

**APPRAISAL OF A  
MIXED-USE PROPERTY**

7351 South Broadway  
Village and Town of Red Hook  
Dutchess County, New York 12571  
Parcel Number: 134801-6272-14-271451



**PREPARED FOR  
MR. JOHN COLBURN AND MS. SHIRLEY COLBURN**

**PREPARED BY  
DANIEL A. DI TORO  
FOR  
TORTORELLA APPRAISALS, INC.  
230 KINGS MALL COURT, #169  
KINGSTON, NEW YORK 12401**

August 7, 2018

Mr. John Colburn and Ms. Shirley Colburn

Appraisal of  
7351 South Broadway  
Village and Town of Red Hook, Dutchess County, NY 12571  
Parcel Number: 134801-6272-14-271451

To whom it may concern:

In accordance with your request, we have prepared an appraisal of the above referenced property to determine a current "as is" market value opinion of the fee simple interest as of the date of our most recent inspection, July 16, 2018. The subject property is comprised of a single tax lot, which is developed with attached and interconnected two-story, circa 1920, wood frame mixed-use buildings, the larger of which is developed with commercial use (one owner-utilized space and one renter-occupied space) on a portion of the ground floor and residential use on the remaining portion of the ground floor level and the entire second floor level; and the smaller building is utilized as warehouse/storage space on the first floor, and has residential space on the second level. The appraisers have estimated that the total building area, excluding the lower-level garage and enclosed porch areas), is approximately 9,153+/- square feet, based on the appraisers' independent measurements. The lower-level garage has approximately 2,750 square feet. The larger building has an estimated total above-grade building area of 4,583 square feet and the smaller building (including an estimate of loss factor for the pitched roof) has an estimated 4,570 square feet of usable above-grade area. The breakdown of fully-utilized area is as follows: ground floor commercial space (Laundromat and Salon): 1,900 square feet; owner-utilized second floor apartment: 2,211 square feet. The larger building includes owner-utilized office area behind the commercial space. The property includes a front and side parking lot. The site area is estimated at 0.80 acres and is irregular in shape, with 173 feet of frontage.


The purpose of this report is to provide an accurate and credible opinion of market value. You have indicated that the report is to be used to assist with a potential property dispensation and estate planning matters associated with such. The property will be valued using current market data as of the date of our inspection. The valuation assumes a standard exposure time of 9 to 12 months, as suggested by comparable sale and listing data.

The attached report details the scope of the appraisal, level of reporting, definition of value, valuation methodology, and pertinent data researched and analyzed in the development of this appraisal. The investigation and analyses performed are subject to the Limiting Conditions and Assumptions presented on a following page. Acceptance of our report constitutes an agreement with these conditions and assumptions.

We are of the opinion that the Market Value of the Fee Simple Interest in the subject property, free and clear of financing, as of July 16, 2018, is:

**Nine Hundred Seventy-Five Thousand Dollars**  
**(\$975,000)**

Respectfully submitted,  
TORTORELLA APPRAISALS, INC.

A handwritten signature in dark ink, appearing to read "Daniel A. Di Toro". The signature is fluid and cursive, with the first name "Daniel" and last name "Di Toro" clearly distinguishable.

Daniel A. Di Toro  
Independent Contractor for Tortorella Appraisals, Inc.  
NYS Certified General Appraiser License Number 46000040942

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## SUMMARY OF FACTS AND IMPORTANT CONCLUSIONS

<b>Location:</b>	7351 South Broadway, Village and Town of Red Hook, New York 12571.
<b>Property Type:</b>	Mixed commercial, residential and storage uses.
<b>Interest Appraised:</b>	Fee Simple Interest
<b>Zoning:</b>	“NMU” Neighborhood Mixed-Use District
<b>Real Estate Taxes:</b>	\$14,498, rounded
<b>Site Description:</b>	The lot is irregular with 173 feet of frontage; approximately 0.80 acres of area; generally level; west side of the street; 0.5 mile from the village center
<b>Improvement Description:</b>	The subject property is comprised of a single tax lot, which is developed with attached and interconnected two-story, circa 1920, wood frame mixed-use buildings, the larger of which is developed with commercial use (one owner-utilized space and one renter-occupied space) on a portion of the ground floor and residential use on the remaining portion of the ground floor level and the entire second floor level; and the smaller building is utilized as warehouse/storage space on the first floor, and has residential space on the second level. The appraisers have estimated that the total building area, excluding the lower-level garage, is approximately 9,153+/- square feet, based on the appraisers’ independent measurements. The lower-level garage has approximately 2,750 square feet. The larger building has an estimated total above-grade building area of 4,583 square feet and the smaller building (including an estimate of loss factor for the pitched roof) has an estimated 4,570 square feet of above-grade area. The breakdown of fully-utilized area is as follows: ground floor commercial space (Laundromat and Salon): 1,900 square feet; owner-utilized second floor apartment: 2,211 square feet. The larger building includes owner-utilized office area behind the commercial space. The property includes a front and side parking lot.
<b>Tax Map #:</b>	Parcel Number: 134801-6272-14-271451
<b>Highest and Best Use:</b>	Mixed commercial and residential

**Value Indicators**

**Sales Comparison Approach:** \$950,000

**Income Capitalization Approach:** \$1,000,000

**The Cost Approach** NA

**Indicated Value Conclusion:** \$975,000

***Exposure and Marketing Time:** Considerate of the current national and local economy, it is felt that a sale of the subject could be affected at the above value within a nine to twelve month period. We have researched listing data from our comparable sale set and other relevant data to arrive at this estimate. We have considered all pertinent data having an effect on value in arriving at our value estimate.*

***Important Dates:***

***Inspection Date/Date of Value:***

***July 16, 2018***

***Report Date:***

***August 7, 2018***

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

According to the Uniform Standards of Professional Appraisal Practice, it is the appraiser's responsibility to develop and report a scope of work that results in credible results that are appropriate for the appraisal problem and intended user(s). This appraisal is prepared for Mr. John Colburn and Ms. Shirley Colburn, our clients.

Client and Intended Users	The client and intended users of this report are indicated to be Mr. John Colburn and Ms. Shirley Colburn. There are NO other authorized users of this report or the contents thereof.
Purpose	To determine the "As Is" market value of the fee simple interest as of the date of inspection, July 16, 2018.
Intended Use of the Report	The purpose of this report is to provide an accurate and credible opinion of market value. You have indicated that the report is to be used to assist with a potential property dispensation and estate planning matters associated with such.
Property Identification:	The subject has been identified by the client as 7351 S. Broadway, Village and Town of Red Hook, Dutchess County, New York. The Parcel Number: 134801-6272-14-271451.
Inspection:	A complete interior and exterior inspection of the subject property has been made, and photographs taken by Daniel A. Di Toro, the appraiser.
Competency:	The appraiser, Daniel A. Di Toro, holds a certified general appraisal license to appraise in the State of New York. Via significant experience in appraising similar properties in various Hudson Valley submarkets, the appraiser has gained sufficient competency to perform the valuation. Local submarket conditions were researched via a review of published data and articles and information provided by local commercial brokers. The appraiser has over 20 years of commercial valuation experience.
Market Area and Analysis of Market Conditions:	The appraiser has reviewed the market for comparable data, including sales and listings relevant to this analysis.
Highest and Best Use Analysis:	A complete "as vacant" and "as improved" highest and best use analysis for the subject has been made. Physically possible, legally permissible and

financially feasible uses were considered, and the maximally productive use was concluded under both scenarios.

### Valuation Analyses

#### Cost Approach:

Given the subjective nature of imputing accrued depreciation and given the sufficiency of the other two approaches to value which more closely match the valuation methodology of market participants, a cost approach was not performed.

#### Sales Comparison Approach:

A sales approach was applied as there is adequate data to develop a value estimate and this approach reflects market behavior for this property type.

#### Income Approach:

An income approach was also applied as there is sufficient market data (comparable rents, expenses and capitalization rates) to allow for an effective application of this approach. Properties such as the subject are typically purchased as income-generating investments.

#### Hypothetical Conditions:

There are no hypothetical conditions for this appraisal.

#### Extraordinary Assumptions:

There are no extraordinary assumptions processed.

### **MARKET VALUE DEFINITION**

Market Value is “the major focus of most real property appraisal assignments. Both economic and legal definitions of market value have been developed and refined. The following definition of **market value** is used by agencies that regulate federally insured financial institutions in the United States:

“The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by stimulus. Implicit in this definition is consummation of a sale as of a specified date and passing of title from seller to buyer under conditions whereby:

- Buyer and seller are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their best interests;
- A reasonable time is allowed for exposure in the open market;
- Payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto; and
-



The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

Source: The Dictionary of Real Estate Appraisal, Fourth Edition, Appraisal Institute, 2002, p. 177

### ***PROPERTY RIGHTS APPRAISED***

The property is appraised on the basis of **Fee Simple Interest**.

Fee Simple Interest is defined as: Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.<sup>1</sup>

### ***Ownership History***

The subject property is currently owned by John Colburn and Shirley Colburn. Public records indicate that the property has not transferred within the past three years. The appraisers have not uncovered any pending sales agreements or offers to purchase. The property is currently listed for sale by Coldwell Banker for a consideration of \$1,200,000. The listing broker has indicated that there is a pending offer on the property, details not disclosed.

### ***Limiting Conditions and Assumptions***

Acceptance of and/or use of this report constitutes acceptance of the following limiting conditions and assumptions; these can only be modified by written documents executed by both parties.

This appraisal is to be used only for the purpose stated herein. While distribution of this appraisal in its entirety is at the discretion of the client, individual sections shall not be distributed; this report is intended to be used in whole and not in part.

No part of this appraisal, its value estimates or the identity of the firm or the appraiser(s) may be communicated to the public through advertising, public relations, media sales, or other media.

Information, estimates and opinions are verified where possible, but cannot be guaranteed.

No hidden or unapparent conditions of the property, subsoil or structure, which would make the property more or less valuable, were discovered by the appraiser(s) or made known to the appraiser(s). No responsibility is assumed for such conditions or engineering necessary to discover them. Unless otherwise stated, this appraisal assumes there is no existence of hazardous materials or conditions, in any form, on or near the subject property.

Unless otherwise state in this report, the existence of hazardous substances, including without limitation asbestos, polychlorinated biphenyl, petroleum leakage, or agricultural chemicals, which may or may not be present on the property, was not called to the attention of the appraiser nor did the appraiser become aware of such during the appraiser's inspection. The appraiser has no knowledge of the existence of such materials on or in the property unless otherwise stated. The appraiser, however, is not qualified to test for such substances. The presence of such hazardous substances may affect the value of the property. The value opinion developed herein is predicated on the assumption that no such hazardous substances exist on or in the property or in

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<sup>1</sup>Dictionary of Real Estate Appraisal, Third Edition (Chicago Appraisal Institute, 1993)

such proximity thereto, which would cause a loss in value. No responsibility is assumed for any such hazardous substances, nor for any expertise or knowledge required to discover them.

Unless stated herein, the property is assumed to be outside of areas where flood hazard insurance is mandatory. Maps used by public and private agencies to determine these areas are limited with respect to accuracy. Due diligence has been exercised in interpreting these maps, but no responsibility is assumed for misinterpretation.

Good title, free of liens, encumbrances and special assessments is assumed. No responsibility is assumed for matters of a legal nature.

Necessary licenses, permits, consents, legislative or administrative authority from any local, state or Federal government or private entity are assumed to be in place or reasonably obtainable.

It is assumed there are no zoning violations, encroachments, easements or other restrictions which would affect the subject property, unless otherwise stated.

The appraiser(s) are not required to give testimony in Court in connection with this appraisal and, if summoned to do so, shall be compensated at their prevailing hourly rate.

Appraisals are based on the data available at the time the assignment is completed. Amendments/modifications to appraisals based on new information made available after the appraisal was completed will be made, as soon as reasonably possible, for an additional fee.

***Americans with Disabilities Act (ADA) of 1990***

A civil rights act passed by Congress guaranteeing individuals with disabilities equal opportunity in public accommodations, employment, transportation, government services, and telecommunications. Statutory deadlines become effective on various dates between 1990 and 1997. Appraisal Co. Valuation & Consulting has not made a determination regarding the subject's ADA compliance or non-compliance. **Non-compliance could have a negative impact on value; however this has not been considered or analyzed in this appraisal.**

***Extraordinary Assumptions and Hypothetical Conditions: None processed.***

### **AREA MARKET OVERVIEW**

The subject property is located in Dutchess County in the Hudson Valley Region of New York State. The county is bordered on the north by Columbia County, on the south by Putnam County, on the west by the Hudson River and Orange and Ulster Counties and on the east by Litchfield County. The county seat is Poughkeepsie. Dutchess County is included in the Poughkeepsie-Newburgh-Middletown MSA which basically covers the entirety of both Dutchess and Orange Counties. The region is suburban to rural and becomes much less densely populated as one proceeds northeast of Poughkeepsie. The subject is also located within the Hudson Valley Region which also includes the Putnam-Rockland-Westchester MSA and is typically analyzed in that larger context.

