APPRAISAL REPORT

Owner Max Zangen

Owners' Address c/o Kurt L. Neuman, (owner's representative) Neuman-Endler Corp

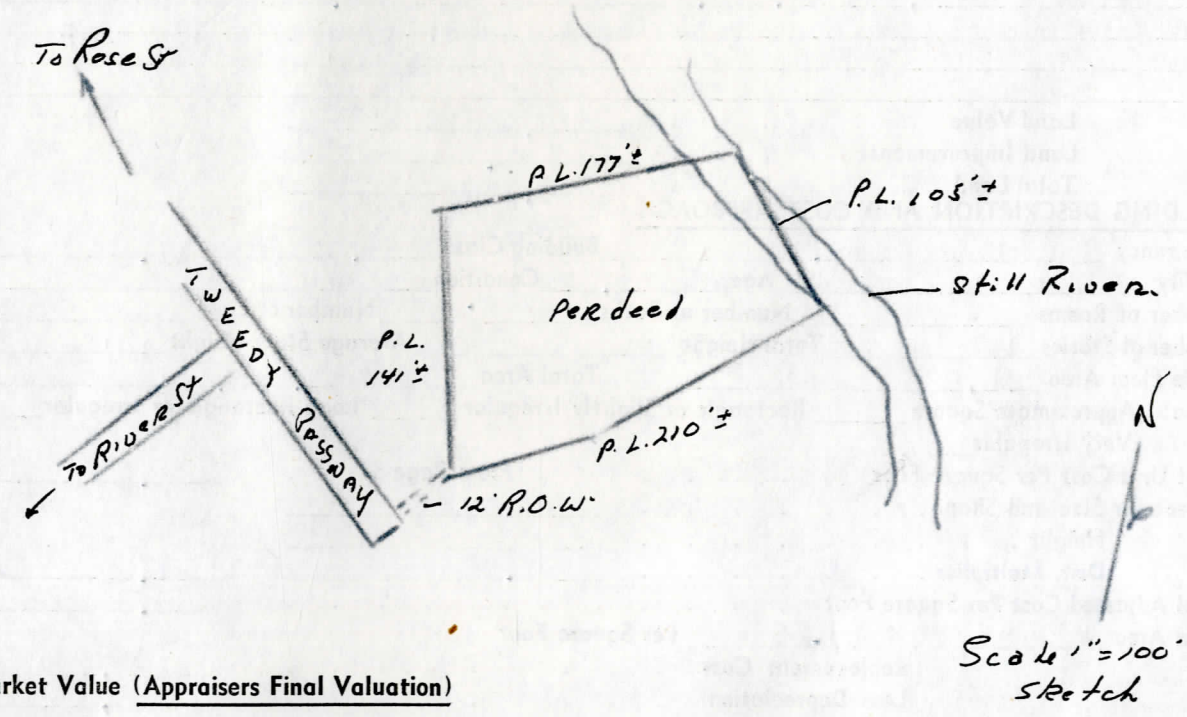
Property Appraised At rear of Jowdy Fur Co., Tweedy's Passway, Danbury, Danbury Connecticut being Redevelopment, Parcel 7 Block 4 (or tax parcel 2A NE of Tweedy's Passway) together with the vacant factory building thereon.

Recording Information Vol. 284 Pg. 496 Burton William Hat Co. to Max Zangen (together with 12 ft. R.O.W. from Tweedy's Passway) 4/19/1954

R.S. $49.50

Assessment:				
Land	$1,260	Tax Rate	40
Building Improvements	28,120	Taxes	$1175.20
Total Assessment	$29,380		

Photographs and/or Sketch



Market Value (Appraisers Final Valuation)

Land	$ 8,200
Land Improvements	
Building Improvements	31,800
Total	$40,000

Certification: I certify that I inspected the property on February 28, 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 21, 1960

Karl G. Kaffenberger Jr.
Appraisers Signature

The Friday Press, Box 297, Meriden, Conn. U.S.A. FORM 140

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 Irregular per Sketch Frontage 12' R.O.W. Area 22,235 sq. ft.

Description Land is fairly level, and at approximate grade of Tweedy's Passway. It extends back to Still River.

Utilities Water, gas and electricity. Nearest sewer main is River Street.

Land Improvements Retaining wall at Still River included in land value.

Highest and Best Use of Property Building is basically sound and could be brought back into factory use.

LAND VALUATION Please refer to Market Data - on page 4.

