

MIDLAND APPRAISAL ASSOCIATES, INC.

OWNERSHIP, OCCUPANCY DATA AND SALES HISTORY

According to public records, the subject is owned by Judith Geraci, with a mailing address of 6 Turner Drive, Spencerport, New York 14559. There have been no arms length sales involving the property over the past five years according to public records.

SITE DESCRIPTION

The subject site, outlined in yellow on a tax map shown in the Addenda, is rectangular in shape with 130± ft. of frontage on the north side of Turner Drive and a total land area of 1.48± acres. The site is served by all public utilities, excluding sanitary sewers, and has a topography that slopes gradually downward towards the rear property line. The existing septic system is located to the front (south) of the building improvement. There is one curb cut to the east of the building on Turner Drive, which leads to an asphalt paved parking area for 32± cars. An additional gravel parking/storage area extends from the asphalt paving along the east side and rear of the building. Overall, the subject site is well suited for its current use providing good ingress and egress and sufficient parking.

An instrument survey was not provided to the appraiser by the client or the property owner. This appraisal assumes that there are no adverse easements or encroachments negatively impacting the subject property.

The subject property is situated in Zone "X" according to the Flood Insurance Rate Map for the town of Ogden, Community Panel Nos. 36055C 0159 G and 36055C 0167 G dated August 28, 2008, published by the Federal Emergency Management Agency.

DESCRIPTION OF IMPROVEMENTS

The building improvement is a one and partial two story steel frame and metal panel industrial building originally constructed in 1983, with additions in 1998 and 2005 resulting in a total gross building area of 14,318± sq. ft. Exterior features include a partial brick front veneer, vertical metal siding, a gable style metal deck roof, and sliding windows.

The two story office area comprises 3,818± sq. ft., with 2,000± sq. ft. of first floor area. The first floor layout includes a reception/lobby area, two administrative offices, a two desk office, a private office, an executive office, a conference room, a computer room, a kitchenette, and two restrooms. The remaining office area is second floor space which includes two open office areas, a two desk office, a private office, a conference room, and two restrooms. Interior finishes consist of carpet and tile flooring, drywall walls, and suspended grid and drywall ceilings.

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The original manufacturing area comprising 4,250± sq. ft. was expanded in 1998 with a 2,500± sq. ft. addition and again in 2005 with a 3,750± sq. ft. addition, to total 10,500± sq. ft. The entire manufacturing area is clear span with 16± ft. of overhead clearance in the original section and 22± ft. of overhead clearance in the additions. Finishes within the manufacturing area include 6" concrete flooring, six courses of concrete block with steel framing above, insulated walls and ceilings, metal halide lights, electric drops, and compressed air lines. There are two 14' x 14' drive in overhead doors, one 14' x 14' dock height overhead door with a ramp, and one 8' x 8' dock height overhead door with a leveler. The manufacturing area also includes a small break area and two portable offices.

The building is fully heated and air conditioned and has emergency lighting, but is not sprinklered. Electric power is supplied by a high voltage main service. Overall, the existing building appears in good condition and functional for its current use.

ZONING

The subject is zoned Light Industrial by the town of Ogden with the current use of the property being a legal use.

ASSESSED VALUATION AND TAXES

The subject property has an assessed valuation of \$475,000 with real estate taxes totaling \$18,199.91.

HIGHEST AND BEST USE

Highest and best use may be defined as "That reasonable and probable use that supports the highest present value, as defined, as of the effective date of the appraisal.

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

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

Implied within these definitions is recognition of the contribution of that specific use to community environment or to community development goals in addition to wealth maximization of individual property owners. Also implied is that the

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determination of highest and best use results from the appraiser's judgment and analytical skill, i.e., that the use determined from analysis represents an opinion, not a fact to be found. In appraisal practice, the concept of highest and best use represents the premise upon which value is based. In the context of most probable selling price (market value) another appropriate term to reflect highest and best use would be most probable use. In the context of investment value an alternative term would be most profitable use."³

The subject property consists of 1.48± acres of land, zoned Light Industrial located on the north side of Turner Drive in the town of Ogden. The site is improved with a one story manufacturing facility with a two story office area constructed in 1983, 1998, and 2005 totaling 14,318± sq. ft. The structure appears in good condition and functionally adequate for continued manufacturing use with supporting offices. This use is a legal use and compatible with surrounding properties.

Based on the preceding summary analysis, the highest and best use of the subject property "as improved" is for continued manufacturing purposes with supporting office area.

Based on the factors previously recited, the zoning in effect and surrounding land uses, the highest and best use of the subject site "as if vacant" is for industrial development in the appraiser's opinion.

³Byrl N. Boyce, ed. and comp., Real Estate Appraisal Terminology, rev. ed. (Cambridge, MA: Ballinger Publishing Co., 1984), 126-127.