

**APPRAISAL REPORT
AND
VALUATION ANALYSIS**

PROPERTY:

Map 45, block 48-2, lot 15
Map 45, block 48-2, lot 16AA
Millbrook Road
Middletown, Connecticut 06457

BELONGING TO:

Map 45, block 48-2, lot 15
The Estate of Lewis B. Daniels, Jr.
Map 45, block 48-2, lot 16AA
Dorothea S. Schwarzkopk, Trustee

PREPARED FOR:

James S. Sipperly
Planning-Environmental Specialist
Planning, Conservation and Development
245 DeKoven Drive
Middletown, Connecticut 06457

PREPARED BY:

**CHARLES M. BURR
GENERAL CERTIFIED
REAL ESTATE APPRAISER
16 W.F. PALMER ROAD
P.O. BOX 193
MOODUS, CONNECTICUT 06469**

PREFACE

The subject properties are raw parcels of land to be appraised as open space, no improvements are to be included.

**Charles M. Burr
Certified General Appraiser
Certification Ct. RCG93**

May 22, 2000

James S. Sipperly
Planning-Environmental Specialist
Planning, Conservation and Development
245 DeKoven Drive
P.O. Box 1300
Middletown, Connecticut 06457

Dear Mr. Sipperly:

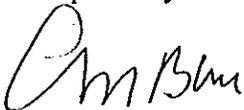
In accordance with your request for an estimate of the market value of the unencumbered fee simple title to the property located at Map 45, Block 48-2, lot 15, Map 45, Block 48-2, lot 16AA, Millbrook Road, Middletown, Ct. 06457, belonging to The Estate of Lewis B. Daniels, Jr. and Dorothea S. Schwarzkopk, Trustee, I have personally inspected the subject property and have made a careful and detailed analysis of all factors pertinent to the estimate of value.

The accompanying report contains the results of my investigation and analysis.

In my opinion, the market value of the subject property as of May 22, 2000 is:

Map 45, block 48-2, lot 15 = \$540,000
Map 45, block 48-2, lot 16AA = \$558,000

Respectfully submitted,



Charles M. Burr
Real Estate Appraiser
Ct. RCG93

CMB/ko

OFFICE (860) 873-2011 FAX (860) 873-8396
16 W.F. Palmer Road, P.O. Box 193, Moodus Connecticut 06469

CERTIFICATION OF VALUE

I, the undersigned, do hereby certify that I have personally inspected the property located at:

**MAP 45, BLOCK 48-2, LOT 15, MAP 45, BLOCK 48-2 LOT 16AA,
MILLBROOK ROAD, MIDDLETOWN, CT. 06457**

To the best of my knowledge and belief, the statements of fact contained in this report and upon which the opinions herein are based are true and correct, subject to the assumptions and limiting conditions explained in this report.

Employment in and compensation for making this appraisal are in no way contingent upon the value reported, and I certify that I have no interest, either present or contemplated, in the subject property. I have no personal interest or bias with respect to the subject matter of the appraisal report or the involved.

This appraisal report identifies all of the limiting conditions affecting the analysis, opinions, and conclusions contained in this report.

In my opinion, the subject property has a value representative of market conditions on May 22, 2000 of:

Map 45, block 48-2, lot 15 = \$540,000
Map 45, block 48-2, lot 16AA = \$558,000



Charles M. Burr
Real Estate Appraiser
Ct. RCG93

DESCRIPTION

IDENTIFICATION OF THE PROPERTY

The subject properties are located on the westerly side of Millbrook Road, Town of Middletown, County of Middlesex, and State of Connecticut 06457.

The properties are identified on the Middletown Assessor's map 45, block 48-2 lot 15 and Assessor's map 45, block 48-2, lot 16AA. The properties are further identified in the Middletown Town Clerk's Office in volume 1223, page 454 and volume 1212, page 414.

The properties consist of two parcels of land, lot 15, 77.2 acres and lot 16AA, 101.45 acres.

PURPOSE OF APPRAISAL

The purpose of this appraisal is to estimate the market value of the unencumbered fee simple title to the properties described above as of May 22, 2000. The purpose is to appraise the subject properties as vacant land; no improvements are to be included.

This appraisal conforms to the "Uniform Standards of Professional Appraisal Practice" standard #2, section 1, summary appraisal report.

THE SCOPE OF THE APPRAISAL

The scope of the appraisal is defined to mean, "the extent of the process of collecting, confirming and reporting data".

In this particular situation, the subject's property records were researched in the Middletown Town Hall to include the Assessor's Office, Town Clerk's Office, and the Building Department. Mr. Burr inspected the property.

In addition, the appraiser researched sales data of similar properties in Middletown and surrounding towns. Various sales were found, as are cited in the body of this report.

The intent of this report is provided in summary fashion, utilizing public records and information on file in this office.

DEFINITION OF 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:

- (i) Buyer and seller are typically motivated:

- (ii) Both parties are well informed or well advised and acting in what they consider their best interests;
- (iii) A reasonable time is allowed for exposure in the open market;
- (iv) Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto;
- (v) 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.

LIMITING CONDITIONS

The legal description furnished to me is assumed to be correct. I assume no responsibility for matters legal in character, nor do I render an opinion as to the title, which is assumed to be good. Unless otherwise stated, all existing liens and encumbrances have been disregarded and the property is appraised as though free and clear. The sketch in this report is included to assist the reader in visualizing the property. I have made no survey of the property and assume no responsibility in connection with such matters. I believe to be reliable, the information which was furnished to me by others, but I assume no responsibility for its accuracy. Possession of the report, or a copy thereof, does not carry with it right of publication, nor may it be used for any purpose by any but the applicant without the previous written consent of the appraiser and then only the proper qualification. The distribution of the total valuation in this report between land and improvements applies only under the existing program of utilization. The separate valuations for land and building must not be used in conjunction with any other appraisal and are invalid if so used.

