

APPRAISAL REPORT

22154 STATE HIGHWAY 18

Conneautville, Pennsylvania 16406

VALUATION DATES

As-Is Market Value: August 16, 2024

Date of Report: September 16, 2024



PREPARED BY

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Owen Appraisal Service LLC
300 Bilmar Drive
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File No: PR-24925

PREPARED FOR

Christine Krankota
Conneaut School District



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September 16, 2024

Christine Krankota
Conneaut School District

RE: **Appraisal Report**
22154 PA-18 Conneautville, Pennsylvania 16406
Owen Appraisal Service LLC File No: PR-24925

Ms. Krankota:

Owen Appraisal Service LLC is proud to present the appraisal that satisfies the agreed upon scope of work with Conneaut School District.

The subject property, located at 22154 State Highway 18 Conneautville, PA, in the Crawford County submarket, is a special purpose school property with a three level building improvement, asphalt surface driveways and parking areas and multiple athletic fields. The school building totals an estimated 102,059 SF. The subject property is 2 parcels totaling 27.39 Acres, or 1,193,108 SF.

The appraisal is intended to conform with the Uniform Standards of Professional Appraisal Practice (USPAP), the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute and applicable state appraisal regulations. It also is prepared to conform with the appraisal guidelines set forth in Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA). To report the assignment results, we use the Appraisal Report option of Standards Rule 2-2(a) of USPAP. As USPAP gives appraisers the flexibility to vary the level of information in an Appraisal Report depending on the intended use and intended users of the appraisal, we adhere to the Owen Appraisal Service internal standards for an Appraisal Report – Standard Format. This format summarizes the information analyzed, the appraisal methods employed, and the reasoning that supports the analyses, opinions, and conclusions.

The purpose of this appraisal is to develop an opinion of the As-Is Market Value (Fee Simple Interest). The following table conveys the final opinion of value that is developed in this appraisal:

MARKET VALUE CONCLUSION				
VALUATION SCENARIO	INTEREST APPRAISED	EXPOSURE TIME	EFFECTIVE DATE	VALUE
As-Is Market Value	Fee Simple Interest	18 to 24 Months	August 16, 2024	\$4,080,000

This report conforms to the current Uniform Standards of Professional Appraisal Practice (USPAP).

EXTRAORDINARY ASSUMPTIONS

The use of an extraordinary assumption(s) may have impacted the results of the assignment. We have relied on information provided by the client as well as from public records as it relates to building size, year of construction, land size, and other physical, financial, and economic characteristics. It is an extraordinary assumption of this appraisal that this information is accurate and was not misrepresented. We relied on public records for items such as real estate tax information, zoning information and in some cases, site and building size information. We assume this information is accurate. However, should other information be provided that have a material impact on our conclusion, then we would reserve the right to readdress our conclusion.



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HYPOTHETICAL CONDITIONS

No Hypothetical Conditions were made for this assignment.

RELIANCE LANGUAGE

No liability is assumed, expressed or implied by Owen Appraisal Service LLC, or the appraiser(s) for unauthorized use of this report. Only those persons, parties, entities, companies, corporations, partnerships, associations or groups that are explicitly identified as an intended user may rely on, and use this report. There are no implied, suggested, inferred, consequential, or indirect intended users of this report. Unauthorized users should not use, or rely on any portion of this document. Unauthorized users do so at their own risk or peril.

If there are any specific questions or concerns regarding the attached appraisal report, or if Owen Appraisal Service LLC can be of additional assistance, please contact the individuals listed below.

Respectfully Submitted,

OWEN APPRAISAL SERVICE LLC

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PROPERTY IDENTIFICATION

Name	22154 State Highway 18
Property	Special Purpose - School
Address	22154 PA-18
City, State Zip	Conneautville, Pennsylvania 16406
County	Crawford County
MSA	Meadville, PA Micro MSA
Market / Submarket	Erie Area/Northwest PA / Crawford County
Geocode	41.77545,-80.361789
Census Tract	42-039-110300

SITE DESCRIPTION

Number of Parcels	2	
Assessor Parcel Numbers	51-0-041307, 51-0-041306	
Land Area	Square Feet	Acres
Usable	1,193,108	27.39
Total	1,193,108	27.39
Zoning	No Zoning	
Shape	Irregular	
Topography	Level to Sloping above street grade	
Flood Zone	Zone X (Unshaded)	
Seismic Zone	Unknown	

IMPROVEMENT DESCRIPTION

Tenancy	Owner Occupied
Net Rentable Area (NRA)	102,059
Gross Building Area (GBA)	102,059
Ground Floor SF	70,723
Floors	3
Year Built	1955 (Renovated 2004)
Actual Age	69 Years
Effective Age	10 Years
Economic Life	50 Years
Remaining Economic Life	40 Years
Building Class	C
Land To Building Ratio	11.69 : 1
Site Coverage Ratio	5.9%
Parking	Surface-Approx. 159 Spaces

QUALITATIVE ANALYSIS

Site Quality	Average
Site Access	Above Average
Site Exposure	Above Average
Site Utility	Average
Building Quality	Above Average
Building Condition	Average
Building Appeal	Average



HIGHEST & BEST USE

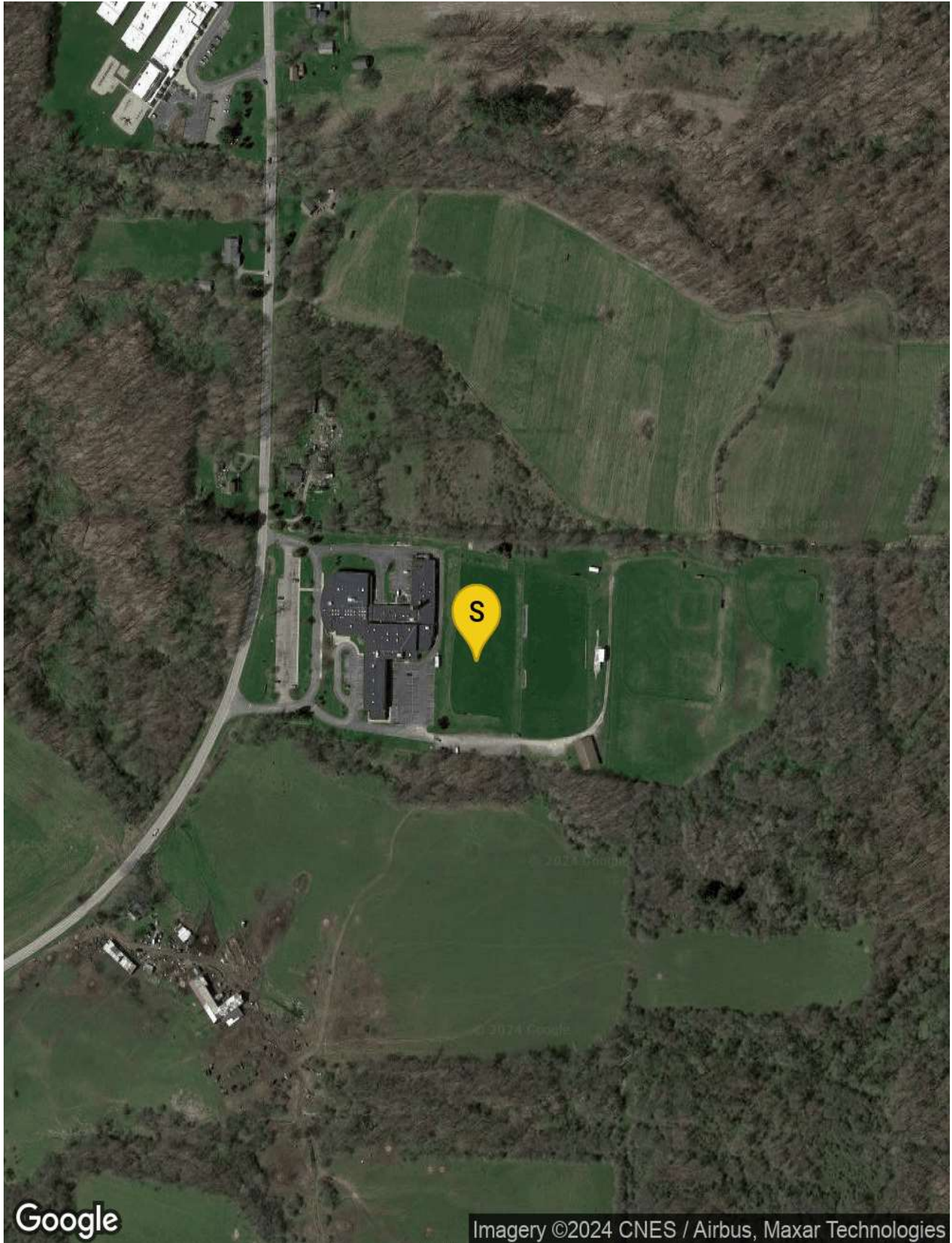
Proposed Construction	No
As Vacant	Hold for future development
As Improved	Conversion to healthcare or similar special use

EXPOSURE & MARKETING TIME

Exposure Time	18 to 24 Months
Marketing Time	18 to 24 Months

VALUE CONCLUSION

VALUATION SCENARIOS	AS-IS MARKET VALUE
Interest	Fee Simple Interest
Exposure Time	18 to 24 Months
Effective Date	August 16, 2024
Site Value	Not Presented
Cost Approach	Not Presented
Sales Comparison Approach	\$4,080,000
Income Capitalization Approach	Not Presented
FINAL VALUE CONCLUSION	\$4,080,000





FRONT VIEW FROM STATE HWY 18



ENTRANCE VIEW FROM STATE HWY 18



REAR VIEW



FRONT/SIDE VIEW



SURFACE PARKING



SURFACE PARKING



STATE HIGHWAY 18 STREET SCENE



ALTERNATE STATE HIGHWAY 18 STREET SCENE



GAS MAIN



ATHLETIC FIELDS



ATHLETIC FIELDS



ATHLETIC FIELDS



FIELD HOUSE/CONCESSIONS



MAIN OFFICE



MAIN OFFICE



OFFICE RESTROOM



SCIENCE ROOM



RESTROOM



RESTROOM



SECONDARY GYMNASIUM



STAGE



SECONDARY GYMNASIUM



TYPICAL CLASSROOM



TYPICAL CLASSROOM



STAIRWELL



HALLWAY



HALLWAY



TYPICAL CLASSROOM



LIBRARY



LIBRARY



MAIN GYMNASIUM



GYMNASIUM ENTRANCE



RESTROOM



TRAINERS ROOM



OFFICE



OFFICE



LOCKER ROOM



LOCKER ROOM



WEIGHT ROOM



KITCHEN



KITCHEN



TYPICAL CLASSROOM



TYPICAL CLASSROOM



SHOP CLASSROOM



TYPICAL CLASSROOM



FIRE ALARM SYSTEM



ELECTRICAL PANELS



WATER SOFTENER SYSTEM



BOILERS



MAIN ELECTRIC PANEL



WATER MAIN



ELEVATOR

PROPERTY IDENTIFICATION

The subject property, located at 22154 State Highway 18 Conneautville, PA, in the Crawford County submarket, is a special purpose school property with a three level building improvement, asphalt surface driveways and parking areas and multiple athletic fields. The school building totals an estimated 102,059 SF. The subject property is 2 parcels totaling 27.39 Acres, or 1,193,108 SF.

The assessor parcel Numbers are: 51-0-041307, 51-0-041306.

LEGAL DESCRIPTION

The legal description of the subject property is as follows: 5110-018-70001 20 ACRES & BLDG. 22154 STATE HWY 18 & 5110-017-70002 7.386 ACRES & BLDG. BEHIND 22154 STATE HWY 18

CLIENT IDENTIFICATION

The client of this specific assignment is Conneaut School District.

INTENDED USE & INTENDED USERS

The intended use of this appraisal is to assist the client in making internal business decisions related to this asset. Conneaut School District or assigns are the only intended users of this report.

PURPOSE

The purpose of this appraisal is to develop an opinion of the As-Is Market Value (Fee Simple Interest).

PERSONAL PROPERTY & BUSINESS INTANGIBLE

There is no personal property (FF&E) included in this valuation. There is no business or intangible value included in the value conclusion reported herein.

PROPERTY AND SALES HISTORY

Current Owner

According to Crawford County Public Records, legal title to the subject property is held by School District of Conneaut. The subject property was transferred from State Public School Building Authority to School District of Conneaut on March 18, 1985, consideration unknown. This transaction is recorded under Book 560 & Page 210 of the Public Records of Crawford County.

Three-Year Sales History

According to county records the subject property has not transferred in the past three years. No known pending sale or active listing is noted as of the effective date of this report.

EXPOSURE & MARKETING TIME

Marketing time and exposure time are both influenced by price. That is, a prudent buyer could be enticed to acquire the property in less time if the price were less. Hence, the time span cited below coincides with the value opinion(s) formed herein.

USPAP Standard rule 1-2(c)(iv) requires an opinion of exposure time, not marketing time, when the purpose of the appraisal is to estimate market value. In the recent past, the volume of competitive properties offered for sale, sale prices, and vacancy rates have fluctuated little. Sale concessions have not been prevalent. The following information is used to estimate exposure time and marketing time for the subject:



EXPOSURE & MARKETING TIME		
SOURCE	MONTHS RANGE	AVERAGE
Improved Sales	5.0 to 11.0	8.0
General Trend	12.0 to 36.0	24.0
OVERALL AVERAGE		16.0
Exposure Period Conclusion		18 to 24 Months
Marketing Time Conclusion		18 to 24 Months
Most Probable Buyer		Local or Regional Developer

Exposure Time Conclusion

The subject is a special purpose (school) use totaling 102,059 SF (NRA) on 27.3900-acres (1,193,108 SF) located at 22154 PA-18 in Conneautville, Crawford County, Pennsylvania. Considering these factors, a reasonable estimate of exposure time for the subject As-Is Market Value (Fee Simple Interest) is 18 to 24 months.

Marketing Time Conclusion

A marketing time estimate is a forecast of a future occurrence. History should be considered as a guide, but anticipation of future events & market circumstances should be the prime determinant. Overall market conditions are expected to remain stable, so a marketing time of 18 to 24 months is predicted for the subject.

DEFINITION OF MARKET VALUE

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, knowledgeably, and assuming that 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 United States 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.¹

PROPERTY RIGHTS APPRAISED

The property rights appraised constitute the Fee Simple interest.

Fee Simple Interest

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.²

¹ Office of Comptroller of the Currency (OCC), Title 12 of the Code of Federal Regulation, Part 34, Subpart C -Appraisals, 34.42 (g); Office of Thrift Supervision (OTS), 12 CFR 564.2 (g); This is also compatible with the FDIC, FRS and NCUA definitions of market value.

² The Dictionary of Real Estate Appraisal, Seventh Edition, Appraisal Institute, Chicago, Illinois, 2022

VALUE SCENARIOS

As-Is Market Value

The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date.³

SCOPE OF WORK

The scope of work for this appraisal assignment is outlined below:

- ▶ The appraisal analyzes the regional and local area profiles including employment, population, household income and real estate trends. The local area was inspected to consider external influences on the subject.
- ▶ The appraisal analyzes legal and physical features of the subject including site size, improvement size, flood zone, seismic zone, site zoning, easements, encumbrances, site access and site exposure.
- ▶ The appraisal includes a Highest and Best Use analysis and conclusions have been completed for the highest and best use of the subject property As Vacant and As Improved. The analysis considered legal, locational, physical and financial feasibility characteristics of the subject site and existing improvements.
- ▶ In selecting applicable approaches to value, the appraisers considered the agreed upon appraisal scope and assessed the applicability of each traditional approach given the subject's characteristics and the intended use of the appraisal. As a result, this appraisal developed Sales Comparison Approach. The values presented represent the As-Is Market Value (Fee Simple Interest).
- ▶ The assignment was prepared as an Appraisal Report in accordance with USPAP Standards Rules 2, with the analysis stated within the document and representing a fully described level of analysis.
- ▶ The authors of this report are aware of the Competency Rule of USPAP and meet the standards.

