

ZONING ANALYSIS

Cattaraugus County Information

The Cattaraugus County Comprehensive Plan Vision 2025 was adopted by the County Legislature on March 23, 2016. The focus of the Plan is to promote quality economic development and protect the positive features and resources of the County. It strives to improve coordination among the County's municipalities and also increase collaboration with regional partners and their planning efforts.

[View the latest Comprehensive Plan "Vision 2025" \(Released on March 23, 2016\)](#)

The "Vision 2025" builds upon prior planning efforts and provides an abundance of information about current conditions, trends, and issues facing the County. More importantly, it sets forth a shared set of goals and priorities for the County. The strategies were developed to help achieve the shared vision of a healthy and sustainable economy, environment, and populace. The Plan was developed with substantial public input and reflects the voice of the residents, businesses, and public leaders of the County.

Goals, Objectives, Strategies

Chapter X, The Vision for the Future, of the County Comprehensive Plan outlines the goals, objectives and strategies for the future vision of the County. Goals and objectives specifically developed for the Plan reflect, support and build upon the goals developed in the County's prior planning studies, regional plans, and public input. The strategies focus on actions under the County's control or where the County can fulfill a leadership role for other municipalities in the County. The goals, objectives, and strategies established provide the foundation of a future vision for Cattaraugus County and guidelines for County decision-making.

County Zoning & Future Land Use Designation

In the following pages are several different types of maps. First, it is interesting to note that within the County, 17 municipalities have NO Zoning ordinance whatsoever. Conversely, just 15 Towns [including the Town of Perrysburg] – as well as all cities and villages within the County have enacted zoning ordinances.

Also, the Cattaraugus County Comprehensive Plan includes a map showing the County Future Land Use categories. The subject Property is situated within a small area that has been designated as a Primary Growth Area. Normally, this means that the County would like to steer growth and development to that area, and that growth may be anticipated to occur there between the date of the Plan and 2025, the "Vision" year. However, just because the subject Property is situated within a geographical area so designated does not necessarily

mean that economic and demographic conditions can or will support future growth. Based upon all of the data presented earlier in these appraisal and marketing reports, it appears that future growth in the subject area is an optimistic designation at best rather than a certainty.

In fact, several other maps within the "Vision 2025" document and reproduced on the following pages would seem to point in the opposite direction. First, there is the Composite Agricultural District Map. The map clearly shows that, within the Town of Perrysburg – which lies within the "Northwest" Agricultural District - almost all of the lands [likely 90 percent or more] are under agricultural usage. The only exclusions appear to be the two areas in the Cattaraugus Reservation, the Town of Perrysburg, and lastly, the subject Property. A close up view of the subject Property from the Cattaraugus County GIS clearly shows that the agricultural district boundaries and the subject Property lines are one in the same.

In addition, as discussed in the following section, the subject zoning classification is primarily "AR-40" – Agricultural / Residential zoning, which is also the zoning designation for all of the Agricultural Districts. Thus, the subject property's exclusion from being in a recognized Agricultural District is undoubtedly due to its hospital use beginning in 1910 or thereabouts. Finally, other maps within the "Vision 2025" document and reproduced in this section show the area to be rural and agricultural, and having a National Land Cover Classification of predominantly Deciduous Forest coverage, with some Evergreen Forest and Pasture / Hay areas. In conclusion, these latter uses - Agricultural District and Deciduous Forest – are much more likely future land usage conditions rather than a Primary Growth Area.

Subject Zoning

In Cattaraugus County, the zoning function is the purview of the Town of Perrysburg. However, of the two Zoning Maps that follow, one was available on the Cattaraugus County GIS website, and appears to be the most current map available. The other map that is included, i.e., which we named the "Old Village Zoning Map," was obtained from a local Code Enforcement Officer. All of the maps that follow are from the County or the Town / Village [which no longer exists], and to the best of our knowledge, are the best and most recent zoning data available.

Unfortunately, repeated efforts to obtain current zoning text – and any other relevant facts and data on the JN Adam Property - from town officials over the course of several weeks were essentially fruitless. It is extremely difficult to contact anyone due to their part time status – as listed in the town Hall Business Hours on the Town website. We reached out to everyone at the Perrysburg Town Hall [by phone / voicemail and e-mail multiple times – including the Assessor, Ms. Bonnie Rae Strickland [available by phone only on the 1st, 3rd, and 4th Monday of each month – from 5:30 to 9:00 PM, but all calls went straight to voicemail], the Town Clerk, Ms. Tamara A. Utley [Saturdays from 8:30 AM to Noon and all calls went straight to voicemail], and the Town Code Enforcement Officer, Mr. Mel Shaw

[716-474-7104; mtshaw@hughes.net]. Only Mr. Shaw responded to us, but only to one short phone call and two e-mails. Several other requests for clarification and follow up data were never answered.

Following is ALL of the information that we were able to secure. As stated above, we sought out additional support and clarification, but it was either unavailable or not provided to us.

District Use and Bulk Regulations

The current zoning of the four (4) tax parcels is mixed, as shown on the Zoning Maps / GIS maps that follow. Despite repeated requests to Mel Shaw, any copy of the zoning text, or the **District Use and Bulk Regulations** was unavailable, other than the inserts that follow in this section.

- The vast majority of the lands comprising the subject Property are zoned “**AR-40**” – **Agricultural / Residential** zone, within the Town of Perrysburg - with a couple of exceptions. The “40” appears to stand for “minimum 40,000 square-foot lots when developed with a single family home.”
- As shown on the GIS Map, there is a rectangular area of land along the south side of Main Street west from Peck Hill Road that is zoned “**SR-30A**,” within the Town of Perrysburg. This is the northernmost portion of [part of Parcel 16001-1-3.1] and is the parcel that fronts along Main Street / SR 39 and includes the lands on both the eastern and westernmost sides of Hooker Hill Road, which is zoned “**SR-30A**.”
- Despite repeated requests for clarification or additional support, we were unable to obtain any information as to what “**SR-30A**” stands for, nor anything on the district use or bulk allowed in that zoning. We are assuming that **SR-30** means Suburban Residential District, which has a bulk requirement for “a minimum 30,000 square-foot lots when developed with a single family detached home.” However, we have no data on what the “A” designation means.
- Finally, the zoning for the 57 acres and JN Adam buildings was reportedly “I” - Industrial in the Village of Perrysburg, as shown on the “Old Village Zoning Map” that follows. The subject Property is labeled JN Adam School on the Village Zoning Map. However, on March 16, 2010, voters approved a referendum by a 60-9 margin, to dissolve the village into the town of Perrysburg.

According to Mr. Shaw, the old Village zoning designation was never changed for the subject Property – which is labeled as “JN Adam School.” Apparently, the “I” – Industrial zoning formerly in effect remains in effect, and the allowable uses reportedly are industrial and school uses, as well as the same allowable uses

governed by the rest of the site. Unfortunately, we could not get any other data clarified or confirmed, and at this point, this remains speculation on our part.

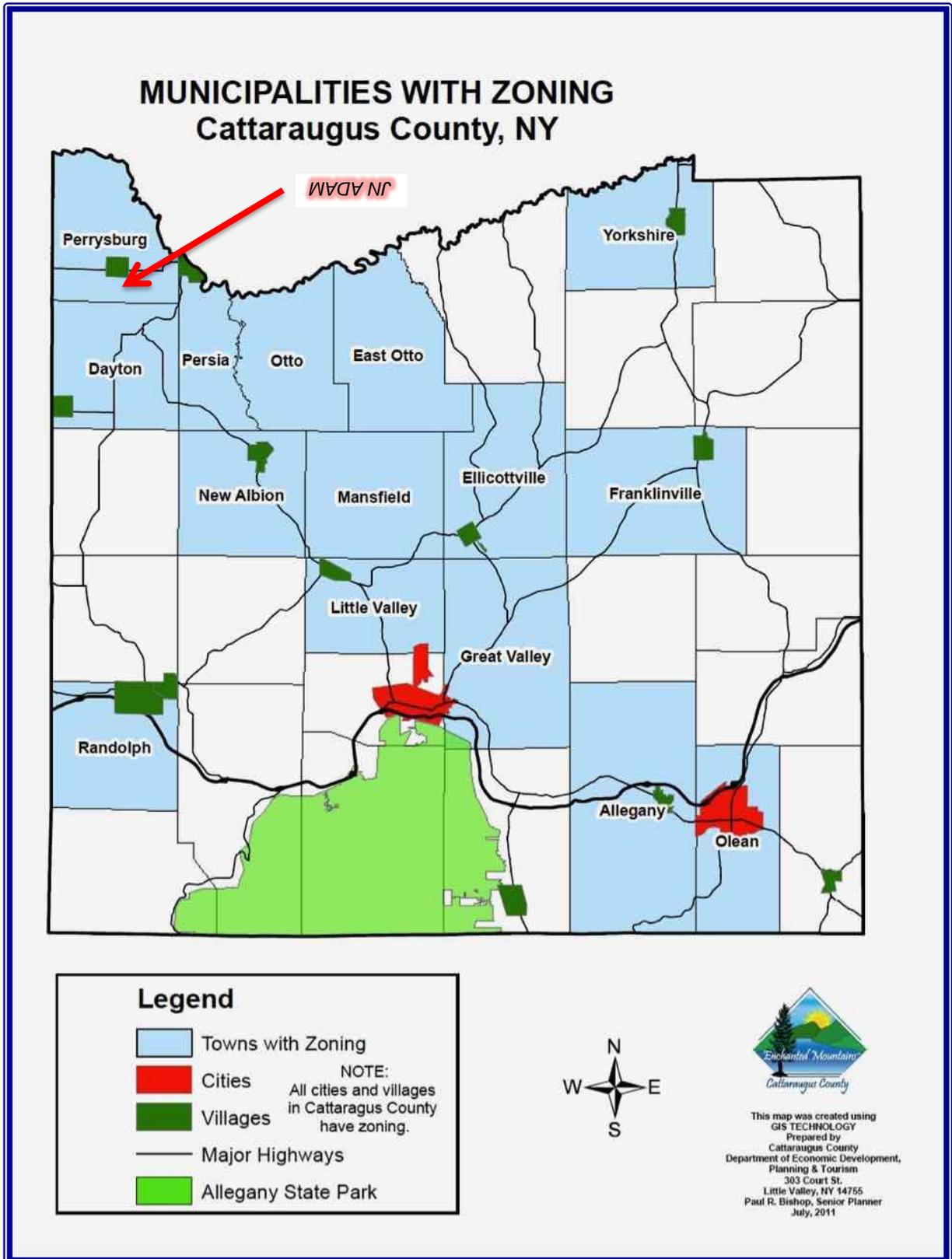
The vast majority of the subject Property will accommodate the following uses: agricultural usage, churches / religious and seminary usage, school and other educational uses, governmental facilities such as libraries, museums, fire stations and municipal buildings, municipal or state operated parks, playgrounds and recreational trails, recreational trails and parks operated by non-profit entities [by Special Exception] and single-family detached dwellings at a density of one DU per 40,000 square feet [**“AR-40”**], or a density of one DU per 30,000 square feet [**“SR-30A”**].

The site is situated in an area of very light development density, characterized by uses that are primarily single-family residential and agricultural usage, with large areas of undisturbed wooded acreage. The nearest mixed-use commercial and retail is found along Main Street NYS Route 39, and in Gowanda and Forestville.

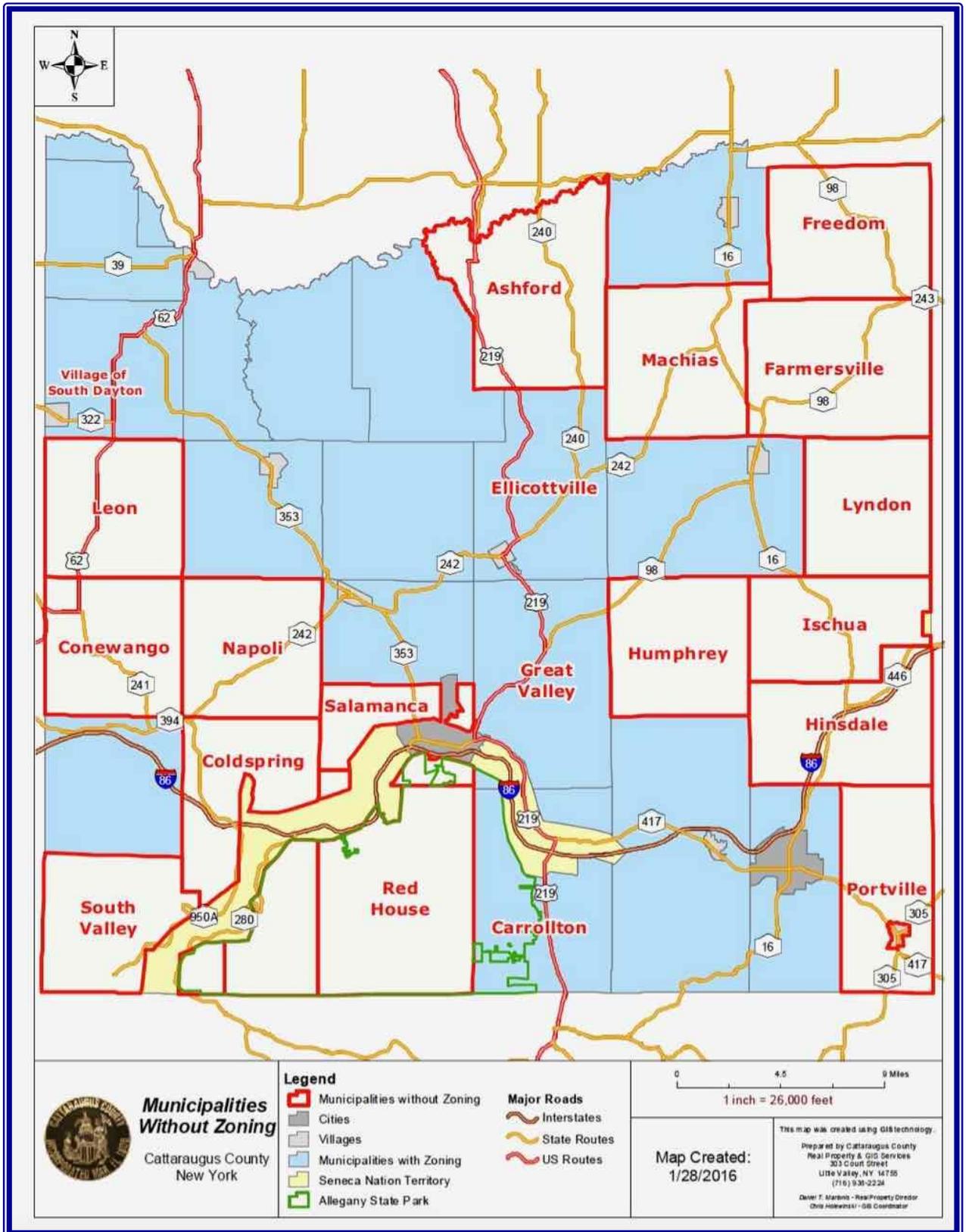
Conclusion

The best information that we have subject Property will accommodate single-family dwellings at a density of approximately on single-family detached DU per 40,000 square feet [**“AR-40”**], or a density of one DU per 30,000 square feet [**“SR-30A”**]. The subject site does not lie in a designated Historic District, nor is the site subject to any Landmarks Preservation requirements. No moratoriums are known to exist in the area. All public utilities are available to the site. There are no known legally restrictive declarations recorded on the subject property. Our valuation is based on the premise that there are no adverse easements or encroachments. We have not been advised of the presence of any deed restrictions that may restrict the use of the Property. Further, we have not made a title search for deed restrictions nor are we qualified to render a title search.

