

Real Estate Appraisal

Of A 17.40-acre Parcel Located At

Map 49, Lot 022-2
Bridge Road (Route 82)
Haddam, CT

Client – Connecticut Department of Energy and Environmental Protection

Client File Number – A-10-33 - DEEP Property, Haddam

Effective Date of Valuation – September 28, 2011

Date of Publishing – December 9, 2011

Miner & Silverstein, LLP

December 9, 2011

Ms. Elizabeth Brothers
Connecticut Department of Energy and Environmental Protection
79 Elm Street
Hartford, CT 06106-5127

Re: **Bridge Road, Haddam, CT**
DEEP File #: A-10-33 - DEEP Property, Haddam

Dear Ms. Brothers:

At your request, the above captioned property has been examined to form an opinion of market value as of September 28, 2011, the date of inspection. Attached to this letter is a self-contained report containing all applicable approaches to the valuation which is intended to conform to the Uniform Appraisal Standards for Federal Land Acquisitions (UASFLA). The intended user of this report is the Connecticut Department of Energy and Environmental Protection, and the intended use is to assist in the exchange of the property according to the terms of Section 8 of Special Act No. 11-16. No other intended users or uses are authorized.

The property identified as Assessor Map 49, Lot 022-2 on Bridge Road consists of 17.4 acres of vacant land with 583.62 feet of road frontage in two sections. The site is on the west side of the State-owned Connecticut Valley Railroad State Park containing tracks leased by the Valley Railroad. An at-grade crossing connects the appraised property with Eagle Landing State Park. The park is made up of two parcels on the Connecticut River: 12.20-acre Lot 022-1 with 60.95 feet frontage on Bridge Road, about 645 feet on the river and an address of 16 Little Meadow Road and 4-acre Lot 022-1A, a rear lot with about 465 feet frontage on the river and an address of 14 Little Meadow Road.

The property is located just southwest of the Route 82 swing bridge leading from Haddam to East Haddam, and is across the river from the Goodspeed Opera House, Gelston House Restaurant and Inn, and Goodspeed Airport, a small general aviation facility. It is located within the Town's Industrial I-1 zone, and is also subject to wetland, flood zone and Gateway Conservation regulations. The abutting the Connecticut Valley Railroad State Park is a linear park with tracks leased to the Valley Railroad Company which operates an excursion train. The subject property does not have the right to cross the track.

This property is unique in terms of its size, zoning and location. The current use is as a wildlife area, part of the DEEP's Clark Creek Wildlife Area, which does not represent the highest and best use of the land. The groundwater in this area was contaminated by an industrial spill, and the well water requires filtering. It is assumed that this would not be adverse to any appropriate development of the site. The site is elevated above the grade of the river front parcel; which provides good river views. The land is a mix of wooded area and cleared fields.

Christopher A Miner
MAI, SRA

322 State Street
New London, CT 06320
Tel. 860-443-8405 Fax 860-442-9306

Robert H. Silverstein
MAI, SRA, MBA

The subject property is not part of a larger parcel because it is vacant land with a different potential use from that of the nearby railroad and Eagle Landing State Park. Neither the legal description for the subject property nor the two Eagle Landing State Park parcels have a defined right to cross the tracks for access. The railroad and the two adjacent parcels are all under the ownership of the State of Connecticut. Additionally, Section D-7 of the UASFLA requires that when valuing property for purposes of an exchange, no property that is not described in the exchange agreement can be considered in either larger parcel determination or in reaching a conclusion of highest and best use.”

Riverhouse Properties, LLC, owners of a banquet facility and conference center at an adjacent property at 55 Bridge Road, wish to acquire the subject property, and Special Act No. 11-16 describes the proposed exchange between the two parties with the State receiving an 87.7-acre property elsewhere in Haddam. Riverhouse Properties, LLC has expressed an interest in developing a boutique hotel, railroad station and other uses complementary to the existing banquet facility. The Special Act allows economic development uses on the site and the town has indicated a willingness to consider other appropriate uses, such as mixed-use development. The sale is based on the terms of the Special Act and will only be consummated if the buyer obtains needed approvals for development within two years. In this sense, the Act is like a contingent sale agreement.

It is our opinion that the highest and best use of the appraised property is for future development, most likely with a mixed-use project consisting of some retail, hotel and possibly residential components.

It is our opinion that the as-is market value of the fee simple interest in the appraised property, subject to the terms of the Special Act, as of September 28, 2011, was:

One Million Four Hundred and Twenty-Five Thousand Dollars
\$1,425,000

Our opinion of value may not be properly understood and would therefore be invalid if this letter is not attached to the report with accompanying exhibits.

Respectfully submitted,



Benjamin H. Baldwin
CT General Certification RCG.0001186
Expires on 4/30/2012



Robert H. Silverstein, MAI, SRA
CT General Certification RCG.0000565
Expires on 4/30/2012

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APPRAISER'S CERTIFICATION

I hereby certify that, to the best of my knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. I have no bias with respect to the property which is the subject of this report or to the parties involved with this assignment.
5. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. My compensation for completing this assignment is not contingent upon reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
7. The reported analysis, opinion, and conclusion were developed, and this report has been prepared, in conformity with the requirements of the code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute, which includes the Uniform Standards of Professional Appraisal Practice.
8. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
9. Mr. Baldwin and Mr. Silverstein made a personal inspection of the property that is the subject of this report on September 28, 2011. All of the comparable sale properties were inspected by Mr. Baldwin. Mr. Silverstein inspected all but two of the land sales. The sales were inspected from the curbside.
10. No one provided significant real property appraisal assistance to the person signing this certification.
11. As of the date of this report, Mr. Silverstein has completed the requirements under the continuing education program of the Appraisal Institute.
12. Miner and Silverstein, LLP has not provided a previous service regarding the subject property within the three years prior to this assignment.
13. In our opinion, as of September 28, 2011, the market value of the subject property is \$1,725,000.



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SUMMARY OF SALIENT FACTS AND CONCLUSIONS

<i>Identification of the property appraised:</i>	Assessor Map 49, Lot 022-2, Bridge Road (Route 82), Haddam, Connecticut
<i>Effective date of the appraisal:</i>	September 28, 2011, the date of inspection
<i>Property Rights Appraised</i>	Fee simple interest
<i>Hypothetical conditions:</i>	None.
<i>Extraordinary assumptions or limiting conditions:</i>	None.
<i>Special Instructions:</i>	None.
<i>Highest and best use of the property:</i>	Mixed-use commercial development.
<i>Brief description of Land:</i>	17.40 acres with 583.62 linear feet of frontage on the south side of Bridge Road, Route 82, in two sections. The land has two mostly-level terraces, one of ± 4.5 grassed acres at the west frontage and the other also ± 4.5 acres of open scrub in the south and east. The two plateaus are separated by a band of wooded gentle to steep slopes. The land is mostly open field.
<i>Brief description of improvements:</i>	None.
<i>Indicated value of the Property by Sales Comparison Approach:</i>	\$1,425,000
<i>Indicated value of the Property by Income Approach:</i>	Not applicable
<i>Indicated value of the Property by Cost Approach:</i>	Not applicable
<i>Final opinion of value of the Property:</i>	\$1,425,000

PHOTOGRAPHS OF SUBJECT PROPERTY

*Photo Number
1*

*Bridge Road,
Haddam, CT*

*Taken
9/28/2011 by
Ben Baldwin*

*View southeast
of the lower
terrace from
the adjacent
Riverhouse
property at 55
Bridge Road*



*Photo Number
2*

*Bridge Road,
Haddam, CT*

*Taken
9/28/2011 by
Ben Baldwin*

*View north
from the
subject
property to the
Riverhouse
property*



PHOTOGRAPHS OF SUBJECT PROPERTY

*Photo Number
3*

*Bridge Road,
Haddam, CT*

*Taken
9/28/2011 by
Ben Baldwin*

*View north to
the western
road frontage
at upper level
of property*



*Photo Number
4*

*Bridge Road,
Haddam, CT*

*Taken
9/28/2011 by
Ben Baldwin*

*View south
from near the
western road
frontage at
upper level of
property*



PHOTOGRAPHS OF SUBJECT PROPERTY

*Photo Number
5*

*Bridge Road,
Haddam, CT*

*Taken
9/28/2011 by
Ben Baldwin*

*View east of
meadow on
upper terrace
with adjacent
Riverhouse
property at
rear*



*Photo Number
6*

*Bridge Road,
Haddam, CT*

*Taken
9/28/2011 by
Ben Baldwin*

*View north on
trail between
the upper and
lower levels
along west side
of property*



PHOTOGRAPHS OF SUBJECT PROPERTY

*Photo Number
7*

*Bridge Road,
Haddam, CT*

*Taken
9/28/2011 by
Ben Baldwin*

*View south on
lower level
terrace*



*Photo Number
8*

*Bridge Road,
Haddam, CT*

*Taken
9/28/2011 by
Ben Baldwin*

*View west on
lower level
terrace*



PHOTOGRAPHS OF SUBJECT PROPERTY

*Photo Number
9*

*Bridge Road,
Haddam, CT*

*Taken
9/28/2011 by
Ben Baldwin*

*View east of
the at-grade
railroad
crossing with
Eagle Landing
State Park and
the river on the
far side*



*Photo Number
10*

*Bridge Road,
Haddam, CT*

*Taken
9/28/2011 by
Ben Baldwin*

*View southeast
of waterfront
16 Little
Meadow Road
parcel of Eagle
Landing State
Park*



PHOTOGRAPHS OF SUBJECT PROPERTY

*Photo Number
11*

*Bridge Road,
Haddam, CT*

*Taken
9/28/2011 by
Ben Baldwin*

*View east of
waterfront 14
Little Meadow
Road parcel of
Eagle Landing
State Park*



*Photo Number
12*

*Bridge Road,
Haddam, CT*

*Taken
9/28/2011 by
Ben Baldwin*

*View north of
Eagle Landing
State Park
entry road at
16 Little
Meadow Road*



PHOTOGRAPHS OF SUBJECT PROPERTY

*Photo Number
13*

*Bridge Road,
Haddam, CT*

*Taken
9/28/2011 by
Ben Baldwin*

*View west just
south of
eastern
frontage
showing well
house at
abutting 55
Bridge Road*



*Photo Number
14*

*Bridge Road,
Haddam, CT*

*Taken
9/28/2011 by
Ben Baldwin*

*View south
from eastern
frontage*



PHOTOGRAPHS OF SUBJECT PROPERTY

*Photo Number
15*

*Bridge Road,
Haddam, CT*

*Taken
9/28/2011 by
Ben Baldwin*

*View south
along railroad*



*Photo Number
16*

*Bridge Road,
Haddam, CT*

*Taken
9/28/2011 by
Ben Baldwin*

*View north
along railroad*



PHOTOGRAPHS OF SUBJECT PROPERTY

*Photo Number
17*

*Bridge Road,
Haddam, CT*

*Taken
9/28/2011 by
Ben Baldwin*

*View of the
eastern
frontage on
Bridge Road,
Route 82,
toward
railroad
crossing and
Eagle Landing
State Park
entrance*



*Photo Number
18*

*Bridge Road,
Haddam, CT*

*Taken
9/28/2011 by
Ben Baldwin*

*View of the
western
frontage on
Bridge Road,
Route 82*



PHOTOGRAPHS OF SUBJECT PROPERTY

*Photo Number
19*

*Bridge Road,
Haddam, CT*

*Taken
9/28/2011 by
Ben Baldwin*

*Sign and
single-family
dwelling at
adjacent 55
Bridge Road*



*Photo Number
20*

*Bridge Road,
Haddam, CT*

*Taken
9/28/2011 by
Ben Baldwin*

*Street Scene:
View east of
eastern road
frontage at
right from near
55 Bridge
Road*



PHOTOGRAPHS OF SUBJECT PROPERTY

Photo Location Map



Photograph locations overlaying 2008 aerial and Assessor parcel outlines (Source: Town of Haddam online GIS)

North ↑

PHOTOGRAPHS OF SUBJECT PROPERTY



Undated oblique aerial photograph to the north showing the subject property and adjacent banquet facility under construction (Source: Bing Maps)

STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS

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

1. The Appraiser assumes no responsibility for matters of a legal nature affecting the property appraised or the title thereto, nor does the Appraiser render any opinion as to the title, which is assumed to be good and marketable. The property is appraised as though under responsible ownership.
2. Any sketch in the report may show approximate dimensions and is included to assist the reader in visualizing the property. The Appraiser has made no survey of the property.
3. The Appraiser is not required to give testimony or appear in court because of having made the appraisal with reference to the property in question, unless arrangements have been previously made therefore.
4. Any distribution of the valuation in the report between land and improvements applies only under the existing program of utilization. The separate valuations for land and building must not be used in conjunction with any other appraisal and are invalid if so used.
5. The Appraiser assumes that there are no hidden or unapparent conditions of the property, subsoil or structures, which would render it more or less valuable. The Appraiser assumes no responsibility for such conditions, or for engineering which might be required to discover such factors.
6. Information, estimates, and opinions furnished to the Appraiser were obtained from sources considered to be reliable and believed to be true and correct. However, no responsibility for accuracy of such items furnished the Appraiser can be assumed by the Appraiser.
7. Disclosure of the contents of the appraisal report is governed by the Bylaws and Regulations of the professional appraisal organizations with which the Appraiser is affiliated; however this does not limit the distribution of the report to other parties.
8. On all appraisals, subject to satisfactory completion, repairs, or alterations, the appraisal report and value conclusions are contingent upon completion of the improvements in a workmanlike manner.
9. Unless otherwise stated in this report, the existence of hazardous substances, including without limitation lead paint, asbestos, polychlorinated biphenyls, petroleum leakage, or agricultural chemicals, which may or may not be present on, emanating from, or near the property, or other environmental conditions, were not called to the attention of nor did the appraiser become

STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS

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 detect or test such substances or conditions. If the presence of such substances, such as asbestos, urea formaldehyde foam insulation, or other hazardous substances or environmental conditions, may affect the value of the property, the value estimated is predicated on the assumption that there is not now or ever has been such condition on or in the property or in such proximity thereto that it would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them.