ASSISTANCE PROVIDED

No one provided real property appraisal assistance to the individuals signing this report.

³ The Dictionary of Real Estate Appraisal, Seventh Edition, Appraisal Institute, Chicago, Illinois, 2022



SOURCES OF INFORMATION

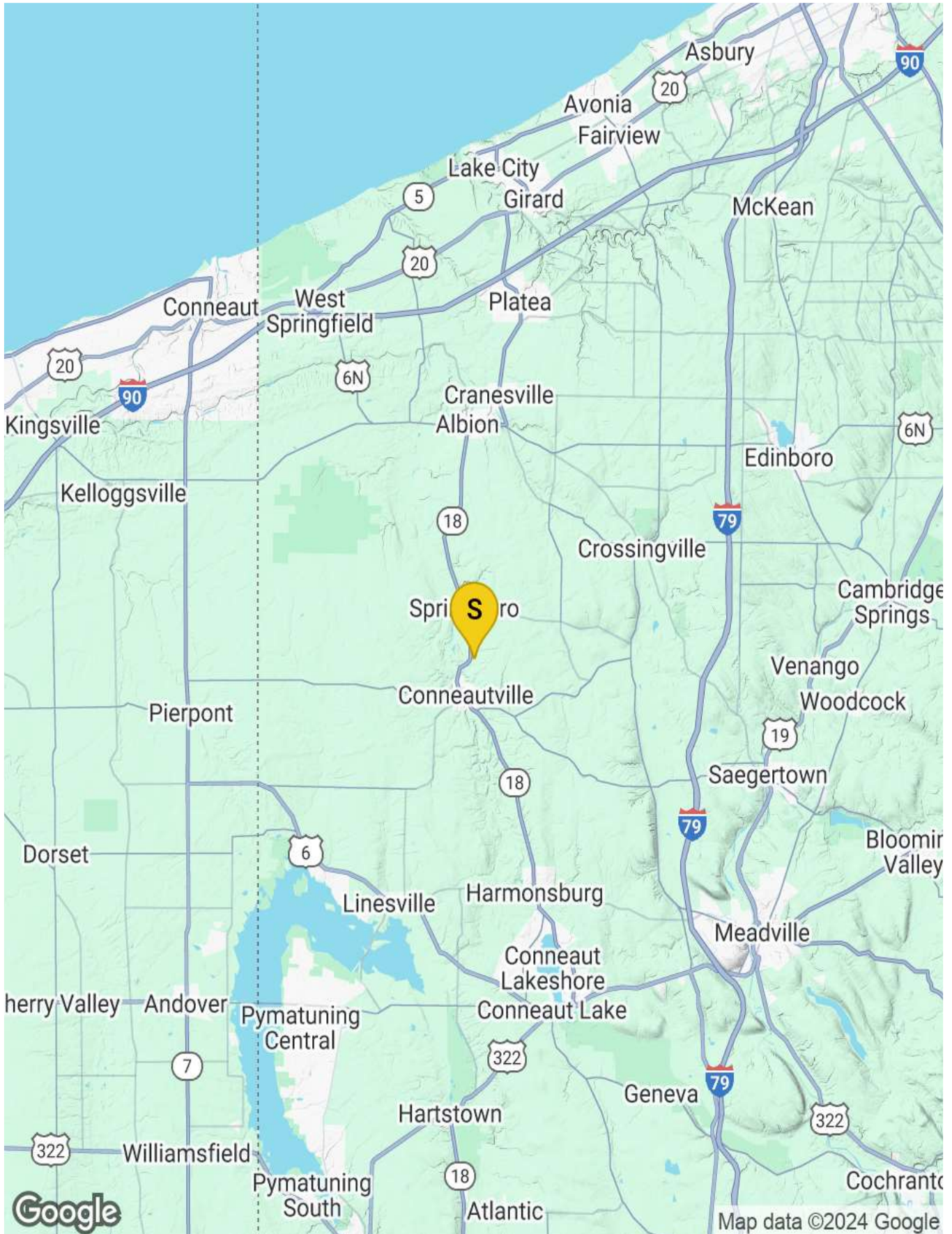
The following sources were contacted to obtain relevant information:

INFORMATION PROVIDED	
Property Assessment & Tax	Crawford County Assessor
Zoning & Land Use Planning	Spring Township/Crawford County
Site Size	Crawford County Assessor
Building Size	Provided Building Plans
Supply & Demand	CoStar
Flood Map	FEMA
Demographics	STDB On-Line
Comparable Information	CoStar MLS Public Records Confirmed by Local Agents
Legal Description	Assessor
Rent Roll	N/A
Operating Statements	Not Provided
Purchase & Sale Document	N/A
Construction Costs/Budget	N/A
Income/Expense Statements	Not Provided
Income/Expense Budget	Not Provided
Physical Inspection Report	Not Provided
Building Plans/Specs	Client
Title	Not Provided
Phase I Environmental Report	Not Provided
Lease Documents	Not Provided

The lack of the unavailable items could affect the results of this analysis. As part of the general assumptions and limiting conditions, the subject is assumed to have no adverse easements, significant items of deferred maintenance, or be impacted by adverse environmental conditions.

SUBJECT PROPERTY INSPECTION

PROPERTY INSPECTION				
APPRAISER	INSPECTED	EXTENT	DATE	ROLE
Timothy J. Sakmar	Yes	Interior & Exterior	August 16, 2024	Appraiser
Anthony J. Owen, JD	No	N/A		Appraiser





INTRODUCTION

In order to understand the subject’s position in the area or region, we have undertaken a brief analysis in order to determine how trends—both historical and projected—in population, employment, personal income, consumer spending, and housing impact supply and demand and influence the subject’s area directly and indirectly. This analysis first begins on a broader spectrum, and without respect to the subject itself, and is highlighted in the Regional Area Analysis. Secondly, we undertake a more narrowly focused study of the aforementioned attributes as they relate directly to the subject and the subject’s neighborhood. This discussion is presented in the forthcoming Local Area Analysis.

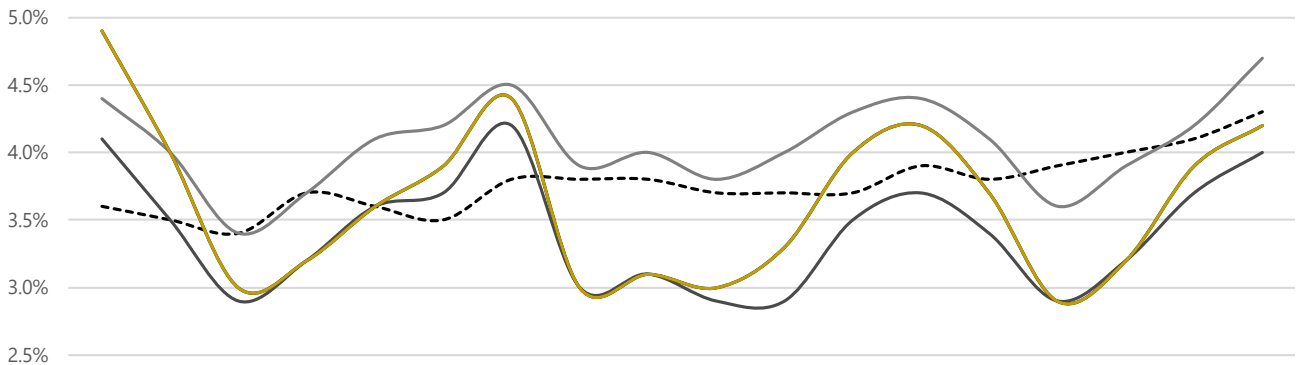
REGIONAL AREA ANALYSIS

The subject property is located in Conneautville, Pennsylvania. The map presented on the previous page illustrates the subject property location relative to the Meadville, PA Micro MSA metropolitan area.

Unemployment

The following graphs charts the trailing 18 months and trailing 10 years unemployment rate for the United States, Middle Atlantic Division, Pennsylvania, Meadville, PA Micro MSA, and Crawford County.

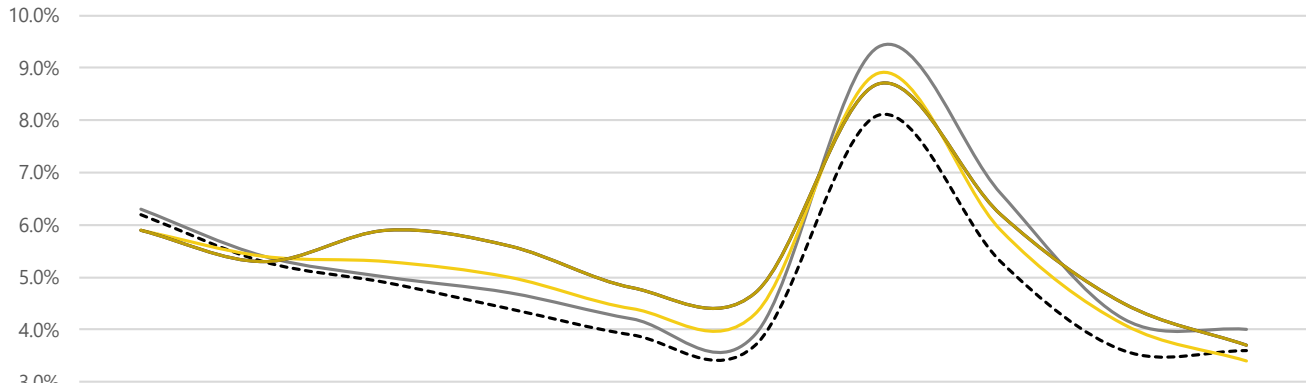
MONTHLY UNEMPLOYMENT RATE (18 MONTHS)



Source: U.S. Bureau of Labor Statistics

	Feb	Mar	Apr	May	Jun	2023 Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	2024 Jul
----- Nation	3.6%	3.5%	3.4%	3.7%	3.6%	3.5%	3.8%	3.8%	3.8%	3.7%	3.7%	3.7%	3.9%	3.8%	3.9%	4.0%	4.1%	4.3%
----- Region	4.4%	4.0%	3.4%	3.7%	4.1%	4.2%	4.5%	3.9%	4.0%	3.8%	4.0%	4.3%	4.4%	4.1%	3.6%	3.9%	4.2%	4.7%
----- State	4.1%	3.5%	2.9%	3.2%	3.6%	3.7%	4.2%	3.0%	3.1%	2.9%	2.9%	3.5%	3.7%	3.4%	2.9%	3.2%	3.7%	4.0%
----- Area	4.9%	4.0%	3.0%	3.2%	3.6%	3.9%	4.4%	3.0%	3.1%	3.0%	3.3%	4.0%	4.2%	3.7%	2.9%	3.2%	3.9%	4.2%
----- County	4.9%	4.0%	3.0%	3.2%	3.6%	3.9%	4.4%	3.0%	3.1%	3.0%	3.3%	4.0%	4.2%	3.7%	2.9%	3.2%	3.9%	4.2%

ANNUAL UNEMPLOYMENT RATE (10 YEARS)



Source: U.S. Bureau of Labor Statistics www.bls.gov

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
----- Nation	6.2%	5.3%	4.9%	4.4%	3.9%	3.7%	8.1%	5.3%	3.6%	3.6%
----- Region	6.3%	5.4%	5.0%	4.7%	4.2%	3.9%	9.4%	6.6%	4.2%	4.0%
----- State	5.9%	5.4%	5.3%	5.0%	4.4%	4.3%	8.9%	5.9%	4.1%	3.4%
----- Area	5.9%	5.3%	5.9%	5.6%	4.8%	4.7%	8.7%	6.2%	4.5%	3.7%
----- County	5.9%	5.3%	5.9%	5.6%	4.8%	4.7%	8.7%	6.2%	4.5%	3.7%

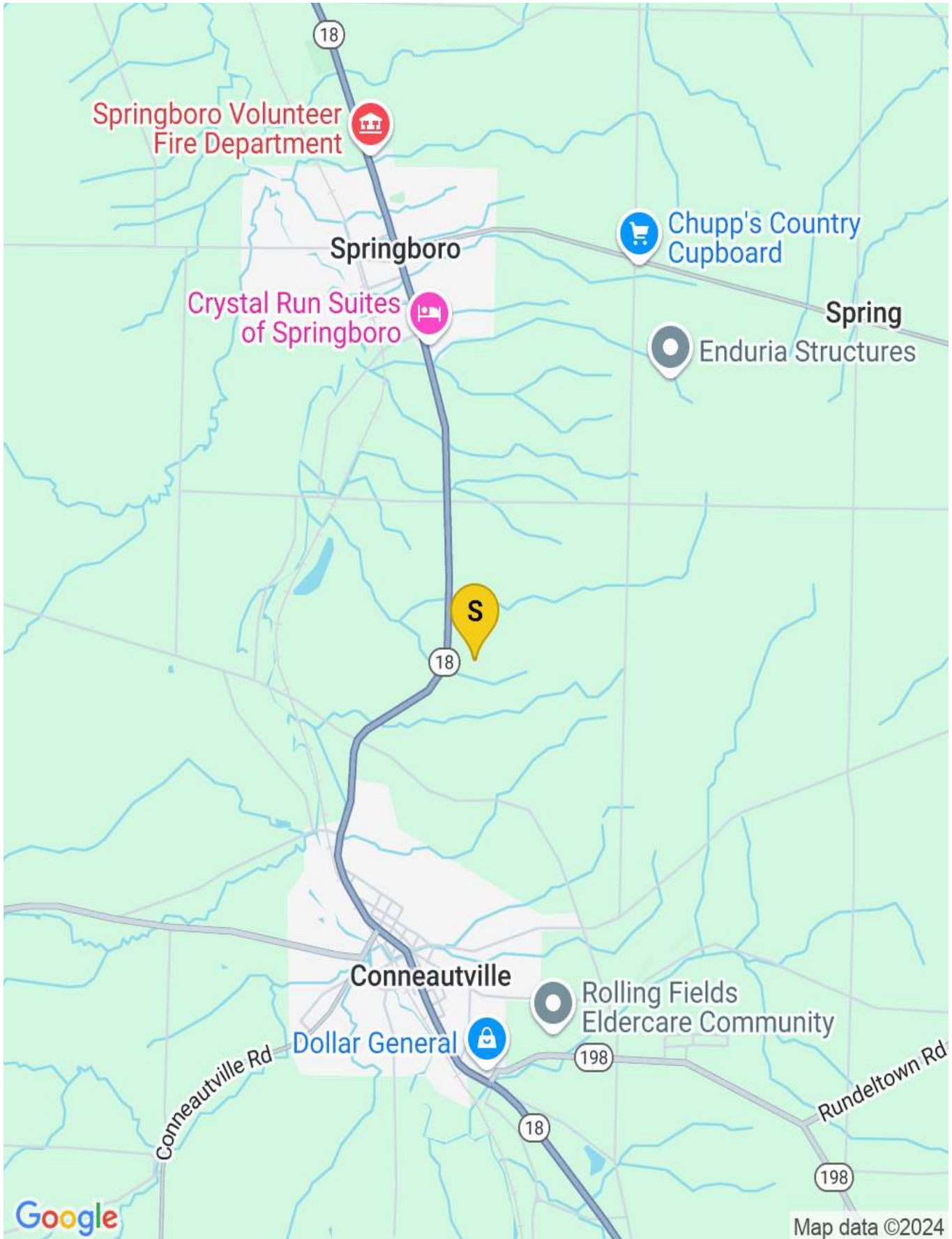
Employment

The following chart shows the trailing 10 years employment for the state of Pennsylvania, Meadville, PA Micro MSA, and Crawford County.