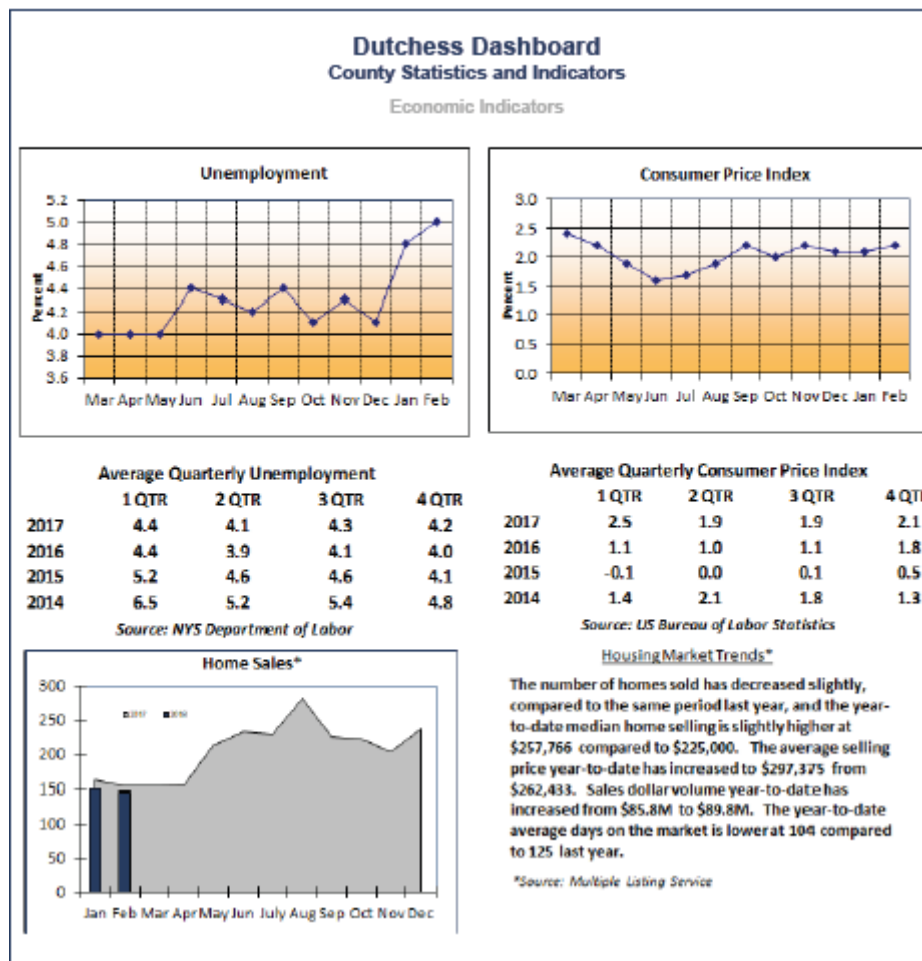
### ***Employment***

The New York State Department of Labor reported that “For the 12-month period ending March 2018, private sector jobs in the Hudson Valley increased by 8,300 or 1.1 percent, to 786,700. Gains were largest in educational and health services (+8,200), professional and business services (+2,600), natural resources, mining, and construction (+1,000), and financial activities (+500). Losses were centered in trade, transportation and utilities (-2,100), information (-1,200), and manufacturing (-800). Aided by strong growth in its leisure and hospitality industry, Sullivan County’s private sector employment grew the fastest, up 9.7 percent over the period. The county’s leisure and hospitality sector got a nice employment boost with the recent opening of Resorts World Catskills Casino. Employment opportunities in the sector will be enhanced with the scheduled opening of the YO1 Wellness Center in June, which is expected to employ 190 people. The second fastest private sector growth occurred in the Dutchess-Putnam MSA (+3.1 percent), followed by the Kingston MSA (+1.1 percent) and the Orange-Rockland-Westchester labor market area (+0.4 percent).” Dutchess-Putnam MSA statistics are presented below:

#### **LABOR MARKET AREA EMPLOYMENT COMPOSITION AND CHANGE**

<b>Industry</b>	<b>MAR 2018</b>	<b>MAR 2017</b>	<b>Net Change</b>	<b>Percent Change</b>
Total Nonfarm	149,200	145,400	3,800	2.60%
Natural Resources, Mining and Const	7,500	7,600	-100	-1.30%
Manufacturing	9,600	9,800	-200	-2.00%
Private Service Providing	105,600	101,600	4,000	3.90%
Trade, Transportation, and Utilities	24,200	23,900	300	1.30%
Wholesale Trade	3,000	2,900	100	3.40%
Retail Trade	17,000	17,100	-100	-0.60%
Information	1,900	2,000	-100	-5.00%
Financial Activities	4,700	4,600	100	2.20%
Professional and Business Services	11,800	12,200	-400	-3.30%
Education and Health Services	41,500	38,000	3,500	9.20%
Leisure and Hospitality	14,400	13,900	500	3.60%
Other Services	7,100	7,000	100	1.40%
Government	26,500	26,400	100	0.40%

Dutchess County unemployment data and other economic indicators are presented below:



Source: County Budget Office

The data suggests that economic conditions have moderated downward since mid-2016.

### Population and Income

According to the US Census Bureau, Dutchess County had a 2009 population of 293,562. This estimate represents a 4.57%, over the 2000 estimate. County and town estimates are presented in the following table:

Resident Population*														
New York State Governmental Units, 2009														
	April 1,	April 1,	July 1,	July 1,	July 1,	July 1,	July 1,	July 1,	July 1,	July 1,	Change 2008 - 2009		2000-2009	Change 1990-2009
	1990	2000	2002	2003	2004	2005	2006	2007	2008	2009	#	%	%	#
Dutchess County	259,452	280,150	286,769	289,088	290,637	291,586	291,471	291,815	292,500	293,562	1,062	0.4%	4.57%	34,100
C/Beacon	13,243	14,810	14,638	14,727	14,654	14,686	14,636	14,592	14,547	14,529	(18)	-0.1%	-1.93%	1,286
C/Poughkeepsie	26,844	29,871	30,395	30,451	30,420	30,172	29,959	29,725	29,597	29,564	(33)	-0.1%	-1.04%	720
T/Amenia	5,195	4,048	4,115	4,142	4,149	4,143	4,140	4,134	4,134	4,122	(12)	-0.3%	1.80%	(1,073)
T/Beekman	10,447	13,655	14,369	14,645	14,798	14,748	14,723	14,799	14,699	14,691	(8)	-0.1%	7.05%	4,244
T/Clinton	3,760	4,010	4,105	4,141	4,159	4,155	4,169	4,181	4,181	4,183	2	0.0%	4.14%	423
T/Dover	7,778	8,565	8,744	8,735	8,735	8,803	8,824	8,812	8,802	8,796	(16)	-0.2%	2.52%	1,008
T/East Fishkill	22,101	25,589	26,891	27,445	27,621	28,324	28,589	28,709	28,738	28,797	59	0.2%	11.14%	6,696
T/Fishkill	17,655	20,258	19,336	19,437	19,696	20,158	20,342	20,563	20,891	21,449	558	2.7%	5.55%	3,794
T/Hyde Park	21,230	20,851	20,874	20,822	20,743	20,611	20,455	20,362	20,291	20,275	(16)	-0.1%	-2.84%	(955)
T/La Grange	13,274	14,928	15,541	15,681	15,769	15,849	15,808	15,796	15,787	15,812	25	0.2%	5.59%	2,538
T/Milan	1,895	2,356	2,465	2,508	2,542	2,582	2,616	2,622	2,612	2,610	(2)	-0.1%	9.73%	715
T/North East	2,918	3,002	3,050	3,063	3,091	3,116	3,135	3,127	3,134	3,131	(3)	-0.1%	4.12%	213
T/Pawling	5,947	7,521	7,989	8,113	8,261	8,252	8,230	8,203	8,199	8,186	(13)	-0.2%	8.12%	2,239
T/Pine Plains	2,287	2,569	2,601	2,637	2,661	2,666	2,684	2,686	2,690	2,693	3	0.1%	4.60%	406
T/Pleasant Valley	8,063	9,066	9,313	9,338	9,376	9,592	9,712	9,692	9,782	9,880	98	1.0%	8.24%	1,817
T/Poughkeepsie	40,143	42,777	43,834	44,087	44,219	44,249	44,069	44,028	44,122	44,163	41	0.1%	3.14%	4,020
T/Red Hook	9,565	10,408	10,857	11,025	11,165	11,292	11,305	11,366	11,493	11,597	104	0.9%	10.25%	2,032
T/Rhinebeck	7,558	7,762	7,941	8,062	8,056	8,083	8,062	8,226	8,332	8,330	(2)	0.0%	6.82%	772
T/Stanford	3,495	3,544	3,642	3,689	3,694	3,700	3,697	3,704	3,704	3,705	1	0.0%	4.35%	210
T/Union Vale	3,577	4,546	4,804	4,952	5,026	5,056	5,061	5,067	5,071	5,067	(4)	-0.1%	10.28%	1,490
T/Wappinger	26,008	26,274	26,438	26,488	26,510	26,484	26,409	26,574	26,858	27,150	292	1.1%	3.23%	1,142
T/Washington	4,479	4,742	4,830	4,900	4,882	4,865	4,846	4,847	4,836	4,842	6	0.1%	2.07%	363
V/Fishkill	1,957	1,735	1,750	1,748	1,740	1,729	1,712	1,701	1,694	1,690	(4)	-0.2%	-2.66%	(267)
V/Millbrook	1,339	1,429	1,493	1,536	1,532	1,537	1,521	1,515	1,508	1,506	(2)	-0.1%	5.11%	167
V/Millerton	894	925	932	930	925	918	910	905	902	899	(3)	-0.3%	-2.89%	15
V/Pawling	1,974	2,233	2,244	2,247	2,299	2,283	2,263	2,252	2,244	2,240	(4)	-0.2%	0.31%	266
V/Red Hook	1,794	1,805	1,815	1,822	1,815	1,800	1,781	1,772	1,776	1,994	118	6.3%	9.48%	200
V/Rhinebeck	2,725	3,077	3,070	3,075	3,070	3,063	3,046	3,030	3,023	3,019	(4)	-0.1%	-1.92%	294
V/Tivoli	1,035	1,163	1,171	1,169	1,164	1,155	1,148	1,140	1,135	1,132	(3)	-0.3%	-2.74%	97
V/Wapp. Falls	4,605	4,929	4,936	4,931	4,984	5,012	5,073	5,311	5,639	6,018	379	6.7%	18.10%	1,413

Source: U.S. Bureau of the Census, (2001-2009 are Census estimates)

\*With each new issue of July 1 estimates, the Census revises estimates for years back to the last census.

