

REAL ESTATE APPRAISAL
THE FRANK RAK PROPERTY
RANDOLPH ROAD
MIDDLETOWN, CONNECTICUT

ARTHUR B.
ESTRADA
& ASSOCIATES, INC.

July 29, 1994

Ms. Alicia Lay Leuba
The Trust For Public Land
67 Batterymarch
Boston, Massachusetts 02110-3306

Re: The Frank Rak Property
Randolph Road
Middletown, Connecticut

Dear Ms. Leuba:

As you requested, we have prepared an appraisal of the above captioned property. The purpose of this appraisal was to estimate the market value of the fee simple interest in the subject property, as of July 22, 1994.

The subject property is a regularly shaped parcel of land with approximately 470 feet of frontage along the southerly side of Randolph Road, and containing approximately 17.9 acres. The site has a rolling topography, sloping generally downward from Randolph Road. The parcel consists of ponds, wetlands, older deciduous trees and significant undergrowth. Approximately 50% of the subject parcel is considered wetlands. The subject property is currently unimproved and is within a PRD (Planned Residential Zoning District.)

Based upon our analysis and investigation of the real estate market, as it affects the subject property, it is our opinion that the market value of the fee simple interest in the subject property, as of July 22, 1994 is:

SEVEN HUNDRED SEVENTY FIVE THOUSAND (\$775,000) DOLLARS

It is important to note that our estimate of value is subject to the following assumptions and limiting conditions in addition to those identified in the body of this report.

July 29, 1994

1. The foregoing estimate of value assumes a marketing time of one year or less for the subject property.

2. Our estimate of value does not reflect any possible limitations on the marketability and/or mortgaging of the property as a result of conditions governed by Connecticut Public Act 84-535 "An Act Concerning Clarification of Permits for Hazardous Waste". That is, we assume that there are no environmental conditions which would adversely affect the value of the property. Should a soil survey reveal hazardous waste on the site, we reserve the right to review and modify our estimate of value.

We further certify that to the best of our knowledge and belief the information and statements contained in this report are correct; that the value found represents our best judgment as to the total market value; that we have no personal interest present or prospective in said property or in the amount of the appraisal value thereof; that our employment or fee is not contingent upon the value reported; that the appraisal has been made in accordance with the standards and practices of the Appraisal Institute.

Respectfully submitted,

ARTHUR B. ESTRADA & ASSOCIATES, INC.

Valentine B. Chamberlain

Valentine B. Chamberlain



Arthur B. Estrada, MAI



1. View looking easterly along Randolph Road



2. View looking westerly along Randolph Road



3. View looking southeasterly from Randolph Road



4. General view of subject property looking southerly



5. General view of subject property looking northerly
from Wesley School

PURPOSE OF THE APPRAISAL

The purpose of this appraisal is to estimate the current market value of the fee simple interest in the subject property as of July 22, 1994.

As used in this report, Market Value is defined as "the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus".

Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated.
2. Both parties are well informed or well advised, and 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 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.

SCOPE OF THE ANALYSIS

As part of this assignment, we conducted an investigation of the market in the Middletown area and have completed the following items:

1. Inspected the subject property on July 22, 1994
2. Reviewed public records available in the City Assessor's office, City Clerk's office and Planning and Zoning office
3. Reviewed public records available in towns or cities regarding comparable sales and/or lease data if applicable
4. Prepared a full narrative appraisal report

IDENTIFICATION OF THE SUBJECT PROPERTY

The subject property consists of an approximately 17.9 acre parcel of land located along the southerly side of Randolph Road, Middletown, Connecticut. The overall property is identified as Lot 2 on Middletown Assessor's Map 30 Block 35-6. The subject property is currently owned by Wesleyan University.

COMMUNITY DATA

The City of Middletown is located on the west bank of the Connecticut River, mid-way between Hartford and New Haven. Neighboring towns include Cromwell and Portland to the north, East Hampton to the east, Middlefield to the southwest, and Meriden and Berlin to the west.

Middletown has a land area of 41.7 square miles and is considerably larger than surrounding communities. Much of the city's total land area is located south and west of the central business district, which is situated on the bank of the Connecticut River and roughly bisected by CT Route 66 (a.k.a. Washington Street).

Middletown's estimated population in 1992 was 42,930, reflecting a relatively high development density of 1,029 persons per square mile. Little development occurred between 1980 and 1985, during which the population decreased .1% to 39,020. However, rapid development in the late 1980's of single family subdivisions and to a greater extent, apartment and condominium complexes, has resulted in a 10% population increase between 1980 and 1990.

As a result, there has been a considerable increase in the school population, especially in grades K-8, requiring the refurbishing of several schools, including one former elementary school that was returned to active use. Also, major renovations are planned for Middletown High School. As a result of these factors as well as decreased state funding and the overall increased cost of services, Middletown has been forced to scale back or postpone funding of downtown renewal projects, which were focused on the older "north end" section of Main Street.

Middletown has seven elementary, two middle and one high school, as well as four parochial elementary and two parochial high schools. Middlesex Community College and Wesleyan University are also located there. In addition, the Vinal Regional Vocational High School is located in Middletown.

