

Appraisal Report

CATHERINE VIOLET HUBBARD ANIMAL SANCTUARY

8 Commerce Road
Newtown, Connecticut 06470

Prepared for: Savings Bank of Danbury
Date of Report: October 24, 2024
CBRE File No.: CB24US071148-1



185 Asylum Street, 31st Floor
Hartford, CT 06105

T (860) 987-4732

www.cbre.com/valuation

Date of Report: October 24, 2024

Ms. Gina Carrozzelli

SAVINGS BANK OF DANBURY
35 West Street
Danbury, Connecticut 06810

RE: Appraisal of: Catherine Violet Hubbard Animal Sanctuary
8 Commerce Road
Newtown, Fairfield County, Connecticut 06470
CBRE File No.: CB24US071148-1

Dear Ms. Carrozzelli:

At your request and authorization, CBRE, Inc. has prepared an appraisal of the market value of the referenced property. Our analysis is presented in the following Appraisal Report.

The subject is a proposed 2,373-square foot school/classroom building that will include a commercial kitchen located at 8 Commerce Road in Newtown, Connecticut. The improvements will be constructed in 2025 and are situated on a 34.18-acre site that is largely used for open space/educational and non-profit related farming.

The subject represents proposed construction. Therefore, in addition to the as is value we have also estimated the subject's market value at completion of construction and upon reaching stabilized operations.

Based on the analysis contained in the following report, the market value of the subject is concluded as follows:

MARKET VALUE CONCLUSION			
Appraisal Premise	Interest Appraised	Date of Value	Value Conclusion
As Is	Fee Simple Estate	August 29, 2024	\$670,000
Prospective As Complete	Fee Simple Estate	August 29, 2025	\$2,250,000
Compiled by CBRE			

The report, in its entirety, including all assumptions and limiting conditions, is an integral part of, and inseparable from, this letter.

The following appraisal sets forth the most pertinent data gathered, the techniques employed, and the reasoning leading to the opinion of value. The analyses, opinions and conclusions were developed based on, and this report has been prepared in conformance with, the guidelines and recommendations set forth in the Uniform Standards of Professional Appraisal Practice (USPAP), and the requirements of the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute. It also conforms to Title XI Regulations and the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA) updated in 1994 and further updated by the Interagency Appraisal and Evaluation Guidelines promulgated in 2010.

The intended use and user of our report are specifically identified in our report as agreed upon in our contract for services and/or reliance language found in the report. As a condition to being granted the status of an intended user, any intended user who has not entered into a written agreement with CBRE in connection with its use of our report agrees to be bound by the terms and conditions of the agreement between CBRE and the client who ordered the report. No other use or user of the report is permitted by any other party for any other purpose. Dissemination of this report by any party to any non-intended users does not extend reliance to any such party, and CBRE will not be responsible for any unauthorized use of or reliance upon the report, its conclusions or contents (or any portion thereof).

It has been a pleasure to assist you in this assignment. If you have any questions concerning the analysis, or if CBRE can be of further service, please contact us.

Respectfully submitted,

CBRE - VALUATION & ADVISORY SERVICES



Joshua Koladis

Title: First Vice President

Phone: (860) 987-4732

Email: Joshua.koladis@cbre.com

License No. & State: General Certified 1138 CT

Certification

We certify to the best of our knowledge and belief:

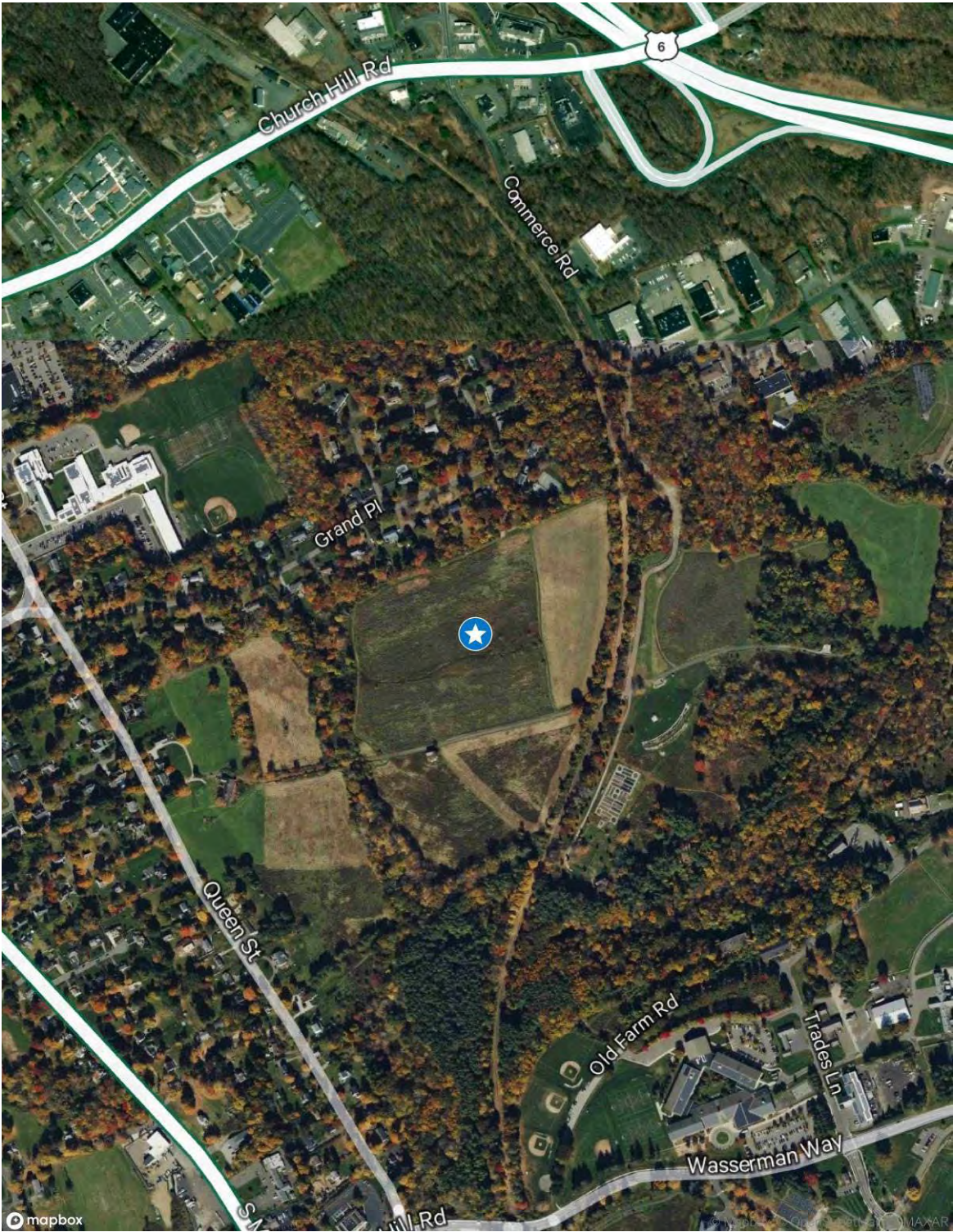
1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. We have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. Joshua Koladis, MAI has not provided any services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding the agreement to perform this assignment.
5. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Uniform Standards of Professional Appraisal Practice.
9. Joshua Koladis, MAI has made a personal inspection of the property that is the subject of this report.
10. No one provided significant real property appraisal assistance to the persons signing this certification.
11. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute.
12. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
13. As of the date of this report, Joshua Koladis, MAI has completed the continuing education program for Designated Members of the Appraisal Institute.
14. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the State of Connecticut.



Joshua Koladis

License No. & State: General Certified 1138 CT

Subject Photographs



Aerial View



Photo 1 – Garden Area



Photo 2 - Outbuilding



Photo 3 - Barn



Photo 4 – Interior of Barn



Photo 5 – Site of Proposed Building



Photo 6 – Memorial Sitting Area



Photo 7 - Roadway



Photo 8 - Farmstand



Photo 9 – Garden Area



Photo 10 – Open Space



Photo 11 – Open Space



Photo 12 - Frontage

Executive Summary

Property Name	Catherine Violet Hubbard Animal Sanctuary	
Location	8 Commerce Road Newtown, Fairfield County, CT 06470	
Parcel Number(s)	37/ 3/ 14/ /	
Client	Savings Bank of Danbury	
Highest and Best Use		
As If Vacant	Agricultural/School	
As Improved	Agricultural/School	
Property Rights Appraised	Fee Simple Estate	
Date of Inspection	August 29, 2024	
Estimated Exposure Time	6 - 12 Months	
Estimated Marketing Time	6 - 12 Months	
Primary Land Area	34.18 AC	1,488,881 SF
Zoning	Animal Sanctuary Design District (ASDD)	
Proposed Improvements		
Property Type	Special	Comments (Agricultural/School)
Number of Buildings	1	
Number of Stories	1	
Gross Building Area	2,373 SF	
Year Built	2025	
Effective Age	0 Years	
Remaining Economic Life	45 Years	
Condition	New	
Buyer Profile	Owner-User	
Financial Indicators		
Current Occupancy	0.0%	
Stabilized Occupancy	95.0%	
Overall Capitalization Rate	6.50%	

Pro Forma		Total	Per SF
Effective Gross Income		\$123,989	\$52.25
Operating Expenses		\$4,313	\$1.82
Expense Ratio		3.48%	
Net Operating Income		\$119,676	\$50.43
VALUATION		Total	Per SF
Land Value		\$480,000	\$0.32
Market Value As Is	August 29, 2024		
Cost Approach		\$670,000	\$282.34
Hypothetical Market Value As Complete	August 29, 2024		
Cost Approach		\$2,330,000	\$981.88
Sales Comparison Approach		\$2,250,000	\$948.17
Income Approach		\$2,250,000	\$948.17
Insurable Replacement Cost		\$800,000	\$337.13

CONCLUDED MARKET VALUE			
Appraisal Premise	Interest Appraised	Date of Value	Value
As Is	Fee Simple Estate	August 29, 2024	\$670,000
Prospective As Complete	Fee Simple Estate	August 29, 2025	\$2,250,000

Compiled by CBRE

Strengths, Weaknesses, Opportunities and Threats (SWOT)

Strengths/ Opportunities

- The subject represents a large parcel of owner-occupied land that will be used for non-profit educational use
- The property is well-located with good access to Interstate Route 84
- The area has a stable population base
- The subject is proposed for improvements that will enhance the appeal of the property

Weaknesses/ Threats

- *Commercial real estate market conditions have deteriorated at the macro level. The significant recent increase in the cost of capital and reduced volume of transaction activity is impacting price discovery and creating an increase in uncertainty. Increasing interest rates and subdued economic growth will continue to weigh on commercial real estate fundamentals and investment transaction volumes. This creates a higher degree of uncertainty in general, though the impacts may vary by market and asset class/type.*

Market Volatility

We draw your attention to a combination of inflationary pressures (leading to higher interest rates) and recent failures/stress in banking systems which have significantly increased the potential for constrained credit markets, negative capital value movements and enhanced volatility in property markets over the short-to-medium term.

Experience has shown that consumer and investor behavior can quickly change during periods of such heightened volatility. Lending or investment decisions should reflect this heightened level of volatility and the potential for deteriorating market conditions.

It is important to note that the conclusions set out in this report are valid as of the valuation date only. Where appropriate, we recommend that the valuation is closely monitored, as we continue to track how markets respond to evolving events.

Extraordinary Assumptions

An extraordinary assumption is defined as “an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser’s opinions or conclusions.” ¹

- Specific tenant assumptions are presented in the income capitalization approach, and these are incorporated herein by reference.
- The ‘as complete’ appraisal assumes the development is fully entitled and permitted for the construction of the improvements as specifically described herein and that the project will be completed on time and within budget and in accordance with the plans and assumed good level of specifications commensurate with other new developments in the surrounding area.
- The appraisal includes a Prospective opinion of market value at the completion and stabilization of the property. As such, the prospective values are based on forward-looking projections that are based on current market indications and typical underwriting witnessed by market participants. Any significant change in market conditions that are inconsistent with the assumptions made herein could impact the opinions of market value.
- The use of these extraordinary assumptions may have affected the assignment results.

Hypothetical Conditions

A hypothetical condition is defined as “a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purposes of analysis.” ²

- None noted

Ownership and Property History

The following table summarizes the subject’s ownership history.

¹ The Appraisal Foundation, *USPAP, 2024 Edition* (Effective January 1, 2024)

² The Appraisal Foundation, *USPAP, 2024 Edition* (Effective January 1, 2024)

OWNERSHIP SUMMARY	
Item	Current
Current Ownership	
Owner:	THE CATHERINE VIOLET HUBBARD FOUNDATION
Seller:	CONN STATE OF FFH
Purchase Price:	\$0
Transaction Date:	October 3, 2014
Sale in Last 3 Years?:	No
Legal Reference:	1055/0413
County/Locality Name:	Newtown
Buyer/Seller Relationship Type:	Arm's length and reasonable
At / Above / Below Market:	Below Market
Comments:	Land was donated to non-profit
Pending Sale	
Under Contract:	No
Current Listing	
Currently Listed For Sale:	No
Compiled by CBRE	

CBRE is unaware of any arm's length ownership transfers of the property within three years of the date of appraisal. Further, the property is not reportedly being offered for sale as of the current date.

Exposure/Marketing Time

Current appraisal guidelines require an estimate of a reasonable time period in which the subject could be brought to market and sold. This reasonable time frame can either be examined historically or prospectively. In a historical analysis, this is referred to as exposure time. Exposure time always precedes the date of value, with the underlying premise being the time a property would have been on the market prior to the date of value, such that it would sell at its appraised value as of the date of value. On a prospective basis, the term marketing time is most often used. The exposure/marketing time is a function of price, time, and use. It is not an isolated estimate of time alone. In consideration of these factors, we have analyzed the following:

- exposure periods for comparable sales used in this appraisal;
- exposure/marketing time information from the CBRE, Inc. National Investor Survey and the PwC Real Estate Investor Survey; and
- the opinions of market participants.

The following table presents the information derived from these sources.

EXPOSURE/MARKETING TIME DATA				
Investment Type	Exposure/Mktg. (Months)			
	Range			Average
Comparable Sales Data	12.0	-	12.0	12.0
<i>PwC Net Lease (1st Qtr. 2024)</i>				
National Data	3.0	-	18.0	8.5
Local Market Professionals	6.0	-	12.0	9.0
CBRE Exposure Time Estimate	6 - 12 Months			
CBRE Marketing Period Estimate	6 - 12 Months			
Various Sources Compiled by CBRE				

Table of Contents

Certification..... i

Subject Photographs..... ii

Executive Summary v

Table of Contents ix

Scope of Work..... 1

Area Analysis 5

Neighborhood Analysis 7

Site Analysis 10

Improvements Analysis 14

Zoning.....21

Tax and Assessment Data22

Market Analysis.....23

Highest and Best Use33

Land Value35

Cost Approach.....38

Insurable Replacement Cost43

Sales Comparison Approach.....45

Income Capitalization Approach 51

Assumptions and Limiting Conditions58

ADDENDA

A Land Sale Data Sheets

B Improved Sale Data Sheets

C Rent Comparable Data Sheets

D Client Contract Information

E Qualifications

Scope of Work

This Appraisal Report is intended to comply with the real property appraisal development and reporting requirements set forth under Standards Rule 1 and 2 of USPAP. The scope of the assignment relates to the extent and manner in which research is conducted, data is gathered, and analysis is applied.

Intended Use Of Report

This appraisal is to be used for mortgage lending and no other use is permitted.

Client

The client is Savings Bank of Danbury.

Intended User Of Report

This appraisal is to be used by Savings Bank of Danbury. No other user(s) may rely on our report unless as specifically indicated in this report.

Intended users are those who an appraiser intends will use the appraisal or review report. In other words, appraisers acknowledge at the outset of the assignment that they are developing their expert opinions for the use of the intended users they identify. Although the client provides information about the parties who may be intended users, ultimately it is the appraiser who decides who they are. This is an important point to be clear about: The client does not tell the appraiser who the intended users will be. Rather, the client tells the appraiser who the client needs the report to be speaking to, and given that information, the appraiser identifies the intended user or users. It is important to identify intended users because an appraiser's primary responsibility regarding the use of the report's opinions and conclusions is to those users. Intended users are those parties to whom an appraiser is responsible for communicating the findings in a clear and understandable manner. They are the audience.³

Reliance Language

Reliance on any reports produced by CBRE under this Agreement is extended solely to parties and entities expressly acknowledged in a signed writing by CBRE as Intended Users of the respective reports, provided that any conditions to such acknowledgement required by CBRE or hereunder have been satisfied. Parties or entities other than Intended Users who obtain a copy of the report or any portion thereof (including Client if it is not named as an Intended User), whether as a result of its direct dissemination or by any other means, may not rely upon any opinions or conclusions contained in the report or such portions thereof, and CBRE will not be responsible for any unpermitted use of the report, its conclusions or contents or have any liability in connection therewith.

³ Appraisal Institute, *The Appraisal of Real Estate*, 15th ed. (Chicago: Appraisal Institute, 2020), 40.

Purpose of the Appraisal

The purpose of this appraisal is to develop an opinion of the market value of the subject property.

Definition of Value

The current economic definition of market value agreed upon by agencies that regulate federal financial institutions in the U.S. (and used herein) is as follows:

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. buyer and seller are typically motivated;
2. both parties are well informed or well advised, and acting in what they consider their own best interests;
3. a reasonable time is allowed for exposure in the open market;
4. payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
5. the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.⁴

Interest Appraised

The value estimated represents the Fee Simple Estate as defined below:

Fee Simple Estate - Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power and escheat.⁵

Extent to Which the Property is Identified

The property is identified through the following sources:

- postal address
- assessor's records
- legal description

Extent to Which the Property is Inspected

Joshua Koladis inspected the interior and exterior of the subject, as well as its surrounding environs on the effective date of appraisal. This inspection was considered adequate and is the basis for our findings.

Type and Extent of the Data Researched

CBRE reviewed the following:

⁴ 12 CFR, Part 34, *Subpart C-Appraisals*, 34.42(h).

⁵ Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 7th ed. (Chicago: Appraisal Institute, 2022), 73.

- applicable tax data
- zoning requirements
- flood zone status
- demographics
- income and expense data
- comparable data

Type and Extent of Analysis Applied

CBRE, Inc. analyzed the data gathered through the use of appropriate and accepted appraisal methodology to arrive at a probable value indication via each applicable approach to value. The steps required to complete each approach are discussed in the methodology section.

Statement of Competency

The appraisers have the appropriate knowledge, education, and experience to complete this assignment competently.

Data Resources Utilized in the Analysis

DATA SOURCES	
Item:	Source(s):
Site Data	
Size	Assessor's records
Excess/Surplus	N/A
Improved Data	
Building Area	Building plans
Area Breakdown/Use	Building plans
No. Bldgs.	Building plans/inspection
Parking Spaces	Ownership
Year Built/Developed	Ownership
Economic Data	
Deferred Maintenance:	N/A
Building Costs:	Owner's budget
Income Data:	N/A
Expense Data:	N/A
Compiled by CBRE	

Appraisal Methodology

In appraisal practice, an approach to value is included or omitted based on its applicability to the property type being valued and the quality and quantity of information available.

Cost Approach

The cost approach is based on the proposition that the informed purchaser would pay no more for the subject than the cost to produce a substitute property with equivalent utility. This approach is particularly applicable when the property being appraised involves relatively new improvements that represent the highest and best use of the land, or when it is improved with relatively unique or specialized improvements for which there exist few sales or leases of comparable properties.

Sales Comparison Approach

The sales comparison approach utilizes sales of comparable properties, adjusted for differences, to indicate a value for the subject. Valuation is typically accomplished using physical units of comparison such as price per square foot, price per unit, price per floor, among others, or economic units of comparison such as gross rent multiplier. Adjustments are applied to the physical units of comparison derived from the comparable sale. The unit of comparison chosen for the subject is then used to yield a total value. Economic units of comparison are not adjusted, but rather analyzed as to relevant differences, with the final estimate derived based on the general comparisons.

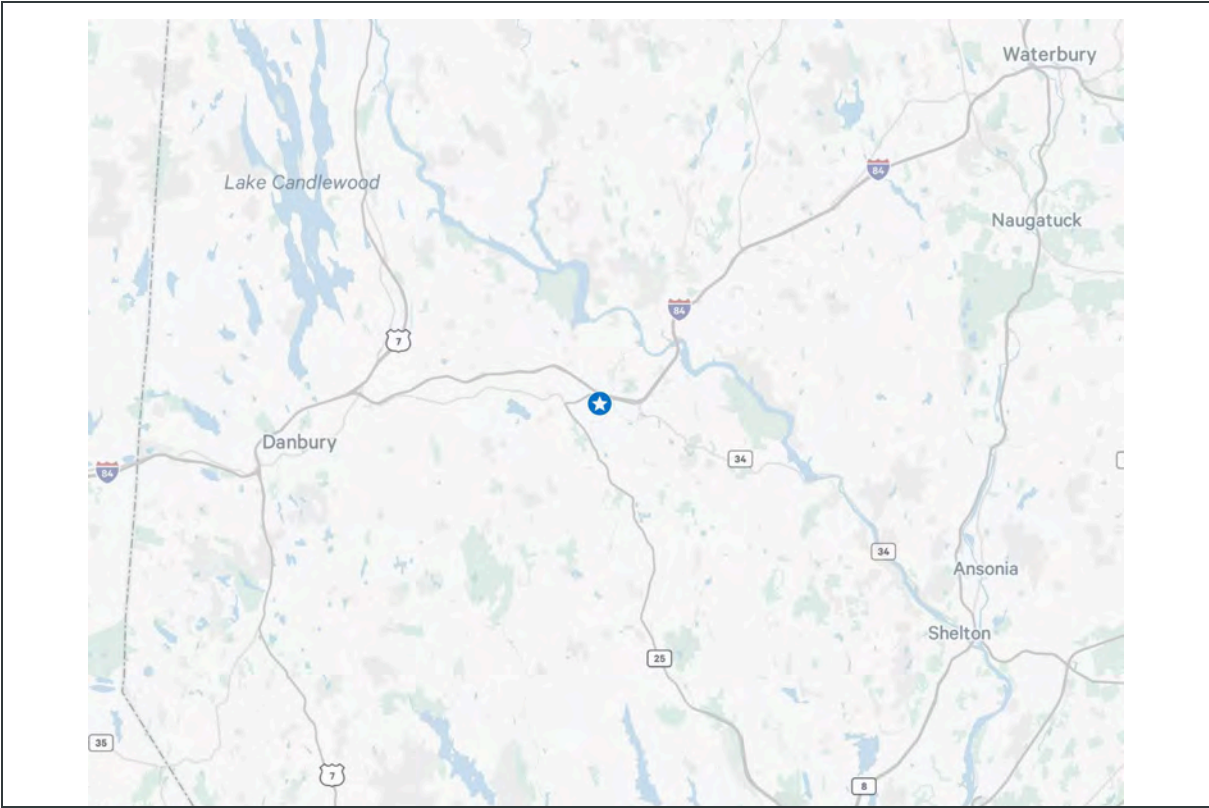
Income Capitalization Approach

The income capitalization approach reflects the subject's income-producing capabilities. This approach is based on the assumption that value is created by the expectation of benefits to be derived in the future. Specifically estimated is the amount an investor would be willing to pay to receive an income stream plus reversion value from a property over a period of time. The two common valuation techniques associated with the income capitalization approach are direct capitalization and the discounted cash flow (DCF) analysis.

Methodology Applicable to the Subject

In valuing the subject, all three approaches are applicable and have been utilized.

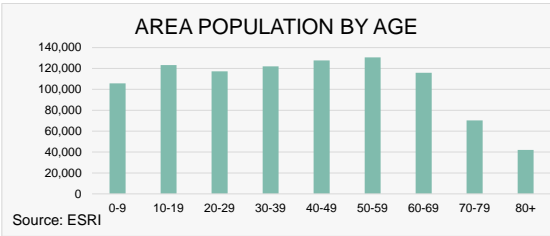
Area Analysis



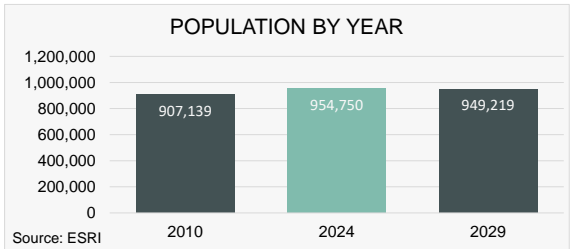
The subject is located in the Bridgeport-Stamford-Danbury, CT Metropolitan Statistical Area. Key information about the area is provided in the following tables.