10. The groundwater in this area was contaminated by an industrial spill, and the well water requires filtering. It is assumed that this would not be adverse to any appropriate development of the site.

INTRODUCTION

Scope of the Appraisal

On September 28, 2010, Benjamin H. Baldwin and Robert H. Silverstein made a physical inspection of the subject property accompanied by Elizabeth Brothers, Brian Florek and Graham Stevens of DEEP; Trevor Furrer, Steven A. Rocco, and Jim Bucko of Riverhouse Properties, LLC; and Richard McDermott, appraiser. The land was walked.

Additional information on the subject was gained from town records including tax assessment records, deed recordings, zoning requirements and verification with the town officials. Aerial views and maps of the property were also obtained via the Internet. We considered this information when forming our opinion of the highest and best use and market value of the property.

The Sales Comparison Approach was applicable to the appraisal of the property. We researched the time span of four years throughout the local market area, which is defined to be Haddam and nearby south-central and southeastern Connecticut. Our research was focused on gaining an understanding of market conditions and trends as well as finding comparable sales and listings. Information on comparable sales was gained from street-side inspection and public records. We attempted to speak with a party knowledgeable of the transaction. Actual verification is noted in the comparable sale write-up. This approach provides the best measure of market for undeveloped land.

This is an appraisal of unimproved land and therefore the Cost Approach is not applicable. The Income Capitalization Approach is not generally applicable to the valuation of unimproved land since land is not typically purchased for its income potential and there is no gross rent multiplier or overall cap rate data available. The land development method is not applicable since there are no approvals for subdivision.

This appraisal is transmitted in a Self-Contained Report. This appraisal is intended to conform to the requirements of the Uniform Appraisal Standards for Federal Land Acquisitions appraisal. No personal property has been valued.

Environmental Issues

We are not qualified to detect such substances, including the existence of urea-formaldehyde, radon gas, foam insulation, asbestos, agricultural chemicals, paints, solvents, cleaning materials or other potentially hazardous waste material that may have an effect on the value of the property being appraised.

No known environmental study has been done to determine to what extent, if any, soil contamination may have occurred at the property. This appraisal report and the value estimates contained herein assume no potential liability resulting from any soil contamination due to the storage of hazardous waste material including but not

INTRODUCTION

limited to agricultural chemicals, paint, solvents and/or chemical spills resulting from misuse of chemicals that may have occurred on this property over the years.

Groundwater in the area of the subject property is reportedly contaminated due to a spill at a nearby industrial property and must be filtered for use. The town is in the process of extending a waterline from Chester to serve the area. This does not appear to affect the development potential of the subject property.

Type of Value

In this appraisal we form an opinion of Market Value, which is defined to mean "...the amount in cash, or on terms reasonably equivalent to cash, for which in all probability the property would have sold on the effective date of the appraisal, after a reasonable exposure time on the open competitive market, from a willing and reasonably knowledgeable seller to a willing and reasonably knowledgeable buyer, with neither acting under any compulsion to buy or sell, giving due consideration to all available economic uses of the property at the time of the appraisal.¹

Effective Date of Valuation

The appraised property was inspected on September 28, 2011, which is the effective date of valuation.

Appraiser Competency

Mr. Baldwin is a Connecticut State Registered Certified General Appraiser, and has several years of experience in the valuation of land throughout Eastern and Central Connecticut.

Mr. Silverstein has appraised land throughout Connecticut for over 35 years, and is a Connecticut State Registered Certified General Appraiser.

See the Qualifications of Appraisers within this report.

Purpose of the Appraisal

The Appraisal's Intended Uses and Users

This appraisal is intended to be used for determining the market value of 17.4-acre Lot 022-2 for the purpose of a land exchange per Connecticut Special Act No. 11-16. The intended user is the State of Connecticut Department of Energy and Environmental Protection (DEEP).

¹ Uniform Appraisal Standards for Federal Land Acquisitions; Interagency Land Acquisition Conference; Appraisal Institute, Chicago, 2000; pp13

INTRODUCTION

Property Rights Appraised

One valuation is presented in this report of all rights inherent in the fee simple interest in the 17.4-acre subject property, as is. The subject property is the larger parcel, as described in the Analysis of Highest and Best Use.

Summary of Appraisal Problems

The appraised parcel consists of 17.40 acres of vacant land with 583.62 feet of frontage in two sections on Bridge Road. The property is currently managed as part of the State's Clark Creek Wildlife Area. Connecticut Special Act No. 11-16 will allow development of the subject after it is exchanged for land elsewhere in Haddam and the Town's Planning and Zoning Commission is expected to present a regulation amendment that will allow a number of commercial uses in the neighborhood of the subject property.

FACTUAL DATA

Legal Description

On the date of valuation, the property identified as Lot 022-2 Bridge Road is owned by the State of Connecticut.

The legal description for Lot 022-2 Bridge Road is found in a warranty deed from Eagle Land Corporation dated June 11, 2003, and recorded in Volume 263 Page 319 of the Haddam land records on June 12, 2003. The purchase price was recorded as \$1,350,000. A copy of the legal description is included in the Exhibits and Addenda of this report. This sale immediately preceded the transfer of the 12.2-acre waterfront parcel at Little Meadow Road between the same parties. The deed states that Arthur J. Rocque, Jr., the commissioner of the DEP, the predecessor agency of the DEEP, had determined that the subject property “should be retained in its natural scenic or open condition as park or open space.”

The previous transfer occurred on August 23, 1996 by warranty deed recorded in Volume 208 Page 559. This deed transferred title from Judith Zurles, Executrix of the Estate of Paul Zurles to Eagle Land Corporation for a price of \$230,000, as indicated by the conveyance taxes.

Lot 022-2 is subject to utility easements and includes drainage rights. A portion of the northwest corner is encroached by overhead utility lines at Bridge Road.

Three properties, the subject plus the two waterfront parcels that make up Eagle Landing State Park, had been listed for sale for about 6 months from late 2001 to early 2002 with Bonfanti Real Estate of Chester. The two properties at 14 & 16 Little Meadow Road were being offered together for \$10 Million. They were also offered together with Lot 022-2 for \$11.5 Million. Lot 022-2 was also offered separately for \$2.5 Million. The State purchased 12.2-acre 16 Little Meadow Road for \$2,790,000 on June 11, 2003, and then purchased 4-acre 14 Little Meadow Road for 1,860,000 on March 20, 2006.

An at-grade railroad crossing connects the southeast corner of the property with Little Meadow Road within Eagle Landing State Park. There is no deeded right to cross the tracks. The referenced survey notes encroaching overhead utility lines at the northwest corner. This is not adverse.

There are no other apparent easements, encroachments, rights-of-way, or restrictions of record which would affect the value or marketability of the property. We have not conducted a title search. The property has not been listed for sale since it was acquired by the State.

Land Exchange

Section 8 of Special Act No. 11-16 requires the Commissioner of Environmental Protection to enter into an agreement with Riverhouse Partners, LLC to exchange the 17.4-acre subject property for an 87.7-acre property elsewhere in Haddam. The

FACTUAL DATA - BEFORE ACQUISITION

exchange is of “land or other consideration of approximately equal value.” Miner & Silverstein is also appraising the 87.7-acre property for the State. The act states that the property may be used for economic development purposes. It further states that the restrictions that the land be retained in its “natural scenic or open condition as park or open space” are released. The exchange is expected by December 31, 2011 and is subject to the approval of the State Properties Review Board and the condition that Riverhouse Properties, LLC receives approval from the Haddam PZC within two years for development of the property.

The terms of the statute are similar to those of a contingent sale, in that the sale will not be consummated if the needed development approvals are not obtained. If the closing occurs, then Riverhouse Partners, LLC will be able to proceed with their development plans, which will require changes to the existing zoning regulation. Riverhouse Partners, LLC has proposed a mixed-use development with a hotel, railroad station, and retail. A theatre, operated by Goodspeed Musicals or others, was also proposed in the past.

Area, Town and Neighborhood Data

Haddam is a suburban town located about 18 miles north of Long Island Sound, mostly on the west bank of the Connecticut River. The center of Haddam is located 30 miles from Hartford, approximately 10 miles from Middletown, and approximately 15 miles from Old Saybrook and the open waters of the Sound. The river is tidal at Haddam, but saltwater does not usually extend farther north than Deep River, about five miles downstream.

The town has a population, based on the 2010 Census, of 8,346, up 16.6% from the 2000 Census count of 7,157. The median household income of the Town in 2010 was \$89,714, compared with \$74,627 for Middlesex County and \$65,686 for the State.

There has been little growth and no major developments in the recent past. The August 2011 unemployment rate for Haddam was 7.0% compared with 9.1% for the Hartford Labor Market and 9.0% for the State.

Recreational areas are scattered throughout the region and include Devil's Hopyard and Gillette's Castle, two highly visited State Park tourist areas with picnic facilities in East Haddam. The Connecticut River provides recreational boating facilities and fishing opportunities. The Goodspeed Opera House is located in the village area of East Haddam, just across the Connecticut River on Route 82. The Gelston House Restaurant and Inn and Goodspeed Airport, a small general aviation facility, are nearby.

The Town of Haddam is sparsely populated. The main access-way to the town is Connecticut Route 9, a limited access highway which runs nearly parallel to the Connecticut River from I-91, just south of Hartford, to I-95, near the shoreline in Old Saybrook. The highway system places Haddam within 40 minutes to the major

FACTUAL DATA - BEFORE ACQUISITION

employment centers located in New London/Groton, Hartford, New Haven and Middletown.

Other transportation arteries in the town include Route 154, which runs north-south between Route 9 and the Connecticut River; and Route 81, which runs southeasterly from Route 154 to Killingworth. The intersection of these two routes is a village shopping district known as Higganum. Another small shopping area known as Tylerville is located at the intersection of Route 154 and Route 82. Route 82 runs easterly from Route 154 and crosses the Connecticut River into East Haddam, at the Goodspeed Opera House, en route to Norwich. Access to Routes 82 and 154 from Route 9 at Exit 7 is via the Route 82 connector. The only other commercial areas in the Town are scattered properties along Routes 154, 81, and 82.

Route 82 is carried over the Connecticut River by the East Haddam Swing Bridge, the only crossing south of the Middletown-Portland Arrigoni Bridge, 13 miles to the north and I-95, 10 miles to the south. This two-lane steel truss bridge has a vertical clearance of 22 feet and opens on demand for commercial shipping, often causing traffic tie-ups on Bridge Road in the Tylerville section of Haddam and downtown East Haddam. It has also been known to get stuck in either the open or closed position.

Industry in the Town is limited to a few small manufacturers along the Connecticut River; and the site of the decommissioned Connecticut Yankee nuclear power plant.

In summary, Haddam is a stable suburban town with neighborhood type shopping areas for its residents. The typical resident has a slightly higher than average income for the region. Tourism, while an important industry in several towns in this area, has less significance in Haddam.

Neighborhood Description

Bridge Road is part of Route 82. It is a State-maintained two lane road running east from Exit 7 of Route 9 to downtown Norwich, a distance of about 28 miles. The immediate neighborhood is called Tylerville and is developed with a mix of single family dwellings ranging in age from about 10 to 200± years. Much of Bridge Street is commercial in character, especially near Route 154, and industrial uses are located to the north and south off Bridge Road and Route 154, but are generally screened from view. There are gas stations and retail uses at the intersection of Routes 82 and 154. The abutting property at 55 Bridge Road of Riverhouse Properties, LLC is mixed use with a banquet facility and separate dwelling. The Assessor also identifies it as 57 Bridge Road. The other abutting properties at 79, 71, 61 and 27 Bridge Road all appear to have residential uses.

The south edge of the subject property abuts a 34.3-acre State-owned parcel used by the Department of Transportation as a maintenance yard. The State-owned Connecticut Valley Railroad State Park leased to the Valley Railroad Company runs along the east side of the subject property. The Essex Clipper Dinner Train uses the adjacent tracks once a day, but not every day of the week. It runs north from Essex,

FACTUAL DATA - BEFORE ACQUISITION

reversing direction at Bridge Road, but the train does not pick up or discharge passengers. The two waterfront parcels of Eagle Landing State Park and its access road of Little Meadow Road are immediately to the east of the tracks. Little Meadow Road runs south to an area of riverfront cottages, some of which have reportedly been winterized. Another nearby group of seasonal cottages facing the river is located north of Bridge Road.

Residential development has been ongoing in the area, but most developments are located inland, some on cul-de-sacs.

Traffic is high on this section of Route 82. A 2010 traffic count by the State DOT indicated 11,700 vehicles per day at the intersection of Route 154 to the west while a 2009 count indicated 9,800 vehicles at the swing bridge to the east. Traffic on Bridge Road is sometimes brought to a standstill when the bridge opens for marine traffic.

Available public utilities are electricity and telephone. Tylerville, including the subject property, has been reported to have contaminated groundwater and remediation is being discussed. All ground water must be filtered for use. This does not appear to affect the site redevelopment. Public water and sewer are not available, but there has been discussion of extending water north from Chester, 2.5 miles south. A 2000 study proposed this option at an estimated cost of \$2.9 Million.