STATE & REGIONAL EMPLOYMENT

YEAR	STATE	% CHG.	AREA	% CHG.	COUNTY	% CHG.
2014	6,010,075	0.8%	38,793	0.1%	38,793	0.1%
2015	6,076,402	1.1%	38,884	0.2%	38,884	0.2%
2016	6,114,644	0.6%	38,150	(1.9%)	38,150	(1.9%)
2017	6,161,913	0.8%	37,587	(1.5%)	37,587	(1.5%)
2018	6,222,004	1.0%	37,483	(0.3%)	37,483	(0.3%)
2019	6,291,680	1.1%	37,295	(0.5%)	37,295	(0.5%)
2020	5,929,949	(6.1%)	35,441	(5.2%)	35,441	(5.2%)
2021	6,054,068	2.1%	35,654	0.6%	35,654	0.6%
2022	6,202,046	2.4%	36,199	1.5%	36,199	1.5%
2023	6,295,653	1.5%	36,448	0.7%	36,448	0.7%
CAGR	0.5%	-	-0.7%	-	-0.7%	-

Source: U.S. Bureau of Labor Statistics www.bls.gov



INTRODUCTION

The subject property is located in the Conneautville area of the Crawford County submarket. The immediate area of the subject is characterized by agricultural and residential uses.

Demographics

The following information reflects the demographics for the subject’s area.

LOCAL AREA DEMOGRAPHICS							
DESCRIPTION	1 MILE	3 MILE	5 MILE	DESCRIPTION	1 MILE	3 MILE	5 MILE
POPULATION TOTAL				HOUSEHOLDS			
2010 Census	120	2,374	4,005	2010 Census	46	902	1,499
2020 Census	105	2,144	3,644	2020 Census	41	839	1,404
2024 Estimate	99	2,088	3,467	2024 Estimate	42	820	1,376
2029 Projection	96	2,030	3,366	2029 Projection	42	812	1,363
Δ 2010-2020	(12.50%)	(9.69%)	(9.01%)	Δ 2010-2020	(10.87%)	(6.98%)	(6.34%)
Δ 2020-2024	(5.71%)	(2.61%)	(4.86%)	Δ 2020-2024	2.44%	(2.26%)	(1.99%)
Δ 2024-2029	(3.03%)	(2.78%)	(2.91%)	Δ 2024-2029	0.00%	(0.98%)	(0.94%)
Total Daytime Population	140	1,929	2,995	HOUSEHOLDS BY INCOME (2024 ESTIMATE)			
HOUSING UNITS				<\$15,000	9.5%	9.3%	9.1%
Total (2024 Estimate)	50	947	1,586	\$15,000 - \$24,999	11.9%	11.7%	11.2%
Owner Occupied	64.0%	68.6%	69.6%	\$25,000 - \$34,999	7.1%	7.8%	7.8%
Renter Occupied	20.0%	18.0%	17.2%	\$35,000 - \$49,999	14.3%	14.8%	14.5%
Vacant Housing Units	16.0%	13.4%	13.2%	\$50,000 - \$74,999	23.8%	25.4%	25.4%
Total (2029 Projection)	50	947	1,586	\$75,000 - \$99,999	11.9%	12.3%	12.1%
Owner Occupied	64.0%	68.4%	69.4%	\$100,000 - \$149,999	11.9%	12.7%	12.6%
Renter Occupied	18.0%	17.3%	16.6%	\$150,000 - \$199,999	2.4%	3.7%	4.4%
Vacant Housing Units	16.0%	14.3%	14.1%	\$200,000+	2.4%	2.4%	3.0%
AVERAGE HOUSEHOLD INCOME				AVERAGE HOUSEHOLD SIZE			
2024 Estimate	\$68,164	\$69,373	\$71,947	2024 Estimate	2.36	2.46	2.44
2029 Projection	\$77,912	\$80,754	\$84,106	2029 Projection	2.29	2.42	2.39
Δ 2024-2029	14.30%	16.41%	16.90%	Δ 2024-2029	(2.97%)	(1.63%)	(2.05%)
MEDIAN HOUSEHOLD INCOME				MEDIAN HOME VALUE			
2024 Estimate	\$53,292	\$54,308	\$55,134	2024 Estimate	\$167,857	\$175,977	\$177,790
2029 Projection	\$58,530	\$59,581	\$60,902	2029 Projection	\$175,000	\$188,136	\$189,855
Δ 2024-2029	9.83%	9.71%	10.46%	Δ 2024-2029	4.26%	6.91%	6.79%
PER CAPITA INCOME				AVERAGE HOME VALUE			
2024 Estimate	\$28,244	\$27,268	\$28,475	2024 Estimate	\$187,903	\$233,513	\$248,122
2029 Projection	\$33,280	\$32,325	\$33,962	2029 Projection	\$195,455	\$248,148	\$267,740
Δ 2024-2029	17.83%	18.55%	19.27%	Δ 2024-2029	4.02%	6.27%	7.91%

Source: Sites To Do Business Online

Population

The estimate provided by ESRI for the current 2024 population within the subject neighborhood’s 3 mile radius is 2,088 representing a -2.61% change since 2020. ESRI’s 2020 population estimate for the subject’s 5 mile radius is 3,467, which represents a -4.86% change since 2020.

Looking forward, ESRI estimates that the population within the subject neighborhood’s 3 mile radius is forecasted to change to 2,030 by the year 2029. As for the broader area, ESRI forecasts that the population within the subject’s 5 mile radius will change to 3,366 over the next five years. The population estimates for the next five years within the subject’s 5 mile radius represents a -2.91% change as well as a -3.03% change within the subject’s 1 mile radius for the same period.

Households

The estimates provided by ESRI indicate that the number of households within the subject neighborhood's 3 mile radius is 820, which is a -2.26% change since 2020. Within the subject's broader 5 mile radius, ESRI estimates that the number of households is 1,376, a -1.99% change over the same period of time.

By the year 2029, the estimates provided by ESRI indicate that the number of households within the subject neighborhood's 3 mile radius will change by -0.98% to 812 households. Additionally, ESRI's estimate for total households over the next five years within the subject's broader 5 mile radius indicates an expected change of -0.94% which will result in a total household estimate of 1,363.

Looking back, the number of households in the subject neighborhood's 3 mile radius changed -6.98% during the ten-year period of 2010 to 2020. Since then it has changed by -2.26%.

Income

Income estimates provided by ESRI for the subject neighborhood's 3 mile radius indicates that the median household income is \$54,308 and that the average household income is \$69,373. Further, the estimates provided by ESRI indicate that, for the subject's broader 5 mile radius the median household income is \$55,134, and the average household income is \$71,947. Given that there are reportedly 1,376 households in the subject's 5 mile radius, it is estimated that the local effective buying income is around \$98,999,072.

CONCLUSION

Based on our observation and the data provided by ESRI, it is perceived that the income and population demographics for the subject neighborhood exhibit average characteristics in terms of reported population growth and income levels. As previously mentioned, the population growth for the subject's 3 mile radius has decreased 2.61% since 2020 and based on the projections provided by ESRI, it is expected to continue to decrease another 2.78% during the next 5 years. Lastly, we perceive that, since average household incomes are slightly above the national average (\$69,373, for the subject's 3 mile radius) and given that the area is low density (820 households in a 3 mile radius), special use properties like the subject have limited support and conversion is likely.

SURROUNDING LAND USES

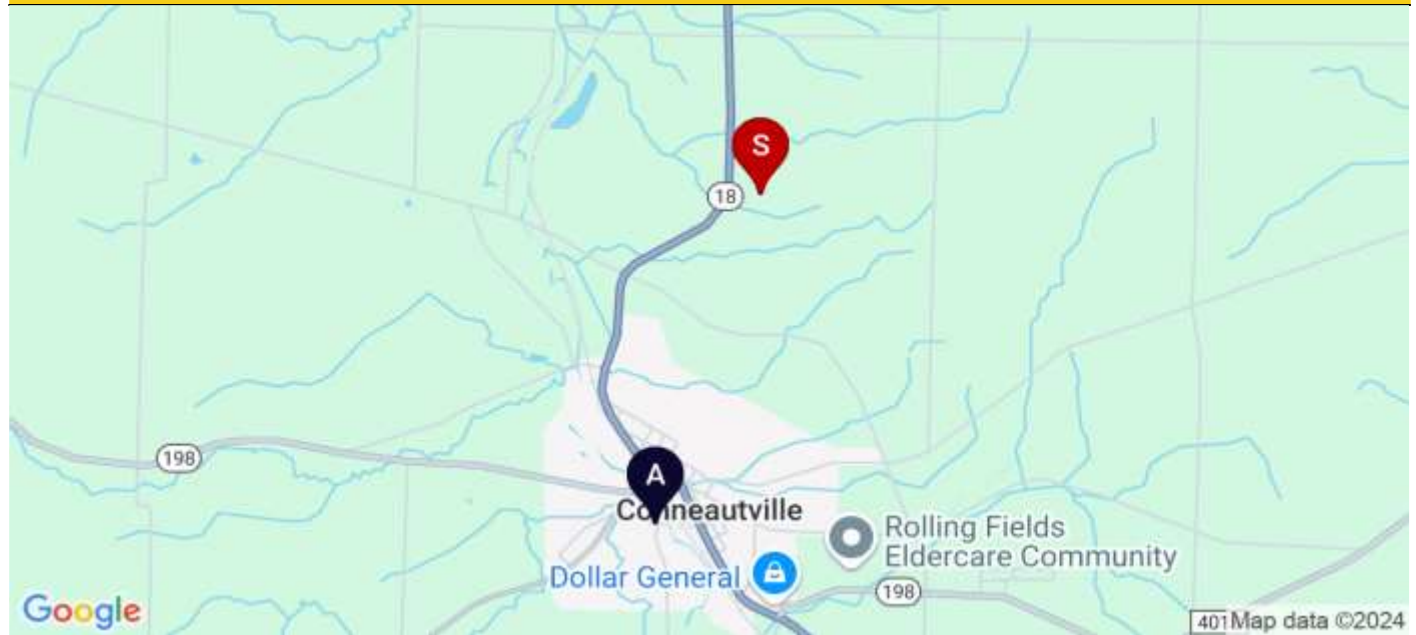
The following tables and maps highlight the development in and around the subject.

LOCAL AREA OFFICE - FIVE-MILE RADIUS

CLASS	RBA	YEAR BUILT	PERCENT LEASED	PROPERTIES
A	0 SF	-	-	0
B	0 SF	-	-	0
C	5,949 SF	-	100.0	1
TOTAL	5,949 SF	0	100.0	1

Source: CoStar

LARGEST OFFICE DEVELOPMENTS - FIVE-MILE RADIUS



PIN	NAME	ADDRESS, CITY	DIST TO SUBJ	RBA	BUILT	CLASS	%LEASED
A		401-403 N Jefferson St, Conneautville	1.4 mi	5,949	N/A	C	100

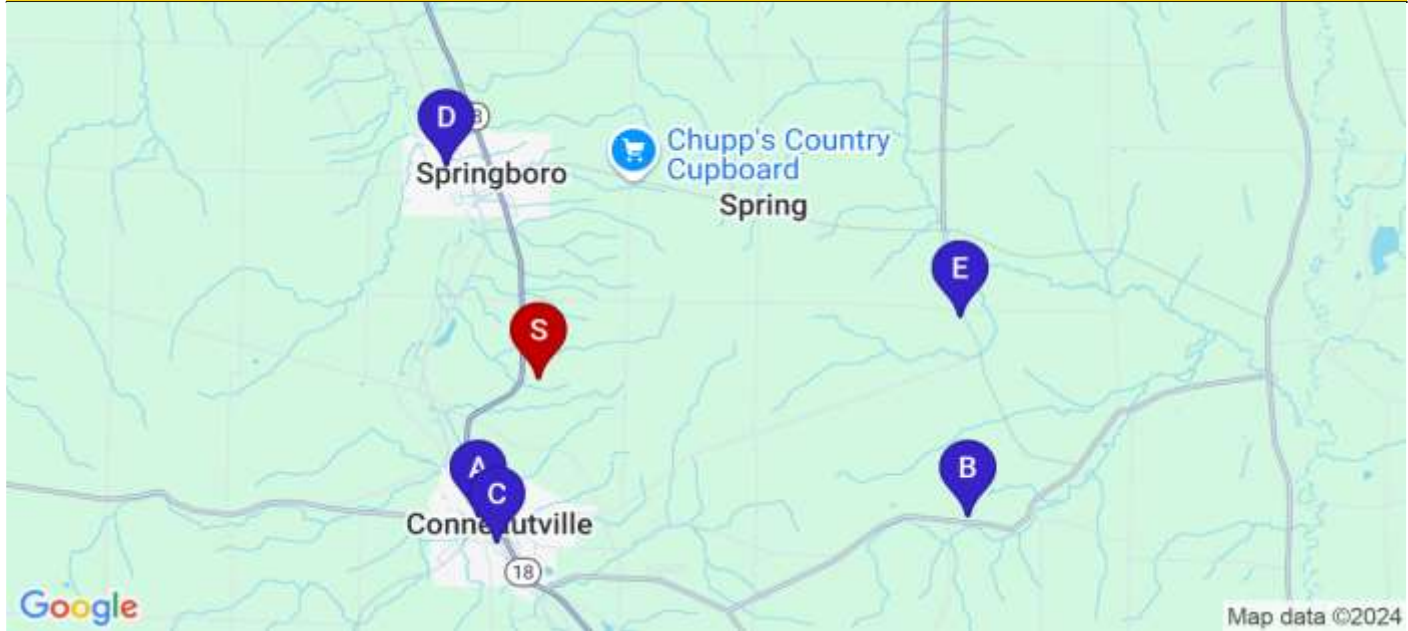
Source: CoStar

LOCAL AREA INDUSTRIAL - FIVE-MILE RADIUS

TYPE	RBA	YEAR BUILT	PERCENT LEASED	PROPERTIES
Flex	0 SF	-	-	0
Gen-Ind <25,000 FT	22,240 SF	1958	100	4
Gen-Ind >25,000 FT	35,080 SF	1900	100	1
TOTAL	57,320 SF	1914	100.0	5

Source: CoStar

LARGEST INDUSTRIAL DEVELOPMENTS - FIVE-MILE RADIUS



PIN	NAME	ADDRESS, CITY	DIST TO SUBJ	RBA	BUILT	TYPE	%LEASED
A		300 Mulberry St, Conneautville	1.3 mi	35,080	1900	Industrial	100
B		13933 Rundletown Rd, Conneautville	3.7 mi	9,000	N/A	Industrial	100
C		401 Jefferson St, Conneautville	1.4 mi	6,000	1965	Industrial	100
D		180 Beaver St, Springboro	1.9 mi	5,000	1950	Industrial	100
E		Hickernell Rd S, Conneautville	3.4 mi	2,240	N/A	Industrial	100

