

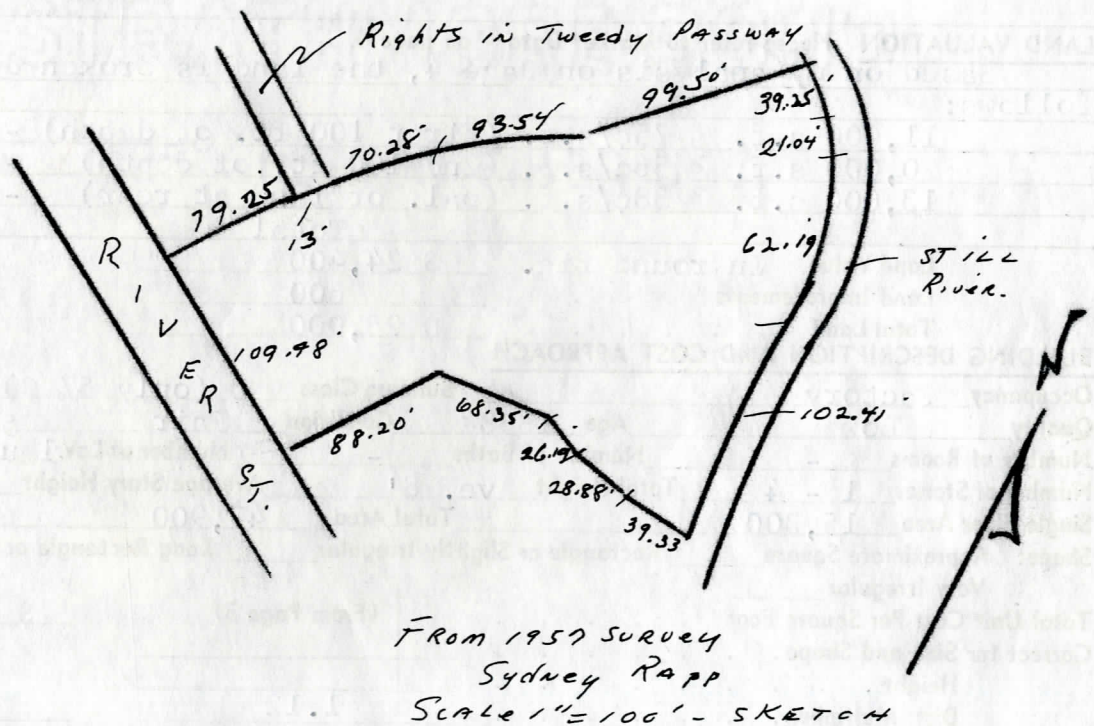
APPRAISAL REPORT

Owner Bernard and Theresa Castro, Trustees
 Owners' Address c/o Paul Barabas, Rowan and Balmforth, Danbury, Conn.
 Property Appraised Known as #27-31 River Street, Danbury, Conn. being
Redevelopment Parcel 11 Block 4 (or Tax Parcel #3 NE side of
River Street) together with the factory building thereon.

Recording Information Vol. 329 Page 207 Bernard Castro to Bernard and
 Theresa Castro, Trustees, Castro Convertible Employee's Retirement
 Fund 3/1/58 R. S. \$88.00

Assessment: Land	\$ 9,550	Tax Rate	45
Building Improvements	38,870	Taxes	\$2,178.90
Total Assessment	\$48,420		

Photographs and/or Sketch



Market Value (Appraisers Final Valuation)

Land	\$ 25,000
Land Improvements	incl.
Building Improvements	110,000
Total	\$ 135,000

Certification: I certify that I inspected the property on February 24, 1960 and that this appraisal has been made in accordance with standards of ethics and practice of The American Institute of Real Estate Appraisers.

Date of Appraisal March 23, 1960
 Revised September 19, 1962

Paul G. Hoffmeyer
 Appraisers Signature

NEIGHBORHOOD DESCRIPTIONZoning IndustrialBoundaries Neighborhood boundaries coincide with the Redevelopment area which lies westerly of Main Street.Character and Trend Neighborhood is a combination of old factories, warehouses, stores, and tenements and a few dilapidated dwellings.

Residential occupancy is non-white. Trend is downward.

LAND DESCRIPTIONSize 109.58' x irregular per sketch Frontage 109.58' Area My est. per survey Per map 39,800 s.f.Description Land falls off immediately from River Street to a point about 8' below River Street and continues at the lower level back to the brook, putting what might be considered the basement level above ground.Utilities Sewer, water, gas, electricity, curbs, gutters and sidewalks.Land Improvements All drives surfaced areas, steps, walks and retaining walls are included in land value. Gates, etc. are in at \$600.Highest and Best Use of Property As factory as presently used.**LAND VALUATION** Please refer to Market Data - on page 4.

