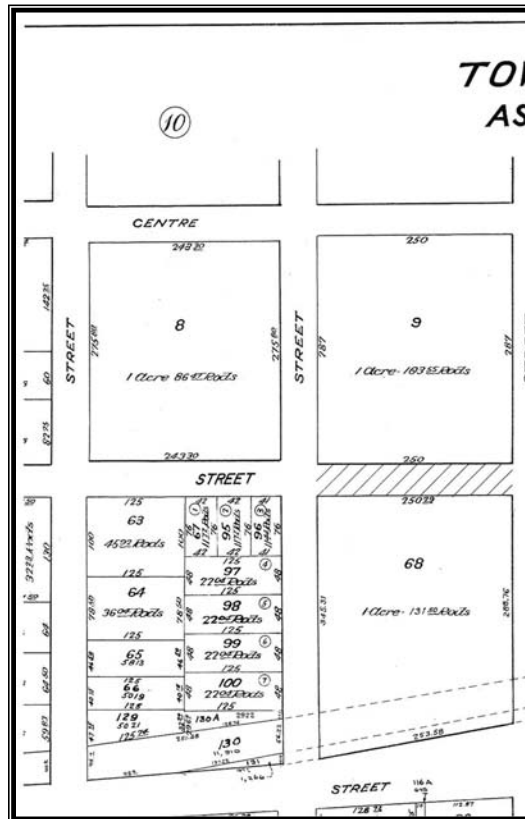


**Residentially undevelopable land value
Fairhaven, Massachusetts 02719**



Date of Valuation

October 15, 2014

Appraisal Prepared for

**Town of Fairhaven
Board of Selectmen
40 Central Street**

Fairhaven, Massachusetts 02719

by

**Dwyer Appraisal Services, Inc.
POBox 70855
North Dartmouth, Massachusetts 02747**

LIMITED APPRAISAL IN A RESTRICTED REPORT FORMAT

To: Town of Fairhaven

From: Paul Falconer

Date: October 15, 2014

Re: Vacant land analysis
Residentially undevelopable land value
Fairhaven, Massachusetts 02719

This report is not intended to be a full narrative appraisal. It is a limited appraisal in a restricted report format, which is intended to comply with the FDIC Final Rules Amended June 1994.

This limited appraisal in a restricted report format has been requested because Town of Fairhaven (the client), regarding the vacant land analysis has determined that a complete summary appraisal is not required under FIRREA.

This is considered to be a limited appraisal assignment, restricted report format and may call for something less than, or different from, the work required by the specific guidelines of the Uniform Standards of Professional Appraisal Practice (USPAP) as they relate to the self contained appraisal assignment to be performed is not so limited in scope that the resulting report would tend to mislead or confuse the client.

Based on my findings, it is my opinion that the estimate of value for the subject property as of October 15, 2014 is:

INDICATED VALUES BY THE MARKET DATA APPROACH

**FOUR DOLLARS AND TWENTY FIVE CENTS PER SQUARE FOOT OF RESIDENTAL
UNDEVELOPABLE LAND**

(\$4.25 per square foot)