STATE DATA

The State of Connecticut is the southernmost state in New England. Connecticut is bordered on the east by Rhode Island, north by Massachusetts, west by New York, and south by Long Island Sound.

It's economy since the industrial revolution has been based on industrial production, with financial services contributing additional incomes. Family farms are almost nonexistent, with only a few remaining in the rural areas. Connecticut, over the past thirty years has become dependent on revenues from military weapons and systems. Connecticut's past heavy reliance on defense production has created many clouds on the states economic horizon. On the brighter side, many of Connecticut's more affluent suburban towns, Greenwich, Darien, Westport, New Canaan, Avon, and Farmington, have some of the highest per capita incomes in the nation and bring substantial revenue to the state coffers. Unique environmental resources, such as Long Island Sound, offer appealing living conditions, attracting upper and middle managers. Yale University, Wesleyan

University, Trinity College, Connecticut College and the United States Coast Guard Academy are among the schools located in the state, which bring educational and research facilities to the population and the business community in particular. Hartford, Connecticut has been recognized as the leading insurance center of the country and its financial operation have made it a stable revenue.

Connecticut along with other states in New England, has suffered from the affects of considerable over building in the real estate fields, during the mid 1980's, purchasing power was unable to support the sale of real estate whose prices had increased dramatically in the expansion cycle, and then the contraction phase set in. At present, property values in most towns have stabilized. The trend is positive with hopes for an improving future.

The outlook for the state's economy will be influenced by its major industries ability to diversify into non-defense production capabilities. Challenges that exist in the educational and financial environment could lead to opportunities for additional growth if Connecticut can capitalize on its excellent quality of life and can demonstrate it to global industries and smaller entrepreneurial business. Over the past year residential real estate sales and housing starts have increased, supply and demand for residential real estate is in balance and residential prices have stabilized. Commercial and industrial real estate have now stabilized.

TOWN DATA

Middletown, Connecticut is located in Middlesex County. It is bordered to the south by the towns of Haddam and Durham, west by Middlefield, Meriden, and Berlin, and north by the towns of Portland and East Hampton, which are accessible via the Route 66 Bridge. The city is located within central lowlands of the Connecticut River Valley and approximated the geographic center of the State. Middletown contains an area of 42.9 square miles and has an estimated population of 42,000.

Interstate 91 and Connecticut Route 9, both of which are major limited access highways, with Interstate 91 located along the westerly boundary of town, service Middletown. Nearby Route 9 borders the Connecticut River, passing north toward Hartford and south to the Connecticut shoreline. Other major Connecticut roadways servicing the neighborhood include Connecticut Route 17, running from New Haven to Portland through Middletown, Connecticut Route 372, running from Middletown to Torrington, and Connecticut Route 66, connecting downtown Middletown and points east with Interstate 91 to the west.

Community transportation facilities include the Middletown Transit District, Greyhound and Trailways bus service-connecting Middletown with Hartford, and Amtrak rail transportation to New York and Boston from a nearby Meriden Station. Air transportation is available either from Bradley International Airport, located 28 miles north of Middletown, or Tweed New Haven Airport, located 30 miles south of the community.

Middletown has thirty places of worship serving all denominations. There are public elementary schools, a public high school, public middle schools, three parochial schools, and two parochial high schools. The city is the location of Wesleyan University, one of the nation's top twenty higher education institutions. Middlesex Memorial Hospital a fully accredited 400-bed facility is located within the central business district.

In addition, Middletown is the banking and retail center for Middlesex County. Middletown is known for its insurance field boasting Middlesex Mutual, a fast expanding company, and Aetna's huge Employee Benefits Division complex.

NEIGHBORHOOD DATA

The subject neighborhood is located in the south central section of Middletown just north of the Durham town line. The neighborhood is bordered on the north by Kelsey Street, south by the Durham town line, east by Chamberlain Hill Road and west by Arbutus Street.

The neighborhood is an established residential neighborhood with new and existing homes ranging in market value from \$120,000 - \$350,000.

The neighborhood has a country flare with a past agriculture influence. The market values are stable with supply and demand in balance.

The major roadways through the neighborhood are Millbrook Road, Livingston Road, Chamberlain Hill Road and Margarite Road Extension. The neighborhood is a desirable residential sector of Middletown.

SITE DATA

Map 45, block 48-2, lot 15:

The subject parcel is approximately 77.2 acres situated on the westerly side of Millbrook Road and fifty front feet on Margarite Road Extension. The parcel is level and rolling with some ledge and wetlands. There are open and wooded sectors. Old stonewalls are visible.

The subject parcel is encumbered by mineral rights by lease. In my opinion these rights do not have an adverse affect on the subject market value as defined in this appraisal.

Map 45, block 48-2, lot 16AA:

The subject parcel is 101.45 acres situated on the westerly side of Millbrook Road. There is approximately 150 front feet on Millbrook Road. The parcel is rolling and sloping with ledge, wooded areas, open areas and old stonewalls. Utilities include electricity and telephone. Wells and septic systems are needed for development.

One story industrial style building, which includes a garage, shop and office. The construction is concrete block, built in 1925 and in average condition. There is 1152 sq.ft. Of shop, 2176 sq.ft. Of garage space and 384 sq.ft. of office space.

