



MARKET VALUATION ANALYSIS

Appraisal Report

22-24 2nd Avenue

Troy, New York 12180

Order Number: C23-00084



January 4, 2024

Logan Finance Corporation
1393 Veterans Memorial Highway
Suite 308N
Hauppauge, NY 11788

Re: Market Valuation Analysis
22-24 2nd Avenue
Troy, New York 12180
Order Number: C23-00084

This is an Appraisal Report that is intended to comply with the reporting requirements set forth under Standards Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice for an Appraisal Report. As such, discussions of the data, reasoning, and analyses that were used in the appraisal process to develop the appraiser's opinion of value may be presented in summary form. Supporting documentation concerning the data, reasoning, and analyses is retained in the appraiser's workfile. The depth of discussion contained in this report is specific to the intended user(s) and use(s) identified within this report. This report is for the exclusive use of the specified intended user(s). The appraiser is not responsible for unauthorized use of this report.

The undersigned has either personally inspected and/or analyzed the above-captioned property for the purpose of forming an opinion of the "as is" market value of the Leased Fee Interest in the subject (land and improvements). The subject is identified as 22-24 2nd Avenue, which occupies the northeast corner of the intersection of 101st Street and 2nd Avenue in the City of Troy, Rensselaer County, New York. The subject property consists of a (circa 1920) two-story plus basement, walkup multifamily building that contains eight residential units with a total of 26 rooms. As of the date of valuation, the property was occupied by leased tenants. There were no vacancies reported as of the valuation date. Total building area above grade is approximately 4,508 square feet and the site has a total area of 4,356± square feet. The property is zoned MU-1 (manufacturing).

As the subject's apartments are fully exempt from rent regulation, they are eligible to rent at market rates. As of the valuation date, the subject contained eight occupied exempt apartments. The building superintendent resides offsite.

The attached appraisal report outlines the various methods and procedures of valuation. Based upon a physical inspection of the subject property and its surrounding neighborhood, our analysis of pertinent market information, and reviews of both public and private records, our "as is" market value conclusion(s) for the subject's Leased Fee Estate, as of December 11, 2023, the effective date of valuation, is:

Seven Hundred Fifty Thousand Dollars

\$750,000

The preceding value conclusion is reflective of the subject property's "as is" condition. The indicated conclusions are further based upon our analysis of the information contained in this appraisal report, subject to the Limiting Conditions and Certifications set forth herein.

Based on recent activity within the subject's market, we estimate that the typical exposure period of an multifamily building is approximately 9-12 months to time of sale. A similar marketing period is anticipated based on current market conditions.

Kindly let us know whether you have any questions or comments on the conclusions of the appraisal report. Additionally, from your own understanding of this information and your knowledge of current market activity, we expect that you will advise us of any discrepancies in factual information presented in the report.

The reported analyses, opinions, and conclusions comply with the Comptroller of Currency appraisal standards as delineated by ruling 12U.S.C.93a. This appraisal has been prepared in conformance with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA), the Uniform Standards of Professional Appraisal Practice (USPAP) as promulgated by the Appraisal Standards Board of the Appraisal Foundation, the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, and the Interagency Appraisal and Evaluation Guidelines dated December 2010.

Respectfully submitted,
WESTROCK APPRAISAL SERVICES

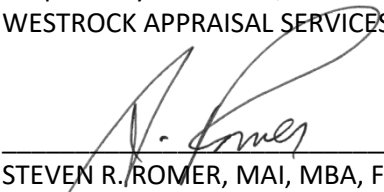

STEVEN R. ROMER, MAI, MBA, Founder-CEO
NY Certified General R.E. Appraiser
I.D. No. 46000000719



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Limiting Conditions

1. No survey of the property has been made by the appraiser(s) and no responsibility is assumed in connection with such matters. Sketches in this report are included only to assist the reader in visualizing the property.
2. No responsibility is assumed for matters of a legal nature affecting title to the property nor is an opinion of title rendered. The title is assumed to be insurable.
3. Information furnished by others is assumed to be true, correct, and reliable. A reasonable effort has been made to verify such information; however, no responsibility for its accuracy is assumed by the appraiser(s).
4. All mortgages, liens, encumbrances, leases, and servitude have been disregarded unless so specified within this report. This property is appraised as though under responsible ownership and competent management.
5. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them. The appraiser is not a building inspector; any inspections performed include only basic visual observations of accessible areas. As such, the appraisal report cannot be relied upon to disclose conditions and/or defects in the property.
6. It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless a non-conformity has been stated, defined and considered in this appraisal report.
7. It is assumed that all applicable use regulations and restrictions have been complied with, unless nonconformity has been stated, defined, and considered in this appraisal report.
8. It is assumed that all required licenses, consent, or other legislative or administrative authority from any local, state, or national governmental or private entity or organization have been, or can be, obtained or renewed for any use on which the value opinion contained in this report is based.
9. It is assumed that the utilization of the land and improvements are within the boundaries or property lines of the property described and that there is no encroachment or trespass unless noted within the appraisal report.
10. If the reader is making a fiduciary or individual investment decision and has any questions concerning the material contained in this report, it is recommended that the reader contact the undersigned.
11. It is assumed that all of the necessary and required permits and licenses are in full force and effect.

12. It is assumed that an approved survey can be obtained, conforming to the sketches and estimates as represented in this report.
13. It is assumed that the subject property's income and expense information as furnished to the appraisers is accurate.
14. The total site area of 4,356± square feet represents an estimate that is based on an examination of the City of Troy tax assessor's records as well as my own measurements.
15. The above-grade building area of 4,508± square feet (inclusive of any common areas as relevant) represents an estimate that is based on an examination of the City of Troy tax assessor's records as well as my own measurements.
16. This appraisal report represents a synopsis of the findings of the data-gathering process and the appropriate appraisal analysis. All input data would have been too voluminous to include in this report. The exclusion of same does not preclude the appraiser(s) from referring to this data at a future date. If the occasion arises, the appraiser(s) reserves the right to refer to any of the source material used in the preparation of this appraisal to further clarify any item contained in this report.
17. This appraisal report is meant to be presented in its entirety. If this report is represented in any form other than its complete form, it becomes invalid.
18. This information and conclusions contained within this report are for the exclusive use of the identified intended user(s), for the intended use(s) specified. The appraiser is not responsible for unauthorized use of this report.
19. To the best of my knowledge and belief, the statements of fact contained in this appraisal report upon which the analyses, opinions and conclusions are based, are true and correct, subject to the statement of Assumptions and Limiting Conditions herein set forth.
20. Estimates, projections, and opinions (including any prospective value opinions) as utilized in this report may be based on certain assumptions concerning future events and circumstances. These estimates, projections, and opinions may be affected by unforeseen events that alter market conditions. These phenomena may be local, national, or international in scope. It must be understood that actual results achieved during projection periods may vary from those indicated and the variations could be material. The appraiser(s) cannot be held responsible for unforeseeable events that alter market conditions in an unexpected manner.
21. Except where otherwise indicated, all numerical adjustments applied to comparable sales, rentals, and other such information are intended to be approximations. Extracting market-derived adjustment factors for most property types and markets is often impractical due to the limited quantity and quality of this data. Consequently, adjustments presented herein must be construed as the appraisers' approximations of the relative differences between the subject property and comparables, based on available market information, experience, and judgment.
22. It is assumed that any forecasted income and operating expense estimates provided by the subject's ownership, are based, in part, upon reported lease agreements and expenditures, in addition to projections based upon local conditions obtained through contractors, vendors, and others commonly involved in multifamily building operations.