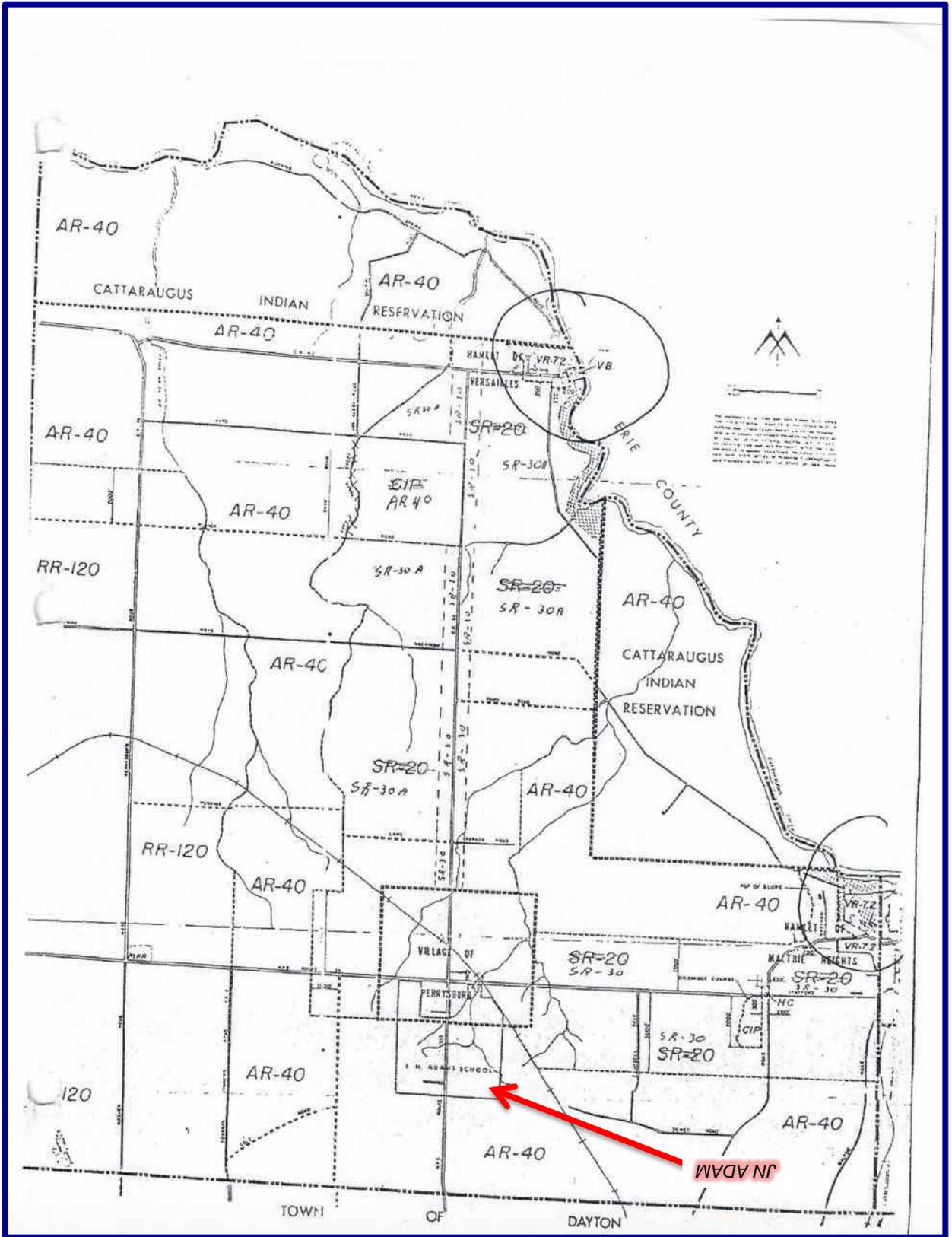
MUNICIPALITIES WITH ZONING IN CATTARAUGUS COUNTY



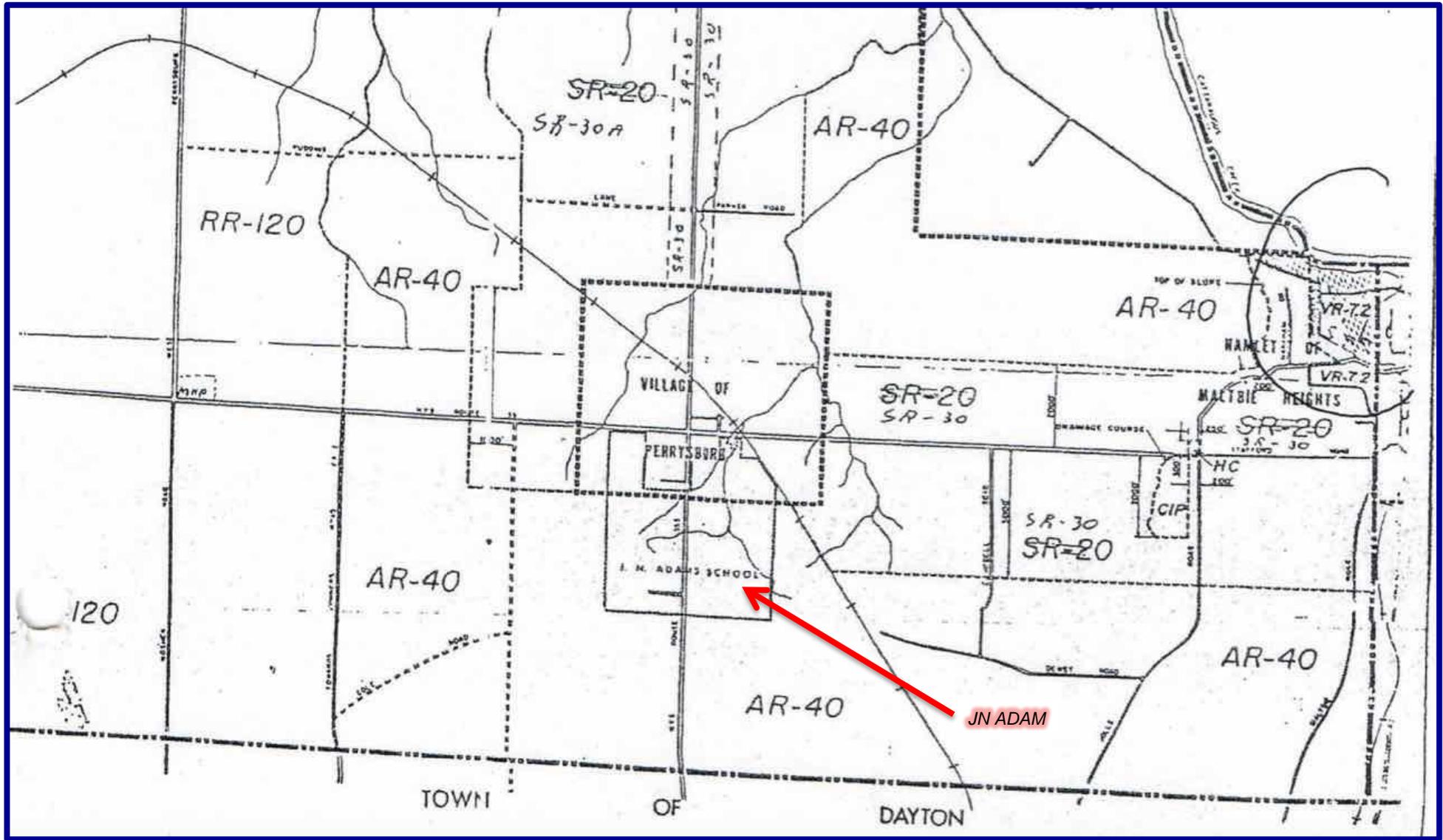
MUNICIPALITIES WITHOUT ZONING IN CATTARAUGUS COUNTY



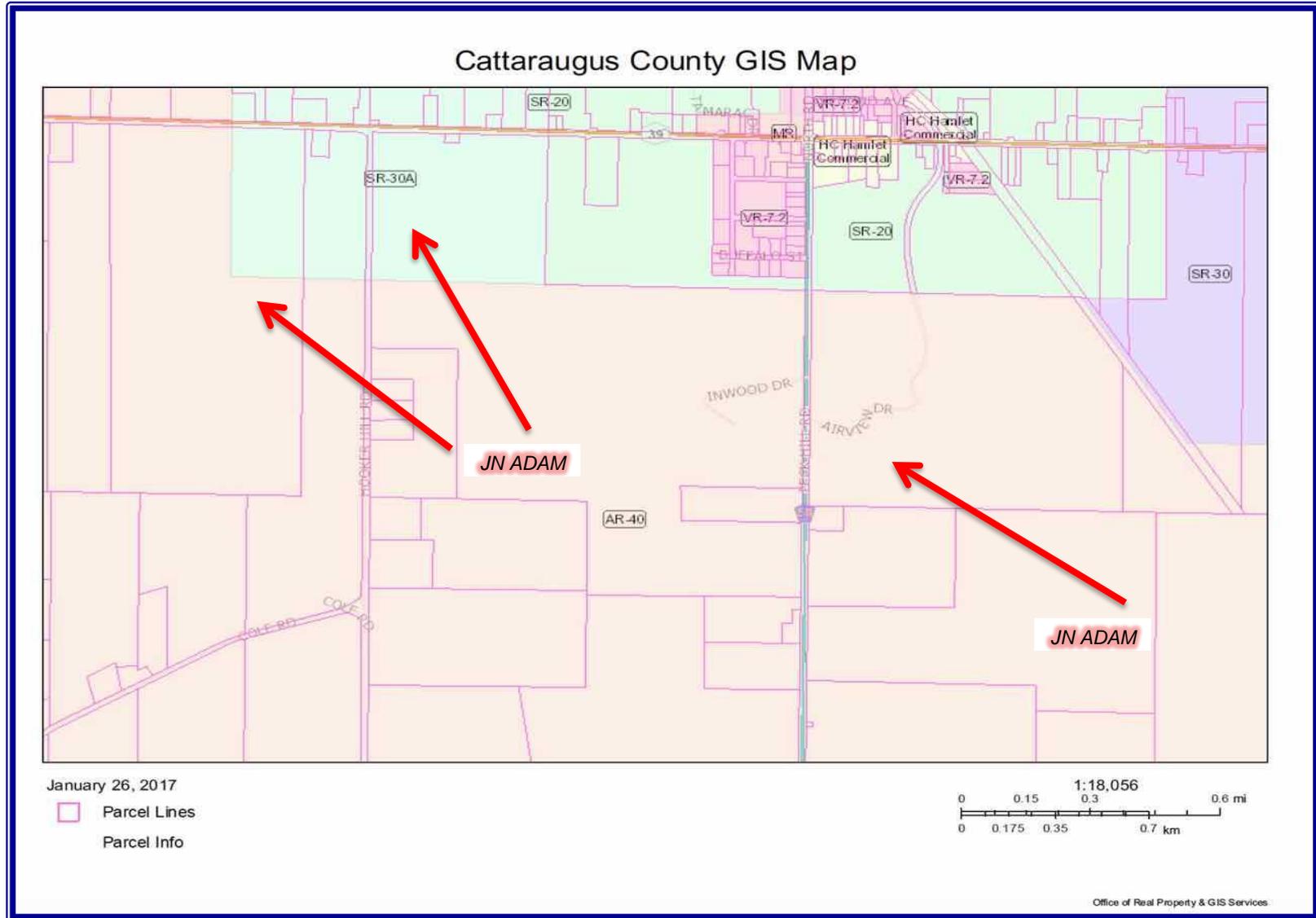
OLD VILLAGE ZONING MAP



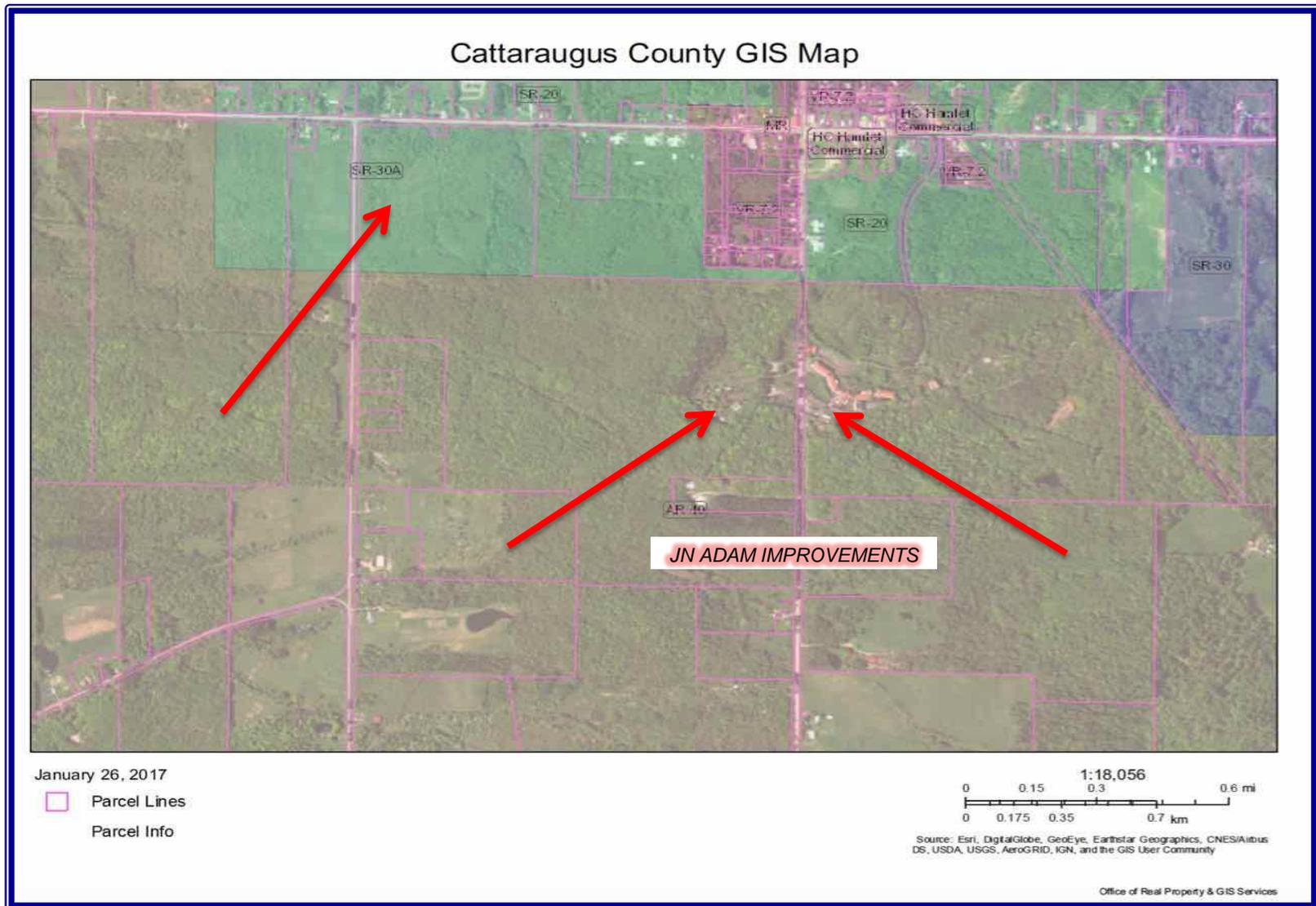
ZOOM INTO OLD VILLAGE ZONING MAP

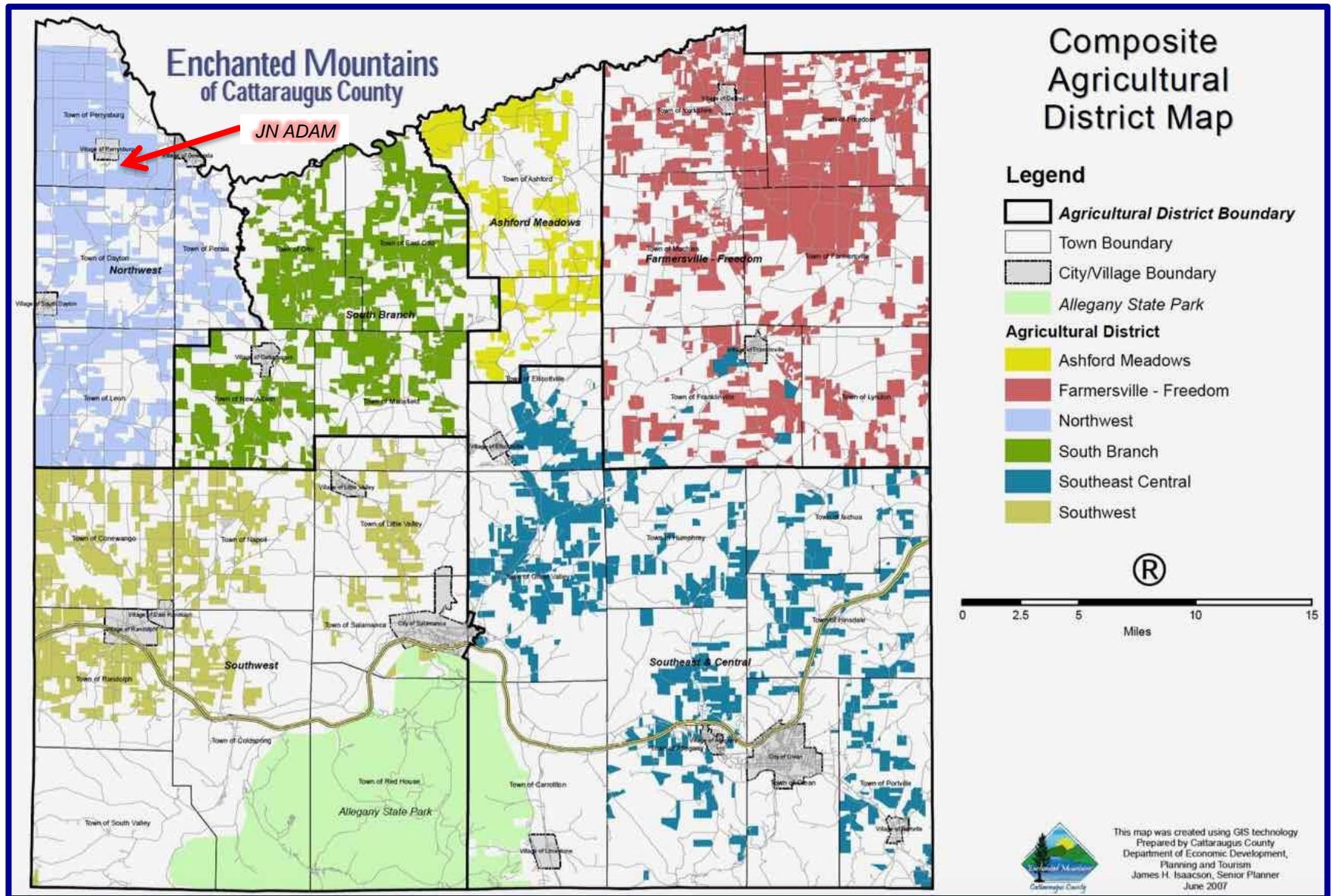


ZONING MAP



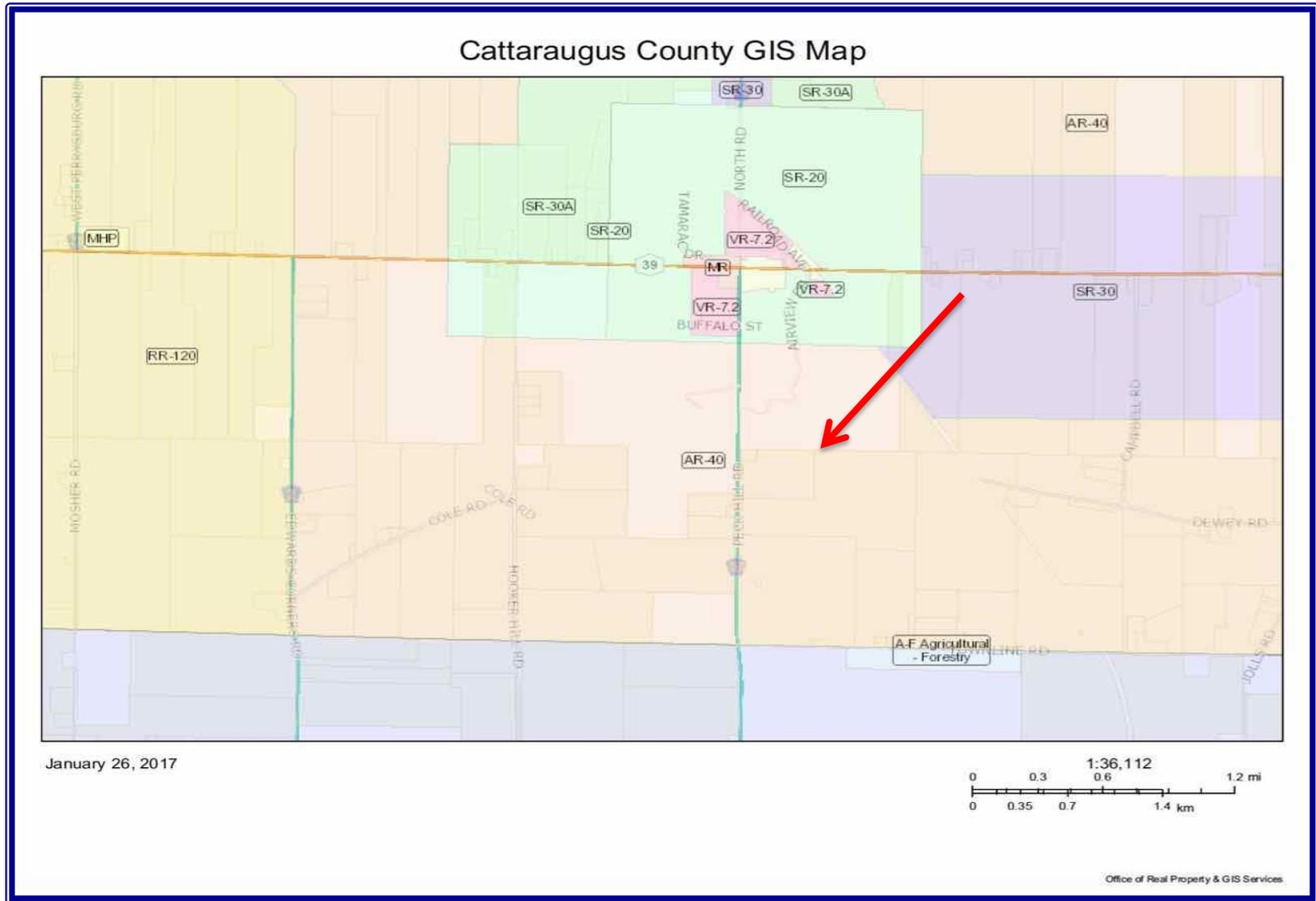
ZONING AERIAL MAP



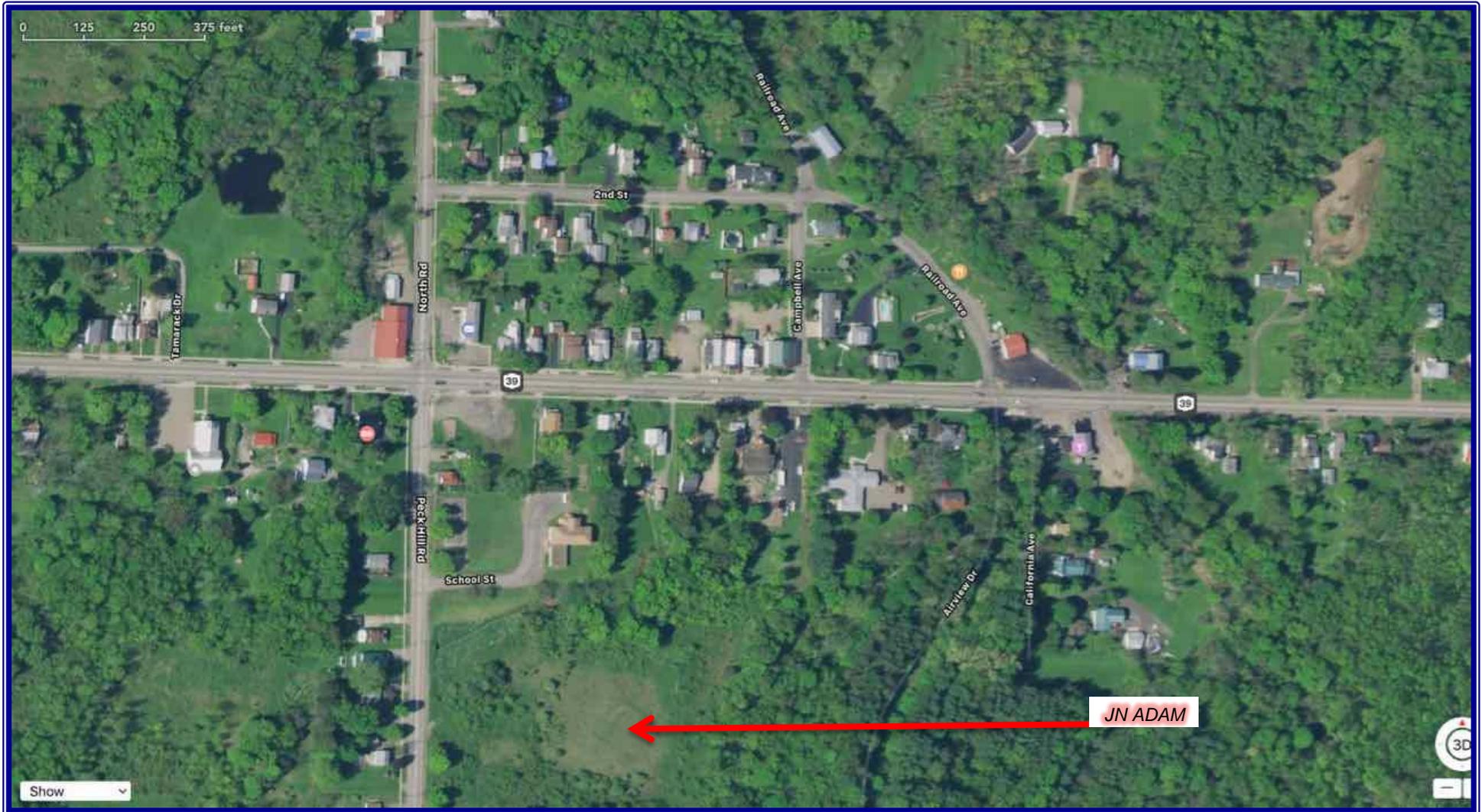


JN ADAM DEVELOPMENTAL COMPLEX, PERRYSBURG, NY

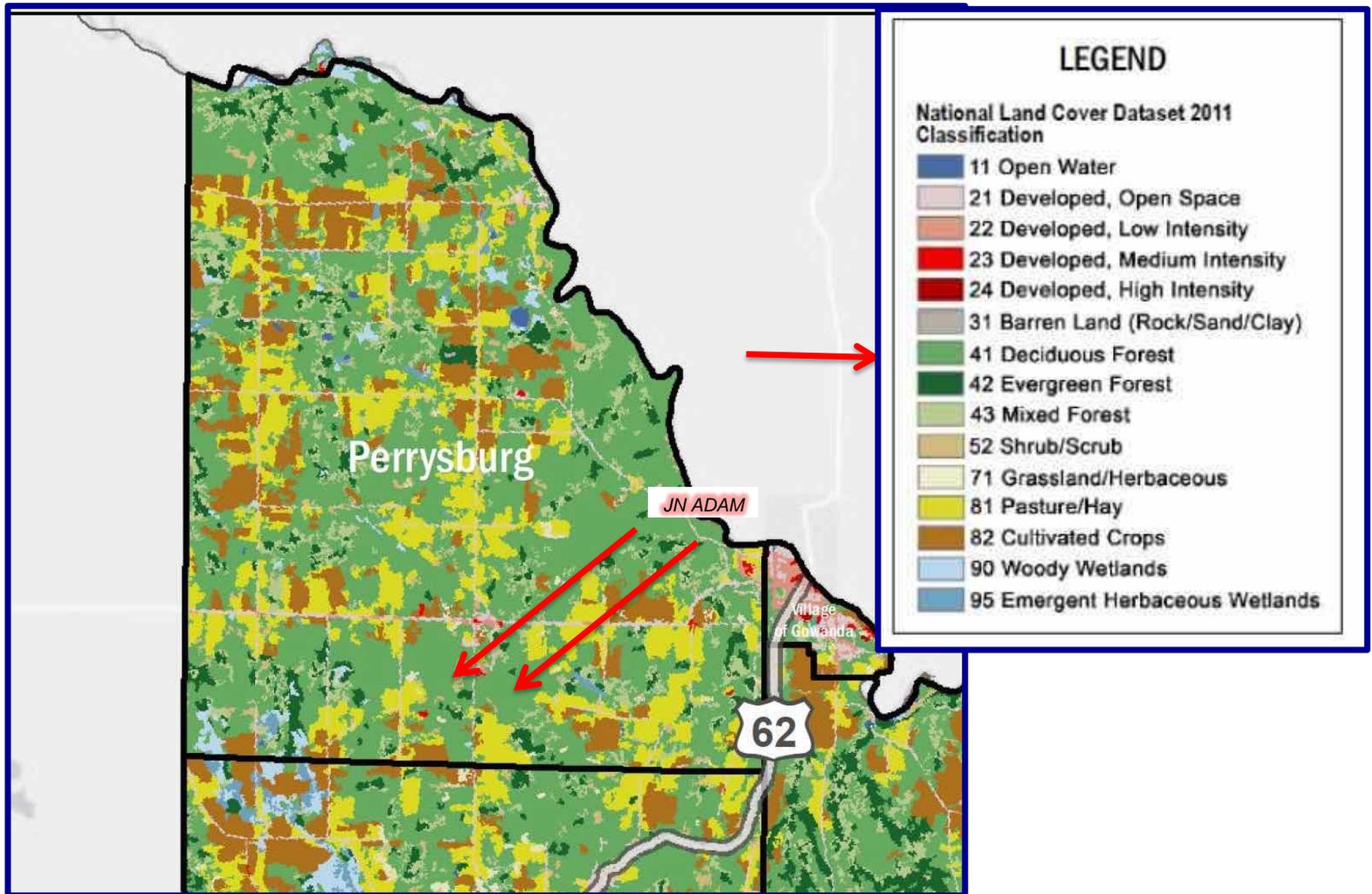
AGRICULTURAL DISTRICTS [DARKER TAN] RELATIVE TO SUBJECT MAP



MAIN STREET PERRYSBURG

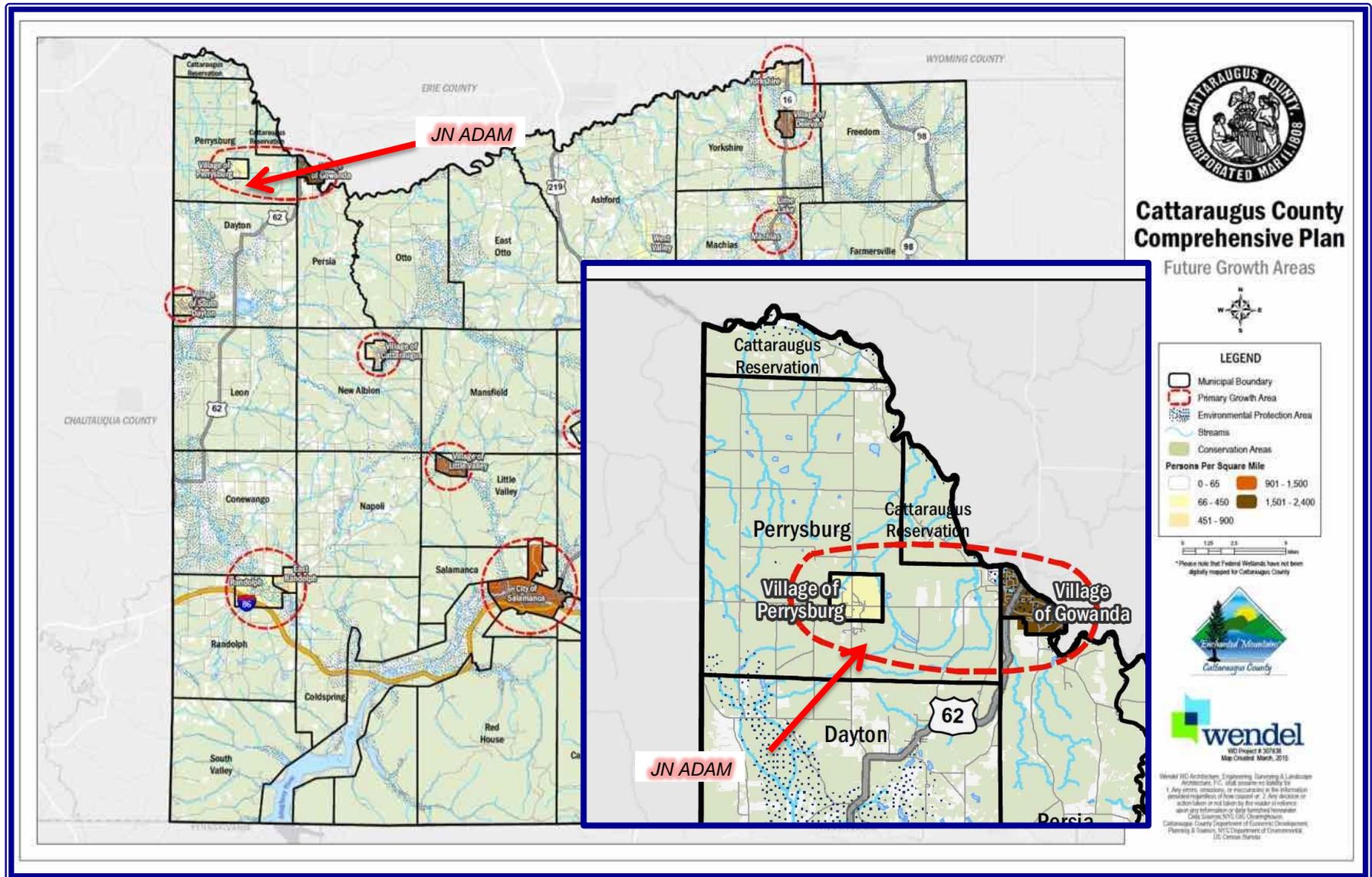


EXISTING LAND COVERAGE



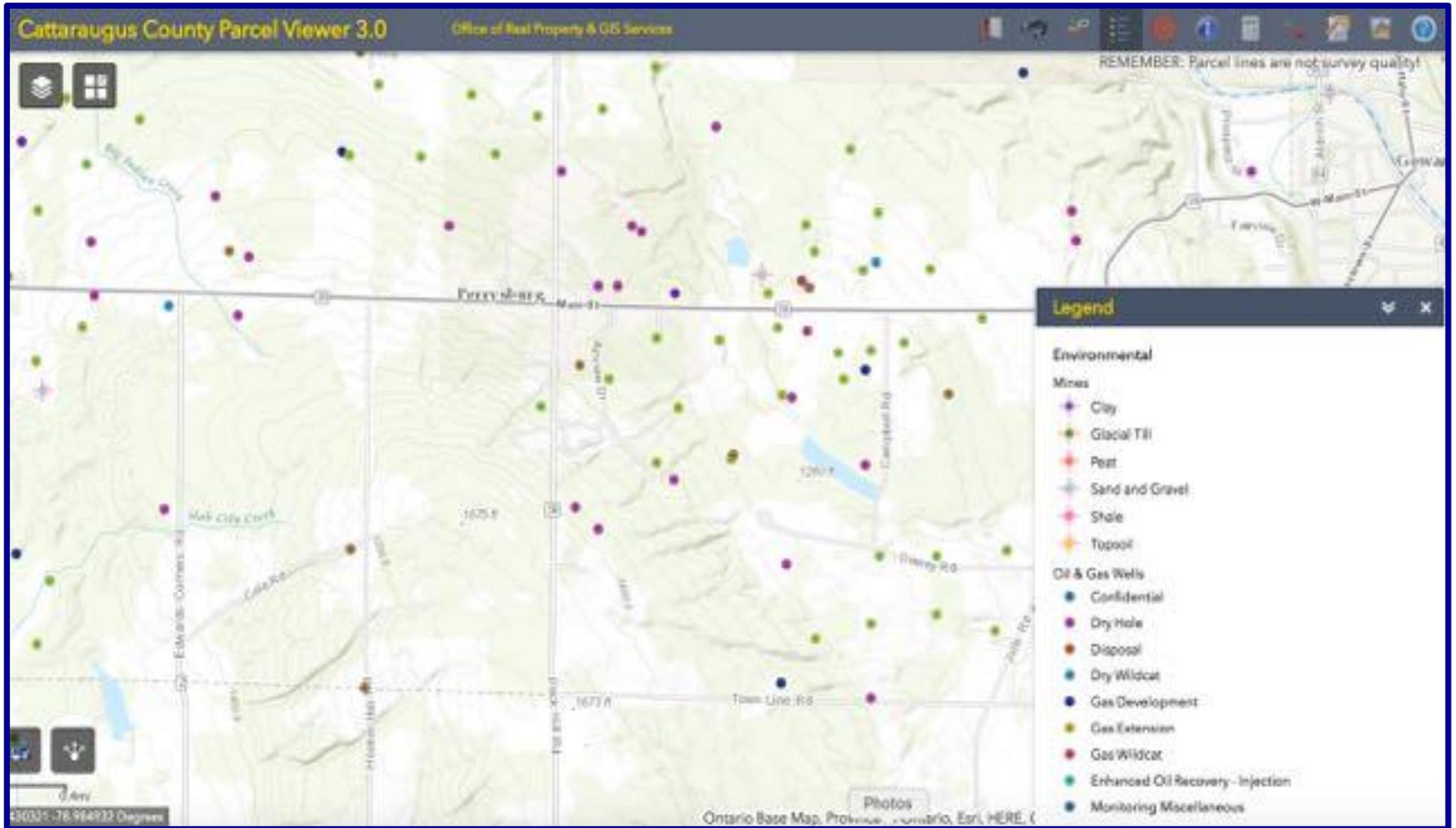
JN ADAM DEVELOPMENTAL COMPLEX, PERRYSBURG, NY

FUTURE GROWTH AREAS



JN ADAM DEVELOPMENTAL COMPLEX, PERRYSBURG, NY

GAS WELLS AND MINING ON SUBJECT / IN SUBJECT AREA

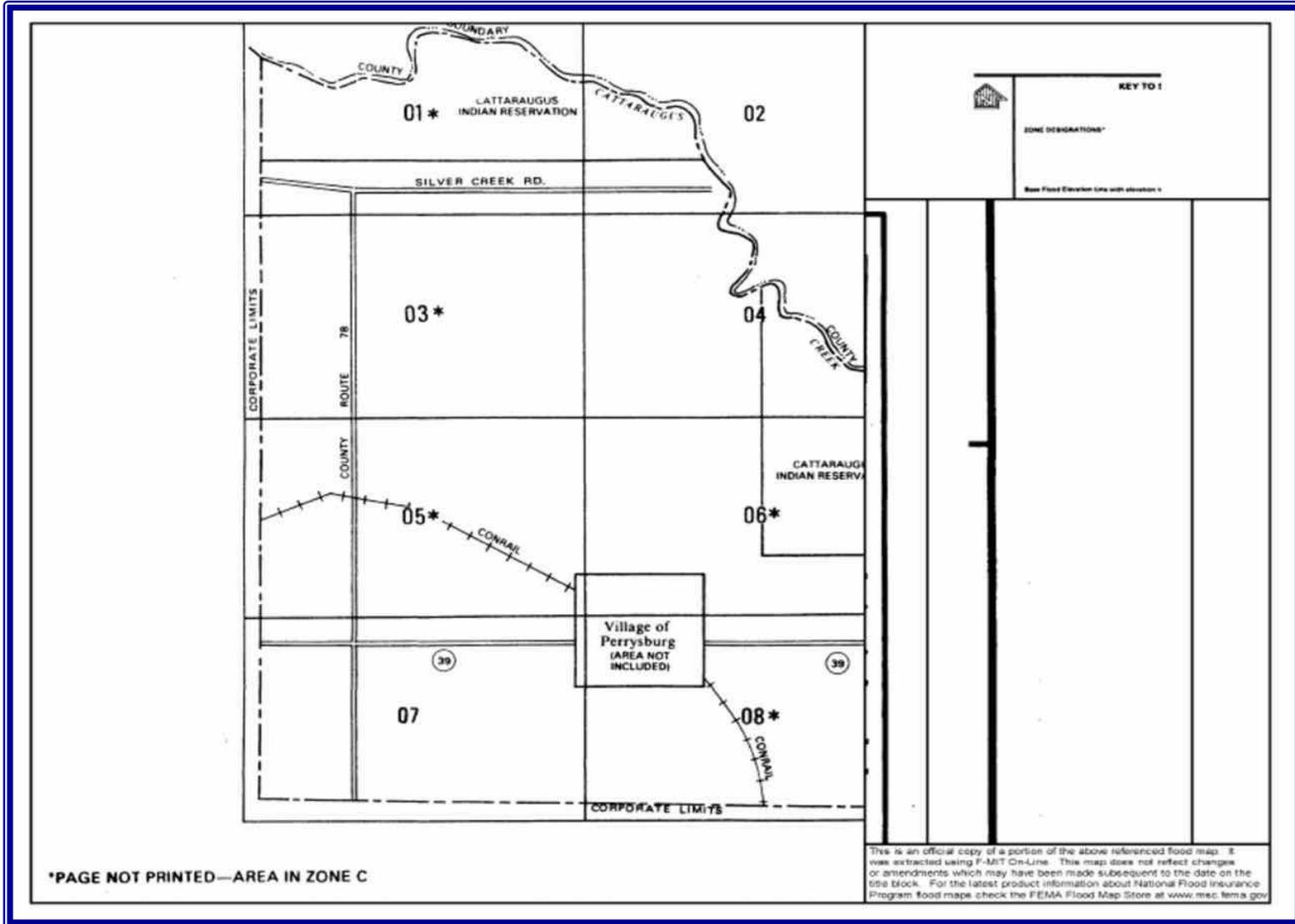


FLOOD MAP



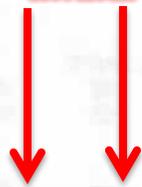
The subject Property is situated within the southern portion of Flood Map #360091B, dated 4/20/1984, and the northern portion of Map #360066B, dated 5/25/1984. FEMA has not completed a study to determine flood hazard for the selected location; therefore, a flood map has not been published at this time.

FLOOD MAP



TOWN OF PERRYSBURG ZONING ORDINANCE EXCERPTS

JN ADAM



6.02 Residence Districts- Table of Use Regulations

P= Permitted Use
SE= Special Exception Use
X= Prohibited Use

ALL UNLISTED USES ARE SUBJECT TO REVIEW IN ALL DISTRICTS

| Use Classifications | RR-120 | AR-40 | SR-30 | VR-7.2 | MR | MHP |
|--|--------|-------|-------|--------|----|-----|
| A. RESIDENTIAL USES | | | | | | |
| 1 One-family detached dwelling | P | P | P | P | P | X |
| 2 Two-family detached dwelling | X | X | SE | P | P | X |
| 3 Manufactured housing (individual) | | | | | | |
| 4 Multiple Dwelling | X | X | X | X | P | X |
| 5 Mobile home parks | X | X | X | X | X | SE |
| 6 Conversion of existing one-family detached dwelling for two families | SE | SE | SE | SE | SE | X |
| 7 Planned residential development | SE | SE | SE | SE | SE | X |
| 8 Seasonal cottage, cabin, camping ground | SE | SE | X | X | X | X |
| B. RESIDENTIAL COMMUNITY FACILITIES | | | | | | |
| 1 Church or Similar place of worship or religious instruction, parish house or rectory, seminary, convent | P | P | P | P | X | X |
| 2 Nursery school | SE | SE | SE | SE | X | X |
| 3 Park, playground or recreational area operated by the municipality or New York State | P | P | P | | P | X |
| 4 Private recreation area, non-profit | SE | SE | SE | X | X | X |
| 5 Public library, museum, community center, fire station, government office building | P | P | P | P | X | X |
| 6 School, elementary or high, public denomination or private non-profit accredited by New York Education Dept. | P | P | P | P | X | X |
| C. GENERAL COMMUNITY FACILITIES | | | | | | |
| 1 Bus passenger shelter | SE | SE | SE | SE | SE | SE |
| 2 Cemetery | SE | SE | SE | X | X | X |
| 3 College, university non-profit | SE | SE | SE | X | X | X |
| 4 Country club | SE | SE | SE | X | X | X |
| 5 Hospital, including auxiliary services and functions | SE | SE | SE | SE | X | X |

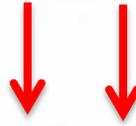
TOWN OF PERRYSBURG ZONING ORDINANCE EXCERPTS

| | | | | | | | |
|--|---|----|----|----|----|----|----|
| C. GENERAL COMMUNITY FACILITIES CONT'D. | | | | | | | |
| 6 | Membershiop club, non-profit | SE | SE | SE | SE | SE | X |
| 7 | Nursing home, rest home | SE | SE | SE | SE | SE | X |
| 8 | Philanthropic, fraternal, social or educational organization office or meeting room | SE | SE | SE | SE | SE | X |
| 9 | Public medical research building or similar facility | SE | SE | SE | X | X | X |
| 10 | Public utility structure or right-of-way including sewage treatment plant, sanitary landfill or water supply facility necessary to serve the community, but excluding business office, repair or storage of equipment | SE | SE | SE | SE | SE | SE |
| D. BUSINESS USE | | | | | | | |
| 1 | Agriculture, excluding animal husbandry | P | P | P | P | X | X |
| 2 | Animal husbandry | P | P | SE | X | X | X |
| 3 | Funeral home | X | X | SE | X | X | X |
| 4 | Greenhouse, plant nursery | SE | SE | SE | X | X | X |
| 5 | Professional office, medical arts building | X | SE | SE | SE | X | X |
| 6 | Veterinarian, veterinary hospital or clinic | X | SE | SE | X | X | X |
| 7 | Riding stable | SE | SE | X | X | X | X |
| 8 | Commercial recreation | SE | SE | X | X | X | X |
| E. INDUSTRIAL USES | | | | | | | |
| 1 | Quarries, clay, sand and gravel pits | X | SE | SE | X | X | X |
| 2 | Saw Mill | X | SE | X | X | X | X |
| 3 | Underground gas wells used for gas storage | SE | SE | X | X | X | X |
| F. ACCESSORY USES | | | | | | | |
| 1 | Accommodations for not more than two roomers in one or two family detached dwelling, provided that separate kitchen and entrance facilities shall not be provided | P | P | P | P | P | X |
| 2 | Customary accessory structure, and/or use | P | P | P | P | P | P |
| 3 | Home occupation in one or two family detached dwelling | P | P | P | P | SE | X |
| 4 | Home professional office | P | P | P | P | SE | X |

TOWN OF PERRYSBURG ZONING ORDINANCE EXCERPTS

F. ACCESSORY USES- CONT'D

| | | | | | | |
|--|----|----|----|---|---|---|
| 5 Manufactured home only for occupancy by parents or dependents of occupants of a permanent home | SE | SE | SE | X | X | X |
| 6 Private garage or private offstreet parking area pursuant to Section 8 | P | P | P | P | P | P |
| 7 Private swimming pool pursuant to Section 12.04.17 | P | P | P | P | P | P |
| 8 Roadside stand for sale of farm or home occupation products having a horizontal area of 24 square feet or more | SE | SE | SE | X | X | X |



TOWN OF PERRYSBURG ZONING ORDINANCE EXCERPTS

6.03 Residence Districts- Table of Dimensional Regulation



| | RR-120 | AR-40 | SR-20 | VR-7 | 2MR | MHP |
|--|------------------|------------------|----------|-------|--------|---------|
| 1 LOT AREA MINIMUM (A) | | | | | | |
| Sq. Feet Under 15% Natural grade | 80,000 | 40,000 | 30,000 | 7,200 | 20,000 | 200,000 |
| Over 15% Natural Grade | 200,000 | 80,000 | 30,000 | 7,200 | 20,000 | 200,000 |
| 2 LOT AREA MINIMUM PER DWELLING UNIT SQ. FT | same | as | above | 3,600 | 2,000 | 7,200 |
| 3 LOT COVERAGE - % OF TOTAL LOT AREA OCCUPIED BY MAIN AND ACCESSORY BUILDINGS %Under 15% Natural Grade | 15 | 15 | 30 | 35 | 40 | 10 |
| Over 15% Natural Grade | 10 | 10 | 20 | 30 | 40 | 10 |
| 4 LOT DEPTH - MINIMUM SQ. FT | 300 | 200 | 100 | 100 | 100 | 300 |
| 5 LOT WIDTH - Mimimum Feet (at buildng line) | 50% of lot depth | 50% of lot depth | 100 | 60 | 100 | 300 |
| 6 HEIGHT -MAXIMUM FEET | | | | | | |
| Principal or residential building | 30 | 30 | 30 | 30 | 30 | 30 |
| farm structures | no limit | no limit | no limit | 12 | 12 | 12 |
| accessory stuctures | 12 | 12 | 12 | 12 | 12 | 12 |
| 7 YARDS - MINIMUM FEET | | | | | | |
| front per highway right of way | 100 | 60 | 40 | 40 | 20 | 50 |
| side for one | 50 | 40 | 20 | 10 | 15 | 50 |
| side total for both on interior lot | 50 | 40 | 20 | 10 | 15 | 50 |
| side abutting side street on corner lot | 100 | 80 | 40 | 25 | 20 | 80 |
| rear | 50 | 50 | 40 | 30 | 25 | 50 |

(a) Where public sewerage is not available, no lot shall be built upon which has insufficient space for a private sanitary waste disposal system, as determined by the municipality.

ASSESSED VALUE & REAL ESTATE TAX

The Property consists of portions of four tax parcels formally known as Tax Parcel #'s 16.001-1-3.1; 16.021-1-19; 16.022-2-10 and 15.002-1-15 on the Cattaraugus County, NY tax maps. Five small parcels that are portions of the larger tax parcels are not part of this assignment.

In Perrysburg, the Assessor establishes a value on real property so that school, county, town, and special district taxes can be apportioned among the property owners. The assessor administers real estate property tax exemptions authorized under state and local law. These include partial exemption for veterans, elderly and physically disabled people. In addition, there is a basic School Tax Relief (STAR), enhanced (STAR) for senior citizens who qualify, agricultural, solar and clerical and business incentive exemptions, partial or full exemptions for certain parcels owned by nonprofit organizations, which qualify by reasons of religious, charitable, educational, or cemetery use, are also granted. In all other cases, applications for these exemptions must be filed by March 1.

Once the assessor estimates the market value of a property, its assessment is calculated. New York State law provides that all property within a municipality be assessed at a uniform percent of market value. The level of assessment can be five percent, 20 percent, 50 percent, or any other fraction, up to 100 percent. Everyone pays his or her fair share of taxes as long as every property in a locality is assessed at the same percent of value. The current assessment equalization rate for the Town of Perrysburg as set by New York State is 71.0 percent and the 2017 tax rate is \$18.14.

Real Estate Tax Liability

The subject property is located in the taxing jurisdiction of the Town of Perrysburg. As a state owned Property, the subject Property is exempt from real estate taxes. Typically, properties in New York State that are owned by tax-exempt entities are fully tax-exempt. The Property cards and assessments for the Property that we were able to ascertain are presented on the following pages.

Clearly, given the condition of the Property, the subject appears to be significantly over assessed.



Property Description Report For: Peck Hill Rd,
Municipality of Perrysburg



Status: Active
Roll Section: Wholly Exem
Swis: 047000
Tax Map ID #: 16.001-1-3.1
Account #: 5008
Property Class: 614 - Spec. school
Site: NOSITE 0
In Ag. District: No
Site Property Class: N/A
Zoning Code: N/A
Neighborhood Code: N/A
School District: Gowanda
Total Assessment: 2016 - \$2,141,500

Total Acreage/Size: 420.40
Land Assessment: 2016 - \$195,600
Full Market Value: 2016 - \$3,016,197
Equalization Rate: ----
Deed Book:
Grid East: 1034445

Property Desc:
Deed Page:
Grid North: 892709

Owners

State of New York
 Jn Adam Developmental Ctr
 Nys Rte 353
 Perrysburg NY 14129

Sales

No Sales Information Available

Improvements

| Structure | Size | Grade | Condition | Year | Replacement Cost | Quantity |
|-----------|------|-------|-----------|------|------------------|----------|
|-----------|------|-------|-----------|------|------------------|----------|

Land Types

| Type | Size |
|------|------|
|------|------|

Special Districts for 2016

| Description | Units | Percent | Type | Value |
|------------------------|-------|---------|------|-------|
| FD702- Perrysburg fire | 0 | 0% | | 0 |

Taxes

| Year | Description | Amount |
|------|-------------|--------|
|------|-------------|--------|

Estimated Taxes for Parcel Number 16.001-1-3.1 in the Town of Perrysburg for 2017

Messages

- If you reside in a **city/town** that is completing a **revaluation**, the total tax may not be accurate. This is because this tool uses ACTUAL tax rates from the previous year. The new tax rates for a reval city/town may be SIGNIFICANTLY different.

Total Taxes = \$112,656.80 for the year 2017

SCHOOL (Gowanda)

Previous 2016 Assessed Value: \$2,141,500.00
2016 SCHOOL (Gowanda) Rate: 25.593511

\$54,808.50 (49%)

COUNTY(Perrysburg)

Previous 2016 Assessed Value: \$2,141,500.00
2017 COUNTY(Perrysburg) Rate: 18.144021

\$38,855.42 (34%)

TOWN(Perrysburg)

Previous 2016 Assessed Value: \$2,141,500.00
2017 TOWN(Perrysburg) Rate: 6.962048

\$14,909.23 (13%)

Perrysburg Fire(FD702)

Previous 2016 Assessed Value: \$2,141,500.00
2017 Perrysburg Fire(FD702) Rate: 1.906912

\$4,083.65 (4%)

Total Taxes = \$112,656.80 for the year 2017

Tax report generated on January 26, 2017 for Print Key = 01600100010030010000

10 Past Property Value Records found for Parcel # 16.001-1-3.1

| Year | Assessed Value | Est.Taxes | Municipality | Properties | Muni Total AV | Muni. Avg. Property Value |
|---|----------------|--------------|--------------------|------------|-----------------|---------------------------|
| View Estimated Taxes for 2016 | \$2,141,500.00 | \$113,342.69 | Town of Perrysburg | 1,039 | \$94,270,651.00 | \$90,732.10 |
| View Estimated Taxes for 2015 | \$2,141,500.00 | \$116,900.58 | Town of Perrysburg | 1,033 | \$94,476,179.00 | \$91,458.06 |
| View Estimated Taxes for 2014 | \$2,141,500.00 | \$118,382.26 | Town of Perrysburg | 1,037 | \$94,951,096.00 | \$91,563.26 |
| View Estimated Taxes for 2013 | \$2,141,500.00 | \$113,369.52 | Town of Perrysburg | 1,039 | \$91,572,856.00 | \$88,135.57 |
| View Estimated Taxes for 2012 | \$2,141,500.00 | \$110,070.77 | Town of Perrysburg | 1,046 | \$96,207,331.00 | \$91,976.42 |
| View Estimated Taxes for 2011 | \$2,141,500.00 | \$105,847.80 | Town of Perrysburg | 864 | \$84,429,876.00 | \$97,719.76 |
| View Estimated Taxes for 2010 | \$2,141,500.00 | \$103,323.10 | Town of Perrysburg | 862 | \$84,719,332.00 | \$98,282.29 |
| View Estimated Taxes for 2009 | \$2,141,500.00 | \$102,350.02 | Town of Perrysburg | 812 | \$74,611,557.00 | \$91,886.15 |
| View Estimated Taxes for 2008 | \$2,141,500.00 | \$103,626.31 | Town of Perrysburg | 805 | \$74,246,402.00 | \$92,231.56 |
| View Estimated Taxes for 2007 | \$2,141,500.00 | \$51,600.42 | Town of Perrysburg | 800 | \$73,151,650.00 | \$91,439.56 |



Property Description Report For: Main St, Municipality of Perrysburg

No Photo Available

Status: Active
Roll Section: Wholly Exem
Swis: 047000
Tax Map ID #: 16.021-1-19
Account #: 5009
Property Class: 614 - Spec. school
Site: COM 1
In Ag. District: No
Site Property Class: 614 - Spec. school
Zoning Code: -
Neighborhood Code: 70350
School District: Gowanda
Total Assessment: 2016 - \$893,800
Property Desc:
Deed Page: 264
Grid North: 894434

Total Acreage/Size: 50.67
Land Assessment: 2016 - \$32,600
Full Market Value: 2016 - \$1,258,873
Equalization Rate: ----
Deed Book: 503
Grid East: 1033717

Owners

State of New York
 Jn Adam Developmental Ctr
 Nys Rte 353
 Perrysburg NY 14129

Sales

No Sales Information Available

Utilities

Sewer Type: Private
Utilities: Gas & elec
Water Supply: Comm/public

Inventory

Overall Eff Year Built:
Overall Grade:
Overall Condition: 0
Overall Desirability: 0

Buildings

AC% Sprinkler% Alarm% Elevators **Basement Year Built** **Condition Quality**

Estimated Taxes for Parcel Number 16.021-1-19 in the Town of Perrysburg for 2017

Messages

- If you reside in a **city/town** that is completing a **revaluation**, the total tax may not be accurate. This is because this tool uses ACTUAL tax rates from the previous year. The new tax rates for a reval city/town may be SIGNIFICANTLY different.