Property Data

Site

- Size: 17.40 acres (757,944 sq. ft.); source - Survey Map Prepared for the Department of Environmental Protection, State of Connecticut Property of New England Maritime Corp., Steamboat Land Co., Inc. and Eagle Land Corp., Bridge Road, Haddam, Conn., February 11, 2003, William B. Bergan, Land Surveyor.
- Shape: Irregular, the site is west of the Valley Railroad Company tracks with two non-contiguous sections of frontage on Bridge Road (Route 82).
- Road Frontage: 583.62 feet in two sections; 130.20 feet at the west frontage and 453.42 61 feet on the east frontage, both on the south side of Bridge Road.
- 729.29 feet on west side of the Valley Railroad Company tracks.
- Topography: Two generally level areas, the northwest level area is at grade with the west road frontage with an elevation of about 66 to 76 feet. The southeast level area is at grade with the railroad tracks and slightly below road grade at the east

FACTUAL DATA - BEFORE ACQUISITION

frontage. Its elevation is at about 20 to 30 feet. Both level areas are mostly open meadows, but much of the site is wooded, especially the sloping area between the two level areas. The highest elevation is 80 feet, located at the north-central section of the parcel, while the lowest point of 6 feet is in a wetland on the east side of the parcel, adjacent to the railroad.

Because of its topography the subject property could afford good river views from its higher elevation. These are currently blocked by trees and the adjacent Riverhouse banquet facility. Views of the river from the lower southeast section of the site are also good across the railroad tracks and parking lots at Eagle Landing State Park.

FEMA Flood Zones: The majority of the appraised property is located outside flood hazard areas as described on Federal Emergency Management Agency (FEMA) Flood Insurance Maps No. 09007C0253G and 09007C0253G, dated August 28, 2008. Details of the flood maps are included in the Exhibit and Addenda section of this report.

Most of the land is in Zone X, an area determined to be outside the 0.2% annual chance floodplain, but two small area of the subject property are within Special Flood Hazard Areas subject to inundation by the 1% annual chance flood. These are mostly wetland areas which are identified as being within Zone AE, with a base flood elevation of 12 feet. Buildings within the A flood zone require flood insurance.

Soils: Soil types, as reported by the USDA's Natural Resource Conservation Service (NRCS), were mapped. A map and table of soil types is included with the Exhibits and Addenda to this report.

The majority of the parcel, 45%, is composed of Udorthents-Pits complex, gravelly, map unit symbol 305. This makes up the lower level area adjacent to the railroad tracks, but also portions of the sloping area to the west. Udorthents-Pits complex consist of moderately well drained to excessively drained soils in areas where more than 2 feet of the upper level of the original soil has been removed, or areas that have been covered by more than 2 feet of fill material. This soil type is limiting to development due to its slopes, shallow depth to saturated zone, seepage of the bottom layer and filtering capacity for septic systems.

FACTUAL DATA - BEFORE ACQUISITION

Manchester gravelly sandy loam, 3 to 15 percent slopes, map unit symbol 37C, makes up 31% of the site and is located on the gently sloping western upper level and at the eastern road frontage. This soil type is limiting to development of septic systems due to seepage of the bottom layer and its filtering capacity.

Two areas of Manchester gravelly sandy loam, 15 to 45 percent slopes, map unit symbol 37E, make up 17% of the site and are located at the north and south extremes of the site where there are areas of slopes. This soil has the same limitations to development as 37C, but with steeper slopes.

There are also areas of Rippowam fine sandy loam soil which make up 8% of the site. This inland wetland soil is located along the edge of the site in the southeast corner. Some of these areas are mapped wetlands, but one area includes the at grade railroad crossing. It should be noted that mapping of soils is done at a scale of 1:12,000 and enlargement of maps beyond that can cause misunderstanding of the detail of mapping and accuracy of soil line placement. The map does not show the small areas of contrasting soils that could be shown at a more detailed scale.

Improvements

There are no improvements on the property with the exception of paths that extend south from gates at the two road frontages to the property. These paths intersect with a gravel road in the southeast corner that runs off the site with the at grade railroad crossing and connects with Little Meadow Road.

Fixtures

There are no fixtures present at the subject property.

Use History

The subject property was used in conjunction with the parcels that now make up Eagle Landing State Park. The level site immediately west of the tracks appears to have been excavated. The upper level, adjacent to the abutting Riverhouse banquet facility parking lot is open meadow. The entire property is currently part of the Clark Creek Wildlife Area which includes at least one other parcel located on Clark Creek to the south.

Sales History

The 17.4-acre property is not currently listed for sale. The State of Connecticut acquired the property on June 12, 2003 for \$1,350,000 from Eagle Land Corporation.

FACTUAL DATA - BEFORE ACQUISITION

The owners of the abutting Riverhouse at Goodspeed Station banquet facility and conference center have been in negotiations with the State to acquire the property.

Rental History

The property is not leased.

Assessed Value and Annual Tax Load

The current appraised value by the Town of Haddam is \$429,340 which is based on the last revaluation completed October 1, 2010; the next is October 1, 2015. The assessed value is 70% of the town's appraised value or \$300,540. The current mill rate is 28.23 which results in a yearly tax amount of \$8,484.24. However, this State-owned property is tax exempt.

Zoning and Other Land Use Regulations

The subject property is located in the I-1 Industrial zoning district of the Town of Haddam Zoning Regulations, as amended through August 28, 2008. It is also within the Gateway Conservation, Special Flood Hazard, and Aquifer Protection overlay zones. The current zoning map shows two areas of the parcel adjacent to Bridge Road within the R-2A Residential zone, but the Town Planner stated that the entire parcel is within the industrial zone.

I-1 Permitted Uses

Uses permitted by right in the I-1 District:

- Single and two family dwellings existing prior to the regulations
- Uses existing prior to the effective date of this regulation
- Agriculture, forestry, truck gardening, livestock and poultry raising and dairy farming.
- Temporary roadside stand for the seasonal sale of farm produce and products, only when accessory to the premises on which they stand.

Uses Permitted in the I-1 District Subject to the Issuance of a Special Permit by the Planning & Zoning Commission:

- Legal industrial uses which are not dangerous by reason of fire or explosion hazard, nor injurious, noxious or detrimental to the community or neighborhood; except for those uses expressly prohibited by the regulation.
- Expansion or change in use of existing buildings or uses, except for residential purposes.
- Professional and business offices and post offices.
- Contracting or construction yards, subject to other requirements.
- Communication towers.

Bulk Requirements

Minimum lot area:	1 acre
Minimum frontage:	150 feet

FACTUAL DATA - BEFORE ACQUISITION

Minimum yard size:	
Front:	30 feet
Side:	20 feet; total 50 feet
Rear:	20 feet
Maximum building height:	35 feet
Maximum Floor Area Ratio:	25%
Buffer Requirements:	15-foot wide buffer strip, planted to insure adequate screening.

The Flood Hazard Area Regulations impose additional requirements on building construction and site grading. The inland wetlands and watercourses regulations require a 100-foot setback from wetlands and watercourses for all structures.

Minimum Required Off-Street Parking Spaces

Dwellings:	Two spaces per family.
Hotels and Motels:	One per guest sleeping room.
Housing for Elderly and/or Handicapped Persons:	One per dwelling.
Clubs, Community Houses, Churches, Theaters:	One per 4 seats or 4 occupants.
Professional and Business Offices and Financial Institutions:	One per 350 sq. ft. of gross floor area, plus one per employee.
Medical, Dental or Veterinary Offices:	Seven per doctor.
Retail Stores, Barber and Beauty Shops, etc.:	One per 200 sq. ft. of gross floor area, plus one per employee.
Self-Service Laundries and Cleaners:	One per employee, plus one per each two washing, drying or cleaning machines.
Filling Stations and Automobile Repair Shops:	One per employee, plus three per bay.
Marinas:	One and one-half per boat slip.
Restaurants:	One per 50 sq. ft. of public floor area, plus one per employee.
Drive-In Restaurants:	One per 50 sq. ft. of gross floor area, plus one per employee.
Post Offices:	One per 150 sq. ft. of gross floor area, plus one per employee.

FACTUAL DATA - BEFORE ACQUISITION

Greenhouses and Nurseries:	One per employee plus 5 additional.
Manufacturing, Processing, Assembling Plants, Warehousing or Wholesaling Establishments, Research Laboratories and Other Industrial Uses:	One per two employees on two largest shifts combined.

Gateway Conservation Zone

A special use permit is required for dwellings in excess of 4,000 sq. ft. of total floor area. Dumping, excavation and the erection of signs advertising off-site activities are prohibited.

Special Flood Hazard Zone

Only two small areas of the subject are within the special flood hazard zone, that area mapped as special flood hazard area AE with a base flood elevation of 12 feet. The regulation has special construction standards for development within this zone. The regulation is intended to control alteration of natural flood plains, stream channels, and natural protective barriers, which are involved in accommodation of flood waters. However, development is not expected within this zone as they contain wetlands and are located along the property's perimeter.

Aquifer Protection Zone

The properties are within the Aquifer Protection Zone which prohibits disposal of wastes and controls storage of rock salt and fuel oil. Commercial and industrial uses in the zone are subject to a site plan review of the Planning and Zoning Commission.

Proposed Zoning Revisions

Draft zoning regulations dated September 15, 2011 include changes to the I-1 zone. The only use permitted by right in the I-1 zone would be single and two family dwellings existing prior to the regulations. Uses allowed by special use permit would be legal industrial uses and a change of use for non-conforming uses. These proposed changes are to be reviewed by the Planning and Zoning Commission on October 17, 2011.

The Town Planner stated that the area of the subject property would fall within the Tylerville Village District that will be proposed in about December 2011. This district would allow commercial uses such as restaurants, inns, hotels, theatres, car washes and similar uses. A draft regulation amendment has not been distributed. It is not clear if residential uses will be permitted within the district, but the existing Higganum Village District is said to be similar to that which is proposed for Tylerville. Only single-family residential use is permitted in the Higganum Village District as part of mixed use development and the permitted ratio of residential to commercial units is at the discretion of the PZC.

FACTUAL DATA - BEFORE ACQUISITION

Rear Lots

Rear or interior lots are permitted as part of a site plan submitted for Planning and Zoning Commission review and approval. The minimum rear lot size in the I-1 zone is 2 acres. One rear lot is permitted in subdivisions resulting in up to 5 lots, 2 are permitted in subdivisions resulting in 6 to 11 lots. One lot out of each additional 11 lots may be a rear lot. Each lot must demonstrate that it can be independently accessible via its own driveway, and that driveway must exit directly onto a town or state road. The minimum width of an access strip is 25 feet for residential properties and 50 feet for commercial or industrial uses. No more than two access strips or driveways may abut every 450 feet along a road.

Conformity

The existing use and lot size conform to the physical requirements of the zone. The site appears to have subdivision potential for up to 4 industrial lots, 3 front and 1 rear, based on the road frontage, but subdivision does not represent the highest and best use of the land.

Additional Land Use Regulations

The following permits and approvals may be required for any conversion, expansion or reuse of the appraised property.

Stormwater Construction General Permits and Discharge Permits

DEEP regulates discharges to waterbodies and watercourses. A permit is required for construction sites of over 5 acres, and a stormwater pollution prevention plan must be prepared.

A discharge permit is also required for sanitary sewage discharges of over 50,000 gallons per day to a publicly owned treatment facility.

The Connecticut River Gateway Commission

This commission oversees the regulation of activities along the river between the ridgelines of adjacent hills. Any requests for zoning variances or zone changes require the commission's review and approval. The appraised property is subject to the Gateway Commission.

US Army Corps of Engineers Permits

The Army Corps regulates federally defined wetlands and rivers below the high water mark. The Connecticut River and adjacent wetlands such as those found at the southeast corner of the subject property are within their jurisdiction.

Flood Management Compliance Certification

DEEP regulates proposed activities in or affecting floodplains and DEEP approval must be obtained. For residential uses, Connecticut uses a stricter standard than FEMA, requiring the lowest enclosed floor to be one foot above the 500 year flood.

FACTUAL DATA - BEFORE ACQUISITION

State Traffic Control and DOT Permits

New development or expansion of existing uses with 200 or more parking spaces or 100,000 sq. ft. of building floor area require a Certificate of Operation as a Major Traffic Generator from the State Traffic Control Commission (STC).

Local, Municipal Approvals and Permits

Town planning and zoning permits will be required from the Land Use Office, Town Sanitarian and health department, and possibly Board of Selectmen approvals for any major development. The town's Economic Development Commission is an advisory board, reporting to the Board of Selectmen. Haddam is part of the Chatham Health District which reviews and issues permits for wells and septic systems.

Haddam is a member of the Mid-State office of the regional planning agency; which would review any major development proposals

DATA ANALYSIS AND CONCLUSIONS

Analysis of Highest and Best Use

Highest and Best Use is defined¹ 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. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity."

The property is limited to its current use as a park or open space per the terms of the transferring deed. The proposed land exchange per Section 8 of Special Act No. 11-16 states that this restriction will be relinquished and that it may be used for "economic development purposes." The Town Planner states that the parcel is entirely within the I-1 Industrial zone which permits limited uses for economic development, but that a proposed Tylerville Village Business District will allow commercial uses such as restaurants, inns, hotels, theatres, car washes and other similar uses. The appraised property is conforming per current zoning.

The subject site is well suited for commercial development, adjoining a large banquet facility and within close proximity of the Connecticut River, the Connecticut Valley Railroad State Park and excursion train, Eagle Landing State Park and the Goodspeed Opera House. Clearly, any development proposal for this parcel will receive careful scrutiny from local, regional, state and federal authorities; as well as the local and regional citizenry. However, the site does have good water views and contains level areas with wetlands located only along its edges.

As noted, the terms of the State Statute are somewhat like those of a contingent contract. In this case, the sale will only be consummated if the buyers obtain needed approvals for development within a two year period. Although the appropriate and suggested mix of uses are not allowed by current zoning, the Town has announced plans to rezone the area for a mix of commercial uses which are consistent with those being considered by the prospective owners. It is appropriate to consider the planned changes to the zoning, since if those changes do not occur, the planned sale will not go through. It is our opinion that the highest and best use of the property is for a mixed-use commercial development as envisioned by the State and Riverhouse Properties, LLC. It is also our opinion that, while there is enough land area to allow for a subdivision of about four commercial lots, a mixed-use development utilizing the entire site is the highest and best use.