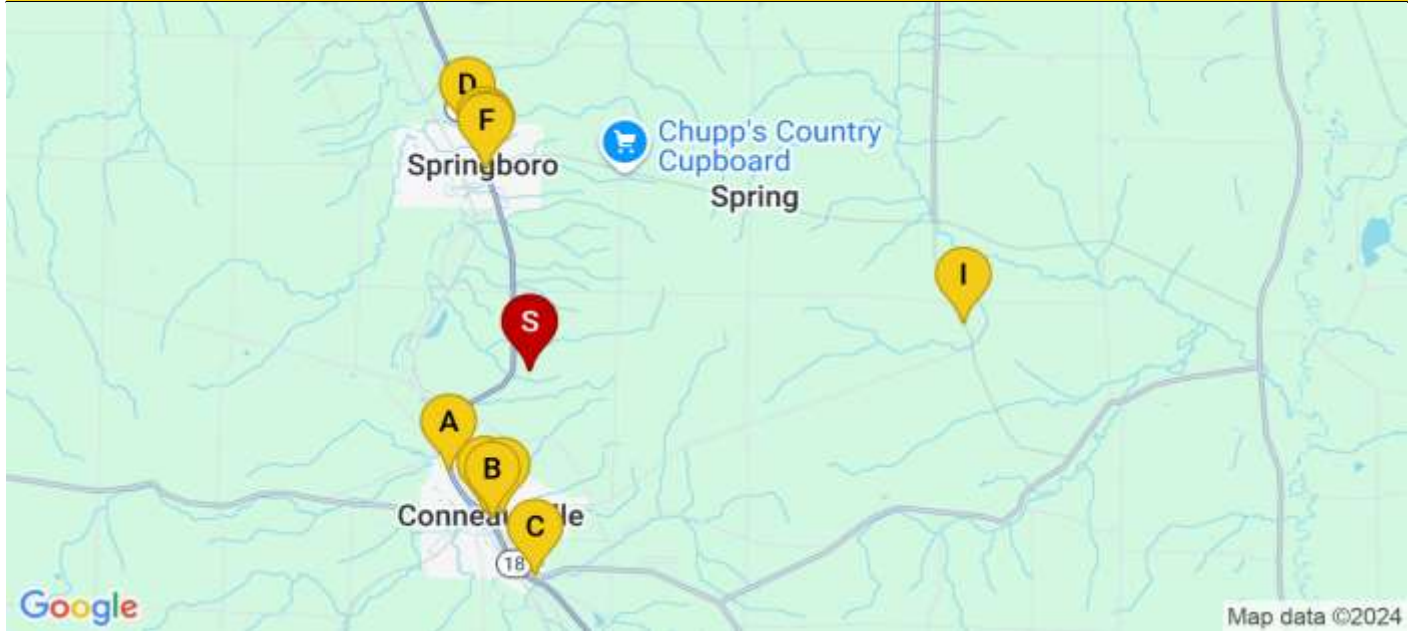
Source: CoStar

LOCAL AREA RETAIL - FIVE-MILE RADIUS

SIZE	RBA	YEAR BUILT	PERCENT LEASED	PROPERTIES
<5,000 FT	6,240 SF	1929	100.0	4
>5,000 FT-<20,000 FT	75,246 SF	1972	100.0	9
>20,000 FT	0 SF	-	-	0
TOTAL	81,486 SF	1965	100.0	13

Source: CoStar

LARGEST RETAIL DEVELOPMENTS - FIVE-MILE RADIUS



PIN	NAME	ADDRESS, CITY	DIST TO SUBJ	RBA	BUILT	CLASS	%LEASED
A		400 Main St, Conneautville	1.1 mi	13,240	N/A	B	100
B		1109 Main St, Conneautville	1.3 mi	11,326	N/A	C	100
C	Dollar General	1901 Main St, Conneautville	1.7 mi	10,963	N/A	B	100
D		155 N Main St, Springboro	2.1 mi	9,100	2001	B	100
E		1002 Main St, Conneautville	1.3 mi	7,000	1960	C	100
F		104 Main St, Springboro	1.7 mi	6,480	N/A	C	100
G		207 Center St, Conneautville	1.2 mi	6,397	N/A	B	100
H		102-104 Main St, Springboro	1.8 mi	5,700	1940	C	100
I		22611 S Hickernell Rd, Conneautville	3.5 mi	5,040	N/A	C	100
J		106 N Main St, Springboro	1.7 mi	3,008	1900	C	100

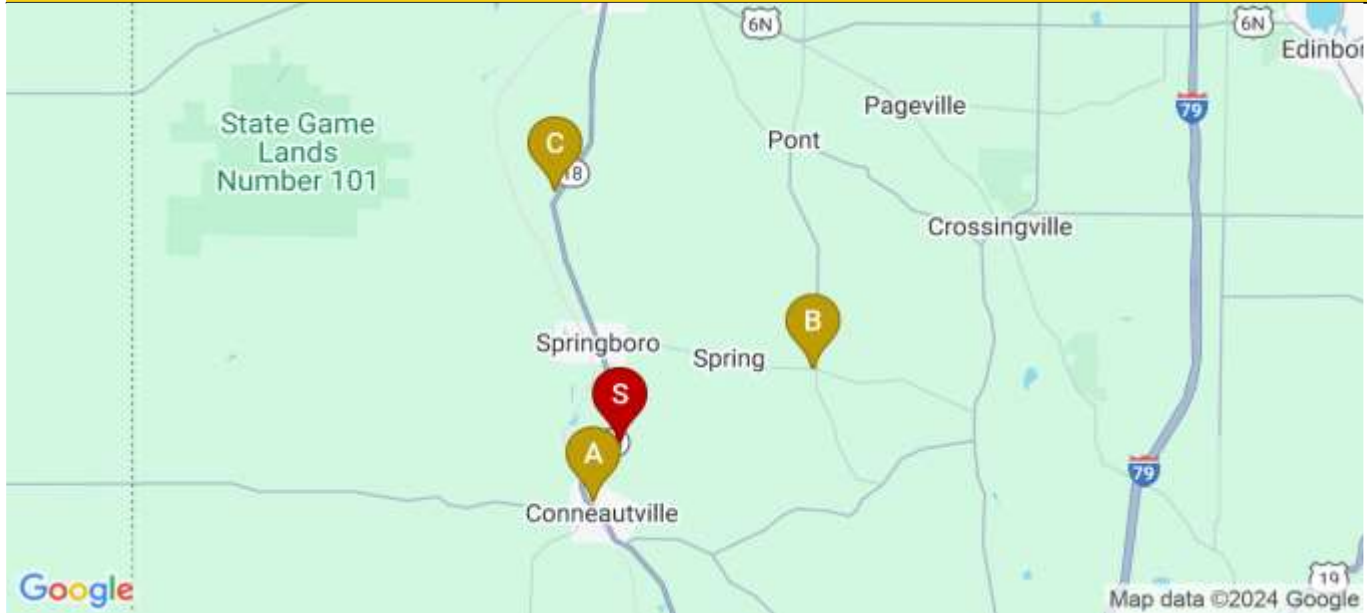
Source: CoStar

LOCAL AREA MULTI-FAMILY - FIVE-MILE RADIUS

CLASS	RBA	YEAR BUILT	UNITS	PROPERTIES
A	0 SF	-	-	0
B	5,920 SF	1999	24	1
C	30,796 SF	-	51	2
TOTAL	36,716 SF	1999	75	3

Source: CoStar

LARGEST MULTI-FAMILY DEVELOPMENTS - FIVE-MILE RADIUS



PIN	NAME	ADDRESS, CITY	DIST TO SUBJ	RBA	BUILT	CLASS	STORIES
A	Washington Street	705 Washington St, Conneautville	1.1 mi	30,796	N/A	C	2
B		11529 Springboro Rd, Springboro	3.5 mi	5,920	1999	B	1
C	Spring Hill Estates Mobile Home Park	7786 Peach Blossom Ln, Albion	4.5 mi	0	N/A	C	1

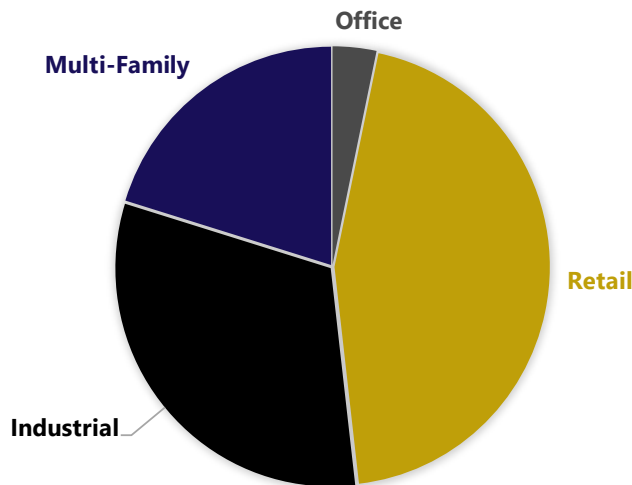
Source: CoStar



Source: CoStar

The land use in the subject’s immediate neighborhood consists of a minor amount of commercial property, comprised of a mix of property types. Commercial uses in the area include the medium-sized retail/industrial/distribution-type properties, small- to- medium sized freestanding office and retail properties, as well as service-related uses, restaurants, gas stations/convenience stores and banks. The following chart illustrates the high concentration of retail and industrial compared to multi-family and office properties.

COMMERCIAL LAND USE



RECENT DEVELOPMENT

No recent developments are noted in the subject's immediate area.

DEVELOPMENT PIPELINE

Under Construction

No developments are noted to be under construction in the subject's immediate area.

Proposed

No proposed developments are noted in the subject's immediate area.

ECONOMIC INFLUENCES

The local area economic status is important to recognize as the measurement of income levels provides an indication of the ability of the area population to buy, rent and maintain property. The economic status of an area also provides an indication of the population's appetite for goods and services. Relevant economic information includes income levels, property ownership vs. rent, property rent levels, rent level trends, property vacancy and new construction.

The best measure of any impact on values due to the recent COVID-19 pandemic would be in direct transaction indicators that are objectively verified. Sufficient activity is evident from which to draw benchmark comparisons based on transactional data.

Items that are considered to influence conditions include: market confidence, expectations of impaired property/operating performance, interest rate change risk (debt and equity), the amount of time of liquidity and affected market and pricing activity. All or some of these conditions may be shorter term issues, but others may linger and have a lasting impact on valuations in the commercial real estate sector for months or years to come.

However, based on discussions and interviews with a wide range of market participants, a variety of factors and concerns thought to have a negative impact broadly on values, were not detrimental to the market as whole. Office properties, primarily in Central Business Districts, have been affected and are experience high vacancy rates, however, most property types throughout the general market area have not experienced declines in overall values. Some areas have seen vacancy rates increase and/or a slight rise in cap rates.

Overall, typical market influences are expected to continue into the near future. Interest rates remain elevated from historical lows.

GOVERNMENT INFLUENCE

Governmental considerations relate to zoning, building codes, regulations, flood plain restrictions, special assessment, property tax and empowerment zones.

Zoning in the area is mixed, including commercial, residential, agricultural and industrial designations. Zoning code is enforced by the municipality and enforcement in all areas of Spring Township is considered to be strong. Rezoning is typically discouraged and requires public input in all municipalities. Building codes are in force and require a certain standard of construction quality and design. This is a typical influence on properties similar to the subject and falls in line with the zoning classification.

Property taxes in the area are established by Crawford County and are assessed based on valuation. Considering broad authority of the county administration, the assessments in the neighborhood are similar to other neighborhoods in the metropolitan area. There are no known special assessments that affect property in the neighborhood.

ACCESS/PUBLIC TRANSPORTATION

With the existing transportation system, most areas of Conneautville are accessible from the subject neighborhood and access is considered average for the general area. Public bus service is not available in the immediate area.

ENVIRONMENTAL INFLUENCES

The subject area is considered to be a typical neighborhood with average building size and density. There are no extraordinary topographical features, nuisances or hazards. Public utilities are available in most all areas in quantities from public and private sources. The area has both public and private schools in adequate supply and quality.

LOCAL AREA SUMMARY

The market benefits from a diverse blend of residential, agricultural, commercial, and community uses. The subject's immediate area has been less affected by the recession of the late 2000's and early 2010's, as well as the recent higher inflation and interest rates, than more densely populated areas. The market area is located in close proximity to the Meadville PA and considered to have average livability factors associated with the region. Conneaut and Pymatuning State Park are the driving force for tourism and the local economy. The outlook for this market area is average into the foreseeable future.

The subject property consists of two parcels with a total site area of 1,193,108 SF (27.39 AC) which is based on information obtained from the Crawford County Assessor. It is perceived that there is no surplus or excess land at the subject. For the purposes of this report we have relied on this site area and reserve the right to amend our analysis upon receipt of a formal legal plan. The following summaries the salient characteristics of the subject site.

Address 22154 PA-18, Conneautville, Pennsylvania.

Census Tract 42-039-110300

Number of Parcels 2

Assessor Parcels 51-0-041307, 51-0-041306

Land Area	Square Feet	Acres
Economic Unit (Primary) Site Size	1,193,108	27.39
Usable Site Size	1,193,108	27.39
Total Land Area	1,193,108	27.39

Excess/Surplus Land No

Corner No

Floor Area Ratio (FAR) Not Available

Site Topography Level to Sloping Above street grade

Site Shape Irregular

Site Grade Above street grade

Site Quality Average

Site Access Above Average

Site Exposure Above Average

Site Utility Average

Utilities

Accessibility Access to the subject site is considered above average overall.

STREET & TRAFFIC DETAIL

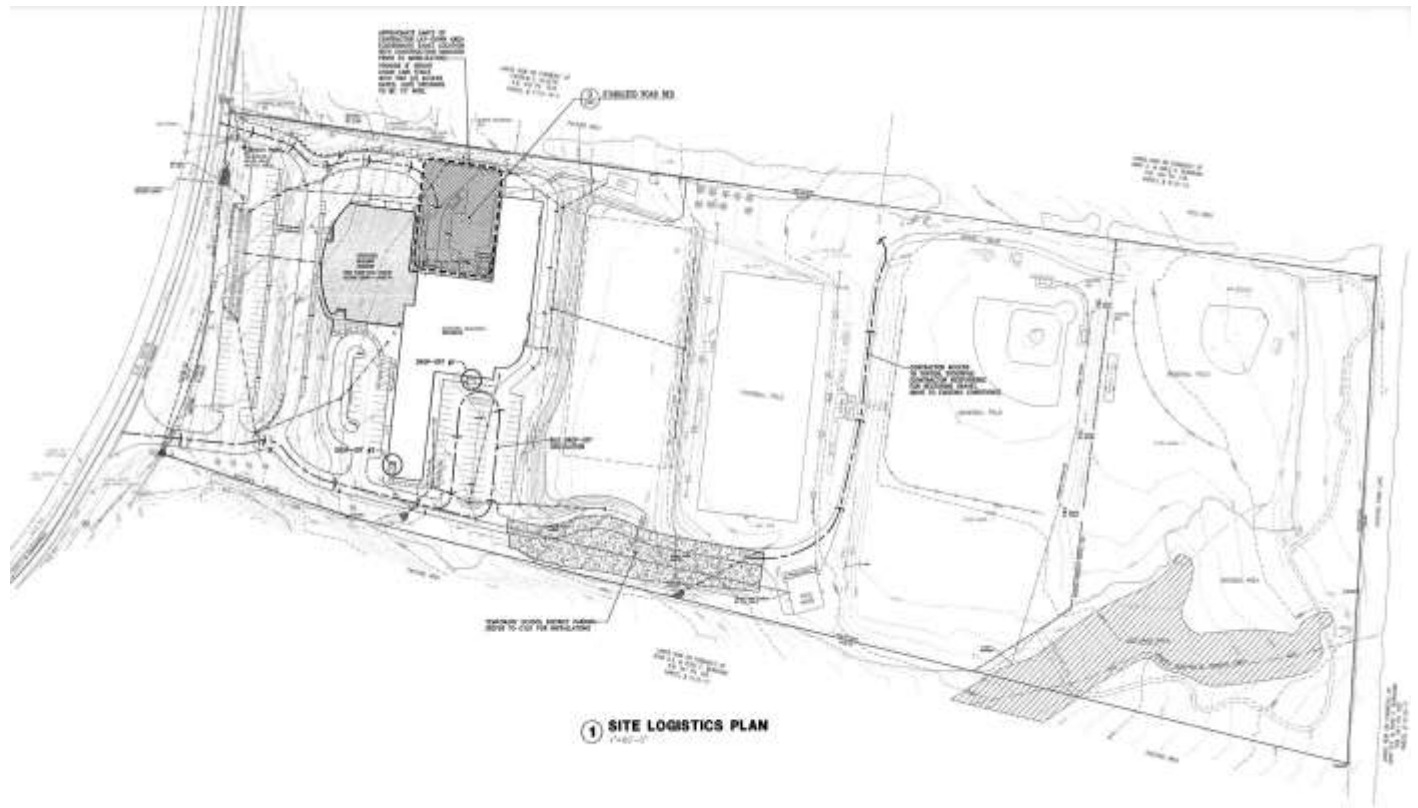
Street Improvements	Type	Direction	Lanes	Lights	Curbs	Sidewalks	Signals	Median	Parking	Center Lane	Bike Lane
State Highway 18	Neighborhood street	Two-Way	2	x	x						