There are approximately 4000 sq. ft. in the first 100' of depth, from Tweedy's Passway 12,500 sq. ft. in the second 100' of depth and the balance or 5,735 sq. ft. in the third 100'. Based on my land analysis I estimate Land Value as follows:

4000 sf	x 50¢/sf =	$2,000
12500 sf	x 30¢/sf	4,750
5735 sf	x 25¢/sf	1,434
		$8,184

Land Value In Round Figures	$8,200
Land Improvements	incl.
Total Land	$8,200

BUILDING DESCRIPTION AND COST APPROACH

Occupancy Vacant factory. Building Class 88.5% (C) 11.5% (D)

Quality Low Age approx. 70 yrs. Condition Poor

Number of Rooms - Number of Baths - Number of Lav. 4

Number of Stories 1 & 2 Total Height Average Story Height 10' average

Single Floor Area 10,435 Total Area 18045 sq. ft. plus Mezzanine

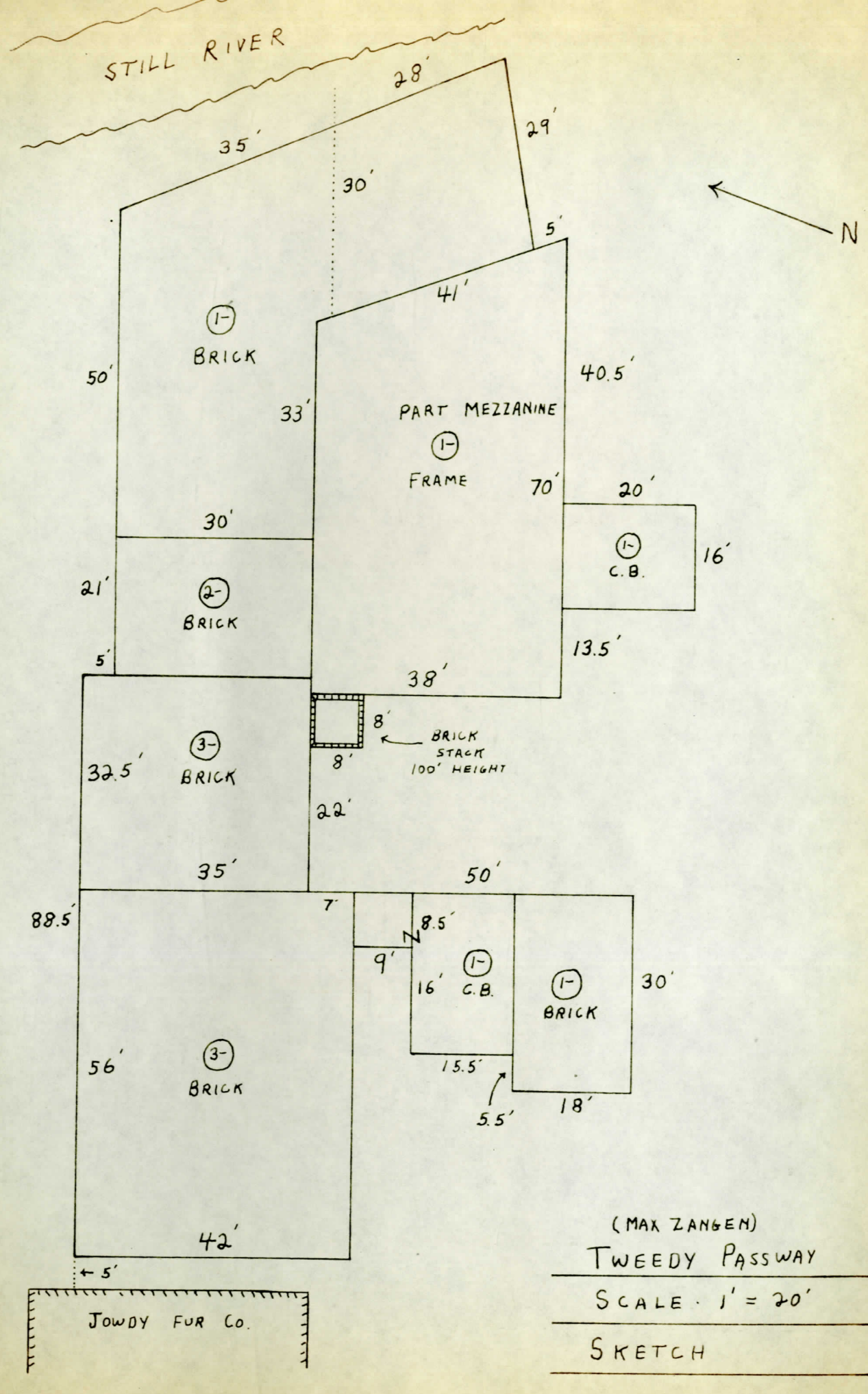
Shape: Approximate Square ____ Rectangle or Slightly Irregular ____ Long Rectangle or Irregular X