ZONING

Residential R-60, minimum lot area- 60,000 square feet, minimum lot width-200 front feet, minimum lot depth-300 front feet. The subject properties are not located in a flood hazard zone, Map 0900680007B, Zone X, date 7/16/90.

ASSESSMENT & TAX DATA

Map 45, block 48-2, lot 15 \$8,110
Map 45, block 48-2 lot 16AA \$19,170

The above assessments are appraised as open space, the present Millage rate is 32.22, taxes are relevant.

HIGHEST AND BEST USE

Highest and best use is defined as:

The reasonably probable use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum profitability.

The highest and best use of land or a site as though vacant is specified as: Among all reasonable, alternative uses, the use that yields the highest present land value, after payment are made for labor, capital, and coordination. The use of a property based on the assumption that the parcel of land is vacant or can be made vacant by demolishing any improvements.

The definition associated with highest and best use of a property as improved is: The use that should be made of a property, as it exists. An existing property should be renovated or retained as is so long as it continues to contribute to the total market value of the property, or until the return from a new improvement would more than offset the cost of demolishing the existing building and construction of a new one.

In determining highest and best use when a site contains improvements, the highest and best use may be different from the existing use. The current or existing use will be considered the highest and best use until the value of the land component, as vacant and available, exceeds the value of the property as currently improved plus the cost associated with removing the existing structures, in order to arrive at a conclusion of highest and best use, as both vacant and as improved, the appraiser addressed the elements affecting the utilization of the subject property. That is, the physically possible, legally permissible, financially feasible, and maximally productive use which will result in the

highest and best use. In this analysis, the appraiser will consider these elements sequentially to arrive at the conclusion. The reason for this is that a use must first be physically possible and legally permissible before it can be financially feasible and maximally productive. The highest and best use is vacant land.

VALUATION PREMISE

There are three generally recognized approaches to value, which may be used in estimating the value of real estate. In this appraisal, I will use one due to valuation of vacant land to be used as open space.

DIRECT SALES COMPARISON APPROACH

“Direct Sales Comparison Approach – That approach in appraisal analysis which is based on the proposition that an informed purchaser would pay no more for a property than the cost to him of acquiring an existing property with the same utility. In the sales comparison approach, the subject property is compared to similar properties that have been sold recently or for which listing prices or offering figures are known. Data for generally comparable properties are used and comparisons are made to demonstrate a probable price at which the subject property would be sold if offered on the market”.

In this appraisal, the sales comparison approach will be used to determine the market value.

VALUATION

**DIRECT SALES COMPARISON APPROACH
MARKET DATA ANALYSIS**

MARKET DATA ANALYSIS-SUBJECT ACREAGE
Map 45, block 48-2, lot 15

<u>Item</u>	<u>Subject</u>	<u>Comp #1.</u>	<u>Comp #2.</u>	<u>Comp #3.</u>	<u>Comp #4.</u>
Map	45	15	118	17	21
Lot	15	43	5	27	23
Property Location	Millbrook Rd Middletown	Brich Mill Killingworth	Blue Hills Durham	Haddam Quarter Durham, Ct.	Young Street East Hampton
Sales price	NA	\$235,000	\$275,000	\$370,000	\$255,000
Sale/Finance Concessions	NA	None Known	None Known	None Known	None Known
Sale date	5/22/00	5/9/98 +11,800	12/22/99	7/9/99	5/11/98 +12,800
Location Zone	Good Resid	Inferior Resid +63,100	Equal Resid	Equal Resid	Inferior Resid +67,000
Parcel size	77.2 ac	63.1 ac	33.44 ac	52.31 ac	67.04 ac
Utility Topography	Average rolling Sloping	Inferior sloping +63,100	Equal rolling sloping	Equal rolling sloping	Equal rolling sloping
Frontage	Town Rd.	Town Rd.	Town Rd.	Town Rd.	Town Rd.
Utilities Available	Electric telephone	electric telephone	electric telephone	electric telephone	electric telephone
Net Adjustment	NA	+74,900	NA	NA	+79,800
Indicated Value per acre	NA	\$4,900	\$8,200	\$7,000	\$5,000

**DIRECT SALES COMPARISON
RECONCILIATION**

Map 45, block 48-2, lot 15 Millbrook Road, Middletown, Connecticut

Subject 77.2 acres @ \$7,000 per acre = \$540,400

**INDICATED MARKET VALUE OF SUBJECT PARCEL
AS OF MAY 22, 2000 IS: (ROUNDED)**

**FIVE HUNDRED FORTY THOUSAND DOLLARS
(\$540,000.00)**

A 5% time adjustment was made for comparable sales sold in 1998.

A location adjustment of \$1,000 per acre was used for comparable #4.

A topography adjustment of \$1,000 per acre was used for comparable #1.

Final market value was based on Analyzation of comparable sales.

MARKET DATA ANALYSIS-SUBJECT ACREAGE
Map 45, block 48-2, lot 16 AA

<u>Item</u>	<u>Subject</u>	<u>Comp #1.</u>	<u>Comp #2.</u>	<u>Comp #3.</u>	<u>Comp #4.</u>
Map	45	15	118	17	21
Lot	16AA	43	5	27	23
Property Location	Millbrook Rd Middletown	Brich Mill Killingworth	Blue Hills Durham	Haddam Quarter Durham, Ct.	Young Street East Hampton
Sales price	NA	\$235,000	\$275,000	\$370,000	\$255,000
Sale/Finance Concessions	NA	None Known	None Known	None Known	None Known
Sale date	5/22/00	5/9/98 +11,800	12/22/99	7/9/99	5/11/98 +12,800
Location Zone	Good Resid	Equal Resid	Equal Resid	Equal Resid	Inferior Resid +67,000
Parcel size	101.45 ac	63.1 ac	33.44 ac	52.31 ac	67.04 ac
Utility Topography	Average rolling Sloping	Inferior sloping +63,100	Equal rolling sloping	Equal rolling sloping	Equal rolling sloping
Frontage	Town Rd.	Town Rd.	Town Rd.	Town Rd.	Town Rd.
Utilities Available	Electric telephone	electric telephone	electric telephone	electric telephone	electric telephone
Net Adjustment	NA	+74,900	NA	NA	+79,800
Indicated Value per acre	NA	\$4,900	\$8,200	\$7,000	\$5,000

