

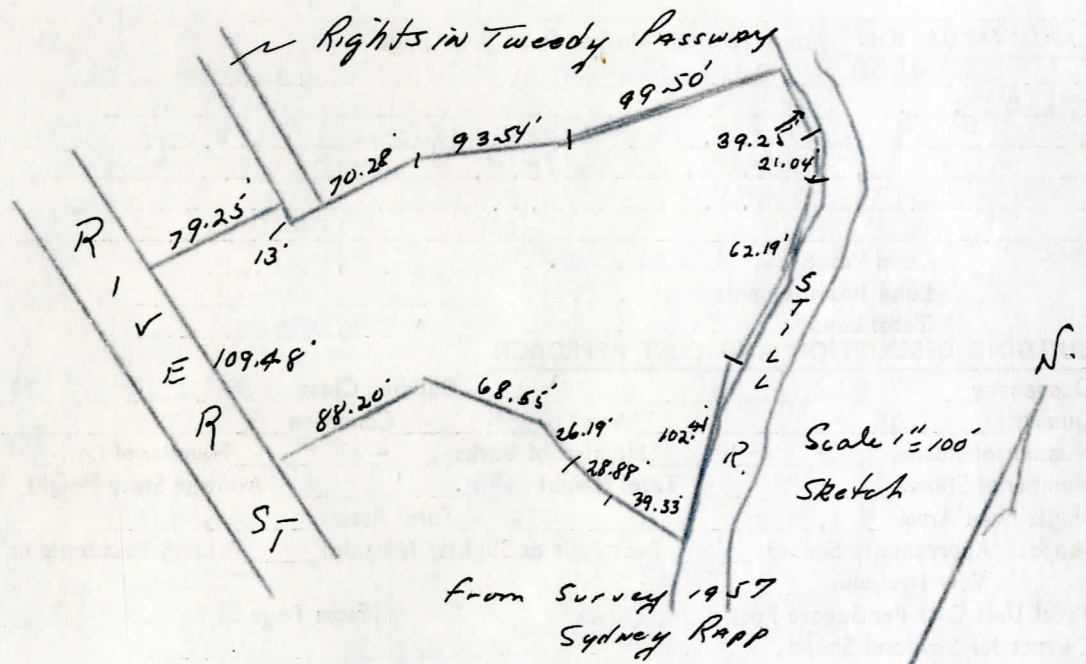
APPRAISAL REPORT

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	40
Building Improvements	38,870	Taxes	\$ 1936.80
Total Assessment	\$48,420		

Photographs and/or Sketch



Market Value (Appraisers Final Valuation)

Land	\$ 25,000
Land Improvements	incl.
Building Improvements	81,000
Total	\$106,000

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

Karl G. Kaffenberger
 Appraisers Signature

NEIGHBORHOOD DESCRIPTION

Zoning Industrial

Boundaries 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 DESCRIPTION

Size 109.58' x Irregular per sketch Frontage 109.58' Area My est. per survey 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 and 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 APPROACH

Occupancy Factory

Building Class D (only 5% C)

Quality Low

Age 1858*

Condition Fair

Number of Rooms -

Number of Baths -

Number of Lav. 5 toilets, 4 sinks

Number of Stories 1 - 4

Total Height Ave. 8'

Average Story Height 8'

Single Floor Area 15,300

Total Area 47,900

Shape: Approximate Square

Rectangle or Slightly Irregular

Long Rectangle or Irregular X

Very Irregular

Total Unit Cost Per Square Foot

(From Page 3)

\$ 4.26

Correct for Size and Shape.

Height

Dist. Multiplier

1.28

1.28

Total Adjusted Cost Per Square Foot

\$ 5.45

Total Area 47,900

X \$5.45

Per Square Foot

Replacement Cost

\$ 261,055

Less Depreciation

169,686

Physical 55% Functional 10% Economic

(65%)

Building Value By Cost Approach

91,369

Value of other Building Improvements

Add Land Value (include land improvements)