¹ Source: Appraisal Institute, The Dictionary of Real Estate Appraisal, 4th ed. (Chicago: Appraisal Institute, 2002).

DATA ANALYSIS AND CONCLUSIONS

The property is in an area that requires filtering of ground water due to past industrial contamination in the neighborhood. It is assumed that this requirement would not affect any potential use of the property.

It is therefore our opinion that the highest and best use is for future development, most likely with a mixed-use project consisting of some retail, office and possibly lodging and residential components.

Larger Parcel

The larger parcel is defined as “that tract, or those tracts, of land which possess a unity of ownership and have the same, or an integrated, highest and best use. Elements of consideration by the appraiser in making a determination in this regard are contiguity, or proximity, as it bears on the highest and best use of the property, unity of ownership, and unity of highest and best use.”¹

The State of Connecticut is owner of the subject property and nearby parcels including the abutting Connecticut Valley Railroad State Park leased to the Valley Railroad Company, and the 34.4-acre Department of Transportation property at 1640 Saybrook Road. Other nearby State properties are:

- The two waterfront parcels that make up Eagle Landing State Park, located just east of the railroad tracks
- The Department of Transportation’s 17.6-acre parcel immediately south of 1640 Saybrook Road that contains part of Clark Creek.
- The DEEP’s 9.01-acre landlocked parcel south of DOT’s 17.6-acre property that is identified as part of the Clark Creek Wildlife Area.
- An 84-acre parcel one-quarter mile to the southwest, west of Route 154 and north of Route 82, identified as part of Cockaponset State Forest.

None of these properties are dependent upon the subject property. The waterfront lots are a State park with adequate parking and the subject property does not appear to have supported them for parking or access purposes. Any development of the park, such as increased water access through boat docks or passenger terminals can be wholly contained onsite. The entire State park site is within the Zone AE Special Flood Hazard Area with an elevation of 12 feet, with exception of the north end of the Little Meadow Road access. This designation means that any future construction on the riverfront site will have to be flood-proofed and/or elevated. This is not an extraordinary measure to take. The Connecticut Valley Railroad State Park is also partially within the Special Flood Hazard Area. Use of the subject property would not be required should the State construct a railroad station or parallel set of tracks.

¹ Source: Interagency Land Acquisition Conference, Uniform Appraisal Standards for Federal Land Acquisitions, Washington, D.C. 2000. (Chicago: Appraisal Institute, 2001).

DATA ANALYSIS AND CONCLUSIONS

The subject property is not part of a larger parcel because it is vacant land with a different potential use from that of the nearby railroad and Eagle Landing State Park. It also has no deeded access from Little Meadow Road across the railroad property.

The three tests involved with the larger parcel determination are unity of use, unity of ownership and contiguity. The parcel is vacant public open space with development potential while those abutting parcels have different uses - highway maintenance by the Department of Transportation and as a railroad by the Valley Railroad Company. The nearby Eagle Landing State Park parcels are also used as open space, but more specifically used for access to the river by the public with parking lots and docks. The other DEEP parcel identified as part of the Clark Creek Wildlife Area is located about 0.25-mile south and is not accessible except by crossing the railroad or Department of Transportation land. The State Forest land is also distant. While their uses are similar, the distance of these parcels exclude them from the larger parcel. The development potential of the appraised property exists only because of the State Statute which does not apply to any surrounding parcels. Therefore the 17.4-acre subject property is the larger parcel.

Finally, Section D-7 of the UASFLA states that when valuing property for purposes of an exchange, “Even if the property described in the ATI (agreement to initiate an exchange) is part of a larger contiguous ownership that clearly has a unitary use, the land outside of the property described in the ATI should not be considered by the appraiser in either larger parcel determination or in reaching a conclusion of highest and best use.”

Land Valuation – Value Estimate by Sales Comparison Approach

This approach was developed by valuing the 17.4-acre site by comparison to sales of comparable land. We researched the time span of about 4 years throughout the local market area, which is defined to be the Town of Haddam and nearby towns in south-central and southeastern Connecticut. Our research was focused on gaining an understanding of market conditions and trends as well as finding comparable sales and listings. Information on comparable sales was gained from street-side inspection and public records. We attempted to speak with a party knowledgeable of the transaction. Actual verification is noted in the comparable sale write-up.

DATA ANALYSIS AND CONCLUSIONS

Comparable Land Sales Data

The following sales of land with potential for development were used as a basis for estimating the market value of the appraised property.

Sale 1

1520 & 1536 Boston Post Road (Route 1), 26 & 32 Kirtland Street
Westbrook, CT

Grantor: Nancy B. Pytlik & FH Real Estate Co., LLC Date: 5/31/2011

Grantee: Dattilo Family Holdings, LLC Volume/Page: 309/844 & 309/842

Deed Type: Warranty

Price: \$1,085,000

Unit Price: \$145,442 per acre;
\$3.34 per sq. ft.

Verification: The sale was verified with George Pytlik, husband of one Grantor.

Financing: None recorded.

Location: North side of Boston Post Road (Route 1) 1.1 miles southeast of Exit 65 on I-95 and 1.6 miles southwest of Exit 66 in Old Saybrook. The properties are located across from the Water's Edge Resort which has frontage on Long Island Sound. The Sound is about 1,300 feet south of the properties. An age restricted housing development is located to the rear, a water tower is to the east and a single family residence is to the west. The Route 1 frontage had an average daily traffic count between 8,000 and 9,600 vehicles in 2010. Public water access at Middle Beach is 0.9-mile distant via Salt Island Road.

Zoning: NCD, Neighborhood Commercial District, in the front \pm 300 feet. The rear is mostly within the MDR, Medium Density Residential District.

Utilities: Water, electricity, and telephone.

Land Description: 7.46 acres (324,958 sq. ft.); about 200 feet frontage on Boston Post Road and 290 feet on the east side of Kirtland Street, a residential cul-de-sac; irregular in shape. There is good visibility from Route 1. The land is made up of 6 separate lots with two in the front on Route 1: 0.57-acre 1520 Boston Post Road and 0.59-acre 1536 Boston Post Road. The four in the rear include vacant 2.1 and 1.41-acre lots, 0.94-acre 26 Kirtland Street and 1.65-acre 32 Kirtland Street. Residences and garages at 26 and 32 Kirtland Street are served by a paved common driveway from Kirtland Street across the vacant 2.1-acre lot. The land is mostly wooded and gently descends from 54 feet in the west rear to 42 feet in the east rear. It has 0.47-acre of wetland soils on the east rear boundary, an area that is presently developed with a residence, outbuildings and driveways. A 0.2-acre wetland area was observed in the northern rear of the properties. Located outside of Special Flood Hazard Areas.

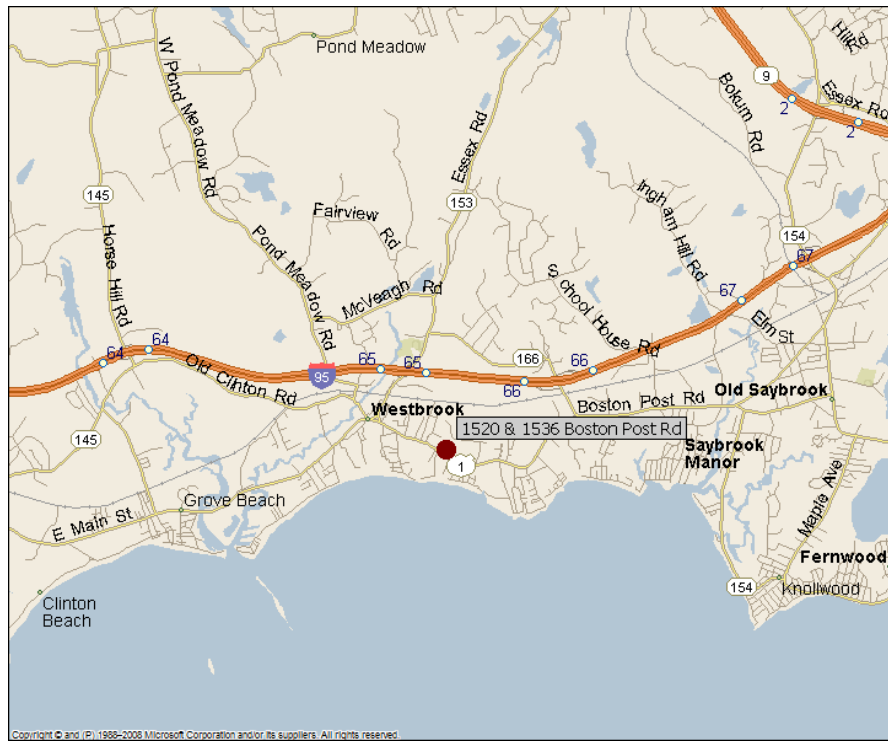
DATA ANALYSIS AND CONCLUSIONS

Improvements: Developed with two frame commercial buildings along the Route 1 frontage and two single family residences with 3 garages. **1520 Boston Post Road** contains a 2-story 1,547-sq. ft. circa 1930 multitenant office building with propane heat, wall AC, access ramp and paved parking. It is in average+ condition as it was renovated in 2006 and its septic system is located on 1536 Boston Post Road. It also has a 240-sq. ft. shed at the rear. **1536 Boston Post Road** contains a one-story 1,936-sq. ft. circa 1950 commercial building with a rough open space of about 1,700 sq. ft.; in fair condition. **26 Kirtland Street** contains a one-story 1,632-sq. ft. frame circa 1940 single family residence. This dwelling is reported to be in average+ condition as it was renovated after a fire in 1993. **32 Kirtland Street** contains a two-story 1,631-sq. ft. frame circa 1942 single family Cape-style residence with oil heat in average condition. The lot at 32 Kirtland Street also contains 3 garages containing 770, 768 and 2,400 sq. ft. The Westbrook Assessor assigned a value of \$518,220 for all the improvements as part of the 2006 revaluation. The estimated contributory value of the improvements reflects the short term interim use.

Comment: A 2-acre vacant property abuts the subject for about 315 feet along the east edge of the property, to the rear of the water tower, and is in the same ownership as the Grantee. George Pytlik currently rents two of the garages at 32 Kirtland Street from the Grantee for his appliance recycling business and for storage of vehicles. Another individual rents the third garage for an informal automobile repair business. The Grantor's plans are not known and no inquiries or applications have been made to the town's Land Use office. The residences are rented out and the commercial property is listed for lease, but newly vacant. 1520 Boston Post Road is presently listed for lease at \$1,500 per month. Long range plans are believed to be for a commercial use to complement the Water's Edge Resort across the road. The resort is currently undergoing expansion with the construction of 20 additional villa-style condominium units. Speculation about the future use of the sale properties includes additional condominiums, an enclosed ice skating rink serving the shoreline region or support parking for the resort. The future cost of demolition is expected to be offset by the current rental income of the buildings.

DATA ANALYSIS AND CONCLUSIONS

Location Map



Plot Plan



DATA ANALYSIS AND CONCLUSIONS

*1520 and
1536
Boston
Post Road
Photograph
taken by
Ben
Baldwin on
10/19/2011*



DATA ANALYSIS AND CONCLUSIONS

Sale 2

33 New Haven Road (Route 17)
Durham, CT

Grantor: Jeanne F. Koerber, Frederick D. Dahlmeyer, Debra A.

Dahlmeyer and Diane H. White

Grantee: Durham Acquisition, LLC Volume/Page: 231/903

Deed Type: Warranty

Price: \$1,100,000

Unit Price: \$85,271/acre,
\$1.96/sq. ft.; \$200,000/usable
acre, \$4.59/sq. ft.

Verification: The sale was verified with Marjorie Dahlmeyer, wife of Grantor Frederick D. Dahlmeyer.

Financing: None recorded.

Location: On the west side of New Haven Road, Route 17, at its intersection with Guilford Road, Route 77, and its intersection with Madison Road, Route 79, at Main Street. At the south end of the mixed residential-commercial Durham Center village near the center of town. Adjacent to the historic district and the Durham Village Shopping Center. About 6 miles east of I-91 in Wallingford, 12 miles north of I-95 in Guilford, and 7 miles south of the Middletown CBD and Route 9. Average daily traffic count of 10,200 vehicles at the frontage in 2010.

Zoning: C-2, Commercial, in the front ±350 feet containing 7.07 acres (308,016 sq. ft.). FR, Farm Residential, in the rear.

Utilities: Electricity, and telephone.

Land Description: 12.90 acres (561,917 sq. ft.); 1,063 feet frontage on New Haven Road, approximately triangular in shape. The land descends about 50 feet from the road frontage to the rear of the mowed area over a distance of about 400 feet, a 13% slope. The front field is about 6 acres in size and contains an intermittent brook and ponds at its southern edge. The rear of the property is mostly wooded swamp within an area of 100-year flood and backs up onto the State's Durham Meadow Wildlife Area. Much of the land is made of wetland soils, including most of the mowed front field of poorly drained Wilbraham and Menlo soils, extremely stony, but soils mapping is inaccurate at this scale. Much of this sloping front field has been drained by the Grantors over the years and about 5.5 acres appears usable.