Population

The area has a population of 954,750 and a median age of 41, with the largest population group in the 50-59 age range and the smallest population in 80+ age range.



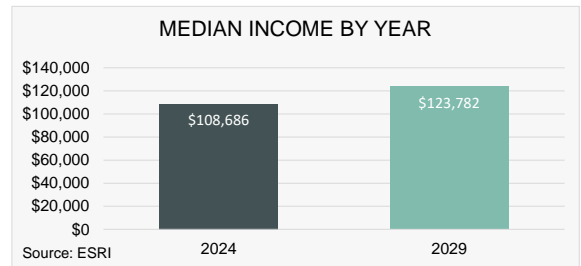
Population has increased by 47,611 since 2010, reflecting an annual increase of 0.4%. Population is projected to decrease by 5,531 between 2024 and 2029, reflecting a 0.1% annual population decline.



Source: ESRI, downloaded on Aug. 30 2024

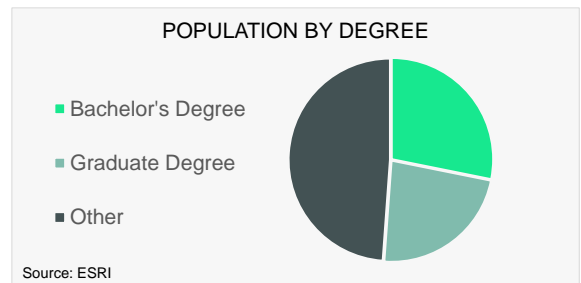
Income

The area features an average household income of \$165,607 and a median household income of \$108,686. Over the next five years, median household income is expected to increase by 13.9%, or \$3,019 per annum.

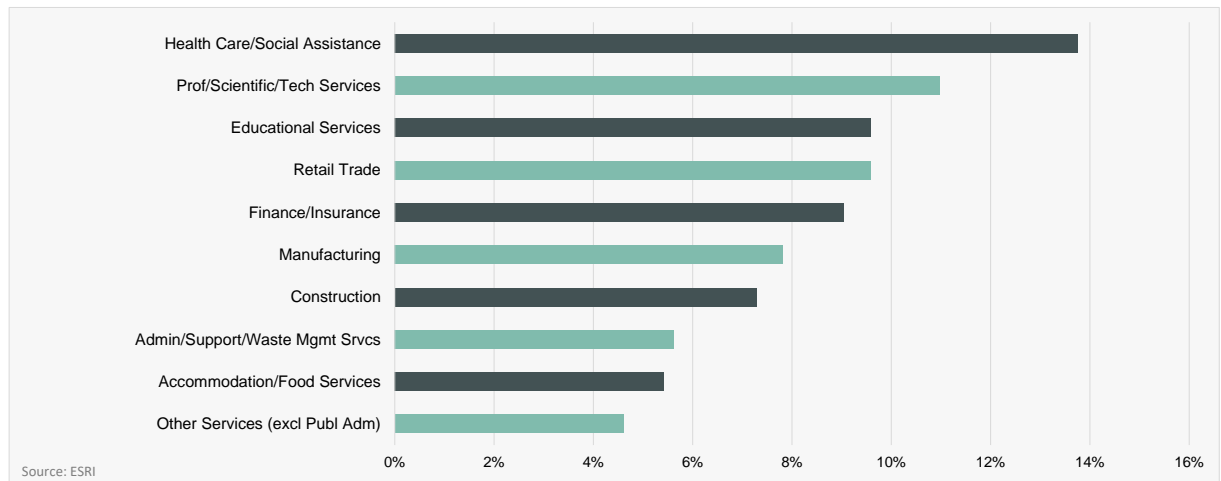


Education

A total of 51.1% of individuals over the age of 24 have a college degree, with 28.2% holding a bachelor's degree and 23.0% holding a graduate degree.



Employment

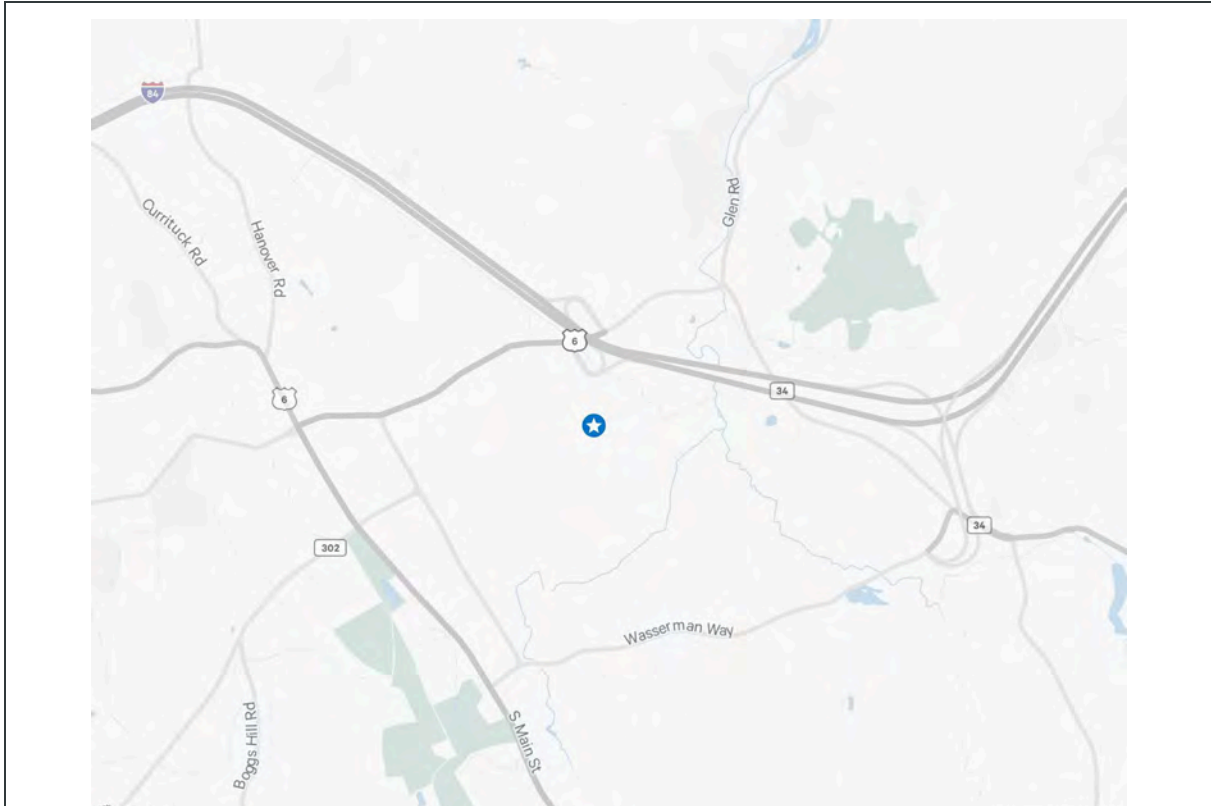


The area includes a total of 505,877 employees. The top three industries within the area are Health Care/Social Assistance, Prof/Scientific/Tech Services and Educational Services, which represent a combined total of 34% of the workforce.

Source: ESRI, downloaded on Aug 30, 2024; BLS.gov dated Jan 0, 1900

In summary, the area is forecasted to experience a decrease in population and an increase in household income.

Neighborhood Analysis



Location

The subject is in the town of Newtown and is considered a suburban location. The town of Newtown is situated in northeast Fairfield County, about 12 miles east of the Danbury Central Business District.

Boundaries

The neighborhood boundaries are detailed as follows:

North:	Turkey Hill Road
South:	South Main Street
East:	Toddy Hill Road
West:	South Main Street

Land Use

Land uses within the subject neighborhood consist of a mixture of industrial, residential and public development. Streets surrounding the subject such as Turkey Hill Road and Ethan Allen Road are improved with other industrial and service uses such as the Newtown Transfer Station, Newtown Public Works and Newtown Recycling. Commercial uses in the area are mainly concentrated along Connecticut Route 25 (South Main Street) and include uses such as Wind Hardware, Julie Allen Bridal, Red Rooster Pub, and Black Swan Fireside Hearth & Home. Public uses in the area include the Fraser Woods

Montessori School and Community Health Associates. Moving out from these areas, the town is mainly residential in character.

Growth Patterns

The subject neighborhood can be described as an area of mature growth, with little new significant development in the past several years. Most new development in the area has been in the form of single family residential development and some regentrification of older commercial and industrial structures.

Access

Automobile, bus and truck access exists along Interstate I-84 which traverses the subject community just north of the subject property. This principal east-west artery extends from Pennsylvania through Newtown to Hartford, and Boston via the Massachusetts Turnpike.

Numerous north-south roads intersect I-84. US Routes 6, 25 and 34 go directly through Newtown. Other major roads within a few minutes of Newtown include I-684, I-95, the Merritt Parkway, Saw Mill Parkway, US Routes 7, 8, 87, and the Taconic Parkway.

Demographics

Selected neighborhood demographics in 1-, 3- and 5-mile radius from the subject are shown in the following table:

SELECTED NEIGHBORHOOD DEMOGRAPHICS				
8 Commerce Road Newtown, CT 06470	1 Mile Radius	3 Mile Radius	5 Mile Radius	Bridgeport- Stamford- Danbury, CT
Population				
2029 Total Population	1,483	15,323	36,326	949,219
2024 Total Population	1,460	15,392	36,591	954,750
2010 Total Population	1,352	15,367	36,507	907,139
2000 Total Population	1,285	14,311	33,428	873,420
<i>Annual Growth 2024 - 2029</i>	<i>0.31%</i>	<i>-0.09%</i>	<i>-0.15%</i>	<i>-0.12%</i>
<i>Annual Growth 2010 - 2024</i>	<i>0.55%</i>	<i>0.01%</i>	<i>0.02%</i>	<i>0.37%</i>
<i>Annual Growth 2000 - 2010</i>	<i>0.51%</i>	<i>0.71%</i>	<i>0.88%</i>	<i>0.38%</i>
Households				
2029 Total Households	600	5,631	13,383	361,515
2024 Total Households	580	5,553	13,215	356,644
2010 Total Households	533	5,294	12,562	331,573
2000 Total Households	478	4,736	11,097	320,767
<i>Annual Growth 2024 - 2029</i>	<i>0.68%</i>	<i>0.28%</i>	<i>0.25%</i>	<i>0.27%</i>
<i>Annual Growth 2010 - 2024</i>	<i>0.61%</i>	<i>0.34%</i>	<i>0.36%</i>	<i>0.52%</i>
<i>Annual Growth 2000 - 2010</i>	<i>1.10%</i>	<i>1.12%</i>	<i>1.25%</i>	<i>0.33%</i>
Income				
2024 Median Household Income	\$151,693	\$135,371	\$150,823	\$108,686
2024 Average Household Income	\$183,943	\$174,359	\$187,685	\$165,607
2024 Per Capita Income	\$67,918	\$63,714	\$68,001	\$61,946
2024 Pop 25+ College Graduates	604	6,065	14,587	339,346
Age 25+ Percent College Graduates - 2024	57.9%	54.5%	55.3%	51.1%
Source: ESRI				

Conclusion

The neighborhood appears to be in balance with some general stability projected over the next several years in terms of population and households.

The subject is a mixed use industrial and residential area that has good access to area highways. The subject is located in a neighborhood of like properties and benefits from its surrounding neighborhood uses.

Site Analysis

The following chart summarizes the salient characteristics of the subject site.

SITE SUMMARY AND ANALYSIS			
Physical Description			
Gross Site Area	34.18 Acres	1,488,881 Sq. Ft.	
Net Site Area	34.18 Acres	1,488,881 Sq. Ft.	
Primary Road Frontage	Commerce Road	n/a	
Shape	Irregular		
Topography	Rolling		
Parcel Number(s)	37/ 3/ 14/ /		
Zoning District	Animal Sanctuary Design District (ASDD)		
Flood Map Panel No. & Date	09001C0166F	18-Jun-10	
Flood Zone	Zone X (Unshaded)		
Adjacent Land Uses	Industrial and residential		
Comparative Analysis		<u>Rating</u>	
Visibility		Average	
Functional Utility		Average	
Traffic Volume		Average	
Adequacy of Utilities		Average	
Landscaping		Average	
Drainage		Average	
Utilities	<u>Availability</u>	<u>Comments</u>	
Water	N/A	Well	
Sewer	N/A	Septic	
Natural Gas	N/A	N/A	
Electricity	Yes	Eversource	
Telephone/Cable/Internet	Yes	Various	
Other	<u>Yes</u>	<u>No</u>	<u>Unknown</u>
Detrimental Easements			X
Encroachments			X
Deed Restrictions			X
Reciprocal Parking Rights			X

Based on the above research, the following results were concluded:

Item	Results
Detrimental Easements	There are no known easements impacting the site.
Encroachments	There are no known encroachments impacting the site.
Deed Restrictions	There are no known deed restrictions impacting the site.
Reciprocal Parking Rights	There are no known reciprocal parking rights impacting the site.
Various sources compiled by CBRE	

Ingress/Egress

Ingress and egress is available to the site via a curb cut along Commerce Road.

Commerce Road, at the subject, is a northwest/southeast commercial street that has one lane of traffic in each direction. Street improvements include asphalt paving and concrete curbs. Street parking is not permitted.

Easements and Encroachments

There are no known easements or encroachments impacting the site that are considered to affect the marketability or highest and best use. It is recommended that the client/reader obtain a current title policy outlining all easements and encroachments on the property, if any, prior to making a business decision.

Covenants, Conditions and Restrictions

There are no known covenants, conditions or restrictions impacting the site that are considered to affect the marketability or highest and best use. It is recommended that the client/reader obtain a copy of the current covenants, conditions and restrictions, if any, prior to making a business decision.

Environmental Issues

Although CBRE was not provided an Environmental Site Assessment (ESA), a tour of the site did not reveal any obvious issues regarding environmental contamination or adverse conditions.

The appraiser is not qualified to detect the existence of potentially hazardous material or underground storage tanks which may be present on or near the site. The existence of hazardous materials or underground storage tanks may affect the value of the property. For this appraisal, CBRE, Inc. has specifically assumed that the property is not affected by any hazardous materials that may be present on or near the property.

Adjacent Properties

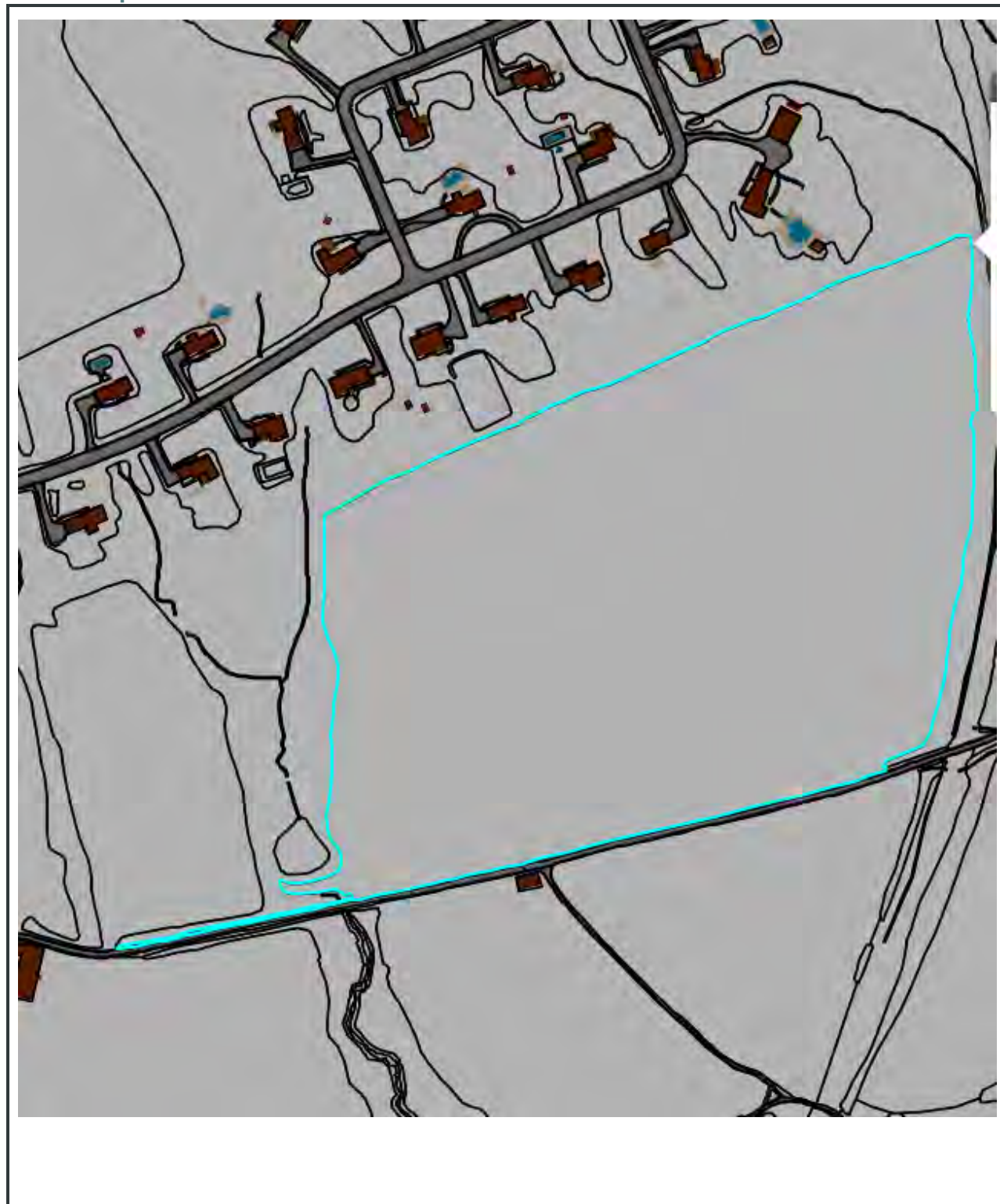
The adjacent land uses are summarized as follows:

North:	Industrial and residential
South:	School
East:	Industrial
West:	Residential

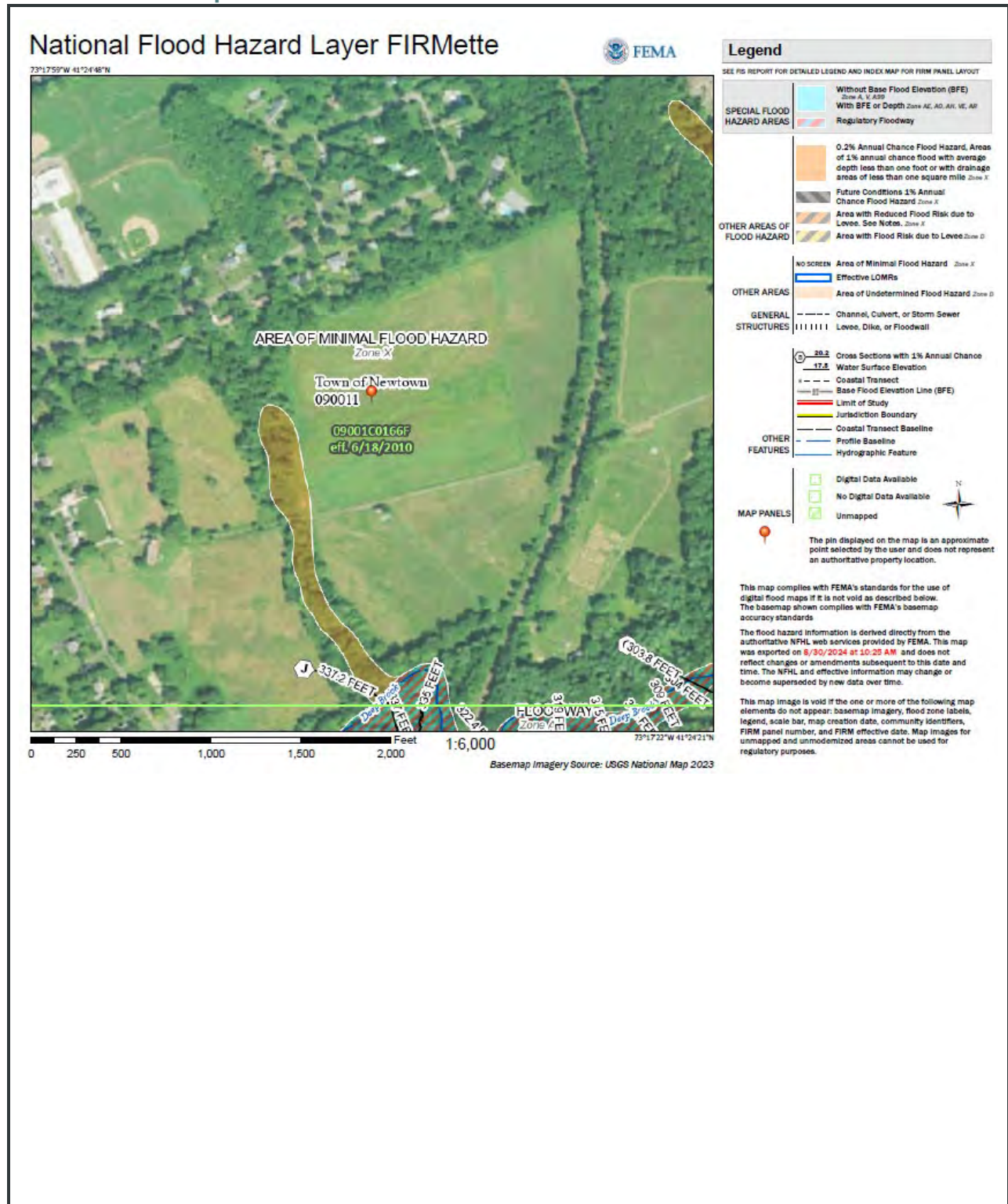
Conclusion

The site is well located and afforded average access and visibility from roadway frontage. The size of the site is typical for the area and use, and there are no known detrimental uses in the immediate vicinity. Overall, there are no known factors which are considered to prevent the site from development to its highest and best use, as if vacant, or adverse to the existing use of the site.

Plat Map



Flood Plain Map



Improvements Analysis

The following chart shows a summary of the improvements.

IMPROVEMENTS SUMMARY AND ANALYSIS	
Property Type	School/Agricultural
Number of Buildings	1
Number of Stories	1
Gross Building Area	2,373 SF
Site Coverage	0.2%
Land-to-Building Ratio	627.43 : 1
Subject Characteristics	Event / Commercial Kitchen, Outdoor Amenity and Surface Parking
Parking Improvements	Surface
Year Built	2025
Actual Age	0 Years
Effective Age	0 Years
Total Economic Life	45 Years
Remaining Economic Life	45 Years
Age/Life Depreciation	0.0%
Functional Utility	Typical
Source: Various sources compiled by CBRE	

Year Built

The subject will be completed in 2025.

Construction Class

Building construction class is as follows:

D - Wood frame, floor and structure; considered combustible

The construction components are assumed to be in working condition and adequate for the building.

The overall quality of the facility is considered to be average for the neighborhood and age. However, CBRE, Inc. is not qualified to determine structural integrity and it is recommended that the client/reader retain the services of a qualified, independent engineer or contractor to determine the structural integrity of the improvements prior to making a business decision.

Construction Components

Classroom Area

The construction components and interior finish of the classroom space is summarized as follows:

Foundation:	The foundation is assumed to be of adequate load-bearing capacity to support the improvements.
Exterior Walls:	The exterior walls are wood frame with a combination of wood and stone exterior walls.