Total Taxes = \$48,080.79 for the year 2017

| | |
|--|--------------------------|
| SCHOOL (Gowanda) Previous 2016 Assessed Value: \$893,800.00 2016 SCHOOL (Gowanda) Rate: 25.593511 | \$22,875.48 (48%) |
| COUNTY(Perrysburg) Previous 2016 Assessed Value: \$893,800.00 2017 COUNTY(Perrysburg) Rate: 18.144021 | \$16,217.13 (34%) |
| TOWN(Perrysburg) Previous 2016 Assessed Value: \$893,800.00 2017 TOWN(Perrysburg) Rate: 6.962048 | \$6,222.68 (13%) |
| Perrysburg Fire(FD702) Previous 2016 Assessed Value: \$893,800.00 2017 Perrysburg Fire(FD702) Rate: 1.906912 | \$1,704.40 (4%) |
| Perrysburg Special Residential(SR702) Previous 2016 Assessed Value: \$893,800.00 2017 Perrysburg Special Residential(SR702) Rate: 1.17718 | \$1,052.16 (2%) |
| WD702 change(WD702) Previous 2016 Assessed Value: \$893,800.00 2017 WD702 change(WD702) Rate: 0.01 | \$8.94 (0%) |

Total Taxes = \$48,080.79 for the year 2017

Tax report generated on January 26, 2017 for Print Key = 01602100010190000000

Error getting ALL Assessed Values for the Town of Perrysburg for the year 2017 as assessments may not exist yet.

12 Past Property Value Records found for Parcel # 16.021-1-19

| Year | Assessed Value | Est. Taxes | Municipality | Properties | Muni Total AV | Muni. Avg. Property Value |
|---|----------------|-------------|-----------------------|------------|-----------------|---------------------------|
| View Estimated Taxes for 2016 | \$893,800.00 | \$48,330.92 | Town of Perrysburg | 1,039 | \$94,270,651.00 | \$90,732.10 |
| View Estimated Taxes for 2015 | \$893,800.00 | \$49,483.98 | Town of Perrysburg | 1,033 | \$94,476,179.00 | \$91,458.06 |
| View Estimated Taxes for 2014 | \$893,800.00 | \$50,071.06 | Town of Perrysburg | 1,037 | \$94,951,096.00 | \$91,563.26 |
| View Estimated Taxes for 2013 | \$893,800.00 | \$47,947.88 | Town of Perrysburg | 1,039 | \$91,572,856.00 | \$88,135.57 |
| View Estimated Taxes for 2012 | \$893,800.00 | \$45,958.23 | Town of Perrysburg | 1,046 | \$96,207,331.00 | \$91,976.42 |
| View Estimated Taxes for 2011 | \$893,800.00 | \$47,720.73 | Village of Perrysburg | 178 | \$12,046,548.00 | \$67,677.24 |
| View Estimated Taxes for 2010 | \$893,800.00 | \$49,168.30 | Village of Perrysburg | 181 | \$12,087,132.00 | \$66,779.73 |
| View Estimated Taxes for 2009 | \$893,800.00 | \$48,212.98 | Village of Perrysburg | 163 | \$11,243,760.00 | \$68,980.12 |
| View Estimated Taxes for 2008 | \$893,800.00 | \$48,938.28 | Village of Perrysburg | 164 | \$11,742,860.00 | \$71,602.80 |
| View Estimated Taxes for 2007 | \$893,800.00 | \$47,513.04 | Village of Perrysburg | 165 | \$11,745,860.00 | \$71,187.03 |
| View Estimated Taxes for 2006 | \$893,800.00 | \$24,184.67 | Village of Perrysburg | 167 | \$11,733,260.00 | \$70,259.04 |
| View Estimated Taxes for 2005 | \$893,800.00 | \$23,878.47 | Village of Perrysburg | 166 | \$11,647,560.00 | \$70,166.02 |

Terms of Use/Disclaimer

You must acknowledge that this tool calculates the assessment multiplied by the tax rate divided by 1,000. Taxes are calculated **without** any exemptions.

The **calculator** is based off of the current tax rate and must only be used as an *estimate* for future taxes. You will not hold Cattaraugus County liable for any errors in calculations during this process.



Property Description Report For: 10420 Peck Hill Rd,
Municipality of Perrysburg



Status: Active
Roll Section: Wholly Exem
Swis: 047000
Tax Map ID #: 16.022-2-10
Account #: 5007
Property Class: 614 - Spec. school
Site: COM 1
In Ag. District: No
Site Property Class: 614 - Spec. school
Zoning Code: AR40
Neighborhood Code: 70350
School District: Gowanda
Total Assessment: 2016 - \$882,200

Total Acreage/Size: 51.45
Land Assessment: 2016 - \$21,000
Full Market Value: 2016 - \$1,242,535
Equalization Rate: ----
Deed Book: 503
Grid East: 1036294

Property Desc:
Deed Page: 264
Grid North: 894218

Owners

State of New York
 Jn Adam Memorial Hosp &
 Perrysburg NY 14129

Sales

No Sales Information Available

Utilities

Sewer Type: Private **Water Supply:** Private
Utilities: Gas & elec

Inventory

Overall Eff Year Built: **Overall Condition:** Normal
Overall Grade: Average **Overall Desirability:** 3

Buildings

| | | | Basement Year | | | | |
|-----|------------|--------|---------------|------|-------|-----------|---------|
| AC% | Sprinkler% | Alarm% | Elevators | Type | Built | Condition | Quality |

Estimated Taxes for Parcel Number 16.022-2-10 in the Town of Perrysburg for 2017

Messages

- If you reside in a **city/town** that is completing a **revaluation**, the total tax may not be accurate. This is because this tool uses ACTUAL tax rates from the previous year. The new tax rates for a reval city/town may be SIGNIFICANTLY different.

Total Taxes = \$47,456.79 for the year 2017

SCHOOL (Gowanda)

Previous 2016 Assessed Value: \$882,200.00
2016 SCHOOL (Gowanda) Rate: 25.593511

\$22,578.60 (48%)

COUNTY(Perrysburg)

Previous 2016 Assessed Value: \$882,200.00
2017 COUNTY(Perrysburg) Rate: 18.144021

\$16,006.66 (34%)

TOWN(Perrysburg)

Previous 2016 Assessed Value: \$882,200.00
2017 TOWN(Perrysburg) Rate: 6.962048

\$6,141.92 (13%)

Perrysburg Fire(FD702)

Previous 2016 Assessed Value: \$882,200.00
2017 Perrysburg Fire(FD702) Rate: 1.906912

\$1,682.28 (4%)

Perrysburg Special Residential(SR702)

Previous 2016 Assessed Value: \$882,200.00
2017 Perrysburg Special Residential(SR702) Rate: 1.17718

\$1,038.51 (2%)

WD702 change(WD702)

Previous 2016 Assessed Value: \$882,200.00
2017 WD702 change(WD702) Rate: 0.01

\$8.82 (0%)

Total Taxes = \$47,456.79 for the year 2017

Tax report generated on January 26, 2017 for Print Key = **01602200020100000000**

Error getting ALL Assessed Values for the Town of Perrysburg for the year 2017 as assessments may not exist yet.

12 Past Property Value Records found for Parcel # 16.022-2-10

| Year | Assessed Value | Est.Taxes | Municipality | Properties | Muni Total AV | Muni. Avg. Property Value |
|---|----------------|-------------|-----------------------|------------|-----------------|---------------------------|
| View Estimated Taxes for 2016 | \$882,200.00 | \$47,703.66 | Town of Perrysburg | 1,039 | \$94,270,651.00 | \$90,732.1 |
| View Estimated Taxes for 2015 | \$882,200.00 | \$48,841.74 | Town of Perrysburg | 1,033 | \$94,476,179.00 | \$91,458.0 |
| View Estimated Taxes for 2014 | \$882,200.00 | \$49,421.20 | Town of Perrysburg | 1,037 | \$94,951,096.00 | \$91,563.2 |
| View Estimated Taxes for 2013 | \$882,200.00 | \$47,325.61 | Town of Perrysburg | 1,039 | \$91,572,856.00 | \$88,135.5 |
| View Estimated Taxes for 2012 | \$882,200.00 | \$45,361.77 | Town of Perrysburg | 1,046 | \$96,207,331.00 | \$91,976.4 |
| View Estimated Taxes for 2011 | \$882,200.00 | \$47,101.38 | Village of Perrysburg | 178 | \$12,046,548.00 | \$67,677.2 |
| View Estimated Taxes for 2010 | \$882,200.00 | \$48,530.16 | Village of Perrysburg | 181 | \$12,087,132.00 | \$66,779.7 |
| View Estimated Taxes for 2009 | \$882,200.00 | \$47,587.24 | Village of Perrysburg | 163 | \$11,243,760.00 | \$68,980.1 |
| View Estimated Taxes for 2008 | \$882,200.00 | \$48,303.15 | Village of Perrysburg | 164 | \$11,742,860.00 | \$71,602.8 |
| View Estimated Taxes for 2007 | \$882,200.00 | \$46,896.38 | Village of Perrysburg | 165 | \$11,745,860.00 | \$71,187.0 |
| View Estimated Taxes for 2006 | \$882,200.00 | \$23,870.79 | Village of Perrysburg | 167 | \$11,733,260.00 | \$70,259.0 |
| View Estimated Taxes for 2005 | \$882,200.00 | \$23,568.57 | Village of Perrysburg | 166 | \$11,647,560.00 | \$70,166.0 |

Terms of Use/Disclaimer

You must acknowledge that this tool calculates the assessment multiplied by the tax rate divided by 1,000. Taxes are calculated **without** any exemptions.

The **calculator** is based off of the current tax rate and must only be used as an *estimate* for future taxes. You will not hold



Property Description Report For: 12387 Route 39,
Municipality of Perrysburg

No Photo Available

Status: Active
Roll Section: Wholly Exem
Swis: 047000
Tax Map ID #: 15.002-1-15
Account #: 5015
Property Class: 240 - Rural res
Site: NOSITE 0
In Ag. District: No
Site Property Class: N/A
Zoning Code: N/A
Neighborhood Code: N/A
School District: Gowanda
Total 2016 - Assessment: \$78,100
Property Desc:
Deed Page: 264
Grid North: 893530

Total Acreage/Size: 153.95
Land Assessment: 2016 - \$63,800
Full Market Value: 2016 - \$110,000
Equalization Rate: ----
Deed Book: 503
Grid East: 1029789

Owners

State of New York
 Nys Rte 353
 Perrysburg NY 14129

Sales

No Sales Information Available

Improvements

| Structure | Size | Grade | Condition | Year | Replacement Cost | Quantity |
|-----------|------|-------|-----------|------|------------------|----------|
|-----------|------|-------|-----------|------|------------------|----------|

Special Districts for 2016

| Description | Units | Percent | Type | Value |
|------------------------|-------|---------|------|-------|
| FD702- Perrysburg fire | 0 | 0% | | 0 |

Taxes

| Year | Description | Amount |
|------|-------------|--------|
|------|-------------|--------|

* Taxes reflect exemptions, but may not include recent changes in assessment.

Estimated Taxes for Parcel Number 15.002-1-15 in the Town of Perrysburg for 2017

Messages

- If you reside in a **city/town** that is completing a **revaluation**, the total tax may not be accurate. This is because this tool uses ACTUAL tax rates from the previous year. The new tax rates for a reval city/town may be SIGNIFICANTLY different.

Total Taxes = \$4,108.57 for the year 2017

SCHOOL (Gowanda)

Previous 2016 Assessed Value: \$78,100.00
2016 SCHOOL (Gowanda) Rate: 25.593511

\$1,998.85 (49%)

COUNTY(Perrysburg)

Previous 2016 Assessed Value: \$78,100.00
2017 COUNTY(Perrysburg) Rate: 18.144021

\$1,417.05 (34%)

TOWN(Perrysburg)

Previous 2016 Assessed Value: \$78,100.00
2017 TOWN(Perrysburg) Rate: 6.962048

\$543.74 (13%)

Perrysburg Fire(FD702)

Previous 2016 Assessed Value: \$78,100.00
2017 Perrysburg Fire(FD702) Rate: 1.906912

\$148.93 (4%)

Total Taxes = \$4,108.57 for the year 2017

Tax report generated on January 26, 2017 for Print Key = 01500200010150000000

Error getting ALL Assessed Values for the Town of Perrysburg for the year 2017 as assessments may not exist yet.

12 Past Property Value Records found for Parcel # 15.002-1-15

| Year | Assessed Value | Est. Taxes | Municipality | Properties | Muni Total AV | Muni. Avg. Property Value |
|---|----------------|------------|--------------------|------------|-----------------|---------------------------|
| View Estimated Taxes for 2016 | \$78,100.00 | \$4,133.58 | Town of Perrysburg | 1,039 | \$94,270,651.00 | \$90,732.10 |
| View Estimated Taxes for 2015 | \$78,100.00 | \$4,263.35 | Town of Perrysburg | 1,033 | \$94,476,179.00 | \$91,458.06 |
| View Estimated Taxes for 2014 | \$78,100.00 | \$4,317.37 | Town of Perrysburg | 1,037 | \$94,951,096.00 | \$91,563.26 |
| View Estimated Taxes for 2013 | \$78,100.00 | \$4,134.57 | Town of Perrysburg | 1,039 | \$91,572,856.00 | \$88,135.57 |
| View Estimated Taxes for 2012 | \$78,100.00 | \$4,014.26 | Town of Perrysburg | 1,046 | \$96,207,331.00 | \$91,976.42 |
| View Estimated Taxes for 2011 | \$78,100.00 | \$3,860.24 | Town of Perrysburg | 864 | \$84,429,876.00 | \$97,719.76 |
| View Estimated Taxes for 2010 | \$78,100.00 | \$3,768.17 | Town of Perrysburg | 862 | \$84,719,332.00 | \$98,282.29 |
| View Estimated Taxes for 2009 | \$78,100.00 | \$3,732.68 | Town of Perrysburg | 812 | \$74,611,557.00 | \$91,886.15 |
| View Estimated Taxes for 2008 | \$78,100.00 | \$3,779.23 | Town of Perrysburg | 805 | \$74,246,402.00 | \$92,231.56 |
| View Estimated Taxes for 2007 | \$78,100.00 | \$3,641.53 | Town of Perrysburg | 800 | \$73,151,650.00 | \$91,439.56 |
| View Estimated Taxes for 2006 | \$78,100.00 | \$3,464.74 | Town of Perrysburg | 772 | \$71,149,370.00 | \$92,162.40 |
| View Estimated Taxes for 2005 | \$78,100.00 | \$3,365.30 | Town of Perrysburg | 762 | \$70,508,865.00 | \$92,531.32 |

HIGHEST AND BEST USE ANALYSES

The Appraisal Institute defines highest and best use as follows:

“The reasonably probable and legal use of vacant land or an improved property that is legally permissible, physically possible, appropriately supported, financially feasible, and that results in the highest value ”²⁷

In estimating highest and best use, therefore, four stages of analysis are considered:

1. Possible use -- what uses of the site in question are physically possible?
2. Permissible use (legal) -- what uses are allowed by zoning and deed restrictions on the site in question?
3. Feasible use -- which possible and permissible uses will produce a net return to the owner of the site.
4. Highest and best use -- among the feasible uses, which use will produce the highest net return or the highest present worth? This is the maximally productive use.

Highest and Best Use as if Vacant

According to your request, the purpose of this appraisal is twofold. We will estimate the **Market Value** of the Fee Simple interest in the Property “*As-Improved,*” as well as “*As-If Vacant,*” as of the most recent date of inspection, October 18, 2016. The appraisal is subject to the use of two *hypothetical conditions*, which (1) assume that the ownership entity is the People of the State of New York, which has clear title, and that the City of Buffalo has no ownership interest or rights, when in fact the City of Buffalo has a Reverter clause interest; and (2) assumes that the hospital site, the surrounding woodlands, and the groundwater are unaffected by adverse environmental contamination conditions, when in fact likely environmental contamination was observed at the time of inspection.

The analysis of the four stages of highest and best use of the land, “*As-If Vacant,*” follows. This analysis incorporates the information presented in the Regional and Local Market Overview sections, as well as any unique characteristics of the subject Property described previously.

²⁷ *The Appraisal of Real Estate*, 13th Edition, 2008 page 278

Physically Possible

The first constraint imposed on the possible use of the Property is that dictated by the physical aspects of the site itself. The highest and best use of the Property “*As-If Vacant*,” also depends on physical consideration such as size, design and condition. The condition of the Property and its ability to continue in its current use may be relevant. If the Property could be converted to another use, the cost of conversion must be analyzed in light of the returns to be generated by the new use. The costs of conversion depend on the Property's existing physical condition.

The subject Property consists of four tracts of largely unimproved land that - in aggregate - consist of 644.62± acres, according to a survey provided to us by New York State Office of General Services and included herein. The topography is rolling and situated on a crest overlooking the surrounding landscape. Much of the Property is virgin forest, and in good condition. The “*As-If Vacant*” conclusion assumes the entire Property to also be vacant, unimproved acreage, and thus in good condition.

Any use incompatible with the utility, capacity or constraints imposed by the size, shape and terrain would not be considered physically possible. The physical configuration of the site is conducive to a wide variety of agricultural, residential and / or institutional uses. *However, at 644.62± acres, within the Town of Perrysburg, constraints are imposed by the size of the subject site. It is likely that, in Perrysburg, the Property is larger than required to be of any use or utility to any single user* given the economic, population and housing characteristics that exist in the Buffalo region as well as in the Cattaraugus County and Town of Perrysburg local area.

No engineering study was made to determine soil conditions, however, inasmuch as extensive development exists on the site, it is assumed the soil has the capacity for such development.

Legally Permissible

The use must be legal. The use must be probable, not speculative or conjectural. *There must be a demand for such a use and it must return to the land the highest net return for the longest period.* Legal restrictions, as they apply to the subject Property, are of two types, i.e. private restrictions (deed restrictions, easements, etc.) and **public restrictions (zoning, building codes, environmental regulations and historic district controls**, etc.). These latter restrictions must be investigated to the best of our ability based upon the available data, because they may preclude many potential highest and best uses.

The bold, italicized statements in the prior paragraphs form the crux of the issues regarding the highest and best use of the subject Property “*As-Vacant*,” and will be discussed in the following paragraphs. There are no known private restrictions applicable to the site.

The subject site is situated in a *very rural area of very light development density*, that is characterized by uses that are primarily single-family residential and agricultural usage, among large areas of undisturbed wooded acreage. There are also mining and mineral operations ongoing on the site and in the local area. There are **many active gas wells** on the Property and in the immediate subject area that are producing lease income for the owner, and there are active gravel mines nearby, as shown in the various maps included herein. The nearest mixed-use commercial and retail is found along Main Street NYS Route 39, and in Gowanda and Forestville, which is also the location of the some services that are needed to support the existing local population.

In reviewing the allowed uses under the subject's zoning classifications, single-family detached residential use is a permissible and conforming use for the subject site. The vast majority of the lands comprising the subject Property are zoned "AR-40" – Agricultural / Residential zone, within the Town of Perrysburg - with a couple of exceptions, these being the rectangular area of land along the south side of Main Street west from Peck Hill Road that is zoned "SR-30A," within the Town of Perrysburg; and also the 57 acres under and around the JN Adam buildings that reportedly were / are zoned "I" - Industrial under the old defunct Village of Perrysburg, and which apparently remains applicable.

Thus, under these zoning regulations [to the best of our knowledge based upon the limited available data], residential detached single-family dwellings on 30,000 to 40,000 square-foot lots are a legally permissible use. In addition, the subject Property will accommodate these other uses: agricultural usage, mineral / gas well drilling, churches / religious and seminary usage, schools and other educational uses, governmental facilities such as libraries, museums, fire stations and municipal buildings, municipal- or state-operated parks, playgrounds and recreational trails, and recreational trails and parks *operated by non-profit entities [by Special Exception]*. Thus, all other uses are disallowed.

The subject site **does not lie** in a designated Historic District, nor is the site subject to any Landmarks Preservation requirements. There are no known legally restrictive declarations recorded on the subject Property. We have assumed the premise that there are no adverse easements or encroachments, and we have not been advised of the presence of any deed public restrictions that may restrict the use of the Property.

Unfortunately however, no arguments are posited from anyone knowledgeable about, or connected to, the Property in any way – including Federal, State and Local stakeholders and County and Town of Perrysburg leaders - that refute the fact that the subject Property likely is an **environmental nightmare**. One only needs to read Senator Catharine Young's Senate Bill S4784C [included herein] to see their comments. Mandatory Federal environmental regulations clearly assign total responsibility for environmental mitigation / clean up operations – including the financial responsibility - **to the responsible owner** – who in this case is the People of the State of New York.

Pragmatically speaking - in situations such as these, nothing usually ever happens with a Property until it is cleaned up. No sale or transfer of ownership of an environmentally contaminated – or potentially environmentally contaminated Property is likely to occur until the Property has been cleaned up and the eventual Buyer / New Owner can be assured (1) that the Property has received - or will receive - a negative environmental declaration – as well as (2) that the eventual Buyer / New Owner can be assured of being held harmless by the Seller from Federal Government liability for any additional clean up expenses and / or damages that may present at a later date. These clauses also necessarily survive closing of any transfer of the Property. Thus, even the highest and best use of the Property “*As-If Vacant*” assumes the entire Property to also be environmentally clean.

The appraisal is subject to the use of two *hypothetical conditions*, one of which mandates that we do not consider the effects of environmental contamination. Consequently, we will not consider the cost to cure the environmental conditions in these appraisal and marketing reports.

Financially Feasible

After determining those uses that are physically possible and legally permissible, we have eliminated all other uses from consideration. The uses that meet the first two criteria are then analyzed further to determine those that are likely to produce an income, or return, equal to or greater than the amount needed to satisfy operating expenses, financial obligations and capital amortization.

Generally speaking, all uses that are expected to produce a positive return are regarded as financially feasible. *However*, the expectation is that these uses must also be probable, not speculative or conjectural – i.e., ***there must be a demand for such a use, and it must return to the land the highest net return for the longest period.***

The sole purpose of all of the detailed and extensive demographic data presented earlier in the Regional and Local Area sections of this report was specifically to identify and quantify all of these economic, population and housing characteristics in the Buffalo region as well as in the local Perrysburg area. These characteristics will either prove support for, or eliminate, the existence of adequate demand for the remaining legally permissible uses. These economic statistics will also either support or eliminate, the existence of the adequate financial capability of the target population and workforce, i.e., the ability of the users to produce an income, or return, equal to or greater than the amount needed to satisfy operating expenses, financial obligations and capital amortization of the use. These factors are commonly known as the Determinants of Demand in Economics 101.

All of the detailed and extensive demographic data presented earlier in the Regional and Local Area sections point to the **continuing decline** of the regional and local populations, with **continued out migration, high levels of aging** of the population with **declining and /**

or poverty-level incomes, and a significant lack of housing demand, with no new real estate development occurring.

Further complicating the situation is a **significant lack of the necessary local services** such as retail stores, grocery markets, pharmacies, healthcare providers and the like in the Perrysburg area in order to support any significant new real estate development. There were numerous bullet points presented in the conclusions to the Local Area Analysis concerning all of these critical indicators.

Given all of these demographic facts, economic conditions and forecasts, we cannot see any viability for new real estate development within the Town of Perrysburg, or any reason why an investor would be interested in committing significant equity capital into this market. There is simply no demand for any type of real estate product, or any of the existing infrastructure necessary to support the users of any new real estate product.

Consequently, based on the history of similar development sites in the area [NONE] and the condition of the current economy, residential single-family development site uses are not feasible within the current Buffalo regional real estate market in general, but especially within the Town of Perrysburg and Cattaraugus County. Evidence shows that only a handful of building permits have been granted annually in the Cattaraugus County area since 2002.

However, some seasonal / second-home single-family detached development has occurred in the subject area, and this use appears to be legally and financially feasible. Also, for-profit agricultural usage is prevalent in the immediate area, and there are opportunities within niche agricultural markets as discussed earlier. There are also large areas of undisturbed or virgin wooded acreage on the Property that would support potentially profitable enterprises. Finally, there are mineral and mining operations ongoing on the site, and in the local area. There are many active gas wells on the Property and in the immediate Perrysburg / Gowanda area that are producing lease income for the owner, and there are active gravel mines nearby that are producing a return to the land. For example, Countryside Sand & Gravel has a large active mine on 107.06+ acres, just a couple miles due south of the subject Property - at 8458 US Route 62 / Peck Hill Road CR 58.

Generally, the remaining legally allowable uses however - churches / religious / seminary uses, schools and other educational uses, governmental facilities such as libraries, museums, fire stations, municipal buildings, municipal or state operated parks, playgrounds, and recreational trails, and recreational trails and parks *operated by non-profit entities [by Special Exception]* are dependent upon governmental sponsorship, or are undertaken by non-profit entities. Thus, they do not meet the requirement for being likely to produce an income, or return, equal to or greater than the amount needed to satisfy operating expenses, financial obligations and capital amortization. Also, the site and neighborhood characteristics preclude viability for governmental buildings, religious facilities, parks and non-profit

recreational or tourist uses. Thus, all of these other uses are disallowed.

Maximally Productive

Finally, we choose the use among those feasible uses that will produce the highest net return or present worth. At 644.62± acres, within the Town of Perrysburg, constraints are imposed by the size of the subject site. It is likely that, in Perrysburg, the Property is larger than required to be of any use or utility to any single user. Based on our analysis, we believe that the subject Property excess land is suited for subdivision into smaller tracts for multiple uses. The maximally productive use of these tracts is for (1) modestly priced seasonal / second home single-family detached development as the economy allows such development to remain feasible. (2) In addition, active gas wells on the Property are producing lease income, and these wells should be maintained and expanded if the geology favors such expansion. (3) Both traditional and niche agricultural uses, and timber harvesting, should be operated on some parcels.

Site As If Vacant - Conclusion

Because of the foregoing data and reasoning, we believe that the site's highest and best use as vacant is for subdivision into smaller tracts for multiple uses. The maximally productive use of these tracts is for (1) modestly priced seasonal / second home single-family detached development as the economy allows such development to remain feasible. (2) In addition, active gas wells on the Property are producing lease income, and these wells should be maintained and expanded if the geology favors such expansion. (3) Both traditional and niche agricultural uses, and timber harvesting, should be operated on some parcels.

Highest and Best Use as Improved

The analysis of the four stages of highest and best use of the land, "*As-Improved*" follows. The highest and best use of the Property as improved pertains to the use that should be made of the Property in light of its improvements. **The use that maximizes an investment Property's return on a long-term basis is its highest and best use "*As-Improved.*"** This correlates to the principle of anticipation, which is the perception that value is created by the *expectation of benefits to be derived in the future*. This section will determine if the subject improvement contributes a maximum value to the land.

Physically Possible

The first constraint imposed on the possible use of the Property is that dictated by the physical aspects of the site itself. The subject Property consists of four tracts of largely unimproved land that - in aggregate - consist of 644.62± acres. The topography is rolling

and situated on a crest overlooking the surrounding landscape. Much of the total Property / site is virgin forest, and is thus in good condition.

However, a chain link fence encloses the area of the site where the old improvements are situated. These fenced areas around the buildings include two specific areas: (1) the westernmost parcel off Peck Hill Road, which has ten (10) **old, functionally-obsolescent** single-family houses and two other smaller, miscellaneous wood frame structures - primarily situated along the southern side of Inwood Drive, **all of which are in poor condition**, and (2) the area around the larger, institutional buildings – that being the easternmost parcel off Peck Hill Road along Airview Drive. These areas total approximately 57± acres of the total 644.62± acre site. The remaining 587.62± acres of land consists of unimproved virgin woodlands and timber and are considered to be “excess land.”

However, at 644.62± acres, within the Town of Perrysburg, constraints are imposed by the size of the subject site. It is likely that, in Perrysburg, the Property is larger than required to be of any use or utility to any single user given the economic, population and housing characteristics that exist in the Buffalo region as well as in the Cattaraugus County and Town of Perrysburg local area. Consequently, the highest and best use of this unimproved 587.62± acres of “excess land” was addressed in the prior highest and best use of the Property “*As-If Vacant*” analysis, and the remaining highest and best use of the Property “*As-Improved*” analysis will be limited to the 25+ buildings and improvements situated on the remaining 57± acres of the total 644.62± acre site.

The physical configuration of the 57±-acre site is conducive to a wide variety of residential and / or institutional uses. Any use incompatible with the utility, capacity or constraints imposed by the size, shape and terrain would not be considered physically possible. The physical configuration of the site is conducive to a wide variety of residential and / or institutional uses. No engineering study was made to determine soil conditions, however, inasmuch as extensive development exists on the site, it is assumed the soil has the capacity for such development.

The highest and best use of the Property as vacant also depends on physical consideration such as size, design and **condition**. The condition of the Property and its ability to continue in its current use may be relevant. If the Property could be converted to another use, **the cost of conversion must be analyzed in light of the returns to be generated by the new use. The costs of conversion depend on the Property's existing physical condition.**

The 57.0±-acre site is reportedly improved with approximately of the 25±²⁸ older buildings - most of the primary structures on the site – that were constructed between 1909 and 1912. Upon inspection, the buildings originally appear to have been well built, back in 1910 and

²⁸ See Note 1 in this report.

thereabouts. Currently however, our inspection revealed that many if not all of these structures are now in **poor condition** - derelict institutional masonry buildings with wood-frame porches, abandoned concrete and brick midrise buildings, and / or collapsed wood frame accessory structures. The complex has been closed, abandoned and fenced off for the past 21 years, and remains off limits to everyone but certain state and county personnel. Over this period, nature has slowly and inexorably reclaimed what were once functional, if not beautiful improvements and grounds.

The obvious facts are: (1) that a tuberculosis hospital use is no longer necessary in our society, and (2) that the Property's use as a center for the care of the developmentally disabled was deemed unnecessary and no longer feasible by the State of New York. Consequently, the only potentially physically possible uses necessarily require conversion of the existing improvements to a new use. As stated above - If the Property could be converted to another use, **the cost of conversion must be analyzed in light of the returns to be generated by the new use. The costs of conversion depend on the Property's existing physical condition.**

In the Property Description section – **Improvement “As-Is,”** and specifically **“Cost to Cure”** pages (240), we analyzed the potential costs of conversion, which we will restate below for the readers convenience. These costs were predicated upon data from the Executive Summary in the Structural Condition Assessment Report, dated November 18, 2016, prepared by Popli Design Group, as follows:

In order to estimate the feasibility of any proposal or intention for the “...*potential redevelopment options for the Center...*” a potential buyer / investor would deem it necessary to assign some rough cost estimates to the various components of the work that would be needed on the structure and site to return the complex to viable, functional usability. Following are “ballpark” cost ranges that would need to be incurred to re-use “...**Buildings #1 - #5 [which] comprise approximately 120,000± square feet of GBA,**” per our NOTE above. **WE ARE NOT GENERAL CONTRACTORS NO ENVIRONMENTAL CLEAN UP / MITIGATION CONTRACTORS, AND WE CANNOT STATE WITH CERTAINTY THE ACCURACY OF THE FOLLOWING COST FIGURES. NOR CAN WE STATE WITH ANY CERTAINTY THE VERACITY OF THE SQUARE FOOTAGE INVOLVED OR REQUIRED TO BE REPAIRED BEYOND THAT STATED IN THE POPLI REPORT.**

THE FOLLOWING FIGURES ARE FOR ILLUSTRATION AND DISCUSSION PURPOSES ONLY AND WERE DERIVED BASED UPON OUR DECADES LONG REAL ESTATE DEVELOPMENT AND VALUATION EXPERIENCE. THESE ESTIMATES ARE BELIEVED TO BE REASONABLE ESTIMATES, WHICH WILL BE USED IN THE VALUATION OF THE SUBJECT PROPERTY - BOTH “As-Improved,” AS WELL AS “As-If Vacant.”

1. Environmental Mitigation and Clean Up

“It is very likely that there is asbestos in the buildings, which was often found in VAT tile flooring and in the 1950’s vintage glue-on / stapled-on perforated 12” x 12” ceiling tiles prevalently used at that time and which have been accumulating in wet heaps along the floors and hallways for the past two+ decades. Asbestos is also likely in the HVAC system and in some pipe joints. Peeling and flaking lead paint is plainly evident throughout the structure, and also possibly in the water lines due to old lead piping.

A variety of other environmental hazards are likely present in other deteriorating building and waste materials, which have been allowed to accumulate on the floors of the abandoned structures - open to rain, snow and the elements, wildlife, and trespassers for decades. It is possible - if not likely - that some of these toxins have been leeching into the soil given the long term conditions, and may be finding their way into the groundwater.”

To restate, a chain link fence encloses the area of the site where the improvements are situated. These fenced areas around the buildings include two specific areas: (1) the westernmost parcel off Peck Hill Road, which has ten (10) old, functionally-obsolete single-family houses and two other smaller, miscellaneous wood frame structures - primarily situated along the southern side of Inwood Drive, and (2) the area around the larger, institutional buildings – that being the easternmost parcel off Peck Hill Road along Airview Drive. **These areas total approximately 57± acres** of the total 644.62± acres site per the table.

Based upon our experience, it would be reasonable to assume that AT LEAST \$2,000,000 to \$4,000,000 would be required to test the entire 57± acre site for various forms of environmental contamination likely present, and to remove and properly dispose of these hazardous waste materials. However, this estimated range in costs could be less [which we consider to be unlikely] or possibly considerably more, depending upon the types and extent of the toxins present, and to what extent decades of exposure to the open environment have contaminated the soil and / or the groundwater [if any].

Conclusion of Estimated Cost of Environmental Mitigation and Clean Up

\$2,000,000 to \$4,000,000

NOTE: The appraisal is subject to the use of two hypothetical conditions, which (1) assume that the ownership entity is the People of the State of New York, which has clear title, and that the City of Buffalo has no ownership interest or rights, when in fact the City of Buffalo has a Reverter clause interest; and (2)

assumes that the hospital site, the surrounding woodlands, and the groundwater are unaffected by adverse environmental contamination conditions, when in fact likely environmental contamination was observed at the time of inspection. Consequently, we will not consider the cost to cure the environmental conditions in this appraisal.

2. **Cost to Cure the Structural Issues and Defects in the Popli Report – to Return Building to Raw “Shell” Condition**

Total Area of Buildings 1 – 5 = 120,000 Square Feet

Estimated Cost to Repair and Restore = \$30 to \$50 per Square Foot

Conclusion of Estimated Cost to Cure the Structural Issues and Defects in the Popli Report – to Return Building to Raw “Shell” Condition

\$3,600,000 to \$6,000,000

3. **Cost to the Finish Building Shell to an Alternative Use**

Total Area of Buildings 1 – 5 = 120,000 Square Feet

Estimated Cost to Finish Building Shell to an Alternative Use = AT LEAST \$100 per Square Foot

Conclusion of Estimated Minimum Cost to Finish Building “Shell” to an Alternative Use

\$12,000,000+

4. **Cost to Completely Demolish the Structures and Improvements, i.e., Restore the Site to Natural State [After Environmental Cleanup and Remediation]**

Total Area of Buildings 1 – 5 = 120,000 Square Feet

Estimated Cost to Completely Demolish the Structures and Improvements, i.e., Restore the Site to Natural State = \$15 per Square Foot

Conclusion of Estimated Cost to Completely Demolish the Structures and Improvements, i.e., Restore the Site to Natural State [After Environmental Cleanup and Remediation]

\$1,800,000

Legally Permissible

The use must be legal. The use must be probable, not speculative or conjectural. *There must be a demand for such a use* and it must return to the land the highest net return for the longest period, as examined in the Financially Feasible section that follows. Legal restrictions, as they apply to the subject Property, are of two types, i.e. private restrictions (deed restrictions, easements, etc.) and **public restrictions (zoning, building codes, environmental regulations and historic district controls**, etc.). These latter restrictions must be investigated to the best of our ability based upon the available data, because they may preclude many potential highest and best uses.

The bold, italicized statements in the prior paragraphs form the crux of the issues regarding the highest and best use of the subject Property “*As-Improved*,” and will be discussed in the following paragraphs. There are no known private restrictions applicable to the site.

In reviewing the allowed uses under the subject’s zoning classifications, the zoning for the 57 acres under the J.N. Adam buildings was reportedly “I” - Industrial in the Village of Perrysburg, as shown on the Old Village Zoning Map. However, voters approved a referendum to dissolve the Village into the town of Perrysburg, but the old Village zoning designation was never changed for the subject Property. Apparently, the “I” – Industrial zoning formerly in effect remains in effect, and the allowable uses reportedly are industrial and school uses and the allowable uses reportedly are industrial and school uses, as well as the same allowable uses governed by the zoning on the rest of the site.

The vast majority of the land surrounding the 57.0-acre improvements on the subject Property will accommodate the following uses: agricultural usage, churches / religious and seminary usage, school and other educational uses, governmental facilities such as libraries, museums, fire stations and municipal buildings, municipal or state operated parks, playgrounds and recreational trails, recreational trails and parks *operated by non-profit entities [by Special Exception]* and single-family detached dwellings at a density of one DU per 40,000 square feet [“**AR-40**”], or a density of one DU per 30,000 square feet [“**SR-30A**”]. Thus, all other uses are disallowed.