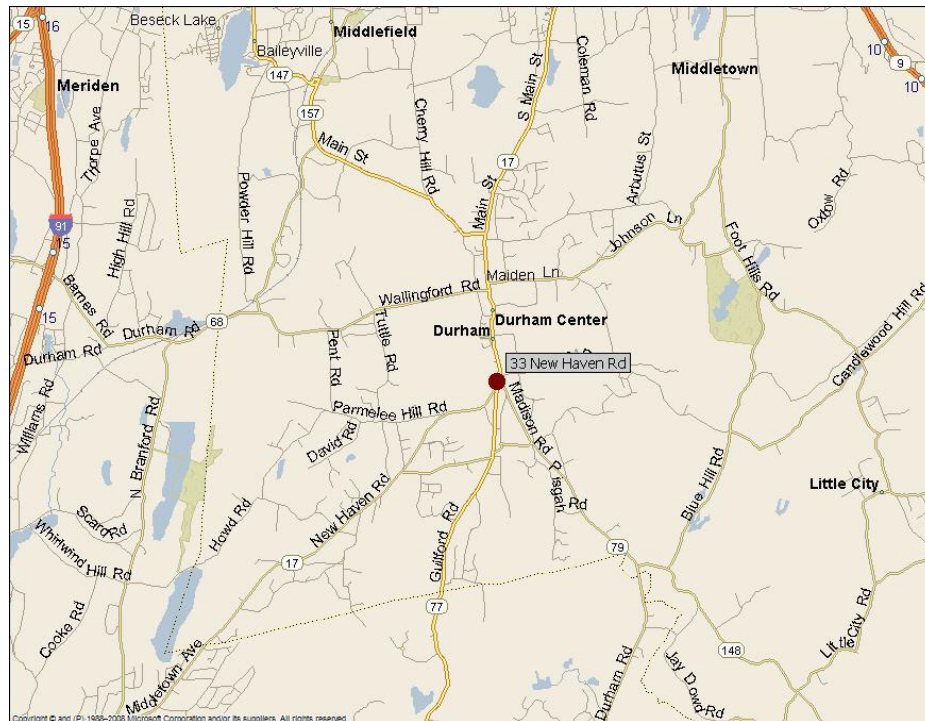
Improvements: None.

Comment: The property has been used occasionally for parking, especially for the annual Durham Fair, and has an access point at the northern end of the frontage.

DATA ANALYSIS AND CONCLUSIONS

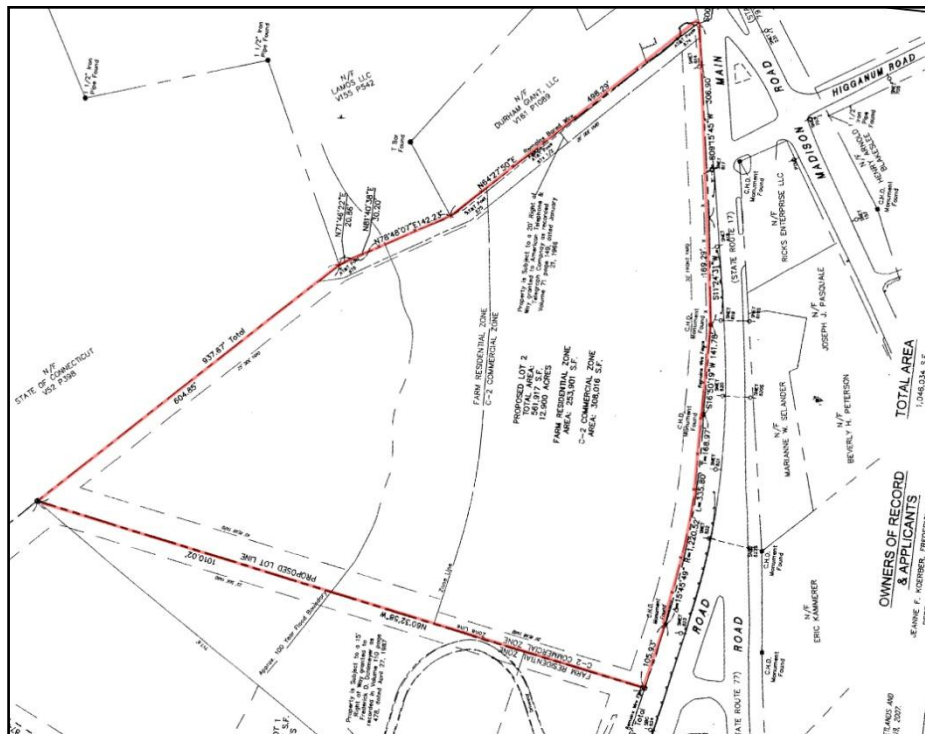
The property is subject to a 20-foot wide easement to AT&T along the front ± 650 feet of the northern boundary. The Grantee is rumored to be an entity of Stop & Shop and was planning a supermarket on the site, but the no formal application was made. At the time of the sale opposition to development in town prevented approval of a Price Chopper supermarket about 2 miles to the north. Grantor Frederick Dahlmeyer operates a dog kennel at his residence at 65 New Haven Road, the abutting land to the south.

*Location
Map*



DATA ANALYSIS AND CONCLUSIONS

Parcel Outline from Survey



Approx. parcel outline overlaying wetland soils (purple) and 2004 aerial



DATA ANALYSIS AND CONCLUSIONS

*View
southwest
from
northeast
corner*

*Taken by
Ben
Baldwin on
December
1, 2011*



DATA ANALYSIS AND CONCLUSIONS

Sale 3

201 Waterford Parkway North
Waterford, CT

Grantor: Intrastate Properties LLC Date: 7/31/2008

Grantee: Sonalysts Inc. Volume/Page: 1028/267

Deed Type: Warranty

Contract Price: \$1,800,000

Unit Price: \$130,435/acre, \$2.99/sq. ft.;
\$211,702/usable acre, \$4.86/sq. ft.

Verification: Verified by Vernon J. Nelson with Greg Vymola, Contracting Officer with the Grantee.

Financing: None recorded.

Location: Northwest corner of Waterford Parkway North (a frontage road along I-95) and Cross Road; opposite an entrance ramp to I-95; a lightly developed road at the fringe of retail, commercial and industrial uses off Cross Road; 10,200 and 11,500 vehicles per day on Cross Road in 2008.

Zoning: I-C, Industrial-Commercial.

Utilities: Water, sewer, electricity, telephone, and gas.

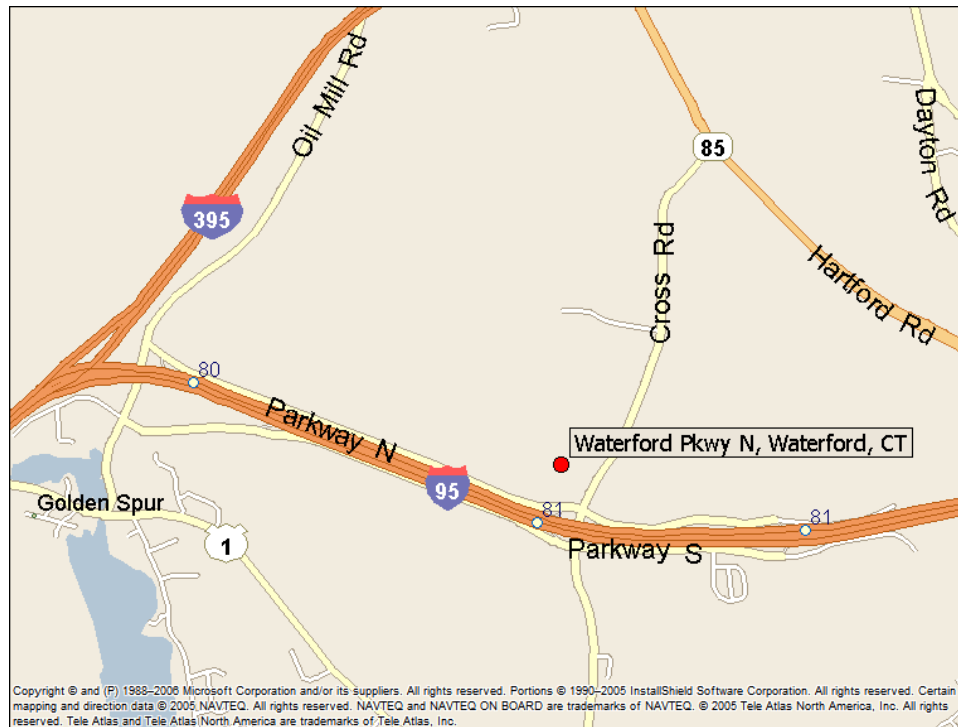
Land Description: 13.80 acres, 370,260 sq. ft. (8.50 acres) uplands; about 5.3 acres, or 38% is wetlands, mostly along the east property line; two sections of road frontage along Waterford Parkway North (136 ft. and 218 feet) plus 188 ft. along Cross Road for a total of 571 feet; irregular shape; rolling. The frontages on Waterford Parkway North are separated by a sewer pump station.

Improvements: None.

Comment: The property had been on the market for many years. It was purchased by an adjacent property owner. The adjacent property is improved with research & development offices and a movie studio. The buyer has no current plans for development.

DATA ANALYSIS AND CONCLUSIONS

Location Map



Assessor parcel outline over 2004 aerial



DATA ANALYSIS AND CONCLUSIONS

*View east on
Waterford
Parkway
North of the
western
frontage*

*Taken by
Ben Baldwin
on
December 1,
2011*



DATA ANALYSIS AND CONCLUSIONS

Sale 4

570 Vauxhall Street Extension
Waterford, CT

Grantor: SNET

Date: 7/20/2009

Grantee: JDP Associates LLC

Volume/Page: 1085/314

Deed Type: Warranty

Contract Price: \$2,100,000

Unit Price: \$104,270/acre; \$2.39/sq. ft.;
\$161,538/usable acre; \$3.71/sq. ft.

Verification: Verified by Vernon J. Nelson with Damon Bowers of Cushman & Wakefield, broker for the sale.

Financing: None recorded.

Location: West side of Vauxhall Street Extension through to the northwest side of Harvey Avenue; additional non-access frontage on the north side of I-95. The site is between two exits off the southbound exit from I-95 and near Rt. 85 where there is a regional shopping mall and several shopping centers; 5,800 and 10,200 vehicles per day in 2008.

Zoning: CG, Commercial.

Utilities: Electricity, telephone, water, and sewer.

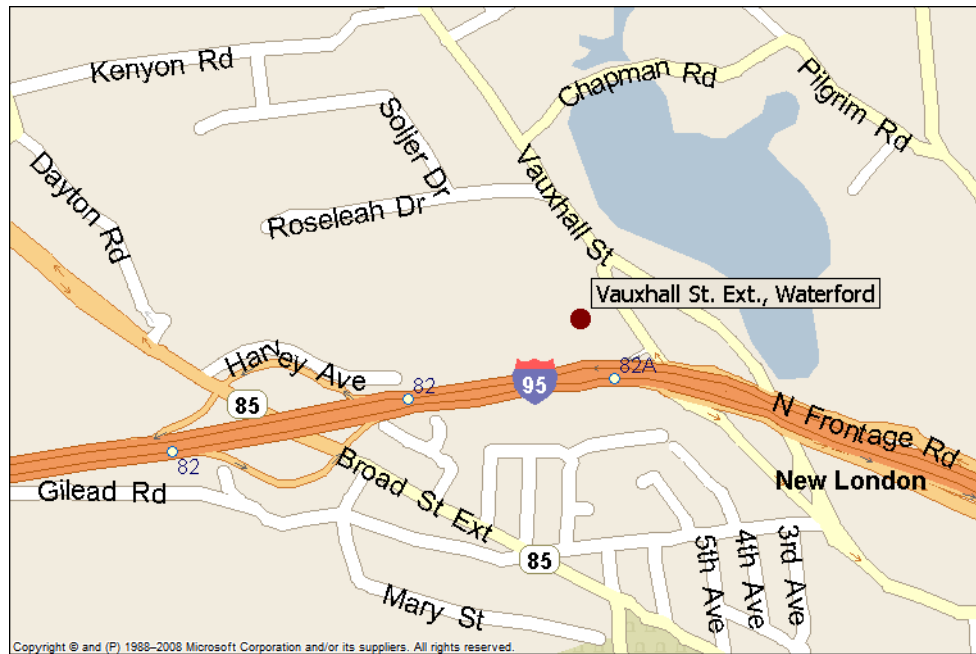
Land Description: 20.14 acres; a band of wetlands runs in a north-south direction across the site in the western portion of the site which makes about 1/3 of the site not usable; the uplands area is about 566,280 sq. ft. (13 acres). There is 916 feet frontage on Vauxhall Street Extension, plus a driveway access easement across other land of the seller; 109 feet frontage on Harvey Avenue; 1,722 feet non-access on I-95; irregular, mostly rectangular shape with a maximum depth of 1,675 ft from Vauxhall Street Extension; rolling topography; rises 30 feet from Vauxhall St. to a depth of 600 feet then is level for about 600 feet then drops off 30 feet to Harvey Avenue; no flood hazard areas.

Improvements: None.

Comment: The property was purchased for development of a 73,000-sq. ft. sales and distribution center for F.W. Webb Co., a plumbing and heating supply business, with a 5,000-sq. ft. retail bath showroom.

DATA ANALYSIS AND CONCLUSIONS

Location Map



Plot Plan



DATA ANALYSIS AND CONCLUSIONS

View to the west of the property after development

Taken by Ben Baldwin on December 1, 2011



DATA ANALYSIS AND CONCLUSIONS

Sale 5

150 Waterford Parkway South
Waterford, CT

Grantor: Herb Chambers of
Waterford, LLC

Date: 6/22/2010

Grantee: The Coca-Cola Bottling Co.
of Northern New England, Inc.

Volume/Page: 1134/36 &
1134/39

Price: \$2,810,000

Deed Type: Warranty

Unit Price: \$82,989/ acre;
\$1.91/sq. ft.; \$161,538/usable
acre, 3.71/ sq. ft.

Verification: The sale was verified with public records.

Financing: None recorded.

Location: South side of Waterford Parkway South, 0.7-mile east of Cross Road and opposite I-95; this is an area of industrially zoned land with visibility from I-95. Access to and from I-95 is between 0.8 and 1.5 miles away, via Cross Road. An assisted living and age restricted housing development are located to the west while a large industrially zoned property, the former Waterford Airport, is to the east and south

Zoning: IP-1, Industrial Park

Utilities: Water, sewer, electricity, telephone, and gas.

