Final Site Plans, in conformance with the review and application procedures of Section 9AAAA-7 and 8, except that references to DWD shall be construed as references to MRD. When a project consists of a single phase and General Development Plan approval and Final Site Plan approval are considered simultaneously, separate General Architectural Plans as described in Section 9AAAA-8-b-4 are not required. Where a Mill River Corridor Project Plan has been adopted, an application for MRD District designation and approval of General Development Plans shall be referred to the reviewing authority for consistency with the adopted Mill River Corridor Project Plan in the same manner and procedure as a referral to the Stamford Planning Board. A MRD designation proposal disapproved by the reviewing authority may be approved by the Zoning Board only by an affirmative vote of not less than four (4) members. Significant modifications of an approved MRD General Development Plan shall only be considered by petitioning the Zoning Board to rezone the property to the original underlying zone, coupled with a separate request to rezone the property to MRD and approve the amended General Development Plan. Failure of an applicant to submit Final Plans within one year from the approval of a General Development Plan, or expiration of Final Plan approval shall be cause for the Zoning Board to rezone the property to the zoning classification that existed immediately prior to MRD designation. Provided; however, when an obligation for required public access to the waterfront is satisfied within two (2) years of General Development Approval, an approved General Development Plan shall remain in effect for five (5) years with the opportunity for up to a five (5) year extensions each not more than one year, upon timely application and good cause shown.

Effective date of this decision: Aug 16, 2016

THOMAS R. MILLS, CHAIRMAN

Thomas R. Mills

ZONING BOARD, CITY OF STAMFORD, CT

Dated at the City of Stamford, CT, this 16th date of August, 2016