The subject site is situated in a *very rural area of very light development density*, that is characterized by uses that are primarily single-family residential and agricultural usage, among large areas of undisturbed wooded acreage. There are also mining and mineral operations ongoing on the site and in the local area. **There are many active gas wells on the Property and in the immediate subject area that are producing lease income for the owner**, and there are active gravel mines nearby, as shown in the various maps included herein. The nearest mixed-use commercial and retail is found along Main Street NYS Route 39, and in Gowanda and Forestville, which is also the location of the some services that are needed to support the existing local population.

The subject site **does not lie** in a designated Historic District, nor is it Historically Designated, and the site is not subject to any Landmarks Preservation requirements. There are no known legally restrictive declarations recorded on the subject Property. We have assumed the premise that there are no adverse easements or encroachments, and we have not been advised of the presence of any deed public restrictions that may restrict the use of the Property.

Unfortunately however, no arguments are posited from anyone knowledgeable about, or connected to, the Property in any way – including Federal, State and Local stakeholders and County and Town of Perrysburg leaders - that refute the fact that the subject Property likely is an **environmental nightmare**. One only needs to read Senator Catharine Young’s Senate Bill S4784C [included herein] to see the following comments. Mandatory Federal environmental regulations clearly assign total responsibility for environmental mitigation / clean up operations – including the financial responsibility - **to the responsible owner** – who in this case is the People of the State of New York.

- “The Perrysburg community **deserves to have the state and local governments address the issues confronting the J.N. Adam facility.** Numerous problems have plagued the site since the state effectively abandoned it 24 years ago...” and “**It is derelict, a risk to public safety, costs taxpayers money, and an eyesore that hampers community development,**” said Senator Young.
- “**The J.N. Adam facility has become known for its deteriorating condition. As long as it remains in its current state, it will continue to be a dangerous place, attracting unlawful urban explorers and others who risk illness, injuries or worse when entering the property. Safety mechanisms put in place have not worked,** and town residents and local government officials have asked for progress to be made,” Senator Young continued.
- “**The community of Perrysburg and the surrounding area has dealt with a large, decaying, and dangerous eyesore owned by the State of New York in the middle of the town center for nearly 20 years,**” said Assemblyman Joe Giglio. “**The cleanup and disposition of the J.N. Adam property is long overdue...**”
- “**The J.N. Adam facility is in deplorable condition** and it’s time that something is done about it. I applaud my colleagues, Assemblyman Giglio and Senator Young, for their efforts, and I’m glad we were able to move the legislation forward. This is indeed progress,” said Assemblywoman Crystal D. Peoples-Stokes, Chair, NYS Assembly Committee on Governmental Operations.

- Dennis Stopen, Supervisor for the Town of Perrysburg said, “We appreciate the support of Senator Young and Assemblyman Giglio regarding what they did by introducing the two bills regarding the J.N. Adam property. **It has been a problem for our town for many years, so the Town Board of Perrysburg**, myself and Mary Denea, of the J.N. Adam Citizen's committee, want to say thank you so much for your efforts on our behalf.”
- In addition, “...**Since 1991, many of the buildings, most of which contain asbestos and lead paint, have begun to rot and deteriorate at a rapid pace. The Town of Perrysburg has now identified the site as a potential health hazard due to the continued neglect, disrepair, and lack of security.**” And finally, “...**Hopefully we will soon see a day when the Property no longer stands as an eyesore, but as a shining location in the community,**” Senator Young said.

The Senate Bill further states that “Under the plan put forward by Senator Young and Assemblyman Giglio, the state, jointly with the Town of Perrysburg and the City of Buffalo, will examine and report back by December 31, 2016, on best uses for the J.N. Adam Developmental Center. The report would be required to include a number of specific factors, including: an accurate survey; identification of parcels currently being used by OPWDD; **any legal impediments to any conveyance and other future uses of the Property; the availability of funding for the temporary maintenance of the facilities; any improvements to the center which may be necessary to facilitate the sale of all or any portions of the Property; environmental and other remediation necessary; and the impact the sale of the Property, or any alternative plan, would have on the Town of Perrysburg and the surrounding communities.**

Upon our inspection of the subject Property, we noted that the buildings have been vacant and unused continuously for more than 20 years, and the improvements are in very poor condition, with issues that are well beyond being classified as deferred maintenance. A variety of other environmental hazards are likely present in other deteriorating building and waste materials, which have been allowed to accumulate on the floors of the abandoned structures - open to rain, snow and the elements, wildlife, and trespassers for decades. It is possible - if not likely - that some of these toxins have been leeching into the soil given the long term conditions, and may be finding their way into the groundwater. It appears to us that the subject Property may be an ongoing and worsening environmental catastrophe. However, we are not experts in these types of environmental issues and are not qualified to definitively make these conclusions based solely upon our visual observations.

Financially Feasible

After determining those uses that are physically possible and legally permissible, we have

eliminated many uses from consideration. The uses that meet the first two criteria are analyzed further to determine those that are ***likely to produce an income, or return, equal to or greater than the amount needed to satisfy operating expenses, financial obligations and capital amortization. There must be a demand for such a use and it must return to the land the highest net return for the longest period.***

The 57±-acre site “As-Improved” is conducive to a wide variety of residential and / or institutional uses. Public utility building use is permitted in the area. However, adaptive reuse of a former hospital is almost impossible. The vast majority of closed hospital properties are eventually sold for land value and the improvements are demolished.

Generally, these other legally allowable uses - churches / religious / seminary uses, schools and other educational uses, governmental facilities such as libraries, museums, fire stations, municipal buildings, municipal or state operated parks, playgrounds, and recreational trails, and recreational trails and parks *operated by non-profit entities [by Special Exception]* are dependent upon governmental sponsorship, or are undertaken by non-profit entities. Thus, they do not meet the requirement for being likely to produce an income, or return, equal to or greater than the amount needed to satisfy operating expenses, financial obligations and capital amortization. Also, the site and neighborhood characteristics preclude viability for governmental buildings, religious facilities, parks and non-profit recreational or tourist uses. Thus, all of these other uses are disallowed.

There have been many instances of significantly more functional hospitals than the subject Property being closed, with ownership seeking to find an alternative use. For example, Miami Heart Institute in Miami Beach, Florida was bought vacant for conversion into Ritz Carlton luxury waterfront condominiums, because the physical structure – long and not too deep – was conducive to this use. Forest Park Hospital in St. Louis, Missouri was bought by the St. Louis Zoo, which is just across the street, for use as part of the zoo. The immense Michael Reese Hospital property in Chicago is a prime example of the difficulties in reuse or conversion of a large complex. It was eventually sold for land use and demolished. Victory Memorial in Brooklyn, NY has an active nursing home, which was recently subdivided out and sold off, but the hospital remains vacant. Finally, Sheehan Memorial Hospital in Buffalo was auctioned off.

Modernization conditions and deficiencies also adversely affect the marketability and / or the potential sale price of a more functional hospital Property than the subject Property. Typically, a purchaser would seek to negotiate a reduced purchase price to compensate for the cost of mitigating all of the problems. For example, consider the following scenario:

Assuming that a prospective investor becomes interested in acquiring the subject Property, his / her initial consideration would be the amount of money required to rehabilitate the Property compared with the cash flow / return on that investment. As demonstrated earlier, *[and under the hypothetically clean environmental condition]* it

would require at least **\$3,600,000 to \$6,000,000 [\$30 to \$50 per square foot]** in out-of-pocket equity to cure / repair and restore the structural issues and defects enumerated in the Popli Report, in order to simply return the building to a raw “Shell” condition.

At that point, the investor would only have a vacant - but structurally sound – “shell” building, ready for additional fit-out for its intended use. At a 10 percent return on their investment, the “shell” would have to generate an annual income of \$360,000 to \$600,000 [*not including* the initial cost to purchase the Property, and *plus* the annual operating and carrying costs for real estate taxes, maintenance, utilities, insurance and security and the like]!

To actually have a useable structure that would be rentable for some unknown use, it would require an additional **\$12,000,000+** [Cost to the finish the building shell to an alternative use, based upon a total area of buildings 1 – 5 of 120,000 square feet, and an estimated cost to finish the building shell to the alternative use of at least \$100 per square foot.] **Now, the total investment for an alternative use is \$15,600,000 to \$18,000,000.** At a 10 percent return on investment, the finished building would have to generate an annual income of **\$1,560,000 to \$1,800,000** [*not including* the initial cost to purchase the Property, and *plus* the annual operating and carrying costs for real estate taxes, maintenance, utilities, insurance, security, debt service and the like]!

Obviously, there are no feasible uses in the Town of Perrysburg under which such a scenario is likely to occur. As discussed earlier in this report, there has been a recent real life case study for analysis in the local subject area.

The Tri-County Memorial Hospital (Tri-County) was devastated beyond repair during the 2009 Gowanda flood, and was demolished, leaving no hospital for the immediate area – including Perrysburg. **Initial plans were to relocate the hospital to another location in Perrysburg out of the flood zone. The relocation would utilize \$18.5 million in FEMA aid. TLC, the operators of Tri-County, would have needed to raise \$2.3 million in equity to fund the project.**

In July 2013, TLC announced it was abandoning its plans to reconstruct the hospital, noting that the existing hospitals in the region had more than enough capacity to meet demand, and would instead maintain an urgent care facility in Gowanda. **Gary Rhodes, interim CEO of Lake Erie Regional Health System of New York, stated that it would not be economical to rebuild the hospital due to declining revenues, decreasing area population, and because of other hospitals within the system being nearby – the same situation facing real estate development in Perrysburg, as well as redevelopment of the subject JN Adam Property. *The hospital's closure had a significant negative impact on the village, leading to the closure of the local Burger King and declines at several local businesses.***

Further, the above scenarios do not consider the costs of environmental mitigation **\$2,000,000 to \$4,000,000**, which were *hypothetically* excluded from this appraisal. Even simple demolition of the improvements *after environmental cleanup* would require at least **\$1,800,000**, or out of pocket in total, **\$3,800,000 to \$5,800,000** just to clean up the site, mitigate the damage and demolish the improvements in order to have an environmentally clean site – ready and able to sell to one or more potential purchasers. Mandatory Federal environmental regulations clearly assign total responsibility for environmental mitigation / clean up operations – including the financial responsibility - **to the responsible owner** – who in this case is the People of the State of New York.

Lastly, as has been painfully obvious to the local government in Perryville, the costs of securing and maintaining the vacant buildings is very expensive, and can run into the millions annually for an old hospital complex. Eventually, alternative uses become financially unfeasible and unproductive, as is the case with the subject Property.

Maximally Productive

Finally, we choose the use among those feasible uses that will produce the highest net return or present worth. Based upon the value of the site “*As-If-Vacant*” of just \$880,000, and **the total investment for an alternative use of \$15,600,000 to \$18,000,000, there are no feasible uses in the Town of Perrysburg under which such a scenario is likely to occur**. At a 10 percent return on investment, the finished building would have to generate an annual income of **\$1,560,000 to \$1,800,000** [not including the initial cost to purchase the Property, and *plus* the annual operating and carrying costs for real estate taxes, maintenance, utilities, insurance, security, debt service and the like]!

There are no uses that are **Financially Feasible or Maximally Productive** for the subject site “*As-Improved*.” Unfortunately, the least expensive alternative is for the subject owner [“PSNY”] to demolish what is left of the improvements clean up the site environmentally.

Site As Improved - Conclusion

Because of the foregoing data and reasoning, we believe that the site's highest and best use “*As-Improved*” is for the subject owner [“PSNY”] is demolition of what is left of the improvements and environmental clean up the site.

Given all of the demographic facts and economic conditions and forecasts included in this report, we cannot see any viability for new real estate development within the Town of Perrysburg, or any reason why an investor would be interested in committing significant equity capital into this market. There is simply no demand for any type of real estate product, or any of the existing infrastructure necessary to support the users of any new real estate product.

APPRAISAL PROCESS

The purpose of this appraisal is twofold. We will estimate the Market Value of the Fee Simple interest in the Property “*As-Improved*,” as well as “*As-If Vacant*,” as of the most recent date of inspection, October 18, 2016. According to USPAP, developing this **Market Value** opinion requires the use of two *hypothetical conditions*, which (1) assume that the ownership entity is the People of the State of New York, which has clear title, and that the City of Buffalo has no ownership interest or rights, when in fact the City of Buffalo has a Reverter clause interest; and (2) assumes that the hospital site, the surrounding woodlands, and the groundwater are unaffected by adverse environmental contamination conditions, when in fact likely environmental contamination was observed at the time of inspection.

This appraisal considers all relevant factors affecting market value, including supply and demand, competition and the present worth of anticipated future benefits of ownership. There are three accepted methods for estimating the market value of real estate: the Cost Approach, the Sales Comparison Approach, and the Income Approach. This appraisal considers all three standard approaches to value: Cost Approach, Sales Comparison, and Income Capitalization.

The Cost Approach

The Cost Approach provides an estimate of value based upon the assumption that an informed buyer would not pay more for a Property than the cost of buying land and constructing improvements on that land, both the land and improvements having the same utility as the subject Property. This approach is particularly useful when the land underlying the subject Property is being utilized at its highest and best use, and the improvements are new. This is not the case for the subject Property.

The Cost Approach is not appropriate to develop the “*As-If- Vacant*” value of this 644.62± acre, unimproved tract for unimproved agricultural / recreational / mineral use, nor subdivision into smaller tracts for multiple uses, such as seasonal / second home development sites or additional gas wells. Rather, the Direct Sales Comparison Approach is the most common method used for unimproved farmland/ agricultural / timber acreage / development site value estimates. The subject land is lying fallow, and the Property is incapable of generating any income. Thus, the Income Approach is also not a relevant means of analysis and will not be completed for the “*As-If-Vacant*” value.

The Cost Approach is also not appropriate to develop an estimate of **Market Value** “*As-Improved*,” due to a plethora of negative factors. The improvements were built at various times beginning in 1912, and are in poor condition. Further, the subject land under the buildings is not being used at its highest and best use, and the former tuberculosis hospital complex appears to be fully depreciated. The cost to restore the Property even to a functional shell, ready for some potential future development, is prohibitive due to the

condition of the Property, its lack of any historical designation, and very poor regional and local economic, demographic and real estate market conditions. Thus, the Cost Approach shall not be completed for the “*As-Improved*” value.

The Sales Comparison Approach

The Sales Comparison Approach is used to estimate the value of the land as if vacant and / or the whole Property as improved, and is based on the assumption that a typically informed buyer would not pay more for the subject Property than the cost of purchasing similar properties with the same utility as the subject. This approach is very reliable when there is an active market that provides a sufficient quantity of verifiable” arms-length” sales, and when the sales fall into a real estate segment that is characterized by a relative degree of uniformity in typical property characteristics.

Data on sales of comparable properties are gathered, the nature and condition of each sale is analyzed, and reasonable adjustments are applied for dissimilar characteristics. The comparable sales are adjusted to the subject for the differences in time, location, physical characteristics and the terms of financing, to arrive at an estimate of the value of the subject. Typically, a common denominator may be price per square foot, or a gross rent multiplier. Value indications may be based upon price per dwelling unit, price per square-foot or price per acre. Comparable sales are adjusted to the subject to arrive at an estimate of the value of the subject. Adjustments are made for transactional differences - including financing, terms of sale, and time or market conditions, and for physical characteristics and performance statistics.

The Sales Comparison Approach is the most appropriate method for an estimate of the **Market Value** “*As-If-Vacant*” estimate for the subject Property due to the presence of similar unimproved farmland/ agricultural / timber acreage / development site sales within the subject’s Buffalo Metropolitan region. The subject Property is situated within an area **without an active real estate sales market**. Demand for agricultural / farmland, or low-density residential development land is far below supply, and transactions are few and far between. Sales of similar parcels were researched from Costar and LoopNet data, from PropertyShark data, and from our files of previous appraisal assignments, and a reliable estimate of the value of the Property “*As-If Vacant*” as unimproved farmland/ agricultural / timber acreage / or residential detached single-family development sites will be made.

Further, the Sales Comparison Approach is not an appropriate method for an estimate of the **Market Value** “*As-Improved*” of this historically non-significant institutional Property. The Direct Sales Comparison Approach is the most common method used for vacant “shell” structures. However, there have been no sales that we could find nationally that would be appropriate comparable sales for comparison with the subject Property. Further, there have been few if any transactions of similar “shell” buildings in the region or national market, and data are scarce if not nonexistent Unfortunately, sales of somewhat similar vacant, special

purpose hospital buildings and complexes, and non-historic “shell” improvements – even of found - are very difficult to analyze and compare with the subject Property. From past assignments, we have researched nationally, and learned that every state in the country has several similar type properties – old, abandoned, and unusable psychiatric hospitals, prisons and the like. A reliable estimate of the value of the Property “As-Improved,” is extremely difficult to conclude and support using the Sales Comparison Approach. Thus, Thus, the Sales Comparison Approach shall not be completed for the “As-Improved” value.

The Income Approach

The Income or Earnings Approach is predicated upon the assumption that there is a definitive relationship between the amount of income a Property will earn and its value. This approach is based on the principle that value is created by the expectation of benefits to be derived in the future. It assumes that the typically informed buyer would not pay more for the subject property than the anticipated present worth of future benefits derived from the ownership of the property.

The net income potential of the subject Property is estimated by comparing it with the operations of similar properties, and processed into an estimate of value through an appropriate capitalization method. Net income is the income generated before payment of any debt service. The process of converting it into value is called capitalization, which involves dividing the net income by a capitalization rate. Various factors are considered in the rate, such as risk, time, interest on the capital investment, and the recapture of the depreciating asset. The appropriateness of this rate is critical, and there are several techniques by which it may be developed. In many cases, Direct Capitalization is used to convert an estimate of a single year’s income expectations into an indication of value in a single step, and is appropriate when a project’s cash flow is stabilized.

In 1991, the complex was abandoned, the site is lying fallow, and the Property does not generate any income, and is incapable of producing any rental income in its current condition without significant remedial construction. Thus, the Income Approach is not a relevant means of analysis and will not be completed for the “As-Improved” value.

Conclusion

The Cost Approach is not appropriate to develop the “As-If- Vacant” value of this 644.62± acre, unimproved tract for unimproved agricultural / recreational / mineral use, nor subdivision into smaller tracts for multiple uses, such as seasonal / second home development sites or additional gas wells. Rather, the Direct Sales Comparison Approach is the most common method used for the “As-If- Vacant” value of unimproved farmland/ agricultural / timber acreage / development site value estimates. The subject land is lying fallow, and the Property is incapable of generating any income. Thus, the Income Approach is also not a relevant means of analysis and will not be completed for the “As-If-Vacant”

value. Neither the Direct Sales Approach nor the Income Approach are relevant means of analyses and will not be completed for the “*As-Improved*” value.

Unfortunately, the subject Property has two undeniable similarities with the proverbial “white elephant.” First, the cost of ownership is out of proportion to its value or usefulness. Second, it will be very difficult for the owner (the People of the State) to dispose of the Property. Given the limited / nonexistent utility of all of the structures, the limited size of the population base and their economic characteristics, the costs of ownership including taxes and security, the high cost of demolition and / or repairs required if it were to become a functional “shell” ready for some unspecified future development, the likely environmental issues, and a host of other factors, a valid question is whether someone would even take the property for free!

While the land and the site improvements (landscaping, roads, and utilities) all have some inherent value, the carrying costs, the cost of future demolition, removal, and disposal of the existing buildings and toxic environmental waste materials, and the ready availability of other land suitable for development all provide more than enough reason to discourage any ownership of this Property. Add to this the considerable environmental uncertainty, and you have even more reason to walk away from the Property - “A classic white elephant.”

SALES COMPARISON APPROACH

The Sales Comparison Approach involves direct comparisons of the property being appraised to similar properties sold in the same or similar market. This comparison allows the derivation of a Market Value indication for the property appraised. This approach represents an interpretation of the actions of buyers, sellers, and investors in the market. It is based upon the principle of substitution, which holds that a prudent person will not pay more to buy a property than it would cost to purchase a comparable substitute property. The price paid for a property is usually the result of an extensive shopping process in which available alternates are compared, based upon the buyer's purchase criteria. When a sufficient number of similar property purchases are made in the current market, the resulting pattern usually provides a good indication of Market Value.

To apply the Sales Comparison Approach, we employ a five-step process as follows:

1. Research the market to identify similar properties for which pertinent sales, listings, offerings, and/or rental data is available.
2. Qualify the prices as to terms, motivating forces, and bona fide nature.
3. Compare each of the comparable properties' important attributes to the corresponding attributes of the subject property being appraised, under general categories such as time, conditions of sale, location, and other physical characteristics based upon the determinants of market demand for the specific property type under analysis.
4. Consider all dissimilarities and their probable effect on the price of each sale property to derive individual market value indications for the property being appraised.
5. From the pattern developed, an opinion of Market Value is formulated for the property being appraised.

This methodology yields an accurate indication of value when there is an active sales market for properties similar to the subject complex. There is a market for unimproved rural agricultural / farmland and low-density residential acreage of this type in the Western New York area, and the Sales Comparison Approach is appropriate. According to your request, the purpose of this appraisal is to estimate the **Market Value** of the Fee Simple interest in the existing property (the "Property"), "*As-If Vacant*" and "*As-Improved*," based upon two *hypothetical conditions*, which (1) assume that the ownership entity is the People of the State of New York, which has clear title, and that the City of Buffalo has no ownership interest or rights, when in fact the City of Buffalo has a Reverter clause interest; and (2) assumes that the hospital site, the surrounding woodlands, and the groundwater are

unaffected by adverse environmental contamination conditions, when in fact likely environmental contamination was observed at the time of inspection. that the buildings are vacant and unoccupied. The Market Value conclusion will consider the tangible assets of the real estate only.

We have researched the market for sales of similar unimproved rural agricultural / farmland and low-density residential acreage properties in the Western New York region that have occurred since January 1, 2014. We have further attempted to isolate sales where the land usage and economic circumstances were sufficiently similar to the subject area to allow for a meaningful comparison.

However, as will be seen in the analysis that follows, few sales are can be considered especially similar to the subject Property *“As-If Vacant”* for a variety of reasons. These reasons include site considerations such as the rural location, as well as the most important – the relative lack of demand from purchasers that exists the further away from the Buffalo core that the property is situated.

In addition, we found no sales of similar old hospital complexes such as the J.N. Adam improvements nationally that can be considered especially similar to the subject Property *“As-Improved,”* for many reasons as discussed in the Highest and Best Use Analysis *“As-Improved.”* These reasons include site considerations such as the rural location, transportation infrastructure and desirability of the area; and physical considerations such as age and physical condition of the buildings, architectural qualities, and desirability for – and anticipated expenses of conversion to an alternate use.

We have looked at more than 30 sales that occurred that either have transacted. From this universe of sales, three Primary Cattaraugus County comparable sales were included for further study in this report. For additional support, two other sales in Erie County were included. The sales that are fully described on the accompanying pages represent the most competitive and timely unimproved rural agricultural / farmland and low-density residential acreage property sales data available. Value indications may be based upon price per acre, and price per square-foot.

For this appraisal, sales are analyzed according to Sales price per acre, as this price indicator best reflects an investor’s actions in the marketplace. The concluded units will be adjusted to the number of acres in the subject Property.

LAND VALUATION

Several methodologies are acceptable when estimating land value. The six basic procedures are the Sales Comparison Approach, Allocation Method, Extraction Method, Subdivision Development Method, the Land Residual Technique, and the Ground Rent Capitalization Method. All six procedures are derived from the three basic approaches to value. Sales Comparison and Income Capitalization (i.e., Ground Rent Capitalization) can be directly applied to land valuation. Allocation and Extraction procedures reflect the influence of the Sales Comparison and Cost Approaches; the Land Residual Technique is based on the Income Capitalization and Cost Approaches. Subdivision Development draws on elements of all three approaches.

The Land Valuation that follows is derived from the Sales Comparison Approach, and is based on the principle of substitution. This principle represents an interpretation of the actions of buyers and sellers in the marketplace. In this technique, the sales data for similar properties - agricultural tracts that may - or may not - change into low-density development sites at some future time - are researched and analyzed. Each potential comparable sale is analyzed for its highest and best use as though vacant, and is then compared with the subject's highest and best use. The prices paid for these transactions are converted to unit indications of value such as price per square foot, price per unit or bed, and price per buildable FAR. The components of these sites could include vacant land, semi-improved or improved parcels. These figures are then adjusted for any elements of difference between the property sold and the property being appraised.

Typically, elements considered include the elapsed time and market conditions at, and since, the date of the sale, property rights, use, location, size, exposure, and demolition and possession costs. The final unit of value derived is then multiplied by the potential developable area of the subject Property to produce an indication of value. The Sales Comparison Approach is the most appropriate technique to judge the land value of the subject site due to the quantity and quality of reliable market data.

Basic Site Valuation

The subject Property consists of four tracts of largely unimproved land that - in aggregate - consist of 644.62± acres, according to a survey provided to us by New York State Office of General Services and included herein. The topography is rolling and situated on a crest overlooking the surrounding landscape. Much of the Property is virgin forest, and in good condition. The “*As-If Vacant*” conclusion assumes the entire Property to also be vacant, unimproved acreage, and thus in good condition.

To investigate the value of the subject site, we have sought to evaluate an appropriate quantity of recent sales of similar unimproved rural agricultural / farmland and low-density residential acreage properties tracts of land. Ideally, the search would uncover several sales

within the subject neighborhood to analyze and conclude a value estimate.

Within the past 36 months, there has been very little sales activity within Cattaraugus County. The sales used herein consist of several smaller acreage parcels that can be considered somewhat similar to the subject acreage within the local area or the region, with some degree of uniformity in typical property characteristics. In analyzing these sales, a value was estimated based upon the subject land area as suggested by the comparable sales rather than on the development potential of the sites. This is because all of the sales are acreage tracts in rural areas, and for which in practice, the allowable density under the zoning regulations is rarely if ever achieved. Also, some jurisdictions within Cattaraugus County do not have zoning ordinances. Whether residential or commercial development is planned, analysis based on development potential is an unreliable analysis, whereas analysis based on a per-acre or per square-foot basis is reasonable and acceptable.

In addition, "AR-40" zoning allows for a limited variety of uses, including single-family detached residential on large lots, agricultural, mining and mineral extraction, municipal, public, religious and recreational uses are permissible and conforming uses for the subject site. Thus, we have looked at all sales that occurred where eventual development of one of these allowable "AR-40" uses would likely be an investor's goal. We have further attempted to isolate sales where the land usage and economic circumstances were sufficiently similar to the subject area to allow for a meaningful comparison.

The sales that are fully described and mapped on the following pages represent the most proximate, competitive and timely land sales data available, but all of the sales considered have circumstances mitigating their applicability. Sales are analyzed according to price per acre and price per-square-foot of land area. We have relied on per-square-acre of land area since it best reflects the marketplace for these large tracts. The concluded unit will be adjusted to the number of acres in the subject parcel.

Adjustments are usually extracted on an empirical or quantified basis because of the quantity and quality of reliable market evidence at any given time. However, in this case, quantitative adjustments cannot be market supported in the current market due to a lack of a sufficient quantity of recent sales that are considered sufficiently similar to the subject to provide a reliable comparison. In addition, this range of values is further compounded by a diversity of buyer / seller sophistication and / or motivation. The sales used herein are the only sales in the market that are appropriate for comparison to the subject. All have mitigating issues that preclude any supportable quantitative adjustments. When extraction techniques are not conclusive, subject adjustments are applied influenced by interview with local participants and the appraiser's interpretation of the market.

Further, the 13th Edition of the Appraisal of Real Estate states, "when quantitative analytical techniques are applied, mathematical processes are used to identify which elements of comparison require adjustment to measure the amount of the adjustments. When market

evidence indicates that one or more elements effect value, those elements can be isolated by means of paired data analysis. Using this technique, an appraiser can measure the difference between a comparable that does not contain the distinguishing characteristic and a comparable that does contain the distinguishing characteristic."

The use of quantitative analysis requires the appraiser have a sufficient quantity of recent sales to derive a basis for abstracting precise adjustments. In order to utilize a paired sales analysis effectively, the appraiser must consider a statistically significant sample. Quite simply, we were unable to locate enough sales to be considered a statistically significant sample. An attempt to cull quantitative adjustments from the current market data could affect the reliability and validity of the adjustments. Therefore, we have no choice but to rely on a qualitative analysis.

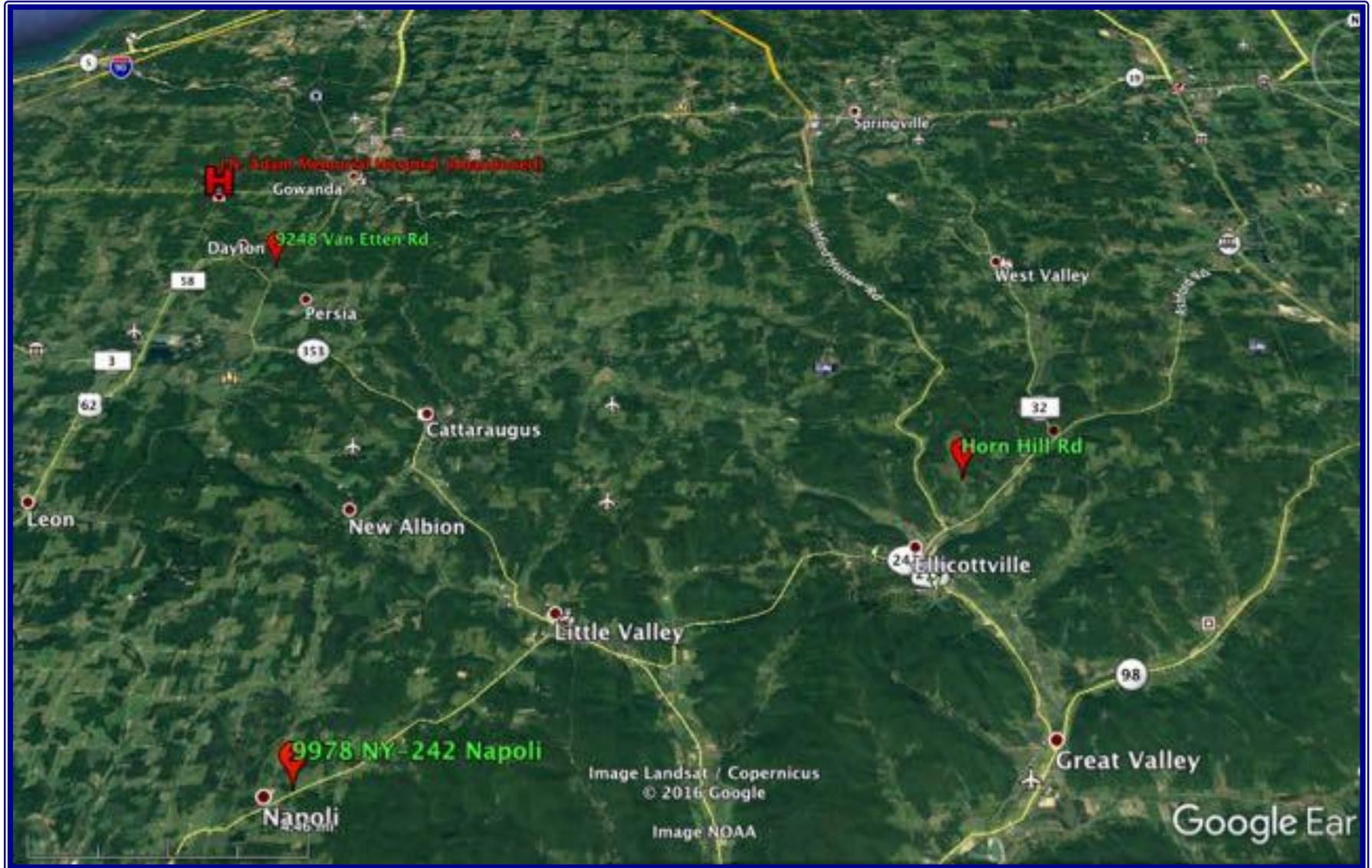
| Code | |
|------|---|
| ↑ | Inferior Consideration (Upward Adjustment Required) |
| ↓ | Superior Consideration (Downward Adjustment Required) |
| ↔ | Similar (No Adjustment Required) |

The 13th Edition further states, "Relative comparison analysis is the study of the relationships indicated by market data without recourse to quantification. Many appraisers use this technique because it reflects the imperfect nature of real estate markets. To apply this technique, the appraiser analyzes comparable sales to determine whether the comparable sale's characteristics are inferior, superior, or equal to those of the subject property. Unlike quantitative analysis, the adjustments considered in relative comparative analysis are not expressed as dollar or percentage amounts." Consequently, we have used qualitative adjustments and a ranking system to estimate the subject value.

In support of the qualitative method, we have included Land Sale Rating Charts for the subject acreage and for each sale herein. The subject property scores 125 as shown on the following page.