Town data include Villages

Population forecasts based on 2000 Census data are presented below:

#### Population Forecasts 2005-2025

Municipality	2000	2005	2010	2015	2020	2025
C/Beacon	14,810	15,394	15,791	16,277	17,128	17,911
C/Poughkeepsie	29,871	31,049	31,849	32,830	34,547	36,125
T/Amenia	4,048	4,208	4,316	4,449	4,682	4,896
T/Beekman	13,655	14,149	14,559	15,008	15,792	16,514
T/Clinton	4,010	4,168	4,276	4,407	4,638	4,850
T/Dover	8,565	8,903	9,132	9,413	9,906	10,358
T/East Fishkill	25,589	26,598	27,283	28,124	29,594	30,947
T/Fishkill	17,521	18,212	18,681	19,257	20,263	21,190
T/Hyde Park	20,851	21,673	22,232	22,916	24,115	25,217
T/LaGrange	14,928	15,517	15,916	16,407	17,265	18,054
T/Milan	2,356	2,449	2,512	2,589	2,725	2,849
T/North East	2,077	2,159	2,215	2,283	2,402	2,512
T/Pawling	5,288	5,497	5,683	5,812	6,116	6,395
T/Pine Plains	2,569	2,670	2,739	2,823	2,971	3,107
T/Pleasant Valley	9,066	9,424	9,665	9,964	10,485	10,964
T/Poughkeepsie	41,800	43,449	44,568	45,940	48,343	50,552
T/Red Hook	7,440	7,733	7,933	8,177	8,605	8,998
T/Rhinebeck	4,685	4,870	4,995	5,149	5,418	5,665
T/Stanford	3,544	3,684	3,779	3,895	4,099	4,286
T/Union Vale	4,546	4,725	4,847	4,996	5,258	5,498
T/Wappinger	22,322	23,202	23,800	24,533	25,816	26,996
T/Washington	3,313	3,444	3,532	3,641	3,832	4,007
V/Fishkill	1,735	1,803	1,850	1,907	2,007	2,098
V/Millbrook	1,429	1,485	1,524	1,571	1,653	1,728
V/Millerton	925	961	986	1,017	1,070	1,119
V/Pawling	2,233	2,321	2,381	2,454	2,583	2,701
V/Red Hook	1,805	1,876	1,925	1,984	2,088	2,183
V/Rhinebeck	3,077	3,198	3,281	3,382	3,559	3,721
V/Tivoli	1,163	1,209	1,240	1,278	1,345	1,407
V/Wappinger Falls	4,929	5,123	5,255	5,417	5,701	5,961
<b>TOTAL</b>	<b>280,150</b>	<b>291,153</b>	<b>298,745</b>	<b>307,900</b>	<b>324,006</b>	<b>338,809</b>

## Red Hook

The village of Red Hook is located within the town of Red Hook. It is situated within the larger Town of Red Hook, with the village center located approximately 3 miles east of the Hudson River and 3.5 miles northeast of the Rhinecliff Bridge to Ulster County.

The inter-census estimate for 2016 was 1,979, an increase of 0.90% over the 2010 estimate.

Historical population		
Census	Pop.	%±
1870	861	—
1880	936	8.70%
1890	935	-0.1%
1900	857	-8.3%
1910	960	12.00%
1920	827	-13.9%
1930	996	20.40%
1940	1,056	6.00%
1950	1,225	16.00%
1960	1,719	40.30%
1970	1,680	-2.3%
1980	1,692	0.70%
1990	1,794	6.00%
2000	1,805	0.60%
2010	1,961	8.60%
<b>Est. 2016</b>	<b>1,979</b>	<b>0.90%</b>

In 2016, the median household income for the village was estimated at \$53,676, compared with \$60,741 for the county.

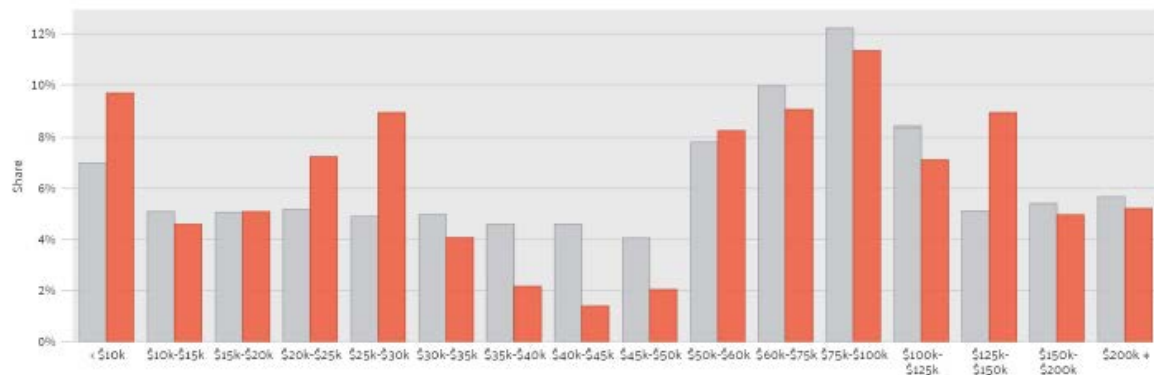
Subject	Red Hook village, New York			
	Households		Families	
	Estimate	Margin of Error	Estimate	Margin of Error
Total	786	+/-68	399	+/-51
Less than \$10,000	9.7%	+/-3.5	2.0%	+/-2.3
\$10,000 to \$14,999	4.6%	+/-3.7	0.0%	+/-7.2
\$15,000 to \$24,999	12.3%	+/-5.4	4.0%	+/-2.8
\$25,000 to \$34,999	13.0%	+/-5.0	6.3%	+/-4.1
\$35,000 to \$49,999	5.6%	+/-2.7	4.5%	+/-3.1
\$50,000 to \$74,999	17.3%	+/-5.6	22.8%	+/-8.1
\$75,000 to \$99,999	11.3%	+/-4.6	20.6%	+/-8.9
\$100,000 to \$149,999	16.0%	+/-6.0	23.3%	+/-9.7
\$150,000 to \$199,999	5.0%	+/-2.7	9.8%	+/-5.1
\$200,000 or more	5.2%	+/-3.0	6.8%	+/-4.8
Median Income (dollars)	53,676	+/-9,181	85,583	+/-9,463
Mean Income (dollars)	76,914	+/-12,932	99,055	+/-12,342
PERCENT ALLOCATED				
Household Income in the past 12 months	39.8%	(X)	(X)	(X)
Family Income in the past 12 months	(X)	(X)	32.3%	(X)
Nonfamily Income in the past 12 months	(X)	(X)	(X)	(X)

According to DataUsa.com, “The median property value in Red Hook, NY is \$253,500, which is 1.24 times larger than the national average of \$205,000. Between 2015 and 2016 the median

property value increased from \$248,100 to \$253,500, a 2.18% increase. The homeownership rate of Red Hook, NY is 55.2%, which is lower than the national average of 63.6%.”

### Household Income in Red Hook

Please note that the buckets used in this visualization were not evenly distributed by ACS when publishing the data.



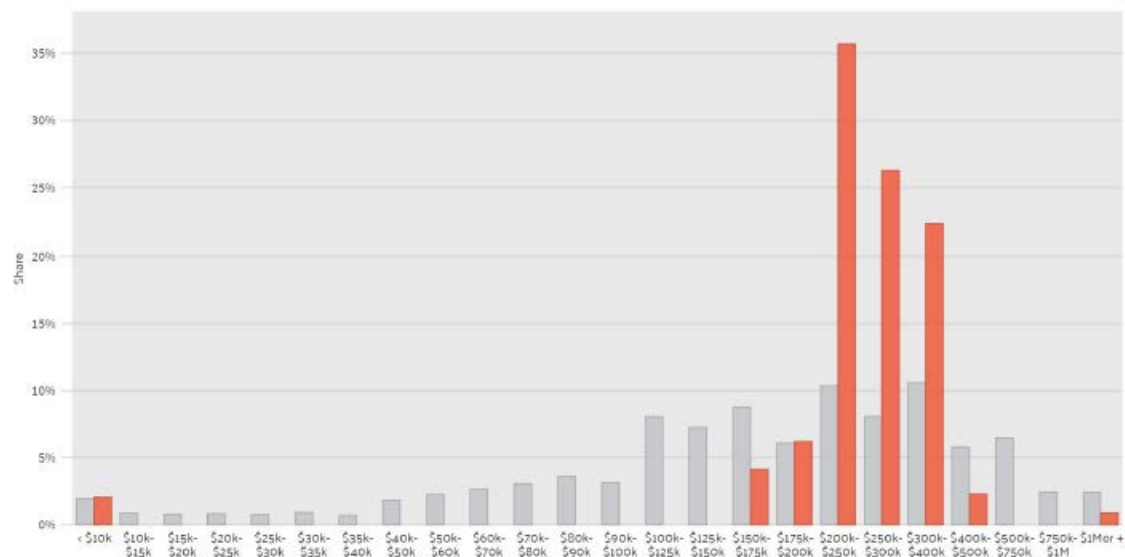
Dataset: ACS 5-year Estimate  
Source: Census Bureau

DATAUSA:

Again, according to DataUsa.com “In 2016, the median property value in Red Hook, NY grew to \$253,500 from the previous year's value of \$248,100”.

### Property Value in Red Hook

Please note that the buckets used in this visualization were not evenly distributed by ACS when publishing the data.



Dataset: ACS 5-year Estimate  
Source: Census Bureau

DATAUSA:

■ = Red Hook; ■ = Dutchess County

## Rental Apartment Market

Dutchess County prepares a biannual “Rental Housing Survey”. The most recent report is for the 2016 calendar year. The report states: “92 percent of market rate apartment complex units are one- or two-bedrooms. Only 4.4 percent are three-bedrooms, with studios making up the remaining 3.7 percent. These percentages are relatively consistent with previous surveys...Average rents increased between 2015–2016 in all unit sizes.” According to the report, studio unit rents increased by 0.1%, 1-bedrooms by 3.8%, 2-bedrooms by 3.6% and 3-bedrooms by 5.7%. Survey data is shown below:

**Table 2: Market Rate Apartment Complexes  
Number of Rental Units, and Average Rents  
By Municipality & Unit Size**

Municipality*	Rental Units		Number of Units and Average Rent							
	Total #	% by Location	Studio Units	Avg Rent	1-Bedroom Units	Avg Rent	2-Bedroom Units	Avg Rent	3-Bedroom Units	Avg Rent
C Beacon	142	1.8%	9	\$692	96	\$1,898	37	\$1,095		
C Poughkeepsie	940	12.0%	72	\$775	432	\$934	426	\$1,133	10	\$1,362
T Amenia	40	0.5%			16	\$600	24	\$700		
T Dover	22	0.3%	6	\$512	9	\$749	7	\$855		
T East Fishkill	69	0.9%	9	\$820	35	\$950	21	\$1,175	4	\$1,600
T Fishkill	1,775	22.6%	146	\$839	770	\$1,262	697	\$1,631	162	\$2,002
T Hyde Park	525	6.7%			251	\$883	272	\$1,041	2	1,400
T Pawling	46	0.6%	14	\$675	29	\$875	3	\$1,075		
T Pleasant Valley	647	8.2%			266	\$1,220	341	\$1,658	40	\$2,017
T Poughkeepsie	2,233	28.4%	21	\$828	1,341	\$1,146	813	\$1,430	58	\$1,969
T Rhinebeck	144	1.8%			103	\$1,110	41	\$1,320		
T Wappinger	1,269	16.2%	11	\$965	691	\$1,240	497	\$1,541	70	\$1,715
<b>TOTAL</b>	<b>7,852</b>		<b>288</b>		<b>4,039</b>		<b>3,179</b>		<b>346</b>	

\* Town listings include villages and unincorporated areas.

**Table 3: Market Rate Apartment Complexes  
Average County Rents**

	2016	2015	2014	2013	2012
Studios	\$807	\$806	\$759	\$775	\$743
1-Bedroom	\$1,160	\$1,117	\$1,060	\$1,047	\$1,034
2-Bedroom	\$1,429	\$1,379	\$1,336	\$1,325	\$1,302
3-Bedroom	\$1,914	\$1,810	\$1,738	\$1,727	\$1,786

**Table 4: Market Rate Apartment Complexes  
Annual Percentage Change in Average County Rents**

	2015-2016	2014-2015	2013-2014	2012-2013	2011-2012
Studios	0.1%	6.2%	-2.1%	4.3%	2.5%
1-Bedroom	3.8%	5.4%	1.2%	1.3%	2.8%
2-Bedroom	3.6%	3.2%	0.8%	1.8%	2.4%
3-Bedroom	5.7%	4.1%	0.6%	-3.3%	1.4%



As to rental vacancy rates, the report states: “The vacancy rate in the market rate apartment complexes surveyed in 2016 was 2.0 percent, one of the lowest rates we’ve seen in the past 20 years. A total of 160 units were vacant out of 7,852 total units surveyed. It should be noted that the vacancy rate for tax credit developments was 1.1 percent. Tax credit developments generally have lower vacancies due to their subsidized rents. Housing experts recognize a 5 percent vacancy rate as an indicator of a healthy rental market. It is low enough not to negatively affect landlords, but high enough to permit tenant mobility. The vacancy rate in 2016 was less than half of what is considered a healthy indicator.”