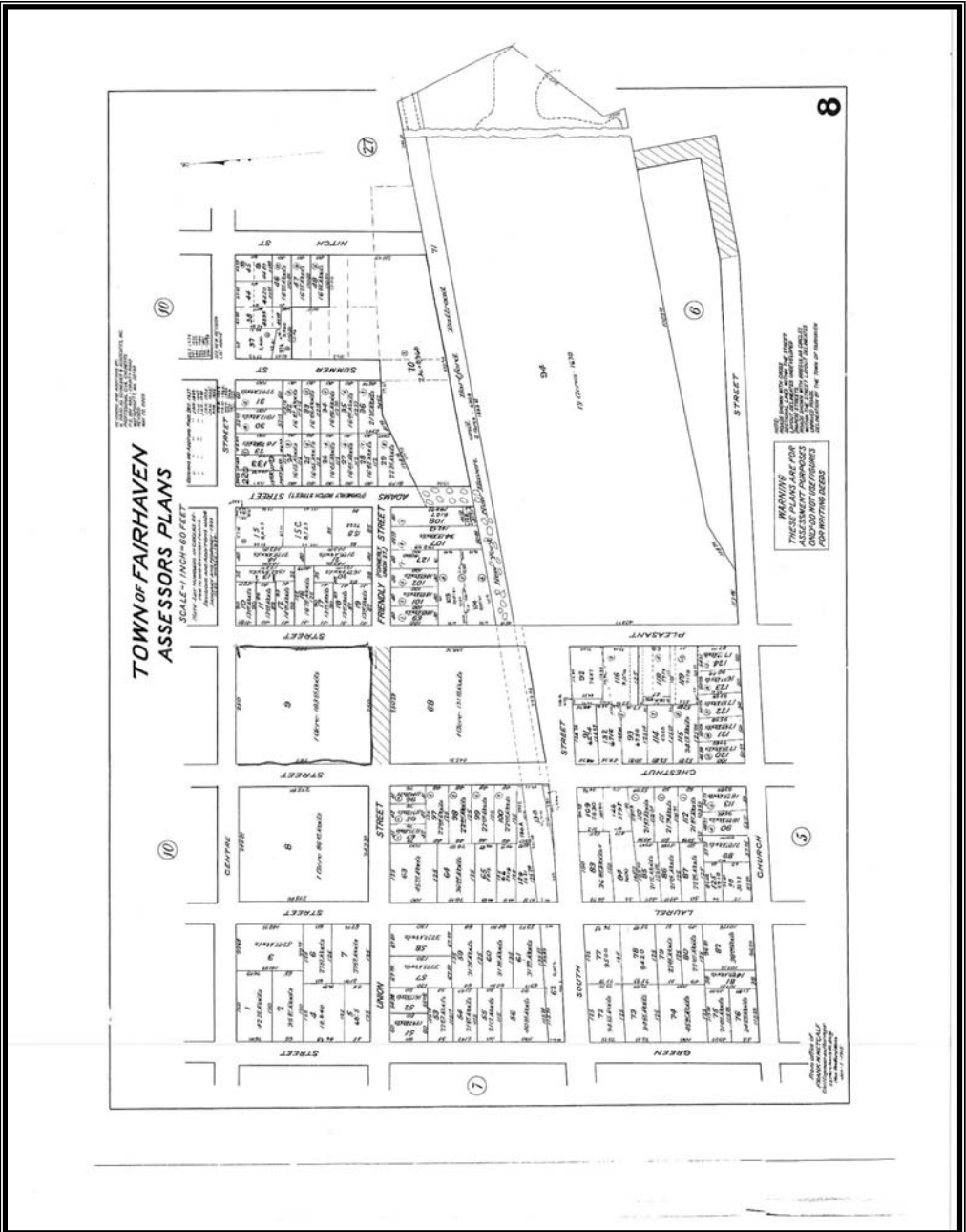
Vacant land analysis on a per square foot basis

Example of EXISTING SITE PLAN

(Residentially undevelopable land value)



* THIS REPORT INTENDED FOR USE BY THE STATED CLIENT FOR THE STATED PURPOSE ONLY



Subject assessor map detail

IDENTIFICATION

Property Address: Parcel residentially zoned undevelopable, Fairhaven, Massachusetts 02719

Town of Fairhaven: Assessors Records; Hypothetical parcel within the town limits of Fairhaven, Massachusetts.

I have considered the location and criteria this property for this appraisal report.

RIGHTS ASSUMED

The real property interest, which is assumed in this appraisal, is the fee simple interest.

PURPOSE

The purpose of this appraisal is to estimate the current market value of the land.

DATE OF VALUE

The effective date of this appraisal is October 15, 2014. The date of the report is October 15, 2014.

INTENDED USE AND USER

The report is intended only for the use in vacant land analysis. The report is not intended for any other use.

The report is intended for the use by the client. The appraiser does not intend the use of the report by others. Client is identified in the transmittal section of the report.

SCOPE OF APPRAISAL REPORT

All assumptions and limiting conditions that affect the analysis, opinions, and conclusions can be found in the addenda of this appraisal report.

The scope of the assignment in this limited report in a restricted format is predicated on the assumption that the highest and best use is the current or similar use. Only the market approach will be used.

HIGHEST AND BEST USE

The Highest and Best Use of the real estate is considered to be as vacant residential land. The appraisal assumes a continued use and no change in zoning. The subject is considered at the time of transfer by the assessor's office to be residential undevelopable land. Public record indicates the use is the identified use.

NEIGHBORHOOD DATA

The subject is located in Fairhaven. The subject is considered either a single lot or a combination of lots. The State of Massachusetts tax classification codes used in the data search is 131, 132 in Fairhaven. Classification was determined by the Town Hall. The hypothetical Lot is located in a Residential Zoning District. There are no Improvements on the site. The majority of properties of the surrounding area are zoned residential and vacant is the current state.