Roof Cover:	The building will have a pitched corrugated galvanized steel roof.
Floor Coverings:	Floor coverings consist of commercial grade short loop carpeting, vinyl tile and exposed concrete.
Interior Walls:	The interior walls consist of a metal framework with textured and painted sheetrock wall coverings.
Ceilings:	The ceiling is comprised of exposed framing.
Lighting:	LED and incandescent
Mezzanine Space:	The subject will include a balcony surrounding the open first floor area. We have not included the balcony in the GBA.
HVAC:	The HVAC system is assumed to be in good working order and adequate for the building.
Electrical:	The electrical system is assumed to be in good working order and adequate for the building.
Plumbing:	The plumbing system is assumed to be in good working order and adequate for the building.
Restrooms:	The public restrooms appear to be standard builder's grade with two sinks, four individual stalls and a basic finish-out with ceramic tile floors, painted drywall, drop acoustical tile ceiling and overhead fluorescent lighting. They are regarded adequate for the property and are assumed built to local code.
Life Safety and Fire Protection:	It is assumed the improvements have adequate fire alarm systems, fire exits, fire extinguishers, fire escapes and/or other fire protection measures to meet local fire marshal requirements. CBRE, Inc. is not qualified to determine adequate levels of safety & fire protection, whereby it is recommended that the client/reader review available permits, and related documents prior to making a business decision.
Condition Summary:	The interior areas are typical building standard finishes and are commensurate with competitors in the area.

Site Coverage

The property's land-to-building appears commensurate with other facilities in the neighborhood.

Site Additions/Amenities

The subject includes a storage barn of roughly 2,000 square feet on-site that has no utilities and is in fair to average overall condition. The site also has two small farmstand buildings that are less than 100 square feet and used in conjunction with the community garden,

The property includes a sitting area with sculpture as well as a retaining wall with observation area and walking trails surrounding the perimeter of the property. The community garden is situated in the western portion of the site.

Personal Property

Personal property has been excluded from this appraisal.

Parking and Drives

The project features adequate surface parking that is gravel.

Landscaping

Landscaping is considered to be in average condition and well maintained.

Functional Utility

The overall layout of the proposed improvements is considered functional in utility.

ADA Compliance

All common areas of the property appear to be accessible to individuals with disabilities. The client/reader's attention is directed to the specific limiting conditions regarding ADA compliance.

Environmental Issues

Although CBRE was not provided an Environmental Site Assessment (ESA), a tour of the site did not reveal any obvious issues regarding environmental contamination or adverse conditions.

The appraiser is not qualified to detect the existence of potentially hazardous material or underground storage tanks which may be present on or near the site. The existence of hazardous materials or underground storage tanks may affect the value of the property. For this appraisal, CBRE, Inc. has specifically assumed that the property is not affected by any hazardous materials that may be present on or near the property.

Deferred Maintenance

The proposed building will be in new condition, upon completion with no items of deferred maintenance.

Economic Age and Life

CBRE, Inc.'s estimate of the subject improvements effective age and remaining economic life is depicted in the following chart:

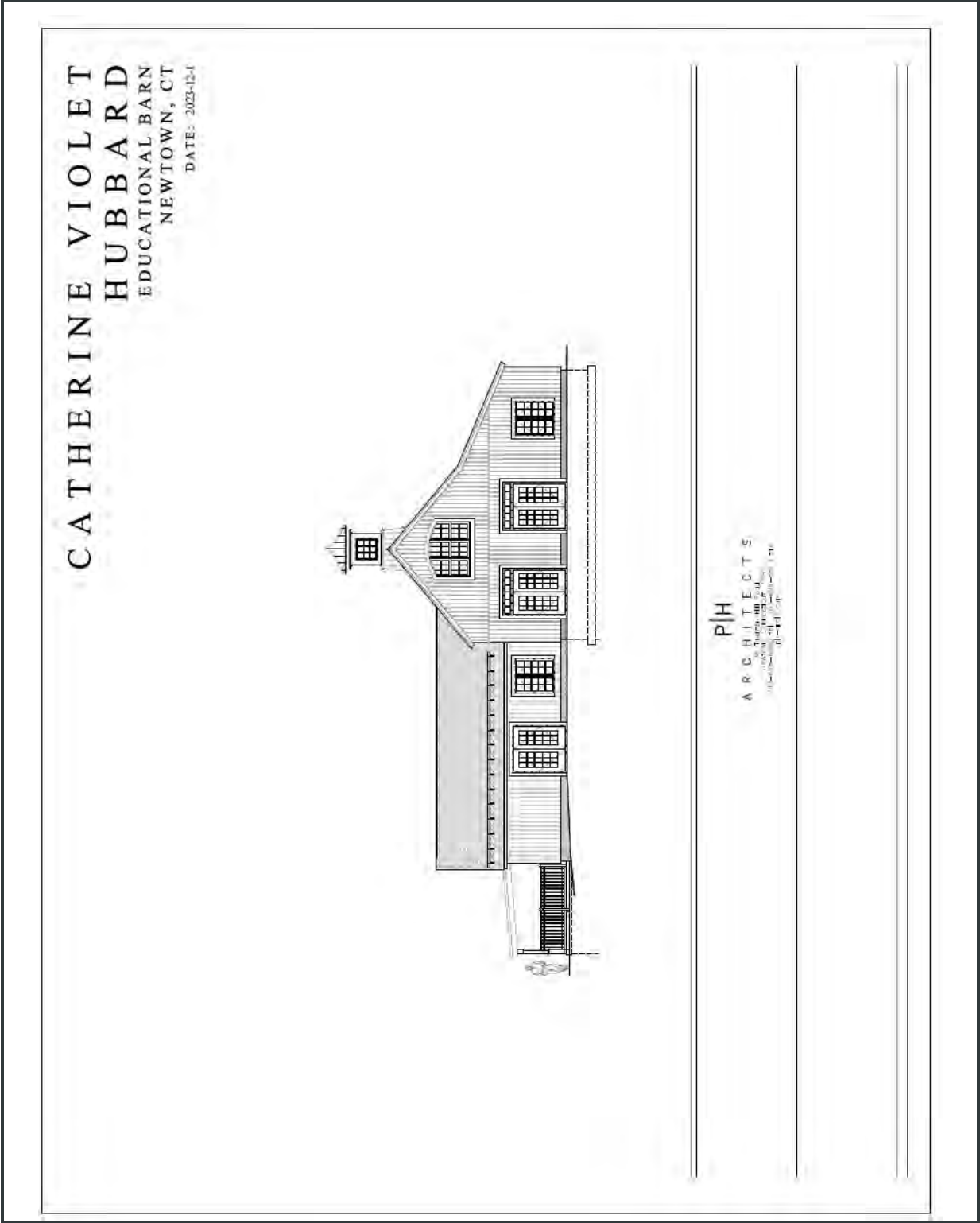
ECONOMIC AGE AND LIFE	
Actual Age	0 Years
Effective Age	0 Years
MVS Expected Life	45 Years
Remaining Economic Life	45 Years
Accrued Physical Incurable Depreciation	0.0%
Compiled by CBRE	

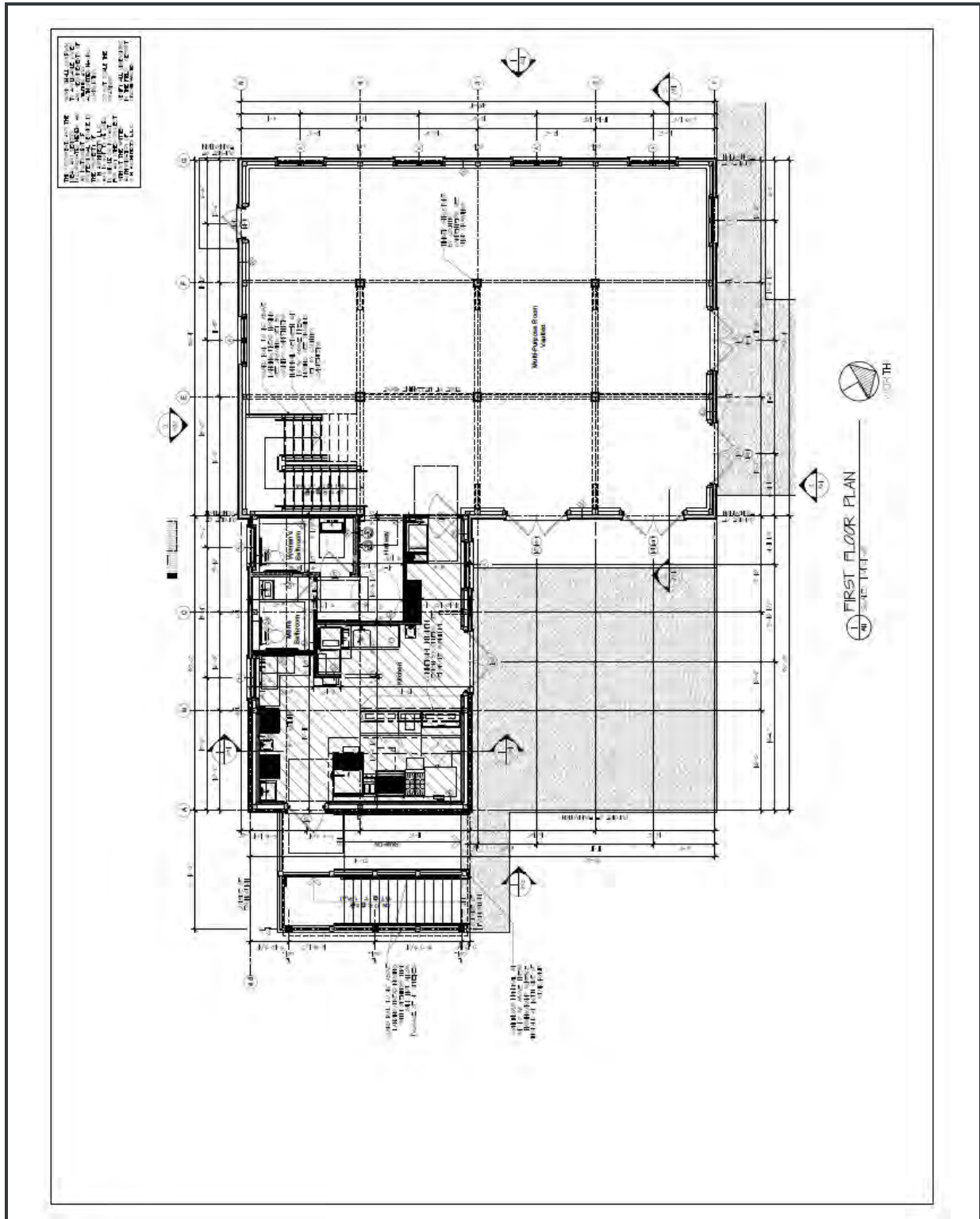
The remaining economic life is based upon our on-site observations and a comparative analysis of typical life expectancies as published by Marshall and Swift, LLC, in the Marshall Valuation Service cost guide. While CBRE, Inc. did not observe anything to suggest a different economic life, a capital improvement program could extend the life expectancy.

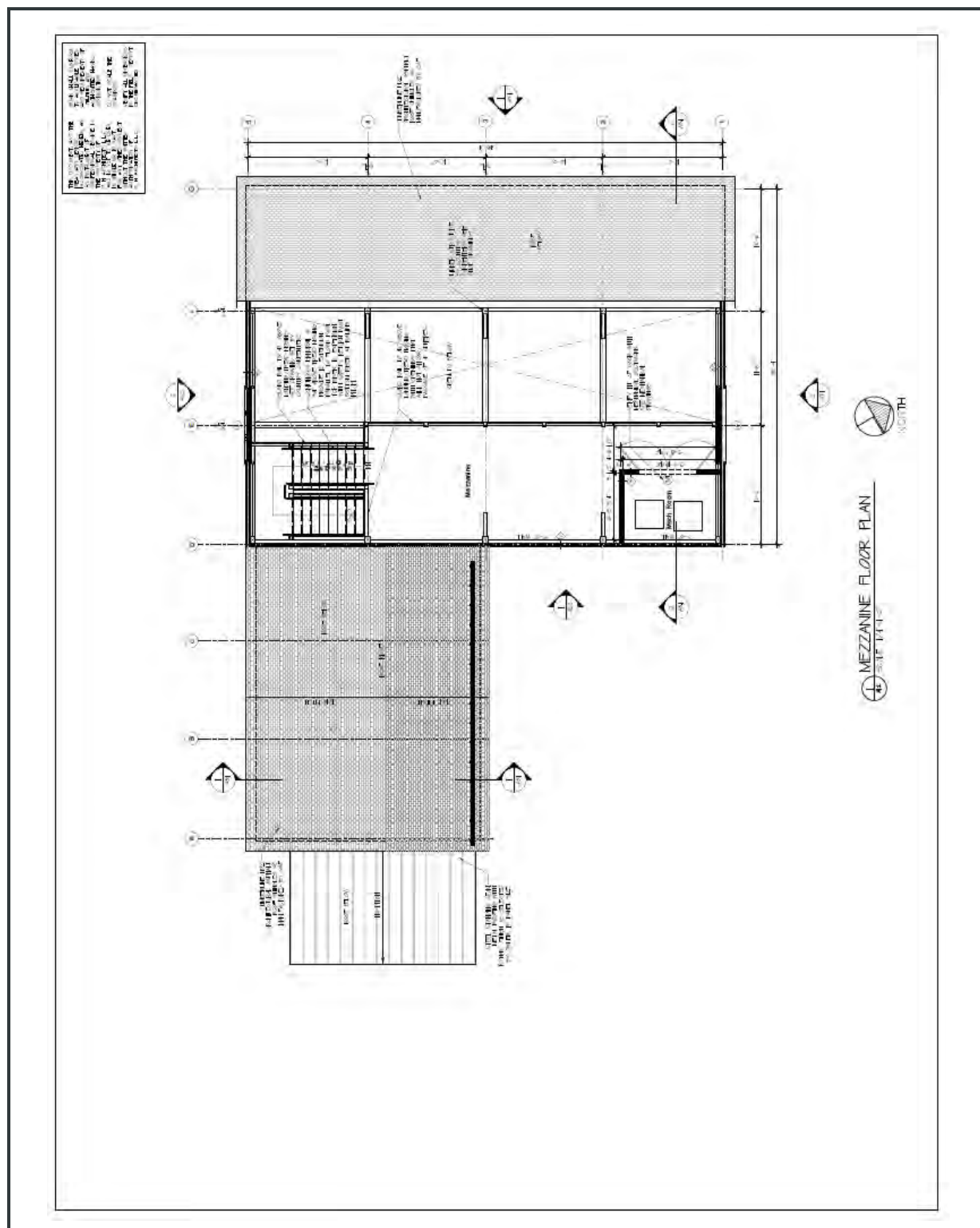
Conclusion

The improvements, upon completion, will be in new overall condition. Overall, there are no known factors that adversely impact the marketability of the improvements.

Improvements Layout







Zoning

The following chart summarizes the subject's zoning requirements.

ZONING SUMMARY	
Current Zoning	Animal Sanctuary Design District (ASDD)
Legally Conforming	Yes
Uses Permitted	The ASDD uses allowed shall be flexible but consistent with the broad multi-purposes of this ASDD, and shall include without limitation the following principal and accessory uses and structures: a. Farm animal refuge and native wildlife rehabilitation, companion animal rescue and adoption including: veterinarian hospital- veterinary intake facility, medical treatments for domestic/farm animals and native wildlife; on-site care for on-site animals, including farm animals (no grooming or routine dog or cat boarding); dog-training, including FBI dog and other specialty dog training. b. Multi-functional spaces to support partner rescue transport, farm animal, canine and feline housing; multipurpose facilities for foster and adoption meet and greet; VI-7-2 c. Agricultural uses and preserve, community gardens, farm to table culinary programs and related uses including without limitation garden tours and farmer's market; d. Hiking, Biking and Equestrian trails available to the community and the public including preservation of existing trail systems, establishment of former trail systems and establishment of new nature trails in keeping with the purposes of the Sanctuary and in balance with the protection of any environmentally sensitive areas of the property. e. General and dedicated wildlife sanctuaries such as the existing Butterfly Sanctuary; Open tract area with preserved meadows, forest and river habitats, public trails and bridle path; f. Education and enrichment programs, field trips and workshops relating to any of the Animal Sanctuary uses and including, without limitation, humane education and nature based workshops, pet and animal care veterinary education, master gardening. environmental education-being good stewards of property;) curriculum based enrichment programs for school field trips and related fine arts; day camps to focus on Animal Sanctuary purposes including animal care and environmental stewardship g. Outdoor Amphitheater, private and open to the public, to offer educational series, workshops and fine arts demonstrations with emphasis on nature-based topics, gardening, veterinarian care and science, culinary farm to table, enrichment programs to supplement the education programs and any to further any of the ASDD missions. These programs may be aimed at school children and adults alike. h. Library open to public supporting the educational programs and mission of the ASDD including the offering workshops, lectures, tutoring, after school homework assistance. i. j. Open tracts of land with meadows, forest and river habitat which may be used for outdoor activities or conservation consistent with the ASDD mission Any other uses consistent with the ASDD mission.
Zoning Change	Not likely

Source: Fairfield County Planning and Zoning Dept.

Analysis and Conclusion

The improvements represent a legally conforming use and, if damaged, may be restored without special permit application. Additional information may be obtained from the appropriate governmental authority. For purposes of this appraisal, CBRE has assumed the information obtained is correct.

Tax and Assessment Data

The following summarizes the local assessor's estimate of the subject's market value, assessed value, and taxes, and does not include any furniture, fixtures or equipment. The CBRE estimated tax obligation is also shown.

AD VALOREM TAX INFORMATION			
Parcel	Assessor's Parcel No.	Parcel Description	2023 G.L.
1	37/ 3/ 14/ /	8 Commerce Road	\$4,563,400
Subtotal			\$4,563,400
% of Assessed Value			70%
Final Assessed Value			\$3,194,380
General Tax Rate (per \$1,000 A.V.)			26.970000
General Tax:			\$86,152
Effective Tax Rate (per \$1,000 A.V.)			26.970000
Total Taxes			\$86,152
Taxes per SF			\$36.31
Source: Assessor's Office			

Section 12-62 of Connecticut Statutes requires that each municipality conduct a revaluation of all real property at least every five years with a physical inspection required every ten years. In Connecticut, an assessment is equal to 70% of the fair market value as established by the municipal Assessor in the year of the last revaluation. The last reassessment of property values in Newtown was as of the October 1, 2022 Grand List. The next reassessment will be for the Grand List year 2027. In Connecticut, the sale of a property does not trigger a re-assessment.

The 2023 tax list and the pro-forma above are based on the actual taxes assessed on the subject property and the actual tax rate. 2023 Grand List tax payments are due in two equal installments on July 1, 2024 and January 1, 2025. The subject is a non-profit use and is tax exempt and the above taxes have been presented for informational purposes only.

Delinquency

For purposes of this analysis, CBRE, Inc. assumes that all taxes are current.

Market Analysis

The market analysis forms a basis for assessing market area boundaries, supply and demand factors, and indications of financial feasibility.

The subject is in the Newtown market and is considered an educational/agricultural use. The following property definitions may be applicable towards the subject:

Special Use: Clearly designed for use of the particular occupant. Not suitable for general use without extensive re-configuration.

Agricultural Market Overview

The subject's existing use is regarded as agricultural in nature, moreover, the land area of the subject – were it not for the existing use – would provide for other agricultural uses. Agricultural land's market price discovery is difficult due to many factors influencing farmland market price (for example: parcel production capabilities, size and shape) plus the fact that a majority of transactions take place without a formal marketing effort. What we do know is that, over the past decade, average U.S. farmland values have more than doubled (NASS, 2012). Particularly for corn and soybean producing regions, farmland prices have risen largely because of increased demand from market participants attempting to capture financial gain through expected future production profits and asset appreciation.

What is more, over the past decade, there has been a convergence of interest in the global farm and food system and its contributions to feeding the world's population as well as to ensuring the environmental sustainability of the planet. The 2007/2008 commodity crisis underscored the vulnerability of the global food system to shocks from extreme weather events, energy and financial markets, as well as government interventions in the form of export bans and other measures designed to avoid domestic adjustment to global scarcity.

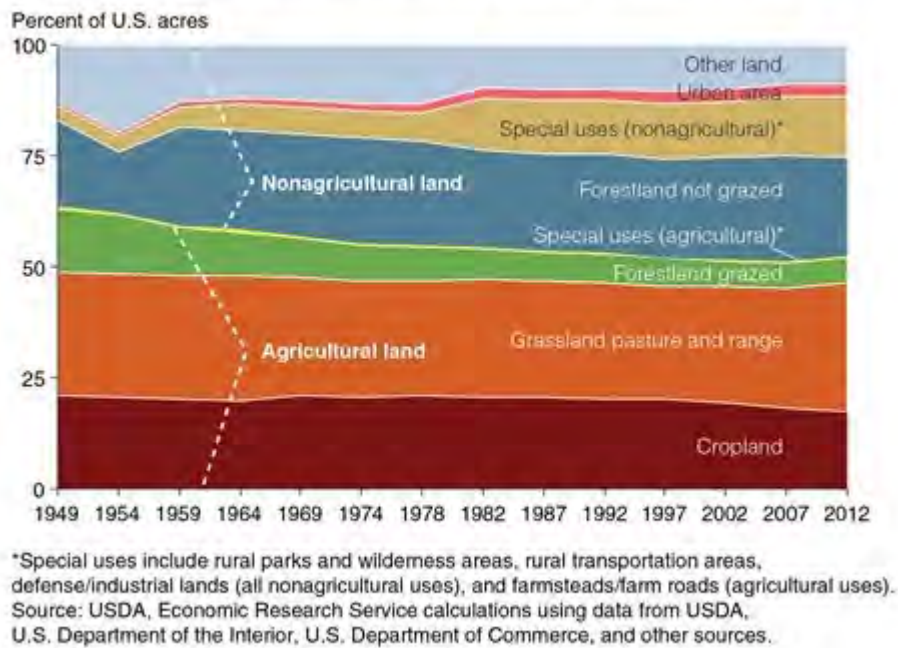
Changes in factors influencing farmland market values influence buyer and seller decisions. The purpose of this analysis is to explore the incentives faced by farmland buyers and sellers in a supply and demand framework, which helps explain farmland values, as there have only been three times since the early 1900's, where farmland values saw a significant decline, as farmland values declined during the Great Depression of the 1920's through the 1930's, during the farmland price bubble in the early 1980's, and they experienced a small reduction in value during the financial crisis between 2007 and 2009.

Land Use

How land is used and changes in land use can also have implications for commodity production and trade, soil and water conservation, bioenergy supply, climate change adaptation, and many other policy issues. A complex set of factors, including commodity prices; production technology; demand for land for residential, commercial, and industrial development; and agricultural and bioenergy policies, can induce land-use change as farm-landowners respond to market conditions and try to maximize the returns to their land.

Land area in the United States covers nearly 2.3 billion acres; however, the proportion of the land base in agricultural uses declined from 63% in 1949 to 52% in 2012 (latest data available). Gradual declines have occurred in cropland, while grazed forestland has decreased more rapidly. In 2012, 392 million acres of agricultural land were in cropland (18% less than in 1949); 655 million acres were in pasture and range (4% more); 130 million acres were in grazed forestland (59% less); and eight million acres were in farmsteads and farm roads (45% less). Nonagricultural uses, meanwhile, increased from 37% to 49% of the land base, largely due to a fourfold increase in National Parks and National Wilderness/Wildlife areas, particularly in Alaska.

Share of land used for agricultural purposes has decreased 11 percent since 1949

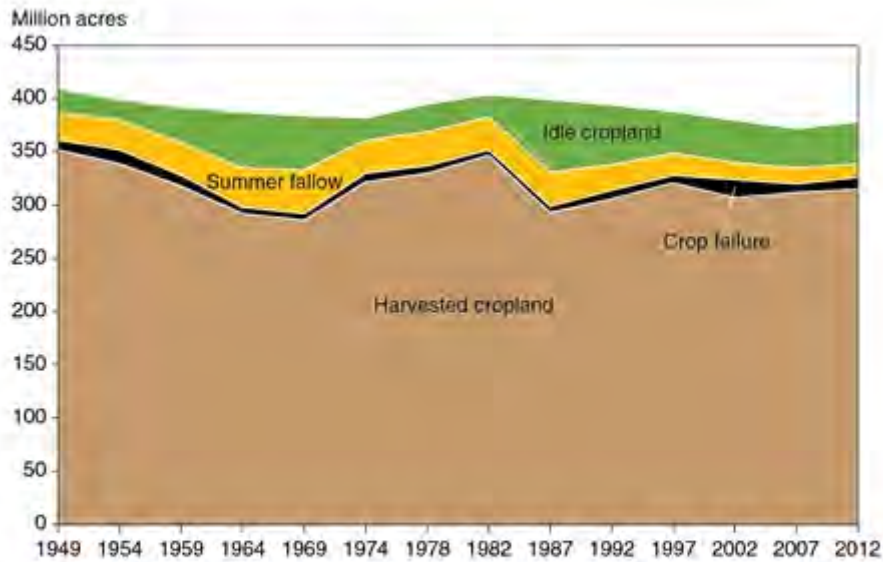


Farmland Supply

A variety of factors, such as commodity prices, weather, changes in technology, and Government programs, affect how cropland is used. Between 2002 and 2012, a combination of high commodity prices and drought conditions influenced trends in cropland use. Cropland harvested, which accounts for the majority of cropland use, increased by 8 million acres. Rising commodity prices for corn and soybeans, in particular, contributed to the increase by incentivizing farmers to plant additional acres of these commodities.