23. Demographic and economic projections used herein may be based in whole or in part on information obtained from outside sources. The undersigned takes no responsibility for the accuracy of this information although a reasonable attempt has been made to verify the presented demographic data.
24. Unless agreements have been made previously, the appraisers will not be required to give testimony or appear in court as a result of having made this appraisal with reference to the property in question. Additionally, this appraisal report was not prepared for court submission purposes.
25. Possession of this appraisal report, or a copy thereof, does not carry with it the right of publication. This appraisal may not be used for any other purpose or any person other than the party to whom it is addressed without the written consent of the appraisers and, in any event, only with properly written qualifications and in its entirety.
26. Unless otherwise stated in this report, the existence of hazardous materials, which may or may not be present on the property, was not observed by the appraisers. The appraisers have no knowledge of the existence of such materials on or in the property. The appraisers, however, are not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation or other potentially hazardous materials may affect the value of the property. The value opinion is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.
27. Reliable electronic spreadsheet software (Microsoft® Excel) has been utilized for the quantitative analyses pertaining to this appraisal. Due to computerized rounding and report presentation requirements, certain figures and results may appear nominally above or below those expected. For example, $\$1.5530 + \$2.1230 = \$3.676$ would be presented as $\$1.55 + \$2.12 = \$3.68$, which at face value appears to be off by a cent. This is due to the fact that dollar amounts are rounded to the nearest cent or dollar in this report, while a greater degree of accuracy is utilized for actual calculations.
28. The distribution, if any, of the total valuation in this report, between land and improvements, applies only under the existing utilization. The separate valuation for land and improvements, if applicable, must not be used in conjunction with any other appraisal and are invalid if so used.
29. The Americans with Disabilities Act (ADA) became effective January 26, 1992. I have not made a specific survey or analysis of this property to determine whether the physical aspects of the improvements meet the ADA accessibility guidelines. Since compliance matches each owner's financial ability with the cost to cure the property's potential physical characteristics, the real estate appraisers cannot comment on compliance to ADA. A description of the physical aspects of the subject property may be included in this report. It in no way suggests ADA compliance by the current ownership. Given the compliance can change with each owner's financial ability to cure non-accessibility, the valuation of the subject does not consider possible non-compliance. Specific study of both owner's financial ability and the cost to cure any deficiencies would be needed for the Department of Justice to determine compliance.

30. This report is intended to comply with the reporting requirements set forth under Standards Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice for an Appraisal Report. As such, it might not include full discussions of the data, reasoning, and analyses that were used in the appraisal process to develop the appraiser's opinion of value. Supporting documentation concerning the data, reasoning, and analyses is retained in the appraiser's workfile.
31. If a Certificate of Occupancy exists for the subject property and was accessible for review via a governmental agency or ownership, this document would be presented in the addenda of this report for edification purposes. In addition, a statement addressing the subject's legal use and occupancy would be presented within the Zoning section of this report. If a Certificate of Occupancy did not exist at the time of the subject's construction or if the appraisers were unable to obtain the Certificate of Occupancy for any reason, then the appraisers assume that the subject's use and occupancy are both legal and in full compliance of the law.
32. This appraisal does not involve any extraordinary assumptions or hypothetical conditions.

Certifications and General Assumptions

I hereby certify that, except as otherwise noted in this appraisal report:

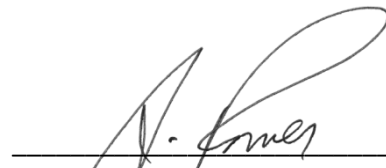
1. The statements of fact contained in this appraisal report are true and correct. The effective date of valuation is December 11, 2023, which was also the date of inspection. We also note that we re-inspected the subject on December, 27, 2023 as well as January 3, 2024.
2. The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, unbiased professional analyses, opinions, and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report and I have no personal interest with respect to the parties involved.
4. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
5. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. My 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.
7. My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice* (USPAP).
8. I have experience in the appraisal of properties similar to the subject and am in compliance with the Competency Rule of USPAP.
9. I have not provided appraisal services relating to the subject property in the past 36 months.
10. Jude Delima provided significant real property appraisal assistance to the person(s) signing this certification. Specifically, he/she verified the comparable sales data, collected expense comparables, and researched market rents for the apartments. No one else provided significant real property appraisal assistance to the person(s) signing this certification.
11. Ruta Malanchuk has made a personal (interior/exterior) inspection of the property that is the subject of this appraisal report, 22-24 2nd Avenue, Troy, New York. Steven Romer did not make a personal inspection of the appraised property and has therefore relied on the photographs and reportings provided by Mr. Ruta Malanchuk as well as property records and other information deemed reliable.
12. As of the date of this report, Steven Romer, MAI, has completed the requirements under the continuing education program of the Appraisal Institute.

13. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice.
14. The reported analyses, opinions, and conclusions comply with the Comptroller of Currency appraisal standards as delineated by ruling 12U.S.C.93a. This appraisal has been prepared in conformance with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA), the Uniform Standards of Professional Appraisal Practice (USPAP) as promulgated by the Appraisal Standards Board of the Appraisal Foundation, and the Interagency Appraisal and Evaluation Guidelines dated December 2010.
15. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
16. The value conclusion(s) as well as other opinions expressed herein are not based on a requested minimum value, a specific value or approval of a loan.
17. The appraiser(s) will maintain the confidentiality and privacy of customer information obtained in the course of the appraisal assignment.
18. The undersigned accepts full responsibility for the contents, analysis, and appraisal conclusions of all parties who have contributed to this appraisal report.
19. Any inquiry from the client's loan production staff during the appraisal process will result in both the appraiser directing said inquiry to the applicable client appraiser, or their designee, and a reporting of said inquiry to the client appraiser/appointee.
20. The appraiser(s) will provide full cooperation in the review process when contacted by any administrative and/or technical review representative.
21. This report is intended to comply with the reporting requirements set forth under Standards Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice for an Appraisal Report. As such, it might not include full discussions of the data, reasoning, and analyses that were used in the appraisal process to develop the appraiser's opinion of value. Supporting documentation concerning the data, reasoning, and analyses is retained in the appraiser's workfile. The information contained in this report is specific to the needs of the client, for the intended use(s) stated in this report and no others. The appraiser is not responsible for unauthorized use of this report.
22. This appraisal does not involve any extraordinary assumptions or hypothetical conditions.

23. As a result of my examination, investigation, and analysis of the subject property and all of the data pertinent thereto, and in light of my experience as a real estate appraiser, my opinion of the "as is" market value(s) of the Leased Fee Estate in the subject property, as of December 11, 2023, is:

Seven Hundred Fifty Thousand Dollars

\$750,000


STEVEN R. ROMER, MAI, MBA, Founder-CEO
NY Certified General R.E. Appraiser
I.D. No. 46000000719



SUMMARY OF SALIENT FACTS AND CONCLUSIONS**BASIC INFORMATION**

Property Description:	2-Story Walkup Multifamily Building	Report Type:	Appraisal Report
Address:	22-24 2nd Avenue	Date of Value:	12/11/2023
City:	Troy	Date of Inspection:	12/11/2023 & 12/27/2023 & 1/3/2024
State:	New York	Date of Report:	1/4/2024
ZIP Code:	12180	Census Tract Number:	0403.00
County:	Rensselaer	Census MSA:	
Property Ownership Entity:	22-24 Second Avenue, LLC	New York-Northern New Jersey-Long Island, NY-NJ-PA Metro Statistical Area (#35620)	
Interest Appraised:	Leased Fee	New York-White Plains-Wayne, NY-NJ Metro Division (#35644)	

SITE INFORMATION

Land Area:	4,356± square feet	Site Shape:	Approximately rectangular
Dimensions:	47.33' frontage, 80' maximum depth	Frontage Rating:	Good
Flood Zone:	X	Access Rating:	Good
Flood Map Number:	3606770002B	Visibility Rating:	Good
Flood Map Date:	3/18/1980	Location Rating:	Good
Site Utility:	Good	Parking Type:	No on-site parking provided
Site Topography:	Level with street grade		

BUILDING INFORMATION

Type of Property:	Multifamily Building	Actual Age:	103 Years
Number of Units:	8	Quality:	Average
Number of Buildings:	1	Condition:	satisfactory
GBA Above Grade:	4,508± square feet	Year Built:	1920
Number of Stories:	2	Year Renovated:	1980
Occupied Exempt Units:	8 (100.0% of revenue units)	Land to Building Ratio:	0.97:1
Occupied Rent-Regulated Units:	0 (0.0% of revenue units)	Building Employees:	1
Vacant Units:	0 (0.0% of revenue units)		1 (8 units per employee)