**DIRECT SALES COMPARISON
RECONCILIATION**

Map 45, block 48-2, lot 16AA, Millbrook Road, Middletown, Connecticut

Subject 101.45 acres @ \$5,500 per acre = \$557,975

**INDICATED MARKET VALUE OF SUBJECT PARCEL
AS OF MAY 22, 2000 IS: (ROUNDED)**

(\$558,000.00)

A 5% time adjustment was made for comparable sales sold in 1998.

A location adjustment of \$1,000 per acre was used for comparable #4.

A topography adjustment of \$1,000 per acre was used for comparable #1.

Final market value was based on Analyzation of comparable sales.

FINAL RECONCILIATION

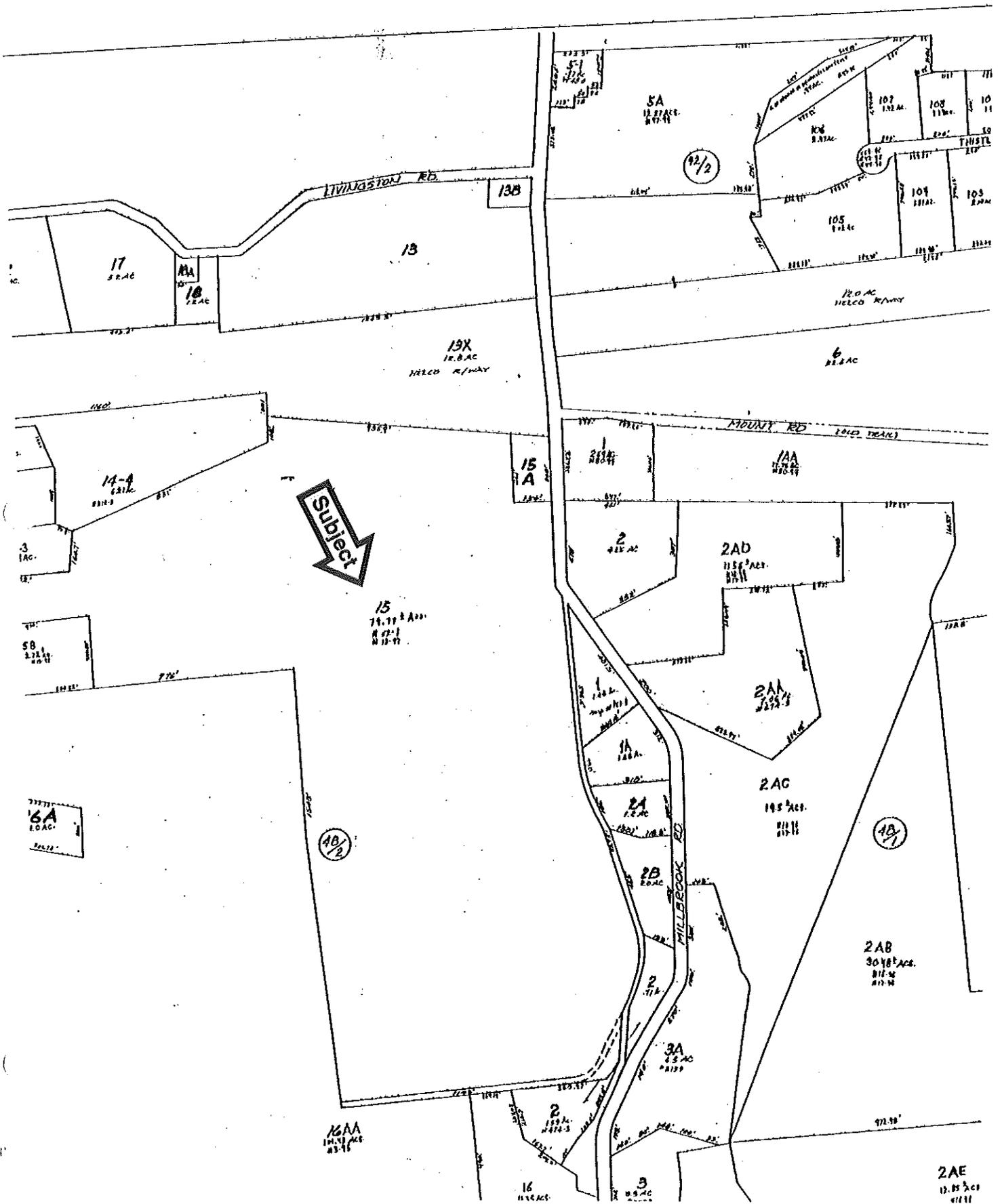
The indicated market value of the subject properties as of May 22, 2000 by the direct sales comparison.

Map 45, block 48-2, lot 15.	\$540,000
Map 45, block 48-2, lot 16AA.	\$558,000

1. Marketing time for the subject property, if placed on the open market for sale would be 9-12 months.
2. This appraisal assignment was not based on a requested minimum valuation of a specific valuation or the approval of a loan.
3. No personal property was included in this report.
4. Uniform Standards of Professional Appraisal Practice was followed.
5. There is no evidence of a sales contract on subject property at present.