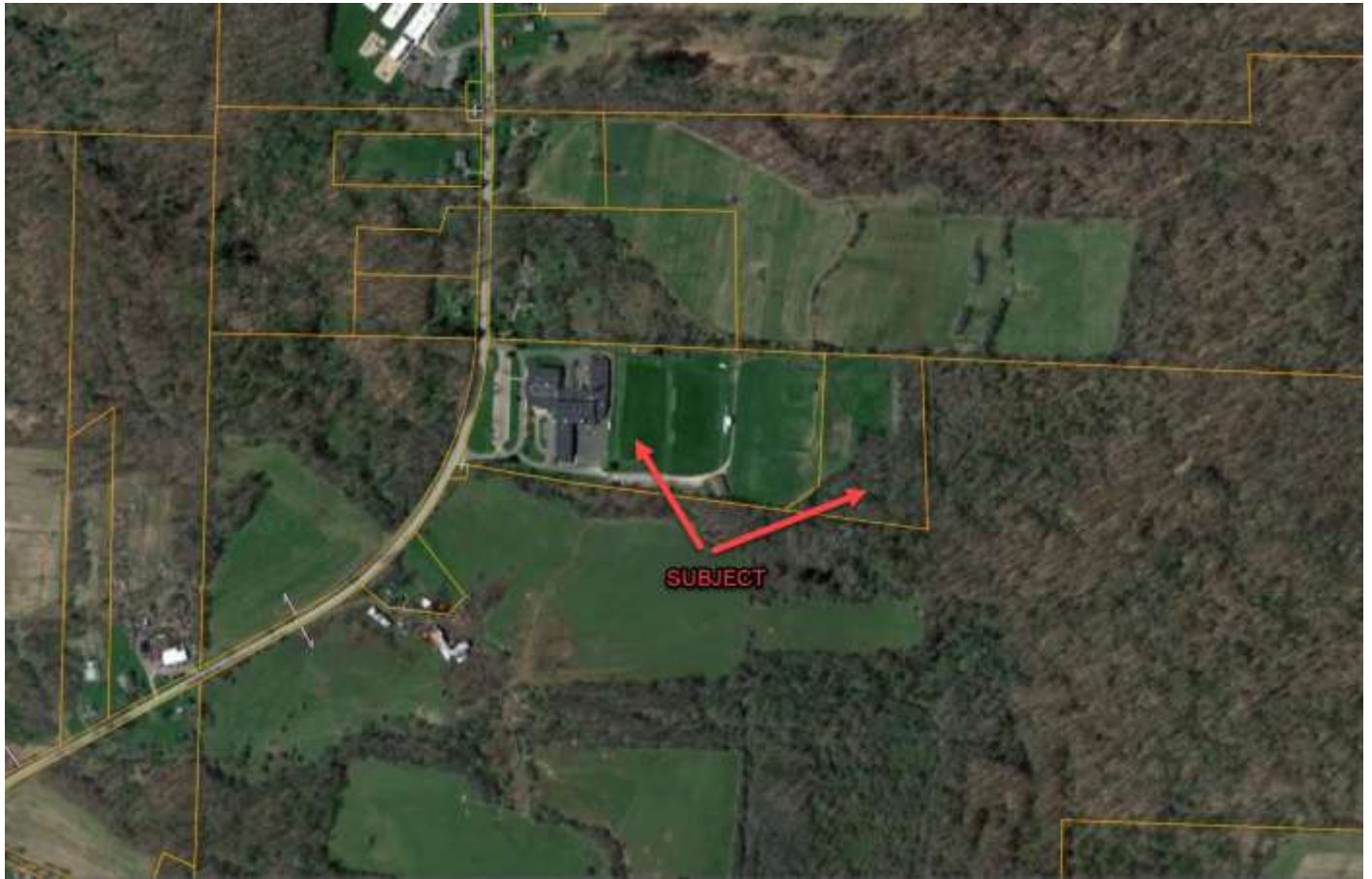
Frontage
State Highway 18 619 Feet

Exposure & Visibility Exposure of the subject is above average with frontage on PA-18, a main local road, with above average visibility to all traffic.

Flood Plain Zone X (Unshaded). This is referenced by Panel Number 42039C0063D, dated August 16, 2012. Zone X (unshaded) is a moderate and minimal risk area. Areas of moderate or minimal hazard are studied based upon the principal source of flood in the area. However, buildings in these zones could be flooded by severe, concentrated rainfall coupled with inadequate local drainage systems. Local storm water drainage systems are not normally considered in a community's

	<p>flood insurance study. The failure of a local drainage system can create areas of high flood risk within these zones. Flood insurance is available in participating communities, but is not required by regulation in these zones. Nearly 25% of all flood claims filed are for structures located within these zones. Minimal risk areas outside the 1% and 0.2% annual chance floodplains. No BFEs or base flood depths are shown within these zones. (Zone X (unshaded) is used on new and revised maps in place of Zone C.)</p>
Seismic	<p>The subject is in an unknown area.</p>
Easements	<p>A preliminary title report was not available for review. During the property inspection, no adverse easements or encumbrances were noted. This appraisal assumes that there are no adverse easements present. If questions arise, further research is advised.</p>
Soils	<p>A detailed soils analysis was not available for review. Based on the development of the subject, it appears the soils are stable and suitable for the existing improvements.</p>
Hazardous Waste	<p>We have not conducted an independent investigation to determine the presence or absence of toxins on the subject property. If questions arise, the reader is strongly cautioned to seek qualified professional assistance in this matter. Please see the Assumptions and Limiting Conditions for a full disclaimer.</p>
Site Rating	<p>Overall, the subject site is considered average as a special purpose site in terms of its location, exposure and access, based on its setting along a well-traveled neighborhood street and adjacent to large acre residential and agricultural parcels.</p>
Site Conclusion	<p>In conclusion, the site's physical characteristics appear to be supportive of the subject's current use and there were no significant detriments discovered that would inhibit development in accordance with its highest and best use.</p>







USDA, USGS The National Map; Orthoimagery. Data refreshed June, 2024

Powered by Esri

<p>PIN</p> <ul style="list-style-type: none"> Approximate location based on user input and does not represent an authoritative property location <p>MAP PANELS</p> <ul style="list-style-type: none"> Selected Floodmap Boundary Digital Data Available No Digital Data Available Unmapped <p>OTHER AREAS</p> <ul style="list-style-type: none"> Area of Minimal Flood Hazard Zone F Effective LOMSRs Area of Undetermined Flood Hazard Zone D Otherwise Protected Area Coastal Barrier Resource System Area 	<p>SPECIAL FLOOD HAZARD AREAS</p> <ul style="list-style-type: none"> Without Base Flood Elevation (BFE) Zone A, X, AH With BFE or Depth Regulatory Floodway Zone AE, AO, AH, VE, AR <p>OTHER AREAS OF FLOOD HAZARD</p> <ul style="list-style-type: none"> 0.2% Annual Chance Flood Hazard. Areas of 1% annual chance flood with average depth less than one foot or with drainage areas of less than one square mile Zone F Future Conditions 1% Annual Chance Flood Hazard Zone X Area with Reduced Flood Risk due to Levee. See Notes. Zone F Area with Flood Risk due to Levee Zone D 	<p>OTHER FEATURES</p> <ul style="list-style-type: none"> Cross Sections with 1% Annual Chance Water Surface Elevation Coastal Transsect Base Flood Elevation Line (BFE) Limit of Study Jurisdiction Boundary Coastal Transsect Baseline Profile Baseline Hydrographic Feature <p>GENERAL STRUCTURES</p> <ul style="list-style-type: none"> Channel, Culvert, or Storm Sewer Levee, Dike, or Floodwall
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CURRENT TAXATION & ASSESSMENT DESCRIPTION

Throughout Crawford County, the Total Assessed Value represents an estimated 19.08% of market value. Given the actual price movement of properties relative to the limited frequency of re-assessment the State publishes an annual "Common Level Ratio" which is the percentage of accuracy of property assessments relative to their respective sale prices. Current (through June 2025) Common Level Ratio is 5.56; or $1 / 5.56 = 17.99\%$. This implies that any property in Crawford County is likely assessed at 17.99% of its market value. The total assessment for the subject property for the tax year 2024 is \$4,438,401 or \$43.49 PSF. The subject property benefits from an exemption in the amount of \$4,438,401, reducing the taxable assessment to \$0. The subject property has historically been exempt based on public school use.

The subject’s assessed values and property taxes for the current year are summarized in more detail in the following table.

ASSESSMENT & TAXES (2024)						
TAX RATE AREA	Spring Township				TAX RATE	83.4000
ASSESSOR PARCEL #	LAND	IMPROVEMENTS	TOTAL	EXEMPTIONS	TAXABLE	BASE TAX
51-0-041307	\$13,500	\$4,410,751	\$4,424,251	\$4,424,251	\$0	\$0
51-0-041306	\$5,400	\$8,750	\$14,150	\$14,150	\$0	\$0
Subtotal	\$18,900	\$4,419,501	\$4,438,401	\$4,438,401	\$0	\$0
Subtotal \$/GBA	\$0.19	\$43.30	\$43.49	\$43.49	\$0.00	\$0.00
TOTAL BASE TAX \$/GBA / \$ TOTAL					\$0.00	\$0

Source: Crawford County Assessment & Taxation

The last countywide reassessment in Crawford County was in 1969. The next county-wide reassessment date for Crawford County is unknown. In this instance, the assessment is equal to the market value multiplied by the assessment ratio. The Crawford County Tax Authority does not usually reassess upon sale. Based on the foregoing, we perceive that the risk of a reassessment is low.

The subject is currently tax exempt as a public school. However, if the subject were to transfer and cease to operate as a school, the exemption status would end and the property owner would be responsible for property tax on the land and improvements. Based on current millage rates the estimated tax burden of the subject property would be \$370,163.

An assessment appeal would be recommended to a non-exempt owner upon transfer. Based on the value conclusion of this report, the subject assessment is above market.

CONCLUSION

In this section, we analyzed the subject’s historical and current assessment, as well as considered the subject’s tax burden as it relates to its current market value on a fee simple basis. The conclusion shown above is supported by comparable data.

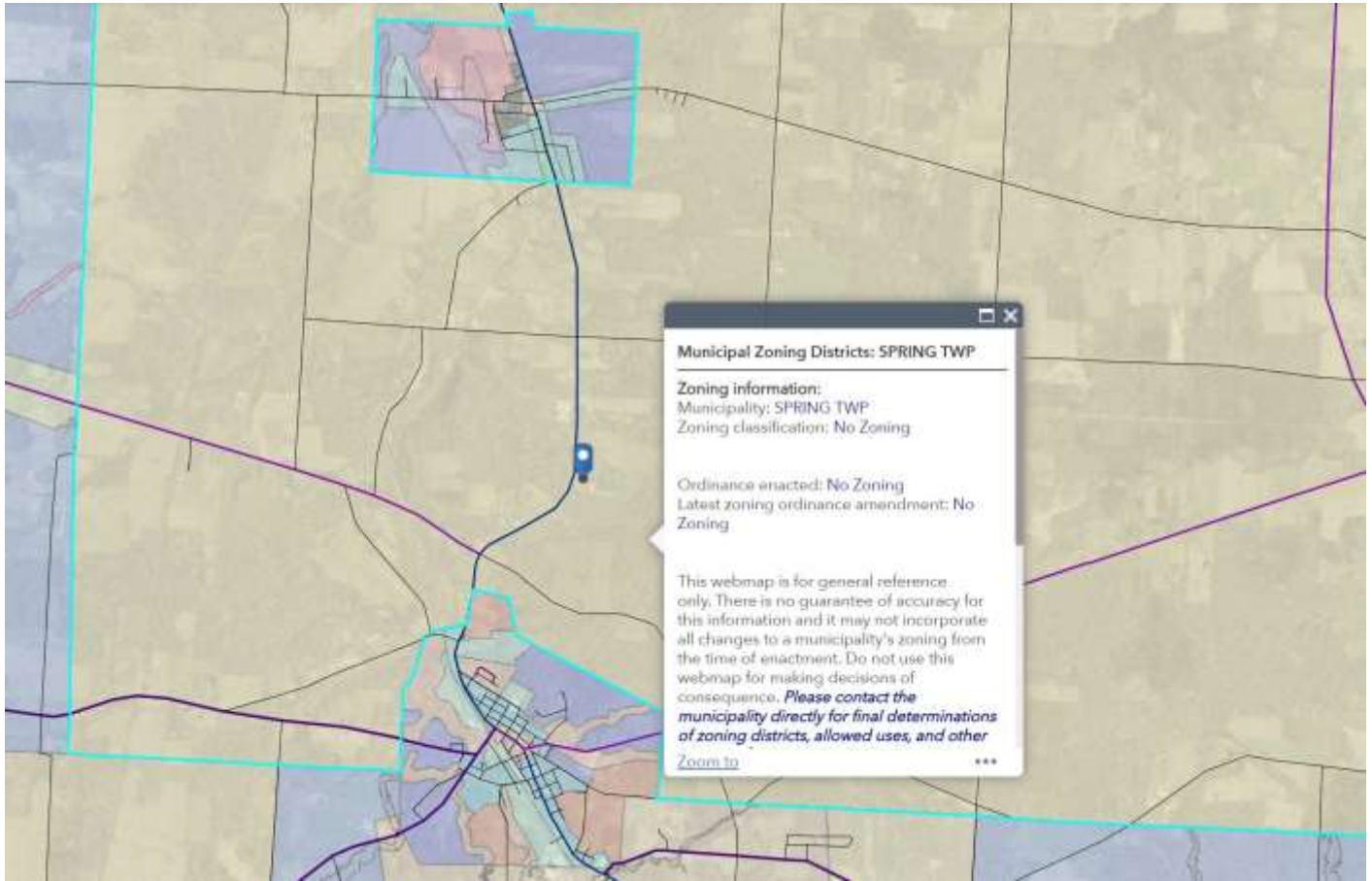
The subject is located in Spring Township. There is No Zoning within Spring Township.

ZONING	
Designation	Lake Area Transitional (LT)
Zoning Authority	Spring Township
Current Use	School
Zoning Change	Not Likely
Parking Spaces Provided	159

Source: Spring Township Planning & Zoning Department

Zoning Conclusion

The current use for the subject property is school and is a legal use. A zoning change for the subject does not appear likely. Based on the foregoing, it appears that the subject's improvements are a legal use of the subject site.



The information presented below is a basic description of the existing improvements that is used in the valuation of the property. Reliance is placed on information provided by sources deemed dependable for this analysis. It is assumed that there are no hidden defects, and that all structural components are functional and operational, unless otherwise noted. If questions arise regarding the integrity of the improvements or their operational components, it may be necessary to consult additional professional resources.