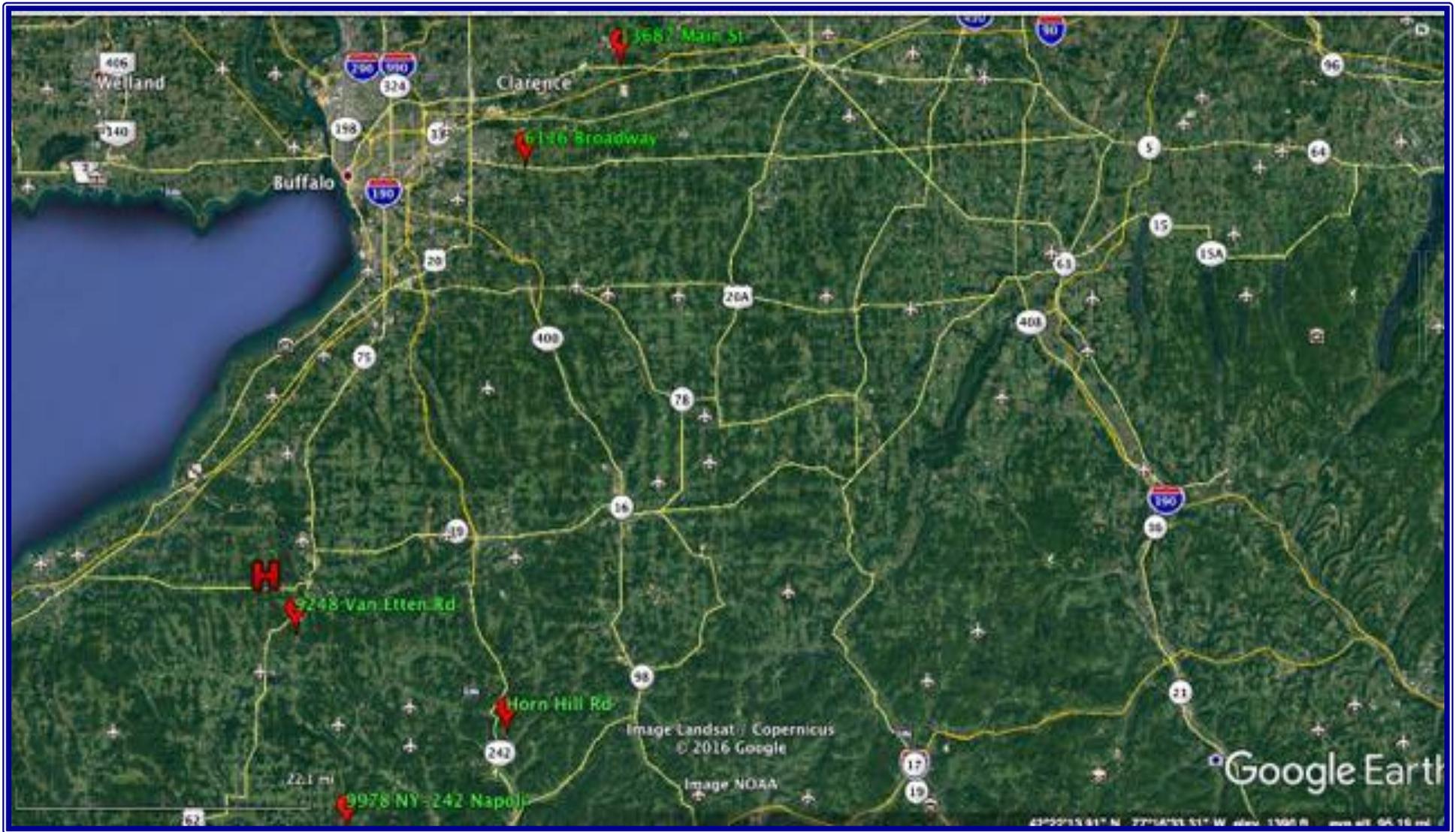
| Land Siting Rating Chart | | | | | | | | | |
|---|---------|-----------|------------|----------|--------|---------|----------|----------|------|
| Property: | | Subject | 10/18/16 | | | | | | |
| Comparison To Standard | | | Inferior | | | Typical | Superior | | |
| Subject | | | high | moderate | slight | average | slight | moderate | high |
| Size - Land Area | (Acres) | 644.62 | | | | 1 | | | |
| Shape | | irregular | | | | 1 | | | |
| Orientation | | n/a | | | | 1 | | | |
| Physical Characteristics | | | | | | | | | |
| Frontage | (feet) | 3,043.42 | | | | 1 | | | |
| Drainage | | adequate | | | | 1 | | | |
| Street | | | | | | | | | |
| Lanes | | 2 | | | | 1 | | | |
| Divider | | no | | | | 1 | | | |
| Street Parking | | no | | | | 1 | | | |
| Countour (topography) | | rolling | | | | 1 | | | |
| Overhead lines | | no | | | | 1 | | | |
| View Amenity | | yes | | | | 1 | | | |
| Utilities | | | | | | | | | |
| Water | | yes | | | | 1 | | | |
| Sewer | | yes | | | | 1 | | | |
| Gas | | yes | | | | 1 | | | |
| Electric | | yes | | | | 1 | | | |
| Limited Utility Features | | | | | | | | | |
| Wetlands | | no | | | | 1 | | | |
| Flood plain | | no | | | | 1 | | | |
| Steep slope | | no | | | | 1 | | | |
| Soils | | average | | | | 1 | | | |
| Habitat & Endangered Species | | | | | | | | | |
| | | no | | | | 1 | | | |
| Water Features | | | | | | | | | |
| Waterfrontage | | no | | | | 1 | | | |
| Easements / Encroachments | | | | | | | | | |
| Dominant tenement | | n/a | | | | 1 | | | |
| Servient tenement | | n/a | | | | 1 | | | |
| Other | | n/a | | | | 1 | | | |
| Zoning Classification | | | | | | | | | |
| Potential building area (sf FAR) | | AR-40 | | | | 1 | | | |
| Number of Items | | | 0 | 0 | 0 | 25 | 0 | 0 | 0 |
| Multiply: times category score | | | 0 | 2 | 4 | 5 | 6 | 8 | 10 |
| Subtotal Score | | | 0 | 0 | 0 | 125 | 0 | 0 | 0 |
| Total Items Rated | | | 26 | | | | | | |
| Average Score | | | 4.80769231 | | | | | | |
| Total Property Score | | | 125 | | | | | | |

PRIMARY LAND SALE MAP



JN ADAM DEVELOPMENTAL COMPLEX, PERRYSBURG, NY

SECONDARY LAND SALE MAP



JN ADAM DEVELOPMENTAL COMPLEX, PERRYSBURG, NY

| UNIMPROVED ACREAGE TRACTS SALES SUMMARY | | | | | | | | | | | | | | | | | | | |
|--|---|---------------|-----------|-------------|----------------------|----------------|------------------|--------------|----------------------|------------------|----------|--------------------------|--------------------------|---------------|---------------|---------------|----------------|-------------|----------------------------------|
| Sale No. | Name / Location | Contract Date | Sale Date | Sale Price | Effective Sale Price | Land Size (Ac) | Land Size (SqFt) | Price / Acre | Price / SqFt of Land | Max DU/AC Zoning | Time Adj | Adj Price / SqFt of Acre | Adj Price / SqFt of Land | ADJUSTMENTS | | | | | |
| | | | | | | | | | | | | | | Cond. of Sale | Location | Size & Shape | Zoning Utility | Qual Rating | Rating Indication |
| PRIMARY SALES COMPARABLES | | | | | | | | | | | | | | | | | | | |
| 1 | B & B Buffalo Ranch / Residential Horn Hill Road Ellicottville, Cattaraugus County, NY 14711 | 1/9/15 | 1/9/15 | \$1,100,000 | \$1,100,000 | 587.25 | 25,580,610 | \$1,873 | \$0.04 | NAV "LD" | 0.0% | \$1,873 | \$0.04 | ↔ Similar | ↓ Superior | ↔ Similar | ↓ Superior | 128 | ↓ Superior |
| 2 | Rural Residential Acreage 9978 Route 242 Little Valley, Cattaraugus County, NY 14755 | 11/17/13 | 4/16/14 | \$44,000 | \$44,000 | 30.00 | 1,306,800 | \$1,467 | \$0.03 | N/A None | 0.0% | \$1,467 | \$0.03 | ↔ Similar | ↔ Similar | ↓ Superior | ↑ Inferior | 127 | ↓ Superior |
| 3 | Rural Agricultural Acreage 9248 Van Etten Road Gowanda, Cattaraugus County, NY 14070 | 8/13/14 | 10/8/14 | \$262,100 | \$262,100 | 192.68 | 8,393,141 | \$1,360 | \$0.03 | NAV "AF" | 0.0% | \$1,360 | \$0.03 | ↔ Similar | ↔ Similar | ↔ Similar | ↑ Inferior | 122 | ↑ Inferior |
| SECONDARY SALES COMPARABLES | | | | | | | | | | | | | | | | | | | |
| 4 | Commercial Development Site 6116 Broadway Street Lancaster, Erie County, NY 14086 | 11/5/14 | 11/5/14 | \$80,000 | \$80,000 | 43.00 | 1,873,080 | \$1,860 | \$0.04 | 0.50 "C-1" | 0.0% | \$1,860 | \$0.04 | ↔ Similar | ↓ Superior | ↓ Superior | ↑ Inferior | 127 | ↓ Superior |
| 5 | Development Site 13687 Main Road Newstead, Erie County, NY 140001 | 6/28/16 | 6/28/16 | \$43,500 | \$43,500 | 31.30 | 1,363,428 | \$1,390 | \$0.03 | 0.87 "SF/MFR" | 0.0% | \$1,390 | \$0.03 | ↔ Similar | ↔ Similar | ↓ Superior | ↔ Similar | 127 | ↓ Superior |
| | Minimum | 11/17/13 | 4/16/14 | \$43,500 | \$43,500 | 30.00 | 1,306,800 | \$1,360 | \$0.03 | 0.50 | | \$1,360 | \$0.03 | | | | | 122 | |
| | Mean | 12/20/14 | 1/31/15 | \$305,920 | \$305,920 | 176.85 | 7,703,412 | \$1,590 | \$0.04 | 0.69 | | \$1,590 | \$0.04 | | | | | 126 | |
| | Maximum | 6/28/16 | 6/28/16 | \$1,100,000 | \$1,100,000 | 587.25 | 25,580,610 | \$1,873 | \$0.04 | 0.87 | | \$1,873 | \$0.04 | | | | | 128 | |
| Subj Property | JN Adams Complex 10317 Dayton Road – [CR 58] Perrysburg, Cattaraugus County, NY 14129 | N/A | | | | 644.62 | 28,079,647 | N/A | N/A | 0.92 | | | | | | | | 125 | "AR-40" Agricultural Residential |

LAND SALE #1



Location: B & B Buffalo Ranch
Horn Hill Road
Ellicottville, Cattaraugus County, NY 14711

Description: Class 105 Vacant Farmland

Parcel #: 46.002-1-18; -1-26; -1-28; 47.001-1-60; -1-58; -1-2.1

Sale Date: Contract date NAV; Sale 01/09/2015, recorded 1/13/2015

Grantor: B&B Buffalo Ranch C/O Tim Steffenhagen

Grantee: 847 Main Street, LLC aka The Krog Corp C/O Peter Krog

Book / Page: 22994 / 7001

Consideration: \$ 1,100,000

Terms: Cash / 1031 exchange

Lot Size: 587.25± Acres gross / useable = 25,589,610± square feet

Zoning: "LD" – Low Density-Residential

LAND SALE #1 (Con't)

Price / SF: \$ 0.04 per square-foot

Price / Acre: \$ 1,873 Acre

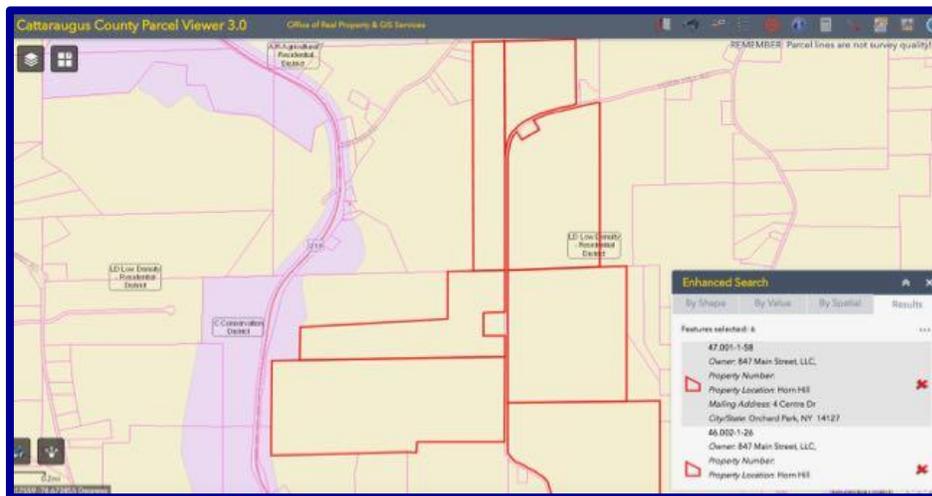
Days on Market: 1,815 days

Comments: On January 9, 2015, B&B Buffalo Ranch, a 587.25-acre property assemblage in the Ellicottville area of Cattaraugus County was sold for \$1,100,000. The land is vacant farmland and is zoned “LD” – Low Density-Residential. The land was on the market for 5 years, with an initial asking price of \$2,900,000. The transaction was in escrow for approximately 30 days. The buyer was attracted to the property because the buyer owns 300 acres of land adjacent to the property.

The property was a cash deal purchased using the 1031 exchange. The buyer is currently using the property for hunting purposes; the property may be developed in the future. The Krog Corp C/O Peter Krog and related entities own more than 23 different parcels in Cattaraugus County. No further information was available.

There are no public utilities available to the subject site. It is situated approximately two miles northeast of the center of the town of Ellicottville and two major ski resorts.

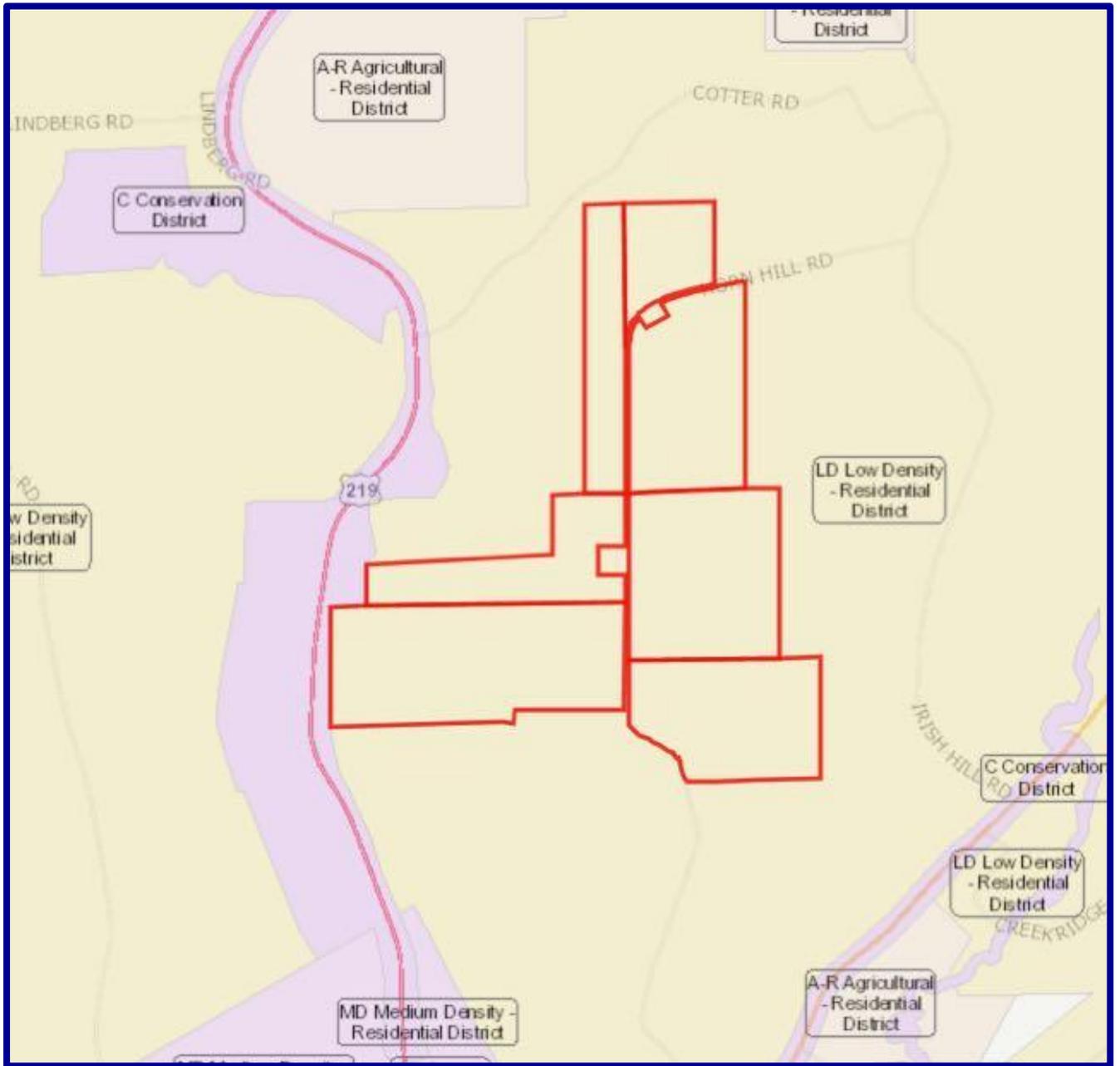
Confirmed: Co-Star / LoopNet, County Records, Details were confirmed by the listing broker - Holiday Valley Realty, David Blanchard (716) 699-2345 cell 716-474-7024



LAND SALE #1 (Con't)

| Land Siting Rating Chart | | | | | | | | | | |
|---|---------|-------------|----------|----------|---------|----------|--------|----------|------------|--|
| Property: Land Sale #1 | | | | | | | | | | |
| Comparison To Standard | | | Inferior | | Typical | Superior | | | | |
| Subject | | | high | moderate | slight | average | slight | moderate | high | |
| Size - Land Area | (Acres) | 587.25 | | | | 1 | | | | |
| Shape | | irregular | | | | 1 | | | | |
| Orientation | | n/a | | | | 1 | | | | |
| Physical Characteristics | | | | | | | | | | |
| Frontage | (feet) | Significant | | | | | 1 | | | |
| Drainage | | adequate | | | | 1 | | | | |
| Street | | | | | | | | | | |
| Lanes | | 2 | | | | 1 | | | | |
| Divider | | no | | | | 1 | | | | |
| Street Parking | | no | | | | 1 | | | | |
| Countour (topography) | | sloping | | | | 1 | | | | |
| Overhead lines | | no | | | | 1 | | | | |
| View Amenity | | yes | | | | 1 | | | | |
| Utilities | | | | | | | | | | |
| Water | | no | | | 1 | | | | | |
| Sewer | | no | | | 1 | | | | | |
| Gas | | no | | | 1 | | | | | |
| Electric | | yes | | | | 1 | | | | |
| Limited Utility Features | | | | | | | | | | |
| Wetlands | | no | | | | 1 | | | | |
| Flood plain | | no | | | | 1 | | | | |
| Steep slope | | no | | | | 1 | | | | |
| Soils | | undefined | | | | 1 | | | | |
| Habitat & Endangered Species | | no | | | | 1 | | | | |
| Water Features | | | | | | | | | | |
| Waterfrontage | | no | | | | 1 | | | | |
| Easements / Encroachments | | | | | | | | | | |
| Dominant tenement | | n/a | | | | 1 | | | | |
| Servient tenement | | n/a | | | | 1 | | | | |
| Other | | n/a | | | | 1 | | | | |
| Zoning Classification | | | | | | | | | | |
| Potential building area (sf FAR / DU) | | LD | | | | | | | 1 | |
| Number of items | | | 0 | 0 | 3 | 20 | 1 | 0 | 1 | |
| Multiply: times category score | | | 0 | 2 | 4 | 5 | 6 | 8 | 10 | |
| Subtotal Score | | | 0 | 0 | 12 | 100 | 6 | 0 | 10 | |
| Total Items Rated | | | | | | | | | 26 | |
| Average Score | | | | | | | | | 4.92307692 | |
| Total Property Score | | | | | | | | | 128 | |

LAND SALE #1 (Con't)



LAND SALE #1



LAND SALE #1

Navigation Tools GIS Map Tax Maps ORPS Links Assessment Info

Tip

- Click on a parcel's Tax ID to see its information.
- Click on a column title to sort on that column.

| Account # | SWIS - Municipality | Tax ID | Owner | Street # |
|-----------|------------------------|--------------|----------------------|--------------|
| 0498 | 043689 - Elizabethtown | 46.002-1-18 | 847 Main Street, LLC | Horn Hill Rd |
| 0500 | 043689 - Elizabethtown | 46.002-1-26 | 847 Main Street, LLC | Horn Hill Rd |
| 0497 | 043689 - Elizabethtown | 46.002-1-28 | 847 Main Street, LLC | Horn Hill Rd |
| 0501 | 043689 - Elizabethtown | 47.001-1-2.1 | 847 Main Street, LLC | Horn Hill Rd |
| 0499 | 043689 - Elizabethtown | 47.001-1-58 | 847 Main Street, LLC | Horn Hill Rd |
| 0496 | 043689 - Elizabethtown | 47.001-1-90 | 847 Main Street, LLC | Horn Hill Rd |

Showing results 1-6 of 6

Navigation Tools GIS Map Tax Maps ORPS Links Assessment Info Help Log Out

Municipality of Elizabethtown

SWIS: 043689 Tax ID: 46.002-1-18
Account #: 0498

Tax ID / Property Data

| | | | |
|--------------------|---------------------|---------------------|---------------------|
| Issue | Active | Plot Section | None |
| Address | Horn Hill Rd | | |
| Property Class | 128 - Vac Land/Land | Site Property Class | 128 - Vac Land/Land |
| Ownership Code | | | |
| Site | Reg 1 | In Ag District | No |
| zoning Code | 04 - | Bldg Style | 0 |
| Neighborhood | 30010 - East/South | Picture District | 0/No/Other |
| Total Acreage/Size | 46.12 | Population Rate | --- |
| Land Assessment | 2014 - \$24,450 | Total Assessment | 2014 - \$24,450 |
| Full Market Value | 2014 - \$24,450 | | |
| Dead Load | 0.000 | Dead Weight | 0.000 |
| Grid East | 1129426 | Grid North | 864727 |

Special Districts for 2014

| Description | Units | Percent | Type | Year |
|-----------------------|-------|---------|------|------|
| POW Elizabethtown Inc | 0 | 0% | | |

Land Types

| Type | Size |
|---------|-------------|
| Feature | 46.12 acres |

Residential

Properties Summary: 0 Properties, 0 Mortgages, 0 Assessments

Tools: Tax Maps, Tax Details, Record, Comments

Parcel History

New parcel history table

Mortgages

No Data Available

Assessments

- Send History Card
- Report History Card

Maps

Send Email to Purchase Tax Map
Or for more information
[CLICK HERE](#)

[View Tax Map](#)

Pin Property on GIS Map

LAND SALE #1




[Navigation](#) | [Tools](#) | [GIS Map](#) | [Tax Maps](#) | [ORPS Links](#) | [Assessment Info](#)

Residential

[Properties In](#) | [Owner/Sale](#) | [Inventory](#)

[Improvements](#)

[Tax Info](#) | [Tax Calcula](#)

[Report](#) | [Comparabl](#)

Parcel History

View parcel history data

Municipality of Ellipticville

| | | | |
|------------|--------|---------|-------------|
| SWIS: | 043689 | Tax ID: | 48.002-1-26 |
| Account #: | 0500 | | |

Tax Map ID / Property Data

| | | | |
|---------------------|--------------------|----------------------|--------------------|
| Status: | Active | Roll Section: | Taxable |
| Address: | Horn Hill Rd | | |
| Property Class: | 105 - Vac farmland | Site Property Class: | 105 - Vac farmland |
| Ownership Code: | | | |
| Site: | Res 1 | In Ag. District: | No |
| Zoning Code: | 04 - | Bldg. Style: | 0 |
| Neighborhood: | 38010 - Town/South | School District: | Ellipticville |
| Total Acreage/Size: | 65.60 | Equalization Rate: | ---- |
| Land Assessment: | 2016 - \$45,900 | Total Assessment: | 2016 - \$45,900 |
| Full Market Value: | 2016 - \$45,900 | | |
| Deed Book: | 22994 | Deed Page: | 7001 |
| Grid East: | 1128253 | Grid North: | 641783 |

Special Districts for 2016

| Description | Units | Percent | Type | Value |
|--------------------------|-------|---------|------|-------|
| FD360-Ellipticville fire | 0 | 0% | | 0 |

Land Types

| Type | Size |
|---------|-------------|
| Pasture | 65.60 acres |

LAND SALE #1




[Navigation](#) | [Tools](#) | [GIS Map](#) | [Tax Maps](#) | [CRPS Links](#) | [Assessment Info](#)

Residential

Property In

Owner/Sale

Inventory

Improvement

Tax Info

Tax Calculat

Report

Comparabl

Municipality of Ellicottville

| | | | |
|------------|--------|---------|-------------|
| SWIS: | 043689 | Tax ID: | 47.001-1-58 |
| Account #: | 0499 | | |

Tax Map ID / Property Data

| | | | |
|---------------------|--------------------|----------------------|--------------------|
| Status: | Active | Plot Section: | Taxable |
| Address: | Horn Hill Rd | | |
| Property Class: | 105 - Vac farmland | Site Property Class: | 105 - Vac farmland |
| Ownership Code: | | | |
| Site: | Res 1 | In Ag. District: | No |
| Zoning Code: | 04 - | Bldg. Style: | 0 |
| Neighborhood: | 38010 - Town/South | School District: | Ellicottville |
| Total Acreage/Size: | 90.11 | Equalization Rate: | ---- |
| Land Assessment: | 2016 - \$54,100 | Total Assessment: | 2016 - \$54,100 |
| Full Market Value: | 2016 - \$54,100 | | |
| Deed Book: | 22994 | Deed Page: | 7001 |
| Grid East: | 1131152 | Grid North: | 839742 |

Special Districts for 2016

| Description | Units | Percent | Type | Value |
|-------------------------|-------|---------|------|-------|
| FD360-Ellicottville fee | 0 | 0% | | 0 |

Land Types

| Type | Size |
|---------|-------------|
| Pasture | 90.11 acres |

Parcel History

View parcel history data

LAND SALE #1




Navigation Tools GIS Map Tax Maps ORPS Links Assessment Info

Residential

Property In Owner/Sale Inventory
Improvements

Tax Info Tax Calcul

Report Comparable

Parcel History

View parcel history data

Municipality of Ellicottville

| | | | |
|------------|--------|---------|--------------|
| SWIS: | 043689 | Tax ID: | 47.001-1-2.1 |
| Account #: | 0501 | | |

Tax Map ID / Property Data

| | | | |
|---------------------|--------------------|----------------------|--------------------|
| Status: | Active | Roll Section: | Taxable |
| Address: | Hom Hill Rd | | |
| Property Class: | 105 - Vac farmland | Site Property Class: | 105 - Vac farmland |
| Ownership Code: | | | |
| Site: | Res 1 | In Ag. District: | No |
| Zoning Code: | 04 - | Bldg. Style: | 0 |
| Neighborhood: | 36010 - Town/South | School District: | Ellicottville |
| Total Acreage/Size: | 129.30 | Equalization Rate: | ---- |
| Land Assessment: | 2016 - \$65,600 | Total Assessment: | 2016 - \$65,600 |
| Full Market Value: | 2016 - \$65,600 | | |
| Deed Book: | 22994 | Deed Page: | 7001 |
| Grid East: | 1130491 | Grid North: | 844646 |

Special Districts for 2016

| Description | Units | Percent | Type | Value |
|--------------------------|-------|---------|------|-------|
| FD360-Ellicottville fire | 0 | 0% | | 0 |

Land Types

| Type | Size |
|----------|-------------|
| Pasture | 89.30 acres |
| Woodland | 40.00 acres |

LAND SALE #1





Image Mate Online

Navigation Tools GIS Map Tax Maps OPPS Links Assessment Info

Residential

Property In Owner/Sale Inventory
Improvements

Tax Info Tax Calculat

Report Comparabl

Parcel History

View parcel history data

Municipality of Elizaville

| | | | |
|------------|--------|---------|-------------|
| SIWS: | 043689 | Tax ID: | 47.001-1-80 |
| Account #: | 0496 | | |

Tax Map ID / Property Data

| | | | |
|---------------------|--------------------|----------------------|--------------------|
| Status: | Active | Pool Section: | Taxable |
| Address: | Horn Hill Rd | | |
| Property Class: | 100 - Vac farmland | Site Property Class: | 100 - Vac farmland |
| Ownership Code: | | | |
| Site: | Res 1 | In Ag. District: | No |
| Zoning Code: | 04 - | Bldg. Style: | 0 |
| Neighborhood: | 36010 - Town/South | School District: | Elizaville |
| Total Acreage/Size: | 108.97 | Equalization Rate: | --- |
| Land Assessment: | 2016 - \$65,400 | Total Assessment: | 2016 - \$65,400 |
| Full Market Value: | 2016 - \$65,400 | | |
| Deed Book: | 22994 | Deed Page: | 7001 |
| Grid East: | 1130776 | Grid North: | 841657 |

Special Districts for 2006

| Description | Units | Percent | Type | Value |
|----------------------|-------|---------|------|-------|
| FD360-Elizaville fee | 0 | 0% | | 0 |

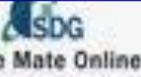
Land Types

| Type | Size |
|---------|--------------|
| Pasture | 108.97 acres |

- Deed History Card
- RP5217 01/2015
- RP5217 01/2015

Send

LAND SALE #1

[Navigation](#) | [Tools](#) | [GIS Map](#) | [Tax Maps](#) | [ORPS Links](#) | [Assessment Info](#)

Residential

[Property In](#) | [Owner/Sale](#) | [Inventory](#)
[Improvements](#)

[Tax Info](#) | [Tax Calcul](#)

[Report](#) | [Comparabl](#)

Parcel History

[View parcel history data](#)

Municipality of Ellicottville

| | | | |
|------------|--------|---------|-------------|
| SWIS: | 043889 | Tax ID: | 46.002-1-28 |
| Account #: | 0497 | | |

Tax Map ID / Property Data

| | | | |
|---------------------|--------------------|----------------------|--------------------|
| Status: | Active | Roll Section: | Taxable |
| Address: | Horn Hill Rd | | |
| Property Class: | 105 - Vac farmland | Site Property Class: | 105 - Vac farmland |
| Ownership Code: | | | |
| Site: | Res 1 | In Ag. District: | No |
| Zoning Code: | 04 - | Bldg. Style: | 0 |
| Neighborhood: | 36010 - Town/South | School District: | Ellicottville |
| Total Acreage/Size: | 144.15 | Equalization Rate: | ---- |
| Land Assessment: | 2016 - \$93,200 | Total Assessment: | 2016 - \$93,200 |
| Full Market Value: | 2016 - \$93,200 | | |
| Deed Book: | 22994 | Deed Page: | 7001 |
| Grid East: | 1127644 | Grid North: | 840481 |

Special Districts for 2016

| Description | Units | Percent | Type | Value |
|--------------------------|-------|---------|------|-------|
| FD360-Ellicottville fire | 0 | 0% | | 0 |

Land Types

| Type | Size |
|----------|--------------|
| Pasture | 125.00 acres |
| Woodland | 19.15 acres |

LAND SALE #1 (Con't)

3/4/2017

Printer Friendly Report - Image Mate Online



**Property Description Report For: Horn Hill Rd,
Municipality of Ellicottville**

No Photo Available

| | |
|-----------------------------|--------------------|
| Status: | Active |
| Roll Section: | Taxable |
| Swis: | 043689 |
| Tax Map ID #: | 47.001-1-58 |
| Account #: | 0499 |
| Property Class: | 105 - Vac farmland |
| Site: | RES 1 |
| In Ag. District: | No |
| Site Property Class: | 105 - Vac farmland |
| Zoning Code: | 04 |
| Neighborhood Code: | 36010 - Town/South |
| School District: | Ellicottville |
| Total Assessment: | 2016 - \$54,100 |
| Property Desc: | |
| Deed Page: | 7001 |
| Grid North: | 839742 |

| | |
|----------------------------|-----------------|
| Total Acreage/Size: | 90.11 |
| Land Assessment: | 2016 - \$54,100 |
| Full Market Value: | 2016 - \$54,100 |
| Equalization Rate: | ---- |
| Deed Book: | 22994 |
| Grid East: | 1131152 |

Area

| | | | |
|-------------------------------|-----------|-----------------------------------|-----------|
| Living Area: | 0 sq. ft. | First Story Area: | 0 sq. ft. |
| Second Story Area: | 0 sq. ft. | Half Story Area: | 0 sq. ft. |
| Additional Story Area: | 0 sq. ft. | 3/4 Story Area: | 0 sq. ft. |
| Finished Basement: | 0 sq. ft. | Number of Stories: | 0 |
| Finished Rec Room: | 0 sq. ft. | Finished Area Over Garage: | 0 sq. ft. |

Structure

| | | | |
|-----------------------------|---|---------------------------------|--------------|
| Building Style: | 0 | Bathrooms (Full - Half): | 0 - 0 |
| Bedrooms: | 0 | Kitchens: | 0 |
| Fireplaces: | 0 | Basement Type: | 0 |
| Porch Type: | 0 | Porch Area: | 0.00 |
| Basement Garage Cap: | 0 | Attached Garage Cap: | 0.00 sq. ft. |
| Overall Condition: | 0 | Overall Grade: | |
| Year Built: | | | |

LAND SALE #1 (Con't)

3/4/2017

Printer Friendly Report - Image Mate Online

Owners

847 Main Street, LLC
4 Centre Dr
Orchard Park NY 14127

Sales

| Sale Date | Price | Property Class | Sale Type | Prior Owner | Value Usable | Arms Length | Addl. Parcels | Deed Book and Page |
|-----------|-------------|--------------------|-----------|---------------------|--------------|-------------|---------------|--------------------|
| 1/9/2015 | \$1,100,000 | 105 - Vac farmland | Land Only | B & B Buffalo Ranch | Yes | No | Yes | 22994/7001 |

Utilities

| | | | |
|--------------------|----------|----------------------|------|
| Sewer Type: | None | Water Supply: | None |
| Utilities: | Electric | Heat Type: | 0 |
| Fuel Type: | 0 | Central Air: | No |

Improvements

| Structure | Size | Grade | Condition | Year |
|-----------|------|-------|-----------|------|
|-----------|------|-------|-----------|------|

Land Types

| Type | Size |
|---------|-------------|
| Pasture | 90.11 acres |

Special Districts for 2016

| Description | Units | Percent | Type | Value |
|--------------------------|-------|---------|------|-------|
| FD360-Ellicottville fire | 0 | 0% | | 0 |

Taxes

| Year | Description | Amount |
|------|-------------|----------|
| 2016 | County | \$794.88 |
| 2016 | School | \$457.71 |
| 2015 | County | \$806.53 |
| 2015 | School | \$462.28 |

*** Taxes reflect exemptions, but may not include recent changes in assessment.**

LAND SALE #1 (Con't)

3/4/2017

Printer Friendly Report - Image Mate Online



**Property Description Report For: Horn Hill Rd,
Municipality of Ellicottville**

No Photo Available

| | | | |
|----------------------------|-----------------|-----------------------------|--------------------|
| Total Acreage/Size: | 129.30 | Status: | Active |
| Land Assessment: | 2016 - \$65,600 | Roll Section: | Taxable |
| Full Market Value: | 2016 - \$65,600 | Swis: | 043689 |
| Equalization Rate: | ---- | Tax Map ID #: | 47.001-1-2.1 |
| Deed Book: | 22994 | Account #: | 0501 |
| Grid East: | 1130491 | Property Class: | 105 - Vac farmland |
| | | Site: | RES 1 |
| | | In Ag. District: | No |
| | | Site Property Class: | 105 - Vac farmland |
| | | Zoning Code: | 04 |
| | | Neighborhood Code: | 36010 - Town/South |
| | | School District: | Ellicottville |
| | | Total Assessment: | 2016 - \$65,600 |
| | | Property Desc: | |
| | | Deed Page: | 7001 |
| | | Grid North: | 844646 |

Area

| | | | |
|-------------------------------|-----------|-----------------------------------|-----------|
| Living Area: | 0 sq. ft. | First Story Area: | 0 sq. ft. |
| Second Story Area: | 0 sq. ft. | Half Story Area: | 0 sq. ft. |
| Additional Story Area: | 0 sq. ft. | 3/4 Story Area: | 0 sq. ft. |
| Finished Basement: | 0 sq. ft. | Number of Stories: | 0 |
| Finished Rec Room: | 0 sq. ft. | Finished Area Over Garage: | 0 sq. ft. |

Structure

| | | | |
|-----------------------------|---|---------------------------------|--------------|
| Building Style: | 0 | Bathrooms (Full - Half): | 0 - 0 |
| Bedrooms: | 0 | Kitchens: | 0 |
| Fireplaces: | 0 | Basement Type: | 0 |
| Porch Type: | 0 | Porch Area: | 0.00 |
| Basement Garage Cap: | 0 | Attached Garage Cap: | 0.00 sq. ft. |
| Overall Condition: | 0 | Overall Grade: | |
| Year Built: | | | |

LAND SALE #1 (Con't)

3/4/2017

Printer Friendly Report - Image Mate Online

Owners

847 Main Street, LLC
4 Centre Dr
Orchard Park NY 14127

Sales

| Sale Date | Price | Property Class | Sale Type | Prior Owner | Value Usable | Arms Length | Addl. Parcels | Deed Book and Page |
|-----------|-------------|--------------------|-----------|---------------------|--------------|-------------|---------------|--------------------|
| 1/9/2015 | \$1,100,000 | 105 - Vac farmland | Land Only | B & B Buffalo Ranch | Yes | No | Yes | 22994/7001 |

Utilities

| | | | |
|--------------------|----------|----------------------|------|
| Sewer Type: | None | Water Supply: | None |
| Utilities: | Electric | Heat Type: | 0 |
| Fuel Type: | 0 | Central Air: | No |

Improvements

| Structure | Size | Grade | Condition | Year |
|-----------|------|-------|-----------|------|
|-----------|------|-------|-----------|------|

Land Types

| Type | Size |
|----------|-------------|
| Pasture | 89.30 acres |
| Woodland | 40.00 acres |

Special Districts for 2016

| Description | Units | Percent | Type | Value |
|--------------------------|-------|---------|------|-------|
| FD360-Ellicottville fire | 0 | 0% | | 0 |

Taxes

| Year | Description | Amount |
|------|-------------|----------|
| 2016 | County | \$963.85 |
| 2016 | School | \$555.01 |
| 2015 | County | \$977.98 |
| 2015 | School | \$560.56 |

*** Taxes reflect exemptions, but may not include recent changes in assessment.**

Microsoft Document Connection

LAND SALE #2



Location: Class 322 - Rural Acreage
9978 Route 242
Little Valley, Cattaraugus County, NY 14755

Description: Residential acreage with significant wetlands (41%±)

Parcel #: 62.003-1-16.2 [046200-062-003-0001-016-002-0000]

Sale Date: 11/17/2013 contract - 4/16/2014; recorded 4/17/2014

Grantor: Killock, Robert & Patricia

Grantee: Addessa, Joseph C. & Dianne

Book / Page: 21520 / 6003

Consideration: \$ 44,000

Terms: Cash

Lot Size: 51.3 Acres gross / 30.0± useable = 26,136,000± square feet

Zoning: Napoli has no zoning

LAND SALE #2 (Con't)

Price / SF: \$ 0.03 per square-foot

Price / Acre: \$ 1,467 Acre

Days on Market: 365 days

Comments: On April 16, 2014, a private investor sold the 51 acres [2,221,560 SF] of commercial land to another private investor for \$44,000. However, only 30 acres of the land is usable due to wetlands. Topography of the property is sloping. The subject property is located at 9978 Route 242 in Little Valley, in the Napoli area of Cattaraugus County NY.

The land was on the market for about 1 year with an initial asking price of \$52,500. The transaction was in escrow for 150 days with no financing involved. The transaction was in escrow for approximately 150 days. No further information was available.