ADDENDA

ASSESSORS MAP #15



Subject

40/2

42/2

40/1

17
5.2 AC

18
1.2 AC

13

19X
12.8 AC
HELCO R/WAY

14-A
6.1 AC

15
A

15
74.11 AC
M 11-11
M 11-11

6A
1.0 AC

15
A

1AA
10.2 AC

2AD
11.5 AC
B 11-11

2AC
10.5 AC
B 11-11

2AB
30.48 AC
B 11-11
B 11-11

2AE
13.85 AC
B 11-11

5A
12.2 AC
M 11-11

107
1.2 AC

108
1.1 AC

109
1.1 AC

105
1.1 AC

106
1.1 AC

107
1.1 AC

108
1.1 AC

109
1.1 AC

12.0 AC
HELCO R/WAY

6
2.2 AC

MOUNT RD
10.0 AC DEAN

1
2.8 AC

2
4.1 AC

2AA
10.2 AC
B 11-11

1A
1.2 AC

2A
1.2 AC

2B
1.2 AC

3A
2.5 AC
B 11-11

2
1.2 AC

3
2.5 AC

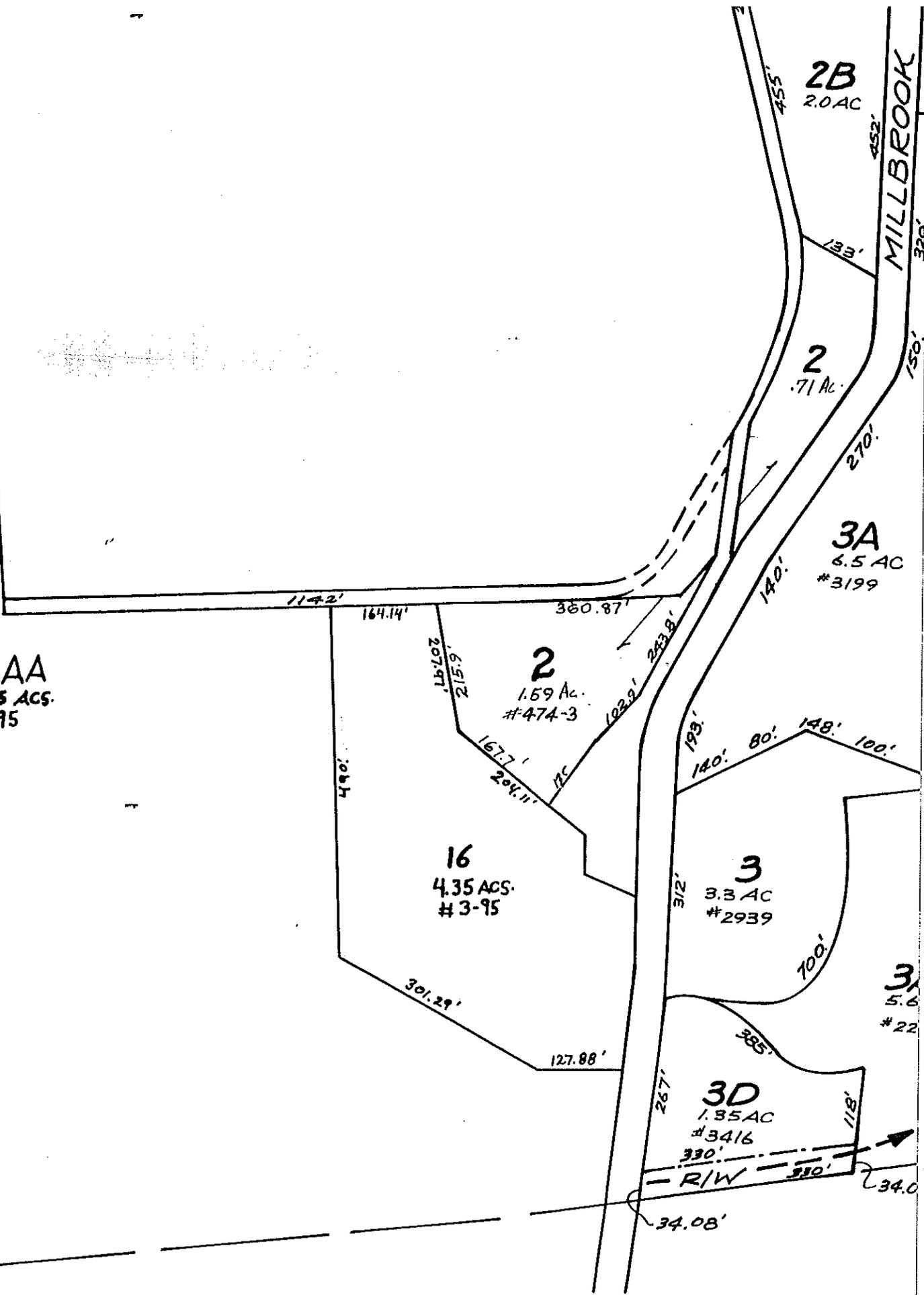
16
1.2 AC

16AA
1.2 AC
B 11-11

ASSESSORS MAP #16AA



16AA
101.45 ACS.
#3-95



1172'

164.14'

360.87'

2

1.59 Ac.
#474-3

15.10'
215.9'

1677'
204.11'

102.9'

253.8'

140.0'

3A

6.5 AC
#3199

140.0' 80.0' 148.0' 100.0'

16

4.35 ACS.
#3-95

490.0'

301.29'

127.88'

193.0'

3

3.3 AC
#2939

700.0'

312.0'

3B

5.6 AC
#22

3D

1.35 AC
#3416

330.0'

R/W

34.08'

34.0'

2B

2.0 AC

455.0'

2

.71 Ac.