COMMUNITY DATA

As previously stated, Middletown experienced a housing boom in the late 1980's, with the bulk of new development concentrated in the Westfield district, on multi-family zoned land situated between CT Route 217 and Interstate 91. Over 2,000 new apartments and condominiums were developed here in the 1980's in addition to several large projects developed in the previous decade. As a result, the city's housing inventory has grown dramatically, as shown on the following table.

| <u>Town</u> | <u>1970</u> | <u>Housing Units</u> | | <u>12/90</u> | <u>Change</u> | |
|--------------|-------------|----------------------|--------------|--------------|--------------------|-------|
| | | <u>1980</u> | <u>12/87</u> | | <u>12/80-12/90</u> | |
| Middletown | 11,305 | 14,774 | 17,601 | 18,541 | 3,767 | 25.5% |
| Cromwell | 2,238 | 3,932 | 5,032 | 5,131 | 1,199 | 30.5% |
| Portland | 2,769 | 2,960 | 3,274 | 3,344 | 384 | 13.0% |
| East Hampton | 2,680 | 3,297 | 4,020 | 4,208 | 911 | 27.6% |
| Middlefield | 1,301 | 1,480 | 1,647 | 1,684 | 204 | 13.8% |
| Meriden | 18,352 | 22,198 | 24,751 | 25,293 | 3,095 | 13.9% |
| Berlin | 4,383 | 5,317 | 6,173 | 6,386 | 1,069 | 20.1% |

Demand for both single family and multi-family condominium housing has fallen dramatically in the 1990's, a result of oversupply and the ongoing recession in Connecticut. Renewed construction activity is expected upon a return to more favorable economic conditions although at lower levels, as the majority of land zoned for multi-family use has been developed.

Per capita income in Middletown was slightly below the average for the State of Connecticut in 1990, but above neighboring cities such as Meriden and New Britain. Neighboring suburban communities have somewhat higher income levels, as these towns are more predominantly developed with single family dwellings rather than apartments and condominiums. Per capita income levels in 1990 for Middletown and surrounding communities are shown on the following table.

1990 Per Capita Income

| <u>Town</u> | <u>Income</u> |
|--------------|---------------|
| Middletown | \$17,814 |
| Cromwell | \$20,518 |
| Portland | \$19,641 |
| East Hampton | \$19,123 |
| Middlefield | \$18,193 |
| Meriden | \$15,618 |
| Berlin | \$19,974 |

COMMUNITY DATA

Middletown is the largest city in Middlesex County, with Middletown Superior Court and numerous state agencies and hospitals located here. Total employment in Middletown was 30,940 in 1990, 5,480 of whom were employed in manufacturing. The 1990 census reports a total labor force of 25,100 in Middletown, indicating that Middletown is a net provider of jobs for the local area.

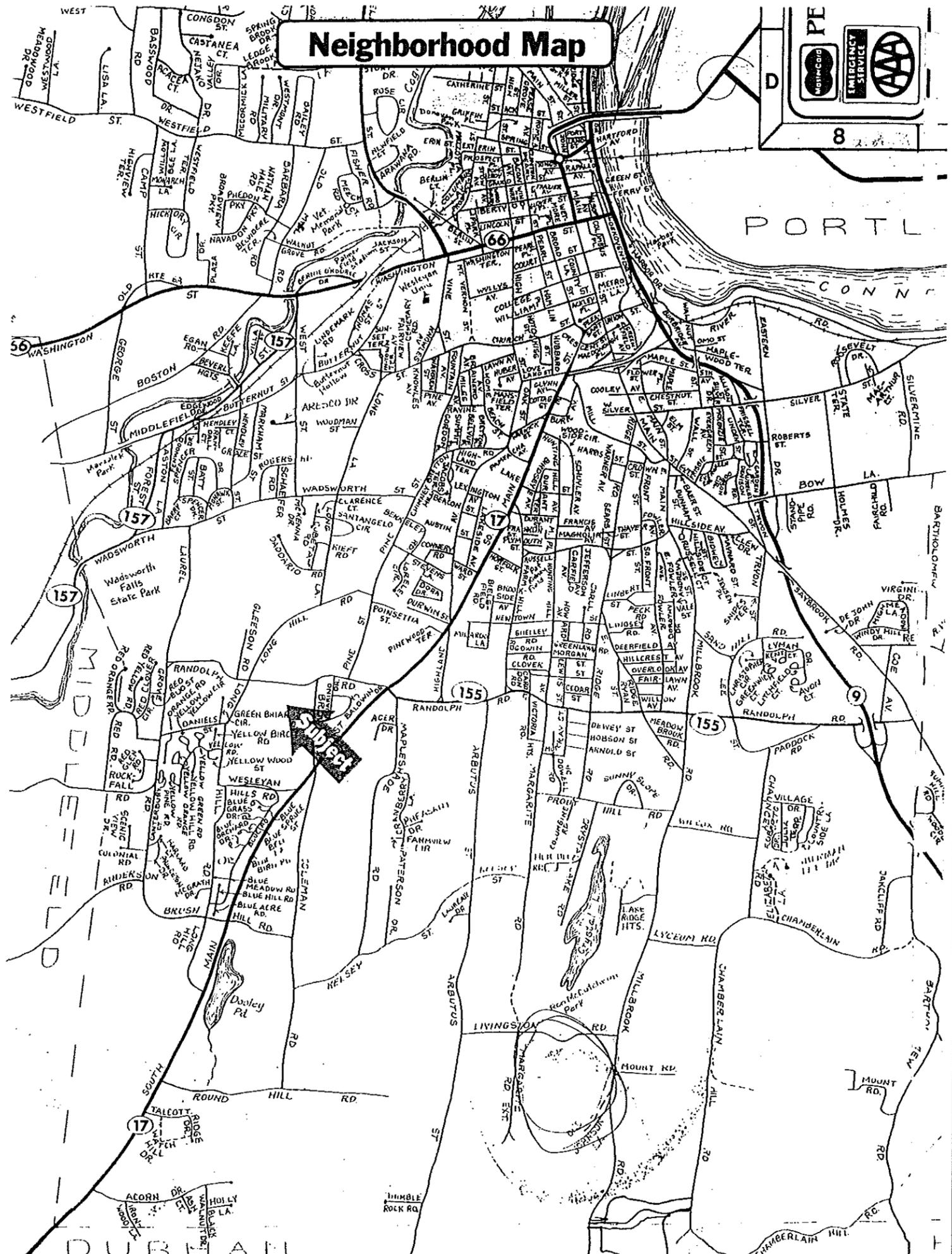
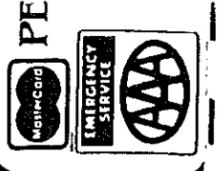
The largest employers in the city include Aetna Life and Casualty, Pratt & Whitney Aircraft, Wesleyan University, Middlesex Memorial Hospital and Connecticut Valley Hospital, each with 1,000 employees or more. Smaller concerns of 500 - 999 employees include Raymond Engineering, the City of Middletown and the State of Connecticut Dept. of Child and Youth Services. While the city has lost several firms in the last recession and employment at the Aetna facility has declined, employment at the large Pratt and Whitney facility is expected to remain fairly stable, as all production of fighter aircraft engines is to be consolidated here over the next several years.