Confirmed: Co-Star / LoopNet, County Records, The information gathered for this report has been verified with the listing broker. The seller and buyer were represented by Buncy Real Estate – Buyer Broker was Michelle Schmidt (716) 496-5661; Listing was David Zilker



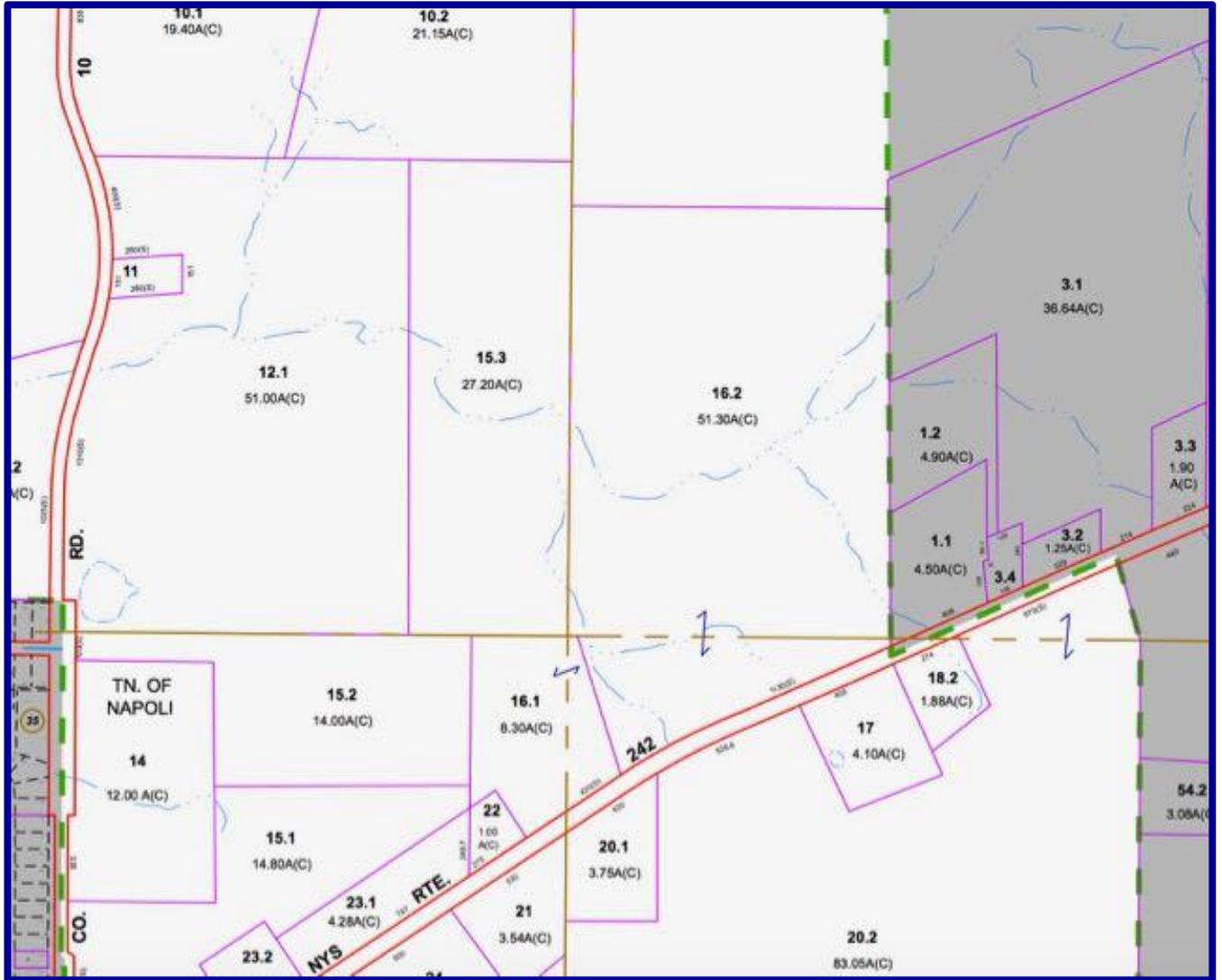
LAND SALE #2 (Con't)

| Land Siting Rating Chart | | | | | | | | | |
|---|---------|--------------|------|----------|---------|---------|----------|----------|------|
| Property: | | Land Sale #2 | | | | | | | |
| Comparison To Standard | | Inferior | | | Typical | | Superior | | |
| | | Subject | high | moderate | slight | average | slight | moderate | high |
| Size - Land Area | (Acres) | 30.00 | | | | | | | 1 |
| Shape | | irregular | | | | 1 | | | |
| Orientation | | n/a | | | | 1 | | | |
| Physical Characteristics | | | | | | | | | |
| Frontage | (feet) | 1,130.00 | | | | 1 | | | |
| Drainage | | adequate | | | | 1 | | | |
| Street | | | | | | | | | |
| Lanes | | 2 | | | | 1 | | | |
| Divider | | no | | | | 1 | | | |
| Street Parking | | no | | | | 1 | | | |
| Countour (topography) | | sloping | | | | 1 | | | |
| Overhead lines | | no | | | | 1 | | | |
| View Amenity | | no | | | 1 | | | | |
| Utilities | | | | | | | | | |
| Water | | no | | | 1 | | | | |
| Sewer | | no | | | 1 | | | | |
| Gas | | no | | | 1 | | | | |
| Electric | | yes | | | | 1 | | | |
| Limited Utility Features | | | | | | | | | |
| Wetlands | | yes | | | 1 | | | | |
| Flood plain | | no | | | 1 | | | | |
| Steep slope | | no | | | | 1 | | | |
| Soils | | undefined | | | | 1 | | | |
| Habitat & Endangered Species | | no | | | | 1 | | | |
| Water Features | | | | | | | | | |
| Waterfrontage | | no | | | | 1 | | | |
| Easements / Encroachments | | | | | | | | | |
| Dominant tenement | | n/a | | | | 1 | | | |
| Servient tenement | | n/a | | | | 1 | | | |
| Other | | n/a | | | | 1 | | | |
| Zoning Classification | | | | | | | | | |
| Potential building area (sf FAR) | | N/A | | | | | | 1 | |
| Number of Items | | | 0 | 0 | 6 | 17 | 0 | 1 | 1 |
| Multiply: times category score | | | 0 | 2 | 4 | 5 | 6 | 8 | 10 |
| Subtotal Score | | | 0 | 0 | 24 | 85 | 0 | 8 | 10 |
| Total Items Rated | | 26 | | | | | | | |
| Average Score | | 4.88461538 | | | | | | | |
| Total Property Score | | 127 | | | | | | | |

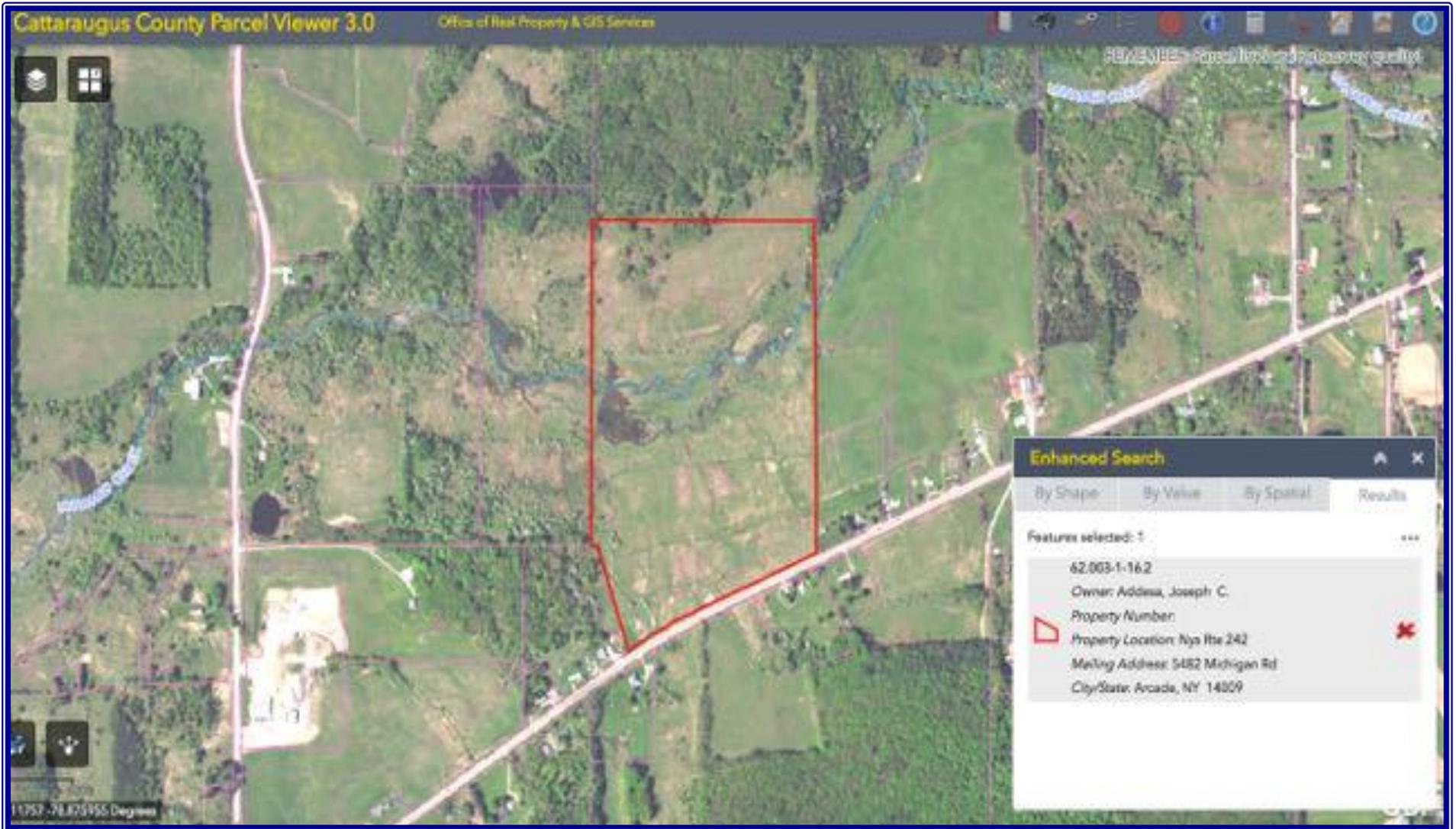
LAND SALE #2 (Con't)

| | | | |
|--|---|---|--------------------------|
| NEW YORK COUNTY USE ONLY C1. SWIS Code <u>1046200</u> C2. Date Deed Recorded <u>4/17/14</u> C3. Book <u>21520</u> C4. Page <u>6003</u> | |  New York State Department of Taxation and Finance Office of Real Property Tax Services RP-5217-PDF Real Property Transfer Report (RP-17) | |
| PROPERTY INFORMATION | | | |
| 1. Property Location | <u>9378</u> STREET NUMBER <u>Rapoll</u> CITY OR TOWN | <u>Route 242</u> STREET NAME | <u>14785</u> ZIP CODE |
| 2. Buyer Name | <u>Adessa ADDESA</u> LAST NAME COMPANY <u>ADDESA ADDESA</u> LAST NAME COMPANY | <u>Joseph C.</u> FIRST NAME <u>Diann L.</u> FIRST NAME | |
| 3. Tax Billing Address | Indicate where future Tax Bills are to be sent (if other than buyer address) bottom of form | | |
| 4. Indicate the number of Assessment Roll parcels transferred on this deed <u>1</u> # of Parcels OR <input type="checkbox"/> Part of a Parcel (Only if Part of a Parcel) Check as they apply: 4A. Planning Board with Subdivision Authority Exists <input type="checkbox"/> 4B. Subdivision Approval was Required for Transfer <input type="checkbox"/> 4C. Parcel Approval for Subdivision with Map Printed <input type="checkbox"/> | | | |
| 5. Deed Property Size | <input checked="" type="checkbox"/> Square Feet OR <u>51.30</u> Acres | 5A. Property Located within an Agricultural District <input type="checkbox"/> 5B. Buyer received a disclosure notice indicating that the property is in an Agricultural District <input type="checkbox"/> | |
| 6. Seller Name | <u>Killock</u> LAST NAME COMPANY <u>Patricia B.</u> FIRST NAME | | |
| 7. Select the description which most accurately describes the use of the property at the time of sale: C. Residential Vacant Land <input checked="" type="checkbox"/> | | | |
| 8. Check the boxes below as they apply: 8. Ownership Type is Condominium <input type="checkbox"/> 9. New Construction on a Vacant Lot <input type="checkbox"/> 10A. Property Located within an Agricultural District <input type="checkbox"/> 10B. Buyer received a disclosure notice indicating that the property is in an Agricultural District <input type="checkbox"/> | | | |
| SALE INFORMATION | | | |
| 11. Sale Contract Date | <u>11/17/2013</u> | 11. Check one or more of these conditions as applicable to transfer: <input type="checkbox"/> A. Sale Between Relatives or Former Relations <input type="checkbox"/> B. Sale between Related Companies or Partners in Business <input type="checkbox"/> C. One of the Buyers is also a Seller <input type="checkbox"/> D. Buyer or Seller is Government Agency or Lending Institution <input type="checkbox"/> E. Deed Type not Warranty or Bargain and Sale (Specify Below) <input type="checkbox"/> F. Sale of Fractional or Less than Fee Interest (Specify Below) <input type="checkbox"/> G. Significant Change in Property Between Taxable Status and Sale Date <input type="checkbox"/> H. Sale of Business is Included in Sale Price <input checked="" type="checkbox"/> I. Other Unusual Factors Affecting Sale Price (Specify Below) Comments on Condition: | |
| 12. Date of Sale/Transfer | <u>4/16/14</u> | | |
| 13. Full Sale Price | <u>44,000.00</u> | | |
| (Full Sale Price is the total amount paid for the property, including personal property. This payment may be in the form of cash, other property or goods, or the assumption of mortgages or other obligations.) Please round to the nearest whole dollar amount. | | | |
| 14. Indicate the value of personal property included in the sale | <u>0.00</u> | | |
| ASSESSMENT INFORMATION - Data should reflect the latest Final Assessment Roll and Tax Bill | | | |
| 16. Year of Assessment Roll from which information taken(TY) | <u>13</u> | 17. Total Assessed Value | <u>39,300</u> |
| 18. Property Class | <u>322</u> | 19. School District Name | <u>Randolph Central</u> |
| 20. Tax Map Identifier(s) (Not Identifier) (If more than four, attach sheet with additional identifier(s)) <u>02-003-1-16.2</u> | | | |
| CERTIFICATION | | | |
| I certify that all of the items of information entered on this form are true and correct to the best of my knowledge and belief, and I understand that the making of any willful false statement of material fact herein subjects me to the provisions of the penal law relative to the making and filing of false instruments. | | | |
| SELLER SIGNATURE  SELLER SIGNATURE | | BUYER CONTACT INFORMATION (Give information for the buyer. Note: If buyer is L.L.C. entity, association, corporation, joint stock company, estate or entity that is not an individual agent or fiduciary, then a name and contact information of an individual responsible party who can answer questions regarding the transfer must be entered. Type or print clearly.) <u>ADDESA</u> COMPANY NAME <u>Joseph C. + Diann L.</u> FIRST NAME <u>5432</u> STREET NUMBER <u>Michigan Rd</u> STREET NAME <u>Leve Arcade</u> CITY OR TOWN <u>NY</u> STATE <u>14009</u> ZIP CODE | |
| BUYER SIGNATURE  BUYER SIGNATURE | | BUYER'S ATTORNEY <u>Kubisa</u> LAST NAME <u>Robert</u> FIRST NAME <u>85</u> AREA CODE <u>492-1460</u> TELEPHONE NUMBER SIX DIGITS | |
|  | | | |

LAND SALE #2 (Con't)



LAND SALE #2 (Con't)



LAND SALE #2 (Con't)

The screenshot displays the 'Image Mate Online' interface for the Municipality of Napoli. The main content area is divided into several sections:

- Navigation:** Includes links for 'Home', 'GIS Map', 'Tax Maps', 'OFFS LHM', and 'Assessment Info'.
- Navigation Menu:** Contains buttons for 'Home', 'GIS Map', 'Tax Maps', 'OFFS LHM', and 'Assessment Info'.
- Property Details:**
 - Parcel ID / Property Data:**

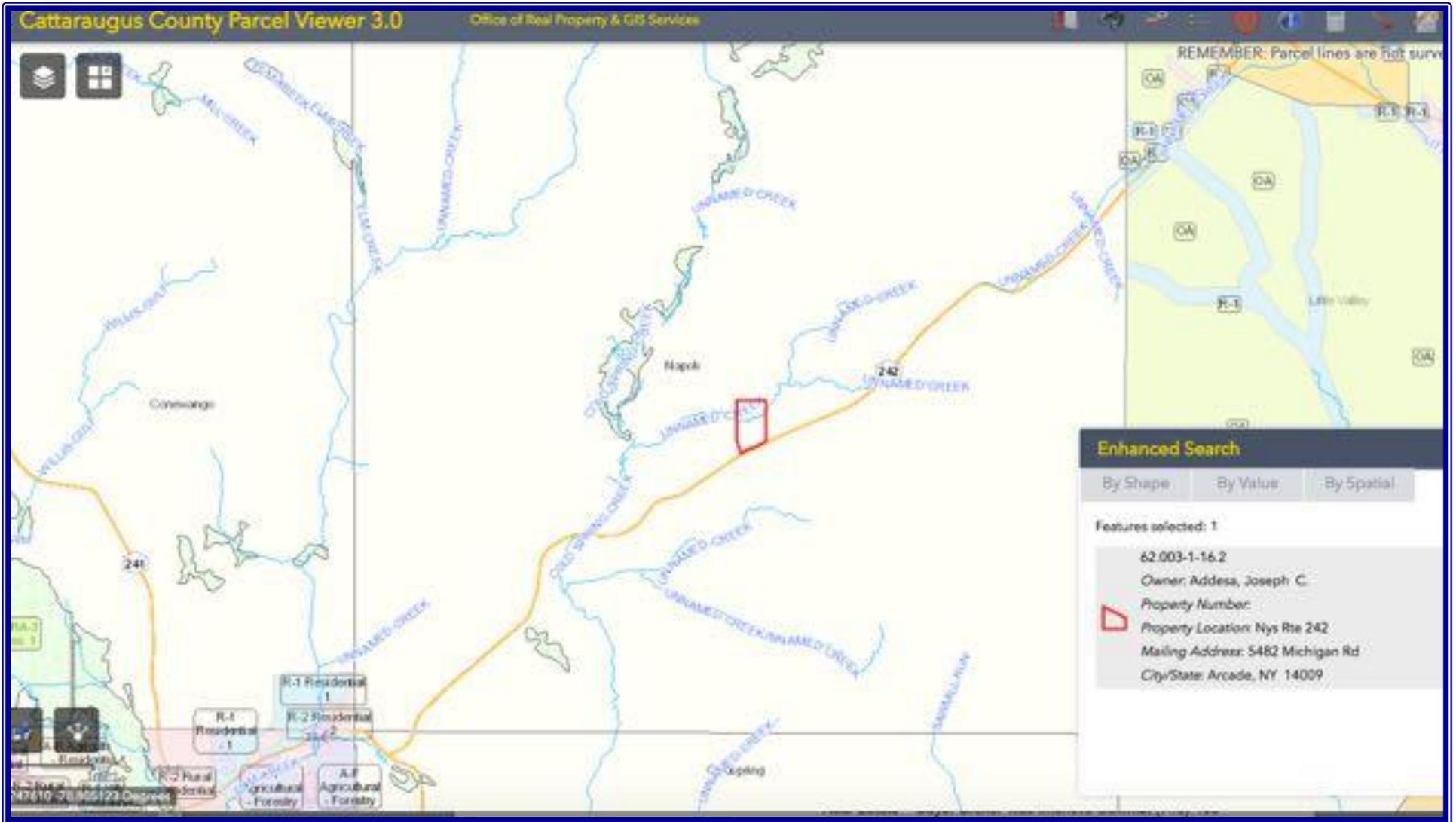
| | | | |
|---------------|-------|-----------|---------------|
| Parcel ID | 04900 | Parcel ID | 62 000 1-18.2 |
| Assessment Yr | 2012 | | |
 - Address:** Mar Hwy 142
 - Property Class:** 000 - Rural (Agriculture)
 - County Code:** 000 - Rural (Agriculture)
 - Site:** 100 - 100
 - Planning Code:** 000 - 000
 - Assignment:** 000 - 000
 - Total Acreage (Tot):** 0.30
 - Land Assessment:** 2012 - \$44,000
 - Full Market Value:** 2012 - \$44,000
 - Parcel Area:** 0.30
 - Grid Code:** 100214
- Special Districts for 2012:**

| PKID | Description | Rate | Percent | Code | Value |
|------|-------------|------|---------|------|-------|
| PKID | PKID | 0% | 0% | | |
- Land Types:**

| Type | Code |
|----------|------------|
| Primary | 1.00 0000 |
| Residual | 00.00 0000 |

- Photographs:** A photo gallery showing a landscape view, dated JAN 2010.
- Documents:** A list of documents including 'Deed History Card' and 'RFS212 04/2014'.
- Map:** A section with a button to 'View Tax Map' and a note: 'Send E-mail to Purchase Tax Map or for more information. CLICK HERE.' Below this is a button for 'For Property on GIS Map'.

LAND SALE #2 (Con't)



LAND SALE #2 (Con't)

3/4/2017

Printer Friendly Report - Image Mate Online



**Property Description Report For: Nys Rte 242,
Municipality of Napoli**



Total Acreage/Size: 51.30
Land Assessment: 2016 - \$44,000
Full Market Value: 2016 - \$44,000
Equalization Rate: ----
Deed Book: 21520
Grid East: 1067214

Status: Active
Roll Section: Taxable
Swls: 046200
Tax Map ID #: 62.003-1-16.2
Account #: 2032
Property Class: 322 - Rural vac>10
Site: RES 1
In Ag. District: No
Site Property Class: 322 - Rural vac>10
Zoning Code: -
Neighborhood Code: 62020
School District: Randolph
Total Assessment: 2016 - \$44,000

Property Desc:
Deed Page: 6003
Grid North: 804300

Area

| | | | |
|-------------------------------|-----------|----------------------------------|-----------|
| Living Area: | 0 sq. ft. | First Story Area: | 0 sq. ft. |
| Second Story Area: | 0 sq. ft. | Half Story Area: | 0 sq. ft. |
| Additional Story Area: | 0 sq. ft. | 3/4 Story Area: | 0 sq. ft. |
| Finished Basement: | 0 sq. ft. | Number of Stories: | 0 |
| Finished Rec Room | 0 sq. ft. | Finished Area Over Garage | 0 sq. ft. |

Structure

| | | | |
|-----------------------------|---|---------------------------------|--------------|
| Building Style: | 0 | Bathrooms (Full - Half): | 0 - 0 |
| Bedrooms: | 0 | Kitchens: | 0 |
| Fireplaces: | 0 | Basement Type: | 0 |
| Porch Type: | 0 | Porch Area: | 0.00 |
| Basement Garage Cap: | 0 | Attached Garage Cap: | 0.00 sq. ft. |
| Overall Condition: | 0 | Overall Grade: | |
| Year Built: | | | |

LAND SALE #2 (Con't)

3/4/2017

Printer Friendly Report - Image Mate Online

Owners

Joseph C Addesa
5482 Michigan Rd
Arcade NY 14009

Diane L Addesa
5482 Michigan Rd
Arcade NY 14009

Sales

| Sale Date | Price | Property Class | Sale Type | Prior Owner | Value Usable | Arms Length | Add. Parcels | Deed Book and Page |
|-----------|----------|--------------------|-----------|----------------------|--------------|-------------|--------------|--------------------|
| 4/16/2014 | \$44,000 | 311 - Res vac land | Land Only | Killock, Patricia B. | Yes | Yes | No | 21520/6003 |

Utilities

| | | | |
|--------------------|----------|----------------------|------|
| Sewer Type: | None | Water Supply: | None |
| Utilities: | Electric | Heat Type: | 0 |
| Fuel Type: | 0 | Central Air: | No |

Improvements

| Structure | Size | Grade | Condition | Year |
|-----------|------|-------|-----------|------|
|-----------|------|-------|-----------|------|

Land Types

| Type | Size |
|----------|-------------|
| Primary | 1.00 acres |
| Residual | 50.30 acres |

Special Districts for 2016

| Description | Units | Percent | Type | Value |
|-------------|-------|---------|------|-------|
| FD620-Fire | 0 | 0% | | 0 |

Taxes

| Year | Description | Amount |
|------|-------------|------------|
| 2016 | County | \$882.85 |
| 2016 | School | \$445.65 |
| 2015 | County | \$1,381.36 |
| 2015 | School | \$473.95 |

*** Taxes reflect exemptions, but may not include recent changes in assessment.**

LAND SALE #3



Location: Class 120 Field Crops
9248 Van Etten Road
Gowanda, Cattaraugus County, NY 14070

Description: Agricultural with significant wetlands / wastelands (40.9%±)

Parcel #: 25.002-1-8 [043089-025-002-0001-008-000-0000]

Sale Date: 10/8/2014 contract - 4/16/2014; recorded 4/17/2014

Grantor: Cherry Ridge Hardwoods, LLC

Grantee: Norman A Kwaizer et al

Book / Page: 22059 / 2003

Consideration: \$ 280,000

Effective Sale Price: \$ 262,100 after AV of 1950 576 SF - 2/1 Cottage

Terms: Cash

Lot Size: 204.68 Acres gross / 192.68± useable = 26,136,000± sq. feet

LAND SALE #3 (Con't)

Zoning: "A-F" Agricultural - Forestry

Price / SF: \$ 0.03 per square-foot

Price / Acre: \$ 1,360 Acre

Days on Market: 60± days (Unspecified marketing time)

Comments: On August 13, 2014, a private investor bought the 204.68 acres [8,915,861 SF] of agricultural land from a commercial timber firm for \$280,000. However, 12 acres of the land is usable due to wetlands. Topography of the property is flat. The subject property is located at 9248 Van Etten Road in Gowanda, Cattaraugus County NY. The sale included a 576 square foot single-story 2BR / 1 BA cottage that was built in 1950 and has an assessed market value of \$17,900, which was deducted from the \$280,000 sale price to get the value of the underlying unimproved land. A prior sale of the property and cottage occurred in 2004 for \$80,000. There are no public utilities to the property.

No information was available regarding the marketing period or the initial asking price. The transaction was in escrow for 150 days with no financing involved. The transaction was in escrow for approximately 56 days. The property has 1,370 feet of frontage along Van Etten Road, and considerable frontage along a railroad right of way, and backs up to the border of the Town of Dayton to the east. No further information was available.

Confirmed: Co-Star / LoopNet, County Records,



LAND SALE #3 (Con't)

| Land Siting Rating Chart | | | | | | | | | |
|---|---------|--------------|------------|----------|--------|---------|----------|----------|------|
| Property: | | Land Sale #3 | | | | | | | |
| Comparison To Standard | | | Inferior | | | Typical | Superior | | |
| Subject | | | high | moderate | slight | average | slight | moderate | high |
| Size - Land Area | (Acres) | 192.68 | | | | | | 1 | |
| Shape | | irregular | | | | 1 | | | |
| Orientation | | n/a | | | | 1 | | | |
| Physical Characteristics | | | | | | | | | |
| Frontage | (feet) | 1,370.00 | | | | 1 | | | |
| Drainage | | adequate | | | | 1 | | | |
| Street | | | | | | | | | |
| Lanes | | 2 | | | | 1 | | | |
| Divider | | no | | | | 1 | | | |
| Street Parking | | no | | | | 1 | | | |
| Countour (topography) | | flat | | | | 1 | | | |
| Overhead lines | | no | | | | 1 | | | |
| View Amenity | | no | | | 1 | | | | |
| Utilities | | | | | | | | | |
| Water | | no | | | 1 | | | | |
| Sewer | | no | | | 1 | | | | |
| Gas | | no | | | 1 | | | | |
| Electric | | yes | | | | 1 | | | |
| Limited Utility Features | | | | | | | | | |
| Wetlands | | yes | | | 1 | | | | |
| Flood plain | | no | | | 1 | | | | |
| Steep slope | | no | | | | 1 | | | |
| Soils | | undefined | | | | 1 | | | |
| Habitat & Endangered Species | | no | | | | 1 | | | |
| Water Features | | | | | | | | | |
| Waterfrontage | | no | | | | 1 | | | |
| Easements / Encroachments | | | | | | | | | |
| Dominant tenement | | n/a | | | | 1 | | | |
| Servient tenement | | n/a | | | | 1 | | | |
| Other | | n/a | | | | 1 | | | |
| Zoning Classification | | | | | | | | | |
| Potential building area (sf FAR) | | AF | | | | 1 | | | |
| Number of items | | | 0 | 0 | 6 | 18 | 0 | 1 | 0 |
| Multiply: times category score | | | 0 | 2 | 4 | 5 | 6 | 8 | 10 |
| Subtotal Score | | | 0 | 0 | 24 | 90 | 0 | 8 | 0 |
| Total Items Rated | | | 26 | | | | | | |
| Average Score | | | 4.69230769 | | | | | | |
| Total Property Score | | | 122 | | | | | | |

LAND SALE #3 (Con't)

INSTRUCTIONS (RP-5217-PDF-IND) www.dps.state.ny.us

FOR COUNTY USE ONLY

C1. SWIS Code 043089

C2. Date Deed Recorded 10-9-14

C3. Book 22509 C4. Page 3003

New York State Department of
Taxation and Finance
Office of Real Property Tax Services
RP-5217-PDF
Real Property Transfer Report (578)

PROPERTY INFORMATION

1. Property Location 9248 Van Etten Road
Dayton, NY 14041

2. Buyer Name Kwaiser Norman A., Phyllis L., Kathryn R., Norman N.

3. Tax Billing Address Kwaiser Phyllis L., Kathryn R., Norman N.

4. Indicate the number of Assessment Roll parcels transferred on the deed 1 # of Parcels OR Part of a Parcel (Only if Part of a Parcel) Check as they apply:
 4A. Planning Board with Subdivision Authority Exists
 4B. Subdivision Approval was Required for Transfer
 4C. Parcel Approver or Subdivision with Map Project

5. Deed Property Size X OR 224.88 ACRES

6. Seller Name Cherry Ridge Hardwoods, LLC

7. Select the description which most accurately describes the use of the property at the time of sale:
Field crops

8. Check the boxes below as they apply:
 8. Ownership Type is Condominium
 8. New Construction on a Vacant Land
 18A. Property Located within an Agricultural District
 18B. Buyer received a disclosure notice indicating that the property is in an Agricultural District

SALE INFORMATION

11. Sale Contract Date 08/13/2014

12. Date of Sale/Transfer 10-8-14

13. Full Sale Price 280,000.00

14. Indicate the value of personal property included in the sale 00

15. Check one or more of these conditions as applicable to transfer:
 A. Sale Between Relatives or Former Relatives
 B. Sale Between Related Companies or Partners in Business
 C. One of the Buyers is also a Seller
 D. Buyer or Seller is Government Agency or Lending Institution
 E. Deed Type not Warranty or Bargain and Sale (Specify Below)
 F. Sale of Fractional or Less than Fee Interest (Specify Below)
 G. Significant Change in Property between Taxable Status and Sale Date
 H. Sale of Business is Included in Sale Price
 I. Other Unusual Factors Affecting Sale Price (Specify Below)
 J. None
 Comments on Condition:

ASSESSMENT INFORMATION - Data should reflect the latest Final Assessment Roll and Tax Bill

16. Year of Assessment Roll from which information taken (YY) 14

17. Total Assessed Value 89,200

18. Property Class 220

19. School District Name Genesee

20. Tax Map Identifier(s) / Roll Identifier(s) (If more than four, attach sheet with additional identifier(s))
23.002-1-8

CERTIFICATION

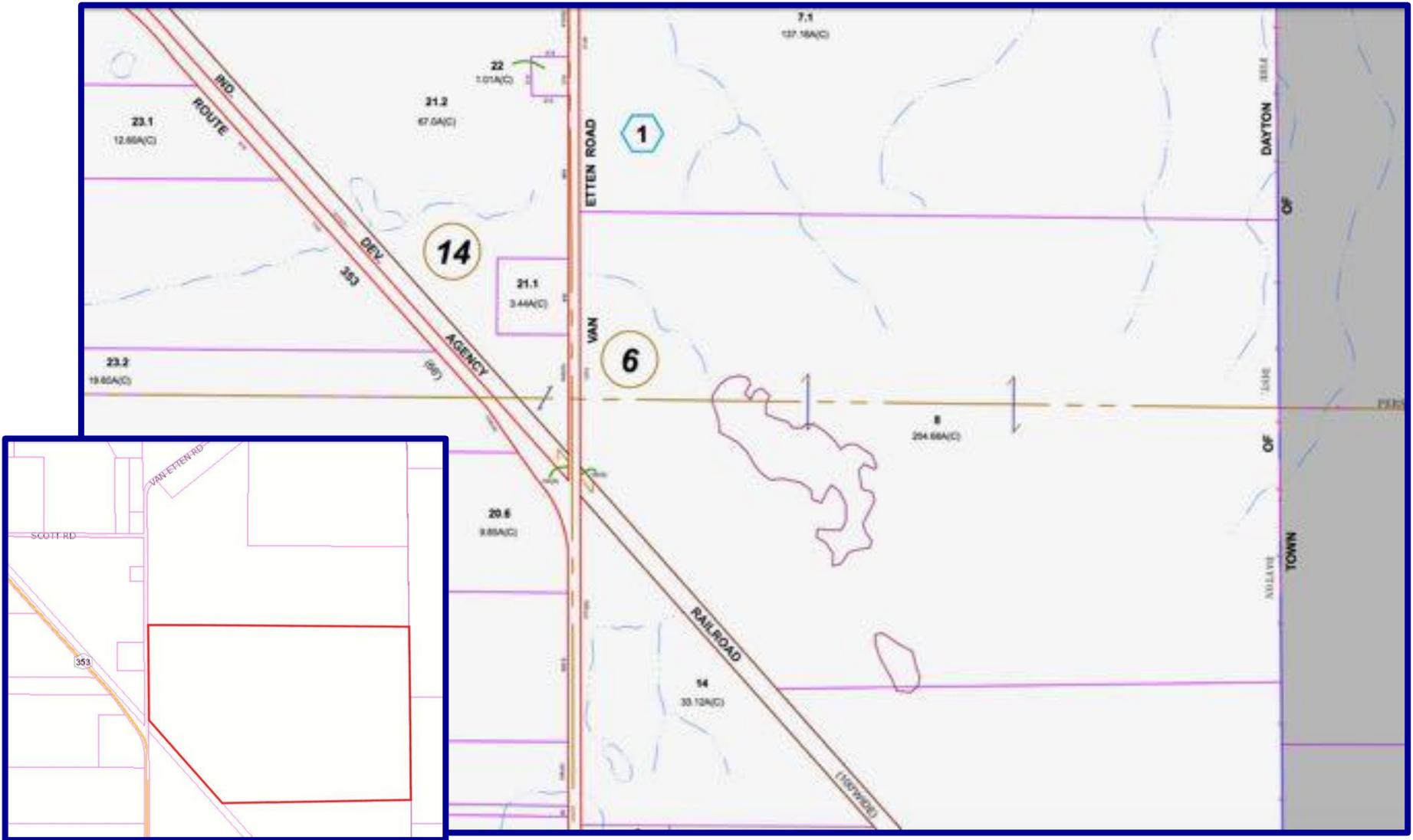
I certify that all of the items of information entered on this form are true and correct (to the best of my knowledge and belief) and I understand that the making of any willful false statement of material fact herein subject me to the provisions of the penal law relative to the making and filing of false instruments.