Land Description: 33.86 acres (1,474,942 sq. ft.); about 500± ft. frontage on Parkway South; rectangular shape. There is some visibility from I-95. It has an area of wetlands near the eastern boundary and includes Jordan Brook, a clean stream with trout. There are a total of 23 usable acres. The property is generally sloping, descending to the brook on the east and is mostly forest. The soils are generally average in this area.

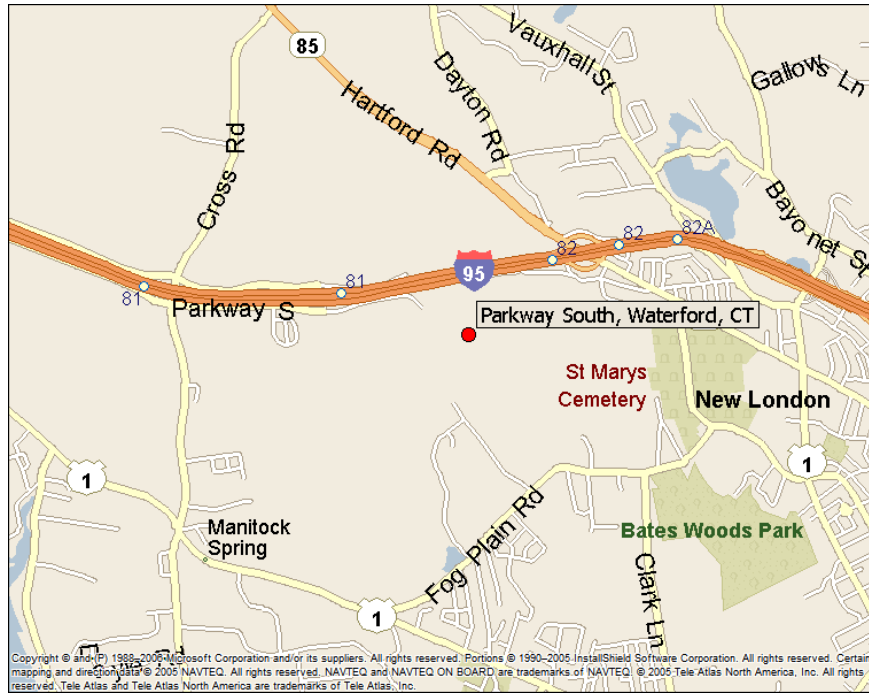
Improvements: Vacant land.

Comment: The property was a failed industrial subdivision of 7 lots, 4 of which were to have frontage on a cul-de-sac named American Way (numbers 2, 3, 6, and 10) while the others were on Waterford Parkway South (numbers 136, 138 and 146). The Assessor identifies the entire 33.86-acre property as 136 Waterford Parkway South. The Grantee is constructing a 74,000-sq. ft. sales and distribution center with 116 employees and 35 trucks generating about 452 trips each day. About 5,000 sq. ft. of wetlands are to be filled for construction of the building's driveway. Completion is expected in May 2011. A purchase and sale agreement was signed on November 12, 2009 and the Grantee obtained approvals for the development on May 24, 2010.

DATA ANALYSIS AND CONCLUSIONS

150 Waterford Parkway South
Waterford, CT

Location Map



Plot Plan



DATA ANALYSIS AND CONCLUSIONS

*Parcel
under
development*

*Taken by
Ben
Baldwin on
August 12,
2010*



DATA ANALYSIS AND CONCLUSIONS

Additional Sale

A sale of nearby commercial land on March 4, 2011 is not seen as comparable with the subject due to the small size of the parcel. The irregularly shaped parcel of 1.31 acres of vacant commercial land on the southwest side of Saybrook Road, Route 154, was declared excess property by the State Department of Transportation. Located about 0.4-mile west of the subject, the parcel was sold to the highest of 3 bidders at \$220,000 or \$167,939 per acre. The property has 420 feet of frontage on Saybrook Road and 502 feet on Old Chester Road North, but only has access over a 50-foot wide section on Saybrook Road. The Grantee, Robin M. Maule, did not disclose plans at the time of sale.

Analysis

The properties described on the previous pages were the most comparable sales of parcels in the area discovered by your appraiser. These were all comparable large parcels with potential for commercial development. They sold from about 4 months to just over 3.5 years prior to the date of valuation. The sales used were the most recent and the best available. There have been few sales recently due to current economic conditions. Downward date of sale adjustments were made for observed declining sales prices for properties in the market since mid 2008. The sales bracket the subject property in terms of size.

The sales were analyzed on the basis of price per acre, and sold in a range of \$1,085,000 to \$2,810,000, or \$82,989 to \$145,442 per acre. The highest per acre price was paid for Sale 1, the smallest property which had superior topography. The lowest price per acre was paid for Sale 5, which was the largest property, but had a more limited development potential due to a brook and wetlands.

Sale 1 is in a similar location, but slightly inferior due to its lack of a view amenity despite being across Route 1 from a resort property with frontage on Long Island Sound. A downward adjustment was made for this smaller property's level topography with few wetlands, its shape and frontage on Route 1 and a side street. A downward adjustment was also made for the availability of public water. A downward adjustment was made for the depreciated value of the improvements, two commercial buildings, two residences and various outbuildings. Sale 1 is relied upon less than the other sales due to the large amount of adjustments needed.

Sale 2 is in a rural-suburban location on the edge of a village commercial district with inferior access to highways and no amenity view. The topography slopes down from the street with areas of wetland to the rear and was approximately equivalent to the subject.

Sale 3 is in a superior suburban commercial-industrial location adjacent to Exit 81 on I-95, although it is without an amenity view, and a downward adjustment was made. An upward adjustment was made for the wooded property's large amount of wetlands. Downward adjustments were made for the availability of public utilities

DATA ANALYSIS AND CONCLUSIONS

and for its superior access. Sale 3 is relied upon less than the other sales because the buyer was an abutter.

Sale 4 was a slightly larger property with a superior location, but without an amenity view, and a downward adjustment was made. An upward adjustment was made for its slightly inferior topography with wetlands crossing the center-rear of the site. A downward adjustment was made for the availability of public utilities.

Sale 5 was a larger property in a slightly superior location, but without an amenity view, and a downward adjustment was made. An upward adjustment was made for its inferior topography with a large area of along the east side of the site. Downward adjustments were made for the availability of public utilities and for its superior access.

A final adjustment is made to Sales 1 and 5 for size, as larger parcels sell for lower per acre prices than smaller parcels which are otherwise similar, following economies of scale.

Three of the sales were located in Waterford, along I-95. They were used as few sales of large commercial parcels have occurred in recent months. Taken as a group, the sales bracket the subject in terms of the factors which most influence market value. While none of the sales have water views, several have visibility and access from I-95 or Route 1.

After adjustment for all factors which influence value, the sales indicate a value range of \$79,450 to \$88,214 per acre for the subject. Based on this analysis, it is our opinion that the indicated market value of the 17.40 acre subject property was \$82,000 per acre.

Then:

$$17.40 \text{ acres} \times \$82,000 = \$1,426,800$$

Indicated Value, Rounded:

\$1,425,000

DATA ANALYSIS AND CONCLUSIONS

Analysis	Subject	SALE 1		SALE 2		SALE 3	
	Bridge Road Haddam	1520 & 1536 Boston Post Rd (Rte 1) Westbrook Dattilo Family Holdings, LLC		33 New Haven Road (Route 17) Durham Durham Acquisitions, LLC		201 Waterford Parkway North Waterford Sonalysts, Inc.	
Price/ Sq. Ft of Gross Area		\$1,085,000	\$145,442	\$1,100,000	\$85,271	\$1,800,000	\$130,435
Date of Valuation/Sale	9/28/2011	5/31/2011		2/15/2008		7/31/2008	
Months From Valuation		4		43		38	
Percent/\$ Adjustment		0%	\$0	-17%	(\$14,700)	-15%	(\$19,800)
Financing		Cash		Cash		Cash	
Terms of Sale		Market		Market		Market	
Cash Equivalent Price/SF			\$145,442		\$70,571		\$110,635
Location, Views, Average Daily Traffic Count	Mixed commercial-industrial- tourist-residential area; south side of Route 82, near CT River / River views / Located btwn 9,800 (in 2009) and 11,700 (in 2010)	Mixed use resort commercial & residential area 1.5 miles south of I- 95, 1 mi. to Long Is. Sound / No amenity view / 8,000 to 9,600 in 2010	5%	Rural-suburban area, south end of village; 6 mi. E of I- 91, 12 mi. N of I-95, 7 mi. S of Rte 9 in Middletown / No amenity view / 10,200 in 2010	25%	Shoreline area, north side of I-95 frontage road at edge of retail-industrial area at Exit 81 / No amenity view / 10,200 in 2008 on Cross Road	-15%
Shape, Topography, Wetlands	Irregular shape, mostly level west part separated from level east part by steep slope, wetlands at edge.	"T" shape and level, few wetlands.	-15%	Triangular shape, descending from frontage, open front meadow, mostly wetland soils	0%	Irregular shape with 3 frontages, rolling, 38% wetlands.	5%
Utilities	ET	ETW	-2%	ET	0%	ETWSG	-5%
Zone	Industrial, changes planned	NCD & MDR	0%	FR/C-2	0%	I-C	0%
Frontage	584	490	0%	1,079.70	0%	571	0%
Frontage/Size Ratio	33.54	65.68		83.70		41.38	
Access	Average, busy Route 82 sometimes stopped by swing bridge openings	Average	0%	Average	0%	Good	-5%
Approvals at time of sale	None	None		None		None	
Other	None	Depreciated value of improvements	-23%	None	0%	None	0%
Total Land Area, Acres	17.40	7.46		12.90		13.80	
Net Percent Adjustment			-35%		25%		-20%
Sub-Total			\$93,943		\$88,214		\$88,508
Size Adjustment			-15%		0%		0%
Adjusted Price			\$79,851		\$88,214		\$88,508

DATA ANALYSIS AND CONCLUSIONS

Analysis	Subject	SALE 4		SALE 5	
	Bridge Road Haddam	570 Vauxhall Street Extension Waterford JDP Assoc., LLC (F.W. Webb Co.)		150 Waterford Parkway South Waterford Coca Cola Bottling of Northern NE	
Price/ Sq. Ft of Gross Area		\$2,100,000	\$104,270	\$2,810,000	\$82,989
Date of Valuation/Sale	9/28/2011	7/20/2009		6/22/2010	
Months From Valuation		26		15	
Percent/\$ Adjustment		-10%	(\$10,800)	-6%	(\$5,000)
Financing		Cash		Cash	
Terms of Sale		Market		Market	
Cash Equivalent Price/SF			\$93,470		\$77,989
Location, Views, Average Daily Traffic Count	Mixed commercial-industrial- tourist-residential area; south side of Route 82, near CT River / River views / Located btwn 9,800 (in 2009) and 11,700 (in 2010)	Shoreline area, north side of I-95 at edge of retail- industrial area at Exit 82A off Parkway N / No amenity view / 10,200 on Parkway North & 5,800 on Vauxhall St Ext in 2008	-15%	Shoreline area, south side of I-95 frontage road cul- de-sac at edge of retail- industrial area at Exit 81; little visibility from highway / No amenity view	-5%
Shape, Topography, Wetlands	Irregular shape, mostly level west part separated from level east part by steep slope, wetlands at edge.	Irregular shape with 2 frontages, rolling, 35% wetlands or unusable.	5%	Rectangular shape, sloping down to brook on east edge, wooded, ±10 acres wetlands.	5%
Utilities	ET	ETWS	-5%	ETWSG	-5%
Zone	Industrial, changes planned	C-G	0%	IP-1	5%
Frontage	584	1,025	0%	500	0%
Frontage/Size Ratio	33.54	50.89		14.77	
Access	Average, busy Route 82 sometimes stopped by swing bridge openings	Average	0%	Good	-5%
Approvals at time of sale	None	Taken through approval process by buyer		None, expired subdivision	
Other	None	None	0%	None	0%
Total Land Area, Acres	17.40	20.14		33.86	
Net Percent Adjustment			-15%		-5%
Sub-Total			\$79,450		\$74,089
Size Adjustment			0%		15%
Adjusted Price			\$79,450		\$85,203

DATA ANALYSIS AND CONCLUSIONS

Correlation and Final Value Estimate

Neither the Income Capitalization Approach nor Cost Approach were relevant, and were therefore not developed, as discussed earlier.

The Sales Comparison Approach was developed with average quality data and is entirely relied upon for its indication of market value. This approach best measures the market for undeveloped land. The sales used bracket the subject in terms of those features which most influence market value, and result in a reliable indication of market value.