Middletown's main industrial area is situated along Interstate 91, south of CT Route 72. With the recent completion of CT Route 9, this area has quick access to Interstate 84 in Farmington. Connecticut Route 66 and I-684 provide the city with access to I-91, Meriden and I-84 in Southington. Lastly, CT Routes 9 and 17 provide access to Durham and lower Connecticut River Valley communities.

Notwithstanding the above, access to the central business district is hampered by traffic congestion on CT Routes 9 and 66 during peak commuting times, especially for evening return traffic. Major improvements to widen and straighten CT Route 66 are scheduled for construction in the next five years.

In addition to the downtown area, there are two major shopping districts in Middletown. Washington Street (CT Route 66) is heavily developed between Thomas Street and Camp Street with commercial services, automotive related activities, fast food and full service restaurants. Also, two community shopping plazas anchored by supermarkets are located here. South Main Street between Highland and Hunting Hill Avenues is a smaller retail area developed in a similar manner. It should be noted however that older Stop & Shop and Bradlees stores formerly located here are now vacant, having been relocated to new facilities on East Main Street, opposite the subject property.

Neighborhood Map



PORTLAND

CONN

155

17

DURMAN

COMMUNITY DATA

In summary, Middletown is a diverse community offering a variety of choice in housing as well as a good level of municipal and commercial services. The central business district also functions as a regional business hub for rural communities to the east and south, with numerous offices, restaurants and services located here. Industrial areas in the northwestern sector of town have ready access to state and interstate highways. Although development in the downtown area has been restricted by traffic congestion, planned improvements should alleviate these conditions in the future. Consequently, Middletown is expected to continue to attract additional commercial and residential development upon a return to favorable economic conditions.

NEIGHBORHOOD DATA

The subject property is located in the southwesterly section of Middletown, approximately one mile north of the Durham municipal line, in an area that is predominantly residential in character. The general area surrounding the subject property has a rural/suburban density and is improved with modern and mid-life residential dwellings of varying styles. These dwellings are typically well maintained and are situated on well landscaped lots. In addition, there are some multi-unit developments in the general area including condominium complexes. The subject parcel is located along the southerly side of Randolph Road and is bordered on the east by residential dwellings and vacant land, on the south by the Wesley elementary school, on the southwest by a designated open space section of Wesleyan Hills, and on the west by an undeveloped parcel.

Connecticut Route 9, connecting Hartford and Old Saybrook, is accessible approximately two miles to the northeast. Interstate 91, connecting Hartford and New Haven, is accessible in Meriden via Route 66.

Overall, the immediate and subject neighborhood is considered to be a stable residential locale that should continue to attract quality residential improvements in the foreseeable future. Considering the fact that Middletown benefits from its proximity to Hartford and New Haven Counties and is conveniently located to various employment centers throughout central Connecticut, the subject neighborhood should continue to improve as a residential location and new residential development should take place in accordance with market conditions and demand.