SITE DATA

Lot Size: Under 15,000 square feet.
Topography: Level.
Utilities: Typical ie Electric at street
Drainage: Adequate.
Functional Adequacy: Average.
Easements: None noted.
Hazardous waste problems: None Noted.

Comments: The site is typically a rectangular shaped parcel.

ZONING DATA

Subject is in a residential zone. The parcel will be non -conforming due to lot size. This may constitute a legal non conforming use

VALUATION INFORMATION

The client's instructions were to prepare an appraisal using a restricted report format, using the market approach only. The client has requested the appraiser establish market value for the vacant land surrounding an identified the subject property.

THE MARKET APPROACH

The following Sales Comparison Approach to Value is completed subject to a USPAP Restricted Use Appraisal Report Option considering the previous scope and intended use of the appraisal with restrictions in content, report presentation and format concluding with an indication of the subject value that may not be understood properly without additional information retained in the appraiser's work file.

The following is a summary of important procedures used in applying the Sales Comparison Approach to Value:

1. Market data information must be obtained for similar type and subtype of improvements for which sale price, option price, listing price, offer to purchase or construction cost information is available for comparison to the subject property.
2. The market data information must be reviewed to determine the terms of sale, motivating factors, interest and property rights conveyed, and whether or not it is an arms length transaction in order to determine the cash equivalent effective price level to be considered in the subsequent valuation analysis.
3. A comparison of the comparable building sale or other related market data information important property characteristics in relation to the corresponding characteristics of the subject property is accomplished considering relevant issues including the time difference between date of sale and effective date of value, location, land contribution to overall value, basic differences in improvements, occupancy conditions, age and condition, building size, attached fixtures, personal property, and any "blue-sky" business or other intangible value assets that may have been included in the sale price.

4. An adjustment analysis in a grid type format is completed considering material differences in the property characteristics identified in above procedures #2 and #3 comparing the market data information to the subject property focusing on probable affect on the value.
5. This valuation analysis concludes with an indication of the value of the subject property as of a specified effective date of value, which may be a past or retrospective date, a current date or prospective date in the future.

The comparables of residential vacant land transactions and are summarized and located on assessors maps, but they show no relation to a subject property. Copy of maps is on the page before the adjustment grid. Similar real estate either vacant commercial or other related market data are adjusted in detail to the subject property in a grid format in the following valuation analysis using a \$ per square foot (PSF) of land area unit of comparison. A subsequent explanation for adjustments applied in the adjustment grid is presented following the valuation analysis. The comparable market data has been adjusted resulting in cash equivalent effective price levels considering: (1) Added costs to a buyer for unpaid or pending special assessments not paid by the seller; (2) Added costs to a buyer for identified significant items of deferred maintenance costs, atypical environmental correction costs or atypical code compliance costs; (3) Exclusion of any non-real estate assets included in the sale price or other related assets such as movable equipment, items of personal property value consideration and (4) Conditions of sale or financing atypical of the prevailing real estate market. In general, the following property characteristics have been considered in the selection of the comparable market data used in this Sales Comparison Approach to Value:

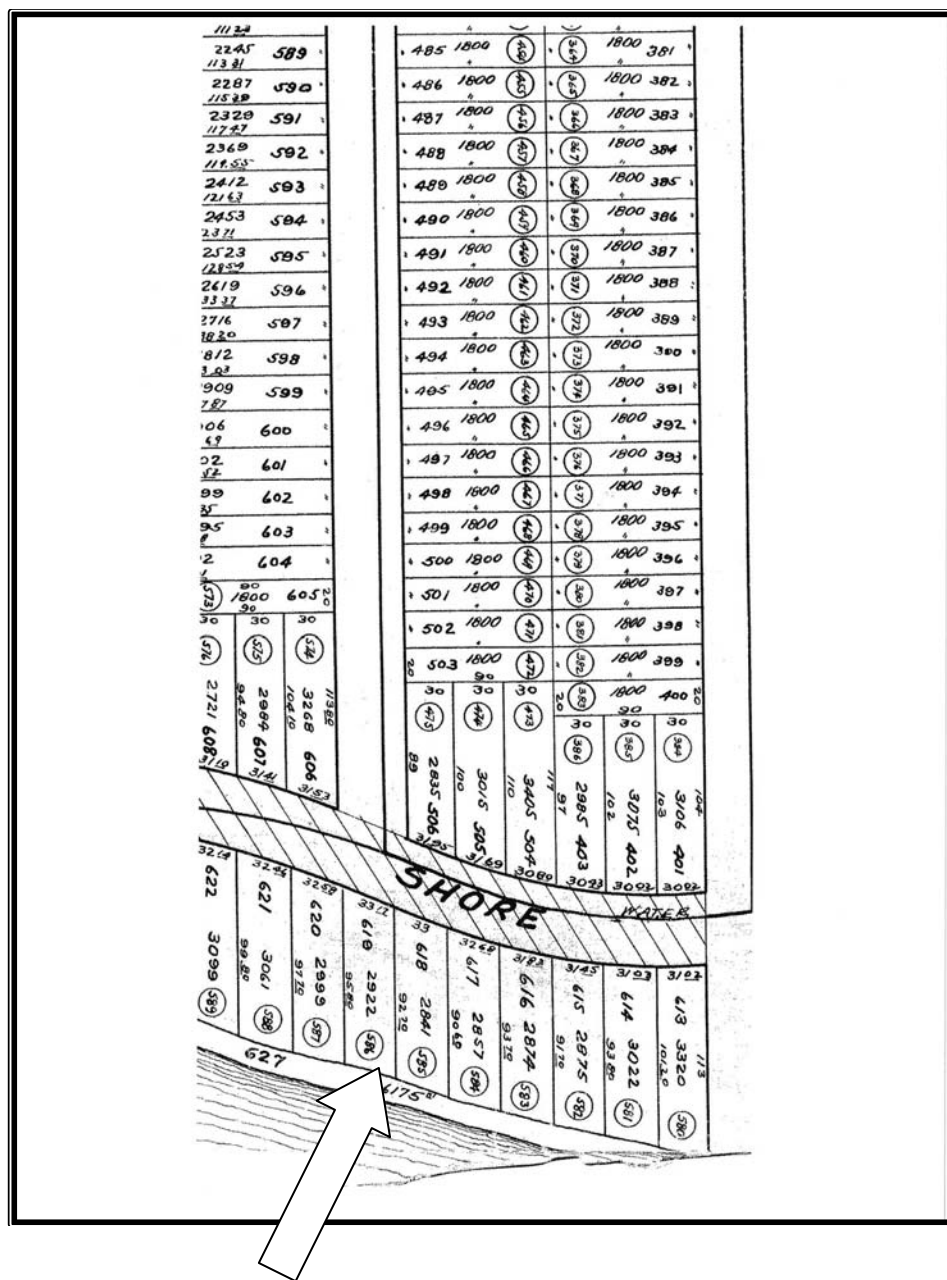
Market research for comparable sales encompassed sales within Massachusetts and in particular the Town of Fairhaven where typical purchasers would look for properties similar to the subject. The market approach was developed using, vacant undevelopable residential land, potentially developable residential land , undevelopable residential land and vacant land use (i.e.: open vacant series) sales. Valuation was based on the value indicator of acquisition per square foot of land area for the identified use properties. Profiles of the sales and the adjustment are displayed on summary grids in the report. Support data is maintained in the appraiser's work file.