In addition, droughts in several major crop-producing regions resulted in above-average failed cropland acreage, reaching 17 million acres in 2002 and 13 million acres in 2011. Idled cropland, a majority of which is enrolled in the Conservation Reserve Program (CRP), also increased during the most recent droughts despite a reduction in land enrolled in the CRP. This suggests that some farmers voluntarily removed land from crop production because of poor growing conditions or constrained irrigation water supplies. Land used for summer fallow declined by three million acres in recent years, partially due to increased adoption of moisture-conserving production practices such as no-till and mulch-till.

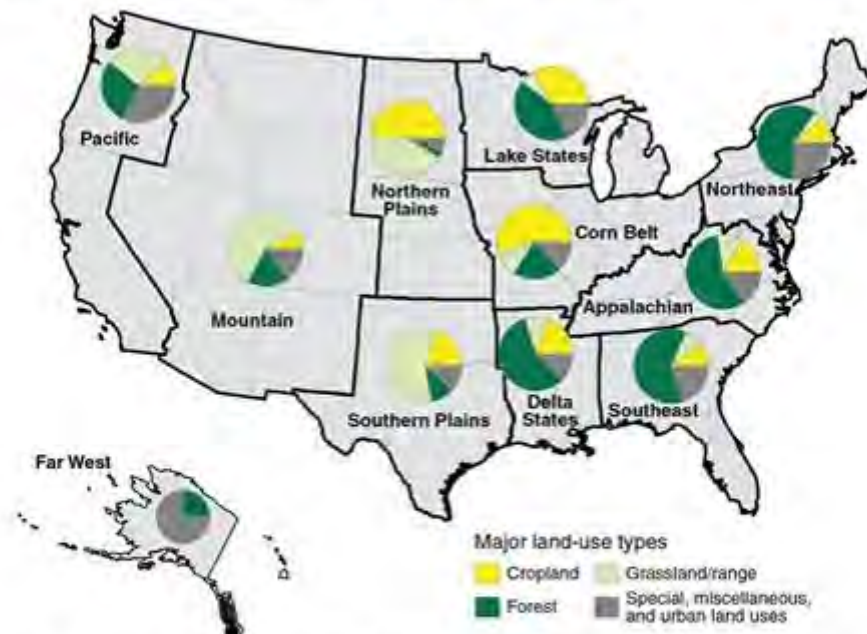
Harvested cropland increased between 2002 and 2012



Source: USDA, Economic Research Service calculations using data from USDA, National Agricultural Statistics Service and USDA, Farm Service Agency.

The distribution of both agricultural and non-agricultural land uses varies substantially across the country based on factors such as soil, climate, and Federal and local policies and programs. Cropland is concentrated in the Corn Belt and Northern Plains regions, where several States (including Iowa, Kansas, and Illinois) have more than half of their land base devoted to cropland. Grassland pasture and range accounted for a large share of land in the Mountain (60%) and Southern Plains (59%) regions. Forest-use land is mainly found along the eastern seaboard in the Southeast (62%), Northeast (59%), Delta States (58%), and Appalachia (57%) regions.

Cropland is concentrated in the Corn Belt and Northern Plains



Note: The underlying major land uses data, presented here by ERS Farm Production region, is also available for each individual State.

Source: USDA, Economic Research Service calculations using data from USDA, U.S. Department of the Interior, U.S. Department of Commerce, and other sources.

Development Applications

Every year, some rural land is converted to developed uses. Once converted, these lands rarely revert to rural uses. Over the past several decades, most land that converted to developed uses was previously in an agricultural use. In fact, we can observe a long-term net decline in grazing acreage however, from over 1 billion acres in 1949 to 741 million acres in 2007. Additionally, only 3% of the land base, urban areas—which are defined by the Census Bureau as densely populated areas with at least 2,500 people—increased to 61 million acres by 2007.

The amount of developed land outside of urban areas is more difficult to estimate. Residential uses—one type of developed land occurring outside developed areas—is estimated at an additional 103 million acres; these lands are included in the MLU 'other land' category. Land in rural transportation, defense, and industrial uses is estimated at nearly 50 million acres, which are included in the MLU 'special uses' category. Together, about 214 million acres, or 9% of the land base, are in urban areas or in developed uses outside urban areas.

Farmland does not often change hands only 10% (93 million acres) of all land in farms was expected to be transferred from 2015 through 2019, most of which (6%) was expected to change hands through gifts, trusts, or wills. Of all land expected to be transferred, only about a quarter (21 million acres) was expected to be sold between nonrelatives. Another 14% (or 13 million acres) was anticipated to be sold from one relative to another. While the amount of farmland expected to be sold was relatively small, some of the land transferred through trusts, wills, and gifts may then be sold by the new owners, bolstering the supply of land available for purchase.

Land in farms expected to transfer in 2015-19



Note: Data exclude Alaska and Hawaii.
 Source: USDA, Economic Research Service and National Agricultural Statistics Service, 2014 Tenure, Ownership, and Transition of Agricultural Land (TOTAL) survey.

Demand for Farmland

Markets with a limited number of active buyers and sellers relative to potential participants result in prices that are highly sensitive to changes in demand and supply conditions. What is more, since buyers and sellers negotiate price based upon expectations of future earning capabilities and farmland attributes, farmland sale values can take on a large range within a small region.

Factors such as production ability and risk, drainage, relationship of potential farmland to buyers' farmstead, competition for types of land, etc., all play a role in determining the market clearing price for a piece of farmland. Overall, investors view farmland as a safe, tangible asset however, producing goods needed to feed the world.

Positive returns from agricultural production over the last decade has influenced farmland values. Higher returns from agricultural production increase the demand for farmland and therefore, farmland price. Lower returns from agricultural production reduce farmland demand and price.

Interest rates impact farmland values by changing buying costs. Lower interest rates reduce buying costs, allowing these savings to be bid into the purchase price. The opposite is also true; higher interest rates increase buying costs, leading to lower purchase prices. Positive agricultural production returns and low borrowing costs have resulted in an increase in demand for farmland.

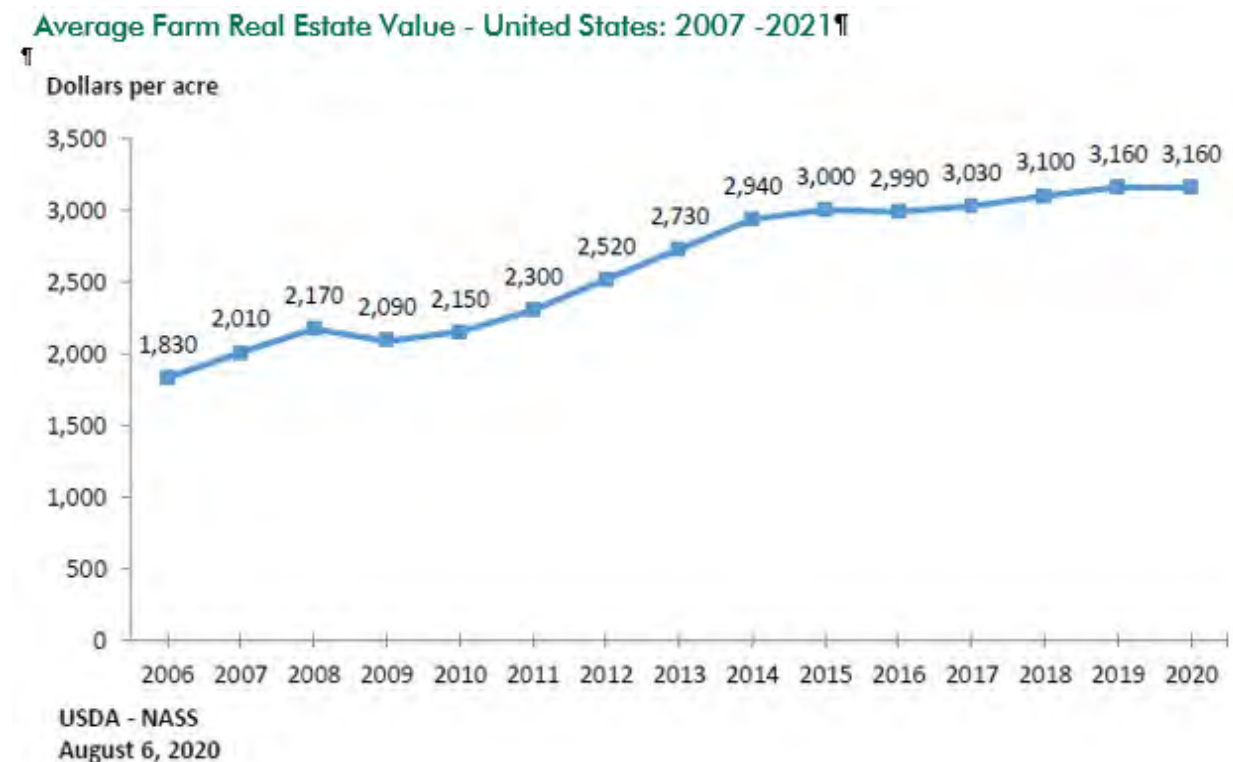
In recent years, farm real estate (land and structures) has typically accounted for about four-fifths of the total value of U.S. farm assets. Farmland values have leveled off since 2014 after a long period of appreciation following the farm crisis of the 1980s. Although growth in farm real estate values has been relatively flat since 2014, many regions continue to experience modest year-over-year increases.

USDA's Economic Research Service (ERS) research examines trends in farmland values and assesses the effects of both macroeconomic (interest rates, prices of alternative investments) and parcel-specific (e.g., soil quality, Government payments, proximity to urban areas) drivers of farmland values. Research

findings indicate that, in general, the substantial growth in land values since 2000 was attributable to general economic factors (e.g., low interest rates) in addition to expected farm earnings.

Recent research also suggests that the effects of changes in farmland values have different effects on farmers who own, versus rent, the land in their operation. For example, landowners increase their real estate-secured debt and land purchases during periods of rising farmland values. Renters, in contrast, typically see higher rent expenses as land values appreciate, which increase operating costs and potentially reduce their ability to expand production.

Average Farm Real Estate Value - United States: 2007 -2021



The average U.S. farm real estate value was \$3,160 per acre in 2019, an increase of \$60 per acre from 2018. At the state level, average value in 2019 ranged from \$570 per acre in New Mexico to \$15,600 in Rhode Island. Regional variation in farm real estate values is significant, owing to general economic conditions, differences in the health of local farm economies, policy, and location-specific characteristics that affect the returns to farmland.

The 2021 Colorado average farmland real estate value, a measurement of the value of all land and buildings on farms, was \$1,610 per acre. This is an increase of 1.3 percent from 2020 and

2.5 percent from 2019. The average value of cropland was \$2,240, up 1.8 percent from 2020. The average value of irrigated cropland was \$5,400, up 1.9 percent from the previous year, and the average value of non-irrigated cropland was \$1,400, up 2.2 percent from the previous year. Pasture values were up 3.6 percent from 2020 at \$875 per acre.

Average cash rent for irrigated cropland in Colorado was \$160.00 per acre in 2021, up \$18.00 from the previous year. Average cash rent for non-irrigated cropland was \$33.00 per acre in 2021, up \$5.00 from

most in the Southeast (up 5.4 percent to \$94 per acre) and the Delta States (up 2.8 percent to \$115 per acre). Cropland rental rates fell the most in the Appalachian States (down 2.7 percent to \$101 per acre) and the Northeast (down 1.9 percent to \$88 per acre). Since 2016, cropland rental rates have increased the most in the Pacific (17.4 percent), and have fallen the most in the Lake States (-7.8 percent).

Pastureland rental rates have fallen 0.8 percent nationally since 2019. Since 2019, pastureland rental rates increased the most in the Mountain States (up 6.7 percent to \$5.70 per acre) and the Appalachian States (up 6 percent to \$23.50 per acre). Pasture rental rates fell the most in the Lake States (down 13.4 percent to \$27.5 per acre) and the Northeast (down 7.1 percent to \$29.50 per acre). Since 2016, pastureland rental rates have increased the most in the Southeast (up 3.2 percent) and have fallen the most in the Lake States (-18.5 percent).

Average farmland value and cash rent by farm production region, 2020
(dollars per acre)

Region	Farm real estate value	Cropland value	Cropland rent	Pasture value	Pasture rent
Corn Belt	\$6,110	\$6,350	\$202	\$2,340	\$39
Pacific	\$5,910	\$7,240	\$308	\$1,750	\$13
Northeast	\$5,710	\$6,070	\$86	\$3,900	\$29.5
Lake States	\$4,860	\$4,730	\$153	\$2,050	\$27.5
Southeast	\$4,120	\$4,180	\$94	\$4,230	\$21
Appalachian	\$4,140	\$4,240	\$101	\$3,550	\$23.5
Delta States	\$3,130	\$2,960	\$115	\$2,650	\$19
Northern Plains	\$2,120	\$2,740	\$107	\$1,080	\$22
Southern Plains	\$2,110	\$1,930	\$40.5	\$1,640	\$8.3
Mountain	\$1,240	\$2,010	\$90.5	\$687	\$5.7
U.S. total (48 States)	\$3,160	\$4,100	\$139	\$1,400	\$13

Source: [*Land Values, 2020 Summary*](#)  USDA, National Agricultural Statistics Service, August 2020. Annual data by region and State are available from [*QuickStats*](#).

CONCLUSION

Incentives faced by market participants, farmland buyers and sellers, drive farmland values. Farmland agricultural markets can be thinly traded, meaning small changes in quantity sold can result in large price changes. What is more, wild fluctuations in commodities prices, which influence profits can strongly influence the value of farmland; however, the general trend over the past century has been mostly up.

Factors that also influence the supply of and demand for land, include significant declines in returns to agricultural production, increases or decreases in interest rates, negative or positive changes in the

federal government capital gains tax policy, increases or decreases in returns to other investments, and increases or reductions in government agricultural support programs. Currently all factors point to strong farmland fundamentals, however.

Considering the foregoing, we would expect continued positive demand for the subject property, considering its primarily agriculture-related usage, for the foreseeable future.

Highest and Best Use

In appraisal practice, the concept of highest and best use represents the premise upon which value is based. The four criteria the highest and best use must meet are:

- legally permissible;
- physically possible;
- financially feasible; and
- maximally productive.

The highest and best use analysis of the subject is discussed below.

As Vacant

Legal Permissibility

The legally permissible uses were discussed in the Site Analysis and Zoning Sections.

Physical Possibility

The subject is adequately served by utilities, and has an adequate shape and size, sufficient access, and other necessary attributes to be a separately developable site. There are no known physical reasons why the subject site would not support any legally probable development (i.e. it appears adequate for development).

Existing structures on similar sites provides additional evidence for the physical possibility of development.

Financial Feasibility

Potential uses of the site include school, educational and agricultural related uses. The determination of financial feasibility is dependent primarily on the relationship of supply and demand for the legally probable land uses versus the cost to create the uses. As discussed in the market analysis, the subject market is generally stabilized. Development of new properties has occurred in the past few years.

Development of a build-to-suit structure for a specific tenant/owner is also considered financially feasible.

Maximum Productivity - Conclusion

The final test of highest and best use of the site as if vacant is that the use be maximally productive, yielding the highest return to the land.

Based on the information presented above and upon information contained in the market and neighborhood analysis, we conclude that the highest and best use of the subject as if vacant would be the development of a school/agricultural related property. Our analysis of the subject and its respective market characteristics indicate the most likely buyer, as if vacant, would be an investor (land speculation) or a developer.

As Improved (Proposed)

Legal Permissibility

The site is currently being used by a non-profit for open space and agricultural use and is proposed for the development of a small classroom/demonstration building to include a commercial kitchen and classroom space that is a legal, conforming use.

Physical Possibility

The layout and positioning of the improvements are considered functional for school/agricultural use. While it would be physically possible for a wide variety of uses, based on the legal restrictions and the design of the improvements, the continued use of the property for school/agricultural users would be the most functional use.

Financial Feasibility

The financial feasibility of a school/agricultural property is based on the strength of the non-profit/school fundraising and financial well-being and growth of the organization. Based upon the income capitalization approach conclusion, the subject is capable of producing a positive net cash flow and continued utilization of the improvements for industrial purposes is considered financially feasible. Further, the value of the subject property as improved clearly exceeds the underlying land value.

Maximum Productivity - Conclusion

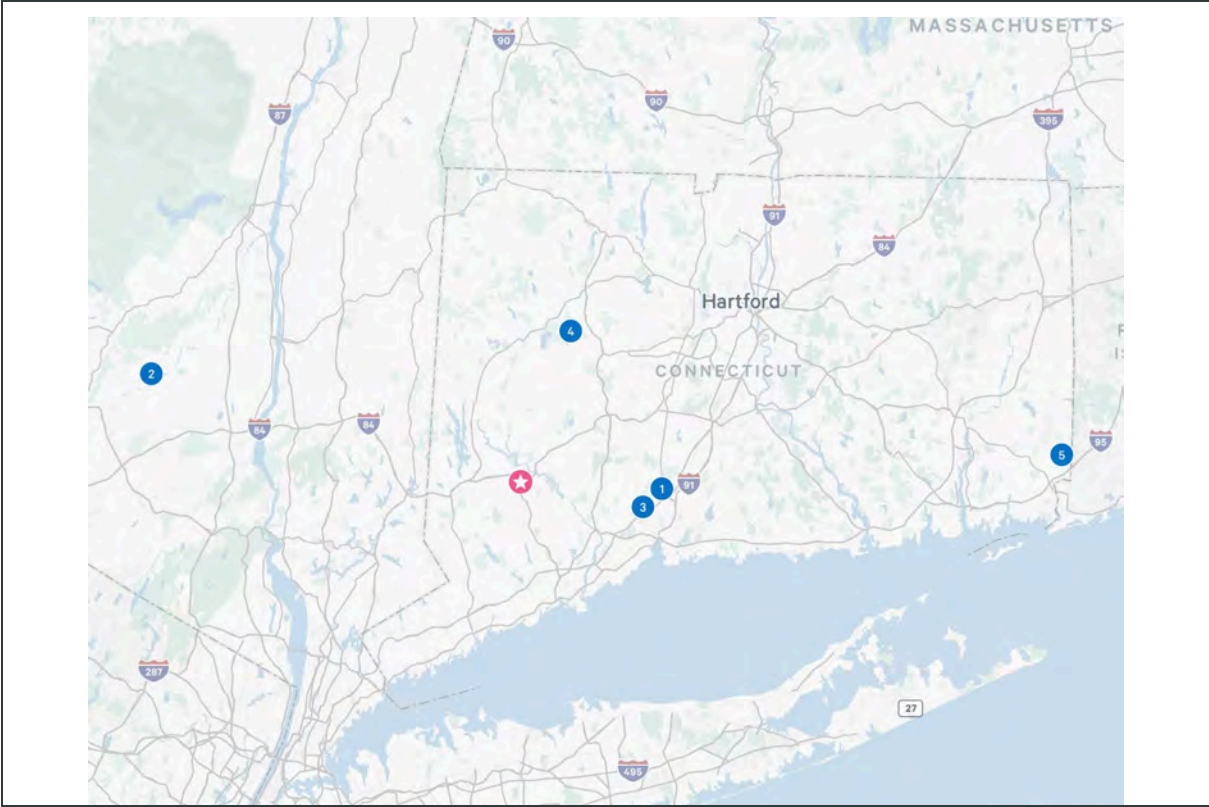
As shown in the applicable valuation sections, buildings that are similar to the subject have been acquired or continue to be used by school/agricultural owners/tenants. None of the comparable buildings have been acquired for conversion to an alternative use. The most likely buyer for the subject property is as follows:

- owner-user

Based on the foregoing, the highest and best use of the property, as improved (proposed), is consistent with the proposed use as a school/agricultural development.

Land Value

The following map and table summarize the comparable data used in the valuation of the subject site. A detailed description of each transaction is included in the addenda.



SUMMARY OF COMPARABLE LAND SALES										
No.	Property Location	Transaction Type	Date	Interest Transferred	Proposed Use	Actual Sale Price	Adjusted Sale Price ¹	Size (Acres)	Size (SF)	Price Per Acre
1	Unimproved Land 0 Eastern Drive Hamden, CT 6518	Sale	May-24	Fee Simple/Freehold	Preservation by Water Company	\$152,763	\$152,763	11.11	484,039	\$13,748
2	Land S/S of Bruyn Tpke; S/S New Prospect Rd Pine Bush, NY 12566	Sale	Aug-22	Fee Simple/Freehold	Agricultural/Recreational	\$287,000	\$287,000	50.50	2,199,780	\$5,683
3	Hamden Farmland 35 Mansur Road Hamden, CT 6514	Sale	Jun-21	Fee Simple/Freehold	Agricultural/Recreational	\$170,000	\$170,000	10.00	435,600	\$17,000
4	Rural Residential Zoned Land 201 East Chestnut Hill Road Litchfield, CT 6759	Sale	Jan-21	Fee Simple/Freehold	Ag/Recreational	\$1,430,000	\$1,430,000	129.24	5,629,694	\$11,065
5	Farm Land 44 Puttker Road North Stonington, CT 6359	Sale	Oct-20	Fee Simple/Freehold	Farm Land	\$560,000	\$560,000	58.24	2,536,934	\$9,615
Subject	8 Commerce Road Newtown, CT 06470	---	---		Agricultural/School	---	---	34.18	1,488,881	---
¹ Adjusted sale price for cash equivalency and/or development costs (where applicable) Compiled by CBRE										

The sales utilized represent the best data available for comparison with the subject and were selected from the greater CT and NY area. These sales were chosen based upon similar size and farmland/open space use.

Discussion/Analysis of Land Sales

Sales 2, 3, 4, and 5 require downward adjustment to reflect the current market conditions.

Sales 1 and 3 are smaller parcels and require downward adjustments for economies of scale. Comparable 4 requires an upward adjustment for size.

Sale 1 includes wetlands and requires upward adjustment.

Summary of Adjustments

Based on our comparative analysis, the following chart summarizes the adjustments warranted to each comparable.