**Table 5: Market Rate Apartment Complexes  
County Vacancy Rate**

2016	2015	2014	2013	2012
2.0%	1.8%	2.3%	2.9%	3.4%

**Table 6: Market Rate Apartment Complexes  
Vacancy Rate by Municipality**

Municipality*	Vacancy Rate
City of Beacon	3.5%
City of Poughkeepsie	2.4%
Town of Amenia	5.0%
Town of Dover	0.0%
Town of East Fishkill	2.9%
Town of Fishkill	2.2%
Town of Hyde Park	2.1%
Town of Pawling	2.2%
Town of Pleasant Valley	1.1%
Town of Poughkeepsie	2.2%
Town of Rhinebeck	2.1%
Town of Wappinger	1.4%

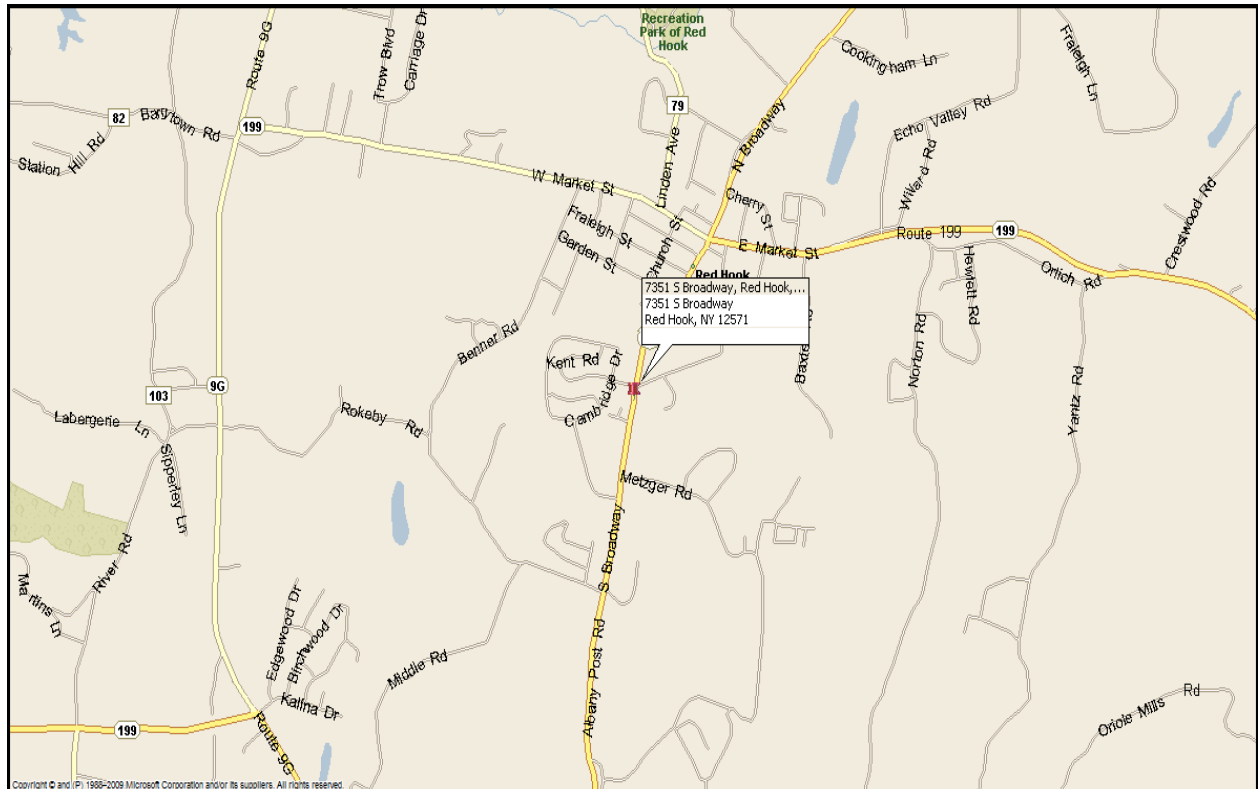
\*Town listings include villages and  
unincorporated areas.

## **Conclusion**

The economy is relatively diverse and apparently well-positioned to take advantage of the anticipated national recovery. The employment diversity and proximity to both Albany and New

York City are significant positives for the region. Job growth and healthy commercial market conditions in both those metro areas has benefitted commuter areas in the region.

### LOCATION MAP



### **Site Description**

Land Area:	Approximately 0.80 acres (public record)
Location:	West side of the street, less than ½-mile south of the intersection with East Market Street and the village center.
Shape/Frontage:	Irregular; 173.75 feet of frontage and a maximum depth of 375.40 feet
Topography/Drainage:	Essentially level and generally at grade with adjacent base elevations; drainage appears adequate
Access & Exposure:	Vehicle access to the site from nearby areas is good as Route 199 (East Market Street) connects directly with the Rhinecliff Bridge to Ulster County, which in turn connects with I-87, less than 6 miles west of the subject; Route 199 also connects directly with the Taconic Parkway, accessed 6.6 miles to the east. Exposure for commercial uses is fair to good; pedestrian flow is light; however, the proximity to the village center location results in steady vehicle flow.
Adjacent Property Uses:	The subject is located in a cluster of mixed-uses, primarily office use, including town hall and town utility uses, along with residential uses to the west
Soil Conditions:	Soil and sub-soil conditions appear adequate to support development.
Flood Zone:	Map #36027, Panel C0132E. Flood Zone X, an area outside historical inundation activity.
Utilities:	All necessary utilities including electricity, telephone, sewers and water are available.
Easements/Encroachments:	There are no known encroachments affecting the subject site. Standard utility easements apply. A title search is beyond the scope of the assignment and the appraiser's field of expertise.

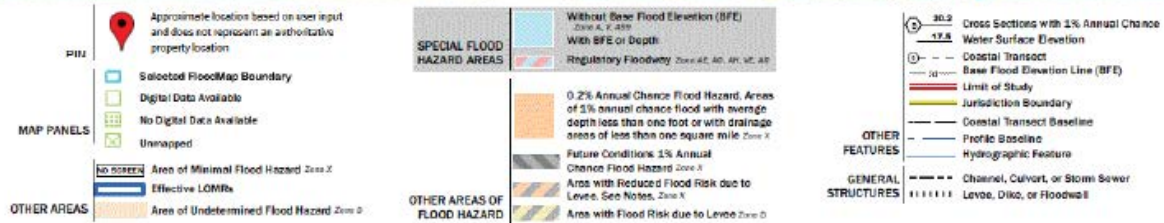
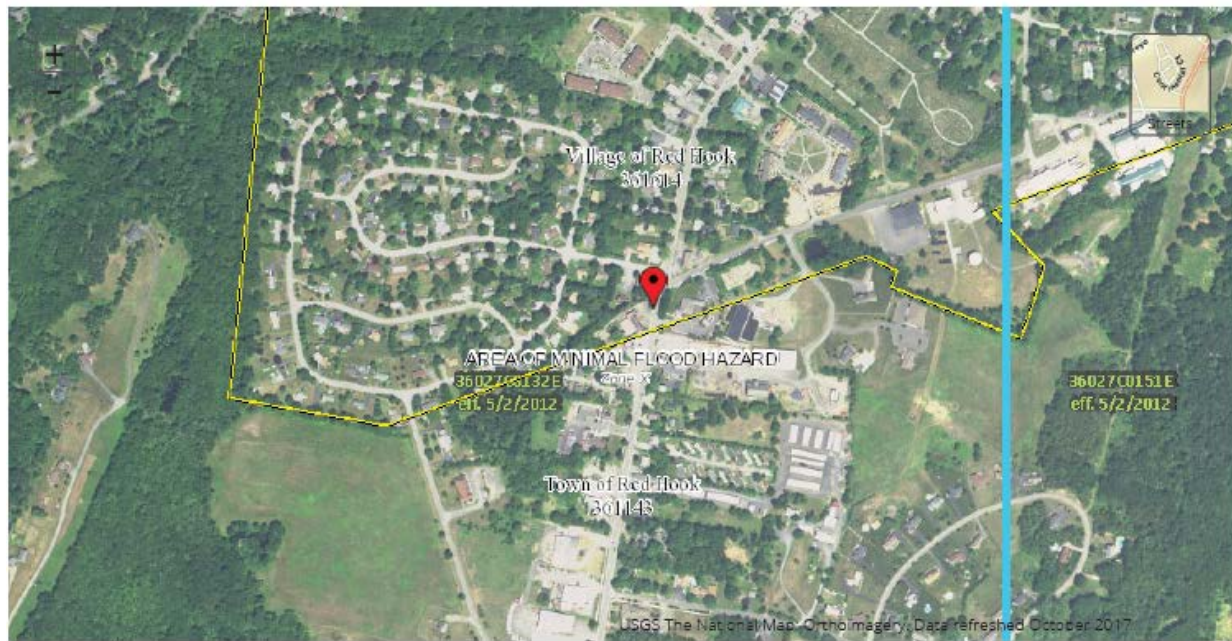
**CONCLUSION** - Having analyzed the subject site, access and available utilities, we conclude that the subject property possessed all of the requisite attributes for successful development. Access is satisfactory. Street qualities are consistent with residential use and exposure is acceptable for retail/dining and professional office uses.

TAX MAP





# FLOOD ZONE MAP



### Improvement Description

Information Source:

Inspection: July 16, 2018

Gross Building Area:

The appraisers have estimated that the total building area, excluding the lower-level garage, is approximately 9,153+/- square feet, based on the appraisers' independent measurements. The lower-level garage has approximately 2,750 square feet. The larger building has an estimated total above-grade building area of 4,583 square feet and the smaller building (including an estimate of loss factor for the pitched roof) has an estimated 4,570 square feet of above-grade area. The breakdown of fully-utilized area is as follows: ground floor commercial space (Laundromat and Salon): 1,900 square feet; owner-utilized second floor apartment: 2,211 square feet. The larger building includes owner-utilized office area behind the commercial space. .

General Description:

The subject property is comprised of a single tax lot, which is developed with attached and interconnected two-story, circa 1920, wood frame mixed-use buildings, the larger of which is developed with commercial use (one owner-utilized space and one renter-occupied space) on a portion of the ground floor and residential use on the remaining portion of the ground floor level and the entire second floor level; and the smaller building is utilized as warehouse/storage space on the first floor, and has residential space on the second level. This building also has a full height cellar with access from the rear. It is utilized for warehouse and garage purposes. The property includes a front and side parking lot.

Number of Buildings/Stories:

(Two) 2-story on full cellar and slab (front building).

Year Built:

Pre-1900.

Effective Age:

Approximately 15 years.

Remaining Economic Life:

Approximately 35-45+ years assuming standard maintenance routines and repairs of defective items.

Foundation/Framing:

Wood frame primarily; fieldstone and concrete foundations

Floor/Walls/Ceilings:	Vinyl tile in the commercial spaces and higher quality ceramic and carpet elements in the apartments; walls are painted plaster; ceilings on both levels are a combination of painted plaster and drop acoustical tile; the garage is exposed brick/block and concrete slab.
Roof:	Pitched with asphalt shingle, apparently in good condition
Exterior Walls:	Brick at main elevation with wood panel elsewhere; fair condition.
Windows:	Standard installations; typical residential style windows with some plate glass in commercial spaces; no fenestration in garage
Exterior Doors:	Combination of glass panel in metal or vinyl entry door, with secondary solid wood core door at side of building; solid core overhead, 15+ foot high door serves this building.
Heating / Cooling / Hot Water Type:	Separate gas-fired furnaces serve each component of the main structure; window A/C units; no heat in garage
Bathrooms/Plumbing/Kitchen	Standard installations in the commercial spaces and adequate for use; residential component has numerous bathrooms some with upgraded ceramic tile and fixture; non-windowed
Electric and Gas	Solar panels provide electric (master metering); master for gas as well.
Fire Suppression:	None noted, but assumed up to code or legally pre-existing.
Other Features:	Front parking lot; paved; 20+ car capacity.

### **Final Comments on Condition, Functionality and Externalities**

The subject is in generally fair condition, with a level of deferred maintenance consistent with restored properties nearby, with adequate utility if partitioned appropriately. The demonstrated demand for commercial uses suggests that there is no economic obsolescence, as the structure retains adequate utility to support such uses and as there are deemed to be no viable redevelopment alternatives. It is not clear if second floor apartment or office use is maximally-productive in the front building, but current build-out supports such use. The lack of exposure and moderately inferior utility for the rear building suggests that the entire building is best suited to residential use.

### Assessment and Taxes

The subject is legally identified as Parcel 134801-6272-14-271451. Assessments at both the county and town level are made at 100.00% of market value (equalization rate). The current combined assessment is \$509,500 for all taxing elements.

