

INGRAM REAL ESTATE GROUP
928 North Cedar Crest Blvd.
Allentown, PA 18104

John R. Ingram, II
President & CEO

Tel.: (610) 798-9877

Fax: (610) 798-9878

Mobile: (646) 732-2595

E-mail: ingramreg@aol.com

March 26, 2021

Mr. Robert E. McCulley
Owner of Property Known as Stonys Golf Complex

RE: Revised/Updated Opinion of Real Property Market Value,
Stonys Golf Property- Three Contiguous Parcels of Land (128.31 acres) and
Improvements, Eastside of NE Extn, PA Turnpike/Southside of Stony Mountain Road,
Albrightsville (Penn Forest Township), Carbon County, PA

Dear Mr. McCulley:

This letter updates and revises my appraisal report of April 2018, regarding the above-referenced subject property, consisting of 128.31 acres of land, with 5,926 feet of frontage on the NE Extension of the PA Turnpike and 679 feet of frontage on Stony Mountain Road, one mile south of the Exit 87 interchange (Route 903) of the turnpike. The property is currently partially improved with a golf complex that includes a golf driving range, a 9-hole chip and putt golf course, a clubhouse, a maintenance building, paved parking area, and access road that runs directly to the subject property from the turnpike interchange, paralleling the turnpike.

In my opinion, primarily due to residential and major highway frontage commercial and industrial land prices continuing to increase rapidly, over the past three years, in eastern PA, even during the worst of the COVID-19 pandemic, there has been a significant increase in the market value of the land portion of the subject property, since April 2018.

In addition, even though the entire subject site is currently zoned R-2, a residential zone that permits single family detached and semi-detached homes, along with townhouses, group homes, and age-restricted senior housing, the township granted a variance to permit the existing golf building and site improvements, and has indicated it would be amenable to granting a variance for an assisted living center, a retail outlet center, or other higher intensity commercial, industrial or retail uses.

Given this realization, I have made the extraordinary assumption that there is a 100% probability that Penn Forest Township would grant a variance for approval of most environmentally friendly commercial, industrial, or retail uses, for the existing 45.6-acre developed section of the subject property, in addition to higher density senior housing.

I have re-visited more recent land sales, and selected 6 comparable land sales for the subject 45.6-acre developed section (with Stonys Golf improvements on it), 5 comparable land sales for the subject 67.71-acre undeveloped (non-wetland) section, and a grouping of recent development-impaired land sales for the subject 15-acre undeveloped wetland section. Most sales occurred between December, 2017 and December, 2020, with one current listing, and all are within the subject's multi-county region of eastern PA. These sales are detailed in a separate work-file on the subject property.

After making price adjustments on the comparable sales, for a number of appropriate adjustment categories that make the sales more representative of the subject's land value attributes, I have concluded the following current market value opinions for the subject property's three land components:

- Subject 45.6-Acre Developed Section: \$70,000/Acre, or \$3,192,000
- Subject 67.71-Acre Undev. (Non-Wetland) Section: \$27,000/Acre, or \$1,828,170
- Subject 15.0-Acre Undev. Wetland Section: \$7,000/Acre, or \$105,000

Total Market Value, Subject 128.31 Acres of Land, As Vacant: \$5,125,000

Added to this is our opinion of the current depreciated value of the building and site improvements. In April 2018, we estimated this value to be \$840,000. With some additional time depreciation, we have estimated this value to now be **\$800,000**.

Therefore, my **Opinion of the As Is Market Value of the Entire Subject Property**, as of the date of this letter, March 26, 2021, inclusive of the 128.31 acres of land, as if vacant, and the depreciated value of the building and site improvements, is:

\$5,925,000

Sincerely,



John R. Ingram II, MAI, SCGREA, AICP, CTA
PA Certified General Real Estate Appraiser #GA000474L