LAND SALES ADJUSTMENT GRID						
Comparable Number	1	2	3	4	5	Subject
Transaction Type	Sale	Sale	Sale	Sale	Sale	---
Transaction Date	May-24	Aug-22	Jun-21	Jan-21	Oct-20	---
Interest Transferred	Fee	Fee	Fee	Fee	Fee	
	Simple/Freehold	Simple/Freehold	Simple/Freehold	Simple/Freehold	Simple/Freehold	
Proposed Use	Preservation by Water Company	Agricultural/Recreational	Agricultural/Recreational	Ag/Recreational	Farm Land	Agricultural/School
Actual Sale Price	\$152,763	\$287,000	\$170,000	\$1,430,000	\$560,000	---
Adjusted Sale Price ¹	\$152,763	\$287,000	\$170,000	\$1,430,000	\$560,000	---
Size (Acres)	11.11	50.50	10.00	129.24	58.24	34.18
Size (SF)	484,039	2,199,780	435,600	5,629,694	2,536,934	1,488,881
Price Per Acre	\$13,748	\$5,683	\$17,000	\$11,065	\$9,615	---
Price (\$ Per AC)	\$13,748	\$5,683	\$17,000	\$11,065	\$9,615	
Property Rights Conveyed	0%	0%	0%	0%	0%	
Financing Terms ¹	0%	0%	0%	0%	0%	
Conditions of Sale	0%	0%	0%	0%	0%	
Market Conditions (Time)	0%	-5%	-5%	-5%	-5%	
Subtotal	\$13,748	\$5,399	\$16,150	\$10,511	\$9,135	
Size	-5%	0%	-5%	10%	0%	
Shape	0%	0%	0%	0%	0%	
Wetlands	10%	0%	0%	0%	0%	
Frontage	0%	0%	0%	0%	0%	
Topography	0%	0%	0%	0%	0%	
Location	0%	0%	0%	0%	0%	
Zoning/Density	0%	0%	0%	0%	0%	
Utilities	0%	0%	0%	0%	0%	
Highest & Best Use	0%	0%	0%	0%	0%	
Total Other Adjustments	5%	0%	-5%	10%	0%	
Value Indication for Subject	\$14,435	\$5,399	\$15,343	\$11,563	\$9,135	
<i>Absolute Adjustment</i>	15%	5%	10%	15%	5%	

¹ Adjusted sale price for cash equivalency and/or development costs (where applicable)

Compiled by CBRE

Conclusion

The comparables indicate a range of \$5,399 to \$15,343 per acre with an average of \$11,175 per acre. Based on the preceding analysis, a value per acre for the subject towards the upper end of the range of comparables is considered reasonable for the subject. The following table presents the valuation conclusion:

CONCLUDED LAND VALUE				
\$ Per AC		Subject Acs.		Total
\$13,000	x	34.18	=	\$444,340
\$15,000	x	34.18	=	\$512,700
Indicated Value:				\$480,000
(Rounded \$ Per AC)				\$14,043.30
Compiled by CBRE				

Within our analysis we have assumed that the proposed subject buildings (proposed classroom building and the existing storage barn) requires 5 acres with the remaining 29.18-acres representing excess land with a value of \$410,000. This amount has been added to the approaches.

The subject is improved with a 2,000 square foot storage barn, as well as two farmstand buildings, gravel driveways, partial utilities as well as walking trails, a sitting area and a retaining wall. We have valued these additions at \$190,000 and added this amount to the land value to arrive at the as is value for the subject of \$670,000.

Cost Approach

In estimating the replacement cost new for the subject, the following methods/data sources have been utilized (where available):

- the comparative unit method, utilizing the Marshall Valuation Service (MVS) cost guide, published by Marshall and Swift, LLC;
- the subject's actual construction costs (where available)

Marshall Valuation Service

Direct Cost

Salient details regarding the direct costs are summarized in the Cost Approach Conclusion at the end of this section. The MVS cost estimates include the following:

- average architect's and engineer's fees for plans, plan check, building permits and survey(s) to establish building line;
- normal interest in building funds during the period of construction plus a processing fee or service charge;
- materials, sales taxes on materials, and labor costs;
- normal site preparation including finish grading and excavation for foundation and backfill;
- utilities from structure to lot line figured for typical setback;
- contractor's overhead and profit, including job supervision, workmen's compensation, fire and liability insurance, unemployment insurance, equipment, temporary facilities, security, and other related costs;
- site improvements (included as lump sum additions); and
- initial tenant improvement costs are included in MVS cost estimate. However, additional lease-up costs such as advertising, marketing and leasing commissions are not included.

Base building costs (direct costs) are adjusted to reflect the physical characteristics of the subject. Making these adjustments, including the appropriate local and current cost multipliers, the direct building cost is indicated.

Additions

Items not included in the direct building cost estimate include parking and walks, signage, landscaping, and miscellaneous site improvements. The cost for these items is estimated separately using the segregated cost sections of the MVS cost guide.

Indirect Cost Items

Several indirect cost items are not included in the direct building cost figures derived through the MVS cost guide. These items include developer overhead (general and administrative costs), property taxes, legal and insurance costs, local development fees and contingencies, lease-up and marketing costs and miscellaneous costs.

MVS Conclusion

The concluded direct and indirect building cost estimates obtained via the MVS cost guide are illustrated as follows:

MARSHALL VALUATION SERVICE COST SCHEDULE			
Primary Building Type:	Industrial	Height per Story:	15'
Effective Age:	0 YRS	Number of Buildings:	1
Condition:	New	Gross Building Area:	2,373 SF
Exterior Wall:	Wood	Net Rentable Area:	2,373 SF
Number of Stories:	1	Average Floor Area:	2,373 SF
MVS Sec/Page/Class			18/28/D
Quality/Class			Good/D
Building Component			Classroom
Component Sq. Ft.			2,373 SF
Base Square Foot Cost			\$383.00
Square Foot Refinements			
Heating and cooling			\$0.00
Sprinklers			\$0.00
Other			\$0.00
Other			\$0.00
Subtotal			\$383.00
Height and Size Refinements			
Number of Stories Multiplier			1.000
Height per Story Multiplier			1.000
Floor Area Multiplier			1.000
Subtotal			\$383.00
Cost Multipliers			
Current Cost Multiplier			0.97
Local Multiplier			1.05
Final Square Foot Cost			\$390.09
Base Component Cost			\$925,673
Base Building Cost	(via Marshall Valuation Service cost data)		\$925,673
Additions			
Signage, Landscaping & Misc. Site Improvements (not included above)			\$474,600
Barns			\$88,000
Balcony			\$0
Direct Building Cost			\$1,488,273
Indirect Costs	20.0% of Direct Building Cost		\$297,655
Direct and Indirect Building Cost			\$1,785,927
Rounded			\$1,786,000
Compiled by CBRE			

Budgeted Construction Costs

The subject's budgeted construction costs are illustrated in the following table.

CONSTRUCTION COSTS	
Comparable:	Subject
Name:	
Property Type	Classroom
Year of Cost Data	2024
Cost Data Based Upon...	Budget
Size (SF):	2,373
Cost Component	
Direct Cost	\$1,832,982
Indirect Cost	\$161,275
Lease-up Cost	
Total Direct, Indirect & Lease-up	\$1,994,257
Cost Adjustment	\$0
Total Adjusted Costs	\$1,994,257
Rounded	\$1,994,000
Cost Per SF	\$840.39
Compiled by CBRE	

Direct and Indirect cost conclusion

The indicated direct and indirect building costs for the subject are illustrated as follows:

DIRECT AND INDIRECT COST CONCLUSION		
Source	Subject Estimate	Per SF
MVS Cost Guide	\$1,786,000	\$752.63
Subject's Budget Cost Est.	\$1,994,000	\$840.39
CBRE Estimate	\$1,850,000	\$779.60
Compiled by CBRE		

The estimates derived via MVS represent replacement cost while the subject's actual/budgeted figures represent reproduction costs. The subject's actual cost was given most consideration towards a cost conclusion for the subject.

Reportedly the soft costs have been spend to date and the remaining cost to complete is the hard costs of \$1,832,982. This amount has been deducted from the value as complete to arrive at the as is value.

Entrepreneurial Profit

Entrepreneurial Profit represents the return to the developer and is separate from contractor's overhead and profit. An Entrepreneurial Profit of 0.0% was used in the Cost Approach.

Accrued Depreciation

There are essentially three sources of accrued depreciation:

1. physical deterioration, both curable and incurable;
2. functional obsolescence, both curable and incurable; and
3. external obsolescence.

Physical Deterioration

The following chart provides a summary of the remaining economic life.

ECONOMIC AGE AND LIFE	
Actual Age	0 Years
Effective Age	0 Years
MVS Expected Life	45 Years
Remaining Economic Life	45 Years
Accrued Physical Incurable Depreciation	0.0%
Compiled by CBRE	

Functional Obsolescence

Based on a review of the design and layout of the improvements, no forms of curable functional obsolescence were noted. Because replacement cost considers the construction of the subject improvements utilizing modern materials and current standards, design and layout, functional incurable obsolescence is not applicable.

External Obsolescence

Based on a review of the local market and neighborhood, no forms of external obsolescence affect the subject.

The cost feasible NOI is based on the depreciated cost of the improvements plus land value, multiplied by the current capitalization rate. The pro forma stabilized NOI is taken from the direct capitalization schedule and supported by the assumptions in the appraisal report.

Cost Approach Conclusion

The value estimate is calculated as follows.

COST APPROACH CONCLUSION			
Primary Building Type:	Industrial	Height per Story:	15'
Effective Age:	0 YRS	Number of Buildings:	1
Condition:	New	Gross Building Area:	2,373 SF
Exterior Wall:	Wood	Net Rentable Area:	2,373 SF
Number of Stories:	1	Average Floor Area:	2,373 SF
Direct and Indirect Building Cost			\$1,850,000
Entrepreneurial Profit	0.0% of Total Building Cost		\$0
Replacement Cost New			\$1,850,000
Accrued Depreciation			
Unfinished Shell Space			\$0
Incurable Physical Deterioration	0.0% of Replacement Cost New less		\$0
	Curable Physical Deterioration		
Functional Obsolescence			\$0
External Obsolescence			\$0
Total Accrued Depreciation	0.0% of Replacement Cost New		\$0
Contributory Value of FF&E			\$0
Depreciated Replacement Cost			\$1,850,000
Land Value			\$480,000
As Complete Value			\$2,330,000
Rounded			\$2,330,000
Compiled by CBRE			

Insurable Replacement Cost

Insurable Replacement Cost is defined as follows:

Replacement Cost for Insurance Purposes - The estimated cost, at current prices as of the effective date of valuation, of a substitute for the building being valued, using modern materials and current standards, design, and layout for insurance coverage purposes guaranteeing that damaged property is replaced with new property (i.e., depreciation is not deducted). ⁶

CBRE, Inc. has followed traditional appraisal standards to develop a reasonable calculation based upon industry practices and industry-accepted publications such as the Marshall Valuation Service. The methodology employed is a derivation of the cost approach and is not reliable for Insurable Replacement Cost estimates. Actual construction costs and related estimates can vary greatly from this estimate.

The Insurable Replacement Cost estimate presented herein is intended to reflect the value of the destructible portions of the subject, based on the replacement of physical items that are subject to loss from hazards (excluding indestructible items such as basement excavation, foundation, site work, land value and indirect costs). In the case of the subject, this estimate is based upon the base building costs (direct costs) as obtained via the Marshall Valuation Service cost guide, with appropriate deductions.

This analysis should not be relied upon to determine proper insurance coverage as only consultants considered experts in cost estimation and insurance underwriting are qualified to provide an Insurable Replacement Cost. It is provided to aid the client/reader/user as part of their overall decision-making process and no representations or warranties are made by CBRE, Inc. regarding the accuracy of this estimate. It is strongly recommended that other sources be utilized to develop any estimate of Insurable Replacement Cost.

⁶ Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 7th ed. (Chicago: Appraisal Institute, 2022), 163.

INSURABLE REPLACEMENT COST			
Primary Building Type:	Industrial	Height per Story:	15'
Effective Age:	0 YRS	Number of Buildings:	1
Condition:	New	Gross Building Area:	2,373 SF
Number of Stories:	1	Average Floor Area:	2,373 SF
MVS Sec/Page/Class			
			18/28/D
Quality/Class			
			Good/D
Building Component			
			Classroom
Component Sq. Ft.			
			2,373 SF
Base Square Foot Cost			
			\$383.00
Square Foot Refinements			
Heating and cooling			\$0.00
Subtotal			\$383.00
Height and Size Refinements			
Number of Stories Multiplier			1.000
Height per Story Multiplier			1.000
Floor Area Multiplier			1.000
Subtotal			\$383.00
Cost Multipliers			
Current Cost Multiplier			0.97
Local Multiplier			1.05
Final Square Foot Cost			\$390.09
Base Component Cost			\$925,673
Base Building Cost			
			(via Marshall Valuation Service cost data)
			\$925,673
Insurable Exclusions			
10.0% of Total Building Cost			(\$92,567)
Indicated Insurable Replacement Cost			\$833,106
Rounded			\$800,000
Value Per SF			\$337.13
Compiled by CBRE			

The sales utilized represent the best data available for comparison with the subject. They were selected from our research of comparable improved sales within the greater CT and NJ area. These sales were chosen based upon similar use and construction characteristics.

Discussion/Analysis of Improved Sales

Improved Sale One

This comparable represents a 10,000-square-foot daycare and is situated on a 1.57-acre parcel at 273 Talcottville Road, Vernon, CT. The improvements were originally constructed in 2022 and were considered in good condition at the time of sale. The exterior walls depict vinyl siding construction components. The property sold in March 2024 for \$6,100,000, or \$610.00 per square foot. Trailing Actuals net operating income at the time of sale was \$430,000, or \$43.00 per square foot, for an overall capitalization rate of 7.05%. The property was 100% leased to Kindercare Education LLC for 15 years, starting on August 5, 2023. The based rent commenced at \$43.00 per square-foot on a NNN basis with a 10% increase in Year 6 and then 2% escalations annually thereafter. The tenant reimburses for real estate taxes, insurance, CAM and 1% of base rent for management. The lease was guaranteed by KEUHG Corporation. The property was listed for sale with an asking price of \$6,880,000. The property includes an outdoor play area and adequate parking spaces. The property is located along Route 83, with traffic volume of about 27,919 vehicles daily. The property is located proximate to several newer apartment complexes, grocery stores, retailers and restaurants. Also, the property is proximate to Interstate 84.

The upward adjustment for location reflects this comparable's inferior feature with respect to its less favorable access to employment and other support facilities. Upon comparison with the subject, this comparable was considered inferior in terms of size and received an upward adjustment for this characteristic due to having significantly more square footage than the subject property. An upward adjustment was applied to this comparable for its inferior quality of construction attribute when compared to the subject, based upon the inclusion of a commercial kitchen at the subject. Overall, this comparable was deemed inferior in comparison to the subject and an upward net adjustment was warranted to the sales price indicator.

Improved Sale Two

This comparable represents a 10,000-square-foot daycare and is situated on a 1.25-acre parcel at 425 Highland Avenue, Cheshire, CT. The improvements were originally constructed in 2023 and were considered in average condition at the time of sale. The property sold in January 2024 for \$5,825,000, or \$582.50 per square foot. Trailing Actuals net operating income at the time of sale was \$385,000, or \$38.50 per square foot, for an overall capitalization rate of 6.61%. Occupancy at the time of sale was 100%. The property was 100% leased to TLE at Cheshire LLC for 20 years, starting on December 1, 2023. The based rent commenced at \$38.50 per square-foot on a NNN basis with 10% increases every five years. The landlord is responsible for the roof and structural components.

Upon comparison with the subject, this comparable was considered inferior in terms of size and received an upward adjustment for this characteristic due to having significantly more square footage than the subject property. An upward adjustment was applied to this comparable for its inferior quality of construction attribute when compared to the subject, based upon the inclusion of a commercial kitchen at the subject. Overall, this comparable was deemed inferior in comparison to the subject and an upward net adjustment was warranted to the sales price indicator.

Improved Sale Three

This comparable represents a 10,000-square-foot daycare and is situated on a 2.19-acre parcel at 11 Shaker Road, Enfield, CT. The improvements were originally constructed in 2022 and were considered in good condition at the time of sale. The exterior walls depict brick veneer construction components. The property sold in July 2024 for \$5,518,519, or \$551.85 per square foot. Pro Forma (Stabilized) net operating income at the time of sale was \$372,500, or \$37.25 per square foot, for an overall capitalization rate of 6.75%. Occupancy at the time of sale was 100%.

The upward adjustment for location reflects this comparable's inferior feature with respect to its less favorable access to employment and other support facilities. Upon comparison with the subject, this comparable was considered inferior in terms of size and received an upward adjustment for this characteristic due to having significantly more square footage than the subject property. An upward adjustment was applied to this comparable for its inferior quality of construction attribute when compared to the subject, based upon the inclusion of a commercial kitchen at the subject. Overall, this comparable was deemed inferior in comparison to the subject and an upward net adjustment was warranted to the sales price indicator.

Improved Sale Four

This comparable represents a 9,831-square-foot Montessori school and is situated on a 1.83-acre parcel at 25 Edison Road, Mahwah, NJ. The improvements were originally constructed in 1999 and were considered in good condition at the time of sale. The exterior walls depict masonry construction components. The property sold in January 2022 for \$6,987,382, or \$710.75 per square foot. Pro Forma (Stabilized) net operating income at the time of sale was \$443,000, or \$45.06 per square foot, for an overall capitalization rate of 6.34%. Occupancy at the time of sale was 100%. According to a representative for this property, the 20-year lease commenced on July 1, 2021 and has a current base rental rate of \$443,000 or \$45.06 per square foot (building) with 2.0% annual rental rate escalations through firm term and four, five-year renewal options.

The downward market conditions (time) adjustment reflects the declining market conditions since the date of sale. The upward adjustment for location reflects this comparable's inferior feature with respect to its less favorable access to employment and other support facilities. Upon comparison with the subject, this comparable was considered inferior in terms of size and received an upward adjustment for this characteristic due to having significantly more square footage than the subject property. In terms of age/condition, this comparable was judged inferior due to older construction and more long-lived physical deterioration and received an upward adjustment for this characteristic. An upward adjustment was applied to this comparable for its inferior quality of construction attribute when compared to the subject, based upon the inclusion of a commercial kitchen at the subject. Overall, this comparable was deemed inferior in comparison to the subject and an upward net adjustment was warranted to the sales price indicator.

Improved Sale Five

This comparable represents a 10,000-square-foot daycare facility and is situated on a 2.03-acre parcel at 395 Willard Avenue, Newington, CT. The improvements were originally constructed in 2020 and were considered in good condition at the time of sale. The property sold in September 2021 for \$4,697,687, or \$469.77 per square foot.

The downward market conditions (time) adjustment reflects the declining market conditions since the date of sale. Upon comparison with the subject, this comparable was considered inferior in terms of size and received an upward adjustment for this characteristic due to having significantly more square footage

than the subject property. An upward adjustment was applied to this comparable for its inferior quality of construction attribute when compared to the subject, based upon the inclusion of a commercial kitchen at the subject. Overall, this comparable was deemed inferior in comparison to the subject and an upward net adjustment was warranted to the sales price indicator.

Improved Sale Six

This comparable represents a 10,000-square-foot daycare and is situated on a 1.22-acre parcel at 10 Sedona Circle, South Windsor, CT. The improvements were originally constructed in 2020 and were considered in good condition at the time of sale. The property sold in September 2021 for \$5,231,391, or \$523.14 per square foot.

The downward market conditions (time) adjustment reflects the declining market conditions since the date of sale. The upward adjustment for location reflects this comparable's inferior feature with respect to its less favorable access to employment and other support facilities. Upon comparison with the subject, this comparable was considered inferior in terms of size and received an upward adjustment for this characteristic due to having significantly more square footage than the subject property. An upward adjustment was applied to this comparable for its inferior quality of construction attribute when compared to the subject, based upon the inclusion of a commercial kitchen at the subject. Overall, this comparable was deemed inferior in comparison to the subject and an upward net adjustment was warranted to the sales price indicator.

Summary of Adjustments

Based on our comparative analysis, the following chart summarizes the adjustments warranted to each comparable.

INDUSTRIAL SALES ADJUSTMENT GRID							Subj. Pro Forma
Comparable Number	1	2	3	4	5	6	
Transaction Type	Sale	Sale	Sale	Sale	Sale	Sale	---
Transaction Date	Mar-24	Jan-24	Jul-24	Jan-22	Sep-21	Sep-21	---
Interest Transferred	Mixed Fee/Lease Hold	Leased Fee	Leased Fee	Leased Fee	Leased Fee	Leased Fee	---
Year Built/Renovated	2022	2023	2022	1999 / 2021	2020	2020	2025
Property Type	Special	Special	Special	Special	Special	Special	Industrial
GBA (SF)	10,000	10,000	10,000	9,831	10,000	10,000	2,373
Actual Sale Price	\$6,100,000	\$5,825,000	\$5,518,519	\$6,987,382	\$4,697,687	\$5,231,391	---
Adjusted Sale Price ¹	\$6,100,000	\$5,825,000	\$5,518,519	\$6,987,382	\$4,697,687	\$5,231,391	---
Price Per SF ¹	\$610.00	\$582.50	\$551.85	\$710.75	\$469.77	\$523.14	---
Occupancy	100%	100%	100%	100%			95%
NOI Per SF	\$43.00	\$38.50	\$37.25	\$45.06			\$50.43
OAR	7.05%	6.61%	6.75%	6.34%			---
Adj. Price Per SF	\$610.00	\$582.50	\$551.85	\$710.75	\$469.77	\$523.14	
Property Rights Conveyed	0%	0%	0%	0%	0%	0%	
Financing Terms ¹	0%	0%	0%	0%	0%	0%	
Conditions of Sale	0%	0%	0%	0%	0%	0%	
Market Conditions (Time)	0%	0%	0%	-5%	-5%	-5%	
Subtotal - Price Per SF	\$610.00	\$582.50	\$551.85	\$675.21	\$446.28	\$496.98	
Location	10%	0%	10%	10%	0%	10%	
Size	10%	10%	10%	10%	10%	10%	
Age/Condition	0%	0%	0%	10%	0%	0%	
Quality of Construction	20%	20%	20%	20%	20%	20%	
Clear Height	0%	0%	0%	0%	0%	0%	
% Office Finish	0%	0%	0%	0%	0%	0%	
% Air Conditioning	0%	0%	0%	0%	0%	0%	
Land:Bldg Ratio	0%	0%	0%	0%	0%	0%	
Total Other Adjustments	40%	30%	40%	50%	30%	40%	
Indicated Value Per SF	\$854.00	\$757.25	\$772.59	\$1,012.82	\$580.17	\$695.78	
<i>Absolute Adjustment</i>	<i>40%</i>	<i>30%</i>	<i>40%</i>	<i>55%</i>	<i>35%</i>	<i>45%</i>	

¹ Adjusted for cash equivalency, lease-up and/or deferred maintenance (where applicable)
Compiled by CBRE

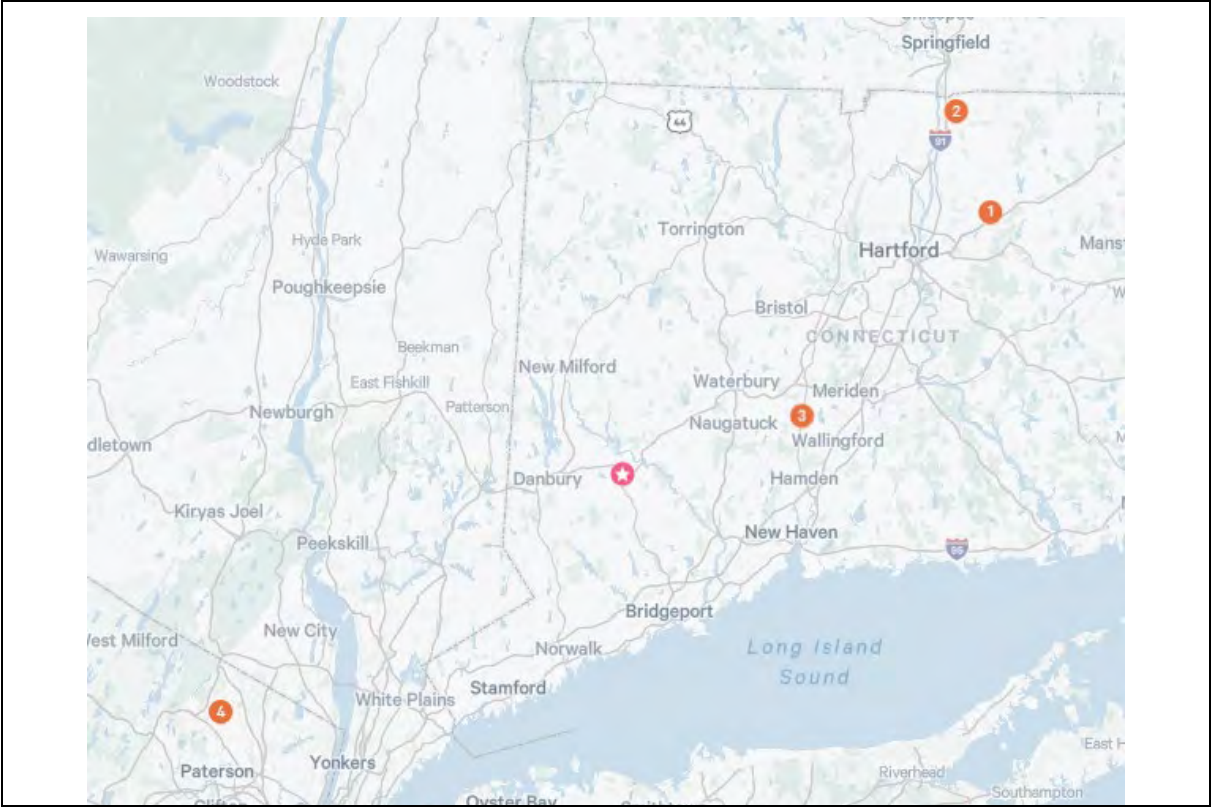
Sale Price Per Square Foot Conclusion

The comparables indicate a range of \$695.78 to \$1,012.82 with an average of \$778.77 per square foot. Overall, given the commercial kitchen at the subject and the additional sitework for extensive roads and gardens at the subject, a value per square foot towards the upper portion of the range is considered reasonable for the subject. The following chart presents the valuation conclusion:

SALES COMPARISON APPROACH				
GBA (SF)	X	Value Per SF	=	Value
2,373	X	\$750.00	=	\$1,779,750
2,373	X	\$800.00	=	\$1,898,400
VALUE CONCLUSION				
As Stabilized Value				\$1,839,075
Rounded				\$1,840,000
Plus: Excess Land				410,000
As Complete Value				\$2,249,075
Rounded				\$2,250,000
Compiled by CBRE				

Income Capitalization Approach

The following map and table summarize the primary comparable data used in the valuation of the subject. A detailed description of each transaction is included in the addenda.