Component	Mill Rate	AV Per Thou	Tax
Village	\$6.0100	\$509.50	\$3,062.10
Town	\$1.070000	\$509.50	\$545.17
County	\$0.035400	\$509.50	\$18.04
School/Library	<u>\$21.34000</u>	\$509.50	<u>\$10,872.73</u>
	\$28.45540		\$14,498.03

Comparative assessments are presented below:

Address	Assessment	Size (SF)	AV per SF
7529 N Broadway	\$341,100	4,750	\$72
7393 S Broadway	\$249,600	2,850	\$88
7375 S Broadway	\$296,400	5,235	\$57
<b>Subject</b>	<b>\$509,500</b>	<b>9,153</b>	<b>\$56</b>

We have processed the current assessment as being market-oriented, falling within a relatively wide range noted for commercial and mixed-use properties nearby.

### Zoning

The subject falls within the “NMU” neighborhood mixed-use zoning district. According to the village code: “The land uses most appropriate in this mixed use district are residential and commercial uses. The commercial uses should be designed to service primarily the adjacent residential neighborhood and secondarily the Village. Such uses should supplement the commercial uses on South Broadway and Market Streets. All development to the district should be pedestrian friendly, with sidewalks and, where practical, a street facade consistent with the scale and appearance of the nearby Village streets and structures. Mixed uses may occur on adjacent lots or within a single lot or building such as residential use of the upper floor with commercial use on the first floor.” Specifically permitted primary uses include:



Permitted principal uses, buildings and other structures shall be as follows:

Residential.

- (a) Dwellings, one-family.
- (b) Dwellings, two-family.
- (c) Dwellings, multifamily, maximum of six units per structure (600 square feet per unit), subject to the provisions of § 200-31C.
- (d) Townhouses, subject to the provisions of § 200-12I.
- (e) Senior housing, subject to the provisions of § 200-12G.
- (f) Live-work unit.

Municipal.

- (a) Municipal parks and recreational facilities.
- (b) Civic buildings.
- (c) Municipal monuments.

Commercial.

- (a) Bed-and-breakfasts.
- (b) Clinics, medical and dental.
- (c) Dry cleaners — no dry cleaning performed on site.
- (d) Family day-care facilities.
- (e) Health and fitness clubs.
- (f) Laundries.
- (g) Membership clubs.
- (h) Neighborhood groceries, delis and green grocers.
- (i) Nursery schools.
- (j) Personal service businesses.
- (k) Pet grooming and pet stores.
- (l) Professional offices.
- (m) Restaurants, not including fast-food facilities.
- (n) Retail, general.
- (o) Shoe stores, shoe repairs.
- (p) Studies for training in art, music, dance.

The subject's uses appear to be permitted.

Dimensional requirements are summarized below:

No building or structure shall exceed 35 feet in height or 2 1/2 stories, whichever is less, except for church spires, civic buildings and monuments.

The maximum coverage of a lot shall be 40%.

The build-to line should conform, first to existing front yard setbacks established by the adjacent buildings of the particular street (immediate context). The minimum setback is to take into account a planting strip, planting space for street trees, street lighting and sidewalks.

Commercial properties and/or mixed use residential/commercial properties are to conform to existing setbacks of adjacent properties and/or average setbacks of structures to encourage a unified line of facades.

All buildings and structures constructed on lots that abut nonbusiness districts shall be so located as to conform to the abutting district side yard and rear yard requirements.

The minimum lot size is 10,000 square feet.

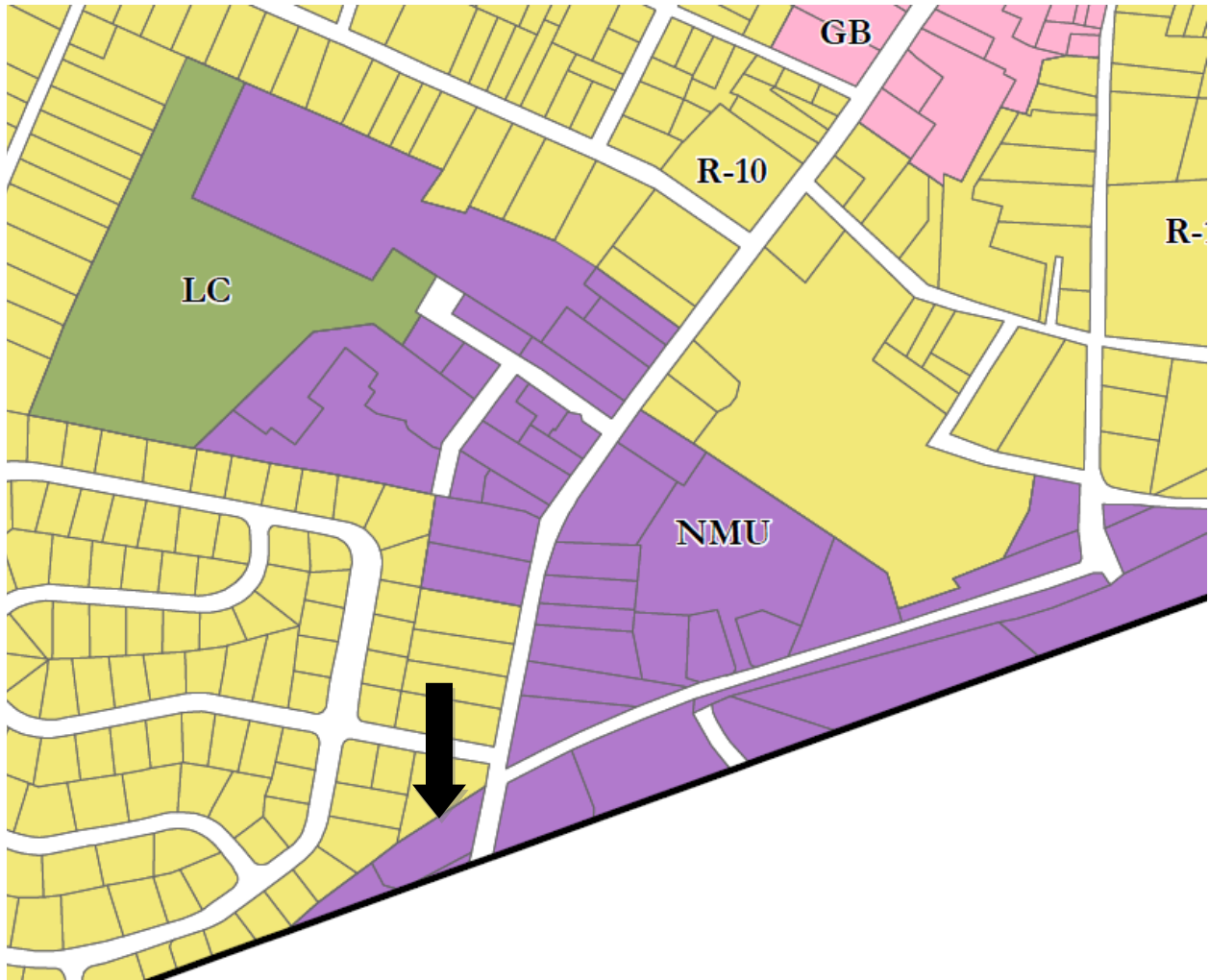
All buildings and structures built on corner lots shall conform to § 200-32.

The maximum footprint for any structure on any lot is 2,000 square feet, and the maximum gross floor space for any structure is 4,000 square feet, provided that no more than two mixed use structures on one lot, each of which is subject to the foregoing maximums, may be connected by a connector, which connector shall not exceed a footprint of 500 square feet and floor space of 1,000 square feet.

The area of a mixed use building dedicated to residential use shall have a minimum of 600 square feet.

The foregoing bulk requirements shall not apply to senior housing developments pursuant to § 200-12G or townhouse developments pursuant to § 200-12I.

The subject improvements appear to violate one or more of the bulk and density requirements and are assumed to be legally pre-existing by virtue of the age of the buildings which most likely predate the enactment of currently enforceable provisions of the code. The legality of the structures is a basic assumption of this analysis.



### **Highest and Best Use**

The Appraisal of Real Estate, Twelfth Edition, defines "Highest and Best Use" as:

The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value.

1. **Legally Permissible:** What uses are permitted by zoning and other legal restrictions?
2. **Physically Possible:** To what use is the site physically adaptable?
3. **Financially Feasible:** Which possible and permissible use will produce any net return to the owner of the site?
4. **Maximally Productive.** Among the feasible uses which use will produce the highest net return, (i.e., the highest present worth)?

### **Highest and Best Use of the Site as Vacant**

Lower- bulk commercial uses are permitted. Residential uses are generally permitted as well. Industrial uses are not permitted. Current rent and for-sale pricing levels may not support new development. From historical patterns of development in the area, however, we can surmise that commercial development is probably maximally-productive in the ground floor portion of the front building, with either office or residential use on the second level and most likely dedicated residential use in the rear building, at such time as development is deemed feasible and, as such, is the highest and best use.

### **Highest and Best Use as Improved**

As the improvements retain economic value (not at the end of their useful economic lives and provide a reasonable return on investment) and are in renovated condition. An enlargement may not be permitted. In the absence of redevelopment options and given the feasibility of operation as a rental investment property or for owner use, the highest and best use is continued use as configured and utilized. An expansion, even if permitted, is probably not feasible, despite relatively low vacancy rates near the village center.

### **Valuation Methods**

Three methods are commonly relied upon by appraisers in the valuation of real property: the Cost, Sales Comparison, and Income Capitalization Approaches.

**The Cost Approach** is based upon the premise that the value of a property is approximated by the investment necessary to replace that property. This typically includes land acquisition, the cost of site and building improvements, and an allowance for the developer's profit, minus depreciation. The Cost Approach is most reliable in the valuation of new or nearly new properties where depreciation incurred has been minimal, and in the valuation of special purpose properties.

**The Sales Comparison Approach** is based upon an analysis of sales of properties similar to the subject, each of which is compared to the property appraised and adjusted to reflect the estimated value influence of dissimilar characteristics. The Sales Comparison Approach is most applicable where ample market evidence exist involving arms-length transactions of properties similar to the subject.

**The Income Capitalization Approach** is based upon the premise that a relationship exists between the net income that a property is capable of producing, and the value of that property. This relationship is expressed as an overall rate, gross income multiplier, yield rate, or other term, and is revealed in the study of investors' activity with respect to the type of property being appraised. The Income Capitalization Approach is most reliable in the valuation of properties typically purchased for investment purposes, and when investment criteria can reasonably be identified.

### **Relevance to the Subject Property**

Given the subjective nature of imputing accrued depreciation, the very limited number of comparable land sales and given the sufficiency of the other two approaches to value which more closely match the valuation methodology of market participants, a cost approach was not performed. Each of the remaining approaches was developed in estimating the subject's value.

### **Sales Comparison Approach**

The Sales Comparison Approach is based on the premise that a buyer would pay no more for a specific property than the cost of obtaining a property with the same quality, utility, and perceived benefits of ownership. It is based on the principles of supply and demand, balance, substitution and externalities. The following steps describe the applied process of the Sales Comparison Approach.

- The market in which the subject property competes is investigated; comparable sales, contracts for sale and current offerings are reviewed.
- The most pertinent data is further analyzed and the quality of the transaction is determined.
- The most meaningful unit of value for the subject property is determined.
- Each comparable sale is analyzed and where appropriate, adjusted to equate with the subject property.
- The value indication of each comparable sale is analyzed and the data reconciled for a final indication of value via the Sales Comparison Approach.

We have researched five comparables for this analysis; these are documented in the appraisers' files and are summarized in the following table.

Address	Town/City	Type	SF	Sale Date	Sales Price	Per SF
7529 N Broadway	Village of Red Hook	Mixed Use	4,750	Aug-17	\$340,000	\$71.58
7393 S Broadway	Village of Red Hook	Commercial	2,850	Dec-16	\$325,000	\$114.04
25 East Market St.	Village of Red Hook	Mixed Use	3,443	Contract	\$400,000	\$116.18
7387 S Broadway	Village of Red Hook	Mixed Use	2,550	Contract	\$300,000	\$117.65
173 Route 199	Town of Red Hook	Mixed Use	4,250	Jun-17	\$525,000	\$123.53

The above sales have been analyzed and compared with the subject property. We have considered adjustments in the areas of:

- Property Rights Sold
- Financing
- Conditions of Sale
- Market Trends
- Location
- Physical Characteristics

### ***Explanation of Comparative Analysis***

#### ***Market Conditions***

Commercial markets have strengthened modestly, but also have not recovered to pre-recession levels based on paired sales data. No adjustments were processed.