SITE DATA

The subject property is a regularly shaped parcel of land with approximately 470 feet of frontage along the southerly side of Randolph Road, and containing approximately 17.9 acres. The site has a rolling topography, sloping generally downward from Randolph Road. The parcel consists of ponds, wetlands, older desiduous trees and significant undergrowth. Approximately 50% of the subject parcel is considered wetlands. The subject property is currently unimproved and is within a PRD (Planned Residential Zoning District.)

Utilities available to the site on Randolph Road include municipal water, sanitary sewers, electricity and telephone service. Randolph Road is a macadam paved thoroughfare maintained by the City of Middletown.

According to FEMA Map #090068 0013 B, dated July 16, 1990, portions of the subject property are within a flood hazard zone. A copy of the aforementioned map is included in the Addenda of this report.

ZONING

The subject property is located within the Wesleyan Hills Planned Residential Zoning District. The subject section of this PRD has been designated High Density Multi-Family and received preliminary approval for 276 units in 1968. Upon review in 1983 by the Planning and Zoning Commission, giving consideration to the wetlands in the area, the number of units given preliminary approval was reduced to 141. It is our understanding that a purchaser of the subject property would be permitted to develop the property to this approved level.

ASSESSMENT AND TAX DATA

The City of Middletown assesses real estate on the basis of 70% of value as established by the October 1, 1987 revaluation. The tax rate for the October 1, 1993 Grand List is 26.5 including fire district taxes applicable to the subject property.

| <u>Map/Block/Lot</u> | <u>Land Area</u> | <u>100% Value</u> | <u>70% Value</u> |
|----------------------|------------------|-------------------|------------------|
| 30/35-6/2 | 17.9 acres | \$161,120 | \$112,800 |

\$112,800 x .0265 (current mill rate) = \$2,989.20

HIGHEST AND BEST USE

Highest and best use is defined as:

"That reasonable and probable use that will support the highest present value, as defined, as of the effective date of the appraisal.

Alternatively, that use from among reasonably probable and legal alternative uses, found to be physically possible, appropriately supported, financially feasible, and which results in the highest land value.

The definition immediately above applies specifically to the highest and best use of the land. It is to be recognized that in cases where a site has existing improvements on it, the highest and best use may very well be determined to be different from the existing use. The existing use will continue, however, unless and until land value in its highest and best use exceeds the total value of the property in its existing use.

Implied within these definitions is recognition of the contribution of that specific use to community environment or to community development goals in addition to wealth maximization of individual property owners. Also implied is that the determination of highest and best use results from the appraiser's judgment and analytical skill, i.e.; that the use determined from analysis represents an opinion, not a fact to be found."

In any appraisal, estimating the highest and best use of the property is critical to the valuation of the real estate. Estimation of highest and best use is the focal point of the appraisal process as it incorporates the pertinent factors and trends identified in the neighborhood and regional data sections as well as in the site and improvement descriptions provided earlier. The valuation methods and development of the appropriate approaches to value which follow highest and best use are directly influenced by the analysis in this section.

The subject property is situated within a desirable residential neighborhood of a centrally located and diverse commercial, industrial and residential community. The City of Middletown experienced rapid residential expansion during the 1980's, but demand for single family and multi-family housing fell dramatically during the 1990's. There are now signs of more favorable economic conditions, and renewed market activity is expected to accompany these improvements.

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VALUATION PREMISE

In evaluating the subject property, consideration has been given to the three accepted methods of evaluating real estate.

COST APPROACH - "That approach in appraisal analysis which is based on the proposition that the informed purchaser would pay no more than the cost of producing a substitute property with the same utility as the subject property. It is particularly applicable when the property being appraised involves relatively new improvements which represent the highest and best use of the land or when relatively unique or specialized improvements are located on the site and for which there exist no comparable properties on the market."

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. This approach is applicable when an active market provides sufficient quantities of reliable data which can be verified from authoritative sources. The direct sales comparison approach is relatively unreliable in an inactive market or in estimating the value of properties for which no real comparable sales data are available. It is also questionable when sales data cannot be verified with principals to the transaction. Also referred to as the Market Comparison or Market Data Approach."

INCOME APPROACH - "That procedure in appraisal which converts anticipated benefits (dollar income or amenities) to be derived from the ownership of property into a value estimate. The income approach is widely applied in appraising income-producing properties. Anticipated future income and/or reversions are discounted to a present worth figure through the capitalization process."

Real Estate Appraisal Terminology
Appraisal Institute

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VALUATION PREMISE

Since the subject property consists of unimproved, residentially zoned land, only the Direct Sales Comparison Approach was considered applicable in this analysis. Consequently, the subject property will be evaluated based upon an analysis of sales for multiple unit sites. Due to the lack of recent sales in Middletown, we have found it necessary to consider sales in a broad geographic area. It should also be noted that there have been very few sales for these types of sites resulting from the oversupply of existing condominium units and generally widespread buyer resistance to this type of ownership. However, as previously indicated, the market appears to be improving which was also considered in this analysis.

DIRECT SALES COMPARISON APPROACH

The following sales have been analyzed and adjusted in order to estimate the value of the subject property.