OVERVIEW

The subject property, located at 22154 State Highway 18 Conneautville, PA, in the Crawford County submarket, is a special purpose school property with a three level building improvement, asphalt surface driveways and parking areas and multiple athletic fields. The school building totals an estimated 102,059 SF. The subject property is 2 parcels totaling 27.39 Acres, or 1,193,108 SF.

Property Type	Special Purpose - School
Tenancy	Vacant
Net Rentable Area (NRA)	102,059
Gross Building Area (GBA)	102,059
Ground Floor SF	70,723
Total Buildings	1
Floors	3
Year Built	1955; Renovated: 2004
Age/Life Analysis	
Actual Age	69
Effective Age	10
Economic Life	50
Remaining Economic Life	40
Overall Building Quality	Above Average
Overall Building Condition	Average
Overall Building Appeal	Average
Building Class	C
Loss Factor	0
Land to Building Ratio	11.69 : 1
Site Coverage Ratio	5.93% (Based On Total Overall Site Area)
Floor Area Ratio (FAR)	0.09
Total Parking Spaces	159 - Surface spaces
Size	The Net Rentable Area (NRA) and gross building area (GBA) are determined by provided building plans.

COMPONENT DESCRIPTION

Foundation	Concrete, Block
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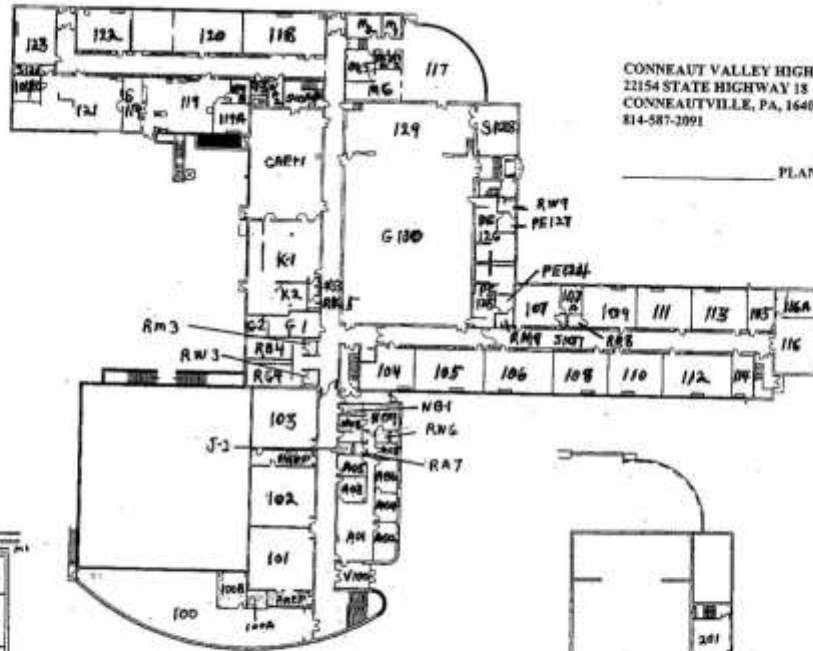
Exterior Walls/Framing	Brick / Masonry, Block Framing
Roof	Flat Rubber
Elevator	One Passenger Elevator
Heating & AC (HVAC)	Gas Hot Water Boiler Heat; Central Air Units
Insulation	Within any finished and enclosed walls and/or ceilings, we assume the insulation to be standard and to code
Lighting	Various
Electrical	Assumed adequate and to code
Interior Walls	Drywall, Block
Doors and Windows	Steel/Fiberglass exterior doors, Wood interior doors; Aluminum fixed pane, casement windows
Ceilings	Drywall, Acoustical Tile
Plumbing	Commercial grade kitchen, Multi-user restrooms and locker room shower plumbing
Floor Covering	Carpet, Commercial grade tile, Hardwood
Fire Protection	Fire alarm system
Site Improvements	Concrete sidewalks/curbs, Fieldhouse/concession building, Fencing, Scoreboard, Press box
Landscaping	A variety of trees, shrubbery and grass.
Signage	Monument
Parking	Surface parking
Site Coverage Ratio	5.92% (70,723 SF footprint / 1,193,108 SF site), which is within market standards for similar special purpose properties in the area
Deferred Maintenance	The subject property has an ongoing maintenance program in place. Based on an interview with the property owner and the onsite inspection by the field appraiser, no observable deferred maintenance exists.
Functional Design	The building features a functional special purpose school design with typical site coverage and adequate off-street parking.
ADA Comment	This analysis assumes that the subject complies with all ADA requirements. Please refer to the Assumptions and Limiting Conditions section.
Hazardous Materials	A Phase I report was not provided. This appraisal assumes that the improvements are constructed free of all hazardous waste and toxic materials, including (but not limited to) unseen asbestos and mold. Please refer to the Assumptions and Limiting Conditions section regarding this issue.

CONNEAUT VALLEY HIGH SCHOOL
 22154 STATE HIGHWAY 13
 CONNEAUTVILLE, PA, 16406
 814-587-3991

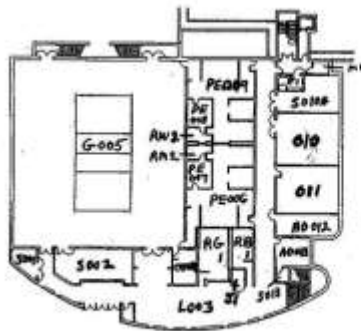
PLAN



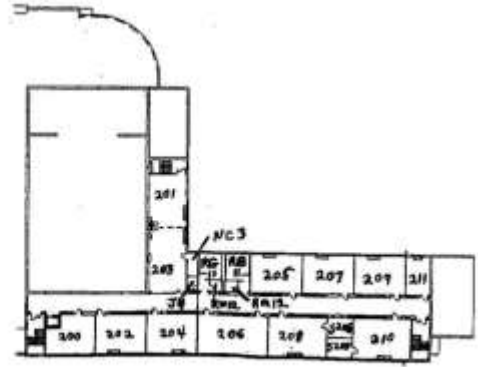
BOILER ROOM



FIRST FLOOR



GROUND FLOOR



SECOND FLOOR

The subject property, located at 22154 State Highway 18 Conneautville, PA, in the Crawford County submarket, is a special purpose school property with a three level building improvement, asphalt surface driveways and parking areas and multiple athletic fields. The school building totals an estimated 102,059 SF. The subject property is 2 parcels totaling 27.39 Acres, or 1,193,108 SF.

The market generally classifies the subject as a special use property that if exposed to the open market would command limited interest from local and regional buyers that are actively pursuing similar properties in the \$2,500,000 to \$5,000,000 price range. Currently there is limited buyer demand, as well as limited availability for this property type on the supply side.

Based on the above factors the subject is considered to have below average investment appeal.

INTRODUCTION

The highest and best use of the subject property provides the foundation for the valuation section. Highest and best use is defined in the 7th edition of *The Dictionary of Real Estate Appraisal* (Appraisal Institute, Chicago, 2022), as follows:

1. The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.
2. The use of an asset that maximizes its potential and that is possible, legally permissible, and financially feasible. The highest and best use may be for continuation of an asset's existing use or for some alternative use. This is determined by the use that a market participant would have in mind for the asset when formulating the price that it would be willing to bid.
3. The highest and most profitable use for which the property is adaptable and needed or likely to be needed in the reasonably near future.

Highest and best use analysis uses the following steps for the subject:

- ▶ Highest & Best Use As Vacant
- ▶ Determination of the ideal improvements
- ▶ Highest & Best Use As Improved
- ▶ Conclusion of the Highest & Best Use

The analysis of highest and best use can be thought of as the logical end of a spectrum of market analysis procedures, running from the macroeconomic overview of a general market study, through more detailed marketability studies and analyses of financial feasibility, to the formal analysis of highest and best use. In theory, the highest and best use is commonly described as that reasonable and most profitable use that will support its highest present value. The highest and best use, or most profitable use, must be legally permissible, physically possible, financially feasible, and maximally productive.

This section develops the highest and best use of the subject property As-Vacant and As Improved.

AS VACANT ANALYSIS

In this section the highest and best use of the subject as vacant is concluded after taking into consideration financial feasibility, maximal productivity, marketability, legal, and physical factors.

Legally Permissible

Private restrictions, zoning, building codes, historic district controls, and environmental regulations are considered, if applicable to the subject site. The legal factors influencing the highest and best use of the subject site are primarily government regulations such as zoning ordinances. There is no zoning noted in Spring Township. Zoning change is not likely; therefore, uses not permitted by building code are not considered moving forward in the as-vacant analysis.

Physical Possible

The test of what is physically possible for the subject site considers physical and locational characteristics that influence its highest and best use. In terms of physical features, the subject site totals 27.3900-acres (1,193,108 SF), it is irregular in shape and has a level to sloping topography. The site has above average exposure and above average overall access. There are no physical limitations that would prohibit development of any uses.

Financial Feasibility

Based on the analysis of the subject's market and an examination of costs, a newly constructed building similar to the subject would likely have a value below its cost; a speculative build is not prudent and the site should only be developed for an identified user.

Maximum Productivity

There is only one use that creates value and at the same time conforms to the requirements of the first three tests. Financial feasibility, maximal productivity, marketability, legal, and physical factors have been considered and the highest and best use of the subject site as-vacant concluded to be hold for future development. Estimated timing for development is 18-24 months.

AS IMPROVED ANALYSIS

The legal factors influencing the highest and best use of the subject property are primarily governmental regulations such as zoning and building codes. The subject's improvements were constructed in 1955 and are a legal, conforming use. The physical and location characteristics of the subject improvements have been previously discussed in this report. The project is of above average quality construction and in average condition, with adequate site coverage and parking ratios. Therefore, the property as improved, meets the physical and location criteria as the highest and best use of the property.

In addition to legal and physical considerations, analysis of the subject property as-improved requires consideration of alternative uses. The five possible alternative treatments of the property are demolition (not warranted as the improvements contribute substantial value to the site), expansion (not warranted), renovation (not warranted), conversion, and continued use "as-is".

Among the five alternative uses, conversion to healthcare or similar special use is the Highest and Best Use of the subject As Improved.

MOST PROBABLE BUYER

Based on the type of property, it is our opinion that the most probable buyer for the subject would be local or regional developer.

In traditional valuation theory, the three approaches to estimating the value of an asset are the cost approach, sales comparison approach, and income capitalization approach. Each approach assumes valuation of the property at the property's highest and best use. From the indications of these analyses, an opinion of value is reached based upon expert judgment within the outline of the appraisal process.

SITE VALUATION

The site value is not a specific scope requirement of this assignment. Characteristics specific to the subject property do not warrant that a site value is developed. Therefore, this appraisal does not provide a valuation of the subject site.

COST APPROACH

The cost approach considers the cost to replace the proposed improvements, less accrued depreciation, plus the market value of the land. The cost approach is based on the understanding that market participants relate value to cost. The value of the property is derived by adding the estimated value of the land to the current cost of constructing a reproduction or replacement for the improvements and then subtracting the amount of depreciation in the structure from all causes. Profit for coordination by the entrepreneur is included in the value indication.

The Cost Approach is not a specific scope requirement of this assignment. The Cost Approach has limited applicability due to the age of the improvements and lack of market based data to support an estimate of accrued depreciation. Furthermore, market participants rarely utilize cost in making decisions related to this asset. Based on the preceding information, the Cost Approach will not be presented.

SALES COMPARISON APPROACH

The sales comparison approach estimates value based on what other purchasers and sellers in the market have agreed to as price for comparable properties. This approach is based upon the principle of substitution, which states that the limits of prices, rents, and rates tend to be set by the prevailing prices, rents, and rates of equally desirable substitutes. In conducting the sales comparison approach, we gather data on reasonably substitutable properties and make adjustments for transactional and property characteristics. The resulting adjusted prices lead to an estimate of the price one might expect to realize upon sale of the property.

The Sales Comparison Approach is a specific scope requirement of this assignment. Considering the applicability of this approach in relation to the subject property's characteristics, we consider the application of this approach to be warranted.

INCOME CAPITALIZATION APPROACH

The income capitalization approach ("income approach") simulates the reasoning of an investor who views the cash flows that would result from the anticipated revenue and expense on a property throughout its lifetime. The net income developed in our analysis is the balance of potential income remaining after vacancy and collection loss, and operating expenses. This net income is then capitalized at an appropriate rate to derive an estimate of value or discounted by an appropriate yield rate over a typical projection period in a discounted cash flow analysis. Thus, two key steps are involved: (1) estimating the net income applicable to the subject and (2) choosing appropriate capitalization rates and discount rates. The appropriate rates are ones that will provide both a return on the investment and a return of the investment over the life of the particular property.

The Income Approach is not a scope requirement for this assignment. The subject property type is not typically analyzed on an income basis by buyers and sellers, reducing the applicability of this valuation technique. Therefore, the Income Approach is not developed.

CORRELATION AND CONCLUSION

Based on the agreed upon scope with the client, the subject's specific characteristics and the interest appraised, this appraisal developed the Sales Comparison Approach. The values presented represent the As-Is Market Value (Fee Simple Interest). This appraisal does not develop the Cost and Income Approaches, the impact of which is addressed in the reconciliation section.

INTRODUCTION

In the Sales Comparison Approach, the value of a property is estimated by comparing it with similar, recently sold properties in the surrounding or competing areas. Inherent in this approach is the principle of substitution, which holds that when a property is replaceable in the market, its value tends to be set by the cost of buying an equally desirable property, assuming that no costly delay occurs in making the substitution.

COMPARABLE SELECTION

Through the analysis of sales of verified arm's-length transactions, market value and price trends are identified. The sales utilized are comparable to the subject in physical, functional, and economic characteristics.

Comparable sales are presented, which were selected due to their similarity in physical, locational, and qualitative attributes. They represent the most recent and relevant comparable sale available for this analysis. Emphasis was given to the subject's location and similarly positioned properties. Limited sales of residential properties with 1-15 Acre sites have occurred in the recent 3 years, within the subject's submarket area. An expanded search in time and distance was applied.

UNIT OF COMPARISON

The most relevant unit of comparison is the price per SF GBA. This best reflects the unit of comparison used by buyers and sellers in this market for the subject property type.

ADJUSTMENTS

Adjustments to the comparable sales were considered and made when warranted for property rights, financing terms, conditions of sale, expenditures after sale and market conditions.

- 1. Property Rights** - All of the sales comparables were fee simple sales reflecting the property rights appraised herein per the agreed upon scope of work.
- 2. Financing** – Sales 1, 2, 4 & 5 reflected typical cash equivalent, lender-financed transactions and no adjustments were required for financing terms. Sale 3 included owner carried financing resulting in a favorable price. An estimated 10% downward adjustment was made for superior financing.
- 3. Sale Conditions** - None of the comparables required a condition of sale adjustment, as all were confirmed to be arm's length transactions.
- 4. Expenditures After Sale** - Expenses that the buyer incurs after purchase (deferred maintenance, HVAC repairs, etc.). No adjustments are warranted based on review of the sales.
- 5. Market Conditions (Time)** - Based on the analysis performed, which includes research and interpretation of value trends of the comparables presented herein, a market conditions adjustment of 2% is applied on an Annual basis reflecting the relatively consistent appreciation that occurred between the oldest comparable sale date up through the effective valuation date.

QUANTITATIVE ADJUSTMENT PROCESS

Quantitative percentage adjustments are also made for location and physical characteristics such as size, age, site and parking ratios, access, exposure, quality and condition, as well as other applicable elements of comparison. Where possible the adjustments applied are based on paired data or other statistical analysis. It should be stressed that the adjustments are subjective in nature and are meant to illustrate the logic in deriving a value opinion for the subject property by the Sales Comparison Approach.