Based on my analysis on Page 4, the land is broken down as follows:

11,000 s.f. @ 75¢/s.f. (first 100 ft. of depth)	-	\$ 8,250
20,000 s.f. @ 56¢/s.f. (2nd 100 ft. of depth)	-	11,200
13,000 s.f. @ 38¢/s.f. (bal. of land at rear)	-	4,940
Total		\$24,390

Land Value In round fig. \$ 24,400

Land Improvements 600

Total Land \$ 25,000

BUILDING DESCRIPTION AND COST APPROACHOccupancy FactoryBuilding Class D (only 5% C)Quality LowAge 1858*Condition Fair5 toiletsNumber of Rooms -Number of Baths -Number of Lav. 1 urinal, 4 sinksNumber of Stories 1 - 4Total Height Ave. 8'Average Story Height 8'Single Floor Area 15,300Total Area 47,900Shape: Approximate SquareRectangle or Slightly IrregularLong Rectangle or Irregular XVery Irregular

Total Unit Cost Per Square Foot (From Page 3) \$ 5.35

Correct for Size and Shape

Height

Dist. Multiplier

1.121.12

Total Adjusted Cost Per Square Foot \$ 5.99 say \$6.00

Total Area 41,644 X \$6.00 Per Square Foot

Replacement Cost \$249,864

Less Depreciation 137,425

(55%)Physical 45% Functional 10% Economic

Building Value By Cost Approach 112,439

Value of other Building Improvements

Add Land Value (include land improvements) 25,000

TOTAL VALUE BY COST APPROACH \$ 137,439

In Round Figures \$ 137,500

Comments: All areas are considered usable areas and not basement areas.

*Except 5000 s.f. at rear which was built in 1958. Attic floor is not sprinklered. Has only 7' beam height.

BUILDING DESCRIPTION — Component Part Check List

1. FOUNDATION:				Unit Cost
Concrete	Conc. Post	Masonry <u>X</u>	Wood Blocking	
Other <u>Some piers and some concrete</u>				<u>.30</u>
<hr/>				
2. EXTERIOR WALL:		Conc. Block	Stone	
Asbestos Siding	Masonry & Steel Sash	Stucco		
Brick Common <u>5%</u>	Masonry Veneer	Tile, Clay		
Brick Face	Metal Clad	Tilt-up Conc.		
Conc.	Metal Panel	Wood <u>95%</u>		
Other <u>.12 plus 1.01</u>				<u>1.13</u>
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3. ROOF STRUCTURE:				
Conc.	Conc. & Tile	Wood Frame with Wood Sheathing <u>X</u>		
Other				
(Divide Cost by Number of Stories) (<u>3</u> Average) <u>.6/3</u>				<u>.30</u>
<hr/>				
4. ROOF COVER:				
Asbestos Shingle	Galv. Iron	Shakes		
Built-up Composition	Roll <u>X</u>	Tile		
Composition Shingle	Slate	Wood Shingle		
Other <u>.12</u>				
(Divide by Number of Stories)				<u>.04</u>
<hr/>				
5. FRAME:		Conc. Reinf.	Steel Fireproofed	
Cast Iron Columns	Steel Open	Wood <u>X</u>		
Other				
Decrease <u> </u> % for bearing wall.				<u>.31</u>
<hr/>				
6. FLOOR:		Conc. on Ground <u>32%</u>	Hardwood	
Brick on Ground	Reinf. Conc.	Softwood <u>68%</u>		
Other				<u>.54</u>
<hr/>				
7. FLOOR COVER:		Linoleum	Softwood on Conc.	
Asphalt Tile	Marble	Tenazzo		
Cork Tile	Rubber Tile	Tile, Ceramic		
Hardwood on Conc.	Slate	Vinyl Tile		
Other <u>Floors other than concrete are mostly maple</u>				<u>.53</u>
<hr/>				
8. CEILING: (<u>hardwood</u>) or mill type (<u>double</u>)				
On Wood Structure <u>X</u>	On Steel or Conc. Structure			
Other				<u>.28</u>
<hr/>				
9. INTERIOR CONSTRUCTION:				
Min. <u>X</u>	Few	Ave.	Many	<u>.10</u>
<hr/>				
10. HEATING and COOLING:		Gravity Furnace	Steam with Boiler <u>X</u>	
Forced Air	Heaters	Steam without		
Furnace Floor or Wall	Hot Water Radiators	Boiler		
Gas Steam Radiators	Radiant Floor			
Other		Combined Heat & Air Conditioning		<u>.67</u>
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11. ELECTRICAL:		Min.	Few	Ave. <u>X</u>
				Many
<hr/>				
12. PLUMBING:		Min.	Few	Ave. <u>X</u>
				Many
<hr/>				
BASEMENT: Unit Cost <u> </u> X Area <u> </u> Divided by Total Area				<u>incl.</u>
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Total Unit Cost X Square Foot				<u>.34</u>
Sprinkler system				
Porches: Area <u> </u> X Unit Cost <u> </u> Value Elec. Elev.				<u>.17</u>
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Garage				
Outbuildings				
TOTAL UNIT COST/SQUARE FOOT				<u>\$5.35</u>
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Lump Sum Additions				

MARKET DATA Please refer to Market Data Book for full details on the following transactions which I have considered in making my estimate of value.