SUMMARY OF COMPARABLE INDUSTRIAL RENTALS														
No.	Property Name and Location	YOC / Reno'd	Property Subtype	Occ.	Distance from Subj	GBA (SF)	Tenant Name	Lease Area (SF)	Lease Date	Lease Term	Base Rent	Reimbursements	Escalations	Free Rent
1	Kinder Care Learning Center 273 Talcottville Road Vernon, CT 06066	2022	Day Care	100%	51 Miles	10,000	Kinder Care	10,000	Aug-23	15.0 Yrs.	\$43.00 PSF	NNN	10%/Yr 6, 2% Thereafter	0 Months
2	The Learning Experience 11 Shaker Road Enfield, CT 06082	2022	Day Care	100%	55 Miles	10,000	The Learning Experience	10,000	Nov-22	20.0 Yrs.	\$37.25 PSF	NNN	12%/ 5 Yrs.	
3	The Learning Experience 425 Highland Avenue Cheshire, CT 06410	2023	Day Care	100%	21 Miles	10,000	The Learning Experience	10,000	Dec-23	20.0 Yrs.	\$38.50 PSF	NNN	10%/5 Yrs.	0 Months
4	Guidepost Montessori 25 Edison Road Mahwah, NJ 7430	1999 / 2021	Day Care	100%	53 Miles	9,831	Guidepost Montessori	9,831	Jul-21	20.0 Yrs.	\$45.06 PSF	NNN	2% annually	0 Months
							Quoted	---	---	---	\$45.06		2% annually	0
Subj.	Catherine Violet Hubbard Animal Sanctuary 8 Commerce Road Newtown, CT 06470	2025	Industrial	100%	---	2,373					---	---		
Compiled by CBRE														

The rentals utilized represent the best data available for comparison with the subject. They were selected from our research within the greater CT and NJ area. These comparables were chosen based upon similar use and age/condition.

Discussion/Analysis of Rent Comparables

COMPARABLE ANALYSIS				
Comparable Name	Kinder Care Learning Center	The Learning Experience	The Learning Experience	Guidepost Montessori
Year Built	2022	2022	2023	1999
Year Renovated	--	--	--	2021
Characteristic	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Location	▼	▼	○	○
Age/Condition	○	○	○	▼
Design Appeal	○	○	○	○
Quality of Construction	○	○	○	○
Project Amenities	○	○	○	○
Included Utilities	○	○	○	○
Overall	▼	▼	○	▼
▼ = Inferior ○ = Similar ▲ = Superior				
Source: CBRE				

The rent comparables indicate a range of \$37.25 to \$45.06 per square foot on a NNN basis.

Based on the analysis above, Comparables One, Two and Four are considered inferior to the subject and the subject would be expected to achieve rental rates above the comparables. Comparable Three is considered similar to the subject and the subject would be expected to achieve rental rates generally consistent with the comparable.

Market Rent Conclusions

The following chart shows the market rent conclusions for the subject:

MARKET RENT CONCLUSIONS	
Category	School
Gross Building Area (SF)	2,373
Percent of Total SF	100.0%
Market Rent (\$/SF/Yr.)	\$55.00
Concessions (New Tenants)	3 Months
Concessions (Renewals)	0 Months
Reimbursements	NNN
Escalations	2.0%/Yr
Tenant Improvements (New Tenants)	\$15.00
Tenant Improvements (Renewals)	\$5.00
Average Lease Term	120 Months
Leasing Commissions (New Tenants)	6.00%
Leasing Commissions (Renewals)	3.00%
Compiled by CBRE	

Given the higher than typical fit-out of the subject, which includes a commercial demonstration kitchen, we have estimated a market rent for the subject above the range of comparables.

Rent Roll Analysis

The subject represents an owner-occupied facility with no current lease.

Potential Rental Income Conclusion

Within this analysis, potential rental income is estimated based upon the market rates.

POTENTIAL RENTAL INCOME		
	Total	\$/SF/Yr
CBRE Estimate	\$130,515	\$55.00
Compiled by CBRE		

Operating History

The subject is proposed construction, and no operating history is available.

Vacancy

The subject's estimated stabilized occupancy rate was previously discussed in the market analysis. The subject's vacancy is detailed as follows:

VACANCY		
	Total	% of PGI
CBRE Estimate	(\$6,526)	5.0%
Compiled by CBRE		

Expense Reimbursements

The subject's market rent is estimated on a NNN basis with a 2.0% deduction for management fees and \$0.25 per square foot deduction for reserves.

Effective Gross Income

The subject's effective gross income is detailed as follows:

EFFECTIVE GROSS INCOME		
	Total	\$/SF/Yr
CBRE Estimate	\$123,989	\$52.25
Compiled by CBRE		

Operating Expense Conclusion

The comparable data and projections for the subject are summarized as follows:

TOTAL OPERATING EXPENSES		
	Total	\$/SF/Yr
CBRE Estimate	\$4,313	\$1.82
Compiled by CBRE		

Net Operating Income Conclusion

The comparable data and projections for the subject are summarized as follows:

NET OPERATING INCOME		
	Total	\$/SF/Yr
CBRE Estimate	\$119,676	\$50.43
Compiled by CBRE		

Direct Capitalization

Direct capitalization is a method used to convert a single year's estimated stabilized net operating income into a value indication. The following subsections represent different techniques for deriving an overall capitalization rate.

Comparable Sales

The overall capitalization rates (OARs) confirmed for the comparable sales analyzed in the sales comparison approach are as follows:

COMPARABLE CAPITALIZATION RATES					
Sale	Sale Date	Sale Price \$/SF	Occupancy	Buyer's Primary Analysis	OAR
1	Mar-24	\$610.00	100%	Trailing Actuals	7.05%
2	Jan-24	\$582.50	100%	Trailing Actuals	6.61%
3	Jul-24	\$551.85	100%	Pro Forma (Stabilized)	6.75%
4	Jan-22	\$710.75	100%	Pro Forma (Stabilized)	6.34%
Indicated OAR:			95%		6.34%-7.05%
Compiled by CBRE					

The overall capitalization rates for these sales were derived based upon the actual or pro-forma income characteristics of the property.

Published Investor Surveys

The results of the most recent investor surveys are summarized in the following chart.

OVERALL CAPITALIZATION RATES		
Investment Type	OAR Range	Average
<i>RealtyRates.com - Office (1st Qtr. 2024)</i>		
Office	6.03% - 13.33%	9.38%
CBD Office	6.70% - 13.33%	9.55%
Suburban	6.03% - 12.18%	8.76%
<i>PwC Net Lease (1st Qtr. 2024)</i>		
National Data	6.25% - 9.00%	7.42%
Indicated OAR:		6.50%
Compiled by CBRE		

The subject is considered to be a special use property and because of the subject's location, age/condition and physical characteristics, an OAR near the lower portion of the range indicated in the preceding table is considered appropriate.

Band of Investment

The band of investment technique has been utilized as a crosscheck to the foregoing techniques. The Mortgage Interest Rate and the Equity Dividend Rate (EDR) are based upon current market yields for similar investments. The analysis is shown in the following table.

BAND OF INVESTMENT				
Mortgage Interest Rate	6.50%			
Mortgage Term (Amortization Period)	30 Years			
Mortgage Ratio (Loan-to-Value)	70%			
Mortgage Constant (monthly payments)	0.07585			
Equity Dividend Rate (EDR)	8.00%			
Mortgage Requirement	70%	x	0.07585	= 0.05310
Equity Requirement	30%	x	0.08000	= 0.02400
	100%			0.07710
Indicated OAR:				7.70%
Compiled by CBRE				

Capitalization Rate Conclusion

The following chart summarizes the OAR conclusions.

OVERALL CAPITALIZATION RATE - CONCLUSION	
Source	Indicated OAR
Comparable Sales	6.34%-7.05%
Published Surveys	6.50%
Band of Investment	7.70%
CBRE Estimate - Land Value	6.50%
Compiled by CBRE	

Overall, an OAR in the middle portion of the range is considered appropriate for the subject.

Our concluded overall capitalization rate also considers ongoing changes in market conditions. Recent changes include a combination of inflationary pressures, higher cost of capital (increased interest rates as well as risk premiums), and various geopolitical events. These factors are impacting price discovery and widening the bid-ask spread between buyers and sellers. While the long-term outlook for commercial real estate remains positive, the effect of these factors may not yet be fully reflected in the historical transactional data. Overall, we view these collective changes in market conditions to have an upward influence on capitalization rates, which is factored into our analysis.

Direct Capitalization Summary

A summary of the direct capitalization is illustrated in the following chart.

DIRECT CAPITALIZATION SUMMARY			
Income		\$/SF/Yr	Total
Potential Rental Income		\$55.00	\$130,515
Vacancy	5.00%	(2.75)	(6,526)
Net Rental Income		\$52.25	\$123,989
Expense Reimbursements		0.00	0
Subtotal Effective Other Income		\$0.00	\$0
Other Income		0.00	0
Subtotal Other Income (Net)		\$0.00	\$0
Total Other Income		\$0.00	\$0
Effective Gross Income		\$52.25	\$123,989
Expenses			
Management Fee	3.00%	1.57	3,720
Replacement Reserves		0.25	593
Total Operating Expenses		\$1.82	\$4,313
Operating Expense Ratio			3.48%
Net Operating Income		\$50.43	\$119,676
OAR		÷	6.50%
As Stabilized Value	August 29, 2024		\$1,841,174
Rounded			\$1,840,000
Plus Excess Land Value			410,000
As Complete Value	August 29, 2024		\$2,251,174
Rounded			\$2,250,000
Matrix Analysis		Cap Rate	Value
		6.25%	\$1,910,000
		6.50%	\$1,840,000
		6.75%	\$1,770,000
Compiled by CBRE			

Reconciliation of Value

The value indications from the approaches to value are summarized as follows:

SUMMARY OF VALUE CONCLUSIONS						
Appraisal Premise	Date of Value	Land Value	Cost Approach	Sales Comparison Approach	Income Approach	Reconciled Value
As Is	August 29, 2024	\$480,000	\$670,000			\$670,000
Prospective As Complete	August 29, 2025		\$2,330,000	\$2,250,000	\$2,250,000	\$2,250,000
Compiled by CBRE						

The cost approach typically gives a reliable value indication when there is strong support for the replacement cost estimate and when there is minimal depreciation. Considering the limited amount of depreciation present in the property, the reliability of the cost approach is considered good. Therefore, the cost approach is considered equally applicable to the subject.

In the sales comparison approach, the subject is compared to similar properties that have been sold recently or for which listing prices or offers are known. The sales used in this analysis are considered comparable to the subject, and the required adjustments were based on reasonable and well-supported rationale. In addition, market participants are currently analyzing purchase prices on similar properties as they relate to available substitutes in the market. Therefore, the sales comparison approach is considered to provide a reliable value indication and has been given primary emphasis in the final value reconciliation.

The income capitalization approach is applicable to the subject since it is an income producing property leased in the open market. Market participants are primarily analyzing investment properties based on their income generating capability. However, given that the subject is a specialized use, the income capitalization approach is considered a less applicable and has been given secondary emphasis in the final value estimate.

Based on the foregoing, the market value of the subject has been concluded as follows:

MARKET VALUE CONCLUSION			
Appraisal Premise	Interest Appraised	Date of Value	Value Conclusion
As Is	Fee Simple Estate	August 29, 2024	\$670,000
Prospective As Complete	Fee Simple Estate	August 29, 2025	\$2,250,000
Compiled by CBRE			

Assumptions and Limiting Conditions

1. CBRE, Inc. through its appraiser (collectively, "CBRE") has inspected through reasonable observation the subject property. However, it is not possible or reasonably practicable to personally inspect conditions beneath the soil and the entire interior and exterior of the improvements on the subject property. Therefore, no representation is made as to such matters.
2. The report, including its conclusions and any portion of such report (the "Report"), is as of the date set forth in the letter of transmittal and based upon the information, market, economic, and property conditions and projected levels of operation existing as of such date. The dollar amount of any conclusion as to value in the Report is based upon the purchasing power of the U.S. Dollar on such date. The Report is subject to change as a result of fluctuations in any of the foregoing. CBRE has no obligation to revise the Report to reflect any such fluctuations or other events or conditions which occur subsequent to such date.
3. Unless otherwise expressly noted in the Report, CBRE has assumed that:
 - (i) Title to the subject property is clear and marketable and that there are no recorded or unrecorded matters or exceptions to title that would adversely affect marketability or value. CBRE has not examined title records (including without limitation liens, encumbrances, easements, deed restrictions, and other conditions that may affect the title or use of the subject property) and makes no representations regarding title or its limitations on the use of the subject property. Insurance against financial loss that may arise out of defects in title should be sought from a qualified title insurance company.
 - (ii) Existing improvements on the subject property conform to applicable local, state, and federal building codes and ordinances, are structurally sound and seismically safe, and have been built and repaired in a workmanlike manner according to standard practices; all building systems (mechanical/electrical, HVAC, elevator, plumbing, etc.) are in good working order with no major deferred maintenance or repair required; and the roof and exterior are in good condition and free from intrusion by the elements. CBRE has not retained independent structural, mechanical, electrical, or civil engineers in connection with this appraisal and, therefore, makes no representations relative to the condition of improvements. CBRE appraisers are not engineers and are not qualified to judge matters of an engineering nature, and furthermore structural problems or building system problems may not be visible. It is expressly assumed that any purchaser would, as a precondition to closing a sale, obtain a satisfactory engineering report relative to the structural integrity of the property and the integrity of building systems.
 - (iii) Any proposed improvements, on or off-site, as well as any alterations or repairs considered will be completed in a workmanlike manner according to standard practices.
 - (iv) Hazardous materials are not present on the subject property. CBRE is not qualified to detect such substances. The presence of substances such as asbestos, urea formaldehyde foam insulation, contaminated groundwater, mold, or other potentially hazardous materials may affect the value of the property.
 - (v) No mineral deposit or subsurface rights of value exist with respect to the subject property, whether gas, liquid, or solid, and no air or development rights of value may be transferred. CBRE has not considered any rights associated with extraction or exploration of any resources, unless otherwise expressly noted in the Report.
 - (vi) There are no contemplated public initiatives, governmental development controls, rent controls, or changes in the present zoning ordinances or regulations governing use, density, or shape that would significantly affect the value of the subject property.
 - (vii) All required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be readily obtained or renewed for any use on which the Report is based.
 - (viii) The subject property is managed and operated in a prudent and competent manner, neither inefficiently, nor super-efficiently.
 - (ix) The subject property and its use, management, and operation are in full compliance with all applicable federal, state, and local regulations, laws, and restrictions, including without limitation environmental laws, seismic hazards, flight patterns, decibel levels/noise envelopes, fire hazards, hillside ordinances, density, allowable uses, building codes, permits, and licenses.
 - (x) The subject property is in full compliance with the Americans with Disabilities Act (ADA). CBRE is not qualified to assess the subject property's compliance with the ADA, notwithstanding any discussion of possible readily achievable barrier removal construction items in the Report.
 - (xi) All information regarding the areas and dimensions of the subject property furnished to CBRE are correct, and no encroachments exist. CBRE has neither undertaken any survey of the boundaries of the subject property, nor reviewed or confirmed the accuracy of any legal description of the subject property.

Unless otherwise expressly noted in the Report, no issues regarding the foregoing were brought to CBRE's attention, and CBRE has no knowledge of any such facts affecting the subject property. If any information inconsistent with any of the foregoing assumptions is discovered, such information could have a substantial negative impact on the Report and any conclusions stated therein. Accordingly, if any such information is subsequently made known to CBRE, CBRE reserves the right to amend the Report, which may include the conclusions of the Report. CBRE assumes no responsibility for any conditions regarding the foregoing, or for any expertise or knowledge required to discover them. Any user of the Report is urged to retain an expert in the applicable field(s) for information regarding such conditions.

4. CBRE has assumed that all documents, data and information furnished by or on behalf of the client, property owner or owner's representative are accurate and correct, unless otherwise expressly noted in the Report. Such data and information include, without limitation, numerical street addresses, lot and block numbers, Assessor's Parcel Numbers, land dimensions, square footage area of the land, dimensions of the improvements, gross building areas, net rentable areas, usable areas, unit count, room count, rent schedules, income data, historical operating expenses, budgets, and related data. Any error in any of the above could have a substantial impact on the Report and any conclusions stated therein. Accordingly, if any such errors are subsequently made known to CBRE, CBRE reserves the right to amend the Report, which may include the conclusions of the Report. The client and intended user should carefully review all assumptions, data, relevant calculations, and conclusions of the Report and should immediately notify CBRE of any questions or errors within 30 days after the date of delivery of the Report.
5. CBRE assumes no responsibility (including any obligation to procure the same) for any documents, data or information not provided to CBRE, including, without limitation, any termite inspection, survey or occupancy permit.
6. All furnishings, equipment and business operations have been disregarded with only real property being considered in the Report, except as otherwise expressly stated and typically considered part of real property.
7. Any cash flows included in the analysis are forecasts of estimated future operating characteristics based upon the information and assumptions contained within the Report. Any projections of income, expenses and economic conditions utilized in the Report, including such cash flows, should be considered as only estimates of the expectations of future income and expenses as of the date of the Report and not predictions of the future. This Report has been prepared in good faith, based on CBRE's current anecdotal and evidence-based views of the commercial real estate market. Although CBRE believes its views reflect market conditions on the date of this Report, they are subject to significant uncertainties and contingencies, many of which are beyond CBRE's control. In addition, many of CBRE's views are opinion and/or projections based on CBRE's subjective analyses of current market circumstances. Actual results are affected by a number of factors outside the control of CBRE, including without limitation fluctuating economic, market, and property conditions. Actual results may ultimately differ from these projections, and CBRE does not warrant any such projections. Further, other firms may have different opinions, projections and analyses, and actual market conditions in the future may cause CBRE's current views to later change or be incorrect. CBRE has no obligation to update its views herein if its opinions, projections, analyses or market circumstances later change.
8. The Report contains professional opinions and is expressly not intended to serve as any warranty, assurance or guarantee of any particular value of the subject property. Other appraisers may reach different conclusions as to the value of the subject property. Furthermore, market value is highly related to exposure time, promotion effort, terms, motivation, and conclusions surrounding the offering of the subject property. The Report is for the sole purpose of providing the intended user with CBRE's independent professional opinion of the value of the subject property as of the date of the Report. Accordingly, CBRE shall not be liable for any losses that arise from any investment or lending decisions based upon the Report that the client, intended user, or any buyer, seller, investor, or lending institution may undertake related to the subject property, and CBRE has not been compensated to assume any of these risks. Nothing contained in the Report shall be construed as any direct or indirect recommendation of CBRE to buy, sell, hold, or finance the subject property.
9. No opinion is expressed on matters which may require legal expertise or specialized investigation or knowledge including, but not limited to, environmental, social, and governance principles ("ESG"), beyond that customarily employed by real estate appraisers. Any user of the Report is advised to retain experts in areas that fall outside the scope of the real estate appraisal profession for such matters.
10. CBRE assumes no responsibility for any costs or consequences arising due to the need, or the lack of need, for flood hazard insurance. An agent for the Federal Flood Insurance Program should be contacted to determine the actual need for Flood Hazard Insurance.
11. Acceptance or use of the Report constitutes full acceptance of these Assumptions and Limiting Conditions and any special assumptions set forth in the Report. It is the responsibility of the user of the Report to read in full, comprehend and thus become aware of all such assumptions and limiting conditions. CBRE assumes no responsibility for any situation arising out of the user's failure to become familiar with and understand the same.

12. The Report applies to the property as a whole only, and any pro ration or division of the title into fractional interests will invalidate such conclusions, unless the Report expressly assumes such pro ration or division of interests.
13. The allocations of the total value estimate in the Report between land and improvements apply only to the existing use of the subject property. The allocations of values for each of the land and improvements are not intended to be used with any other property or appraisal and are not valid for any such use.
14. The maps, plats, sketches, graphs, photographs, and exhibits included in this Report are for illustration purposes only and shall be utilized only to assist in visualizing matters discussed in the Report. No such items shall be removed, reproduced, or used apart from the Report.
15. The Report shall not be duplicated or provided to any unintended users in whole or in part without the written consent of CBRE, which consent CBRE may withhold in its sole discretion. Exempt from this restriction is duplication for the internal use of the intended user and its attorneys, accountants, or advisors for the sole benefit of the intended user. Also exempt from this restriction is transmission of the Report pursuant to any requirement of any court, governmental authority, or regulatory agency having jurisdiction over the intended user, provided that the Report and its contents shall not be published, in whole or in part, in any public document without the written consent of CBRE, which consent CBRE may withhold in its sole discretion. Finally, the Report shall not be made available to the public or otherwise used in any offering of the property or any security, as defined by applicable law. Any unintended user who may possess the Report is advised that it shall not rely upon the Report or its conclusions and that it should rely on its own appraisers, advisors and other consultants for any decision in connection with the subject property. CBRE shall have no liability or responsibility to any such unintended user.

Addenda

Addendum A

Land Sale Data Sheets

Sale

Land - Agribusiness and Natural

No. 1

Property Name Unimproved Land
Address 0 Eastern Drive
Hamden, CT 06518
United States

Government Tax Agency New Haven
Govt./Tax ID N/A

Site/Government Regulations

	Acres	Square feet
Land Area Net	11.112	484,039
Land Area Gross	N/A	N/A

Site Development Status	Raw
Shape	Irregular
Topography	Rolling
Utilities	Water no sewer

Maximum FAR	N/A
Min Land to Bldg Ratio	N/A
Maximum Density	N/A

Frontage Distance/Street	140 ft Ives Street
--------------------------	--------------------

General Plan	N/A
Specific Plan	N/A
Zoning	R2
Entitlement Status	N/A



Sale Summary

Recorded Buyer	So Central CT Regional Water Authority
True Buyer	N/A
Recorded Seller	Viola H Preisner Trust
True Seller	N/A

Interest Transferred	Fee Simple/Freehold
Current Use	Unimproved land
Proposed Use	Preservation by Water Company
Listing Broker	N/A
Selling Broker	N/A
Doc #	Not available

Marketing Time	9 Month(s)
Buyer Type	N/A
Seller Type	N/A
Primary Verification	MLS, public records and selling broker

Type	Sale
Date	5/31/2024
Sale Price	\$152,763
Financing	N/A
Cash Equivalent	\$152,763
Capital Adjustment	\$0
Adjusted Price	\$152,763

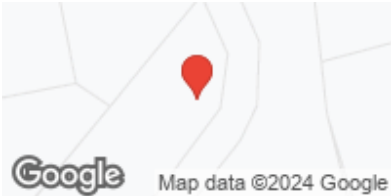
Transaction Summary plus Five-Year CBRE View History

Transaction Date	Transaction Type	Buyer	Seller	Price	Price/ac and /sf
05/2024	Sale	So Central CT Regional Water Authority	Viola H Preisner Trust	\$152,763	\$13,748 / \$0.32

Units of Comparison		
\$0.32 / sf		N/A / Unit
\$13,747.57 / ac		N/A / Allowable Bldg. Units
		N/A / Building Area

Financial
No information recorded

Map & Comments



This is the sale of a heavily wooded, residentially zoned parcel that has limited frontage along Ives Street. The parcel is crossed by Eastern Drive, which is an unimproved paper street. The northern portion of the site is impacted by wetlands, including the road frontage area. As a result, access will require a wetlands crossing. The property was originally listed for sale for \$400,000. The deed does not indicate a purchase price and there are no conveyance fees as it was purchased by a public utility company. The price paid was confirmed with the listing/selling broker.