Very Irregular ____

Total Unit Cost Per Square Foot (From Page 3)		$5.53
Correct for Size and Shape	.97	
Height		
Dist. Multiplier	1.28	1.24
Total Adjusted Cost Per Square Foot		6.86
Total Area 18045 X $6.86 Per Square Foot		
Replacement Cost		$123,789
Less Depreciation		86,652
Physical 60 Functional 10 Economic ____		(70%)
Building Value By Cost Approach		$ 37,137
Value of other Building Improvements		
Add Land Value (include land improvements)		8,200
TOTAL VALUE BY COST APPROACH		$45,337
In Round Figures		$45,300

Comments:

There is special electrical service in rear building.



(MAX ZANGEN)

TWEEDY PASSWAY

SCALE · 1' = 20'

SKETCH

BUILDING DESCRIPTION — Component Part Check List

		Unit Cost
1. FOUNDATION: Concrete ____ Conc. Post ____ Masonry X ____ Wood Blocking ____ Other ____		.18
2. EXTERIOR WALL: Conc. Block 4% ____ Stone ____ Asbestos Siding ____ Masonry & Steel Sash ____ Stucco ____ Brick Common 84.5% Masonry Veneer ____ Tile, Clay ____ Brick Face ____ Metal Clad ____ Tilt-up Conc. ____ Conc. ____ Metal Panel ____ Wood 11.5% ____ Other $1.90 / .06 / .12		2.08
3. ROOF STRUCTURE: Conc. ____ Conc. & Tile ____ Wood Frame with Wood Sheathing X ____ Other ____ (Divide Cost by Number of Stories) .61/2 (ave.) add for monitor roof 25¢		.33
4. ROOF COVER: Asbestos Shingle ____ Galv. Iron ____ Shakes ____ Built-up Composition ____ Roll ____ Tile ____ Composition Shingle ____ Slate ____ Wood Shingle ____ Other ____ (Divide by Number of Stories) .09/2 (ave.)		.05
5. FRAME: Conc. Reinf. ____ Steel Fireproofed ____ Cast Iron Columns ____ Steel Open ____ Wood .61 ____ Other ____ Decrease 58 % for bearing wall.		.26
6. FLOOR: Conc. on Ground 58% ____ Hardwood ____ Brick on Ground ____ Reinf. Conc. ____ Softwood 42% ____ Other .25 / .42 mill		.67
7. FLOOR COVER: Linoleum ____ Softwood on Conc. ____ Asphalt Tile ____ Marble ____ Tenazzo ____ Cork Tile ____ Rubber Tile ____ Tile, Ceramic ____ Hardwood on Conc. ____ Slate ____ Vinyl Tile ____ Other a sheet file in office incl. above under 6.		--
8. CEILING: On Wood Structure X ____ On Steel or Conc. Structure ____ Other ____		.18
9. INTERIOR CONSTRUCTION: Single Res. ____ Other ____ Min. X ____ Few ____ Ave. ____ Many ____		.07
10. HEATING and COOLING: Gravity Furnace ____ Steam with Boiler X ____ Forced Air ____ Heaters ____ Steam without Furnace Floor or Wall ____ Hot Water Radiators ____ Boiler ____ Gas Steam Radiators ____ Radiant Floor ____ Other ____ Combined Heat & Air Conditioning ____		.61
11. ELECTRICAL: Min. ____ Few ____ Ave. X ____ Many ____		.31
12. PLUMBING: Min. ____ Few X ____ Ave. ____ Many ____		.06
BASEMENT: Unit Cost ____ X Area ____ Divided by Total Area		0
Total Unit Cost / Square Foot ____ 1 ton Freight Elevator		.39
Sprinkler System		.34
Porches: Area ____ X Unit Cost ____ Value ____		
Garage ____		$5.53
Outbuildings ____		
Lump Sum Additions ____		

The Friday Press, Box 297, Meriden, Co... U.S.A. FORM 141

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. f t. (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 whichf ronts on Main St. It is adjacent to Redevelopment area.