Residential undevelopable land sales

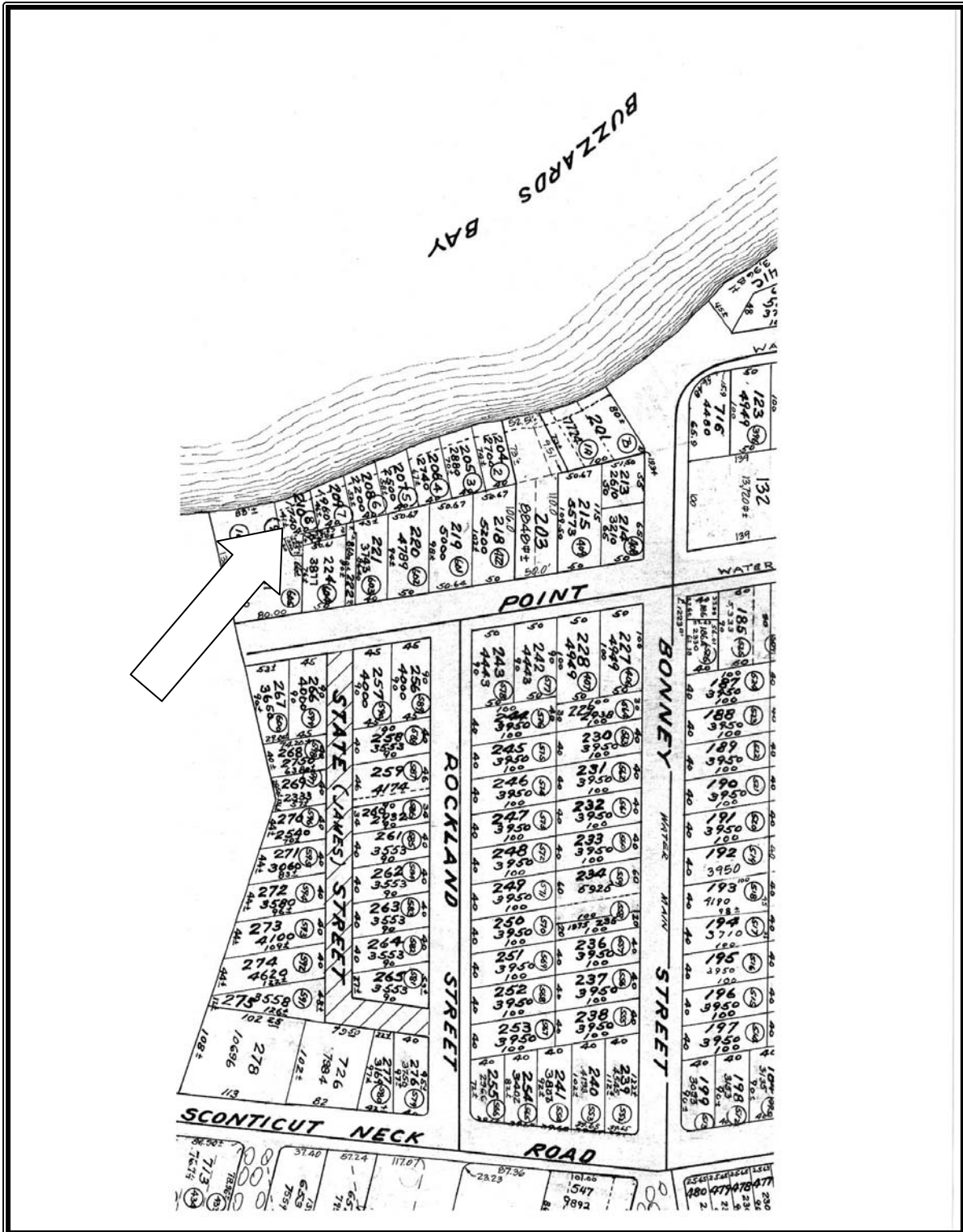
COMPARABLE SALES

	Subject	Comparable Sale 1	Comparable Sale 2	Comparable Sale 3
Address	Residentially undevelopable land value	M29Clot619 17 shore Drive	M28Blot 210 Point Road	M16L059 Morningside Avenue
City/Town ,State	Fairhaven, MA	Fairhaven, MA	Fairhaven, MA	Acushnet, MA
Grantor		EM&CM Family Trust	Legacy Family Trust	Richard R. Baptiste
Grantee		Morris D. Goldstien	Kathleen C. Smith	Woodland Trial Dev LLC
Date of Sale	Report - 10/15/2014	08/15/2013	07/22/2013	07/02/2014
Selling Price	Asset valuation	\$50,000	\$50,000	\$110,000
Property Type	Vacant residential Land	Residential undevelopable land	Residential undevelopable land	Residential undevelopable land
Reference		Book 10869 page 162	Book 10842 page 152	Book 11111 page 339
Gross Lot Area	Gross Lot Area under 15000 square feet	Gross Lot Area 5,921 square feet	Gross Lot Area 5,917 square feet	Gross Lot Area 22,398 square feet
Price per square foot		\$8.44	\$8.45	\$4.91
Adjusted Price square foot		\$4.22	\$4.22	\$4.91
History	No arms length transfer in previous 36 months see History.	No arms length transfer in previous 36 months except this one.	No arms length transfer in previous 36 months except this one.	No arms length transfer in previous 36 months except this one.