Property Name Land
 Address S/S of Bruyn Tpke; S/S New Prospect Rd
 Pine Bush, NY 12566
 United States

Government Tax Agency Orange
 Govt./Tax ID 515200 99.3-2-14.130

Site/Government Regulations

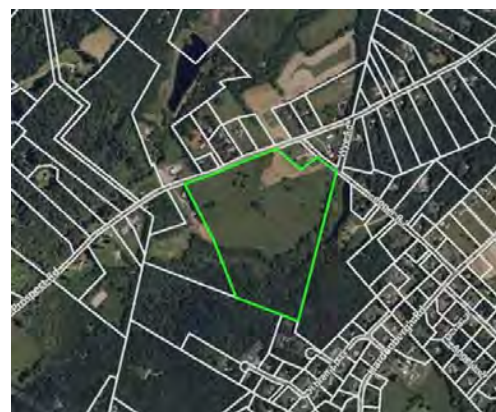
	Acres	Square feet
Land Area Net	50.500	2,199,780
Land Area Gross	50.500	2,199,780

Site Development Status	Raw
Shape	Irregular
Topography	Generally Level
Utilities	All

Maximum FAR N/A
 Min Land to Bldg Ratio N/A
 Maximum Density N/A

Frontage Distance/Street N/A Cooper Rd

General Plan N/A
 Specific Plan N/A
 Zoning Residential/Agricultural Area
 Entitlement Status N/A

**Sale Summary**

Recorded Buyer Vincent Bruno
 True Buyer N/A
 Recorded Seller Winter Wonderland Realty
 True Seller N/A

Marketing Time N/A
 Buyer Type Pension Fund
 Seller Type Private Investor
 Primary Verification County

Interest Transferred Fee Simple/Freehold
 Current Use Vacant
 Proposed Use Agricultural/Recreational
 Listing Broker N/A
 Selling Broker N/A
 Doc # 2022-13454

Type	Sale
Date	8/4/2022
Sale Price	\$287,000
Financing	Cash to Seller
Cash Equivalent	\$287,000
Capital Adjustment	\$0
Adjusted Price	\$287,000


Transaction Summary plus Five-Year CBRE View History

<u>Transaction Date</u>	<u>Transaction Type</u>	<u>Buyer</u>	<u>Seller</u>	<u>Price</u>	<u>Price/ac and /sf</u>
08/2022	Sale	Vincent Bruno	Winter Wonderland Realty	\$287,000	\$5,683 / \$0.13

Units of Comparison		
\$0.13 / sf		N/A / Unit
\$5,683.17 / ac		N/A / Allowable Bldg. Units
		N/A / Building Area

Financial
No information recorded

Map & Comments

A satellite map from Google showing a rural area with fields and some buildings. A red location pin is placed on the map. The word "Watchtower" is written on the map. The Google logo and "imagery ©2024 TerraMetrics" are visible at the bottom left of the map.

This comparable represents the sale of a 50.5-acre vacant site that sold in \$287,000 or \$5,683 per acre in August 2022. The site was purchased for agricultural/recreational purposes.

Sale

Land - Agricultural

No. 3

Property Name Hamden Farmland
Address 35 Mansur Road
Hamden, CT 06514
United States

Government Tax Agency New Haven
Govt./Tax ID N/A

Site/Government Regulations

	Acres	Square feet
Land Area Net	10.000	435,600
Land Area Gross	10.000	435,600

Site Development Status	Finished
Shape	Irregular
Topography	Generally Level
Utilities	All

Maximum FAR N/A
Min Land to Bldg Ratio N/A
Maximum Density N/A

General Plan N/A
Specific Plan N/A
Zoning R-2
Entitlement Status N/A



Sale Summary

Recorded Buyer Country Farm, LLC
True Buyer N/A
Recorded Seller 35 Mansur Rd LLC
True Seller N/A

Marketing Time N/A
Buyer Type N/A
Seller Type N/A
Primary Verification Costar/Public Records

Interest Transferred Fee Simple/Freehold
Current Use N/A
Proposed Use N/A
Listing Broker N/A
Selling Broker N/A
Doc # 4851/211

Type	Sale
Date	6/22/2021
Sale Price	\$170,000
Financing	Market Rate Financing
Cash Equivalent	\$170,000
Capital Adjustment	\$0
Adjusted Price	\$170,000

Transaction Summary plus Five-Year CBRE View History

Transaction Date	Transaction Type	Buyer	Seller	Price	Price/ac and /sf
06/2021	Sale	Country Farm, LLC	35 Mansur Rd LLC	\$170,000	\$17,000 / \$0.39

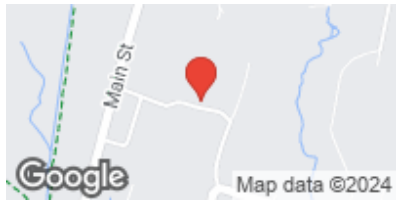
Units of Comparison

\$0.39 / sf	N/A / Unit
\$17,000.00 / ac	N/A / Allowable Bldg. Units
	N/A / Building Area

Financial

No information recorded

Map & Comments



This represents the sale of existing farmland. The property was improved with a dilapidated dwelling at the time of sale that was not considered to contribute any value to the property. The property was purchased for continued farming use.

Property Name Rural Residential Zoned Land
 Address 201 East Chestnut Hill Road
 Litchfield, CT 06759
 United States

Government Tax Agency Litchfield
 Govt./Tax ID Map 49; Block 24; Lot 1

Site/Government Regulations

	Acres	Square feet
Land Area Net	129.240	5,629,694
Land Area Gross	129.240	5,629,694

Site Development Status	Raw
Shape	Irregular
Topography	Generally Level
Utilities	All

Maximum FAR N/A
 Min Land to Bldg Ratio N/A
 Maximum Density N/A

Frontage Distance/Street 2,701 ft East Chestnut Hill Road

General Plan N/A
 Specific Plan N/A
 Zoning RR, Rural Residentail
 Entitlement Status N/A

**Sale Summary**

Recorded Buyer	Vincenzino & Teresa Crudele	Marketing Time	12 Month(s)
True Buyer	Vincenzino & Teresa Crudele	Buyer Type	End User
Recorded Seller	Zwick Family Enterprises, LLC	Seller Type	End User
True Seller	Linda L. Laporte	Primary Verification	Broker

Interest Transferred Fee Simple/Freehold
 Current Use Farm
 Proposed Use Ag/Recreational
 Listing Broker Tom Slekis - (Berkshire Hathaway Home Services - 203-217-8861)
 Selling Broker Jackie Desmaris - Showcase Realty, Inc
 Doc # Volume 385, Page 616

Type	Sale
Date	1/30/2021
Sale Price	\$1,430,000
Financing	All Cash
Cash Equivalent	\$1,430,000
Capital Adjustment	\$0
Adjusted Price	\$1,430,000

Transaction Summary plus Five-Year CBRE View History

Transaction Date	Transaction Type	Buyer	Seller	Price	Price/ac and /sf
01/2021	Sale	Vincenzino & Teresa Crudele	Zwick Family Enterprises, LLC	\$1,430,000	\$11,065 / \$0.25

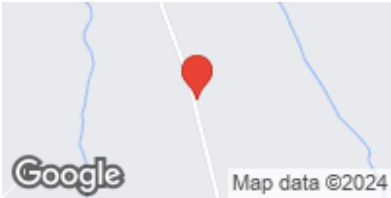
Units of Comparison

\$0.25 / sf	N/A / Unit
\$11,064.69 / ac	N/A / Allowable Bldg. Units
	N/A / Building Area

Financial

No information recorded

Map & Comments



The property was originally listed for \$1,795,000 and was on the market for approximately 12 months. The property, known as the Berkshire Foothills Estate, has level topography, is zoned RR and has all utilities to site. The property has good frontage on E Chestnut Hill Road. The property was improved with a small single family home and a barn which was reported to be in poor overall condition. The property had approximately 53 AC of cleared, tillable land (41% of land area).

Property Name Farm Land
 Address 44 Puttker Road
 North Stonington, CT 06359
 United States

Government Tax Agency New London
 Govt./Tax ID 1538091

Site/Government Regulations

	Acres	Square feet
Land Area Net	58.240	2,536,934
Land Area Gross	58.240	2,536,934

Site Development Status	Finished
Shape	N/A
Topography	Level, At Street Grade
Utilities	Electric and private well and septic

Maximum FAR N/A
 Min Land to Bldg Ratio N/A
 Maximum Density N/A

Frontage Distance/Street 50 ft Puttker Road

General Plan N/A
 Specific Plan N/A
 Zoning R-80 (Residential)
 Entitlement Status N/A

**Sale Summary**

Recorded Buyer	Gray P. Burn and Jessica R. Burn	Marketing Time	13 Month(s)
True Buyer	N/A	Buyer Type	N/A
Recorded Seller	Timothy Bromley and Nancy Bromley, Dennis S. Bromley and Jesse M. Hill	Seller Type	N/A
True Seller	N/A	Primary Verification	Broker
Interest Transferred	Fee Simple/Freehold	Type	Sale
Current Use	Farm Land	Date	10/19/2020
Proposed Use	Farm Land	Sale Price	\$560,000
Listing Broker	Camille Taylor (Taylor Realty Group - 860-572-9400)	Financing	Cash to Seller
Selling Broker	N/A	Cash Equivalent	\$560,000
Doc #	235/23 & 235/27	Capital Adjustment	\$0
		Adjusted Price	\$560,000

Transaction Summary plus Five-Year CBRE View History

Transaction Date	Transaction Type	Buyer	Seller	Price	Price/ac and /sf
10/2020	Sale	Gray P. Burn and Jessica R. Burn	Timothy Bromley and Nancy Bromley, Dennis S. Bromley and Jesse M. Hill	\$560,000	\$9,615 / \$0.22

Sale

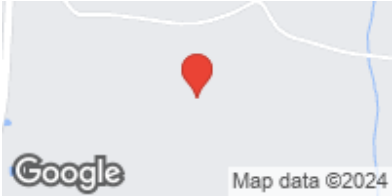
Land - Agricultural

No. 5

Units of Comparison

\$0.22 / sf	N/A / Unit
\$9,615.38 / ac	N/A / Allowable Bldg. Units
	N/A / Building Area

Map & Comments



This is the sale of 58.24 AC of farmland located in North Stonington, New London County, Connecticut. The site consists of approximately 35 AC of cleared tillable land (60% of land). The site has an access easement from Puttker Road. The site has several older improvements which did not contribute value to the property.

Addendum B

Improved Sale Data Sheets

Sale

Special - Day Care

No. 1

Property Name Kinder Care Learning Center
Address 273 Talcottville Road
Vernon, CT 06066
United States

Government Tax Agency Tolland
Govt./Tax ID N/A

Unit Mix Detail

Rate Timeframe	N/A				
Unit Type	No.	%	Size	Rent	Rent / Area
No information recorded					
Totals/Avg	N/A			N/A	N/A



Improvements

Land Area	1.570 ac	Status	Existing
Gross Leasable Area (GLA)	10,000 sf	Year Built	2022
Total # of Units	0 Units	Year Renovated	N/A
Floor Count	1	Condition	Good
Parking Type	Surface	Exterior Finish	Vinyl Siding
General Amenities	N/A		

Sale Summary

Recorded Buyer	Sidney Levine TR	Marketing Time	N/A
True Buyer	N/A	Buyer Type	Private Investor
Recorded Seller	Vernon CT (273 Talcottville) LLC	Seller Type	Developer
True Seller	N/A	Primary Verification	Broker familiar with the transaction
Interest Transferred	Mixed Fee/Lease Hold	Type	Sale
Current Use	Daycare	Date	3/18/2024
Proposed Use	Daycare	Sale Price	\$6,100,000
Listing Broker	N/A	Financing	Market Rate Financing
Selling Broker	N/A	Cash Equivalent	\$6,100,000
Doc #	2849/591	Capital Adjustment	\$0
		Adjusted Price	\$6,100,000

Transaction Summary plus Five-Year CBRE View History

Transaction Date	Transaction Type	Buyer	Seller	Price	Cash Equivalent Price/sf
03/2024	Sale	Sidney Levine TR	Vernon CT (273 Talcottville) LLC	\$6,100,000	\$610.00

Sale	Special - Day Care	No. 1
-------------	---------------------------	--------------

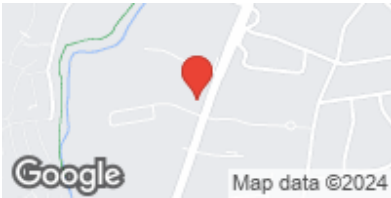
Units of Comparison

Static Analysis Method	Trailing Actuals	Eff Gross Inc Mult (EGIM)	N/A
Buyer's Primary Analysis	Static Capitalization Analysis	Op Exp Ratio (OER)	N/A
Net Initial Yield/Cap. Rate	7.05%	Adjusted Price / sf	\$610.00
Projected IRR	N/A	Adjusted Price / Unit	N/A
Actual Occupancy at Sale	100%		

Financial

Revenue Type	Trailing Actuals
Period Ending	N/A
Source	N/A
Price	\$6,100,000
Potential Gross Income	N/A
Economic Occupancy	N/A
Economic Loss	N/A
Effective Gross Income	N/A
Expenses	N/A
Net Operating Income	\$430,000
NOI / sf	\$43.00
NOI / Unit	N/A
EGIM	N/A
OER	N/A
Net Initial Yield/Cap. Rate	7.05%

Map & Comments



This comparable represents the acquisition of a daycare facility situated on a 1.57-acre site at 273 Talcottville Road in Vernon, Connecticut. The improvements were constructed in 2023. The property was 100% leased to Kindercare Education LLC for 15 years, starting on August 5, 2023. The based rent commenced at \$43.00 per square-foot on a NNN basis with a 10% increase in Year 6 and then 2% escalations annually thereafter. The tenant reimburses for real estate taxes, insurance, CAM and 1% of base rent for management. The lease was guaranteed by KEUHG Corporation. The property was listed for sale with an asking price of \$6,880,000. The property includes an outdoor play area and adequate parking spaces. The property is located along Route 83, with traffic volume of about 27,919 vehicles daily. The property is located proximate to several newer apartment complexes, grocery stores, retailers and restaurants. Also, the property is proximate to Interstate 84. The property sold in March 2024 for \$6,100,000, or \$610 per square foot of building area. Net operating income was \$430,000, or \$43.00 per square foot, indicating an overall capitalization rate of 7.05%.

Sale

Special - Day Care

No. 2

Property Name The Learning Experience
Address 425 Highland Avenue
Cheshire, CT 06410
United States

Government Tax Agency New Haven
Govt./Tax ID N/A

Unit Mix Detail

Rate Timeframe	N/A				
Unit Type	No.	%	Size	Rent	Rent / Area
No information recorded					
Totals/Avg	N/A			N/A	N/A



Improvements

Land Area	1.250 ac	Status	Existing
Gross Building Area (GBA)	10,000 sf	Year Built	2023
Total # of Units	0 Units	Year Renovated	N/A
Floor Count	1	Condition	Average
Parking Type	Surface	Exterior Finish	N/A
General Amenities	N/A		

Sale Summary

Recorded Buyer	Cheshire CKM LLC	Marketing Time	N/A
True Buyer	N/A	Buyer Type	Private Investor
Recorded Seller	Cheshire Highland LLC	Seller Type	Developer
True Seller	N/A	Primary Verification	Listing Broker
Interest Transferred	Leased Fee	Type	Sale
Current Use	Daycare	Date	1/22/2024
Proposed Use	Daycare	Sale Price	\$5,825,000
Listing Broker	NNN Pro Group	Financing	All Cash
Selling Broker	N/A	Cash Equivalent	\$5,825,000
Doc #	3209/78	Capital Adjustment	\$0
		Adjusted Price	\$5,825,000

Transaction Summary plus Five-Year CBRE View History

Transaction Date	Transaction Type	Buyer	Seller	Price	Cash Equivalent Price/sf
01/2024	Sale	Cheshire CKM LLC	Cheshire Highland LLC	\$5,825,000	\$582.50

Sale Special - Day Care No. 2

Units of Comparison

Static Analysis Method	Trailing Actuals	Eff Gross Inc Mult (EGIM)	N/A
Buyer's Primary Analysis	Static Capitalization Analysis	Op Exp Ratio (OER)	N/A
Net Initial Yield/Cap. Rate	6.61%	Adjusted Price / sf	\$582.50
Projected IRR	N/A	Adjusted Price / Unit	N/A
Actual Occupancy at Sale	100%		

Financial

	Trailing Actuals
Revenue Type	
Period Ending	N/A
Source	N/A
Price	\$5,825,000
Potential Gross Income	N/A
Economic Occupancy	N/A
Economic Loss	N/A
Effective Gross Income	N/A
Expenses	N/A
Net Operating Income	\$385,000
NOI / sf	\$38.50
NOI / Unit	N/A
EGIM	N/A
OER	N/A
Net Initial Yield/Cap. Rate	6.61%

Map & Comments



This comparable represents the acquisition of a daycare facility situated on a 1.25-acre site at 425 Highland Avenue in Cheshire, Connecticut. The improvements were constructed in 2023. The property was 100% leased to TLE at Cheshire LLC for 20 years, starting on December 1, 2023. The based rent commenced at \$38.50 per square-foot on a NNN basis with 10% increases every five years. The landlord is responsible for the roof and structural components. The lease was guaranteed by The Learning Experience Company with a maximum liability of \$700,000. The maximum liability shall be reduced by \$100,000 every year until it is eliminated. The property was listed for sale with an asking price of \$5,923,076. The property included a 5,000 square-foot play area and 35 parking spaces. The property is located along Route 10, with traffic volume of about 13,625 vehicles daily. The property is located proximate to Stop & Shop, Marshalls, and other commercial properties. The property sold in January 2024 for \$5,825,000, or \$582.50 per square foot of building area. Net operating income was \$385,000, or \$38.50 per square foot, indicating an overall capitalization rate of 6.61%.

Available/Listing

Special - Day Care

No. 3

Property Name The Learning Experience
 Address 11 Shaker Road
 Enfield, CT 06082
 United States

Government Tax Agency Hartford
 Govt./Tax ID N/A

No image to display.

Unit Mix Detail

Rate Timeframe N/A

Unit Type	No.	%	Size	Rent	Rent / Area
-----------	-----	---	------	------	-------------

No information recorded

Totals/Avg	N/A			N/A	N/A
------------	-----	--	--	-----	-----

Improvements

Land Area	2.190 ac	Status	Existing
Net Rentable Area (NRA)	10,000 sf	Year Built	2022
Total # of Units	1 Units	Year Renovated	N/A
Floor Count	1	Condition	Good
Parking Type	N/A	Exterior Finish	Brick Veneer
General Amenities	N/A		

Sale Summary

Recorded Buyer	N/A	Marketing Time	N/A
True Buyer	N/A	Buyer Type	N/A
Recorded Seller	N/A	Seller Type	N/A
True Seller	N/A	Primary Verification	N/A

Interest Transferred	Leased Fee	Type	Available/Listing
Current Use	N/A	Date	8/28/2022
Proposed Use	N/A	Sale Price	\$5,960,000
Listing Broker	Marcus & Millichap	Financing	N/A
Selling Broker	N/A	Cash Equivalent	\$5,960,000
Doc #	N/A	Capital Adjustment	\$0
		Adjusted Price	\$5,960,000

Transaction Summary plus Five-Year CBRE View History

Transaction Date	Transaction Type	Buyer	Seller	Price	Cash Equivalent Price/sf
08/2022	Available/Listing	N/A	N/A	\$5,960,000	\$596.00

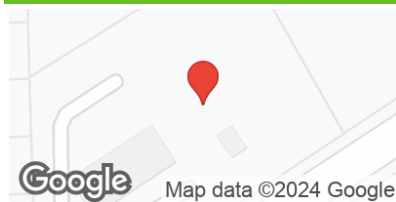
Units of Comparison

Static Analysis Method	Pro Forma (Stabilized)	Eff Gross Inc Mult (EGIM)	N/A
Buyer's Primary Analysis	Static Capitalization Analysis	Op Exp Ratio (OER)	N/A
Net Initial Yield/Cap. Rate	6.25%	Adjusted Price / sf	\$596.00
Projected IRR	N/A	Adjusted Price / Unit	\$5,960,000
Actual Occupancy at Sale	100%		

Financial

	Pro Forma Stabilized
Revenue Type	
Period Ending	N/A
Source	N/A
Price	\$5,960,000
Potential Gross Income	N/A
Economic Occupancy	N/A
Economic Loss	N/A
Effective Gross Income	N/A
Expenses	N/A
Net Operating Income	\$372,500
NOI / sf	\$37.25
NOI / Unit	\$372,500
EGIM	N/A
OER	N/A
Net Initial Yield/Cap. Rate	6.25%

Map & Comments



This comparable represents an available listing of a free-standing day care building located at 11 Shaker Road in Enfield, Connecticut. The comparable site totals 2.19-acres and is situated in close proximity to I-91 with the site improved with a 2022-constructed, one-story day care building containing 10,000 square feet of gross leasable area. The comparable is leased to The Learning Experience (i.e. KinderCare) for a term that commenced in June of 2022 and is scheduled to expire in June of 2042 with the tenant holding one (1), five (5) year renewal option. The asset is currently being marketed for sale by Marcus & Millichap and the rental income is \$372,500 or \$31,041 PSF. The property is available for the price of \$5,960,000 or \$596.00 PSF which equates to a 6.25% direct cap.

Property Name Guidepost Montessori
 Address 25 Edison Road
 Mahwah, NJ 07430
 United States

Government Tax Agency Mahwah Township
 Govt./Tax ID Block 173 / Lot 121

Unit Mix Detail

Rate Timeframe	N/A				
Unit Type	No.	%	Size	Rent	Rent / Area
No information recorded					
Totals/Avg	N/A			N/A	N/A

**Improvements**

Land Area	1.830 ac	Status	Existing
Gross Building Area (GBA)	9,831 sf	Year Built	1999
Total # of Units	0 Units	Year Renovated	2021
Floor Count	1	Condition	Good
Parking Type	Surface	Exterior Finish	Masonry
General Amenities	N/A		

Sale Summary

Recorded Buyer	n/a	Marketing Time	N/A
True Buyer	N/A	Buyer Type	N/A
Recorded Seller	Higher Ground Education	Seller Type	N/A
True Seller	N/A	Primary Verification	Broker
Interest Transferred	Leased Fee	Type	Sale
Current Use	Guidepost Montessori	Date	1/5/2022
Proposed Use	Guidepost Montessori	Sale Price	\$6,987,382
Listing Broker	N/A	Financing	Cash to Seller
Selling Broker	N/A	Cash Equivalent	\$6,987,382
Doc #	N/A	Capital Adjustment	\$0
		Adjusted Price	\$6,987,382

Transaction Summary plus Five-Year CBRE View History

Transaction Date	Transaction Type	Buyer	Seller	Price	Cash Equivalent Price/sf
01/2022	Sale	n/a	Higher Ground Education	\$6,987,382	\$710.75
05/2021	Sale	Higher Ground Education	Ronald E. Striegel	\$2,605,000	\$264.98

Sale Special - Day Care No. 4

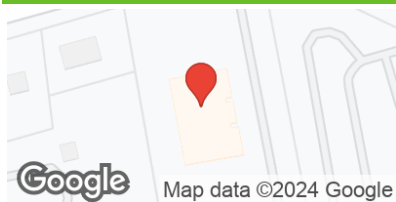
Units of Comparison

Static Analysis Method	Pro Forma (Stabilized)	Eff Gross Inc Mult (EGIM)	15.77
Buyer's Primary Analysis	Price and Capitalization Analyses	Op Exp Ratio (OER)	0.00%
Net Initial Yield/Cap. Rate	6.34%	Adjusted Price / sf	\$710.75
Projected IRR	N/A	Adjusted Price / Unit	N/A
Actual Occupancy at Sale	100%		

Financial

Revenue Type	Pro Forma Stabilized
Period Ending	12/31/2022
Source	Broker
Price	\$6,987,382
Potential Gross Income	\$443,000
Economic Occupancy	100%
Economic Loss	\$0
Effective Gross Income	\$443,000
Expenses	\$0
Net Operating Income	\$443,000
NOI / sf	\$45.06
NOI / Unit	N/A
EGIM	15.77
OER	0.00%
Net Initial Yield/Cap. Rate	6.34%

Map & Comments



This comparable represents a 9,831 square foot freestanding Guidepost Montessori daycare facility on a 1.83 acre site located at 25 Edison Road in Mahwah, New Jersey. The improvements were constructed in 1999, renovated in 2021, and were considered to be in good overall condition at the time of our research. According to a representative for this property, the 20-year lease commenced on July 1, 2021 and has a current base rental rate of \$443,000 or \$45.06 per square foot (building) with 2.0% annual rental rate escalations through firm term and four, five-year renewal options. The property sold in January 2022 for a reported consideration of \$6,987,382 or \$710.75 per square foot to the building, which resulted in an overall rate of 6.34%. Guidepost Montessori is a national-credit daycare concept subsidiary of Higher Ground Education, with 96 locations in operation.