BELLER SIGNATURE
Dennis R. Whitmore

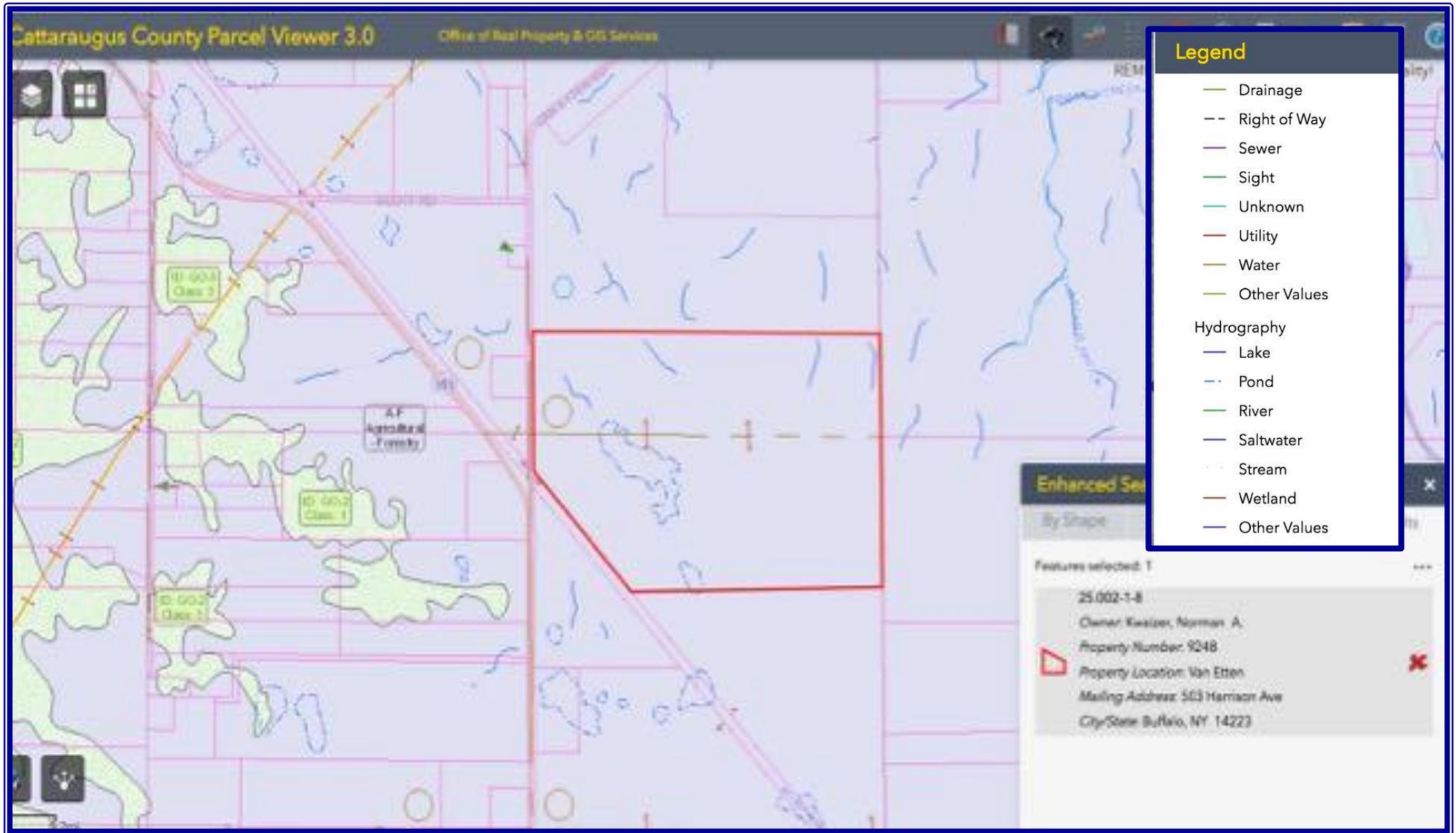
BUYER SIGNATURE
Norman A. Kwaiser

BUYER CONTACT INFORMATION
 503 Harrison Ave
 Buffalo NY 14223
 Gregory E.
 372-5254

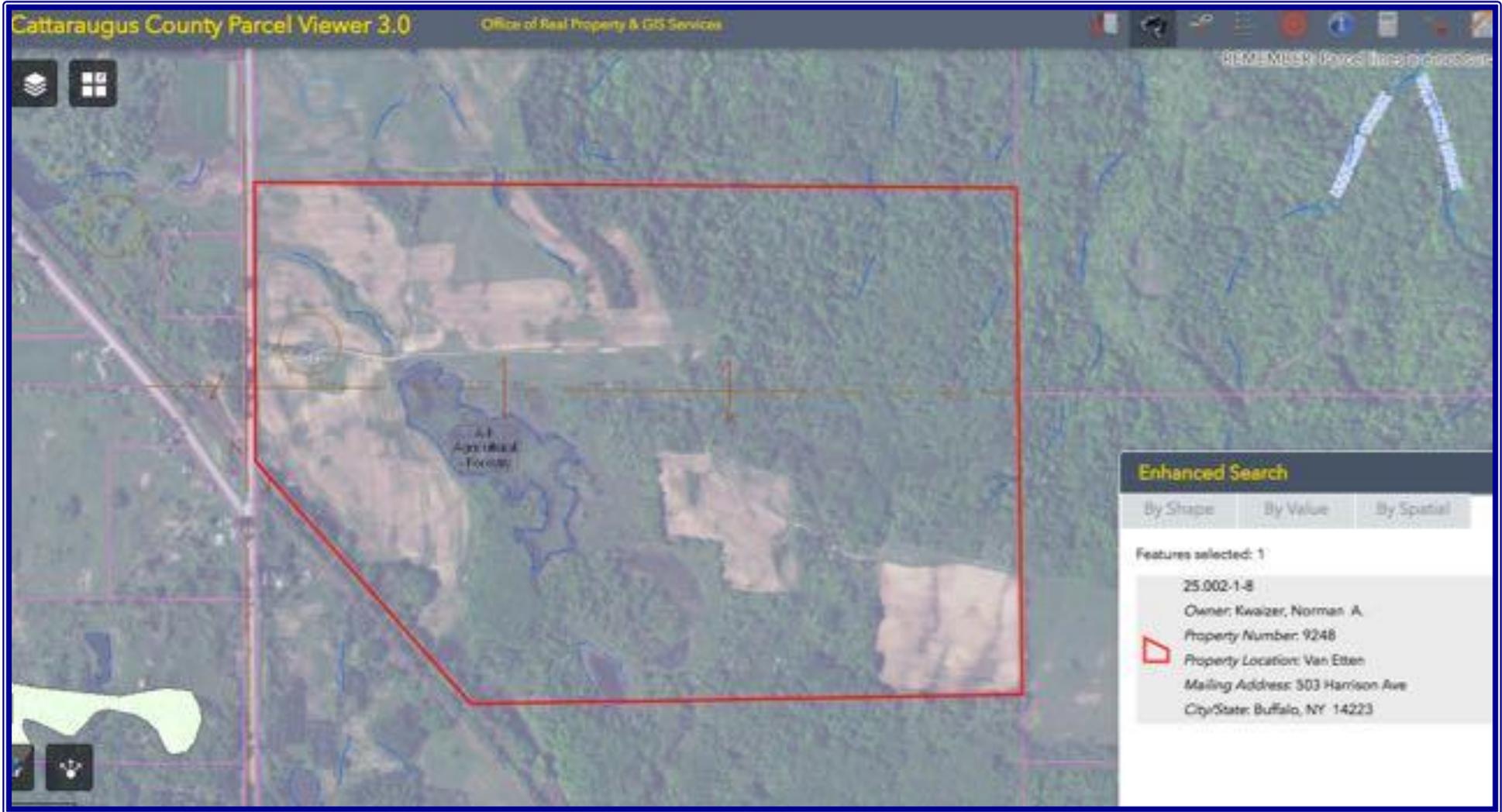
LAND SALE #3 (Con't)



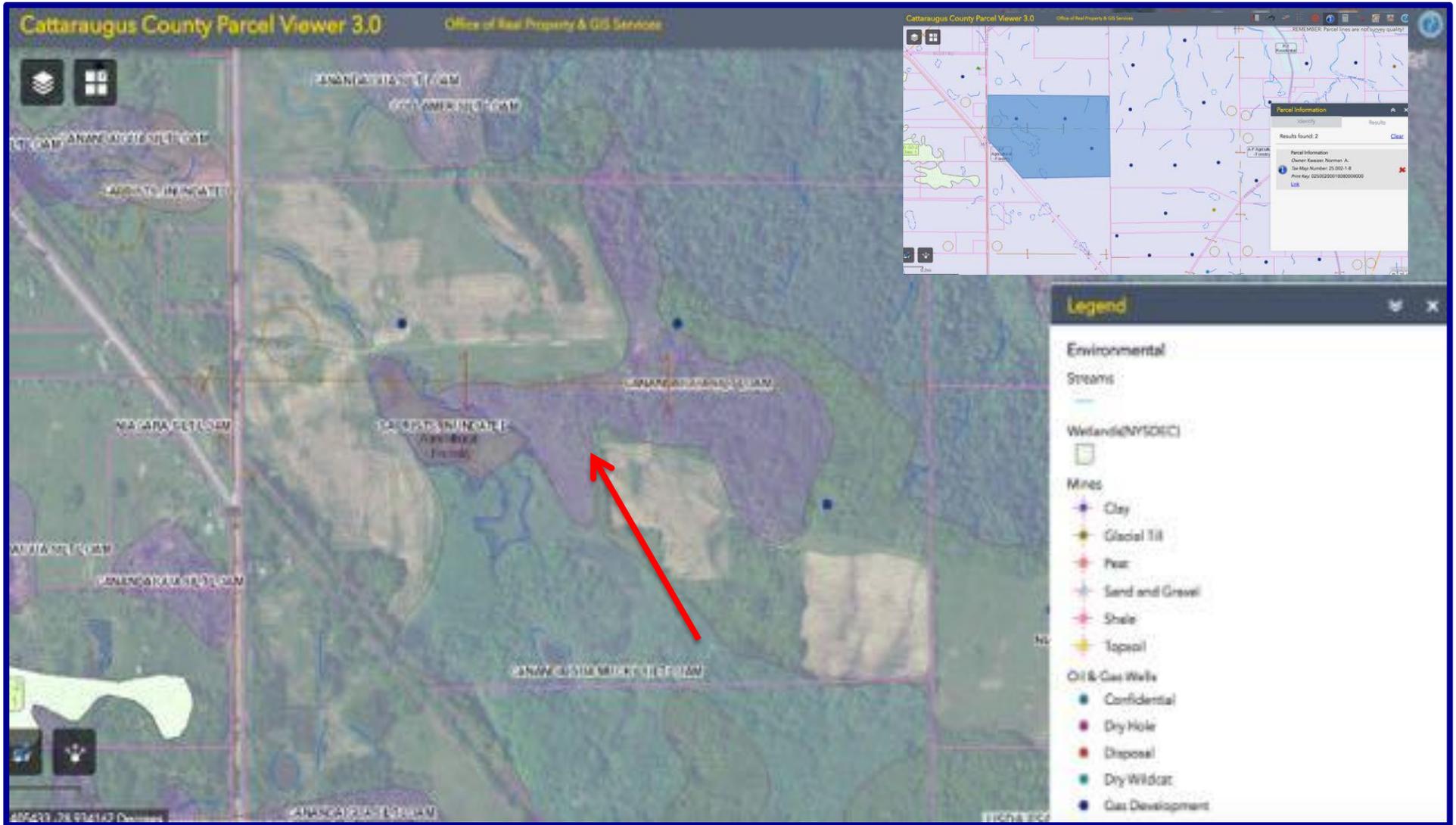
LAND SALE #3 (Con't) SHOWING PONDS ON SALE



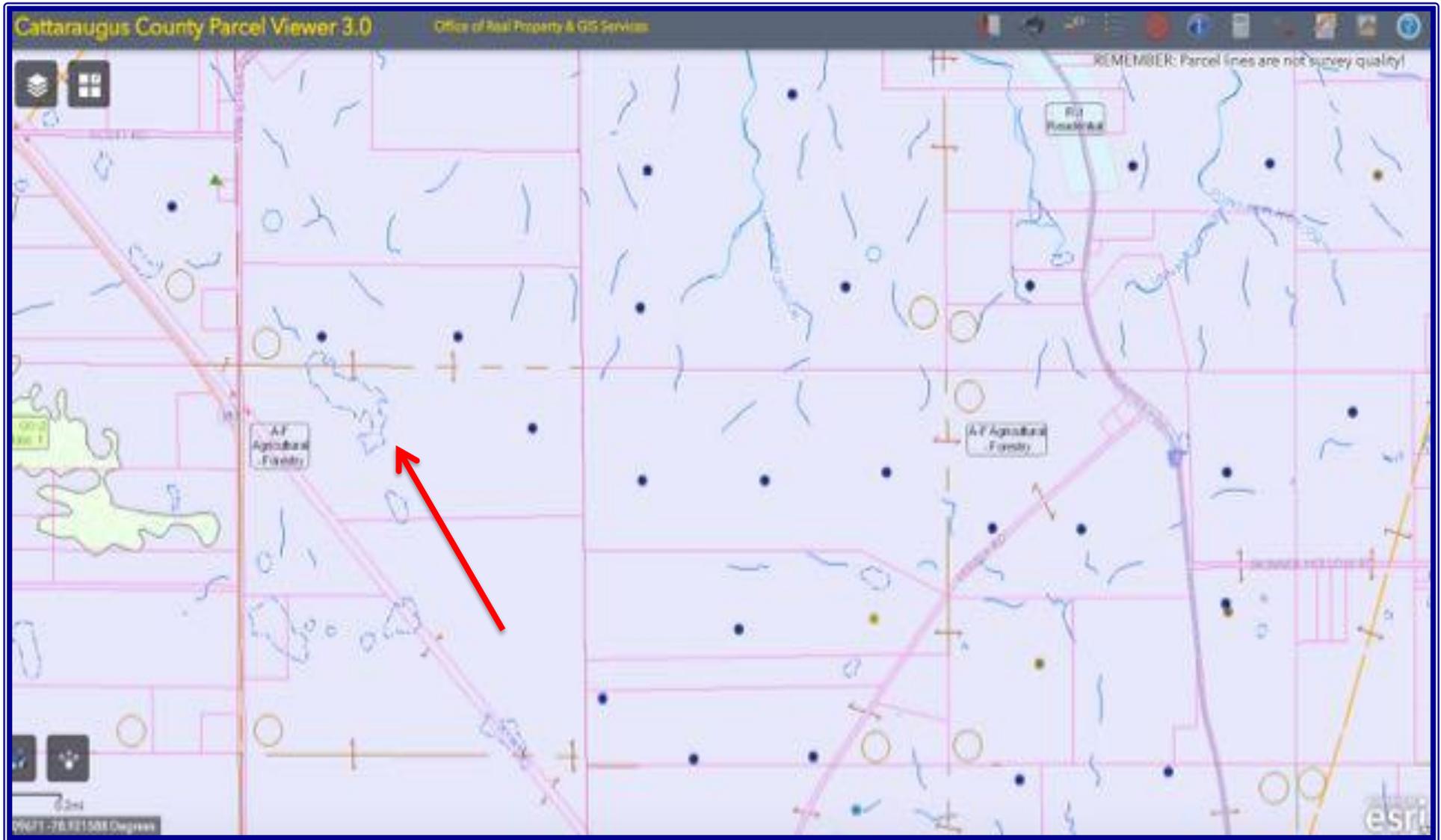
LAND SALE #3 (Con't)



LAND SALE #3 (Con't) SHOWING GAS WELLS ON SUBJECT



LAND SALE #3 (Con't) SHOWING GAS WELLS IN AREA



LAND SALE #3 (Con't)




Navigation Tools GIS Map Tax Maps | OFFLINE Assessment Info
Help Log Out

Policies

(Presented in Order Code) (Available) (Available)

Tax Info Tax Certificates

Recess Comerals

Municipality of Dorset

| | | | |
|--------------|-------|--------|----------|
| SWID | 00000 | Tax ID | 25-001-0 |
| Assessment # | 0100 | | |

Tax Map ID / Property Data

| | | | |
|--------------------|-------------------|---------------------|-------------------|
| Status | Active | Park Section | Taxable |
| Address | 1000 1000 1000 St | | |
| Property Class | 120 - Field crops | Line Property Class | 120 - Field crops |
| Accessing Code | | | |
| Site | Res 1 | In Ag District | No |
| zoning Code | | Reg. Code | 1-17000 |
| Neighborhood | 0000 | School District | Genesee |
| Total Acreage/Size | 20.00 | Equivalization Appt | --- |
| Land Assessment | 2016 - \$146,000 | Total Assessment | 2016 - \$200,000 |
| Full Market Value | 2016 - \$200,000 | | |
| Deed Book | 0000 | Deed Page | 0000 |
| Deed Book | 000000 | Deed Book | 000000 |

Special Districts for parcel

| Description | Lands | Percent | Type | Value |
|------------------------|-------|---------|------|-------|
| 00000-Dorset Fire Dist | 0 | 0% | | |

Land Types

| Type | Size |
|----------|-------------|
| Arable | 1.00 acres |
| Barren | 00.00 acres |
| Woodland | 00.00 acres |
| Wetland | 11.00 acres |
| Waterway | 18.00 acres |

Photographs

(Click on photo to enlarge it)



View the other photos

Documents

[View History Card](#)
[View Parcel Information](#)

Maps

Send E-mail to Purchase Tax Map
Or for more information
DORSET

View Tax Map

Pin Property on GIS Map

LAND SALE #3 (Con't)

3/5/2017

Printer Friendly Report - Image Mate Online



**Property Description Report For: 9248 Van Etten Rd,
Municipality of Dayton**



Total Acreage/Size: 204.68
Land Assessment: 2016 - \$186,900
Full Market Value: 2016 - \$203,600
Equalization Rate: ----
Deed Book: 22509
Grid East: 1049229

Status: Active
Roll Section: Taxable
Swis: 043089
Tax Map ID #: 25.002-1-8
Account #: 0108
Property Class: 120 - Field crops
Site: RES 1
In Ag. District: No
Site Property Class: 120 - Field crops
Zoning Code: -
Neighborhood Code: 30050
School District: Gowanda
Total Assessment: 2016 - \$203,600

Property Desc:
Deed Page: 2003
Grid North: 875018

Area

| | |
|---|---|
| Living Area: 576 sq. ft. | First Story Area: 576 sq. ft. |
| Second Story Area: 0 sq. ft. | Half Story Area: 0 sq. ft. |
| Additional Story Area: 0 sq. ft. | 3/4 Story Area: 0 sq. ft. |
| Finished Basement: 0 sq. ft. | Number of Stories: 1 |
| Finished Rec Room: 0 sq. ft. | Finished Area Over Garage: 0 sq. ft. |

Structure

| | |
|----------------------------------|--|
| Building Style: Cottage | Bathrooms (Full - Half): 1 - 0 |
| Bedrooms: 2 | Kitchens: 1 |
| Fireplaces: 0 | Basement Type: Partial |
| Porch Type: 0 | Porch Area: 0.00 |
| Basement Garage Cap: 0 | Attached Garage Cap: 0.00 sq. ft. |
| Overall Condition: Normal | Overall Grade: Economy |
| Year Built: 1950 | |

LAND SALE #3 (Con't)

3/5/2017

Printer Friendly Report - Image Map Online

Owners

| | |
|--|---|
| Norman A Kwalzer 503 Harrison Ave Buffalo NY 14223 | Phyllis Kwalzer 503 Harrison Ave Buffalo NY 14223 |
|--|---|

Sales

| Sale Date | Price | Property Class | Sale Type | Prior Owner | Value Usable | Arms Length | Addl. Parcels | Deed Book and Page |
|-----------|-----------|--------------------|-----------------|------------------------|--------------|-------------|---------------|--------------------|
| 10/8/2014 | \$280,000 | 100 - Agricultural | Land & Building | Cherry Ridge Hardwoods | Yes | Yes | No | 22509/2003 |
| 2/4/2005 | \$50 | 120 - Field crops | Land & Building | Whitmore, Denny R | No | No | No | 2577/9001 |
| 6/8/2004 | \$80,000 | 120 - Field crops | Land & Building | Colvenbach, James W | Yes | Yes | No | 1016/7002 |

Utilities

| | | | |
|--------------------|----------|----------------------|-------------|
| Sewer Type: | Private | Water Supply: | Private |
| Utilities: | Electric | Heat Type: | Hot wtr/stm |
| Fuel Type: | Oil | Central Air: | No |

Improvements

| Structure | Size | Grade | Condition | Year |
|-----------|------|-------|-----------|------|
|-----------|------|-------|-----------|------|

Land Types

| Type | Size |
|-----------|-------------|
| Primary | 1.00 acres |
| Tillable | 60.00 acres |
| Woodland | 60.00 acres |
| Wasteland | 71.68 acres |
| Wetland | 12.00 acres |

Special Districts for 2016

| Description | Units | Percent | Type | Value |
|------------------------|-------|---------|------|-------|
| FD300-Dayton fire dist | 0 | 0% | | 0 |

Taxes

| Year | Description | Amount |
|------|-------------|------------|
| 2016 | County | \$2,239.78 |
| 2016 | School | \$3,699.69 |
| 2015 | County | \$2,230.11 |
| 2015 | School | \$2,145.86 |

*** Taxes reflect exemptions, but may not include recent changes in assessment.**

<http://maps.catco.org/Imaps/report.aspx?file=VOLLLOCAL/T00027104308902500200010080000000002.jpg&swiscode=043089&printkey=012500200010080000000...> / 2/2

SECONDARY LAND SALE #4

2

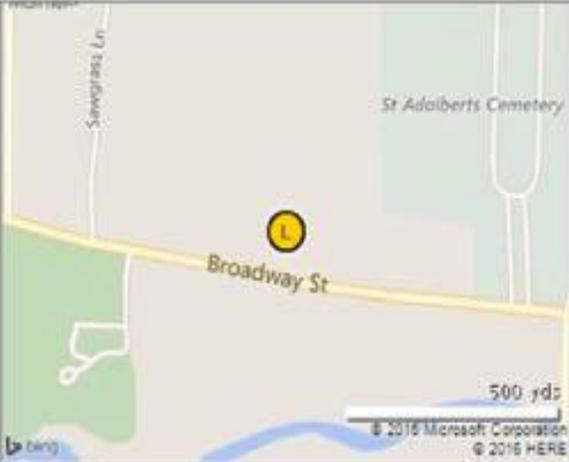
6116 Broadway St **SOLD**

Lancaster, NY 14086

Sale on 11/5/2014 for \$80,000 (\$1,860.47/AC) - Research Complete

Commercial Land of 43 AC (1,873,080 SF)





Buyer & Seller Contact Info

| | |
|--|--|
| <p>Recorded Buyer: Donald and Angelina Watts</p> <p>True Buyer: Donald and Angelina Watts 6116 Broadway St Lancaster, NY 14086</p> | <p>Recorded Seller: Columbus Club Of Lanc Inc</p> <p>True Seller: Charles Ardillo Charles Ardillo</p> <p>Listing Broker: Charles Ardillo Charles Ardillo (716) 989-9666</p> |
|--|--|

Transaction Details ID: 3182588

| | |
|---|--|
| <p>Sale Date: 11/05/2014 (1,671 days on market)</p> <p>Escrow Length: -</p> <p>Sale Price: \$80,000</p> <p>Asking Price: 100000</p> <p>Price/AC Land Gross: \$1,860.47 (\$0.04/SF)</p> | <p>Sale Type: Investment</p> <p>Land Area: 43 AC (1,873,080 SF)</p> <p>Proposed Use: Commercial, Retail, Office</p> |
| <p>Zoning: Commercial/residential</p> | |
| <p>Financing: Down payment of \$80,000.00 (100.0%)</p> | |
| <p>Topography: Level</p> | |
| <p>Off-Site Improv: Curb/Gutter/Sidewalk, Electricity, Gas, Sewer, Streets, Water</p> | |
| <p>Parcel No: 145289-116-000-0003-000</p> | |

Transaction Notes

On November 5, 2014, 43 acres of land at 6116 Broadway Street Lancaster, NY was sold for \$80,000. The property was on the market for 4 years with an initial asking price of \$100,000.

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10/27/2016

SECONDARY LAND SALE #4 (Con't)

| | | | |
|---|--|-----------------|---------------------------------|
| 6116 Broadway St | | SOLD | |
| Commercial Land of 43 AC (1,873,080 SF) (con't) | | | |
| Current Land Information | | | ID: 7032910 |
| Zoning: | Commercial/residential | Proposed Use: | Commercial/Retail/Office |
| Density Allowed: | - | Land Area: | 43 AC (1,873,080 SF) |
| Number of Lots: | - | On-Site Improv: | - |
| Max # of Units: | - | Lot Dimensions: | - |
| Units per Acre: | - | Owner Type: | - |
| Improvements: | - | | |
| Topography: | Level | | |
| Off-Site Improv: | Curb/Gutter/Sidewalk, Electricity, Gas, Sewer, Streets, Water | | |
| Location Information | | | |
| Metro Market: | Buffalo/Niagara Falls | | |
| Submarket: | East/East | | |
| County: | Erie | | |
| CBSA: | Buffalo-Cheektowaga-Niagara Falls, NY | | |
| CSA: | Buffalo-Cheektowaga, NY | | |
| DMA: | Buffalo, NY-PA | | |
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| 10/27/2016 | | | |

SECONDARY LAND SALE #4 (Con't)

| Land Siting Rating Chart | | | | | | | | | | |
|---------------------------------------|---------|------------|----------|----------|--------|---------|----------|----------|------|--|
| Property: Land Sale #4 | | | | | | | | | | |
| Comparison To Standard | | Subject | Inferior | | | Typical | Superior | | | |
| | | | high | moderate | slight | average | slight | moderate | high | |
| Size - Land Area | (Acres) | 43.00 | | | | | | | 1 | |
| Shape | | irregular | | | | 1 | | | | |
| Orientation | | n/a | | | | 1 | | | | |
| Physical Characteristics | | | | | | | | | | |
| Frontage | (feet) | Minimal | | | 1 | | | | | |
| Drainage | | adequate | | | | 1 | | | | |
| Street | | | | | | | | | | |
| Lanes | | 2 | | | | | | | | |
| Divider | | no | | | | 1 | | | | |
| Street Parking | | no | | | | 1 | | | | |
| Countour (topography) | | sloping | | | | 1 | | | | |
| Overhead lines | | yes | | | 1 | | | | | |
| View Amenity | | no | | | 1 | | | | | |
| Utilities | | | | | | | | | | |
| Water | | yes | | | | 1 | | | | |
| Sewer | | yes | | | | 1 | | | | |
| Gas | | yes | | | | 1 | | | | |
| Electric | | yes | | | | 1 | | | | |
| Limited Utility Features | | | | | | | | | | |
| Wetlands | | no | | | | 1 | | | | |
| Flood plain | | no | | | | 1 | | | | |
| Steep slope | | no | | | | 1 | | | | |
| Soils | | undefined | | | | 1 | | | | |
| Habitat & Endangered Species | | no | | | | 1 | | | | |
| Water Features | | | | | | | | | | |
| Waterfrontage | | no | | | | 1 | | | | |
| Easements / Encroachments | | | | | | | | | | |
| Dominant tenement | | n/a | | | | 1 | | | | |
| Servient tenement | | n/a | | | | 1 | | | | |
| Other | | n/a | | | | 1 | | | | |
| Zoning Classification | | | | | | | | | | |
| Potential building area (sf FAR) | | C-1 | | | | | | | 1 | |
| Number of items | | | 0 | 0 | 3 | 19 | 0 | 0 | 2 | |
| Multiply: times category score | | | 0 | 2 | 4 | 5 | 6 | 8 | 10 | |
| Subtotal Score | | | 0 | 0 | 12 | 95 | 0 | 0 | 20 | |
| Total Items Rated | | 26 | | | | | | | | |
| Average Score | | 4.88461538 | | | | | | | | |
| Total Property Score | | 127 | | | | | | | | |

SECONDARY LAND SALE #5

14

13687 Main Rd

SOLD

Newstead, NY 14001

Sale on 6/28/2016 for \$43,500 (\$1,389.78/AC)

Commercial Land of 31.30 AC (1,363,428 SF)





Buyer & Seller Contact Info

Recorded Buyer: Fancher Properties LLC
13661 Main Rd
Akron, NY 14001

Recorded Seller: Mcconnaughey Charles

Listing Broker: RealtyUSA
Clayton Ertel
(716) 634-4200

Transaction Details

Sale Date: 06/28/2016 (683 days on market)

Escrow Length: -

Sale Price: \$43,500

Asking Price: 250000

Price/AC Land Gross: \$1,389.78 (\$0.03/SF)

Zoning: 17

Topography: Level

On-Site Improv: Raw land

Off-Site Improv: Curb/Gutter/Sidewalk, Electricity, Gas, Sewer, Streets, Water

Sale Type: Investment

Land Area: 31.30 AC (1,363,428 SF)

Proposed Use: Retail, MultiFamily, Single Family Development

ID: 3714843

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10/27/2016

JN ADAM DEVELOPMENTAL COMPLEX, PERRYSBURG, NY

347

SECONDARY LAND SALE #5 (Con't)

| | | |
|---|--|---|
| 13687 Main Rd | | SOLD |
| Commercial Land of 31.30 AC (1,363,428 SF) (con't) | | |
| Current Land Information | | ID: 8177841 |
| Zoning: | 17 | Proposed Use: Retail/MultiFamily/Single Family Development |
| Density Allowed: | - | Land Area: 31.30 AC (1,363,428 SF) |
| Number of Lots: | - | On-Site Improv: Raw land |
| Max # of Units: | - | Lot Dimensions: - |
| Units per Acre: | - | Owner Type: - |
| Improvements: | - | |
| Topography: | Level | |
| Off-Site Improv: | Curb/Gutter/Sidewalk, Electricity, Gas, Sewer, Streets, Water | |
| Location Information | | |
| Metro Market: | Buffalo/Niagara Falls | |
| Submarket: | Outlying Erie County/Outlying Erie County | |
| County: | Erie | |
| CBSA: | Buffalo-Cheektowaga-Niagara Falls, NY | |
| CSA: | Buffalo-Cheektowaga, NY | |
| DMA: | Buffalo, NY-PA | |
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| 10/27/2016 | | |

SECONDARY LAND SALE #5 (Con't)

| Land Siting Rating Chart | | | | | | | | |
|---|------------|----------|----------|--------|---------|----------|----------|------|
| Property: Land Sale #5 | | | | | | | | |
| Comparison To Standard | Subject | Inferior | | | Typical | Superior | | |
| | | high | moderate | slight | average | slight | moderate | high |
| Size - Land Area (Acres) | 31.30 | | | | | | | 1 |
| Shape | irregular | | | | 1 | | | |
| Orientation | n/a | | | | 1 | | | |
| Physical Characteristics | | | | | | | | |
| Frontage (feet) | adequate | | | | 1 | | | |
| Drainage | adequate | | | | 1 | | | |
| Street | | | | | | | | |
| Lanes | 2 | | | | 1 | | | |
| Divider | no | | | | 1 | | | |
| Street Parking | no | | | | 1 | | | |
| Countour (topography) | sloping | | | | 1 | | | |
| Overhead lines | yes | | | 1 | | | | |
| View Amenity | no | | 1 | | | | | |
| Utilities | | | | | | | | |
| Water | yes | | | | 1 | | | |
| Sewer | yes | | | | 1 | | | |
| Gas | yes | | | | 1 | | | |
| Electric | yes | | | | 1 | | | |
| Limited Utility Features | | | | | | | | |
| Wetlands | no | | | | 1 | | | |
| Flood plain | no | | | | 1 | | | |
| Steep slope | no | | | | 1 | | | |
| Soils | undefined | | | | 1 | | | |
| Habitat & Endangered Species | no | | | | 1 | | | |
| Water Features | | | | | | | | |
| Waterfrontage | no | | | | 1 | | | |
| Easements / Encroachments | | | | | | | | |
| Dominant tenement | n/a | | | | 1 | | | |
| Servient tenement | n/a | | | | 1 | | | |
| Other | n/a | | | | 1 | | | |
| Zoning Classification | | | | | | | | |
| Potential building area (sf FAR) | SF/MFR | | | | | | 1 | |
| Number of items | | 0 | 1 | 1 | 21 | 1 | 0 | 1 |
| Multiply: times category score | | 0 | 2 | 4 | 5 | 6 | 8 | 10 |
| Subtotal Score | | 0 | 2 | 4 | 105 | 6 | 0 | 10 |
| Total Items Rated | 26 | | | | | | | |
| Average Score | 4.88461538 | | | | | | | |
| Total Property Score | 127 | | | | | | | |

Sales Analysis

The subject Property consists of four tracts of largely unimproved land that - in aggregate - consist of 644.62± acres, according to a survey provided to us by New York State Office of General Services and included herein. The topography is rolling and situated on a crest overlooking the surrounding landscape. Much of the Property is virgin forest, and in good condition. The “*As-If Vacant*” conclusion assumes the entire Property to also be vacant, unimproved acreage, and thus in good condition.

The vast majority of the subject Property will accommodate the following uses: agricultural usage, churches / religious and seminary usage, school and other educational uses, governmental facilities such as libraries, museums, fire stations and municipal buildings, municipal or state operated parks, playgrounds and recreational trails, recreational trails and parks operated by non-profit entities [by Special Exception] and single-family detached dwellings at a density of one DU per 40,000 square feet [“**AR-40**”], or a density of one DU per 30,000 square feet [“**SR-30A**”].

The site is situated in an area of very light development density, characterized by uses that are primarily single-family residential and agricultural usage, with large areas of undisturbed wooded acreage. The nearest mixed-use commercial and retail is found along Main Street NYS Route 39, and in Gowanda and Forestville.

The subject site is situated in a *very rural area of very light development density*, that is characterized by uses that are primarily single-family residential and agricultural usage, among large areas of undisturbed wooded acreage. There are also mining and mineral operations ongoing on the site and in the local area. There are **many active gas wells** on the Property and in the immediate subject area that are producing lease income for the owner, and there are active gravel mines nearby, as shown in the map that follows. The nearest mixed-use commercial and retail is found along Main Street NYS Route 39, and in Gowanda and Forestville, which is also the location of the services that are needed to support the local population.

To investigate the value of the subject site, we have sought to evaluate an appropriate quantity of recent sales of similar unimproved rural agricultural / farmland and low-density residential acreage property tracts of land. Ideally, the search would uncover several sales within the subject neighborhood to analyze and conclude a value estimate.

Within the past 36 months, there has been very little sales activity within Cattaraugus County. The sales used herein consist of several smaller acreage parcels that can be considered somewhat similar to the subject acreage within the local area or the region, with some degree of uniformity in typical property characteristics. In analyzing these sales, a value was estimated based upon the subject land area as suggested by the comparable sales rather than on the development potential of the sites. This is because all of the sales

are acreage tracts in rural areas, and for which in practice, the allowable density under the zoning regulations is rarely if ever achieved. Also, some jurisdictions within Cattaraugus County do not have zoning ordinances. Whether residential or commercial development is planned, analysis based on development potential is an unreliable analysis, whereas analysis based on a per-acre or per square-foot basis is reasonable and acceptable.

We have analyzed more than 30 of transactions to derive the five sales included herein. After examining the sales and listings in the Western New York regional area market, the sales and listings are considered reasonable indicators of value, and they are the best that are available since January 1, 2014. [Note that one sale went into contract in 2013, but closed in 2014.] There is vacant land available for potential development in the area, and all of the sales that we analyzed herein were unimproved at the time of sale.

The sales and listings that were described on the prior pages represent the most competitive and timely unimproved rural agricultural / farmland and low-density residential acreage property sales data available. For this appraisal, sales are analyzed according to sales per acre, as this price indicator best reflects an investor's actions in the marketplace and the vagaries of density present in the comparable sales. The concluded residential per-acre price will be adjusted to the number of acres in the subject Property.

| Recent Cattaraugus / Erie County Sales - Days on Market | | | |
|---|---|-----------|-------|
| Sale | Address | Sale Date | DOM |
| <u>SALES COMPARABLES [per grid]</u> | | | |
| 1 | Ellicottville, Cattaraugus County, NY 14711 | 1/9/15 | 1,815 |
| 2 | Little Valley, Cattaraugus County, NY 14755 | 11/17/13 | 365 |
| 3 | Gowanda, Cattaraugus County, NY 14070 | 8/13/14 | 60 |
| 4 | Lancaster, Erie County, NY 14086 | 11/5/14 | 1,815 |
| 5 | Newstead, Erie County, NY 140001 | 6/28/16 | 1,815 |
| <u>SALES COMPS [Others considered]</u> | | | |
| 6 | Jamestown, Chautauqua County, NY 14701 | 9/23/14 | NAV |
| 7 | Buffalo, Erie County, NY 14224 | 1/14/16 | NAV |
| 8 | Buffalo, Erie County, NY 14225 | 5/9/16 | NAV |
| 9 | East Aurora, Erie County, NY 14052 | 3/10/14 | 266 |
| 10 | Clarence, Erie County, NY 14031 | 2/13/15 | NAV |
| 11 | Jamestown, Chautauqua County, NY 14701 | 10/24/13 | 60 |
| 12 | Lancaster, Erie County, NY 14086 | 5/21/14 | 1,772 |
| 13 | Grand Island, Erie County, NY 14072 | 10/13/15 | 730 |
| 14 | Buffalo, Erie County, NY 14221 | 10/24/14 | 730 |
| 15 | Sanborn, Niagara County, NY 14132 | 4/15/15 | 2,967 |
| 16 | Amherst, Erie County, NY 14228 | 7/7/14 | 1,137 |
| 17 | Wheatfield, Niagara County, NY 14120 | 1/20/15 | 1,708 |
| 18 | Buffalo, Erie County, NY 14220 | 5/6/16 | 330 |
| 19 | Buffalo, Erie County, NY 14220 | 5/6/16 | 330 |
| 20 | Buffalo, Erie County, NY 14220 | 7/14/14 | 1,342 |
| 21 | Buffalo, Erie County, NY 14220 | 10/20/14 | 1,440 |
| 22 | Buffalo, Erie County, NY 14220 | 10/20/14 | 1,440 |
| 23 | Hamburg, Erie County, NY 14075 | 3/1/14 | 1,136 |
| 24 | Buffalo, Erie County, NY 14228 | 5/10/15 | NAV |
| 25 | Buffalo, Erie County, NY 14225 | 10/10/13 | NAV |
| 26 | Chaffee, Erie County, NY 14030 | 11/24/14 | NAV |
| 27 | Chaffee, Erie County, NY 14030 | 12/20/13 | NAV |
| 28 | Orchard Park, Erie County, NY 14127 | U/C | 1,632 |
| 29 | Corfu, Genesee County, NY 14127 | U/C | 1,632 |
| 30 | Lancaster, Erie County, NY 14086 | 10/6/13 | 2,439 |
| 31 | Lancaster, Erie County, NY 14086 | 10/29/15 | NAV |
| 32 | Grand Island, Erie County, NY 14072 | 1/15/14 | 310 |
| 23 | <i>Totals w/ Values - Mean</i> | | 1,186 |
| | <i>Totals w/ Values - Median</i> | | 1,342 |
| | <i>Totals w/ Values - Mean in Months</i> | 39.52 | |
| | <i>Totals w/ Values - Median in Months</i> | 44.73 | |

Because quantitative adjustments are difficult to market support in the current market, we have used qualitative adjustments and a ranking system to estimate the subject value. In support of the qualitative method, we have included Land Sale Rating Charts for the subject acreage and for each sale herein. All of the sales have mitigating issues that affect their applicability and consideration as reasonable indicators of value compared with the subject Property.