MUNICIPAL INFORMATION

Assessing Authority:	City of Troy	Municipality Governing Zoning:	City of Troy
Assessor's Parcel Identification:	Section 90.46 Block 2 Lot 28	Current Zoning:	MU-1
Current Tax Year:	2023	Special Zoning District:	n/a
Taxable Assessment:	\$250,000	Zoning Max FAR / Subject FAR:	/ 1.03
Current Tax Liability:	\$12,473	Is Current Use Permitted:	Yes
Taxes Per SF:	\$2.77	Current Use Compliance:	Legal, conforming, complying use
		Landmark:	Subject does not have landmark status

HIGHEST & BEST USE

As Vacant:	As Improved:
Development of a multifamily building as per zoning regulations	Retain the existing building in its current use

VALUATION CONCLUSIONS**SALES COMPARISON APPROACH**

Indicated Value:	\$675,000
Per Square Foot:	\$150
Per Unit:	\$84,375

INCOME CAPITALIZATION APPROACH

Indicated Value:	\$750,000
Per Square Foot:	\$166
Per Unit:	\$93,750

COST APPROACH

Indicated Value:	\$0
Per Square Foot:	\$0
Per Unit:	\$0

MARKET VALUE CONCLUSION (Leased Fee Interest)

Indicated Value:	\$750,000
Per Square Foot:	\$166
Per Unit:	\$93,750

EXPOSURE / MARKETING PERIOD

Exposure Time:	9-12 Months
Marketing Time:	9-12 Months

NATURE OF THE ASSIGNMENT

STATEMENT OF OBJECTIVE:

The objective of this appraisal assignment was to undertake the investigations and analyses required to reach a supportable opinion of the “as is” market value(s) for the subject property, as of December 11, 2023, the date of valuation. The intended use of this appraisal report is to provide information to the client and intended user, Logan Finance Corporation, for loan underwriting/mortgage financing purposes exclusively.

DEFINITION OF MARKET VALUE:

Market value is defined in the Appraisal Institute’s Dictionary of Real Estate (4th ed., 2002) as:

The most probable price which a property would bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of the 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 best interests;*
- 3. A reasonable time is allowed for exposure in the open market;*
- 4. Payment is made in terms of cash and U.S. dollars or in terms of financial arrangements comparable thereto; and*
- 5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.*

SCOPE OF WORK PROCESS:

We have prepared an independent and impartial appraisal of the property in conformance with the requirements of the USPAP. This appraisal employs all approaches considered meaningful and relevant in the context of the valuation assignment.

As part of this appraisal, a number of independent investigations and analyses were required. The appraisal process performed included the following tasks:

Appraisal Process

- Identified the real estate being appraised
- Identified the real property interest being appraised
- Ascertained the purpose and intended use of the appraisal
- Stated and defined market value
- Inspected the property, and specified the effective date of the appraisal and the date of this report
- Determined the highest and best use of the subject property
- Researched comparable market rentals and sales in relation to the subject property
- Analyzed pertinent market information in order to value the subject property via the selected approach(es)
- Arrived at market value indications from each selected approach, and reconciled to a final market value opinion
- Set forth all assumptions and limiting conditions that affect the analyses, opinions and conclusions
- Provided a signed certification in accordance with Standards Rule 2-3

PROPERTY RIGHTS APPRAISED

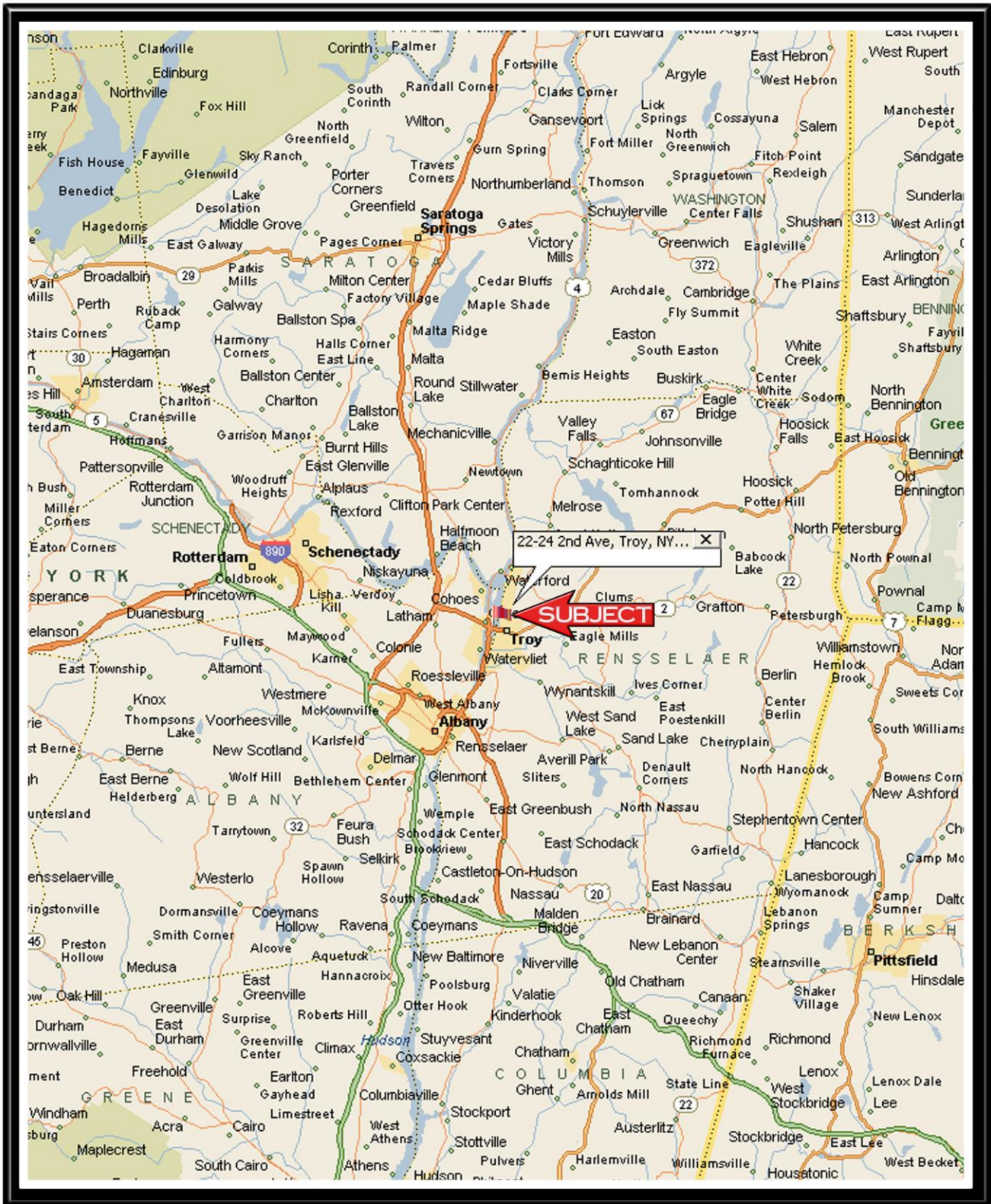
The value concluded herein reflects the Leased Fee Estate. According to the Appraisal Institute, the Leased Fee Estate is defined as "The ownership interest held by a landlord with the right of use and occupancy conveyed by lease to others; the rights of lessor or the leased fee owner and leased fee are specified by contract terms contained within the lease."

SUBJECT PROPERTY SALES HISTORY:

As of the date of valuation, the subject was owned by 22-24 Second Avenue, LLC. The subject property was purchased from 22-24 Second Avenue, LLC by the current owner on 7/8/2022 for \$420,000. No other transactions involving the subject property have transpired within the past three years.