### ***General Location / Commercial Exposure***

The subject is similar to Sales 1, 2 and 4 in being just outside the village center. A downward adjustment was processed for Sale 3 given its village center location and an upward adjustment was applied to Sale 5 for its Route 199 location, less heavily trafficked with sporadic commercial uses.

### ***Age and Condition/Quality***

The subject is in variable, but generally fair condition. Four of the comparables are in similar average condition. No adjustments are needed. Sale 1 was adjusted upward for renovations.

### ***Overall Utility***

This factor considers economic utility, a function of size, layout, exposure, etc. The adjustment also considers the amount of space which requires redevelopment or other modification to support the highest and best use. Sale 1 was adjusted upward as it has inferior commercial utility. Sale 2 has a similarly challenged floor plate and would require substantial redevelopment to achieve a configuration supportive of the highest and best uses. No adjustment is needed. Sale 3 has a very deep floor plate, with the rear residential component in need of partitioning and additional installations to support the maximum residential yield. No adjustment is needed. Sales 4 and 5 have rectangular, one building designs, which well-support a single ground floor commercial use and a single second floor apartment use. A downward adjustment is needed to each.

### ***Parking/Additional Structures***

The subject has a large surface lot. Each of the sales has off-street parking. However, Sale 3 includes a side lot with both additional parking and development potential. It was adjusted downward. Sale 1 has a moderately-challenged parking profile and was adjusted upward.

### ***Property Size***

This factor considers marketability as a function of price which is primarily a function of size given the similar demographics among subject and comparable sales. A downward adjustment was applied to each sale for the larger size of the subject which limits the number of investors in the market.

### ***Additional Area***

The subject has a large ground floor garage which has superior utility, with multiple storage related uses possible. Sale 4 has a similar industrial shed building at the rear, the area of which was not included in the gross building area. Sale 5 has a self-service car wash facility. No adjustments are needed to these sales. The other sales have no additional income producing areas or amenity space and were adjusted upward.

## IMPROVED SALE NO. 1

<b>LOCATION:</b>	7529 N. Broadway, Red Hook, NY
<b>SALE DATE:</b>	August 2017
<b>LEGAL REFERENCE:</b>	22017-6163
<b>PARCEL ID:</b>	134901-6272-06-443763
<b>GROSS BUILDING AREA:</b>	4,750 square feet
<b>SITE AREA:</b>	0.28 acres
<b>STORIES:</b>	2-story
<b>STRUCTURAL/USES:</b>	Wood frame with attic; office and apartment
<b>ADDITIONAL:</b>	Parking at rear
<b>SALE PRICE:</b>	\$340,000
<b>UNIT PRICE:</b>	\$71.58 per SF





## **IMPROVED SALE NO. 2**

<b>LOCATION:</b>	7393 South Broadway, Red Hook, NY
<b>SALE DATE:</b>	December 2016
<b>LEGAL REFERENCE:</b>	22017-108
<b>PARCEL ID:</b>	6272-10-314564
<b>GROSS BUILDING AREA:</b>	2,850 square feet (appraiser estimate)
<b>SITE AREA:</b>	0.22 acres
<b>STORIES:</b>	1-story
<b>STRUCTURAL/USES:</b>	Wood frame; currently a community use facility
<b>ADDITIONAL:</b>	Abundant parking
<b>SALE PRICE:</b>	\$325,000
<b>UNIT PRICE:</b>	\$114.04 per SF



### **IMPROVED SALE NO. 3**

<b>LOCATION:</b>	26 East Market Street, Red Hook, NY
<b>SALE DATE:</b>	In Contract
<b>LEGAL REFERENCE:</b>	In Contract
<b>PARCEL ID:</b>	134801-6272-10-470720 and 474721
<b>GROSS BUILDING AREA:</b>	3,443 square feet
<b>SITE AREA:</b>	0.23 acres
<b>STORIES:</b>	2
<b>USE:</b>	Retail with office and residential
<b>ADDITIONAL:</b>	Significant parking
<b>SALE PRICE:</b>	\$400,000
<b>UNIT PRICE:</b>	\$116.18 per square foot of AGBA



### **IMPROVED SALE NO. 4**

<b>LOCATION:</b>	7387 South Broadway, Red Hook, NY
<b>SALE DATE:</b>	In Contract
<b>LEGAL REFERENCE:</b>	In Contract
<b>PARCEL ID:</b>	134801-6272-10-299560
<b>GROSS BUILDING AREA:</b>	2,550 square feet
<b>SITE AREA:</b>	0.65 acres
<b>STORIES:</b>	2
<b>USE:</b>	Retail with residential
<b>ADDITIONAL:</b>	Significant parking; rear metal panel warehouse
<b>SALE PRICE:</b>	\$300,000
<b>UNIT PRICE:</b>	\$117.65 per square foot of AGBA

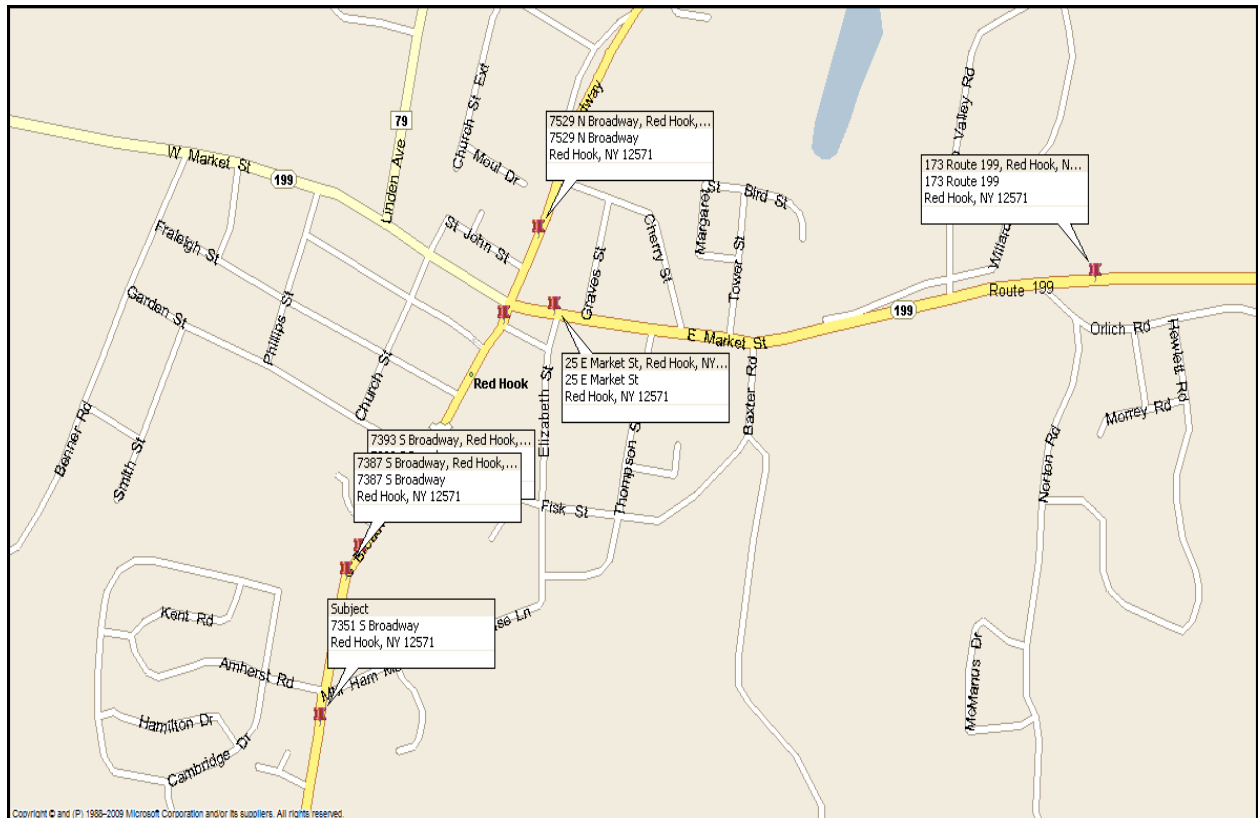


### IMPROVED SALE NO. 5

<b>LOCATION:</b>	173 Route 199, Red Hook, NY
<b>SALE DATE:</b>	June 2017
<b>LEGAL REFERENCE:</b>	22017-4745
<b>PARCEL ID:</b>	6272-00-87178
<b>GROSS BUILDING AREA:</b>	4,250 square feet
<b>SITE AREA:</b>	2.84 acres
<b>STORIES:</b>	2
<b>USE:</b>	Laundromat with residential
<b>ADDITIONAL:</b>	Significant parking; car washing bays (self-serve)
<b>SALE PRICE:</b>	\$525,000
<b>UNIT PRICE:</b>	\$123.53 per square foot of AGBA



## SALES COMPARABLES MAP



## SALES ADJUSTMENT GRID

	Sale 1	Sale 2	Sale 3	Sale 4	Sale 5
Address	7529 N Broadway Village of Red Hook	7393 S Broadway Village of Red Hook	25 East Market St. Village of Red Hook	7387 S Broadway Village of Red Hook	173 Route 199 Town of Red Hook
Building Size (sf)	4,750	2,850	3,443	2,550	4,250
Type	Mixed-Use	Commercial	Mixed-Use	Mixed-Use	Mixed-Use
Year Blt	Redeveloped	1960	Prewar	Pre 1900	1970s
Parking	Yes	Yes	Yes	Yes	Yes
Condition	Fair to Good	Fair to Good	Fair to Good	Fair to Good	Good
Sale Date	Aug-17	Dec-16	Contract	Contract	Jun-17
Sale Price	\$340,000	\$325,000	\$400,000	\$300,000	\$525,000
Per SF	\$71.58	\$114.04	\$116.18	\$117.65	\$123.53
Market Conditions (Time)	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
Time Adjusted Price per Sq Ft	\$71.58	\$114.04	\$116.18	\$117.65	\$123.53
Location	0%	0%	-10%	0%	5%
Condition/Quality	-10%	0%	0%	0%	0%
Overall Utility	15%	0%	0%	-10%	-10%
Property Size	-10%	-10%	-10%	-10%	-10%
Additional Areas	10%	10%	10%	0%	0%
Lot Coverage/Parking	<u>10%</u>	<u>0%</u>	<u>-5%</u>	<u>0%</u>	<u>0%</u>
Total Post-Time Adjustments (%)	15%	0%	-15%	-20%	-15%
Adjusted Price Psf	\$82.32	\$114.04	\$98.75	\$94.12	\$105.00

**CONCLUSION:** Adjusted range is \$82.32 to \$114.04 per SF; most reliance on Sales 4 and 5 given the similar mixed-use profile and/or recent sale date. **A value indicator of \$105.00 per SF is suggested:**

**\$105.00 per SF x 9,153 SF = \$961,065.**

### Sales Approach Analysis Conclusion

We are of the opinion that the Market Value of the Fee Simple Interest in the subject property, via the Sales Comparison Approach, free and clear of financing, as of July 16, 2018, is:

**Nine Hundred Fifty Thousand Dollars  
(\$950,000)**

### **Income Capitalization Approach**

The Income Capitalization Approach to value is based upon the premise that a prudent investor would not pay more for a property than he/she would pay for another investment with similar risk and return characteristics. This approach is generally the preferred technique for appraising income-producing properties because it most closely reflects the investment rationale and strategies of typical buyers. Since the value of an investment property is considered to be equal to the present worth of anticipated future benefits, this approach requires an estimate of the cash flow that the subject property is capable of achieving in the open market. Net income or cash flow, the primary benefit of ownership, is the basis for determining value when value is recognized as the present worth of future benefits arising out of ownership to typical users or investors. Future benefits are estimated by forecasting the gross earning potential of the property under prevailing and foreseeable market conditions.

Research was conducted regarding competitive properties in the subject area to determine market trends. This information was then assimilated and utilized in estimating current and future growth in the local residential and retail markets, and in estimating the subject property's competitive position. Appropriate allowances were estimated for vacancy/credit loss, and operating expenses are then deducted from gross earnings. This process will result in an estimate of net monetary benefits to ownership. Typically, resultant net income is either capitalized into a value estimate through the Direct Capitalization Technique, or the future benefits are projected for the anticipated holding period, with each resulting year's cash flow, and the reversionary year's net operating income, discounted to a cumulative net present value estimate utilizing the Discounted Cash Flow Analysis. This requires an analysis of current investment policies relative to financing and investment return rates of today's income property investor.