133.0'

452.0'

270.0'

150.0'

MILLBROOK

SUBJECT DEED #15

To all People to Whom these Warrants shall Come, Greeting:

KNOW Ye, That I, MAY N. HARVEY, of the Town of Middletown, County of Middlesex, and State of Connecticut,

for the consideration of One (1) Dollar and other valuable considerations,

received to my full satisfaction of LEWIS B. DANIELS, JR. and JANET B. DANIELS, husband and wife, both of the said Town of Middletown, in said County and State,

do give, grant, bargain, sell and confirm unto the said Louis B. Daniels, Jr. and Janet B. Daniels as joint tenants and not as tenants in common, and unto the survivor of them, and unto such survivor's heirs and assigns forever :

Three (3) certain pieces or parcels of land, together with buildings and improvements thereon, located in the Town of Middletown, County of Middlesex, and State of Connecticut, being more particularly bounded and described as follows:

FIRST PIECE: Containing about Sixty-five (65) Acres, more or less, bounded:

- NORTHERLY partly by land now or formerly of Samuel Longworth and partly by land now or formerly of Daniel Lee and partly by land now or formerly of Robert Tryon;
- EASTERLY by highway;
- SOUTHERLY partly by old highway, partly by land now or formerly of the Samuel B. Daniels Estate, and partly by land now or formerly of Robert Tryon; and
- WESTERLY partly by land now or formerly of Daniel Lee.

SECOND PIECE: A certain tract of land situated in Middletown in the Johnson Lane District called the Anthony Lot and containing Ten (10) Acres, more or less, bounded:

- NORTHERLY by land now or formerly of Daniel Lee and land now or formerly of Edward Harvey;
- EASTERLY by land now or formerly of Edward Harvey;
- SOUTHERLY by land now or formerly of Edward Harvey and land now or formerly of Daniel Bros.; and
- WESTERLY by highway.

The above First Piece and Second Piece being the same premises conveyed by Warranty Deed from Edwin K. Harvey to Ira K. Harvey, dated April 6, 1927, and recorded in the Middletown Land Records at Volume 174, Page 218.

The First Piece and Second Piece above described are conveyed subject to a 99-year Lease to take sand and gravel from said premises, as of record appears.

THIRD PIECE: A certain piece or parcel of land situated in the District formerly known as the Johnson Lane District of said Middletown and described as the Second Piece of a certain deed recorded at Volume 189, Page 646 of the Middletown Land Records.

SUBJECT DEED #16AA

STATUTORY FORM
QUIT CLAIM DEED

DOROTHEA S. SCHWARZKOPF, of the City of Middletown, County of Middlesex and State of Connecticut, for consideration grants to DOROTHEA S. SCHWARZKOPF, TRUSTEE of the DOROTHEA S. SCHWARZKOPF LIVING TRUST, of the City of Middletown, County of Middlesex and State of Connecticut, with QUIT CLAIM Covenants:

A certain piece or parcel of land situated partly in the Town of Middletown, and partly in the Town of Durham in the County of Middlesex and State of Connecticut, and more particularly bounded and described as follows:

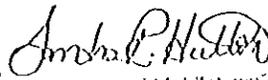
Northerly by land now or formerly of Edwin Harvey in part and in part by old highway, Easterly by highway formerly known as Johnson Lane Highway, but now known as Millbrook Road, in part and in part by another highway; Southerly by land now or formerly of James Longworth; and Westerly by land now or formerly of James Longworth in part and in part by land now or formerly of Lewis Baldwin and in part by land now or formerly of Walter and Robert Johnson, or however otherwise bounded and described as a record may appear; and containing 130 acres, more or less; and being the same premises conveyed to the Grantor herein by Warranty Deed to Agatha Miceli, dated June 7, 1944, and recorded in the Middletown Land Records in Volume 204, Page 645.

Excepting therefrom, a certain piece or parcel of land, together with the buildings and improvements thereon situated in the City of Middletown, County of Middlesex and State of Connecticut, conveyed to Erika A. Schwarzkopf, being shown and designated on the map entitled: "RESUBDIVISION PROPERTY OF DOROTHEA S. SCHWARZKOPF, MIDDLETOWN, CT. SCALE 1"=40", OCT. 28, 1994." and being more particularly bounded and described as follows:

Beginning at an iron pipe on the westerly side of Millbrook Road, which point marks the southeasterly corner of the herein described parcel and running thence in southwesterly direction S 85° 50' 36" W a distance of 127.88 feet to an iron pipe; thence running in a northwesterly direction N 61° 55' 44" W a distance of 301.29 feet to an iron pipe; thence running in a northerly direction N 00° 00' 00" E a distance of 490.53 feet to an iron pin; thence running in a northeasterly direction N 81° 46' 51" E a distance of 157.28 feet; thence running in a northeasterly direction N 75° 51' 55" E a distance of 6.86 feet; thence running in a southeasterly direction S 15° 29' 30" E a distance of 7.94 feet to an iron pipe; thence running in a southeasterly direction S 15° 29' 30" E a distance of 207.97 feet to an iron pipe; thence running in a southeasterly direction S 63° 42' 37" E a distance of 204.11 feet to an iron pipe; thence running in a southwesterly direction S 11° 42' 47" W a distance of 30.68 feet to an iron pipe; thence running in a southeasterly direction S 37° 49' 11" E a distance of 37.32 feet to an iron pipe; thence curving to the left along Millbrook Road a length of 300.00 feet with a radius of 720 feet to an iron pipe which marks the point or place of beginning, containing 4.35 acres as shown on said map.