Sale

Special - Day Care

No. 5

Property Name The Learning Experience
Address 395 Willard Avenue
Newington, CT 06111
United States

Government Tax Agency Hartford
Govt./Tax ID 09-303-011

Unit Mix Detail

Rate Timeframe	N/A				
Unit Type	No.	%	Size	Rent	Rent / Area
No information recorded					
Totals/Avg	N/A			N/A	N/A



Improvements

Land Area	2.030 ac	Status	Existing
Gross Building Area (GBA)	10,000 sf	Year Built	N/A
Total # of Units	0 Units	Year Renovated	N/A
Floor Count	N/A	Condition	N/A
Parking Type	Surface	Exterior Finish	N/A
General Amenities	N/A		

Sale Summary

Recorded Buyer	395 Willard Avenue Newington LLC	Marketing Time	12 Month(s)
True Buyer	N/A	Buyer Type	N/A
Recorded Seller	Colchester Properties LLC	Seller Type	N/A
True Seller	N/A	Primary Verification	Broker, Anthony D'Ambrosia, Marcus and Millichap and appraisal completed by Kevin Lennon
Interest Transferred	Leased Fee	Type	Sale
Current Use	N/A	Date	9/22/2021
Proposed Use	N/A	Sale Price	\$4,697,687
Listing Broker	Anthony D'Ambrosia, Marcus Millichap	Financing	Market Rate Financing
Selling Broker	N/A	Cash Equivalent	\$4,697,687
Doc #	2335/164	Capital Adjustment	\$0
		Adjusted Price	\$4,697,687

Transaction Summary plus Five-Year CBRE View History

Transaction Date	Transaction Type	Buyer	Seller	Price	Cash Equivalent Price/sf
09/2021	Sale	395 Willard Avenue Newington LLC	Colchester Properties LLC	\$4,697,687	\$469.77

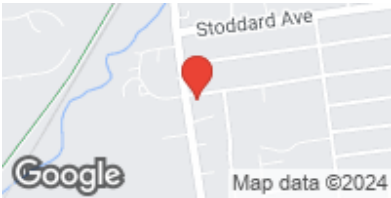
Units of Comparison

Static Analysis Method	N/A	Eff Gross Inc Mult (EGIM)	N/A
Buyer's Primary Analysis	N/A	Op Exp Ratio (OER)	N/A
Net Initial Yield/Cap. Rate	N/A	Adjusted Price / sf	\$469.77
Projected IRR	N/A	Adjusted Price / Unit	N/A
Actual Occupancy at Sale	N/A		

Financial

No information recorded

Map & Comments



Stoddard Ave

Google

Map data ©2024

This sale was part of a portfolio consisting of two Learning Experience day care facilities. Each building totals 10,000 SF. Both centers are very similar in construction to all other Learning Experiences and consist of a reception, private office, classrooms, kitchen, lounge, staff toilet and laundry room. Each classroom contains a bathroom. In addition there is an approximate 5,000 SF fenced in playground to the rear of the building. The price allocated to this property was \$4,697,687.

Both properties are NNN leased to the Learning Experience. Both properties are each leased on a 20 year term with the annual rents at \$350,000 for the first 5 years and increasing every 5 years. The cap rate for the portfolio was 7.00%.

The properties were listed and marketed for sale by Marcus and Millichap for \$5,000,000 each. Both properties sold together as a portfolio and were on the market less than a year.

Both properties are well located in commercial areas of Newington and South Windsor.

Property Name The Learning Experience
 Address 10 Sedona Circle
 South Windsor, CT 06074
 United States

Government Tax Agency Hartford
 Govt./Tax ID 27-15-7D

Unit Mix Detail

Rate Timeframe	N/A				
Unit Type	No.	%	Size	Rent	Rent / Area
No information recorded					
Totals/Avg	N/A			N/A	N/A

**Improvements**

Land Area	1.220 ac	Status	Existing
Gross Building Area (GBA)	10,000 sf	Year Built	N/A
Total # of Units	0 Units	Year Renovated	N/A
Floor Count	N/A	Condition	N/A
Parking Type	Surface	Exterior Finish	N/A
General Amenities	N/A		

Sale Summary

Recorded Buyer	10 Sedona Circle South Windsor LLC	Marketing Time	12 Month(s)
True Buyer	N/A	Buyer Type	N/A
Recorded Seller	Colchester Properties LLC	Seller Type	N/A
True Seller	N/A	Primary Verification	Broker, Anthony D'Ambrosia, Marcus and Millichap and appraisal completed by Kevin Lennon
Interest Transferred	N/A	Type	Sale
Current Use	N/A	Date	9/22/2021
Proposed Use	N/A	Sale Price	\$5,231,391
Listing Broker	Anthony D'Ambrosia, Marcus Millichap	Financing	Market Rate Financing
Selling Broker	N/A	Cash Equivalent	\$5,231,391
Doc #	2900/219	Capital Adjustment	\$0
		Adjusted Price	\$5,231,391

Transaction Summary plus Five-Year CBRE View History

Transaction Date	Transaction Type	Buyer	Seller	Price	Cash Equivalent Price/sf
09/2021	Sale	10 Sedona Circle South Windsor LLC	Colchester Properties LLC	\$5,231,391	\$523.14


Units of Comparison

Static Analysis Method	N/A	Eff Gross Inc Mult (EGIM)	N/A
Buyer's Primary Analysis	N/A	Op Exp Ratio (OER)	N/A
Net Initial Yield/Cap. Rate	N/A	Adjusted Price / sf	\$523.14
Projected IRR	N/A	Adjusted Price / Unit	N/A
Actual Occupancy at Sale	N/A		

Financial

No information recorded

Map & Comments



This sale was part of a portfolio consisting of two Learning Experience day care facilities. Each building totals 10,000 SF. Both centers are very similar in construction to all other Learning Experiences and consist of a reception, private office, classrooms, kitchen, lounge, staff toilet and laundry room. Each classroom contains a bathroom. In addition there is an approximate 5,000 SF fenced in playground to the rear of the building. The price allocated to this property was \$5,231,391.

Both properties are NNN leased to the Learning Experience. Both properties are each leased on a 20 year term with the annual rents at \$350,000 for the first 5 years and increasing every 5 years. The cap rate for the portfolio was 7.00%.

The properties were listed and marketed for sale by Marcus and Millichap for \$5,000,000 each. Both properties sold together as a portfolio and were on the market less than a year.

Both properties are well located in commercial areas of Newington and South Windsor.

Addendum C

Rent Comparable Data Sheets

Comparable

Special - Day Care

No. 1

Property Name Kinder Care Learning Center
Address 273 Talcottville Road
Vernon, CT 06066
United States

Government Tax Agency Tolland
Govt./Tax ID N/A

Unit Mix Detail

Rate Timeframe N/A

Unit Type	No.	%	Size	Rent	Rent / Area
-----------	-----	---	------	------	-------------

No information recorded

Totals/Avg	N/A			N/A	N/A
------------	-----	--	--	-----	-----



Improvements

Land Area	1.570 ac	Status	Existing
Gross Leasable Area (GLA)	10,000 sf	Year Built	2022
Total # of Units	0 Units	Year Renovated	N/A
Floor Count	1	Condition	Good
Parking Type	Surface	Exterior Finish	Vinyl Siding
General Amenities	N/A		

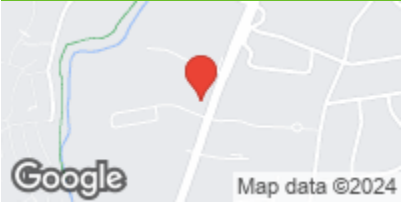
Rental Survey

Occupancy	100%	Owner	N/A
Tenant Size	10,000 sf	Management	N/A
Lease Term	180 Mo(s).	Concessions	N/A
Reimbursements	NNN	Survey Date	08/2023
Rent Changes/Steps	10%/Yr 6 then 2%/year	Survey Notes	N/A

Actual Leases

Tenant Name	Tenancy Use Type	Size (sf)	Term (Mo.)	Type of Lease	Start Date	Annual Base	Reimbs.	Rent Changes / Steps	Free Rent (Mo.)	TI Allowance per sf
						Rate per sf				
Kinder Care	Retail	10,000	180	New	8/5/2023	\$43.00	NNN	10%/Yr 6, 2% Thereafter	0	N/A

Map & Comments



Increases 10% in Year 6, then 2% annually

Property Name The Learning Experience
 Address 11 Shaker Road
 Enfield, CT 06082
 United States

Government Tax Agency Hartford
 Govt./Tax ID N/A

Unit Mix Detail

Rate Timeframe N/A

Unit Type	No.	%	Size	Rent	Rent / Area
-----------	-----	---	------	------	-------------

No information recorded

Totals/Avg	N/A			N/A	N/A
------------	-----	--	--	-----	-----

**Improvements**

Land Area	2.186 ac	Status	Existing
Net Rentable Area (NRA)	10,000 sf	Year Built	2022
Total # of Units	1 Units	Year Renovated	N/A
Floor Count	1	Condition	Good
Parking Type	Surface	Exterior Finish	EIFS
General Amenities	N/A		

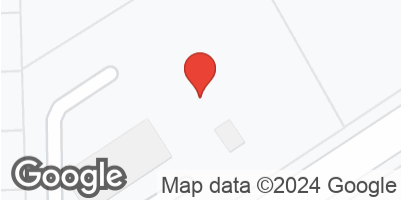
Rental Survey

Occupancy	100%	Owner	N/A
Tenant Size	10,000 sf	Management	N/A
Lease Term	240 Mo(s).	Concessions	N/A
Reimbursements	NNN	Survey Date	06/2022
Rent Changes/Steps	12%/5 Yrs.	Survey Notes	N/A

Actual Leases

Tenant Name	Tenancy Use Type	Size (sf)	Term (Mo.)	Type of Lease	Start Date	Annual Base	Reimbs.	Rent Changes / Steps	Free Rent (Mo.)	TI Allowance per sf
						Rate per sf				
The Learning Experience	Other/Sustainability	10,000	240	New	11/1/2022	\$37.25	NNN	12%/ 5 Yrs.	N/A	N/A

Map & Comments



Rent increases by 12% on ever five-year anniversary.

Comparable

Special - Day Care

No. 3

Property Name The Learning Experience
Address 425 Highland Avenue
Cheshire, CT 06410
United States

Government Tax Agency New Haven
Govt./Tax ID N/A

Unit Mix Detail

Rate Timeframe	N/A				
Unit Type	No.	%	Size	Rent	Rent / Area
No information recorded					
Totals/Avg	N/A			N/A	N/A



Improvements

Land Area	1.250 ac	Status	Existing
Gross Building Area (GBA)	10,000 sf	Year Built	2023
Total # of Units	0 Units	Year Renovated	N/A
Floor Count	1	Condition	Average
Parking Type	Surface	Exterior Finish	N/A
General Amenities	N/A		

Rental Survey

Occupancy	100%	Owner	N/A
Tenant Size	10,000 - 10,000 sf	Management	N/A
Lease Term	240 Mo(s).	Concessions	N/A
Reimbursements	NNN	Survey Date	12/2023
Rent Changes/Steps	10%/5 Yrs.	Survey Notes	N/A

Actual Leases

Tenant Name	Tenancy Use Type	Size (sf)	Term (Mo.)	Type of Lease	Start Date	Annual Base	Reimbs.	Rent Changes / Steps	Free Rent (Mo.)	TI Allowance per sf
						Rate per sf				
The Learning Experience	Retail	10,000	240	New	12/1/2023	\$38.50	NNN	10%/5 Yrs.	0	\$0.00

Map & Comments



Comparable

Special - Day Care

No. 4

Property Name Guidepost Montessori
Address 25 Edison Road
Mahwah, NJ 07430
United States

Government Tax Agency Mahwah Township
Govt./Tax ID Block 173 / Lot 121

Unit Mix Detail

Rate Timeframe	N/A				
Unit Type	No.	%	Size	Rent	Rent / Area
No information recorded					
Totals/Avg	N/A			N/A	N/A



Improvements

Land Area	1.830 ac	Status	Existing
Gross Building Area (GBA)	9,831 sf	Year Built	1999
Total # of Units	0 Units	Year Renovated	2021
Floor Count	1	Condition	Good
Parking Type	Surface	Exterior Finish	Masonry
General Amenities	N/A		

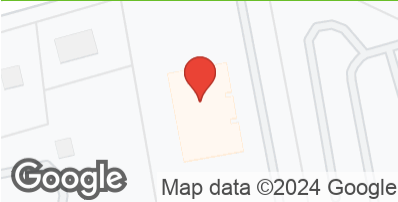
Rental Survey

Occupancy	100%	Owner	N/A
Tenant Size	9,831 sf	Management	N/A
Lease Term	240 Mo(s).	Concessions	N/A
Reimbursements	NNN	Survey Date	07/2021
Rent Changes/Steps	2% annually	Survey Notes	N/A

Actual Leases

Tenant Name	Tenancy Use Type	Size (sf)	Term (Mo.)	Type of Lease	Start Date	Annual Base	Reimbs.	Rent Changes / Steps	Free	Tl
						Rate per sf			Rent (Mo.)	Allowance per sf
Guidepost Montessori	Retail	9,831	240	New	7/1/2021	\$45.06	NNN	2% annually	0	N/A

Map & Comments



This comparable represents a 9,831 square foot freestanding Guidepost Montessori daycare facility on a 1.83 acre site located at 25 Edison Road in Mahwah, New Jersey. The improvements were constructed in 1999, renovated in 2021, and were considered to be in good overall condition at the time of our research. According to a representative for this property, the 20-year lease commenced on July 1, 2021 and has a current base rental rate of \$443,000 or \$45.06 per square foot (building) with 2.0% annual rental rate escalations through firm term and four, five-year renewal options. Guidepost Montessori is a national-credit daycare concept subsidiary of Higher Ground Education, with 96 locations in operation.

Addendum D

Client Contract Information



August 9, 2024

Sent Via Email: Joshua.Koladis@cbre.com

Joshua S. Koladis
CBRE Valuation & Advisory
185 Asylum Street, 31st Floor
Hartford, CT 06103

Re: Borrower Name: **Catherine Violet Hubbard Foundation, Inc.**
Property Address: **8 Commerce Road, Newtown, CT 06470**

Dear Mr. Koladis :

This letter is to confirm our engagement of your firm as an appraiser to represent Savings Bank of Danbury in conducting an appraisal of the above-referenced property. The appraisal report shall be written in accordance with the terms and conditions fully described in our Loan Policy Manual previously forwarded to your office. The report is to be prepared in accordance with the Uniform Standards of Professional Appraisal Practice ("USPAP"), as promulgated by the Appraisal Standards Board of The Appraisal Foundation. Additionally, the report is to be prepared as consistent with The Appraisal Institute requirements.

The report shall be an Appraisal Report and shall consist of a **"Full Narrative Appraisal Report"** utilizing all three approaches to value (*Cost Approach, Sales Comparison Approach, and Income Approach*), as applicable, and shall include the following values for the above referenced property (select all that apply):

☒ As Is ☐ As Approved ☒ As Completed ☐ As Stabilized

Your appraisal will assist the Bank in considering financing this property.

The subject of this assignment is for a commercial property located at **8 Commerce Road, Newtown, CT 06470**. The owner of record is **Catherine Violet Hubbard Foundation, Inc.** The purpose of this appraisal is to estimate the market value of the **Fee Simple Interest** in the subject real estate.

- Brief description of property: **Construction of a 1 ½ story "kitted" educational barn.**

The property has been determined to be in a flood zone: ☐ Yes ☒ No

- If Yes:**

Please ascertain the total replacement cost of the assets located in the flood zone.

FEMA has noted the subject property has improvements located in an area of flood risk. Accordingly, your report must develop a replacement cost new based upon current cost factors for the building and site improvements; and estimate the value of the land as if vacant.

The appraisal Report will be used for financing an SBA guaranteed loan: ☐ Yes ☒ No

- If Yes:**

The SBA requirements are attached for your reference. Please note that the appraisal report must include Savings Bank of Danbury and the U.S. Small Business Administration c/o Community Investment Corporation (CIC) as intended users. For SBA 504 Loans, the SBA requires that we ask for the remaining economic life of property.



The Appraisal Report will be used for financing a Construction Loan: ☒ Yes ☐ No

- If Yes: ☒ Commercial Construction ☐ Residential Construction: N/A

Plans, specifications, and cost estimates will be sent to you via email. Please return all plans, specifications, and cost estimates to the Bank.

A PDF copy of the report with original signatures and photographs are required.

The Savings Bank of Danbury is your client. All correspondence, inquiries and delivery of the appraisal report should be directed as follows:

Savings Bank of Danbury
35 West Street
Danbury, CT 06810

Attention: **Gina Carrozzelli**

Phone: **203-797-2644**

Email: SBDAppraisalProcurement@sbdanbury.com; gcarrozzelli@sbdanbury.com

Access to the property and any additional information can be obtained by contacting:

Name: **Jenny Hubbard**

Phone: **716-807-5201**

Email: jhubbard@cvhfoundation.org

If you have any difficulty obtaining necessary data or access, please call us immediately so we can expedite matters.

It is our understanding that the fee for this assignment will be **\$5,500.00**. It is also our understanding that the final report will be completed by **August 30, 2024**. The report will be reviewed for compliance with our instructions.

This letter will also authorize you to disclose any information regarding this appraisal with the Bank's review appraiser.

Please indicate your acceptance of this assignment and the above-referenced conditions by signing and returning the original of this letter. Please include a copy of the signed engagement letter and appraisal license in the appraisal report.

Sincerely,

Gina Carrozzelli

Loan Documentation Specialist

Acceptance:

Joshua Koladis

Joshua S. Koladis

As Agent for CBRE, Inc.

Date: 8/9/2024

Addendum E

Qualifications



VALUATION & ADVISORY / NEW ENGLAND

Joshua Koladis

First Vice President, Hartford, CT

T +1 860 987 4732

M +1 860 306 5455

E Joshua.koladis@cbre.com

Pro Affiliations / Accreditations

- LEED® Accredited Professional and Member of the U.S. Green Building Council (USGBC)
- Board Member - Connecticut Chapter of the Appraisal Institute
- Member of the Appraisal Institute, MAI Designation, effective June 2014

Education

- Bachelor degree in Finance and Business Administration from the University of Connecticut School of Business with additional concentration in Real Estate and Urban Economic Studies.

Professional Experience

Joshua S. Koladis covering the New England Region. Joshua has been with CBRE since 2004 with experience in preparation and review of complex appraisals, market studies, lease and sale analysis and financial valuation modeling. Property types appraised include: hospitality, single-tenant, multi-tenant and owner-occupied office and industrial buildings, shopping centers, multi-family developments (HUD, Section 8, LIHTC and market rate), self-storage facilities, utility easement right-of-ways, vacant development sites and open space land as well as other commercial properties.

Significant Transactions

CLIENT	ADDRESS	TYPE	SIZE (SF)
Confidential	Intercontinental Hotel – Boston, MA	Appraisal	424 Room
Special Servicer	State House Square - Hartford, CT	Appraisal	900,000 SF
Lender	Hartford 21 – Hartford, CT	Appraisal	1,000,000
Lender	Pavilions Apartments – Manchester, CT	Appraisal	900 +- Units
Lender	Retail Portfolio, New England	Appraisal	30+ Portfolio of NNN Properties

Licensing

Joshua is licensed in Connecticut, Massachusetts, Rhode Island, New Hampshire, Vermont, Maine and New York.

**STATE OF CONNECTICUT
DEPARTMENT OF CONSUMER PROTECTION**

This is your Real Estate Appraiser license certificate. Such license shall be shown to any properly interested person on request and shall not be transferred to or used by any other person than to whom the license was issued. Please note, the address has been removed from the certificate, however, the Department of Consumer Protection must be notified of any name or address change. Changes and questions can be emailed to dcp.licenseservices@ct.gov.

In an effort to be more efficient and Go Green, the department asks that you keep your email information with our office current to receive correspondence. You can access your account with your User ID and Password at www.elicense.ct.gov to verify, add or change your email address. Email on file to be used for receiving correspondence from this department: seawardct@gmail.com

Visit our website for online services, applications, rosters and to verify licensure at www.ct.gov/dcp.

JOSHUA KOLADIS
235 N BEACON ST
HARTFORD, CT 06105-2247

STATE OF CONNECTICUT
DEPARTMENT OF CONSUMER PROTECTION

1019634

**CERTIFIED GENERAL REAL ESTATE
APPRAISER**

JOSHUA S KOLADIS

Joshua Koladis

License #	Effective	Expiration
RCG.0001138	05/01/2024	04/30/2025

SIGNED

STATE OF CONNECTICUT ♦ DEPARTMENT OF CONSUMER PROTECTION

1019634

Be it known that

JOSHUA S KOLADIS

has been certified by the Department of Consumer Protection as a licensed

CERTIFIED GENERAL REAL ESTATE APPRAISER

License #: RCG.0001138

Effective Date: 05/01/2024

Expiration Date: 04/30/2025

Bryan T. Cafferelli

Bryan T. Cafferelli, Commissioner

Delivering more than just a number

At CBRE, we offer more than expert appraisal services, we consult and advise to help you see the full picture of a property or portfolio.

Valuation & Appraisal

Understand all aspects of value

- Lending & Debt Valuations
- Portfolio Valuations
- Institutional Fund Valuations
- Litigation Support & Testimony
- Right-of-Way & Eminent Domain
- Evaluations/Alternative Valuations

cbre.com/appraisal

Assessment & Consulting

Understand all aspects of value

- Property Condition Assessments
- Environmental Site Assessments
- Land Surveying
- Seismic Risk Analysis
- Radon, Asbestos, Indoor Air Quality
- Zoning Reports & Compliance

cbre.com/assessment

Property & Transaction Tax

Understand all aspects of value

- Assessment Reviews & Appeals
- Real Estate Transaction Tax
- Property Tax Payment Services
- Pre-Acquisition Due Diligence
- Pre-Construction Due Diligence
- Budgeting & Accruals

cbre.com/propertytax

Quality You Can Count On

Reliable valuations depend on accurate insights. Our quality and risk management (QRM) framework ensures the highest-quality reports and analyses, giving you confidence in our calculations.



Upfront conflict and qualification checks



Embedded risk detection and leadership reviews



Landmark training, practice guidelines and governance



Dedicated, global team of QRM experts

Industry-leading people, data and technologies

Experience You Can Trust

CBRE is the global leader in commercial real estate services, with more than 100 years of industry experience. We provide unmatched market coverage and sector expertise across every dimension of our Valuation & Advisory Services, delivering insights you can't get anywhere else

90+

U.S. Valuation Offices

80K+

U.S. Yearly Assignments

600k+

Global Yearly Assignments

200+

Global Valuation Offices