IMPROVED SALES SUMMARY

	DATE OF SALE	LOCATION	CITY	YR. BLT	GBA	UNADJUSTED SALE PRICE	\$/SF
1	6/7/2023	200 Quigley Dr	Baden	1900	64,655	\$3,250,000	\$50
2	2/15/2022	4728 PA-66	Apollo	1960	55,000	\$1,000,000	\$18
3	8/24/2022	11618 Cotton Rd	Meadville	1975	26,000	\$1,250,000	\$48
4	10/5/2021	4225 Middle Road	Hampton Township	1900	17,471	\$1,000,000	\$57
5	5/21/2020	300 Pine St	Beaver Falls	1960 / 2008	51,836	\$1,500,000	\$29

PRESENTATION

The subject and comparable property attributes are presented on the following Improved Sales Comparison Table, location map and photographs. This is followed by analysis of the subject and comparable sales and the value conclusion indicated using the Sales Comparison Approach.

IMPROVED SALES COMPARISON TABLE

SUBJECT	COMP 1	COMP 2	COMP 3	COMP 4	COMP 5	
Name	22154 State Highway 18	200 Quigley Dr	4728 State Route 66	11618 Cotton Road	4225 Middle Road	300 Pine Street
Address	22154 PA-18	200 Quigley Dr	4728 PA-66	11618 Cotton Rd	4225 Middle Road	300 Pine St
City	Conneautville	Baden	Apollo	Meadville	Hampton Township	Beaver Falls
State	PA	PA	PA	PA	PA	PA
Zip	16406	15005	15613	16335	15101	15010
County	Crawford	Beaver	Westmoreland	Crawford	Allegheny	Beaver
Submarket	Crawford County	Beaver County	Westmoreland County	Crawford County	Northeast Pittsburgh	Beaver County

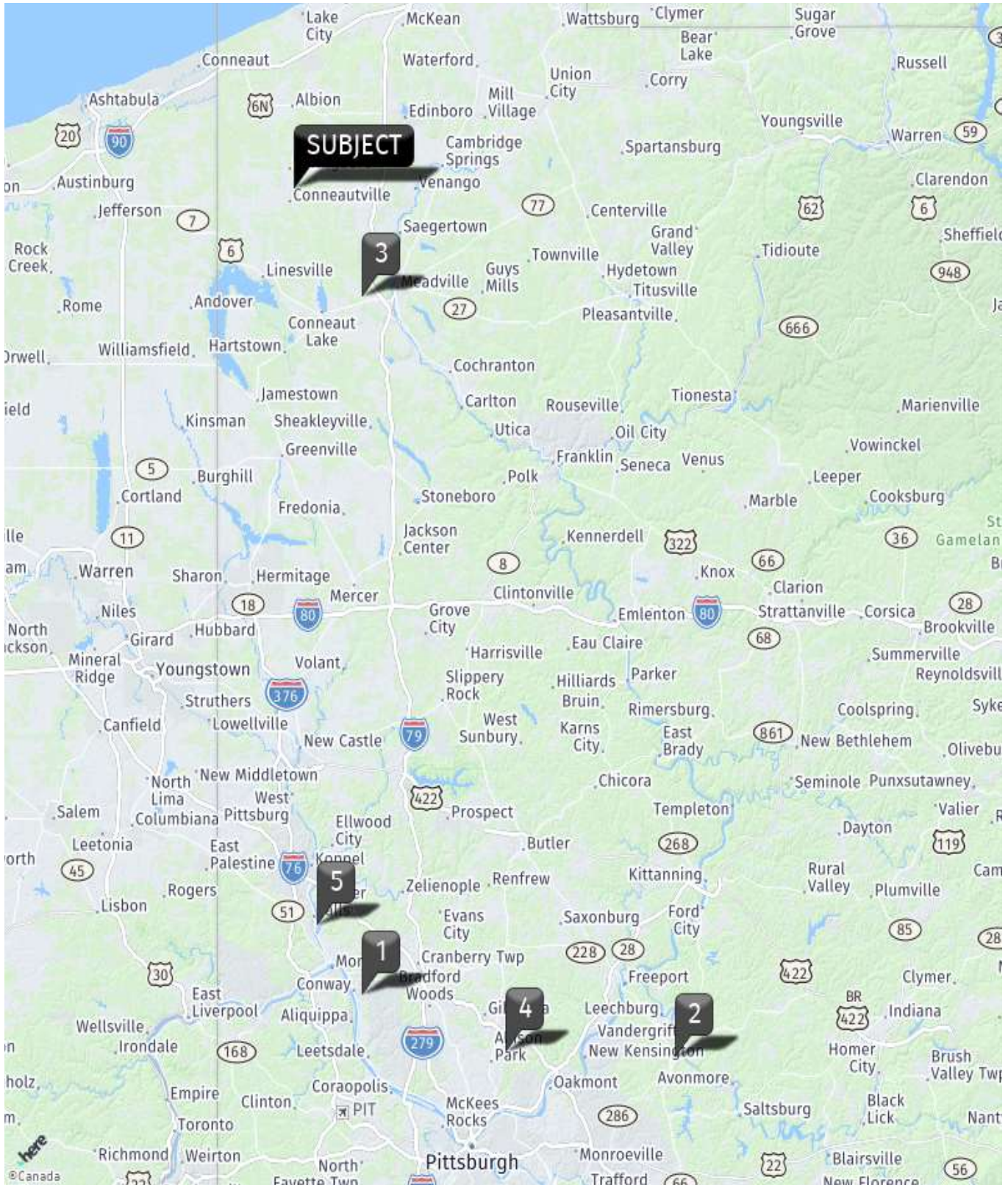
SALE INFORMATION

Transaction Price	\$3,250,000	\$1,000,000	\$1,250,000	\$1,000,000	\$1,500,000
Transaction Price \$/SF GBA	\$50	\$18	\$48	\$57	\$29
Property Rights ¹	Fee Simple	Fee Simple	Leased Fee	Fee Simple	Fee Simple
Financing ²	Cash to Seller	Cash to Seller	Owner Carry (10%)	Cash to Seller	Cash to Seller
Sale Conditions ³	Arm's Length	Arm's Length	Arm's Length	Arm's Length	Arm's Length
Expenditures After Sale ⁴	-	-	-	-	-
Market Conditions ⁵	6/7/2023 2.4%	2/15/2022 5.1%	8/24/2022 4.0%	10/5/2021 5.9%	5/21/2020 8.8%
Sale Status	Recorded	Recorded	Transferred	Recorded	Recorded
Marketing Status	Open Market	Open Market	Open Market	Open Market	Unknown
Marketing Period (Days)	-	-	151 Days	331 Days	-
Total Transactional Adjustments	\$1 2%	\$1 6%	(\$3) (6%)	\$3 5%	\$3 10%
Adjusted \$/SF (GBA)	\$51	\$19	\$45	\$60	\$32

PHYSICAL INFORMATION

GBA (SF)	102,059	64,655 (15%)	55,000 (15%)	26,000 (25%)	17,471 (25%)	51,836 (15%)
Year Built/Ren	1950-2023	1900	1960	1975	1900	1960 / 2008
Location	Average	Above Average (5%)	Average	Average	Good (10%)	Average
Access/Exposure	Above Average	Average 5%	Above Average	Above Average	Above Average	Average 5%
Quality	Above Average	Above Average	Average 5%	Average 5%	Above Average	Average 5%
Condition	Average	Average	Below Average 25%	Average	Above Average (5%)	Average
Land AC	27.39	23.00	10.3 10%	12.43 10%	7.25 10%	1.57 20%
Topography	Level to Sloping	Level to Sloping	Level to Sloping	Level to Sloping	Level to Sloping	Undulating
Secondary Type	School	School	School	Trade School	Flex/School	Senior Housing
Total Physical Adjustments	(\$8) (15%)	\$5 25%	(\$4) (10%)	(\$18) (30%)	\$5 15%	
Adjusted \$/SF (GBA)	\$43	\$24	\$41	\$42	\$37	

SALES COMPARISON APPROACH



COMPARABLE	LABEL	ADDRESS	MILES FROM SUBJECT
COMPARABLE 1	1	200 Quigley Dr, Baden, PA, 15005	77.8
COMPARABLE 2	2	4728 PA-66, Apollo, PA, 15613	92.9
COMPARABLE 3	3	11618 Cotton Rd, Meadville, PA, 16335	12.6
COMPARABLE 4	4	4225 Middle Road, Hampton Township, PA, 15101	86.1
COMPARABLE 5	5	300 Pine St, Beaver Falls, PA, 15010	70.8

IMPROVED SALES PHOTOGRAPHS



COMPARABLE 1



COMPARABLE 2



COMPARABLE 3



COMPARABLE 4



COMPARABLE 5

ANALYSIS OF COMPARABLE SALES

The comparable sales indicate an overall unadjusted unit value range from \$18/SF to \$57/SF, and an average of \$40/SF. After adjustments, the comparables indicate a narrower range for the subject property from \$24/SF to \$43/SF, and \$37/SF on average. The adjustment process is summarized below.

Sale No. 1 (\$43/SF Adjusted) – Sale 1 represents the transfer of the school property located at 200 Quigley Drive in Baden PA. The sale occurred on June 7, 2023 for a price of \$3,250,000, or \$50/SF. No unusual sale conditions are noted.

This comparable is a similar special use property, with a smaller overall building size. A downward adjustment was made based on economies of scale. As size decreases, price/SF typically increases. Sale 1 adjusted downward for superior location in a more densely populated area. This property is situated on secondary roads with limited access, inferior to the subject. An upward adjustment was made. This sale is given the most weight in the reconciliation based on similar special use property type and the least overall gross adjustments necessary. Sale 1 is considered a good indicator for the subject.

Sale No. 2 (\$24/SF Adjusted) – This comparable represents the sale of a special use school property located at 4728 PA 66 in Apollo PA. The total building area is approximately 55,000 SF. The sale date was February 15, 2022 and the sale price was \$1,000,000, or \$18/SF. No unusual sale conditions are noted.

This comparable is a similar special use property, with a smaller overall GBA. A downward adjustment was made for the smaller size. Sale 2 adjusted upward for inferior overall quality of construction and condition. The improvements sold in below average condition, inferior to the subject's average condition. Sale 2 has an inferior site area and adjusted upward. This sale is given little weight based on proximity and gross adjustments necessary. Sale 2 is considered a low indicator for the subject.

Sale No. 3 (\$41/SF Adjusted) - This comparable represents the sale of a flex property currently being used as a trade school, located at 11618 Cotton Road Meadville PA. The total GBA is 26,000 SF. After 151 days on market, this property sold on August 24, 2022, for \$1,250,000, or \$48/SF. Owner financing was a specific term of this sale.

This comparable is a special use flex property, with smaller overall GBA. As size decreases, price/SF typically increases. Therefore, a downward adjustment was made for size. Sale 3 adjusted upward for inferior overall quality and inferior site area. This sale was included based on the location in the subject's immediate market area and similar special use property type. Sale 3 is given weight in the reconciliation based on proximity and considered a good indicator for the subject.

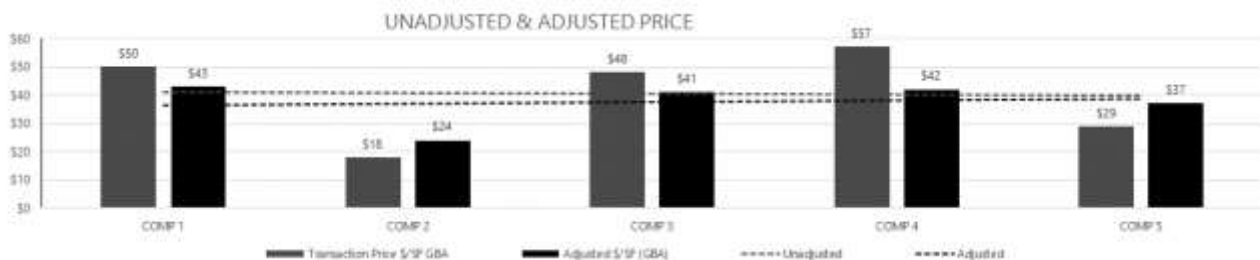
Sale No. 4 (\$42/SF Adjusted) - This comparable represents the sale of a special use/flex property located at 4225 Middle Road Hampton Township PA. After 331 days on market, this property sold for \$1,000,000, or \$57/SF. No unusual sale conditions are noted.

This comparable is a similar special use property, with a smaller overall building size. A downward adjustment was made based on economies of scale. As size decreases, price/SF typically increases. Sale 4 adjusted downward for superior location in a more densely populated area, with a higher predominant land value compared to the subject's location. The improvements sold in above average condition, superior to the subject's average condition. A downward adjustment was made. Sale 4 has an inferior site area and adjusted upward. This sale is given some weight in the reconciliation based on gross adjustments and the adjusted price/SF is a good indicator for the subject.

Sale No. 5 (\$37/SF Adjusted) - This comparable represents the sale of a special use property currently being used as a senior housing facility, located at 300 Pine Street Beaver Falls PA. The total GBA is 26,000 SF. This property sold on May 21, 2020, for \$1,500,000, or \$29/SF. No unusual sale conditions noted.

This comparable is a special use flex property, with smaller overall GBA. As size decreases, price/SF typically increases. Therefore, a downward adjustment was made for size. This property is situated on secondary roads with limited access, inferior to the subject. Sale 5 adjusted upward for inferior overall quality and inferior site area. Sale 5 is given little weight based on the varying property type. This sale is considered a low indicator for the subject.

SALES COMPARISON APPROACH CONCLUSION



Based on general bracketing, the comparable sales support an adjusted unit value range from \$24/SF to \$43/SF, with a unit value of \$40/SF concluded for the subject property. The concluded price/SF is based on the subject’s location, special use property type, condition and total land size. Sale 1 required the least amount of gross adjustments and was given the most weight in the reconciliation. Sale 3 is given weight being located within the subject’s immediate market area. Sales 2, 4 & 5 are given little weight based on the gross adjustments necessary. The subject property is in average to above average condition and was renovated in 2004 when the front building addition was built. A reconciled price/SF near the overall average as well as the adjusted price/SF of Sales 1 & 3 is considered reliable. **A price/SF value range is more appropriate than a specific dollar amount for a special use property such as the subject. It is this appraiser’s opinion that the market would pay between \$35-\$40/SF.** The following table summarizes the analysis of the comparables, reports the reconciled price per SF value conclusion, and presents the concluded value of the subject property by the Sales Comparison Approach.

IMPROVED SALES COMPARISON APPROACH CONCLUSION (GBA)							
TRANSACTION	ADJUSTMENT				NET ADJ	GROSS ADJ	
	PRICE	TRANSACTIONAL	ADJUSTED	PROPERTY ²			FINAL
1	\$50	2%	\$51	(15%)	\$43	(14%)	27%
2	\$18	6%	\$19	25%	\$24	33%	60%
3	\$48	(6%)	\$45	(10%)	\$41	(15%)	54%
4	\$57	5%	\$60	(30%)	\$42	(26%)	56%
5	\$29	10%	\$32	15%	\$37	28%	54%
HIGH	\$57	10%	\$60	25%	\$43	33%	60%
AVG	\$40	3%	\$41	(3%)	\$37	1%	50%
MED	\$48	5%	\$45	(10%)	\$41	(14%)	54%
LOW	\$18	(6%)	\$19	(30%)	\$24	(26%)	27%
SUBJECT SF (GBA)		\$/SF CONCLUSION		VALUE			
102,059		x	\$40	=	\$4,082,360		
INDICATED VALUE (ROUNDED TO NEAREST \$5,000)			\$40		\$4,080,000		

¹Cumulative ²Additive



SALES APPROACH RECONCILIATION

SALES COMPARISON APPROACH

SALES COMPARISON APPROACH

Indicated Value	\$4,080,000
\$/SF GBA	\$40

Given that the subject is typically an owner occupied asset, it is generally understood that the multiplier method is not relevant, and has therefore not been included in this approach. As confirmed by market participants, the substitution method within this approach is the most relied upon method for buyers of this asset type. Accordingly, we have attributed single emphasis to the conclusion via this method as reported herein.