Also excepting therefrom the premises conveyed from Grantor herein by Warranty Deed to Brian G. Walsh and Joy Walsh, dated May 6, 1976, and recorded in the Middletown Land Records in Volume 463, Page 117, and the premises conveyed from the Grantor herein by Warranty Deed to William Howard and Eleanor W. Howard, recorded on June 19, 1987 in the Middletown Land Records in Volume 816, Page 222.

*No Conveyance Tax collected St-0-



ASSESSORS FIELD CARD 15

ASSESSORS FIELD CARD 16AA

TOWN LOCATION MAP

PHOTOGRAPH ADDENDUM



Subject



Street

ADDITIONAL PHOTOGRAPHS ON REVERSE SIDE

Limited Appraisal Departure Disclosure

File No. NoCost/income

This Limited Appraisal Departure Disclosure is part of a Limited Appraisal made according to the binding requirements and specific guidelines of the Uniform Standards of Professional Appraisal Practice (USPAP) as promulgated by the Appraisal Standards Board of the Appraisal Foundation. The USPAP permits departures from some sections of the USPAP that are classified as specific guidelines. The USPAP places the burden of proof on the appraiser to decide before accepting an assignment which calls for something less than, or different from, work that would otherwise be required by USPAP specific guidelines, to determine that the appraisal is not so limited as to mislead or confuse the client or other intended users of the report. The appraiser must advise the client that a Limited Appraisal may not be as reliable as a Complete Appraisal, and that the report will clearly identify and explain the departures. The client must agree that the performance of a Limited Appraisal would be appropriate.

I am satisfied that the Limited Appraisal I performed is not so limited as to mislead or confuse the client or other disclosed intended users of the report. I have indicated below those USPAP specific guidelines from which I have departed. I have prominently disclosed in the appraisal report that this is a Limited Appraisal and that I have not performed all of the items of the appraisal process for a Complete Appraisal, and that a Limited Appraisal may be less reliable than a Complete Appraisal.

INDICATE DEPARTURES AND EXPLAIN BELOW:

- Standard Rule 1-2 (a)** "adequately identify the real estate, identify the real property interest, consider the intended use of the appraisal, consider the extent of the data collection process, identify any special limiting conditions, and identify the effective date of the appraisal."
- Standard Rule 1-2 (b)** "define the value being considered: if the value to be estimated is market value, the appraiser must clearly indicate whether the estimate is the most probable price: (i) in terms of cash; or (ii) in terms of financial arrangements equivalent to cash; or (iii) in such other terms as may be precisely defined; if an estimate of value is based on sub market financing or financing with unusual conditions or incentives, the terms of such financing must be clearly set forth, their contributions to or negative influence on value must be described and estimated, and the market data supporting the valuation estimate must be described and explained."
- Standard Rule 1-2 (c)** "consider easements, restrictions, encumbrances, leases, reservations, covenants, contracts, declarations, special assessments, ordinances, or other items of a similar nature:"
- Standard Rule 1-2 (d)** "consider whether an appraised fractional interest, physical segment, or partial holding contributes pro rata on the value of the whole."
- Standard Rule 1-2 (e)** "identify and consider the effect on value of any personal property, trade fixture or tangible items that are not real property but are included in the appraisal:"
- Standard Rule 1-3 (a)** "consider the effect on use and the value of the following factors: existing land use regulations, reasonably probable modifications of such land use regulations, economic demand, the physical adaptability of the real estate, neighborhood trends, and the highest and best use of the real estate."
- Standard Rule 1-3 (b)** "recognize that land is appraised as though vacant and available for development to its highest and best use and that the appraisal of improvements is based on their actual contribution to the site:"
- Standard Rule 1-4 (a)** "value the site by an appropriate appraisal method or technique:"
- Standard Rule 1-4 (b)** "collect, verify, analyze, and reconcile: (i) such comparable cost data as are available to estimate the cost new of the improvements (if any); (ii) such comparable data as are available to estimate the difference between cost new and the present worth of the improvements (accrued depreciation); (iii) such comparable sales data, adequately identified and described, as are available to indicate a value conclusion; (iv) such comparable operating expenses data as are available to estimate the operating expenses of the property being appraised; (v) such comparable operating data as are available to estimate the operating expenses of the property being appraised; (vi) such comparable data as are available to estimate rates of capitalization and/or rates of discount."
- Standard Rule 1-4 (c)** "base projections of future rent and expenses on reasonably clear and appropriate evidence:"
- Standard Rule 1-4 (d)** "when estimating the value of a leased fee estate or a leasehold estate, consider and analyze the effect on value, if any, of the terms and conditions of the lease(s):"
- Standard Rule 1-4 (e)** "consider and analyze the effect on value, if any, of the assemblage of the various estates or component parts of a property and refrain from estimating the value of the whole solely by adding together the individual values of the various estates or component parts."
- Standard Rule 1-4 (f)** "consider and analyze the effect on the value, if any, of anticipated public or private improvements, located on or off the site, to the extent that market actions reflect such anticipated improvements as of the effective appraisal date:"
- Standard Rule 1-4 (g)** "identify and consider the appropriate procedures and market information required to perform the appraisal, including all physical, functional, and external market factors as they may affect the appraisal:"
- Standard Rule 1-4 (h)** "appraise proposed improvements only after examining and having available for future examination; (i) plans, specifications, or other documentation sufficient to identify the scope and character of the proposed improvements; (ii) evidence indicating the probable time of completion of the proposed improvements; and (iii) reasonable clear and appropriate evidence supporting development costs, anticipated earnings, occupancy projections, and the anticipated competition at the time of completion:"
- Standard Rule 1-4 (i)** "all pertinent information in terms (a) through (h) above shall be used in the development of an appraisal:"

Departure Explanations Cost approach and income approach not valid.