A. LAND

Land 1, at \$150 per front foot, \$1.50 per sq. ft. (100' depth) is on Rose Street close to Main and reflects Main St. influence. Sale is believed to be at higher than market value as it tied in as a rear access to purchaser's adjoining property which fronts on Main St. It is adjacent to Redevelopment area.

Land 2, at \$40 per front ft., 30¢ per sq. ft. is on a 100' x 133' lot in an industrial zone and used for factory parking. It is somewhat less centrally located than subject area.

Land 19, at \$52 per front ft., 15¢ per sq. ft. (300 ft. average lot depth - total area 3.06 acres) is in a new industrial section considerably further from the center, but within the city limits.

Land 30, at \$49 per front ft. \$.32 per sq. ft. represents a price being asked for an industrial lot of about 3/4 of an acre, (154' deep) not nearly as close to the center of danbury, some fill necessary, and a ditch problem as the pictures show.

Land 31, at \$67 per front ft., \$.50 per sq. ft. is the indication by the capitalization of a lease rent of the worth of a factory parking lot in an industrial zone, reasonably comparable in location. (133' average depth).

Based on a consideration of the above sales, River Street property in my opinion by comparison is worth \$75 per front ft. for industrial purposes for 100 ft. depth. Broken down according to the 4-3-2-1 Rule this works out to 75¢ per square ft. for the 1st 100 ft., 56¢ per sq. ft. for the 2nd, 38¢ for the 3rd, and 19¢ for the 4th 100'.

B. BUILDING - Please refer to Factory Sales in Market Data Book

Subject property is Sale #5. Bernard Castro bought the property in 1957 from Frank Bloom for \$53,500 (confirmed). Since then a 5000 s.f. frame addition was put on the rear. Even if addition cost as much as \$40,000, it would make total cost \$93,500. Property was resold to Bernard and Theresa Castro, Trustees, on March 1, 1958. The stamps on the deed were \$88.00, and it did not state that deed was subject to a mortgage. (An existing \$40,000 mortgage was released at the time of sale). The real estate agent and attorney indicate verbally that the sale to the Fund was at \$120,000.

Factory Sale #4, also to Castro, at \$2.64 per s.f. is very comparable. This building is on a larger lot, is in better condition than subject property, and is a two-level building. In my opinion it is considerably better than subject property.

Factory Sale #6 at \$1.65 per s.f., adjacent to subject property, and formerly part of the same factory, is not quite as good as subj. property, nor was it in as good condition.

(continued on next page)

INCOME APPROACH MARKET DATA (continued from Page 4)

Factory Sale #10 at \$1.71 per s.f. is comparable, but less centrally located. It is a newer building.

In my opinion a figure of \$2.25 per square foot puts subject property in proper relation to the above transactions.

\$2.25 per square foot x 47,900 square feet = \$109,000.

INCOME APPROACH

This is the type of building which would be purchased by an owner-user rather than rented out. An income approach on this type of property is theoretical and not too significant.

However, in setting up the sale to the Employee's Retirement Fund, I understand a net lease of \$12,000 per year was arranged. Lessee pays all expenses including taxes and maintenance and repairs. Lease payments are guaranteed by Castro which adds security to the deal, and Castro has maintained the property well, and made improvements.

Although the deal is "in the family", nevertheless it was of interest to me to discount it over the estimated 20 year remaining economic life of the improvements and add the discounted land reversion - (actually the lease is for 10 years from March 1, 1958).

Present Value of \$12,000 per yr. (7%) - \$12,000 x
10.59 (20-yr. Inwood Factor) = \$127,080.

Add: Reversion of Land Value

20 years hence (7%) = \$25,000 x
(factor for 20-yr. Reversion) .2584 6,460

Total Value Indication \$133,540

In Round Figures \$133,500

COMMENTS

In this case although we have generally used an 8% rate on this type of property in this area, because of the added security of the net net lease to the parent corporation, we think that 7% is more proper.

COMMENTS

CORRELATION OF APPROACHES

Value By Cost Approach	\$ 137,500
Value By Market Approach	\$ 109,000
Value By Income Approach	\$ 133,500

The Market Approach does not back up the indications of the Cost and Income Approaches. However, there is certainly not a ready market for this type of property. Most of the properties of this type are considered to sell (if they sell) on a distressed basis.