25,000

TOTAL VALUE BY COST APPROACH

\$ 116,369

In Round Figures

\$ 116,400

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

			Unit Cost
1. FOUNDATION:			
Concrete	Conc. Post	Masonry <u>X</u>	Wood Blocking
Other <u>Some piers and some concrete</u>			<u>.16</u>
2. EXTERIOR WALL:			
Asbestos Siding	Conc. Block	Stone	
Brick Common <u>5%</u>	Masonry & Steel Sash	Stucco	
Brick Face	Masonry Veneer	Tile, Clay	
Conc.	Metal Clad	Tilt-up Conc.	
	Metal Panel	Wood <u>95%</u>	
Other <u>.12 plus 1.01</u>			<u>1.13</u>
3. ROOF STRUCTURE:			
Conc.	Conc. & Tile	Wood Frame with Wood Sheathing <u>X</u>	
Other			
(Divide Cost by Number of Stories) <u>(3 Average) .6./3</u>			<u>.20</u>
4. ROOF COVER:			
Asbestos Shingle	Galv. Iron	Shakes	
Built-up Composition	Roll <u>X</u>	Tile	
Composition Shingle	Slate	Wood Shingle	
Other <u>.09/3</u>			
(Divide by Number of Stories)			<u>.03</u>
5. FRAME:			
Cast Iron Columns	Conc. Reinf.	Steel Fireproofed	
	Steel Open	Wood <u>X</u>	
Other			
Decrease <u> </u> % for bearing wall.			<u>.20</u>
6. FLOOR:			
Brick on Ground	Conc. on Ground <u>32%</u>	Hardwood	
	Reinf. Conc.	Softwood <u>68%</u>	
Other			<u>.78</u>
7. FLOOR COVER:			
Asphalt Tile	Linoleum	Softwood on Conc.	
Cork Tile	Marble	Tenazzo	
Hardwood on Conc.	Rubber Tile	Tile, Ceramic	
	Slate	Vinyl Tile	
Other			<u>-</u>
8. CEILING:			
On Wood Structure <u>X</u>	On Steel or Conc. Structure		
Other			<u>.18</u>
9. INTERIOR CONSTRUCTION:			
Single Res.	Other		
Min. <u>X</u>	Few	Ave.	Many
			<u>.07</u>
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>.61</u>
11. ELECTRICAL:			
Min.	Few	Ave. <u>X</u>	Many
			<u>.31</u>
12. PLUMBING:			
Min.	Few	Ave. <u>X</u>	Many
			<u>.17</u>
BASEMENT: Unit Cost <u> </u> X Area <u> </u>			Divided by Total Area
			<u>incl.</u>
Total Unit Cost / Square Foot			
Sprinkler sys.			<u>.25</u>
Elec. Elev.			<u>.17</u>
Porches: Area	X Unit Cost	Value	
Garage	TOTAL UNIT COST/SQUARE FOOT		<u>\$4.26</u>
Outbuildings			
Lump Sum Additions			

MARKET DATA APPROACH 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 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 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

<u>RENTAL DATA</u>	<u>GROSS MULTIPLIER</u>	<u>INDICATED VALUE</u>
considerably better than subject property.	at \$1.65 per s.f.	

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)

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 \$2.00 per square foot puts subject property in proper relation to the above transactions.

\$2.00 per square foot X 47,900 square feet - \$95,800.

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. (This was indicated by the agent in the deal, and could not be pinned down as Castro will not give the information and the short form of lease, not stating the rent is recorded.

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. (8%) - \$12,000 x 9.8182 -

\$117,818

Add: Reversion of Land Value

20 years hence (8%) - \$25,000 x
.215

5,375

Total Value Indication \$123,193

COMMENTS

Interest rate used above is based on the following transaction

6% mortgage rate on 50% - 3%
10% equity rate on 50% - 5%
Interest rate - 8%

Note: The 50% of value 6% mortgage loan is the most likely in this area. Equity requirements of from 10-13% are applicable. However, since I am using straight line depreciation, vacancy allowance, and realistic economic life, I will use 10%.

COMMENTS

CORRELATION OF APPROACHES

Value by Cost Approach	\$116,400
Value by Market Data Approach	95,800

(based on rental which

The Income Approach is an internal affair of the owner's company and his employee's Retirement Fund) ~~which~~ appears to back up the \$120,000 sale. By the same token, the sale at \$120,000, if true, is also the same sort of "family deal".

In my opinion the \$95,800 is quite a good figure. However, since my cost approach is a little higher, the range of value is from \$96,000 to \$106,000, and I have decided to give the property owner the benefit of the doubt and appraise the property at \$106,000.

PHOTOGRAPHS



Front View



View of Part of Southeasterly Side

PHOTOGRAPHS



View of Loading Dock at Rear