LAND SALE NO. 1

| | |
|------------------------|-----------------------------------|
| Complex Name: | Pilgrim's Harbor No. 9 |
| Location: | N/S Pond Hill Road Wallingford |
| Grantor: | GTT Corporation |
| Grantee: | Paul A. Bowman, Inc. |
| Reference: | Volume: 736 Page: 125 |
| Date of Sale: | August 20, 1992 |
| Land Area: | 7.903 acres |
| Zone: | RM-11 |
| No. of Units Proposed: | 41 |
| Density: | 5.19 units/acre |
| Sale Price: | \$235,000 |
| Sale Price Per Unit: | \$5,732 |

Comments: The sale property consists of an irregularly shaped parcel of land containing 7.903 acres. The parcel is located on the north side of Pond Hill Road. The topography of the site is uneven, sloping downward from the frontage along Pond Hill Road toward the northern most portion of the site. A brook known as Allen Brook runs along the northern boundary of the parcel. In addition, there is a large pond located in the northeast corner of the property. A portion of the site surrounding the brook and pond includes designated inland/wetland soils. Also, there is a 15 foot wide sanitary sewer easement in favor of the Town of Wallingford which extends along the northerly portion of the site. All utilities are available to this site. The property has received approvals for development with 41 condominium units. Additional improvements which are located off-site as part of the larger Pilgrim's Harbor community include a semi-private golf course, which abuts the sale property to the west, as well as pool, clubhouse and tennis courts. The parcel was resold in a Quit Claim deed from Paul A. Bowman, Inc. to AMBA Realty Corp. for a recorded price of \$235,000 on August 21, 1992. This does not appear to be an arms length transfer.

Financing: None recorded

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DIRECT SALES COMPARISON APPROACH

LAND SALE NO. 2

Complex Name: Townhouses at Rivers Edge
Location: 3389, 3409 & 3429 Whitney Avenue
Hamden
Grantor: New Haven Savings Bank
Grantee: Iannini & Sons, Inc.
Reference: Volume: 1229 Page: 99
Date of Sale: May 19, 1992
Land Area: 3.7 acres
Zoning: R-4 Residential
No. of Units Proposed: 31
Density: 8.38 units/acre
Sale Price: \$395,250
Sale Price Per Unit: \$12,750

Comments: This sale consists of an irregularly shaped parcel of land situated along the easterly side of Whitney Avenue. The site contains a total area of 161,563 square feet or 3.7 acres and provides 411 feet of frontage. The site was approved for development with a five building condominium complex containing 31 units. The unit mix will include two and three bedroom townhouse style units. All public utilities are available to the site.

Financing: The sellers provided a \$1,215,000 construction mortgage at 2% above prime. Note due May 1994.

DIRECT SALES COMPARISON APPROACH

LAND SALE NO. 3

Complex Name: Oak Hill
Location: 251 North Main Street
Branford
Grantor: P.S.T., Inc.
Grantee: Frederick J. Canevari
Reference: Volume: 491 Page: 9
Date of Sale: August 27, 1990
Land Area: 9.69 acres
Zoning: R-1
No. of Units: 42
Density: 4.33 units/acre
Sale Price: \$500,000
Sale Price Per Unit: \$11,905

Comments: Approved residential condominium site with plans for 7, three story wood frame buildings containing a total of 42 units. Additional improvements will include 42 covered parking stalls and a community building. Approval was to lapse two years from approval date, if construction had not commenced, contingencies were reportedly taken prior to the sale to assure that these approvals were still valid. The property evidences an uneven and in some areas very steep topography with some bedrock and rock outcroppings. All utilities are available to the site.

Financing: Merchant's Bank and Trust Company provided \$500,000 at 7.5%. Note due in 5 years.

DIRECT SALES COMPARISON APPROACH

LAND SALE NO. 4

Location: 39-41 Ives Street,
2929, 2933, 2937, 2951
Whitney Avenue
Hamden

Grantor: PB Real Estate, Inc.

Grantee: Craig B. & Paul F. Henrici

Reference: Volume: 1239 Page: 1

Date of Sale: June 24, 1992

Land Area: 9.36 acres

Zone: R-4

No. of Units Proposed: 59

Density: 6.30 units/acre

Sale Price: \$300,000

Sale Price Per Unit: \$5,085

Comments: This sale property consists of an irregularly shaped parcel of land containing 9.36 acres of land. The parcel is located on the east side of Whitney Avenue (CT Route 10) just to the north of the Mount Carmel connector to Interstate 91. However, no ingress or egress is permitted from Whitney Avenue. The property also has 85.5 feet of frontage along the southerly side of Ives Street. The parcel is mostly wooded and is level at street grade with Whitney Avenue sloping gradually downward to the east and to Ives Street.