Based on discussions with several purchasers of similar type properties, typical investment analysis is in the form of direct capitalization. This methodology seems appropriate since the overall capitalization rate can factor in appreciation of the property through increases in the rental amount. This also eliminates the need to speculate on market conditions over an extended period of time. Thus the Direct Capitalization Method, as opposed to a discounted cash flow analysis, is considered the most appropriate method.

### **INCOME ANALYSIS**

#### **Current Rent Roll**

The subject has an owner-utilized Laundromat, a ground floor renter-occupied salon (month-to-month agreement) and an owner-utilized second floor (full floor of front building) apartment. It also has unoccupied apartment space in both buildings and under-utilized commercial space behind the utilized commercial areas. There are no leases in place; as such, market rents were applied to all portions of the building. Usable area allocations were estimated as follows:



	SF
Occupied Commercial	1,900
Rear Space (Comm.)	472
Second Floor Owner Apt	2,211
Additional Residential Area	4,570
Subtotal (Above-grade Area)	9,153
Garage Area	2,750
Total Usable	11,903

## **Market Overview and Rent**

### **COMMERCIAL RENTALS**

Address	Town	Type	Size	Annual Rent	Psf	Terms
7518 N Bway	Red Hook	Rest.	8,000	\$104,000	\$13.00	Mod. Gross
17 Glen Pond Dr	Red Hook	Office	1,862	\$27,000	\$14.50	Mod. Gross
5084 Route 9G	Red Hook	Flex	2,400	\$34,800	\$14.50	Mod. Gross
25 East Market St	Red Hook	Office	1,195	\$11,998	\$10.04	Gross
7516 N Bwy	Red Hook	Retail	1,300	\$15,540	\$11.95	Mod. Gross
7392 S Bwy	Red Hook	Retail	1,450	\$15,540	\$10.72	Mod. Gross
15 Ocallaghan Lane	Red Hook	Warehouse	10,000	\$15,540	\$3.48	Mod. Gross
23 Cedar Ave	Poughkeepsie	Warehouse	800	\$6,000	\$7.50	Mod. Gross
23 Main St Rear	Poughkeepsie	Warehouse	1,500	\$9,000	\$6.00	Mod. Gross

The subject has fair to good exposure and most similar to the nearby Broadway comparables. A market rent of \$12.00 per square foot, modified gross, was processed for both occupied spaces as well as for the rear portions which are currently utilized for storage and/or residential access areas, modified gross. The garage was processed at \$5.00 per square foot.

### **RESIDENTIAL COMPARABLES**

Address	Town	Type	Rent Per Month	Size (sf)	psf
7310 S Broadway	Red Hook	1-bed/1-bath	\$1,000	600	\$1.67
30 East Market St.	Red Hook	3-bed/1-bath	\$1,600	900	\$1.78
75 East Market St.	Red Hook	1-bed/1-bath	\$900	500	\$1.80
47 Spring Lake Rd	Red Hook	3-bed/1-bath	\$2,000	1,800	\$1.11
7590 S Broadway	Red Hook	2-bed/1-bath	\$1,150	800	\$1.44
486 Fitzsimmons Rd	Red Hook	1/2-bed/1 bath	\$1,000	700	\$1.43
40 Garden Street	Red Hook	3-bed/1-bath	\$2,300	1,440	\$1.60

Approximately 32.6% of the subject space which is either built-out for residential use or is deemed best-suited to such use, is occupied by the owner of the subject. This space is very large and comprises a full floor. It is most-likely configured to achieve the maximum potential rent per square foot. The remaining portions of the residential component would require additional partitioning to achieve full potential rent. The comparables show monthly rents ranging from \$1.11 to \$1.80 per square foot, with most in the \$1.40 to \$1.75 per square foot range. Assuming appropriate partitioning and build-out of the vacant area, considerate of the level of finish and overall utility of the owner-utilized space, an average market rent of \$1.50 per square foot was processed.



		Annual	
	SF	PSF	Total
Occupied Commercial	1,900	\$12	\$22,800
Rear Space (Comm.)	472	\$12	\$5,664
Second Floor Owner Apt	2,211	\$18	\$39,798
Additional Residential Area	4,570	\$18	\$82,260
Subtotal (Above-grade Area)	9,153	\$16	\$150,522
Garage Area	2,750	\$5	\$13,750
Total Usable	11,903	\$14	\$164,272

### **Potential Gross Income**

The entire amount of the estimated income capable of being generated by the subject property is known as the Potential Gross Income (PGI) of the property. Potential gross income does not take into account any loss of income due to collection (credit) loss. No recaptures were processed.

<b><u>Income</u></b>		
<b>Gross Potential Base Comm. Income</b>		<b>\$28,464</b>
Vacancy and Collections Loss		
<b>Gross Potential Residential Income</b>		<b>\$122,058</b>
Vacancy and Collections Loss		
<b>Gross Potential Base Garage Income</b>		<b>\$13,750</b>
Vacancy and Collections Loss		
<b>Total Effective Gross Income</b>		<b>\$164,272</b>

### **Vacancy and Credit Loss**

The estimated market value via the Income Capitalization Approach incorporates market conditions in terms of not only the market rent that the subject can achieve, but also any loss due to either vacancy or collection problems that an owner can reasonably expect to experience over the course of a typical holding period. A search of listings reveals a small number of vacancies for street retail in the immediate area. Residential occupancy levels are relatively high. Given the fair combined utility of the commercial space, a combined rate of 7.0% is deemed appropriate. A rate of 6.00% was also applied to the residential income and considers strong demand. This rate was also processed for the garage income.

### **OPERATING EXPENSE ANALYSIS**

#### **Expenses**

Under a modified gross lease arrangement, landlord borne expenses are limited to real estate taxes, insurance, outside area maintenance, common electric, heating, management and reserves. Electric is via solar panel, so no monthly charges are processed; landlord borne water charges and gas usage if in addition to heating source.

#### **Expenses**

**Real Estate Taxes:** We have processed the current tax of \$14,498.

**Insurance:** A market-oriented expense of \$0.50 per square foot was processed.

**Utilities:** \$1.00 per square foot of total building area for heating; water charges estimated at \$0.50 per square foot of total building area.

**Labor:** A part-time janitorial services expense of \$3,500 per year was applied.

**Repairs/Maintenance:** The commercial tenants would be responsible for all interior routines. The landlord pays for apartment maintenance, snow and trash removal and common area maintenance. An expense of \$0.50 per square foot is reasonable.

**Management:** Our conversations with large brokerage firm such as Landauer, Cushman and Wakefield as well as local brokers discovered that property managers expect to receive a fee between 2.0% and 5% of the effective gross income. We have selected an annual market management expense of 3% to be appropriate, or \$4,624, particularly given the net lease arrangement.

**Reserves:** Based on the noted condition of the subject and finishes and installations in each unit, including outdoor elements, an expense of \$0.35 per square foot is deemed adequate.

#### STABILIZED OPERATING PRO FORMA

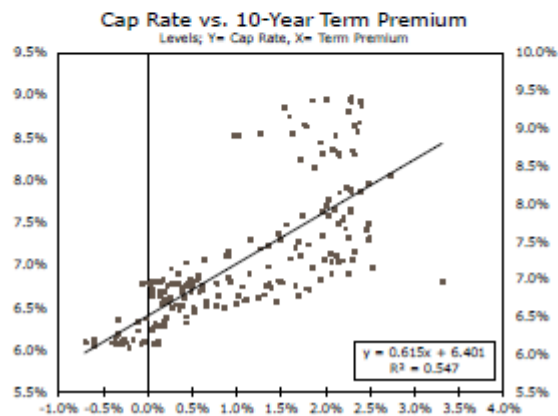
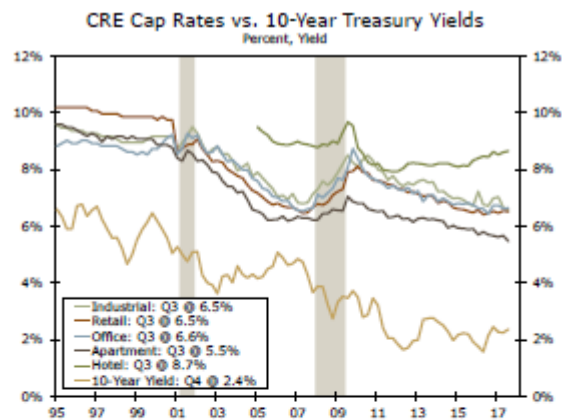
<b><u>Income</u></b>				
<b>Gross Potential Base Comm. Income</b>				<b>\$28,464</b>
Vacancy and Collections Loss	7.0%	(\$1,992)		
<b>Gross Potential Residential Income</b>				<b>\$122,058</b>
Vacancy and Collections Loss	6.0%	(\$7,323)		
<b>Gross Potential Base Garage Income</b>				<b>\$13,750</b>
Vacancy and Collections Loss	6.0%	(\$825)		
<b>Total Effective Gross Income</b>				<b>\$154,132</b>
<b><u>Fixed Expenses</u></b>				
Real Estate Taxes	Current	\$14,498		
Insurance	\$0.50 psf	\$6,865		
<b>Total Fixed Expenses</b>			<b>\$21,363</b>	
<b><u>Variable Expenses</u></b>				
Heat	\$1.00 psf	\$9,153		
Common Electric	Solar	\$0		
Water and Sewer	\$0.50 psf	\$4,577		
Labor	PT Janitorial	\$3,500		
CAM	\$0.50 psf	\$4,577		
Management	3% of EGI	\$4,624		
Reserves	\$0.35 psf	\$3,204		
<b>Total Variable Expenses</b>			<b>\$29,634</b>	
<b>Total Expenses</b>				<b>\$50,996</b>
<b>Net Operating Income</b>				<b><u>\$103,136</u></b>

## **Capitalization Rate**

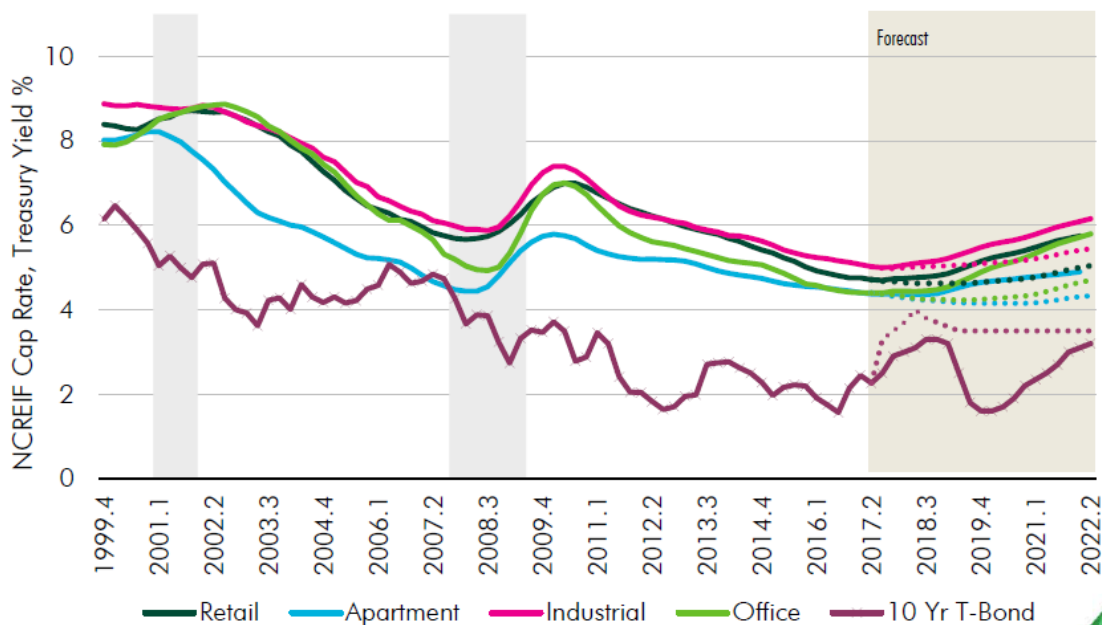
Capitalization is a process that converts by discounting, the net income flow into an indication of value. The property is viewed as an investment vehicle for the production of an income and a return. To establish the appropriate capitalization rate for the subject property, two commonly relied upon methods were considered. They are a review of market survey data and the band of investment. The two methods utilized are cited as follows.