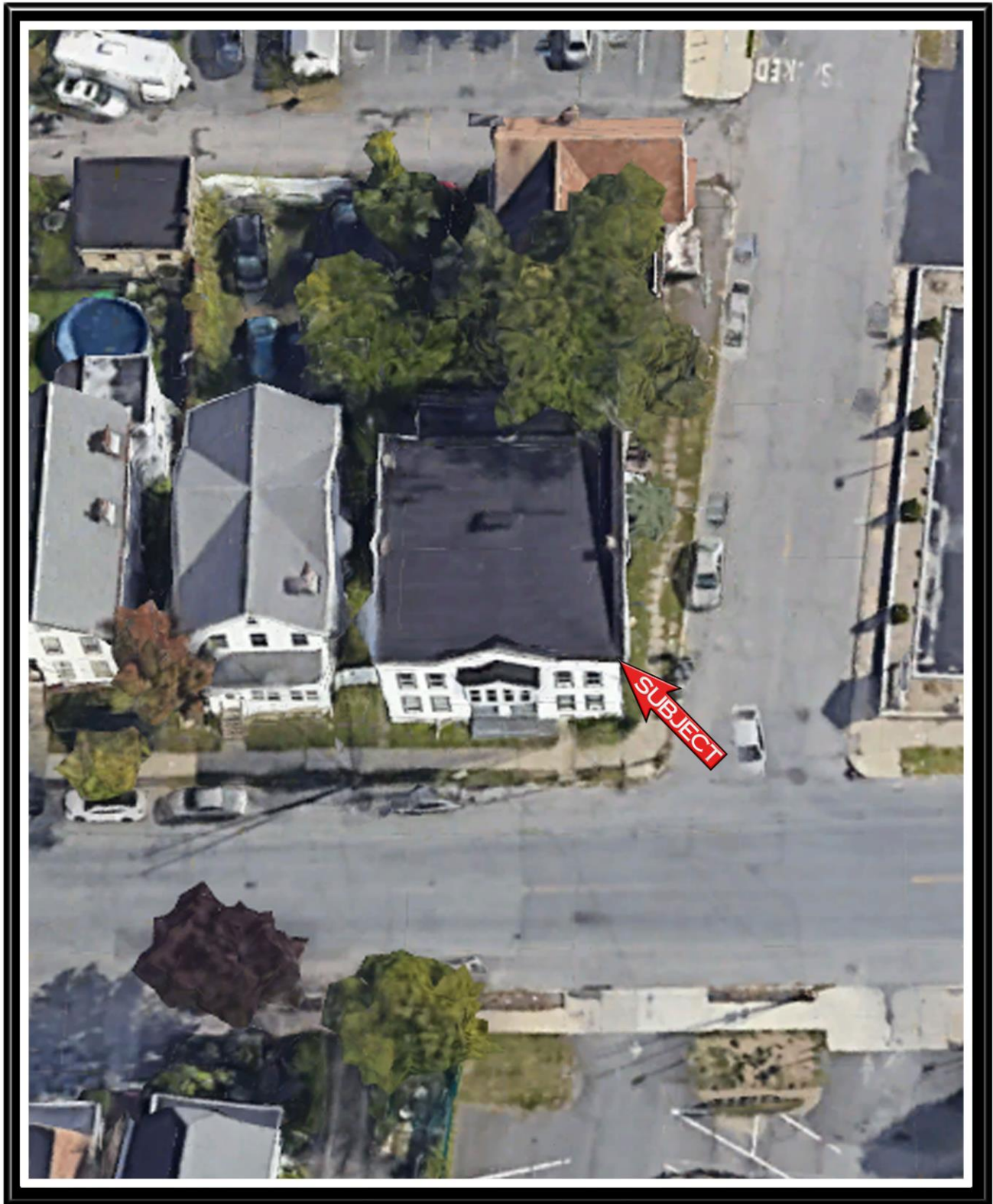
The subject property was transferred in July 2022, reflecting the market value during that period. The subject property has also been renovated last 2022, the renovation includes exterior demo, dumpster, foundation, roof, doors, front porch/portico, windows, vinyl, hardwood, post repair cleaning, hot water heater, smoke/fire alarms, paint walls, interior doors, electrical - rough, plumbing - rough, kitchen ceiling/wall repair, appliances, fixtures, cabinets, counters, sink/faucet, kitchen floors, bath tub/shower, vanity, and bathroom floor/tile with a renovation budget totaling \$71,350. To the appraiser's knowledge, the subject property is not currently for sale, or under contract for sale or option to purchase.

AREA DESCRIPTION



AREA MAP





AERIAL

National Economic & Real Estate Overview

The commercial real estate market is not like the stock market; there usually are no huge swings from day to day. We, at WestRock, have reached out to various real estate organizations, and there is unanimity that, as a result of the coronavirus ("COVID-19") outbreak, spread, horrendous death toll, and rising unemployment, we are in a period of unmatched uncertainty. While it is impossible to predict or quantify the exact impact on the economy and on market conditions, there will be an adverse effect on a global basis.

CCIM Institute for Commercial Real Estate has concluded that "while the full effects of the virus remain to be seen, commercial real estate professionals need to be prepared for what could be a challenging time." The National Association of Realtors stated, "COVID-19 and its long reaching effects continue to change the way we conduct our everyday business, and commercial real estate practitioners continue to adapt to these changes on a daily basis." "We've seen that investor confidence has been shaken," said Sam Chandan, associate dean of New York University's Schack Institute of Real Estate.

The multifamily sector could see significant upheavals as unemployment rises and vacancies increase. Businesses that are closed employ people who now will struggle to pay rent. It is a similar situation to retail, where dine-in restaurants, for example, could remain closed for the foreseeable future, only in this case the tenant is an individual or family who lost its source of income. Moody's Analytics' "protracted slump scenario", would create the same amount of contraction and disruption of commercial real estate, as the Great Recession.

The office leasing market is likely to suffer in the short-term due to COVID-19 as layoffs diminish tenants' overall need for space and, in many cases, set aside expansion plans. In addition, prospective tenants who remain in the market for additional space, will have a difficult time touring properties. Office workers' pushback against the open office environment is likely to accelerate, as illness is more easily transmitted in an open environment. Many employers already had recognized that in a competition to attract and retain top talent, squeezing workers into increasingly tight spaces was not a sustainable strategy. Now, an emphasis on social distancing and good health practices – continuing in some fashion even after the crisis has passed – may reverse the densification trend, with less shared space and fewer workers per leased square foot.

Homebuilders are feeling not only the demand pullback from home shoppers staying home in droves, but also the supply impact of materials that they normally import from China (supplying more than 30% of the materials). In a new survey by the National Association of Home Builders, 81% of respondents said the coronavirus has had an adverse effect on traffic of prospective home buyers, and it is probably closer to 100% at this time. Another 54% reported issues getting the building materials they need to finish homes. Builders are reporting a large drop in sales now. There is also growing concern about tighter lending conditions for non-conforming mortgage loans. Buyers who have debt-to-income ratios higher than 43%-45% or those who are self-employed, are now having significant difficulty with obtaining mortgages. With all of this going on, builders are predicting that land acquisition and development spending will decline.

While the longer-term consequences are more difficult to predict, the immediate market consequences of COVID-19 have been made clear – the public market sell-off in certain real estate types has been nothing short of dramatic. All companies, public and private, are working hard to navigate the

immediate crisis with respect to staff, tenants, and end users of space, while also facing tough business trade-offs. Most industry leaders seek to strike the right balance between capital preservation and further strengthening their competitive differentiation.

There can be no question that the highly uncertain economic backdrop makes any appraisal of real estate, particularly commercial properties, more difficult than usual. In many ways, the current state of the economy is virtually unprecedented and, as such, is difficult to predict what the future holds based on historical information alone. We have been mindful of these and other relevant issues throughout our appraisal of the subject property. However, it must be noted that with the Coronavirus outbreak and spread, and with the present declaration of a National Emergency, it is impossible to predict the scope of impact on market conditions.