Financing: None recorded at time of sale

SUMMARY OF LAND SALES

| <u>Location</u> | <u>Size Acres</u> | <u>Proposed Units</u> | <u>Density Per Acre</u> | <u>Sale Date</u> | <u>Sale Price</u> | <u>Sale Price/Unit</u> |
|---|-------------------|-----------------------|-------------------------|------------------|-------------------|------------------------|
| Subject | 17.9 | 141 | 7.88 | N/A | N/A | N/A |
| 1. Pilgrim's Harbor No. 9 - N/S Pond Hill Road, Wallingford | 7.903 | 41 | 5.19 | 8/20/92 | \$235,000 | \$ 5,732 |
| 2. Townhouses at Rivers Edge 3389, 3409, 3429 Whitney Ave., Hamden | 3.70 | 31 | 8.38 | 5/19/92 | \$395,250 | \$12,750 |
| 3. Oak Hill 251 N. Main St. Branford | 9.69 | 42 | 4.33 | 8/27/90 | \$500,000 | \$11,905 |
| 4. 39-41 Ives St. 2929, 2933, 2937, 2951 Whitney Ave. Hamden | 9.36 | 59 | 6.30 | 6/24/92 | \$300,000 | \$ 5,085 |

ANALYSIS OF SALES DATA

The foregoing sales represent the prices being paid for approved high density multi-family parcels of land throughout the Middletown market area. A common unit of comparison was selected in this analysis, being the sale price per unit. This unit rate is typically recognized by the market as the manner in which approved multi-unit sites are sold.

The sales were analyzed in comparison to the subject property to reflect variations due to favorable financing where provided, date of sale, location and physical property characteristics including parcel size, shape, topography, density, availability of utilities, etc.

It is important to note that sites approved for a large number of units are typically discounted given the fact that the site will take a considerable time to sell out and as such there are greater carrying costs and risks associated with larger scale projects. All of the sales analyzed in this report are smaller than the subject and therefore require a downward adjustment accordingly.

In our opinion, neither specific percentage nor dollar adjustments can be reasonably extracted from the market data for analysis. Furthermore, buyers and sellers of this class of real estate do not perform an exact, mathematical calculation. Rather, the relative differences and similarities are weighed in analyzing the price to pay/accept for this type of property in the current market. An analysis of the relative adjustment process follows:

Sale No. 1 consists of a 7.9 acre parcel of land located along Pond Hill Road in Wallingford. No adjustment is made for financing terms. However, the grantor in this transaction is a financial institution liquidating real estate acquired through the foreclosure process and an upward adjustment is made for this factor. A downward adjustment is made for the superior location of this sale property given the proximity to a golf course and other amenities available in the Pilgrim's Harbor complex. Additionally, a downward adjustment is made to the unit rate for the smaller size of this sale project. A downward adjustment is made for the better density of this sale. Overall, the net adjustment is downward.

Sale No. 2 consists of 3.7 acre parcel of land located along Whitney Avenue in Hamden. No adjustment is made for financing terms. However, an upward adjustment is made for conditions of sale as the grantor in this transaction was a bank. A downward adjustment is made to the unit rate for the smaller size of this sale project. The sale was adjusted upward to reflect an inferior density of development. Overall, the net adjustment is downward because most weight is given to the adjustments for project size.

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ANALYSIS OF SALES DATA

Sale No. 3 consists of a 9.69 acre parcel of land located along North Main Street in Branford. A downward adjustment is made for the 100% financing provided in this transaction. Likewise, a downward adjustment is made for date of sale, as this transaction occurred during a more favorable marketing period. A downward adjustment is made to the unit rate for the smaller size of this sale project. Conversely, an upward adjustment is made for the inferior topography and configuration of this sale. A downward adjustment is made for the superior density of the sale property. Overall, the net adjustment is downward.

Sale No. 4 consists of a 9.36 acre parcel of land located along Whitney Avenue in Hamden. No adjustment is made for financing terms. However, an upward adjustment is made for conditions of sale, as the grantor in this transaction was a financial institution. A downward adjustment is made to the unit rate for the smaller size of this sale project. Conversely, an upward adjustment is made for the inferior topography and configuration of this sale. A downward adjustment was also made to reflect the better density of development in the sale project. Overall, the positive adjustments outweigh the negative and the net adjustment is upward.

After analyzing and adjusting the foregoing sales, the sales are arrayed as follows:

| <u>Sale No.</u> | <u>Address</u> | <u>No. of Units</u> | <u>Sale Price Per Unit</u> | <u>Net Adjustment</u> |
|-----------------|---|---------------------|----------------------------|-----------------------|
| 2 | Townhouses at Rivers Edge 3389, 3409, 3429 Whitney Avenue Hamden | 31 | \$12,750 | Downward |
| 3 | Oak Hill 251 N. Main St. Branford | 42 | \$11,905 | Downward |
| 1 | Pilgrim's Harbor, No. 9 N/S Pond Hill Rd. Wallingford | 41 | \$ 5,732 | Downward |
| | SUBJECT | 141 | N/A | N/A |
| 4 | 39-41 Ives St. 2929, 2933, 2937, 2951 Whitney Avenue Hamden | 59 | \$ 5,085 | Upward |

ARTHUR B.
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& ASSOCIATES, INC.

ANALYSIS OF SALES DATA

After considering all of the foregoing information, it is our opinion that the reasonable unit value range for the subject property is \$5,000 to \$6,000 per unit, with a specific unit rate of \$5,500 per unit. Consequently, the resultant market value estimate for the subject property is as follows:

141 units @ \$5,500/unit = \$775,500 (say) \$775,000

FINAL ESTIMATE OF VALUE

Since the subject property consists of unimproved land, only the Direct Sales Comparison Approach to value was considered applicable.