### **Surveys of Going-in Capitalization Rates**

Wells Fargo also prepares a quarterly investment summary report called “Commercial Real Estate Chartbook.” Its 3Q2017 edition opined that: “Commercial real estate (CRE) remains in very good shape, particularly at this point of the business cycle. Development has been tightly focused in a handful of rapidly growing geographies and product types. Apartments are the most notable standout, with the move back toward large center cities and emergence of millennials setting off a wave of high-end projects. Industrial development has been another growth area, with e-commerce driving demand for distribution and fulfillment centers. Retail development remains soft, with traditional retailers and regional shopping malls under intense pressure from online competitors and neighborhood center development held back by the painstakingly slow recovery in homebuilding. Office development has also remained in slow gear, except in markets predominantly driven by technology or, earlier in the cycle, energy. Demand for warehouse and industrial space remains a growth area. Despite a flattening in 2017, the vacancy rate remains historically low. Sales prices for modern, well-located properties also continue to increase. Effective rent growth and net absorption did moderate in Q3-2017. Those metrics, however, also remain at historically strong levels. Development continues to be driven by the rapid growth for e-commerce, the resurgence in international trade and re-emergence of U.S. manufacturing. The strongest growth continues to be major seaports and large population centers, including the Inland Empire, Northern New Jersey, Eastern Pennsylvania and Atlanta. Continued growth in leisure and recreation is also allowing older space to be repurposed as breweries, restaurants, and sports and entertainment venues.” Cap rate trend data and current estimates for all property types are presented in the following chart.



CBRE provides historical cap rate data in its “Capital Markets Outlook” report. Its Mid-Year 2017 edition states that cap rates are forecast to stabilize and to maintain a narrow spread over the 10-year Note. Historical data and NCREIF forecasts are shown below. Office and retail rates continue to track below 6.00% and are projected to rise over the next five years, with apartment rates below 5.0% and trending side-ways.



Sources: NCREIF, CBRE Econometric Advisors, Q2 2017.

### Band of Investment

This technique is defined as: “A technique in which the capitalization rates attributable to components of a capital investment are weighted and combined to derive a weighted-average rate attributable to the total investment.” The process is based on the premise that real estate transactions typically involve financing, and that investors seek to obtain the best available financial package to maximize potential benefits of leverage. The Overall Rate is a weighted average of return on the investment required to cover mortgage interest, and return of the investment required to provide a competitive equity return. In this instance, the Overall Rate is a weighted average of both.

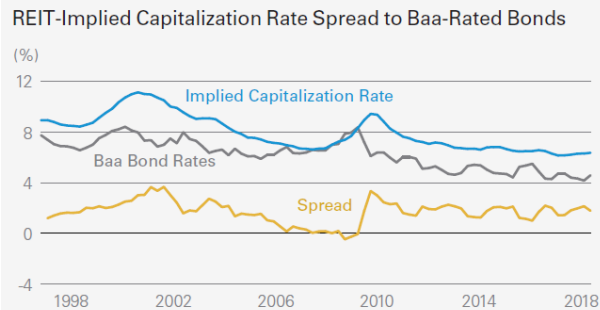
Holding Period: Ten (10) Years

Mortgage:	Loan-to-value ratio:	65%
	Interest Rate:	4.75%
	Payout Period:	20 Year Amortization (Monthly Payments)
	Annual Constant:	.0775468

Equity: For this rate, the subject is compared with alternate investment opportunities because it must compete in the open market for the investment dollar. Considering all of the aforementioned factors, the location, type, quality and condition of the subject building, as well as the quality and durability of the income potential, it is our opinion that a 12.0% cash-on-cash return (net income after debt service) would be necessary to attract capital to this type of investment. This rate considers the condition of the property, steady demand for retail and apartment properties near the village center areas and potential risk associated with the required reconfiguration of the asset. The yield rate is appropriately above the recent average REIT spread of 150 basis points over Baa Bonds (approximately 4.25% + 150bps = 5.75%), with Baa bonds having

investment-grade safety and commercial REITs having superior risk profiles relative to investment in a single real estate asset.

## REIT SPREADS OVER INVESTMENT-GRADE BONDS



Corporate Baa bond yields bounced higher by 20 basis points (bps) in April, putting pressure on the spread between bond yields and REIT-implied capitalization rates. With the increase, Baa bonds yields are back up to levels of late 2016, and this has caused the spread between REIT-implied cap rates and the yield on Baa bonds to narrow from approximately 180–200 bps to 150 bps currently. This is the narrowest spread since first quarter 2017, and slightly below the 180-bps average since 2008. Further rate hikes can jeopardize this cushion, but for now suggest that relative value is likely fair.

Source: Lazard Asset Management

<b><u>Mortgage-Equity Yield Capitalization</u></b>						
	<b>Mortgage Ratio</b>				<b>65%</b>	
	<b>Mortgage Rate</b>				<b>4.75%</b>	
	<b>Mortgage Constant</b>				<b>0.0775468</b>	
	<b>Amortization Term (Years)</b>				<b>20</b>	
	<b>Equity Ratio</b>				<b>35%</b>	
	<b>Equity Yield Rate</b>				<b>12.00%</b>	
	<b>Sinking Fund Factor</b>				<b>0.056984</b>	
	<b>Holding Period (Years)</b>				<b>10</b>	
Mortgage	65%	x	0.0775	.....		0.050405
Equity	35%	x	0.1200	.....		0.042000
					Subtotal	0.092405
<b><u>Less :</u></b>						
<b>Equity Build-Up</b>						
	65%	x	0.383655	x	0.0570	.... 0.0142
					Total	0.078195
					(rounded)	<b>8.00%</b>

A rate of 8.00% is deemed appropriate. Thus:

$$\text{NOI of } \$103,136 \div 8.00\% = \$1,289,196$$

### **Adjustment for Redevelopment Costs and Commercial Lease-up**

We have projected an average residential redevelopment / repositioning cost of \$25 per square

foot, which considers the current build-out of each space and current partitioning, as well as an estimate of the optimal unit mix. The residential area, less the owner-utilized space which requires no build-out or reconfiguration, is estimated at 4,570 square feet. Applying the \$25 per square foot average cost to this estimate results in a total adjustment of \$126,050. Assuming the 4,570 square feet is maximally-productive under a four-unit design, the average cost per unit is \$31,513, which appears to be reasonable. A total lease-up period of 24 months has also been processed for the entire income-producing areas. Brokerage commissions of 24% of first year's base rent for the commercial spaces were also processed.

Value via the Income Approach (unrounded):	\$1,289,196
Build-out Costs:	(\$126,050)
Rent Loss During Lease-up:	(\$164,272)
Brokerage Commissions:	<u>(\$3,531)</u>
Adjusted Value:	\$995,343

**Income Capitalization Approach Analysis Conclusion – “As Is”**

We are of the opinion that the Market Value of the Fee Simple Interest in the subject property, free and clear of financing, via application of the Income Capitalization Approach, as of July 16, 2018, is:

**One Million Dollars  
(\$1,000,000)**

### **Final Reconciliation**

The process of reconciliation involves the analysis of each approach to value. Reconciliation is the integral part of the appraisal process whereby the various analyses are reviewed for their appropriateness and for the accuracy and quantity of the data analyzed to arrive at a single value estimate. The three approaches suggest the following value indicators:

#### Value Indicators

The Income Capitalization Approach	\$1,000,000
The Sales Comparison Approach	\$950,000
The Cost Approach	not applied

The Cost Approach was not performed due to the inherent inaccuracies in estimating the subject property's accrued depreciation. The Sales Comparison Approach provides an estimate of value based upon the most recent sales in the marketplace. This approach gains in relevance when properties are being purchased for more than their current income-generating potential. The Income Capitalization Approach seeks to view the subject property's value from the perspective of a typical investor. This approach reflects the relationship between the income a property is capable of generating and its value in the marketplace. Typical investors judge the value of a property based upon the quality and quantity of the income generated, as well as the likely impact of market conditions on future income generation. The Income Capitalization Approach, by considering these factors, provides a reliable measure of credibility for this type of property which is utilized as a rental investment asset. However, the amount of owner utilized and / or unutilized space at the subject results in significant subjectivity in ascribing market rent, not just as a function of projecting market rent for finished space but in projecting the optimal allocation of area to each use. Additionally given the significant owner-user component of this market, significant weight was placed on the value conclusion derived via The Sales Comparison Approach.

### **CONCLUSION**

We are of the opinion that the Market Value of the Fee Simple Interest in the subject property, free and clear of financing, as of July 17, 2018, is:

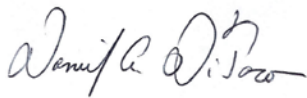
**Nine Hundred Seventy-Five Thousand Dollars  
(\$975,000)**



**Certification Statement**

We certify that, to the best of our knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, unbiased professional analyses, opinions and conclusions.
- We have no present or contemplated future interest in the property that is the subject of this report, and have no personal interest or bias with respect to the parties involved.
- Our compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.
- Our analyses, opinions, and conclusions were developed and this report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP).
- We have made a personal inspection of the property that is the subject of this report.
- No one outside of the signatories below provided significant professional assistance in the development of the conclusions contained in this report.
- We certify sufficient competence to appraise this property through education and experience, in addition to the internal resources of the appraisal firm.
- The value conclusion(s) and other opinions expressed herein are not based on a requested minimum value, a specific value or approval of a loan.
- The appraisers have not previously appraised the subject property.



Daniel A. Di Toro  
Certified General Appraiser  
State of New York License Number 46-40942

## **Addenda**

**DANIEL A. DITORO, CGA, MBA**  
**New York State General Real Estate Appraiser No. 46000040942**

**EDUCATION**

1981 – 1986: *St. Peter's College (Jersey City, NJ)* – Bachelor of Arts Degree in History with a minor in Journalism. Wrote extensively for the school newspaper and chaired several clubs/committees devoted to enhancing the educational experience at the school.

1993 – 1995: *Baruch College of the City University of New York (NY, NY)* – Master's Degree in Business Administration. Core discipline in "Statistical Analysis" with a focus on applications in general finance and commercial real estate.

**EMPLOYMENT HISTORY**

1986 – 1990: *Macy's of New York* – Customer Service Manager and promoted to Department Manager. Career track to the corporate buying office. Managed a staff of 15 in the Staten Island store.

1990 – 1993: *Various NYC Law Firms* – Collections and Receivables Analyst. Part-time employment while attending graduate school.

1993 – 1994: *Citicorp* – Securities clerk. Responsible for SEC compliance and securities processing. Career track to Divisional Operations Manager.

1995 – 1996: *American Home Mortgage* – Conduit/Secondary Market lender. Served as the Risk Management Officer responsible for pricing mortgage offerings to retail clients. Also performed risk analyses based on projected market movements in Treasury rates and mortgage rate spreads over base.

1996 – 2009: *KTR/First Am Valuation Services (NYC)* - Began as a salaried trainee and advanced to fee split appraiser. Performed valuations on residential properties and most commercial asset types, including apartment buildings, small mixed-use properties, office complexes, retail centers, hotels and health care facilities. Promoted to Vice President and led the multifamily group at KTR (later First American Valuation) for 7 years - responsible for reviewing appraisals performed by the junior staff as well as for client development.

2009 – Current: *Founded KentWorks, Ltd.* an independent commercial appraisal firm – Perform commercial appraisal and consulting assignments directly for commercial lenders, law firms and government agencies; additionally perform independent contract fee work for other appraisal firms.

**COURSEWORK FOR LICENSE RENEWAL (12/2014 – 12/2016)**

“Appraisal of Self-storage Facilities”  
“Appraisal of Fast Food Facilities”  
“Supervisor Trainee Course – State of New York”  
“The Thermal Shell”  
“2014-2015 7-Hour National USPAP Update Course”

**REAL ESTATE APPRAISAL AND CONSULTING CLIENTS**

JPMorgan Chase  
Citicorp  
New York Community Bank  
Flushing Savings Bank  
Lower East Side People's Credit Union  
Carver Federal Savings Bank  
Webster Bank  
Machias Savings Bank  
Principal Investors Group  
Rosenberg, Musso and Weiner, LLP  
Honorable Eric Prus, Justice of the Supreme Court, Supreme Court of the State of New York  
Dime Savings Bank of Williamsburgh  
Spring Bank  
Judge Anna Culley, New York City Civil Court  
Dade and Hochman, LP  
Brooklyn Public Library

## **SUBJECT PHOTOGRAPHS**



**S Broadway frontage view**



**S Broadway frontage view**





**Side view from parking lot**



**Side view along driveway**



**Rear view**



**Commercial space**





**Commercial space**



**Second floor apartment – owner's space**





**Second floor apartment – owner's space**



**Vacant apartment**



**Vacant apartment**



**Second floor apartment, rear building**



**Garage**



Additional unfinished area in front building