The sales are adjusted for financing terms, market conditions, conditions of sale as follows.

Financing/Terms of Sale: Financing terms that are favorable to the buyer, such as below market financing on seller-carried notes may have an effect on the sales price. A buyer may pay a premium for a property with terms that are favorable, as compared to typical market financing. The existence of special terms usually mandates a cash equivalency calculation to equalize the real dollar sale price of the comparable with the other sales under consideration. All sales were reported to be for cash or market-rate financing. Therefore, no adjustments for terms of sale were necessary.

Conditions of Sale: Real estate transactions that are not arms' length in nature can result in sales prices that are not truly representative of the market forces. In searching for comparable improved sales, any such properties that were sold under conditions that were not considered arms' length were not used. All of the improved sales studied in this analysis were considered typical arms' length transactions and no adjustments for conditions of sale were required nor made.

Market Conditions: Time adjustments are made to raise or lower a comparable sale's unit price to the effective unit price as of the valuation date of the appraisal. This adjustment is based upon verifiable changes that have occurred in market conditions between the date of sale and the date of the valuation. Time adjustments serve to level the playing field, allowing consideration of the comparable sales at unit prices effective on the appraisal date.

Demand for unimproved rural agricultural / farmland and low-density residential land product had been very weak for several years, and little or no price appreciation occurred. Since late 2007, there have been price declines in all real estate sectors as the economy entered recession. Since January 2014, prices have been essentially flat, with little or no appreciation. The sales that we considered transacted primarily within this period. Consequently, since all of the sales are recent transactions since January 1, 2014, no time adjustments are warranted or supportable.

Conclusion

All of the sales have mitigating issues that affect their applicability and consideration as reasonable indicators of value compared with the subject Property. Consequently, and adjustment process is speculative as actual hard adjustments cannot be market supported. Despite looking at many sales and listings in the Western New York area market, all of the sales and listings have mitigating issues that affect their applicability and consideration as reasonable indicators of value, but they are the best that are available since January 1, 2014.

Each comparable sale is situated within the same or a similarly competitive market as the subject. Each comparable is similar, and all are similar vacant-unimproved properties. These sales are the most representative data available on the prices paid recently for unimproved properties in Cattaraugus, Chautauqua and Erie County areas. All sales possess similar characteristics that warrant their inclusion in this report. Furthermore, all sales are in reasonably similar locations compared to the subject, although there are discernible differences among the elements of comparison.

Analysis has been made based upon the sale price per acre, as this price indicator best reflects a purchaser's actions in the Western New York marketplace. The unadjusted range in sale prices per acre is \$1,360 to \$1,873 for the acreage. The mean value was \$1,590 per acre. The subject is inferior to all but one of the comparable sales. The ranking at right places the subject in the market.

| Ranking Sales to Subject Property | | | |
|-----------------------------------|-------------------|------------------|-----------|
| Sale No. | Per AC Indication | Net Sale Ranking | Sale Date |
| 3 | \$1,360 | Inferior | 8/13/14 |
| Subject Property | | ---- | ---- |
| 5 | \$1,390 | Superior | 6/28/16 |
| 2 | \$1,467 | Superior | 11/17/13 |
| 4 | \$1,860 | Superior | 11/5/14 |
| 1 | \$1,873 | Superior | 1/9/15 |

The subject and the comparable sales have been individually rated and ranked in comparison to one another. All of the sales and listings leave much to be desired in terms of compatibility, but they are the best available in the market. On balance, they are sufficient to make a reasonable conclusion of value for the subject land.

Based upon all the data and our professional opinion and experience, we believe that the subject value should lie near the bottom of the range.

| Summary and Conclusion Entire Site | | | |
|------------------------------------|----|----------------|------------------|
| 644.62 | Ac | \$1,360 | \$876,868 |
| 644.62 | Ac | \$1,390 | \$895,878 |
| Reconciled to : | | \$1,365 | \$880,000 |

Based upon the preceding discussion, the indicated **Market Value** of the Fee Simple interest in the subject J.N. Adam Property “As-If-Vacant”, as of October 18, 2016 would be as shown above. We have estimated the **Market Value** of the Fee Simple interest in the 644.62± acres of land “As-If-Vacant” as of October 18, 2016, is:

TWO MILLION SIX HUNDRED THOUSAND DOLLARS

(\$2,600,000)

Further, we have estimated the **Market Value** of the Fee Simple interest in the 587.62± acres of excess land “As-If-Vacant” as of October 18, 2016, is:

TWO MILLION SIX HUNDRED THOUSAND DOLLARS

(\$800,000)

| Summary and Conclusion "Excess Land" 587.62± | | | |
|---|----|----------------|------------------|
| 587.62 | Ac | \$1,360 | \$799,332 |
| 587.62 | Ac | \$1,390 | \$816,660 |
| Reconciled to : | | \$1,361 | \$800,000 |

Further, the indicated Fee Simple **Market Value** “As-If-Vacant” for the 57.0± acres of land under the J.N. Adam hospital buildings, as of October 18, 2016 would be \$80,000.

“As Improved” Valuation

As stated in the highest and best use as improved section, adaptive reuse of a former hospital is almost impossible. The vast majority of closed hospital properties are eventually sold for land value and the improvements are demolished. There have been many instances of hospitals being closed, and ownership seeking to find an alternative use. In most cases, the costs of securing and maintaining the vacant buildings run into the millions annually, and eventually alternative uses have become financially unfeasible and unproductive.

Based upon the value of the entire site “As-If-Vacant” of just \$880,000, and **the total investment for an alternative use of \$15,600,000 to \$18,000,000, there is no value to the subject site “As-Improved,” and there are no feasible uses in the Town of Perrysburg under which a new real estate development scenario is likely to occur.** At a 10 percent return on investment, the finished building would have to generate an annual income of **\$1,560,000 to \$1,800,000** [not including the initial cost to purchase the Property, and plus the annual operating and carrying costs for real estate taxes, maintenance, utilities, insurance, security, debt service and the like]. Unfortunately, the least expensive alternative is for the subject owner [“PSNY”] to demolish what is left of the improvements clean up the site environmentally.

We have concluded that the **Market Value** of the Fee Simple interest in the JN Adam Property “As-Improved,” situated on the 644.62± acres of land, and based upon the two hypothetical conditions stated above, as of October 18, 2016, is:

ZERO DOLLARS

(\$0)

Given all of the demographic facts and economic conditions and forecasts included in this report, we cannot see any viability for new real estate development within the Town of Perrysburg, or any reason why an investor would be interested in committing significant equity capital into this market. There is simply no demand for any type of real estate product, or any of the existing infrastructure necessary to support the users of any new real estate product

The condition of the abandoned hospital improvements observed during our Property inspection STRONGLY suggests the presence of significant environmental contamination - potentially from asbestos, lead, mold and potentially other toxic substances. No environmental reports were available for our review. The location of aquifers is an important consideration, **given the potential for eventual seepage into an aquifer that may be possible from these long-abandoned, derelict structures.**

RECONCILIATION AND FINAL OPINION OF VALUE

Reconciliation is defined as:

“The last phase of any valuation assignment in which two or more value indications derived from market data are resolved into a final value opinion, which may be either a final range of value or a single point estimate.”¹⁶

According to your request, the purpose of this appraisal was twofold. First, we estimated the **Market Value** of the Fee Simple interest in the existing property (the “Property”), “As-If-Vacant,” based upon the use of two *hypothetical conditions*, which (1) assume that the ownership entity is the People of the State of New York, which has clear title, and that the City of Buffalo has no ownership interest or rights, when in fact the City of Buffalo has a Reverter clause interest; and (2) assumes that the hospital site, the surrounding woodlands, and the groundwater are unaffected by adverse environmental contamination conditions, when in fact likely environmental contamination was observed at the time of inspection. Disaggregation of the land between the hospital complex and the excess land was made. These Market Value conclusions considered the tangible assets of the real estate only.

The three approaches to value have indicated the following **Market Value** of the Fee Simple interest in the Fee Simple interest in the 644.62± acres of land “As-If-Vacant,” based upon the two *hypothetical* conditions stated above as of October 18, 2016, is:

| | |
|----------------------------------|-------------------|
| Cost Approach | \$ N/A |
| Sales Comparison Approach | \$ 880,000 |
| Income Approach | \$ N/A |

The three approaches to value have indicated the following **Market Value** of the Fee Simple interest in the Fee Simple interest in the 587.62± acres of excess land “As-If-Vacant,” based upon the two *hypothetical* conditions stated above as of October 18, 2016, is:

| | |
|----------------------------------|-------------------|
| Cost Approach | \$ N/A |
| Sales Comparison Approach | \$ 800,000 |
| Income Approach | \$ N/A |

The three approaches to value have indicated the following **Market Value** of the Fee Simple interest in the Fee Simple interest in the Property “As-Improved,” based upon the two

¹⁶ *The Dictionary of Real Estate Appraisal*, 5th Edition, Appraisal Institute, Chicago, IL 2010

hypothetical conditions stated above as of October 18, 2016, is:

| | |
|----------------------------------|-----------------|
| Cost Approach | \$ N/A |
| Sales Comparison Approach | \$ 0,000 |
| Income Approach | \$ N/A |

The Cost Approach was not appropriate to develop the “*As-If- Vacant*” value of this 644.62± acre, unimproved tract for unimproved agricultural / recreational / mineral use, nor subdivision into smaller tracts for multiple uses, such as seasonal / second home development sites or additional gas wells. Rather, the Direct Sales Comparison Approach was the most common method used for the “*As-If- Vacant*” value of unimproved farmland/ agricultural / timber acreage / development site value estimates. The subject land is lying fallow, and the Property is incapable of generating any income. Thus, the Income Approach was also not a relevant means of analysis and will not be completed for the “*As-If-Vacant*” value. Neither the Direct Sales Approach nor the Income Approach were relevant means of analyses and were not completed for the “*As-Improved*” value.

Unfortunately, the subject Property has two undeniable similarities with the proverbial “white elephant.” First, the cost of ownership is out of proportion to its value or usefulness. Second, it will be very difficult for the owner (the People of the State) to dispose of the Property. Given the limited / nonexistent utility of all of the structures, the limited size of the population base and their economic characteristics, the costs of ownership including taxes and security, the high cost of demolition and / or repairs required if it were to become a functional “shell” ready for some unspecified future development, the likely environmental issues, and a host of other factors, a valid question is whether someone would even take the property for free!

While the land and the site improvements (landscaping, roads, and utilities) all have some inherent value, the carrying costs, the cost of future demolition, removal, and disposal of the existing buildings and toxic environmental waste materials, and the ready availability of other land suitable for development all provide more than enough reason to discourage any ownership of this Property. Add to this the considerable environmental uncertainty, and you have even more reason to walk away from the Property - “A classic white elephant.”

Finally, we have concluded that the **Market Value** of the Fee Simple interest in the 587.62± acres of excess land “*As-Vacant and Unimproved,*” based upon the two *hypothetical* conditions stated above, as of October 18, 2016, was:

EIGHT HUNDRED THOUSAND DOLLARS

(\$800,000)

Further, we have concluded that the **Market Value** of the Fee Simple interest in the 587.62± acres of excess land “*As-Vacant and Unimproved,*” based upon the two *hypothetical* conditions stated above, as of October 18, 2016, was:

EIGHT HUNDRED THOUSAND DOLLARS

(\$800,000)

Lastly, we have concluded that the **Market Value** of the Fee Simple interest in the JN Adam Property “*As-Improved,*” situated on the 644.62± acres of land, and based upon the two *hypothetical* conditions stated above, as of October 18, 2016, was:

ZERO DOLLARS

(\$0)

The concluded values represent cash or equivalent terms under current market conditions and include the value of the tangible assets only - the income-producing capability of the real estate. No intangible assets - including the value of the business enterprise or personal property - are included in this value.

All values rendered within this report assume exposure and marketing times of **36 to 48 months or more** unless otherwise indicated. No other special risk factors or any other adverse conditions are believed to affect the subject. This appraisal was not prepared in conjunction with a request for a specific value or a value within a given range or predicated upon loan approval. It is assumed that the owners will competently manage the Property in the future.

Some of the items we relied upon include, but are not limited to the following: The Project Documents used herein consisted of (1) the “Structural Condition Assessment Report - JN Adam Developmental Center,” dated November 18, 2016, prepared by Popli Design Group, Penfield, NY, which is incorporated into this report by reference; (2) An OGS Bureau of Land Management Survey entitled “DEED PLOT SHOWING Lands of the People of the State of New York Known as J.N. Adam Developmental Center Situate in Lots 11, 18, 19, and 27, Township 6, Range 9 of the Holland Land Company’s Survey, Town of Perrysburg, County of Cattaraugus, State of New York,” undated but included herein; (3) Various local government publications and Comprehensive Plans enumerated within the Scope section; and (4) various other letters, leases, memorandums, drawings, specifications, maps, surveys, and schedules given to us by NY SOGS and others, and enumerated in the report. Copies of the pertinent items and excerpts have been included in the body of the report or in the Addendum, as space permits.

ADDENDA

Market Value of the Timber

You have asked us to address the **Market Value** of the Fee Simple interest in the subject Property's Timber Value. The Cost Approach is not appropriate to develop the **Market Value** of the timber on this 676.47± acre tract. However, the Direct Sales Comparison Approach is the most common method used for vacant Timber value estimates. Attached to this Report is a whitepaper on the valuation of timber.

We spoke with the Principal Forester at F & W Forestry Services, Inc., one of the oldest and largest forest consulting and management firms in the U.S. The company handles timber sales and provides comprehensive forest management and consulting services to private and industrial landowners through a network of offices located in the Southern pine belt, the Central and Appalachia regions, Upstate New York, and Oregon in the Pacific Northwest.

Briefly, determining the value of timber requires not only the careful and scientifically conducted measurement of trees, but also the thorough analysis of timber markets and how value will be recognized in the measured timber. The value of timber as it stands uncut is referred to as stumpage and is essentially the price paid at the mill less the cost of logging and transportation; this figure is then applied to the volume of standing timber. Volumes on a tract of land vary according to the history of land use as well as a variety of biological factors. Prices vary according to market demand and production costs.

Except on very small tracts or where value is extraordinary, it is prohibitively expensive to measure every tree. Timber appraisals therefore rely on a statistical sample, commonly called a timber cruise, which approximates actual volumes within acceptable levels of error. The inherent error of statistical samples is driven by the variability of the data collected. Mixed stands with many species, products, and size classes will require a more intensive sample than plantations or natural stands with few species. On larger tracts of land, samples can be more widely spaced than on smaller tracts and still achieve the same accuracy.

The accuracy of a timber cruise is stated in terms of standard error and confidence interval. Usually given as a percentage, the standard error is a range around a median value within which the true value is likely to be. The smaller the standard error is, the more accurate the data. An example might be a total volume of 100 cords +/- 10 percent, meaning the data indicates the actual volume is likely between 90 and 110 cords.

For appraisal purposes, a sampling accuracy on total sawtimber volume where standard error is less than 10 percent at the 95 percent confidence interval is generally considered a reasonable result; however, even this may be inadequate when unit values are exceptionally high. It is important to remember, though, that it often takes a very significant increase in sampling intensity and cost to gain even a modest reduction in sampling error.

In addition to statistical error, the accuracy of the sample is dependent upon the professional skill and experience of the forester conducting the sample in determining what products can likely be sawn out of the tree at the mill, and how surface defects on the tree may affect the invisible interior wood. Each tree contains elements of several possible products, and accurate assessment of the correct utilization of each tree is required during the sampling process.

A forest inventory is the procedure for obtaining information on the quantity and quality of the forest resource and many characteristics of the land area on which the trees are growing. A complete forest inventory for timber evaluation provides the following information: estimates of area, description of topography, ownership patterns, accessibility, transportation facilities, estimates of timber quantity and quality, and estimates of growth and drain [removals].”

Foresters use a number of different timber cruising methods, including strip, fixed-plot, variable radius, and 100 percent cruises. The first three methods measure only a small percentage (sample) of the trees on the property. A conversion factor based upon a ratio of the total timbered area to the area in the sample expands, or “blows up,” the sample in order to compute the total volume of timber. A forester may perform a 100 percent cruise on a small tract of high-value timber. With a 100 percent cruise, the forester measures each tree on the property, resulting in a tally of 100 percent of the trees.

The most common timber cruise is a systematic sample. In a systematic sample, plots are laid out in a grid fashion, evenly distributed, so as to sample all of the different timbered areas. I like to compare the timber cruise to a public opinion poll. As long as the polltakers cover a broad spectrum of the overall population, the results of the poll will be relatively accurate. If the pollster questions twice as many Democrats than Republicans, then the chances are good that the polling results will be significantly skewed. Therefore, a poorly designed timber cruise will result in unreliable timber values. The forester should specify the type of cruise he performed and should include a field map or sketch showing the location of the sample plots in his timber cruise report. This will help the appraiser to judge the reliability of the timber volumes.

The forester will tally the trees by product based upon their size, species, quality, and the timber markets in the region in which the property is located. Timber value also depends on tree species. For instance, in the south, pine is more valuable than sweet gum; in the northeast, cherry is more valuable than poplar; in the Pacific Northwest, Douglas fir may be more valuable than western hemlock, and so on.

The statistical accuracy of a timber inventory can be improved by increasing the number of sample plots, up to a certain point. Once a cruiser has tallied a sufficient number of sample plots, additional plots add little to the accuracy of the timber cruise. The level of accuracy needed for any timber inventory depends upon the type and value of the timber, the size of

the area, the cost of performing the timber cruise and the purpose of the timber cruise. An area of fairly uniform timber will require less plots to obtain the same level of accuracy than an area that has a great deal of variance within it.

Conclusion

Based upon looking at the site on Google Earth and our conversation, the subject 676.47± acre tract would need to be divided up into approximately 211 sample plots to produce a statistically significant sample. Typically, each plot consists of approximately 3.0 acres of woodlands. The going rate for timber valuations is between \$70 and \$100 per plot.

Based upon their knowledge of the local Perrysburg area, the average, well-stabilized timber tract will have a **Market Value between \$1,000 - \$1,500 per acre, but could range as high as \$4,500 per acre** if it is all mature, red oak for example. Thus, the potential **Market Value** of the Timber on the subject Property would likely fall within the range of **\$675,000 to \$3,000,000.**

ADDENDA

EXHIBIT #1
UNDERLYING ASSUMPTIONS AND CONTINGENT CONDITIONS

The following Underlying Assumptions and Standard and/or Limiting Conditions are applicable to this Market Analysis, Appraisal Consulting and / or Real Estate Appraisal report(s) performed by National Real Estate Research, LLC.

- Appraisals and Appraisal Consulting Reports are prepared to conform to the Standards of Professional Appraisal Practice and the Code of Professional Ethics of the Appraisal Institute, and the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation. The Standards contained in the 2016 – 2017 Edition are applicable to this assignment.
- The Intended User of this report is the Client – NEW YORK STATE OFFICE OF GENERAL SERVICES, who has contracted with National Real Estate Research, LLC (“NRER”) to prepare this report. There are no other Intended Users and no other parties to the Appraiser-Client relationship.
- This Report, the final estimate of value, and estimates of future financial performance estimated therein, are intended for the information and use of the person or persons to whom they are addressed, solely for the purposes stated therein, and must not be relied upon for any other purpose. The addressee shall not distribute the Report to any unauthorized third parties, and its contents are not to be used nor relied upon by any third parties for any purpose whatsoever, without the express written consent of National Real Estate Research, LLC. Before such permission shall be provided, the third party shall agree in writing to hold NRER harmless relative to their use of the Report. Neither our Report, nor its contents, nor any reference to the appraisers / counselors or NRER may be included in any offering circular or registration statement, prospectus, sales brochure, other appraisal, loan or other agreement or document without our prior written permission.
- Based upon communication from the Client at the time of contracting for this assignment, the Intended Use of the appraisal opinions and conclusions contained within this report are to enable the complex to be evaluated for sale. This report is not for the buyers’ use in determining value, nor any other use. NRER’s compensation is not contingent on any action or event resulting from the analyses, opinions, or conclusions contained in this report, or deriving from the use of this report, nor on any other factor or event other than the delivery of this report for a predetermined fee.
- Acceptance of the proposal as evidenced by the client’s Authorization to Proceed, and / or acceptance of the delivery of the completed reports **constitutes the Client’s acceptance of each and every one of these Underlying Assumptions and Standard and/or Limiting Conditions - without exception**. Invalidation of any one of them by a court of law does not render the remaining Conditions invalid. Further, the singular or plural forms of speech are applicable to these Assumptions and Standard and/or Limiting Conditions as is appropriate to the existing or proposed subject Property or Properties.
- No opinion is rendered by NRER as to the title to the Property, which is assumed to be legally sufficient, good and marketable, and absent of encumbrances or defects. The legal description furnished to NRER in the course of the assignment is assumed to be correct, and the Property is assumed to be [or will be] free and clear of all liens.
- Sketches, maps, photos or other graphic aids included in appraisal reports are provided for the sole purpose of convenience in assisting the reader in identifying and

visualizing the subject Property, and for no other purpose.

- The date(s) of the valuation to which the value estimate conclusion(s) apply is set forth in the Letter of Transmittal and within the body of the Report. The value(s) is based upon the purchasing power of the United States dollar as of that date.
- NRER assumes no responsibility for any events, conditions or circumstances affecting the subject Property or its value that occur subsequent to either the effective date of value cited in the Appraisal or the date of our field inspection, whichever occurs first.
- The appraisal assumes market conditions as observed as of the current date of the market research as stated in the Letter of Transmittal. These market conditions are believed to be correct; however, the appraiser / counselor and NRER assume no liability should market conditions materially change because of unusual or unforeseen circumstances including but not limited to acts of war, terrorism, or acts of God.
- No liability is assumed as a result of matters of legal character affecting the Property. NRER assumes that legal, engineering, or other professional advice as may be required has been or will be obtained from professional sources. Under no circumstances shall this appraisal report be used for guidance in legal or technical matters such as, but not limited to, the existence of title defects, encroachments, liens, overlapping boundaries, party wall agreements and/or easements affecting the legal description of the Property.
- No survey, structural or subsurface soil investigation was made of the Property by the counselor or appraiser. NRER assumes that there are no concealed or dubious subsurface soil conditions or subsurface waters including the water table and flood plain that would affect the appraiser / counselor's analyses, opinions or conclusions with respect to the real estate unless otherwise noted.
- NRER assumes that there are no regulations by any governmental agencies or entities to control or restrict the use of the Property unless specifically referred to within the report. NRER assumes that the Property will not operate in violation of any applicable governmental regulations, codes, ordinances or statutes.
- DURING OUR SITE INSPECTION, WE OBSERVED POTENTIALLY ADVERSE ENVIRONMENTAL CONDITIONS. WE OBSERVED SEVERAL HAZARDS INCLUDING ASBESTOS CEILING TILES, PEELING LEAD PAINT, AND MOLD. NO ENVIRONMENTAL REPORTS WERE AVAILABLE TO US. In the absence of any competent technical advice to the contrary, NRER assumes that the Property being appraised is adversely affected by concealed and apparent environmental hazards such as, but not limited to asbestos, hazardous or contaminated substances, toxic waste or radioactivity, radon or toxic mold. NRER assumes that there are no hazardous substances or toxic wastes stored on the site, and there is no reason to believe that this site has ever been used to process, store or dispose of any hazardous substances or toxic waste. However, the appraisers / counselors are neither engineers nor environmental experts. The report assumptions that there are hazardous substances or toxic wastes on the site should not be construed as an expert conclusion.
- The Appraisal report of the Subject is limited to surface rights only, and does not include any value attributable to or inherent in any subsurface or mineral rights, including mineral rights for fracking.
- This report is not intended to be an engineering report, and we are not qualified as

structural or environmental engineers. As such, we are unqualified to judge the structural or environmental integrity of the subject improvements, if any. Therefore, no warranty or representations are made, nor is any liability assumed for the structural soundness, quality, adequacy or capacities of said improvements, utility services, or construction materials, particularly the roof, foundations, and equipment, including the HVAC systems if applicable. It is strongly recommended that appropriate engineering, construction or environmental inspections be obtained in the event of any questions concerning these issues. The value estimate(s) stated in this Appraisal [if applicable], unless otherwise noted, is predicated upon the assumption that all improvements, equipment and building services, if any, are structurally sound and suffer no concealed or latent defects or inadequacies or other conditions that would affect the appraiser / counselor's analyses, opinions or conclusions with respect to the real estate other than those noted in the Appraisal report. Any apparent defects or materially adverse conditions noted at the time of inspection are discussed in the Appraisal.

- Any proposed construction or rehabilitation referred to in the Appraisal is assumed to be completed within a reasonable time and in a workmanlike manner according to or exceeding currently accepted standards of design and methods of construction.
- Appraisal and Market Analysis / Marketing Strategy reports may contain estimates of future financial performance, estimates or other opinions. Each finding, assumption, estimate of future performance or outcome, or conclusion contained in this Market Analysis and/or Appraisal report is the appraiser or counselor's personal opinion of reasonable expectations at a particular point in time. None of these estimates, opinion statements or expectations are an assurance that an event will or will not occur. Under no circumstances should any statement, opinion, or estimate of future performance or outcome be construed as a forecast or prediction, or as an assurance that a particular level of income or profit will be achieved, that an event will occur, or that a particular price will be offered or accepted. Actual results achieved during the period covered by NRER's prospective financial analyses will vary from those discussed in the Report, and the variations may be material. It is the Intended User(s) sole responsibility to determine forecasts and / or predictions of future performance, if any.
- For Reports concerning a proposed subject Project, we often rely upon cost figures and financial projections and other data supplied to us by various consultants to the project. We have no reason to believe that any of this data received is not true, correct, and an accurate depiction of the Property as it will exist upon completion of the development process.
- Although we have extensive experience in the valuation and analysis of special purpose properties, we are nevertheless forced to rely upon information that has been made available to us by parties who often have a vested interest in the outcome of our analyses. No single item of information was completely relied upon to the exclusion of other information. Further, we have no reason to question the legitimacy or the validity of the data that was provided to us in the course of our analyses. The information furnished by others is presumed to be reliable, and where so specified in the Report, has been verified, but its accuracy cannot be guaranteed as being certain. It is our professional responsibility to outline to the reader of this report certain potential consequences of this reliance. NRER assumes no responsibility, whether legal or otherwise, in the event that any information should emerge following the completion of our analysis that indicates that we were furnished with false or misleading data, and in turn, that information would have a material impact on the outcome of our analysis.

- In the completion of this Report, NRER has or may rely on architectural floor plans, cost figures and other financial reports given to us by the owner or management's personnel and various consultants to the project. We have no reason to believe that any data received are untrue, incorrect, or inaccurate in depicting the Property, as it currently exists as of the date of the Appraisal, or as it will exist upon completion of the development process, as appropriate.
- The real estate market is a dynamic market, in which financing terms, conditions, and the availability of funding is continually subject to change. Based upon our research and discussions with the various lenders, we believe that funding programs, sources, and parameters remain available and apply to the proposed project. Nevertheless, we specifically do not represent nor warrant that any financing for the existing or proposed project can or will be obtainable under the rates, terms, programs, or parameters described in the reports, or under any parameters at the time of application, from the sources listed in the report or from any other sources.
- It should be specifically noted by any prospective mortgagee that the appraisal assumes that the Property will be competently and efficiently managed, leased, and properly maintained by financially sound owners over the period of ownership. This appraisal engagement does not entail an evaluation of the management and / or owner's effectiveness, nor is NRER responsible for future marketing efforts and / or other ownership or management actions upon which actual results will depend.
- This report is to be used in whole and not in part. No part of it shall be used in conjunction with any other appraisal. The appraisal is invalid if so used.
- The estimate of the Market Value stated herein is the Value of the subject Property as a single entity. No consideration was given to a bulk sale or other group purchase of properties. In the event that this appraisal is used as a basis for setting a market price, NRER assumes no liability for any inability of the seller to obtain a tenant or a contract purchaser at the value estimated herein.
- Unless specifically stated, the value conclusion(s) contained in the Appraisal applies to the real estate only, and does not include personal property, machinery and equipment, trade fixtures, business value, goodwill or other non-realty items. Income tax considerations have not been included or valued unless so specified in the Appraisal. We make no representations as to the value changes that may be attributable to such considerations.
- The estimate(s) of value provided in this Report apply to the entire Property. Proration or division of the total into fractional interests will invalidate the value estimate, unless such proration or division has been set forth within the Report. Any distribution of total value between tangible values such as land, improvements, equipment, and business and other intangible values (if any) applies only to the use set forth in this Report. The component value allocations for land, improvements, equipment and business enterprise value may not be used in conjunction with any other appraisal, and are invalid if so used.
- That the primary and secondary data gathered in the process of completing any Market Analysis and/or Appraisal (except data furnished by the client) and the Market Analysis and/or Appraisal report will remain the property of NRER. The appraiser / counselors will not violate the confidential nature of the appraiser / counselor-client relationship by improperly disclosing any confidential information furnished to them. The appraiser / counselors are, however, authorized by the client to disclose all or any portion of the Market Analysis and/or Appraisal report and the related data to appropriate representatives of the Appraisal Institute, if such disclosure is required, to

enable the appraiser to comply with the Bylaws and Regulations of such Institute now or hereafter in effect.

- The client agrees that the Market Analysis and/or Appraisal report, nor any portions thereof, will neither be quoted nor referred to in any report or financial statement of the client, nor in any documents filed with any governmental agency, without the prior written consent of the counselors. Neither all nor any part of the contents of the Report (especially any conclusions as to value, the identity of the appraisers / counselors, or to NRER, or any references to the Appraisal Institute or references to the MAI, CRE or SREA designations) will be disseminated to the public through advertising media, public relations media, news media, sales media or other public means of communication without the prior written consent and approval of the appraisers / counselors and National Real Estate Research, LLC..
- Possession of this report, or copy thereof, does not carry with it the right of publication. It may not be used for any purpose by anyone but the Intended User without the previous written consent of the appraiser / counselor and NRER.
- Appraisal assignments are accepted with the understanding **that there is no obligation to furnish services after completion of the original assignment.** The appraiser / counselor herein, by reason of this appraisal, **is not required** to give testimony, attend court, or be present at any other governmental hearing relating to the subject Property unless previously arranged. If the need for subsequent service related to the appraisal assignment [such as testimony, updates, conferences, reprint or copy services] is contemplated, special arrangements acceptable to NRER **must be made in advance.**
- The Americans with Disabilities Act (ADA) became effective January 26, 1992. Since the subject Property was used as a TB Hospital and Developmental Disabilities facility that was built in 1909, prior to the enactment of the ADA. Thus, compliance with ADA regulations is not applicable.
- The Market Value conclusion estimated in the Appraisal report is predicated upon the limiting conditions and assumptions set forth in the report, some of which have been market-derived, and some of which are specific to the subject Project. Usually, differences will occur between the estimated and the actual results because events and circumstances frequently do not occur as anticipated. These differences may be material.
- The Client agrees to indemnify National Real Estate Research, LLC and its respective principals and employees [NRER and each such person being an "Indemnified Party"] from and against any and all losses, claims, damages and liabilities, joint and several, to which such Indemnified Parties may be subject under any applicable federal, or state law, related to, or arising out of, the subject Appraisal and/or the engagement of National Real Estate Research, LLC pursuant to the appraisal assignment and will reimburse any Indemnified Party for all reasonable expenses (including counsel fees and expenses) as they are incurred in connection with the investigation of, preparation for, or defense of, any pending or threatened claim or action proceeding or arising there from, whether or not such Indemnified Party is a party. The Client will not be liable under the foregoing indemnification provisions to the extent that any loss, claim, damage, liability or expense is found in a judgment by a court of competent jurisdiction to have resulted primarily from the bad faith, gross negligence or recklessness of an Indemnified Party.
- This engagement may be terminated whether by Client or by National Real Estate Research, LLC at any time upon written notice to that effect to the other parties, it

being understood that, unless National Real Estate Research, LLC shall unilaterally terminate the engagement without the Client's consent and without reasonable cause, the provisions related to the payment of fees and expenses through the date of termination will survive any termination, and it being further understood that the indemnification and hold harmless provisions shall survive any termination thereof, whether or not such termination is unilateral.

- **Invoices are due and payable upon receipt, and are delivered to the Client simultaneously with the delivery of the finished Report. Fees are not contingent on the occurrence of any outside event and are due and payable on the day the reports are delivered. No grace fee is allowed. Bills outstanding on the 30th day after delivery will accrue interest at a compound rate of 1.5% per month, compounded monthly, beginning on the 31st day, retroactive to the date of delivery of the reports.**
- **NATIONAL Real Estate Research, LLC's maximum liability relating to services rendered under this report [regardless of form of action, whether in contract, negligence, or otherwise] shall be limited to the fee paid to NATIONAL Real Estate Research, LLC for the portion of its services or work products giving rise to liability. In no event shall NATIONAL Real Estate Research, LLC be liable for consequential, special, incidental, or punitive losses, damages, or expenses [including, without limitation, lost profits, opportunity costs, etc.] even if it has been advised of their possible existence.**
- **In the event that any employee or associate of NRER is required by subpoena or other legal process to provide testimony or produce documents relating to NRER's services under this Agreement, whether in court, deposition, arbitration or in any other proceeding – and regardless of the identity of the party requiring such testimony or production of documents – Client agrees to compensate NRER for the time incurred by NRER principal and / or staff in connection with the preparation for and provision of such testimony and / or documents at NRER's hourly rate of \$395, and to reimburse NRER's reasonable actual expenses.**

CERTIFICATION

The undersigned do hereby certify that, to the best of our knowledge and belief, except as otherwise noted within this appraisal report or in the preceding Exhibit #1 - **UNDERLYING ASSUMPTIONS AND CONTINGENT CONDITIONS:**

- The statements of fact contained in this report are true and correct. The reported analyses, opinions, and conclusions are limited only by the reported underlying assumptions and contingent conditions, and are our personal, unbiased professional analyses, opinions and conclusions.
- We have no present or prospective interest in the Property that is the subject of this report, or in any benefit from the acquisition of the Property being appraised. We have no personal interest or bias with respect to the parties involved.
- The 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 report, or deriving from the use of this report, nor on any other factor or event other than the delivery of this report for a predetermined fee.
- Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformance with the Standards of Professional Practice and Code of Professional Ethics of the Appraisal Institute, and the Uniform Standard of Professional Appraisal Practice (USPAP) of the Appraisal Foundation.
- I have made a personal inspection of the Property that is the subject of this report. I have also made a personal field inspection of the comparable sales relied upon, and any adjustments made to such comparable sales were based upon an observed comparison to the subject Property appraised herein.
- No one other than the undersigned provided significant professional assistance to the person signing this report.
- That this appraisal was performed without pressure from a person(s) desiring a specific valuation. The appraisal assignment was not based upon a requested minimum valuation, a specific valuation, or the approval of a loan.
- I have performed no other services, as an appraiser or in any other capacity,

regarding the subject Property within the three-year period immediately preceding this assignment.

- I will not reveal the findings / results of this appraisal to anyone other than the proper officials of the State of New York until authorized by the Commissioner to do so or until I am released from this obligation by having publically testified as to such findings.

Disclosure of the contents of this appraisal report is governed by the Bylaws and Regulations of the Appraisal Institute. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraisers or the firm with which they are connected, any reference to the Appraisal Institute and to its MAI designation will 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. The Appraisal Institute conducts voluntary programs of continuing education for their designated members. As of the date of this report, John A. Dalkowski III has completed the requirements of the continuing education program.

The property was physically inspected and photographed by John A. Dalkowski III on October 18, 2016.

A handwritten signature in black ink, appearing to read 'JD', is written over a horizontal line.

John A. Dalkowski 111, CRE, MAI
Managing Director
New York State Certified General
Real Estate Appraiser No. 46000016951
jdmai-cre@nationalrer.com
212-983-2426