After reviewing all of the data in this report, it is our opinion that the market value of the subject property, as of July 22, 1994 is:

SEVEN HUNDRED SEVENTY FIVE THOUSAND (\$775,000) DOLLARS

ESTIMATED MARKETING PERIOD

The foregoing estimate of value for the subject property assumes a marketing period of one year or less. The estimated marketing period was made after reviewing the time required to sell comparable residential properties in the local market and after consulting with local brokers active in selling residential real estate.

ASSUMPTIONS AND LIMITING CONDITIONS

The following assumptions and limiting conditions apply to this appraisal.

The legal description furnished is assumed to be correct.

No responsibility is assumed for matters legal in character, nor is any opinion rendered as to title, which is assumed to be good.

The plot plan in this report, is included to help the reader to visualize the property. No survey of this land has been furnished the appraiser, and no responsibility is assumed in connection therewith.

To the best of the appraiser's knowledge and belief, the statements and opinions contained in this report are supportable. The factual data has been compiled by the appraiser from sources deemed reliable, but no responsibility is assumed for its accuracy.

We assume that there are no hidden or unapparent conditions of the property or subsoil which would render it more or less valuable than otherwise comparable property. We assume no responsibility for such conditions or for engineering which might be required to discover such things.

Disclosure of the contents of this appraisal report is governed by the By-Laws and Regulations of the Appraisal Institute of the National Association of Real Estate Boards.

Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser or the firm with which he is connected or any reference to the Appraisal Institute or to the M.A.I. or R.M. designation) shall be disseminated to the public through advertising media, public relations media, news media, sales media or any other public means of communication without the prior written consent and approval of the undersigned.

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 made previously.

The fee received for this assignment is in no manner contingent upon the estimate of value reported.

ARTHUR B.
ESTRADA
& ASSOCIATES, INC.

CERTIFICATION

I certify that,

I have personally examined the property and have examined other properties and used my best endeavors to find all possible pertinent data upon which my final value estimate has been based.

I have no present or contemplated future interest in the real estate that is the subject of the appraisal report.

I have no personal interest or bias with respect to the subject matter of this appraisal report or the parties involved.

To the best of my knowledge and belief, the statements of fact contained in this appraisal report, upon which the analyses, opinions and conclusions expressed herein are based, are true and correct.

This appraisal report sets forth all of the limiting conditions (imposed by the terms of my assignment or by the undersigned) affecting the analyses, opinions and conclusions contained in this report.

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 Institute.

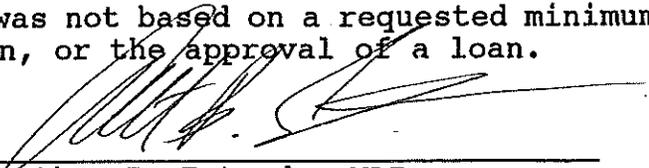
No one other than the undersigned prepared the analyses, conclusions and opinions concerning real estate that are set forth in this appraisal report.

My compensation is not contingent on an action or event resulting from the analyses, opinions, or conclusions in, or the use of, this report.

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

As of the date of this report, I, Arthur B. Estrada, MAI, SRA have completed the requirements under the continuing education program of the Appraisal Institute.

The appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.


Arthur B. Estrada, MAI

ARTHUR B.
ESTRADA
& ASSOCIATES, INC.

QUALIFICATIONS OF VALENTINE B. CHAMBERLAIN

EDUCATION

Babson College - Class of 1971
B.S. Degree, Business Administration

Appraisal Institute -

-Standards of Professional Practice - Part A & B

EXPERIENCE

-Staff Appraiser - 1991 to Present
Arthur B. Estrada & Associates - North Haven, Connecticut

Responsible for preparation of narrative commercial appraisal reports, including: physical inspections of real estate, town hall and other field research; discovery, verification, organization and analysis of sale and lease data; preparation of exhibits and report writing

Types of Appraisals: Office buildings, industrial buildings, industrial condominiums, office condominiums, business condominiums, multi-tenant commercial buildings, multi-tenant industrial incubator buildings, industrial and commercial land and residential subdivisions

-General Contractor - 1974-1991

President of own construction company

Projects ranged from custom million-dollar homes to major additions and renovations to light commercial projects

Duties included planning, estimating, bidding, negotiating, selling, scheduling, supervising and finish carpentry

QUALIFICATIONS AND EXPERIENCE OF ARTHUR B. ESTRADA, MAI, SRA

PROFESSIONAL AFFILIATIONS

Appraisal Institute

Member Appraisal Institute - MAI #5715
Connecticut Chapter #19 - President 1984
Governing Councilor - 1985-1987
Society of Real Estate Appraisers
SRA
State of Connecticut -
Certified Real Estate Appraiser - License #0190

EDUCATION

- University of Connecticut, 1965-1969, B.A.
- Various real estate related courses and seminars since 1970

INSTRUCTOR

Instructor of appraisal courses for the Appraisal Institute

EXPERIENCE

Qualified as an expert witness in Federal Court and various courts throughout Connecticut; actively engaged in appraising residential, commercial, industrial and special purpose properties; preparation of feasibility studies, land utilization studies, highest and best use analysis and investment consulting.