Land 2, at $40 per fr. f t., 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.

Land19, at $52 per fr. ft., 15¢ per sq.ft. (300 foot average lot depth-total area 3.06 acres) is in a newer industrial section considerably further from the center, but within the city limits.

Land 31, at $67 per fr.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, Tweedy Passway property, in my opinion by comparison is worth $50 per front foot for industrial purposes for 100' depth. Broken down according to the 4-3-2-1 Rule this works out to 50¢ per sq. f t. for the first 100 ft., 38¢ for the depth from 100' to 200', 25¢ for the depth from 200' to 300' and 13¢ for the depth from 300' to 400'.

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

RENTAL DATA	GROSS MULTIPLIER	INDICATED VALUE
Range		

B. BUILDING

As previously stated the Factory Sales in the large older categories are generally quite low on a per sq. ft. basis. Many of the ones which were given up and sold were more or less in the "white elephant" class and in the recent past there were many of them on the Market. Subject property is pretty typical. It was purchased in 1954 for $45,000 according to Revenue Stamps (could not be confirmed with owner) and has since depreciated physically as it has not been occupied recently. $45,000 is approximately $2.50 per sq. ft.

Compare with Factory #1 at $1.25 (40,000 sq. ft. Brick). #3 at $1.41 (38,000 sq. ft. Brick) #4 at $2.64 (18,000 sq. ft.) frame Factory #10 (28,000 sq. ft. frame). The pattern of lower costs for larger areas emerges. Although subject property is in very poor physical condition (much worse than in 1954), it is 88% brick construction and is in the lower range of area comparatively. I believe that the $2.50 per sq. ft. now represents a past figure and that the property is worth $2.00 to $225 per sq. ft. by comparison or from $36,090 to $40,600.

INCOME APPROACH

The property appears to be pretty much unrentable under present circumstances. Since purchase the third floor of the two three-story buildings (3,500 sq. ft.) had been rented for $1200 per year or 34¢ per sq. ft. Likewise, the second floor had been rented on the same basis for the same area. If Redevelopment were not pending, and a long term lease could be arranged, it is within reason to estimate that the 18,000 sq. ft. could be rented at 35¢ per sq. ft. overall.

Est. Rental Value 18,000 sq. ft. @ 35¢		$6,300
Less: Allowance for vacancies and lost rents (5%)		- 315
Gross Effective Income		$5,985
Less: Expenses		
Taxes	$1175	
Insurance	350	
Water	50	
Repairs	600	
Management and Commission	239	2412
Income Attributable to Property		$3,571
Less: Interest on Land $8200 x 8%		656
Income Attributable to Improvements		$2,915
Capitalized at 13.6% (8% interest plus 5.6% straight line depreciation based on estimated 18 year remaining economic life)		$21,434
Add Land		8,200
		$29,634
In Round Figures		$30,000

COMMENTS Interest rate used above is based on the following estimate:

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

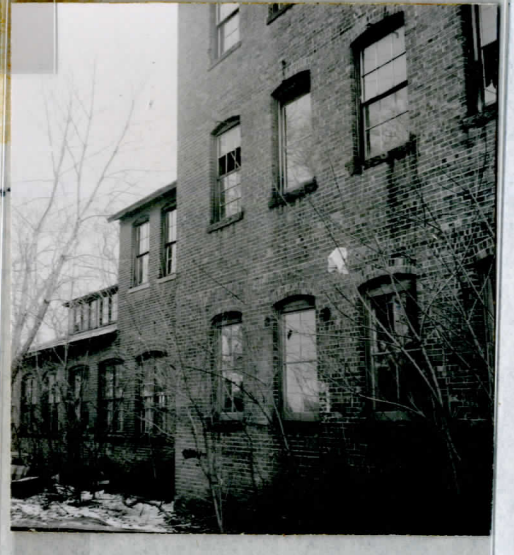
CORRELATION OF APPROACHES

Value by Cost Approach	$45,300
Value by Market Approach	36,090 to $40,600
Value by Income Approach	30,000

This type of property is very difficult to measure by the Income Approach, as it is not investment property.

If deed stamps are correct the property was purchased for $45,000 in 1954. Even though replacement cost new has gone up 19% since then, the physical depreciation which has taken place due to the fact that the building is unoccupied and open to the elements is great, more than offsetting any increase in replacement cost. I estimate that property is worth between $36,000 and $40,000 and considering all elements, my final estimate is $40,000

Two Views of South Side of Proper



View from Front to Rear on North Side.