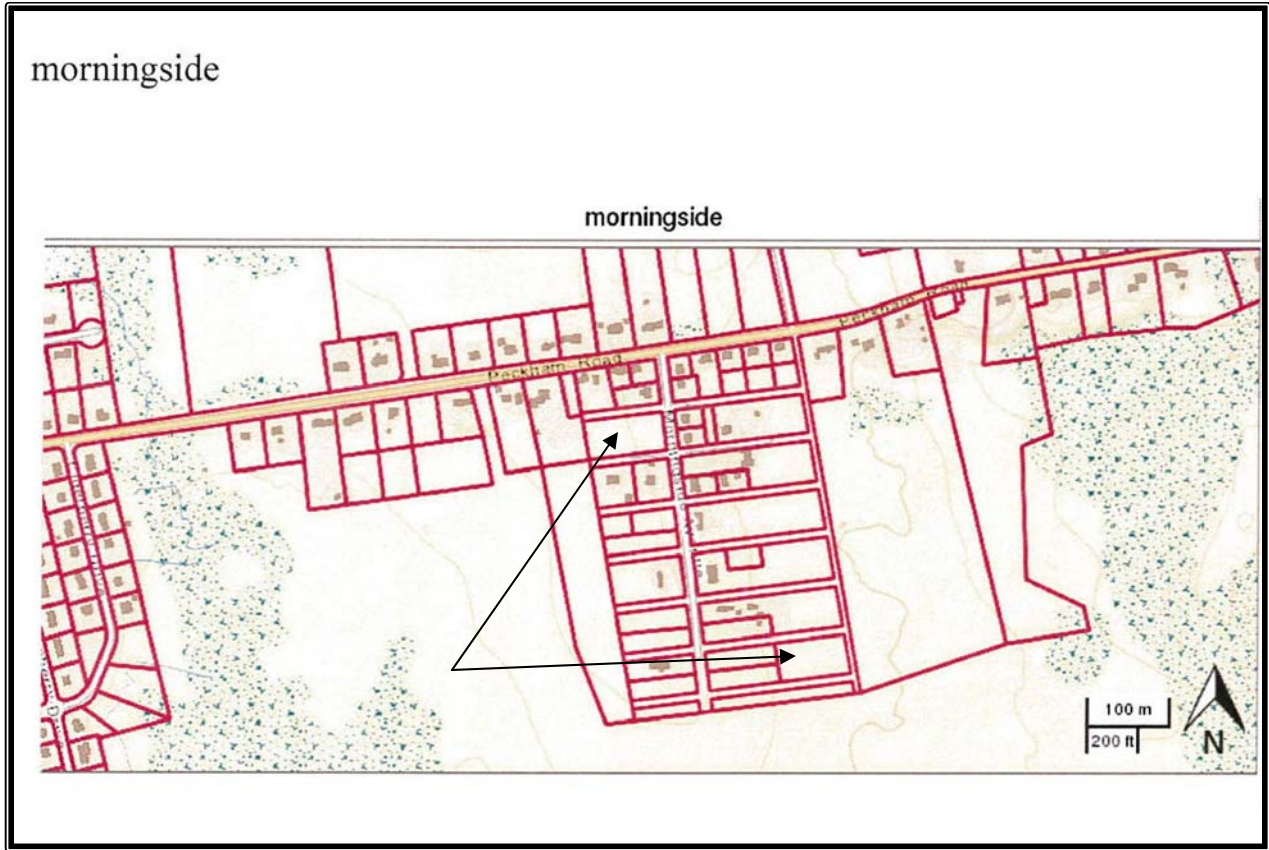
Sale 1



Sale 2



Sale 3



	Subject	Comparable Sale 1	Comparable Sale 2	Comparable Sale 3
Address	Residentially undevelopable land value	M29Clot619 17 shore Drive	M28Blot 210 Point Road	M16L059 Morningside Avenue
City/Town,State	Fairhaven, MA	Fairhaven, MA	Fairhaven, MA	Acushnet, MA
Ownership	Fee Simple	Fee Simple 0	Fee Simple 0	Fee Simple 0
Financing	Conventional	Conventional 0	Conventional 0	Conventional 0
Transaction	Arms Length	Arms Length 0	Arms Length 0	Arms Length 0
Adjusted Sales Price		\$50,000	\$50,000	\$110,000
Date of Sale	Report - 10/15/2014	08/15/2013 -\$0	07/22/2013 -\$0	07/02/2014 0
Location	Average	Average \$0	Average \$0	Average \$0
Condition	Average	Average -\$0.00	Average 0	Average -00
Restrictions	None noted	None noted 0	None noted 0	None Noted 0
Site	Gross Lot Area under 15000 square feet	Gross Lot Area 5,921 square feet \$00	Gross Lot Area 5,917 square feet \$00	Gross Lot Area 22398 square feet \$00
Function	Average	Average 0	Average 0	Average 0
Other	None	Water influence -\$25,000	Water influence -\$25,000	None 0
Net Adjustment		-\$25000	-\$25000	\$0
Percent Adjustment		50%	50%	0%
Total Adjusted Sales Price		\$25,000	\$25,000	\$110,000
Total Adjusted \$ per square foot		\$4.22	\$4.22	\$4.91