CLIENTS

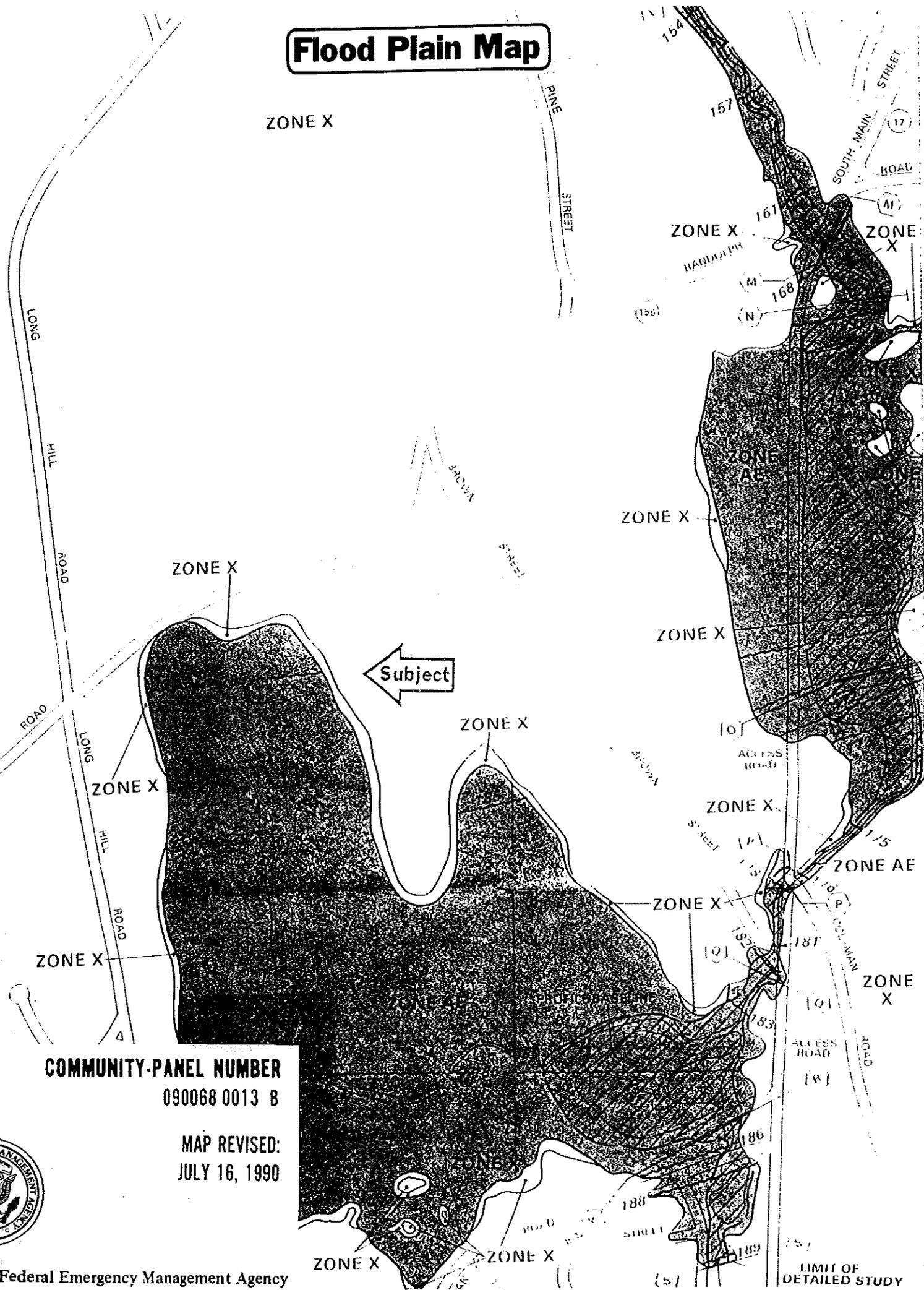
Municipalities including West Haven, New Haven, Norwalk, Seymour, Derby, East Haven, North Haven, Middletown, Franklin
Federal governmental agencies including Dept. of Housing and Urban Development, United States Postal Service
State of Conn. Agencies including Dept. of Transportation, Dept. of Commerce, Dept. of Environmental Protection, Conn. Development Authority
Lending institutions including Shawmut Bank, Bank of Boston Connecticut, New Haven Savings Bank, New England Savings Bank, Lafayette Bank, Bank of New Haven, Fleet Bank, Society for Savings, Northeast Savings, Great Country Bank, Founders Bank; various agencies of the FDIC
Major corporations including SNET CO, United Illuminating, South Central Connecticut Regional Water Authority, Sun Oil Corp., Getty Oil, Gulf & Western, Prudential Insurance Co., Atlantic Richfield
Attorneys throughout Connecticut and United States

ARTHUR B.
ESTRADA
& ASSOCIATES, INC.

A D D E N D A

Flood Plain Map

ZONE X



COMMUNITY-PANEL NUMBER

090068 0013 B

MAP REVISED:

JULY 16, 1990



Federal Emergency Management Agency