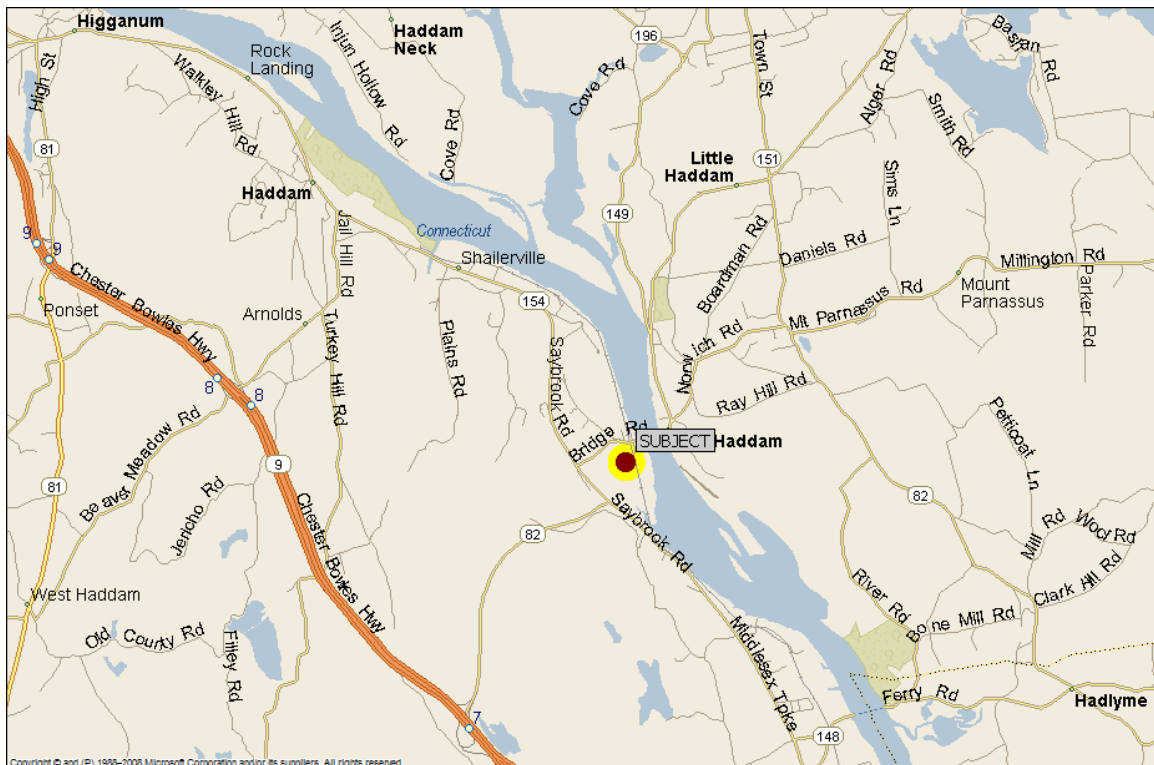
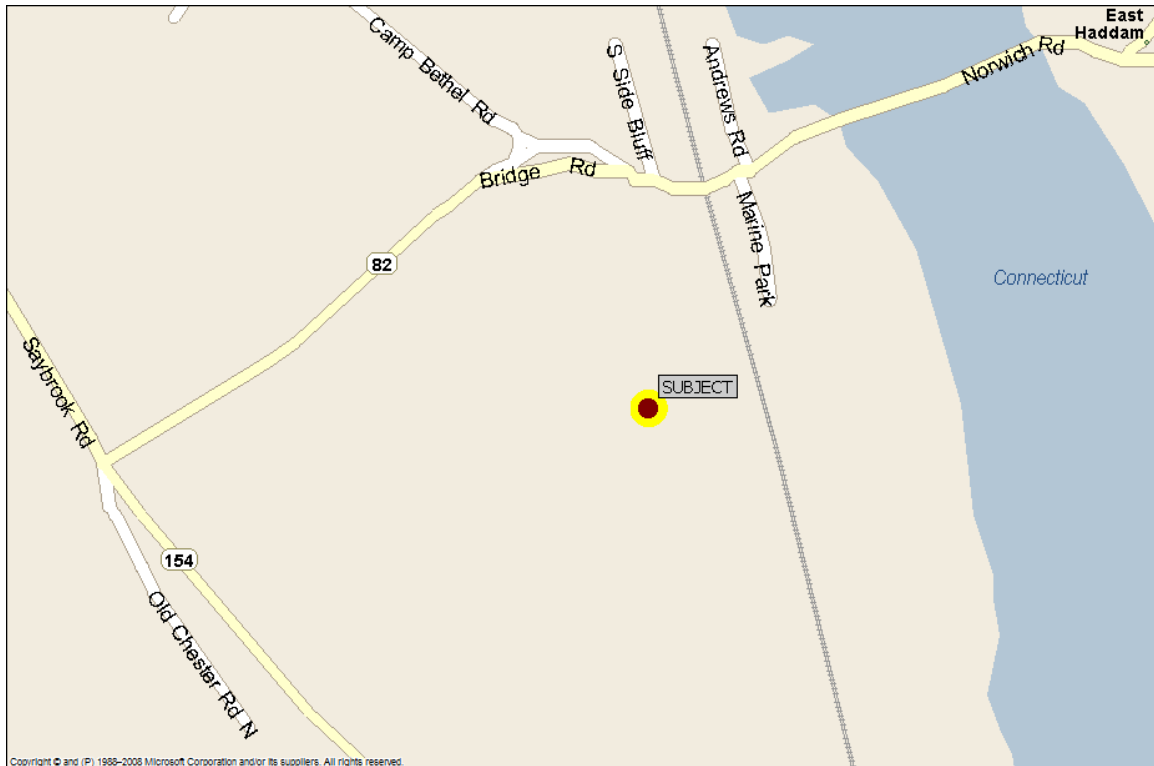
It is our opinion that the as-is market value of the fee simple estate, as of September 28, 2011, was

One Million Four Hundred Twenty-Five Thousand Dollars
\$1,425,000

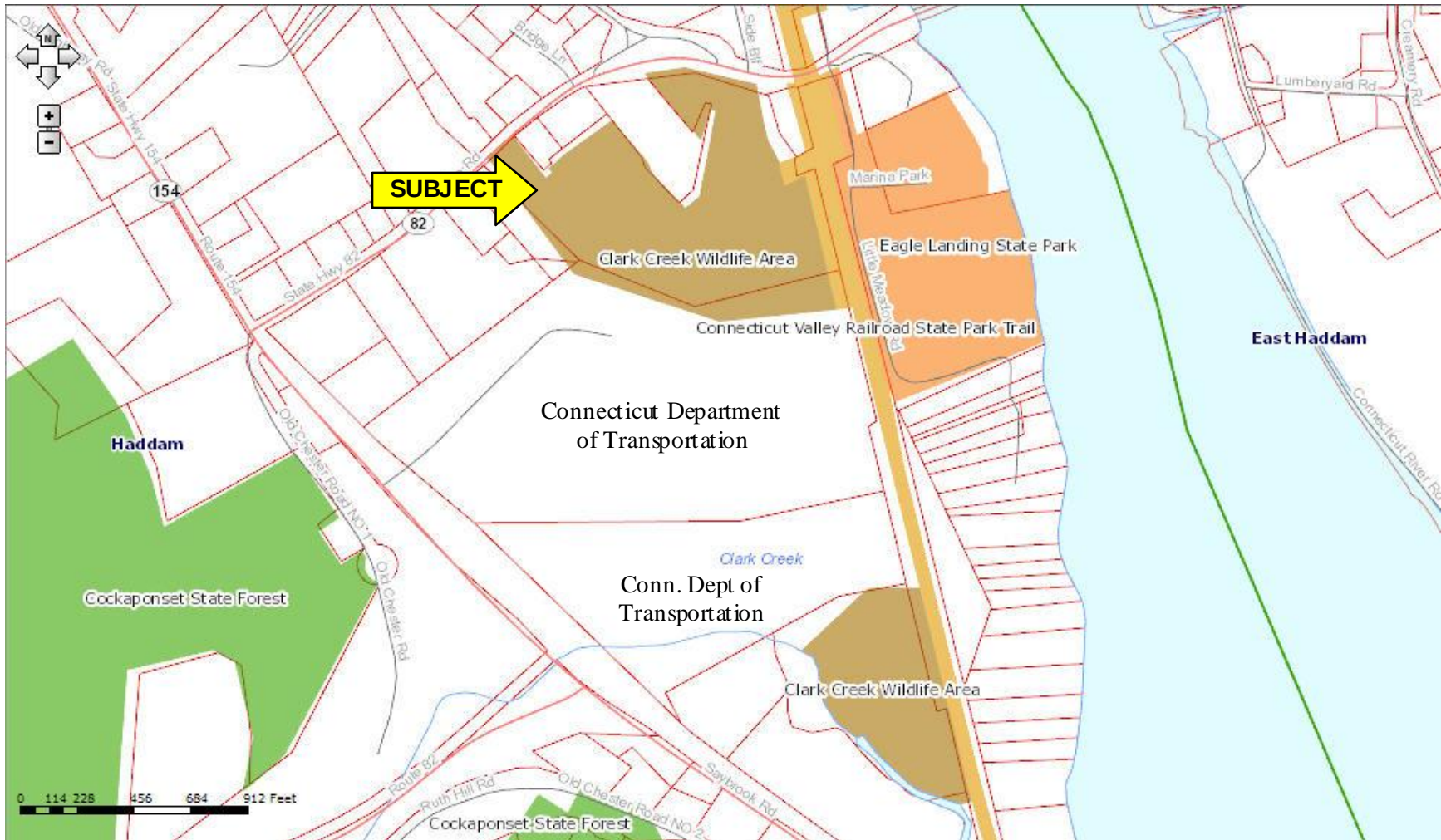
EXHIBITS AND ADDENDA

- **Location Map**
- **Map of Subject and Nearby State Property**
- **Flood Map**
- **Soil Map**
- **Plot Plan**
- **Legal Description**
- **Survey dated February 11, 2003**
- **Qualifications of Appraiser**
- **Engagement Letter**

LOCATION MAP



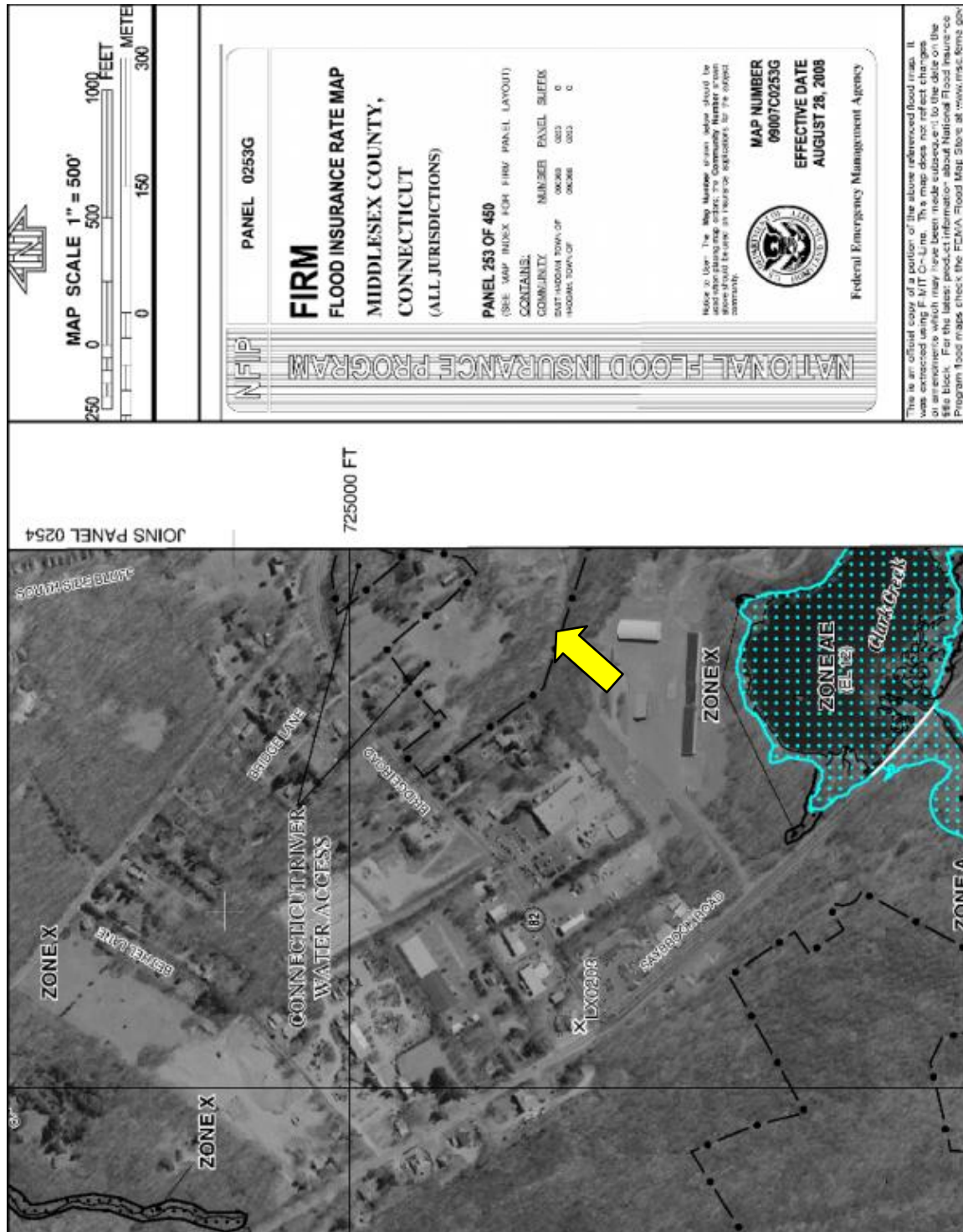
MAP OF SUBJECT AND NEARBY STATE PROPERTY



Source: Connecticut Environmental Conditions Online (<http://ctecoapp1.uconn.edu/advancedviewer/>)

North ↑

FLOOD MAP



The subject property is identified as part of “Connecticut River Water Access” on the maps

SOIL MAP



Map Unit Legend

Map Unit	Map Unit Name	Acres	Percent
37C	Manchester gravelly sandy loam, 3 to 15 percent slopes	5.5	31.4%
37E	Manchester gravelly sandy loam, 15 to 45 percent slopes	3.0	17.0%
103	Rippowam fine sandy loam	1.3	7.5%
305	Udorthents-Pits complex, gravelly	7.8	44.7%
Totals for Area of Interest:		17.4	100.0%

*Boundaries and dimensions are approximate

LEGAL DESCRIPTION

VOL. 263 PAGE 321

SCHEDULE A

A certain piece or parcel of land located on the southerly side of Bridge Road, AKA CT Route 82 in the Town of Haddam, County of Middlesex, and State of Connecticut bounded and described as follows:

Beginning at an steel stake found on the southerly street line of Bridge Road, AKA CT Route 82, being the northeast corner of land N/F of Robert A. & Sharon L. Botelle and the northwest corner of the herein described parcel; thence, N47°58'45"E for a distance of 130.20 feet to an iron pin set at the northwest corner of land N/F of Maria E. and Arthur H. Rochette; thence, S37°50'20"E for a distance of 217.95 feet to an iron pipe found; thence, N50°34'00"E for a distance of 37.17 feet to an iron pin set; thence N37°15'10"W for a distance of 22.87 feet to an iron pipe found; thence N48°13'50"E for a distance of 79.78 feet to an iron pipe set at the southwest corner of land N/F of M.J. Piscopiello and M.A. Humphreys; thence, N54°16'25"E for a distance of 237.30 feet to an iron pipe found on the westerly line of land N/F of John J. Conaroli, Jr.; thence, S40°20'00"E for a distance of 220.34 feet to a stone monument; thence, S21°08'00"E for a distance of 46.50 feet to an iron pin found; thence S43°37'50"E for a distance of 197.35 feet to an iron pin found; thence N50°16'55"E for a distance of 76.61 feet to an iron pin found; thence N11°04'25"E for a distance of 174.93 feet to an iron pin found; thence, N10°09'50"E for a distance of 180.06 feet to an iron pipe; thence N76°13'20"W for a distance of 24.00 feet to an iron pipe; thence S17°30'45"W for a distance of 129.09 feet to an iron pin found; thence, N40°23'00"W for a distance of 287.00 feet to an iron pin found; thence N39°13'00"W for a distance of 58.12 feet to an iron pipe found on the southerly street line of Bridge Road, AKA CT Route 82; thence, N81°52'20"E for a distance of 31.46 feet to a CHD monument; thence, N81°48'05"E for a distance of 127.98 feet to a CHD monument; thence, S77°05'15"E for a distance of 293.98 feet to a CHD monument found at the northwest corner of land N/F of Paul W. Horgan; thence, S11°45'45"E for a distance of 75.08 feet to a CHD monument; thence, S10°16'05"E for a distance of 66.56 feet to a fence post; thence, S12°33'45"E for a distance of 87.04 feet to a fence post; thence, S27°54'25"E for a distance of 110.98 feet to an iron pipe found along other land N/F of the State of Connecticut, being the former N.Y., N.H. & H.R.R. Co. Right of Way; thence, S13°11'11"E for a distance of 83.50 feet to an iron pipe set; thence, N65°07'35"E for a distance of 91.90 feet to an iron pipe set; thence, S13°11'11"E for a distance of 553.89 feet to a point at the northeast corner of other land N/F of the State of Connecticut; thence, S84°05'40"W for a distance of 474.24 feet to an iron pipe set; thence, N71°58'05"W for a distance of 616.79 feet to a steel stake at the southeast corner of said land of Botelle; thence, N36°31'40"W for a distance of 580.31 feet to a steel stake found on the southerly street line of Bridge Road, AKA CT Route 82, said point being the point and place of beginning.

The above described parcel contains 17.40 acres and is more fully shown as "Eagle Land Corp. Area - 17.40 Acres" on a survey map entitled: "SURVEY MAP PREPARED FOR THE DEPARTMENT OF ENVIRONMENTAL PROTECTION STATE OF CONNECTICUT PROPERTY OF NEW ENGLAND MARITIME CORP., STEAMBOAT LAND CO., INC. AND EAGLE LAND CORP. BRIDGE ROAD HADDAM, CONN. 1" = 100' FEB.11, 2003 WILLIAM B. BERGAN LAND SURVEYOR HADDAM, CONN."

RECEIVED FOR RECORD
6-12-03 at 5:12 P.
TOWN CLERK OFFICE
HADDAM, CONN.
Margaret L. Tommasini, P.T.C.
TOWN CLERK

QUALIFICATIONS OF APPRAISER

Benjamin H. Baldwin

Professional License

Connecticut State Certified General Real Estate Appraiser License #RCG.0001186, expires 4/30/2012.

General Education

Vassar College, B.A., 1986 (Geography)

Real Estate and Appraisal Courses

Appraisal I - Introduction to Real Property Appraising, UConn Avery Point, 1999
Real Estate Principles & Practices, Midd-Shore Association of Realtors, 2000
National Uniform Standards of Professional Appraisal Practice, UConn, 2001
Appraisal II - Income Property Appraisal, UConn, 2002
Evaluating Commercial Construction, CT Chapter of the Appraisal Institute, 2004
Current Trends in the Assessment of Real Estate in CT, Chapter of the Appraisal Institute, 2004
Mandatory CT Real Estate Appraisal Law Update, Chapter of the Appraisal Institute, 2004
National Uniform Standards of Professional Appraisal Practice Update Course, UConn, 2004
Basic Income Capitalization, CT Chapter of the Appraisal Institute, 2005
Using Your HP 12C Financial Calculator, Appraisal Institute, 2005
Mandatory CT Real Estate Appraisal Law Update, DARES Institute, 2006
Uniform Standards of Professional Appraisal Practice Update Course, DARES Institute, 2006
General Applications (Course 320), Appraisal Institute, 2006
Commercial Real Estate – Understanding Investment, Professional Valuation & Real Estate School, 2007
An Introduction to Valuing Green Buildings, Appraisal Institute, 2008
Connecticut NRCS Soil Conference, Tolland County Agricultural Center, 2008
Using Spreadsheet Programs in Real Estate Appraisals, Appraisal Institute, 2009
Introduction to Conservation Easement Valuation, Appraisal Institute, 2009
Mandatory CT Real Estate Appraisal Law Update, Chapter of the Appraisal Institute, 2009
Uniform Standards of Professional Appraisal Practice Update Course, A Professional Valuation & Real Estate School, 2010
Problems in Residential Appraising & A Blizzard of Appraisal Regulations, CT Chapter of the Appraisal Institute, 2011

Real Estate and Appraisal Experience

Provisional appraiser since April 2003 and employee of Miner & Silverstein, LLP since August 1998 as GIS technician conducting market studies to evaluate potential client retail locations. Assisting with appraisal research and writing.

Property Types Appraised

Multifamily, office, retail, marina, dockominium, commercial/industrial, restaurant, church and raw land. Assisted with shopping center, waterfront industrial, and hotel/motel appraisals.

QUALIFICATIONS OF APPRAISER

Robert H. Silverstein, MAI, SRA

Professional Memberships and Licenses

Member, Appraisal Institute: MAI and SRA designations
Connecticut General Appraiser Certification No. RCG565, expires 4/30/2012
Rhode Island General Appraiser Certification No. A00396G, expires 1/31/2013
New York General Certification No. 46000013732, expires 3/1/2013
Connecticut Real Estate Broker's License No. 630500, expires 3/31/2012
Realtor Member: Eastern CT Association of Realtors
Revaluation Supervisor, CT Office of Policy & Management, #791, expires 4/30/2016

General Education

MBA and BA, University of Connecticut

Real Estate Experience

Full-time appraiser with Silverstein Agency 1975-1981
Partner, Miner & Silverstein Appraisal Company, 1981

Property Types Appraised

Completed over 3,000 written appraisals throughout Conn., Rhode Island, and Fisher's Island, New York, on most types of residential, commercial, recreation and industrial real estate; plus participated in over 10,000 assignments as supervising or co-appraiser.

Court Experience

Appeared and testified as an expert witness in Superior Court, States of Connecticut and New York, and United States Federal Court.

Teaching Experience

Instructor of Real Estate Appraisal I (Residential Property) and II (Income Property), University of Connecticut, Non-Credit Extension, 1981 to 1991.

Special Assignments

Partial takings; Taking of development rights; Leased fee and leasehold interests; Highest and Best Use analysis; Lease-Purchase analysis; Market value subject to limited marketing time; Investment Analysis; Before tax and after tax analysis; Condominium Conversion Feasibility; Shopping Center Feasibility; Hotel Feasibility; Neighborhood Impact Studies; Valuation of Small Businesses; Valuation of Partial Interests; Valuation of Contaminated Property.

QUALIFICATIONS OF APPRAISER

Real Estate Courses

Real Estate Principles and Practices, Connecticut Association of Realtors.
Real Estate Financing, University of Connecticut Extension
Building Cost Estimating, University of Connecticut Extension
Introduction to Real Property Appraising, Society of Real Estate Appraisers, (101)
Principles of Income Property Appraising, Society of Real Estate Appraisers, (201)
Applied Income Property Valuation, Society of Real Estate Appraisers, (202)
Single Family Appraisal, American Institute of Real Estate Appraisers (AIREA) Course 8
Valuation Analysis and Report Writing, AIREA, Course 2-2
Standards of Professional Practice, AIREA Course 2-3
Litigation Valuation, AIREA, Course 4
Real Estate Finance and Investment, University of Connecticut MBA Program
Introduction to Urban Land Economics, University of Connecticut MBA Program
Special Topics in Real Estate Finance and Investment, U. of Conn MBA Program
Fundamentals of Real Estate Investment and Taxation, Course 101, RNMI
National USPAP Update Course, Appraisal Institute, Course 400
Separating Real and Personal Property from Intangible Business Assets, AI Course 800

Seminars Attended

Appraising Apartments; Appraising Condominiums; Valuations of Leases and Leasehold Interests; Applications of Market Extractions; Narrative Report Writing; Tax Considerations in Real Estate Transactions; Feasibility and Investment Analysis; Marketability and Market Analysis; Marshall Valuation Cost Service; Condominium Development and Conversion; Business Valuation I and II; Appraisal of Nursing Facilities; Hotel/Motel Valuation; Rates, Ratios and Reasonableness; Appraising Troubled Properties; How to Appraise FHA Property; Depreciation Analysis; Attacking and Defending an Appraisal in Litigation; Introduction to ARGUS; Review Appraisal Under USPAP; Valuing Mid-Size and Smaller Businesses; Subdivision Analysis; Standards of Professional Practice, Parts A, B & C; Fair Housing; Regression Analysis- Concepts and Applications; Feasibility Analysis, Market Value and Investment Timing; Supporting Capitalization Rates; Appraising Convenience Stores; Partial Interest Valuation-Undivided; Self Storage Economics and Appraisal; Analyzing Properties in Distressed Real Estate Markets; Introduction to the Appraisal of Green Buildings; Analyzing Properties in Distressed Real Estate Markets.

Community Memberships

Member: Beta Gamma Sigma, National Honorary Business Society
Member: Rotary Club of New London
Board of Directors: United Cerebral Palsy of Eastern Connecticut
Board of Directors: Bacon & Hinkley Home, Inc. (non-profit home for the aged)

ENGAGEMENT LETTER



Connecticut Department of
**ENERGY &
ENVIRONMENTAL
PROTECTION**

September 13, 2011

Robert H. Silverstein, MAI, SRA
Miner & Silverstein
322 Captains Walk
New London, CT 06320

Re: DEP File #: A-10-33 - DEEP Property, Bridge Street, Haddam

Dear Mr. Silverstein:

This agency requires the services of a professional appraiser to prepare an estimate of the market value of the above referenced property for acquisition by the CT Department of Energy and Environmental Protection. We require a Self-Contained Appraisal Report (full narrative), in conformity with the Uniform Standards for Federal Land Acquisitions (Yellow Book) AND the Uniform Standards of Professional Appraisals Practices.

Please provide three original copies of the report and an electronic copy.

The property rights to be appraised are: fee interest in property of State of Connecticut DEEP as described below:

PARCEL

Address: Bridge Street, Haddam
Property Owner: State of Connecticut DEEP
Contact: To inspect the Property, please contact Elizabeth Brothers
Phone: 860-424-3086
Area: 17.40 Acres (Survey Attached)

The fee for this assignment is **\$5,600.00**. The Department of Energy and Environmental Protection will pay the fee upon acceptance of your report. Please submit the appraisal reports to Elizabeth Brothers at the address below by **November 1, 2011**. If, for any reason you feel that you cannot comply with the above date, please notify this Department. A penalty assessment of \$100.00 per day will be retained from final payment for failure to meet the conditions of this contract by the agreed upon due date. If you have any questions, you may contact me directly at 860-424-3086 or via email at elizabeth.brothers@ct.gov.

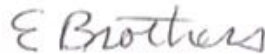
ENGAGEMENT LETTER

In accordance with Section 4a-60 of the Connecticut General Statutes, as amended by Sections 9 and 10 of Public Act 07-142, the undersigned contractor agrees and warrants that in the performance of this contract he will not discriminate or permit discrimination against any person or group of persons on the grounds of race, color, religious creed, age, marital status, national origin, sex, mental retardation or physical disability, including, but not limited to, blindness, unless it is shown by such contractor that such disability prevents performance of the work involved in any manner prohibited by the laws of the United States or of the State of Connecticut. The undersigned contractor has complied with Section 4a-60-3(10) of the Connecticut Contract Compliance Regulations and completed copies of the Contract Compliance Assurance forms are on file with this department.

This contract is subject to the provisions of Executive Order No. 16 of Governor John G. Rowland promulgated August 4, 1999 regarding Violence in the Workplace, and, as such, the contract may be canceled, terminated or suspended by the State for violation of or noncompliance with said Executive Order No. 16. The parties to this contract, as part of the consideration hereof, agree that said Executive Order N. 16 is incorporated herein by reference and made a part hereof and agree that a requirement for compliance with Executive Order No. 16 shall be included in all subcontracts or other agreement that may result from this contract. The parties agree to abide by such Executive Order.

Please sign in the space provided below and return this letter to acknowledge your acceptance of these terms and conditions.

Sincerely,



Elizabeth Brothers
Land Acquisition & Management Division

The above contract to appraise the property of the State of Connecticut DEEP, Bridge Street, Haddam is hereby accepted in its entirety.

ROBERT H. SILVERSTEIN, MAI, SRA
MINER & SILVERSTEIN, LLP

By: 
Robert H. Silverstein

Date: 9/21/11