Unemployment

As of November 2023, the national unemployment rate as estimated by the U.S. Bureau of Labor Statistics was 3.7%; the Rensselaer County unemployment rate was lower at 3.2% as of October 2023.

Federal Reserve Board Beige Book Economic Conditions Summary

An economic conditions report, commonly known as the Beige Book, is published by the Federal Reserve Board eight times per year. Each Federal Reserve Bank gathers anecdotal information on current economic conditions in its District through reports from Bank and Branch directors and interviews with key business contacts, economists, market experts, and other sources. The Beige Book summarizes this information by District and sector. Below we present the November 29 2023 report for the New York District.

Summary of Economic Activity

Economic activity in the Second District continued to weaken during the latest reporting period. Labor market conditions cooled but generally remained solid. Though employment edged up slightly, labor demand softened and workers have become easier to find. Inflationary pressures were little changed after moderating in recent months. Consumer spending continued to slow. Manufacturing activity grew modestly, though orders were weak. Tourism activity in New York City slowly inched back toward pre-pandemic levels. Housing markets in parts of the region have started to show signs of becoming more balanced, though low inventory continued to restrain sales activity. Residential rental markets plateaued. Commercial real estate markets remained strained. Conditions in the broad finance sector weakened slightly, with loan demand declining and delinquency rates edging up. The outlook worsened, with businesses in the region no longer expecting economic conditions to improve in the coming months.

Labor Markets

Labor market conditions cooled but generally remained solid. On net, employment continued to increase in the latest reporting period, edging up slightly. However, contacts reported some softening in labor demand and improvements in worker availability across the District. After nearly four months, the recent settling of the Screen Actors Guild strike is expected to restore jobs for many New York City-area workers who were affected.

Contacts noted that some companies have become cautious about adding to their headcounts in recent weeks. Layoffs and hiring freezes in the tech industry outside of the region have boosted the availability of tech workers. Still, despite some recent improvement in worker availability, labor supply remains an issue for most industries. Regional businesses overwhelmingly reported that the inability to find workers with the right skills was restraining hiring plans.

The pace of wage growth slowed somewhat in recent weeks, especially for finance and information services firms. In fact, a New York City-area company noted a reduction in starting salaries for recent college graduates as tech workers have become easier to find. Looking forward, firms plan on increasing employment only modestly in the coming months.

Prices

Inflationary pressures were little changed in the most recent reporting period. The pace of input price increases generally held steady. While the prices of some inputs such as freight and logistics have come down, contacts reported rapidly growing costs for other inputs, particularly utilities and insurance. The pace of selling price increases also held steady this reporting period. However, looking ahead, more contacts expect the pace of price increases to pick up in the coming months.

Consumer Spending

On balance, consumer spending continued to slow but remained solid. Increases in health care spending were offset by ongoing declines in spending on travel and entertainment. Auto dealers in upstate New York reported solid growth in sales activity for both new and used cars, as improving inventory continued to expand options for buyers. While creditworthy buyers were able to get financing, those with lower credit scores have increasingly found it difficult to secure auto loans. With higher interest rates, car loan terms are getting longer as 84-month loans have become the norm.

Manufacturing and Distribution

Manufacturing activity grew modestly during the latest reporting period, though orders declined slightly. Delivery times shortened and supply availability continued to improve, but some contacts reported ongoing challenges with the supply of raw materials and durables. Motor vehicle inventory continued to improve, and dealers indicated that the UAW strike had minimal impact on inventory levels. Wholesalers and transportation & warehousing contacts reported declining business activity. Looking ahead, manufacturers do not expect activity to increase in the coming months.

Services

Service sector activity declined modestly in the latest reporting period. While businesses in leisure & hospitality reported modest growth, businesses in education, finance, and those providing business services reported sluggish activity. Service firms do not expect much improvement in the months ahead.

New York City tourism continued to inch back slowly to pre-pandemic levels. While New York City hotel occupancy rates remained higher than other U.S. cities, the lack of visitors from Asia remained a drag on the tourism recovery. Contacts reported that geopolitical instability overseas is beginning to dampen travel planning. Still, mid-week hotel demand in New York City was strong, reflecting increased business travel—a positive sign that an important part of the City's tourism economy is showing progress after lagging through much of the recovery.

Real Estate and Construction

Housing markets in some parts of the region have started to show signs of becoming more balanced for buyers and sellers, though low inventory continued to restrain sales activity and other parts of the region remained red hot. Home prices have generally continued to trend up despite relatively high mortgage rates. Contacts in upstate New York noted some cooling in demand along with an increase in listings, in part due to people leaving New York state. While demand softened in New York City, demand in its suburbs remained extremely strong, with record high prices and bidding wars on about half of sales. While creditworthy buyers were able to obtain mortgages, the availability of credit has become an issue for some buyers. One contact noted that buyers needed increased attentiveness to get lenders to the closing table.

Residential rental markets plateaued, with rents holding steady near historically high levels. New lease activity continued to fall, with landlords focusing on retaining existing tenants. In New York City, there was a small uptick in the supply of rental units, possibly due to the increased enforcement of rules restricting short-term rentals.

Commercial real estate markets weakened for both office and industrial space, as vacancy rates edged up and rents declined across much of the District. Upstate New York office markets saw notable increases in vacancy rates, while the worsening trend in New York City's office market continued after a pause during the last reporting period. The industrial market also deteriorated, with vacancy rates increasing and rents softening from long-term highs seen during the summer.

Overall, construction contacts reported declining activity since the last report. Office construction dropped across the District. Multi-family construction also slowed, constrained by tight credit conditions and increased costs. Still, industrial construction continued to grow, with high volumes under construction and new space set to come to market in the fourth quarter of 2023 and early 2024.

Banking and Finance

Conditions in the broad finance sector weakened slightly during the latest reporting period. Small to medium-sized banks in the region overwhelmingly reported lower loan demand across all loan segments, including refinancing. While most banking contacts reported that credit standards were unchanged, a substantial number reported tightening standards for business and commercial loans. On balance, loan spreads narrowed, deposit rates rose higher, and delinquency rates edged up.

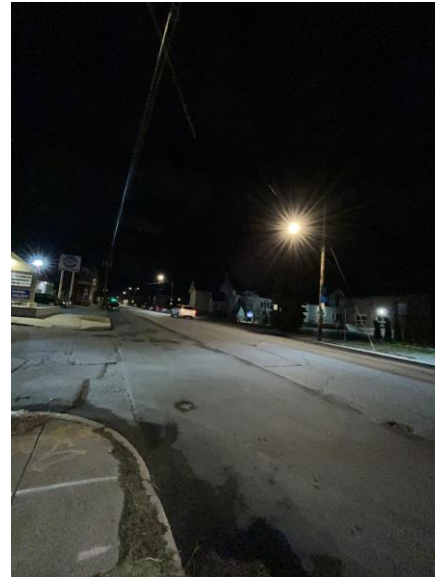
Community Perspectives

Homelessness has reached unprecedented levels in many parts of the District, driven by a shortage of affordable housing and the arrival of asylum seekers. Local governments are not able to meet the growing need for shelter, and the locations of new temporary shelters have been the subject of intense debate. Community planners, non-profit organizations, and government entities managing the homelessness crisis are considering new strategies to increase the supply of affordable housing units. While success has been limited, strategies have included repurposing government structures, incentivizing accessory dwelling units, and increasing tax incentives and private sector collaborations.

The following census, land use, economic, area development, and household income information is sourced from Costar.

Subject's Vicinity

The subject is located within the Troy section of the City of Troy. Troy has a total land area of 10.36 square miles and is bounded by the bordering communities of Schaghticoke to the North, Brunswick to the East, and North Greenbush to the South.