DEFINITION OF 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, 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 each acting in what he considers his own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of 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^a granted by anyone associated with the sale.

Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these cost in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgment.

CERTIFICATION AND STATEMENT OF LIMITING CONDITIONS

CERTIFICATION: The Appraiser certifies and agrees that:

1. The Appraiser has no present or contemplated future interest in the property appraised; and neither the employment to make the appraisal, nor the compensation for it, is contingent upon the appraised value of the property.
2. The Appraiser has no personal interest in or bias with respect to the subject matter of the appraisal report or the participants to the sale. The "Estimate of Market Value" in the appraisal report is not based in whole or in part upon the race, color, or national origin of the prospective owners or occupants of the property appraised, or upon the race, color or national origin of the present owners or occupants of the properties in the vicinity of the property appraised.
3. The Appraiser has personally inspected the property, both inside and out, and has made an exterior inspection of all comparable sales listed in the report. To the best of the Appraiser's knowledge and belief, all statements and information in this report are true and correct, and the Appraiser has not knowingly withheld any significant information.
4. All contingent and limiting conditions are contained herein (imposed by the terms of the assignment or by the undersigned affecting the analyses, opinions, and conclusions contained in the report).
5. This appraisal report has been made in conformity with and is subject to the requirements of the Code of Professional Ethics and Standards of Professional Conduct of the appraisal organizations with which the Appraiser is affiliated.
6. All conclusions and opinions concerning the real estate that are set forth in the appraisal report were prepared by the Appraiser whose signature appears on the appraisal report, unless indicated as "Review Appraiser". No change of any item in the appraisal report shall be made by anyone other than the Appraiser, and the Appraiser shall have no responsibility for any such unauthorized change.

CONTINGENT AND LIMITING CONDITIONS: The certification of the Appraiser appearing in the appraisal report is subject to the following conditions and to such other specific and limiting conditions as are set forth by the Appraiser in the report.

1. The Appraiser assumes no responsibility for matters of a legal nature affecting the property appraised or the title thereto, nor does the Appraiser render any opinion as to the title, which is assumed to be good and marketable. The property is appraised as though under responsible ownership. Any sketch in the report may show approximate dimensions and is included to assist the reader in visualizing the property. The Appraiser has made no survey of the property.
3. The Appraiser is not required to give testimony or appear in court because of having made the appraisal with reference to the property in question, unless arrangements have been previously made therefor.
4. Any distribution of the valuation in the report between land and improvements applies only under the existing program of utilization. The separate valuation for land and building must not be used in conjunction with any other appraisal and are invalid if so used.
5. The Appraiser assumes that there are no hidden or unapparent conditions of the property, subsoil, or structures, which would render it more or less valuable. The Appraiser assumes no responsibility for such conditions, or for engineering which might be required to discover such factors.
6. Information, estimates, and opinions furnished to the Appraiser, and contained in the report, were obtained from sources considered reliable and believed to be true and correct. However, no responsibility for accuracy of such items furnished the Appraiser can be assumed by the Appraiser.
7. Disclosure of the contents of the appraisal report is governed by the Bylaws and Regulations of the professional appraisal organizations with which the Appraiser is affiliated.
8. Neither all, nor any part of the content of the report, or copy thereof (including conclusions as to the property value, the identity of the Appraiser, professional designations, reference to any professional appraisal organizations, or the firm with which the Appraiser is connected), shall be used for any purposes by anyone but the client specified in the report, the borrower if appraisal fee paid by same, the mortgagee or its successors and assigns, mortgage insurers, consultants, professional appraisal organizations, any state or federally approved financial institution, any department, agency, or instrumentality of the United States of any state or the District of Columbia, without the previous written consent of the Appraiser; nor shall it be conveyed by anyone to the public through advertising, public relations, news, sales, or other media, without the written consent and approval of the Appraiser.
9. On all appraisals, subject to satisfactory completion, repairs, or alterations, the appraisal report and value conclusion are contingent upon completion of the improvements in a workmanlike manner.

ENVIRONMENTAL DISCLAIMER: The value estimated is based on the assumption that the property is not negatively affected by the existence of hazardous substances or detrimental environmental conditions unless otherwise stated in this report. The appraiser is not an expert in the identification of hazardous substances or detrimental environmental conditions. The appraiser's routine inspection of and inquiries about the subject property did not develop any information that indicated any apparent significant hazardous substances or detrimental environmental conditions which would affect the property negatively unless otherwise stated in this report. It is possible that tests and inspections made by a qualified hazardous substance and environmental expert would reveal the existence of hazardous substances or detrimental environmental conditions on or around the property that would negatively affect its value.

ADDITIONAL CERTIFICATION: The appraiser further certifies that:

1. This appraisal conforms to the Uniform Standards of Professional Appraisal Practice ("USPAP") adopted by the Appraisal Standards Board of the Appraisal Foundation, except that the Departure Provision of the USPAP does not apply.
 2. Their compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value rate, the attainment of a stipulated result, or the occurrence of a subsequent event.
- This appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.

Note: The environmental disclaimer and the additional certification are neither approved nor disapproved by Freddie Mac or Fannie Mae.

Date: MAY 22, 00

Appraiser: *DMB*

Date: _____

Review Appraiser: _____
(If Applicable)