Based on the agreed upon scope with the client, the subject’s specific characteristics and the interest appraised, this appraisal developed Sales Comparison Approach. The values presented represent the As-Is Market Value (Fee Simple Interest).

The Reconciliation of Value Conclusions is the final step in the appraisal process and involves the weighing of the individual valuation techniques in relationship to their substantiation by market data, and the reliability and applicability of each valuation technique to the subject property. Below, the individual strengths and weaknesses of each approach are analyzed.

As previously discussed, the **Cost Approach** was presented in this analysis. This approach has limited application due to the age of the improvements and lack of market based evidence to support accrued depreciation. Additionally, buyers typically do not place emphasis on replacement cost in establishing value for properties such as the subject. The Cost Approach was not developed in this report.

The price per square foot method has been presented in the **Sales Comparison Approach**. There have been several recent sales of properties similar to the subject in the market area in the current market conditions, which increases the validity of this approach. The most likely buyer for the subject would most likely be an owner-user and consequently, this approach is given full weight.

The **Income Approach** to value is generally considered to be the best and most accurate measure of the value of income-producing properties. A value estimate by this approach best reflects the analysis that knowledgeable buyers and sellers carry out in their decision-making processes regarding income producing properties. Because of the subject’s property type, and insufficient market data available to reliably estimate gross income, vacancy, expenses and capitalization rates, the Income Approach was not developed in this report.

After considering all factors relevant to the valuation of the subject property, single emphasis is placed on the Sales Comparison Approach in the following As-Is market value.

RECONCILIATION OF VALUES	
VALUATION SCENARIOS	AS-IS MARKET VALUE
Interest	Fee Simple Interest
Date	August 16, 2024
SALES COMPARISON APPROACH	
SALES COMPARISON APPROACH	
Indicated Value	\$4,080,000
\$/SF GBA	\$40
FINAL VALUE CONCLUSION	
FINAL VALUE CONCLUSION	\$4,080,000
\$/SF GBA	\$40

We certify that, to the best of our knowledge and belief:

- ▶ The statements of fact contained in this report are true and correct.
- ▶ The reported analyses, opinions, and conclusions of the signers are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- ▶ The signers of this report has 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.
- ▶ Timothy J. Sakmar and Anthony J. Owen have performed no services, specifically 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 acceptance of this assignment.
- ▶ The signers are not biased with respect to the property that is the subject of this report or to the parties involved with this assignment.
- ▶ The engagement in this assignment was not contingent upon developing or reporting predetermined results.
- ▶ The 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.
- ▶ The reported analysis, 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 Appraisal Practice* of the Appraisal Institute, and the *Uniform Standards of Professional Appraisal Practice*, as set forth by the Appraisal Standards Board of the Appraisal Foundation.
- ▶ Timothy J. Sakmar inspected the property that is the subject of this report. Anthony J. Owen did not inspect.
- ▶ No one provided significant real property appraisal assistance to the appraisers signing the certification.
- ▶ The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

As of the date of this report, Timothy J. Sakmar and Anthony J. Owen have completed the Standards and Ethics Education Requirements for Candidates of the Appraisal Institute.



Timothy J. Sakmar
PA Certified General Real Estate Appraiser
Pennsylvania License No. GA003735
Expiration Date 6/30/2025



Anthony J. Owen, JD
PA Certified General Real Estate Appraiser
Pennsylvania License No. GA004566
Expiration Date 6/30/2025

- ▶ Information presented in this report has been obtained from reliable sources, and it is assumed that the information is accurate.
- ▶ This analysis assumes that the information provided for this appraisal accurately reflect the current condition of the subject property.
- ▶ This report shall be used for its intended purpose only, and by the party to whom it is addressed. Possession of this report does not include the right of publication.
- ▶ The appraisers may not be required to give testimony or to appear in court by reason of this appraisal, with reference to the property in question, unless prior arrangements have been made.
- ▶ The statements of value and all conclusions shall apply as of the dates shown herein.
- ▶ There is no present or contemplated future interest in the property by the appraisers which is not specifically disclosed in this report.
- ▶ Without the written consent or approval of the authors neither all, nor any part of, the contents of this report shall be conveyed to the public through advertising, public relations, news, sales, or other media. This applies particularly to value conclusions and to the identity of the appraisers and the company with which the appraisers are connected.
- ▶ This report must be used in its entirety. Reliance on any portion of the report independent of others, may lead the reader to erroneous conclusions regarding the property values. Unless approval is provided by the authors no portion of the report stands alone.
- ▶ We assume no responsibility for matters legal in character, nor do we render any opinion as to title, which is assumed to be marketable. All existing liens, encumbrances, and assessments have been disregarded, unless otherwise noted, and the property is appraised as though free and clear, under responsible ownership, and competent management.
- ▶ The appraisal has provided exhibits to assist the client(s)/intended user(s) to understand from a graphical standpoint some of the salient issues which impact the subject property. We have made no survey of the property and if further verification is required, a survey by a registered surveyor is advised.
- ▶ The appraisers assume no responsibility for determining if the property requires environmental approval by the appropriate governing agencies, nor if it is in violation thereof, unless otherwise noted herein. This analysis assumes that no asbestos or other hazardous materials are stored or found in or on the subject property. If evidence of hazardous materials of any kind occurs, the reader should seek qualified professional assistance. If hazardous materials are discovered and if future market conditions indicate an impact on value and increased perceived risk, a revision of the concluded values may be necessary.
- ▶ The valuation stated herein assumes professional management and operation of the buildings throughout the lifetime of the improvements, with an adequate maintenance and repair program.
- ▶ The liability of Owen Appraisal Service LLC, its principals, agents, and employees is limited to the client. Further, there is no accountability, obligation, or liability to any third party. If this report is placed in the hands of anyone other than the client, the client shall make such party aware of all limiting conditions and assumptions of the assignment and related discussions. The appraisers are in no way responsible for any costs incurred to discover or correct any deficiency in the property.
- ▶ The appraisers are not qualified to detect the presence of toxic or hazardous substances or materials which may influence or be associated with the property or any adjacent properties, has made no investigation or analysis as to the presence of such materials, and expressly disclaims any duty to note the degree of fault. Owen Appraisal Service LLC and its principals, agents, employees, shall not be liable for any costs, expenses, assessments, or penalties, or diminution in value, property damage, or personal injury (including death) resulting from or otherwise attributable to toxic or hazardous substances or materials, including without limitation hazardous waste, asbestos material, formaldehyde, or any smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids, solids or gasses, waste materials or other irritants, contaminants or pollutants.
- ▶ The appraisers assume no responsibility for determining if the subject property complies with the Americans with Disabilities Act (ADA). Owen Appraisal Service LLC, its principals, agents, and employees, shall not be liable for any costs, expenses, assessments, penalties or diminution in value resulting from non-compliance.
- ▶ This appraisal assumes that the subject meets an acceptable level of compliance with ADA standards; if the subject is not in compliance, the eventual renovation costs and/or penalties would negatively impact the present value of the subject. If the magnitude and time of the cost were known today, they would be reduced from the reported value conclusion.
- ▶ Unless otherwise noted herein, a detailed soils study was not provided for this analysis. The subject's soils and sub-soil conditions are assumed to be suitable based upon a visual inspection of the subject property and surrounding properties, which did not indicate evidence of excessive settling or unstable soils. No certification is made regarding the stability or suitability of the soil or sub-soil conditions.



July 18, 2024

Jim Schons
Associate Broker
REAL of Pennsylvania

RE: Appraisal Report of 22154 State Highway 18 Conneautville, PA 16406:

An Existing Special Purpose School Property (Parcel 5110-018-70001)

To whom it may concern:

We are pleased to submit this proposal and our Terms and Conditions for the Appraisal Reports of the above referenced real estate.

PROPOSAL SPECIFICATIONS

Valuation Premise: Form an opinion of the As-Is Market Value

Property Rights Appraised: Fee Simple Interest

Intended Use: Asset Valuation

Intended Users: Jim Schons and/or assigns

Scope of Work: All Applicable Approaches to Value

Inspection: Owen Appraisal Service, LLC will conduct an Interior and Exterior Inspection of the Property

Site/Property Contact: Unknown – Please provide.

Appraisal Standards: Uniform Standards of Professional Appraisal Practice (USPAP), December 2010 Interagency Appraisal and Evaluation Guidelines and Code of Professional Ethics and the Standards of Professional Practice of the Appraisal Institute

Report Type: Commercial Narrative Appraisal Report

Report Format: Narrative

Fee: \$3,000

Retainer: None



Payment Terms: *Balance is due and payable upon inspection of the property.*

Report Copies: 1 Final PDF

Delivery Date: No later than 3-weeks from date of engagement

Report Delivery Recipients: If any other person(s) are authorized to be included on delivery of the report, please include their information in the space below:

Acceptance Date: Date of Execution

Property Information Request: The following list of items will be needed within 5 days in order to meet the above referenced delivery date:

- Building Plans (if available)
- Floorplans (if available)
- Leases (if applicable)
- Rent Roll (if applicable)
- Operating History (if available)
- Property contact for site inspection (if not already provided)

Do not provide: Personally Identifiable Information (PII) to Owen Appraisal Service, LLC or any of its agents. PII is any piece of information meant to identify a specific individual. This includes data such as a Social Security Number, driver's license number, and financial account numbers.

The attached Terms and Conditions of the Engagement are deemed part of this Appraisal Services Agreement and are incorporated fully herein by reference and shall apply to any appraisal reports, contract, or orders into which they are incorporated. In addition, with respect to any appraisal report, any use of or reliance on the appraisal by any party, regardless of whether the use or reliance is authorized or known by Owen Appraisal Service, LLC and its agents, servants, employees, principals, affiliated companies and all those in privity with them, constitutes acceptance of such Terms and Conditions of the Engagement, as well as acceptance of all other appraisal statements, limiting conditions and assumptions stated in the appraisal report. Use of this appraisal report constitutes acknowledgement and acceptance of special assumptions (if any), extraordinary assumptions (if any), and hypothetical conditions (if any) on which this estimate of market value is based. This appraisal report has been prepared for the exclusive benefit of the client. It may not be used or relied upon by any other party. Any other party who is not the identified client within this report who uses or relies upon any information in this report does so at their own risk.



We appreciate this opportunity to be of service to you on this assignment. If you have additional questions, please contact us.

A handwritten signature in black ink, appearing to read "Anthony J. Owen".

Anthony J. Owen, J.D.
412-921-6936; Extension 106
ajo@owenappraisal.com

AGREED AND ACCEPTED

Client Signature

Date

Timothy J Sakmar

300 Bilmar Drive, Suite 230
Pittsburgh PA 15205

412-921-6936 ext. 104 Fax 412-928-3232

tjs@owenappraisal.com

Employment

Owen Appraisal Service LLC	Appraiser, Agent	2006 to Current	Appraiser (Ind. Contractor), RE Sales Agent
Francis Appraisal Service	Residential Appraiser Assistant	2004-2006	Appraisal Assistant
C&R Appraisal Services	Commercial Appraiser Assistant	2004-2006	Appraisal Assistant
Industrial Appraisals, Inc.	Commercial Appraiser Assistant	2003-2004	Appraisal Assistant

Professional Licenses & Affiliations

Candidate for MAI Designation, Appraisal Institute	2019	
PA Certified General Appraiser	2008	GA003735
PA Certified Residential Appraiser	2006	RL139332
PA Real Estate Salesperson	2005	RS290389

Education

BS, University of Pittsburgh	May 2002	Major: Information Science
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Appraisal Institute – 2020

Quantitative Analysis
USPAP Standards
Advanced Market Analysis and Highest & Best Use

Appraisal Institute - 2019

Solving Land Valuation Puzzles
Advanced Income Capitalization
Advanced Concepts and Case Studies

McKissock - 2018

Real Estate Investing: Beyond the Basics
PA Real Estate Rules and Regulations
FHA Handbook 4000.1

McKissock - 2016-2017

PA Mandate Course
USPAP Standards
Residential Property Inspection for Appraisers
Understanding Residential Construction
FHA Handbook 4000.1

McKissock - 2015

USPAP Standards
PA Mandate Course
The FHA Handbook 400.01

McKissock – 2015

The Cost Approach
Essential Elements of Disclosures and Disclaimers

McKissock – 2013

USPAP Standards
PA Mandate Course
Construction Details and Trends
Essential Elements of Disclosures and Disclaimers

Appraisal Institute – 2013

Using Realist to Service the Client
Using Fusion MLS to Service the Client

McKissock - 2011

REO & Foreclosures
USPAP Standards
PA Mandated Course

Vintage Real Estate - 2011

Mineral Rights Issues for Appraisers

Appraisal Institute - 2011

Understanding Assessment Appeals

McKissock - 2010

Construction Details & Trends
RESPA

Property Management
Principles of Finance & the Mortgage Department

McKissock - 2009

PA Mandated Course

McKissock - 2009

USPAP Standards

Appraisal Trends

REO & Foreclosures

Realtors Education Institute – 2003-2008

USPAP Standards
Valuation of Residential Property
Valuation of Income Producing Property
Real Estate Fundamentals
Real Estate Practices

Appraisal Institute – 2003-2008

Evaluating Commercial Construction
Advanced Sales Comparison and Cost Approach
Residential Market Analysis and Highest and Best Use
Scope of Work: Expanding Your Range of Service
FHA Appraising

Professional References Available Upon Request



Anthony Owen
Commercial Division Managing Director
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Profile

Anthony Owen is the Commercial Division Managing Director at Owen Appraisal Service, LLC. Since 2017, Mr. Owen had previously been engaged with commercial real estate appraisals throughout the entire west coast of the United States. Beginning in 2021, Mr. Owen now proudly serves his hometown Western Pennsylvania region. His scope of competency expands across a broad range of asset types and assignment conditions.

Mr. Owen is well versed in appraising all commercial property types. Mr. Owen averages over one hundred assignments annually. Client profile includes balance sheet lenders, agency lenders, owners, life insurance companies, and governmental agencies.

Mr. Owen is currently a certified general appraiser. In Law School, Mr. Owen was a member of the award-winning Urban Development Law Clinic, which specialized in part in zoning and municipal code issues. This experience has given him a unique outlook on the functionality and detail of various appraisal platforms.

Professional Affiliations

Appraisal Institute

Candidate for MAI Designation – National

State of Pennsylvania – Certified General Real Estate Appraiser, GA004566

State of California – Certified General Real Estate Appraiser, 3008642

Education

Bachelor of Science, Business Management and Business Law Minor, Pennsylvania State University 2013

Juris Doctorate, Duquesne University School of Law 2016

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Commonwealth of Pennsylvania
Department of State
Bureau of Professional and Occupational Affairs
PO BOX 2649 Harrisburg PA 17105-2649

23 0029267

License Type
Certified General Appraiser

TIMOTHY J SAKMAR
218 SKYVIEW DR
PITTSBURGH, PA 15241

License Status
Active

Initial License Date
12/09/2008

License Number
GA003735

Expiration Date
06/30/2025

Arion R. Claggett
Acting Commissioner Arion R. Claggett

[Signature]
Signature

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Commonwealth of Pennsylvania
Department of State
Bureau of Professional and Occupational Affairs
PO BOX 2649 Harrisburg PA 17105-2649

22 0708800

License Type
Certified General Appraiser

ANTHONY JOSEPH OWEN
STE 230
300 BILMAR DR
PITTSBURGH, PA 15205

License Status
Active

Initial License Date
05/03/2021

License Number
GA004566

Expiration Date
06/30/2025

Arion R. Claggett
Acting Commissioner Arion R. Claggett

[Signature]
Signature

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