ADJUSTMENTS AND RECONCILIATION

Land Sale Analysis:

The summary of these comparable sales is provided in the following pages showing adjustments made to derive a value for the improvements on the subject property. The factors considered for adjustment were Ownership, Financing, Transaction Type, Date of Sale, Location of the Property, improvements, Site Size, Function and Physical Characteristics (other).

No adjustments to value were made on all comparable sales for **market conditions** due to a stable value of real estate sample over the period of the study. The adjustment used was derived from trending sources of median sales prices on property in the quarry marketplace. The adjusted per square foot range of value has been stable over the two years of the study period.

An adjustment would be made for **restrictions** based on municipal, state or federal impose use restrictions in the form of either accessibility or reuse restrictions. Sale 1 was within a conservation overlay district in Fairhaven. The recorded plan indicated the conservation restriction. All sales are in a similar residential location and is an allowed use due to zoning.

The **Function** adjustment is based on ability of the structure to function as vacant land and was identified by the local taxation entity as a combination of vacant residential land. Comparable sales were selected based on a compatible potential functionality with the subject.

The final adjustment considered was other **physical characteristics**. All sales had land characteristics similar to the subject.

All sales were considered, as they demonstrate similar usage, zoning and presence. The relationship of size to value per square foot of land area in the market is demonstrated above, graphically. The adjusted values per square acre for the property known as residentially undevelopable land value derived in this analysis ranged from \$4.22 to \$4.91 a square foot. Based on the graphic representation of vacant land sales shown above, we will use the mean of the adjusted price per square foot of the comparable sales to derive the value for our subject. The demonstration provides an indicated a mean value of \$4.45 per square foot, and a median value of \$4.22 for the subject. The rounded value is \$4.220. All comparable sales are vacant residential undevelopable land space used as residential use sales and have similar potential for use. The value of the subject is based on these sales and the supporting data. Therefore the calculation for the subject property as improved is as follows:

\$4.22 per square foot of gross land area space X the projected 1 square foot of gross land area = \$4.22 or \$4.25 (rounded).

Based on the derived indicator, the value of the property, as a projected buffer zone, by the Market Data Approach is: \$4.22 per square foot

Rounded ----- \$4.25 per square foot

INDICATED VALUES BY THE MARKET DATA APPROACH

Vacant land analysis -\$4.25 per square foot

FINAL RECONCILIATION

Due to the circumstances, the client requested an appraisal in a restricted report format. In preparing this appraisal in a restricted report format, all approaches were considered, and the market approach was executed. The income and cost approaches have been excluded. The cost approach was not developed due to the appropriateness of the approach due the lack of improvements. The income approach was not developed due to the lack of rental history of the vacant undevelopable land data. The appraiser has weighted the market approach, therefore the final value estimate is:

**FOUR DOLLARS AND TWENTY FIVE CENTS PER SQUARE FOOT OF RESIDENTAL
UNDEVELOPABLE LAND**

(\$4.25 per square foot)

Date: October 15, 2014

Preparer Name:



Paul Falconer
MCGREA #530



JAY DWYER
APPRAISER LICENSE TYPE: MASSACHUSETTS CERTIFIED GENERAL REAL ESTATE
APPRAISER
APPRAISER LICENSE #: 70643

DEFINITION OF MARKET VALUE

The most probable price which a property should bring in a competitive and open marketplace under conditions requisite to a fair sale, the buyer and seller each acting prudently, knowledgeably and assuming the sale is not affected by any undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from the seller to the buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what they consider their own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment for consideration is in terms of cash in U.S. Dollars or in terms of financial arrangements comparable thereto and (5) the price represents the nominal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

PREPARER CERTIFICATION

The preparer certifies and agrees that:

- 1) This report was prepared according to the standards established by the client. Unless otherwise indicated, it does not conform to the Uniform Standards of Professional Appraisal Practices of the Appraisal Foundation.
- 2) I have taken into consideration the factors that have an impact on value in the development of the estimate in this restricted report. I have not knowingly withheld any significant information from the report, and I believe to the best of my knowledge that all statements and information in the report are true and correct.
- 3) I have stated in the report only my personal, unbiased, and professional analysis, opinion and conclusions, which are subject only to the contingent and limiting conditions specified in the report.
- 4) I have no present or prospective interest in the property that is the subject of this report, and I have no present or prospective personal interest or bias with respect to the participants in the sale or loan. I did not base, either partially or completely, the analysis or the estimate of market value in the report on the race, color, or national origin of the prospective Administrator, occupants or mortgagee of the subject property or the present Administrator or occupants of the properties in the vicinity of the subject property.
- 5) I have no present or contemplated future interest in the subject property, and neither my current nor future employment nor my compensation for performing this limited appraisal in a restricted report format is contingent on the estimated value of the property.
- 6) I was not required to report a predetermined value or direction in the value that favors the cause of the client or any related party, the amount of the value estimate, attainment of a specific result, or the occurrence of a subsequent event in order to receive my compensation and/or employment for performing the limited appraisal in a restricted report format. I did not base the report on a requested minimum valuation, a specific valuation, or the need to approve a specific mortgage loan.
- 7) I have personally inspected the exterior areas of the subject property (and its interior if so indicated in the report). I further certify that I have noted any apparent or known adverse conditions in the subject improvements, on the subject site, or on any site within the immediate vicinity of the subject property of which I am aware, and have made adjustments for these adverse conditions in the analysis of the property value to the extent that I have market evidence to support them. I have also commented about the effect of the adverse conditions on the marketability of the subject property.
- 8) I personally prepared all conclusions and opinions about the real estate that were set forth in the report. I have not authorized anyone to make a change to any item in the report; therefore if an unauthorized change is made to the report, I will take no responsibility for it.

CONTINGENT & LIMITING CONDITIONS

The certification above and the report are subject to the following conditions:

- 1) The preparer will not be responsible for matters of a legal nature that affect the property being evaluated or the title to it. The evaluator assumes that the title is good and marketable and therefore, will not render any opinion about the title. The property is evaluated on the basis of its being under responsible ownership.
- 2) If the preparer has provided a sketch in the report, it is to show approximate dimensions of the improvements and the sketch is included only to assist the reader of the report in visualizing the property.
- 3) The preparer will not give testimony or appear in court because he made a limited appraisal in a restricted report format of the property in question, unless required to do so by a court of law.
- 4) The preparer has noted any adverse condition in the report. Unless otherwise stated in the report, the preparer has no knowledge of any hidden or unapparent conditions of the property or adverse environmental conditions that would make the property more or less valuable, and have assumed that there are no such conditions and make no warranties, expressed or implied, regarding the condition of the property. The preparer will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the preparer is not an expert in the field of environmental hazards, the report must not be considered an environmental assessment of the property.
- 5) The information, estimates and opinions that were expressed in the report are from sources that are considered reliable. No responsibility is assumed for the accuracy of such items that were furnished by other parties. Source materials are in the appraisal work files.
- 6) The preparer will not disclose the contents of the report, without permission of the client, except as required by law.
- 7) If the preparer has made the valuation subject to satisfactory completion of repairs or alterations, it is assumed the completion of the improvement will be performed in a workmanlike manner.
- 8) Written prior approval must be obtained before the report (or any part of it) can be conveyed by anyone or its use in advertising, public relations, news, sales, or other media unless required by law.

Preparer:



Paul Falconer

Date: October 15, 2014



JAY DWYER
APPRAISER LICENSE TYPE: MASSACHUSETTS CERTIFIED GENERAL REAL ESTATE
APPRAISER
APPRAISER LICENSE #: 70643

INVOICE

Town of Fairhaven
40 Central Street
Fairhaven, Massachusetts 02719

For appraisal services rendered:

Client: Town of Fairhaven

Property: Residentially undevelopable land value
Fairhaven, Massachusetts 02719

Appraiser: Paul Falconer

Invoice Date: October 15, 2014

Terms: Due upon receipt.

Fee:	500.00
Prepayment:	<u>000.00</u>
Payment Due: \$	500.00

Please remit payment to:

Dwyer Appraisal Services, Inc.
POBox 70855
North Dartmouth, Massachusetts 02747

File – Vacantland Fairhaven-undevelopable

Federal ID# 04-3223705