In view of occupancy by the owning employees parent corporation, and adaptation of the factory for a special use, I would be inclined to give the Cost Approach considerable weight. Also, in spite of the fact that the net net lease was set up within the Castro family so to speak, it is between employer and employees' retirement fund and carries the guarantee of the parent company. I would, therefore, give it due consideration.

My final estimate is, therefore, \$135,000 of which \$25,000 is land and land improvements and \$110,000 is building.

PHOTOGRAPHS



Front View

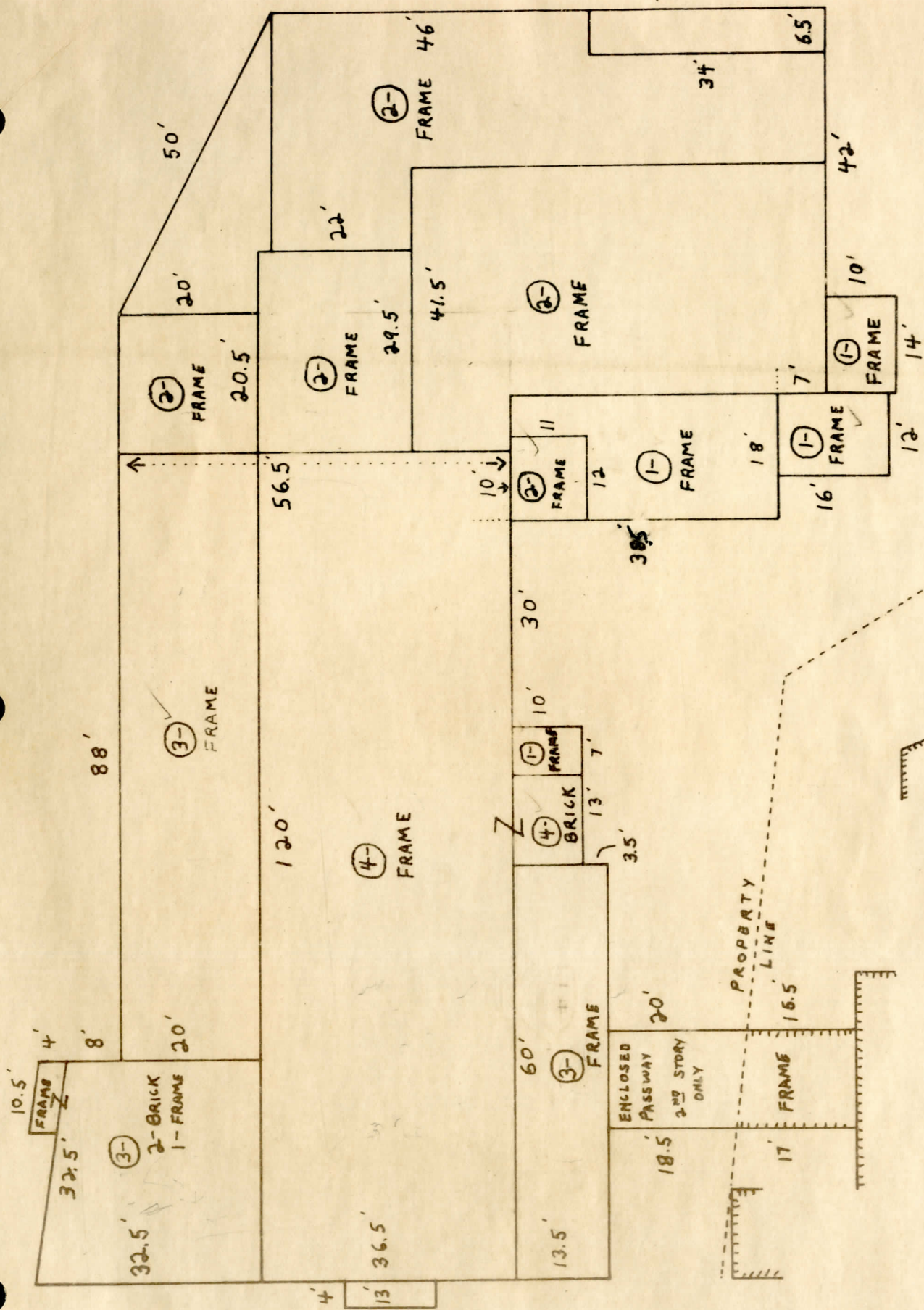


View of Part of Southeasterly Side

PHOTOGRAPHS



View of Loading Dock at Rear



← RIVER STREET

Castro
27-31 River St
Sketch Scale 1"=20'