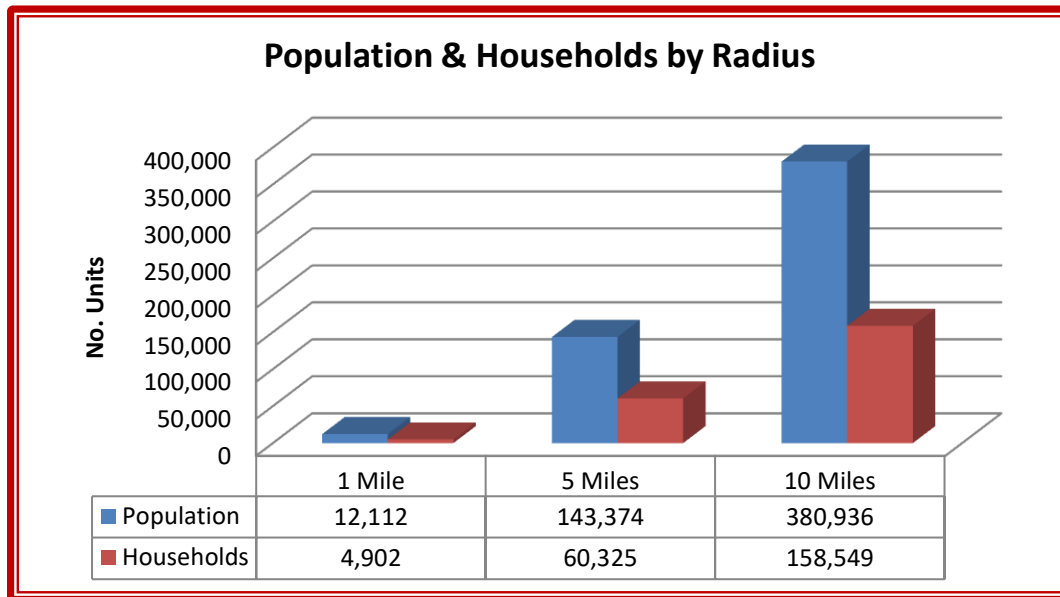


The subject property occupies the northeast corner of the intersection of 101st Street and 2nd Avenue , in Troy. 2nd Avenue is a two-way, two-lane street with northwesterly and southeasterly traffic flows.

The subject property is located along a two-way very active street made up of predominately residential buildings. There is an array of retail stores, eateries and other commercial buildings on the subject's street. There are several places of worship and schools within the subject's neighborhood. The subject property also lends itself to easy access to public transportation with a bus stop on the north east and south east corner of 101st Street and 2nd Avenue. The subject is located along an active street based on the amount of automotive traffic observed at the time of inspection. Parking is available on the subject's street.

Population

Population and number of households within a 1 mile, 5 mile and 10 mile radius is presented below:



As of 2023, the total population within a one mile radius of the subject amounts to 12,112, which reflects a change of 7.23% from the 2020 population of 11,295. Costar projects total population growth of 1.95% over the next five years. The subject is located within a low density area, with the population per square mile equating to and the number of households reported to be 4,902, which is a change of 8.09% from the 2020 Census household reporting of 4,653. The number of households is projected to change by 1.67% over the next five years.

Economic Composition

The census categorizes the subject's economic base into 13 categories by industry. The table below depicts the economic make-up of the subject area within a 1 mile, 5 mile and 10 miles radius:

Industry Type	% Economic Base: 1 Mile	% Economic Base: 5 Miles	% Economic Base: 10 Miles
Agriculture, Forestry, Fishing & Hunting, and Mining	0.00%	0.32%	0.35%
Construction	11.37%	8.31%	7.99%
Manufacturing	8.24%	4.23%	3.26%
Wholesale Trade	9.41%	3.88%	3.88%
Retail Trade	16.08%	20.03%	18.00%
Transportation/Warehousing/Utilities	0.78%	0.17%	0.14%
Information	0.39%	2.63%	3.09%
Finance, Insurance, Real Estate, and Rental/Leasing	10.98%	13.66%	13.11%
Professional, Scientific, Management, Administrative, and Waste Management Services	6.27%	14.01%	19.51%
Educational, Health, and Social Services	1.96%	3.76%	3.70%
Arts, Entertainment, Recreation, Accommodation, and Food Services	2.75%	3.65%	2.98%
Other Services (except Public Administration)	21.57%	18.73%	17.52%
Public Administration	10.20%	6.63%	6.47%

The area within a 1 mile radius of the subject property is a predominately medium income based area with a Median Household Income of \$41,478 as of 2023. This represents a 30.9% change from \$31,675 as of the 2020 census. Average household income is reported to be \$54,762.

The following table presents a 2023 tabulation of the local population working within select industries within a 1 mile, 5 mile and 10 mile radius of the subject property:

Industry Type/ Number Employed	% Economic Base: 1 Mile	% Economic Base: 5 Miles	% Economic Base: 10 Miles
Unemployed	461	2,813	7,008
Agricultural and Mining	5	123	541
Construction Industry	367	4,514	11,349
Construction Other	293	3,480	9,145
Education and Health	1,514	18,721	53,465
Farming	25	145	333
Industry	5,448	72,855	197,269
Information	46	1,378	3,930
Management	1,331	30,094	86,814
Manufacturing	293	4,850	11,614
Other Services	434	3,745	9,023
Production	731	7,142	16,604
Professional	419	8,057	22,817
Public Administration	390	7,786	22,761
Real Estate and Finance	254	5,422	13,902
Retail	522	7,680	20,680
Sales	1,201	17,500	46,426
Services	1,793	13,460	35,743
Utilities	367	3,441	8,078
Wholesale	76	1,458	3,623
Total Workforce	15,970	214,664	581,125

Rensselaer County unemployment rate was 3.2% as of October 2023. This must be compared with current unemployment rates and trends at the local, regional, and national levels. We note that 2.9% of those employed within one mile of the subject property commute to work via public transportation while 27.8% commute by car or truck and 2.4% commute by other means. The remainder of the workforce works locally.

The table on the following page reflects the largest publically held employers in the New York area based on revenue:

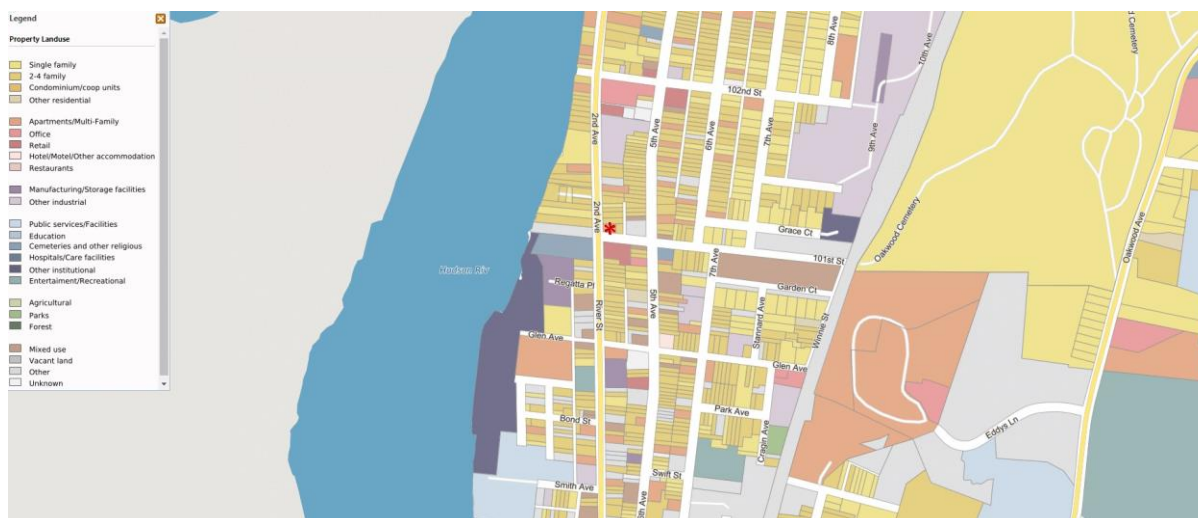
Rank	Company/Ticker Symbol Address	Phone/ Website	2020 Revenue (millions)	One-Year Revenue % Change	2020 Net Income (millions)	Industry
1	JPMorgan Chase & Co. (JPM) 383 Madison Ave, New York, NY	212-270-6000 jpmorganchase.com	\$129,503.0	-8.93%	\$29,131.00	Investment banking and financial services
2	Verizon Communications, Inc. (VZ) 1095 South Ave, New York, NY	212-395-1000 verizon.com	\$128,292.0	-2.71%	\$17,801.0	Telecommunications
3	Citigroup Inc. (C) 388 Greenwich St, New York, NY	212-559-1000 citigroup.com	\$88,839.0	-14.12%	\$11,047.0	Investment banking and financial services
4	International Business Machines Corp. (IBM) 1 New Orchard Rd, Armonk NY	914-499-1900 ibm.com	\$73,620.0	-4.57%	\$5,590.0	Technology
5	PepsiCo, Inc. (PEP) 700 Anderson Hill Rd, Purchase, NY	914-253-2000 pepsico.com	\$70,372.0	-4.78%	\$7,120.0	Food and beverage products
6	MetLife Inc. (MET) 200 Park Ave, New York, NY	212-578-9500 metlife.com	\$67,842.0	-2.55%	\$5,407.0	Insurance
7	Prudential Financial Inc. (PRU) 751 Broad St, Newark, NJ	973-802-6000 prudential.com	\$57,033.0	-12%	-\$374.0	Insurance
8	StoneX Group Inc. (SNEX) 155 E 44 th St, New York, NY	212-485-3500 stonex.com	\$54,139.6	+64.57%	\$169.6	Investment banking and financial services
9	Goldman Sachs Group (GS) 200 West St, New York, NY	212-902-1000 goldmansachs.com	\$53,498.0	-0.79%	\$9,459.0	Investment banking and financial services
10	Morgan Stanley (MS) 1585 Broadway, New York, NY	212-761-4000 morganstanley.com	\$52,047.0	-3.3%	\$10,996.0	Investment banking and financial services
11	Merck & Co. Inc. (MRK) 2000 Galloping Hill Rd, Kenilworth, NJ	908-740-4000 merck.com	\$47,994.0	+2.46%	\$7,067.0	Pharmaceutical
12	American International Group (AIG) 175 Water St, New York, NY	212-7707000 aig.com	\$43,736.0	-12.08%	-\$5,944.0	Insurance
13	Bristol-Myers Squibb Co. (BMY) 430 E 29 th St, New York, NY	212-546-4000 bms.com	\$42,518.0	+62.62%	-\$9,015.0	Pharmaceuticals
14	Pfizer Inc. (PFE) 235 E 42 nd St, New York, NY	212-733-2323 pfizer.com	\$41,908.0	+1.79%	\$9,616.0	Pharmaceuticals
15	American Express Co. (AXP) 200 Vesey St, New York, NY	212-640-2000 americanexpress.com	\$38,185.0	-18.79%	\$3,135.0	Financial Services
16	Travelers Cos. Inc. (TRV) 485 Lexington Ave, New York, NY	917-778-6000 travelers.com	\$31,981.0	+1.27%	\$2,697.0	Insurance
17	Phillip Morris International Inc. (PM) 120 Park Ave, New York, NY	917-663-2000 pmi.com	\$28,694.0	-3.73%	\$8,056.0	Tobacco, food and beverage products
18	Viacom CBS Inc. (VIAC) 1515 Broadway, New York, NY	212-258-6000 viacomcbs.com	\$25,285.0	-6.34%	\$2,422.0	Entertainment and media
19	Macy's Inc. (M) 151 W 34 th St, New York, NY	212-494-1602 macysinc.com	\$18,097.0	-28.56%	-\$3,944.0	Department stores
20	Marshall & McLennan Cos. Inc. (MMC) 1166 Sixth Ave, New York, NY	212-345-5000 mmc.com	\$17,224.0	+3.44%	\$2,016.0	Professional services
21	Becton, Dickinson and Co. (BDX) 1 Becton Drive, Franklin Lakes, NJ	201-847-6800 bd.com	\$17,117.0	-1%	\$874.0	Medical equipment and supplies
22	Bank of New York Mellon Corp. (BK) 240 Greenwich St, New York, NY	212-495-1784 bnymellon.com	\$16,856.0	-18.83%	\$3,617.0	Banking
23	Cognizant Technology Solutions Corp. (CTSH) 500 Frank W. Burr Blvd, Teaneck, NJ	201-801-0233 cognizant.com	\$16,652.0	-0.78%	\$1,392.0	Information technology
24	Colgate-Palmolive Co. (CL) 300 Park Ave, New York, NY	212-310-2000 colgatepalmolive.com	\$16,471.0	+4.96%	\$2,695.0	Health and beauty aids
25	BlackRock Inc. (BLK) 55 E 52 nd St, New York, NY	212-810-5300 blackrock.com	\$16,205.0	+11.46%	\$4,932.0	Investment management
26	Mastercard Inc. (MA) 2000 Purchase St, Purchase, NY	914-249-2000 mastercard.com	\$15,301.0	-9.37%	\$6,411.0	Payment solutions
27	Automatic Data Processing Inc. (ADP) 1 ADP Blvd, Roseland, NJ	973-974-5000 adp.com	\$14,589.8	+3.4%	\$2,466.5	Human resources software
28	Estee Lauder Cos. Inc. (EL) 767 Fifth Ave, New York, NY	212-572-4200 elcompanies.com	\$14,294.0	-3.83%	\$684.0	Health and beauty aids
29	Omnicom Group Inc. (OMC) 437 Madison Ave, New York, NY	212-415-3600 omnicomgroup.com	\$13,171.1	-11.92%	\$945.4	Media, marketing, and communications

In order to gauge the affordability of market rent vis-à-vis household income, we present below a table that depicts household income within a 1 mile, 5 mile and 10 mile radius of the subject property:

RADIUS FROM SUBJECT	HOUSEHOLD INCOME: 1, 5 & 10 MILES OF SUBJECT				
	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$24,999	\$25,000 to \$34,999	\$35,000 to \$49,999
1 Mile	12.3%	7.9%	13.4%	11.0%	13.4%
5 Miles	6.3%	4.7%	8.5%	8.5%	12.2%
10 Miles	5.9%	4.7%	7.0%	8.6%	11.4%
	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 to \$149,999	\$150,000 to \$199,999	\$200,000 or more
1 Mile	17.3%	6.7%	14.2%	2.1%	1.6%
5 Miles	17.9%	12.0%	17.3%	7.8%	4.7%
10 Miles	15.9%	12.2%	19.3%	8.7%	6.4%

Land Use General

The following chart reflects land uses to the north, south, east and west of the subject property:

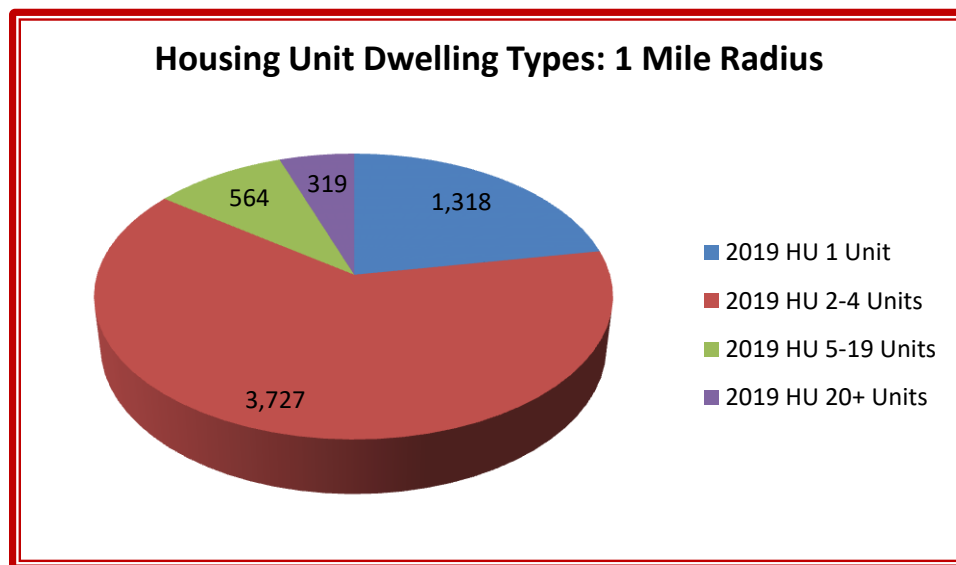
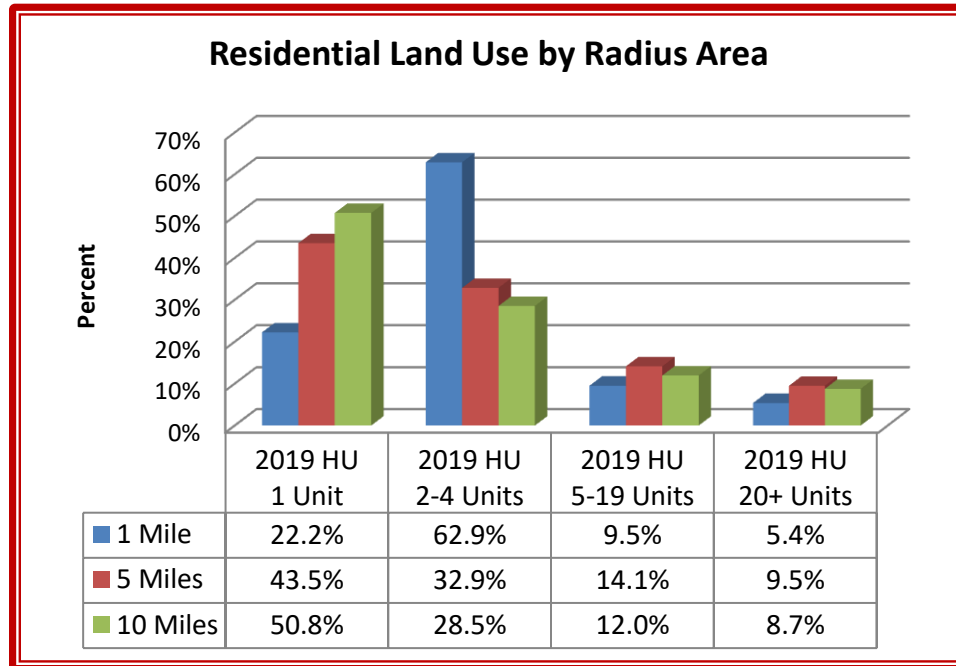


Typical properties in the subject's vicinity include low-rise walkup single- and multifamily residences that appear to be satisfactorily maintained. The subject conforms to the surrounding land uses.

The subject property is located along a two-way very active street made up of predominately residential buildings. There is an array of retail stores, eateries and other commercial buildings on the subject's street. There are several places of worship and schools within the subject's neighborhood. The subject property also lends itself to easy access to public transportation with a bus stop on the north east and south east corner of 101st Street and 2nd Avenue.

Land Use Residential

Residential land use in the subject's immediate area (1 mile radius) as well as the general area (5 mile and 10 mile radius) is as follows:

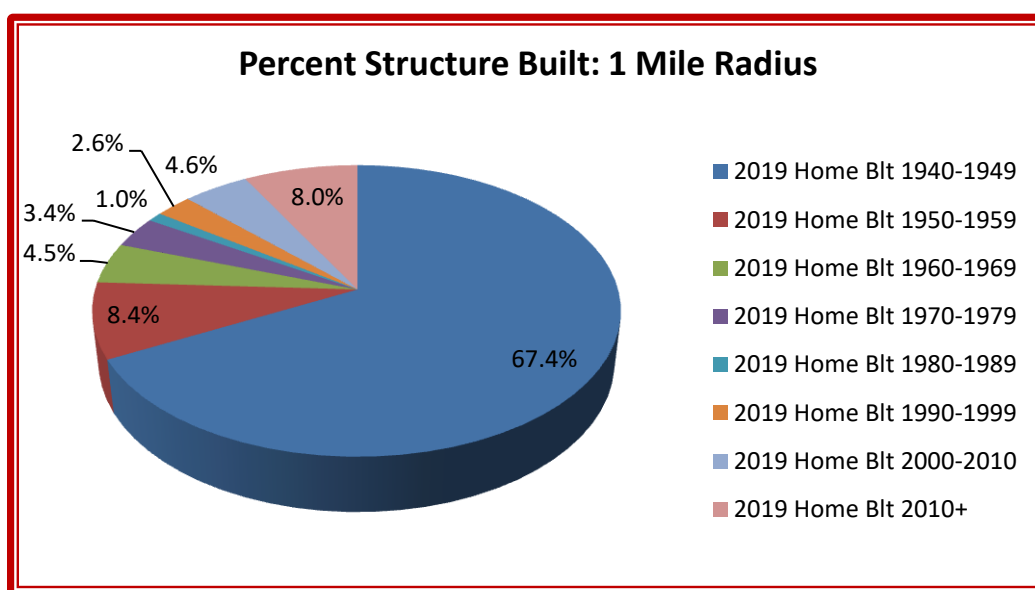


There are a total of 5,928 units within one mile of the subject, representing a change of 5.35% from the 2020 census. There are 68,556 units within five miles of the subject property and 178,224 units within 10 miles of the subject property.

The area contains an eclectic mixture of affordable housing stock. A breakdown of the age of the area housing stock as of 2023 is presented below:

Radius	Year Structure Built							
	1940-1949	1950-1959	1960-1969	1970-1979	1980-1989	1990-1999	2000-2009	2010 & Later
1 Mile	4,001	498	267	203	62	153	275	476
5 Miles	29,627	6,806	5,948	6,126	4,656	4,529	5,156	6,121
10 Miles	68,705	19,507	18,536	19,074	15,431	13,287	12,845	13,228

The number of housing units within a 1 mile radius of the subject is reported to be 5,928 while total housing units within a 5 mile and 10 miles radius are 68,556 and 178,224, respectively. We additionally note that approximately 1,695 units within a 1 mile radius are owner-occupied while 3,207 units are renter-occupied.

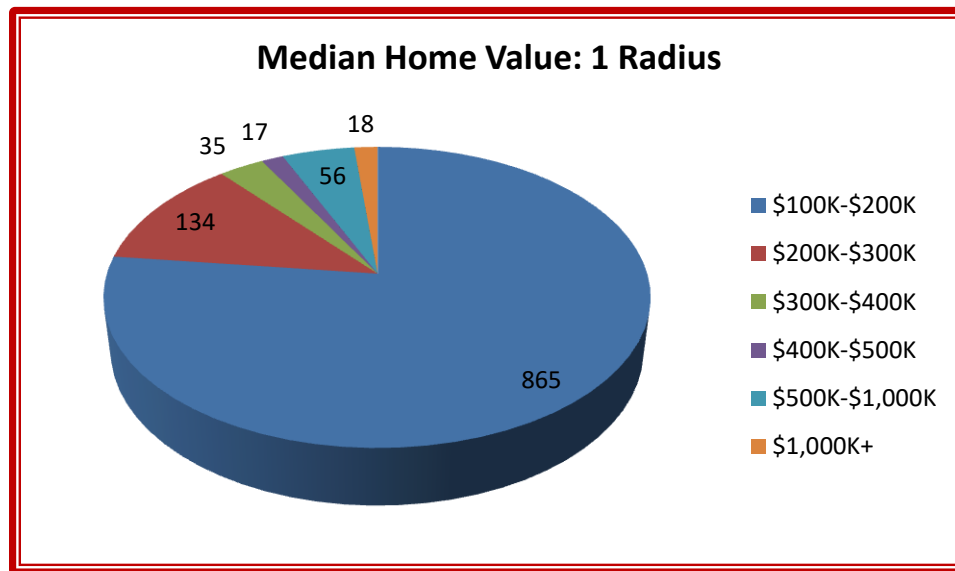
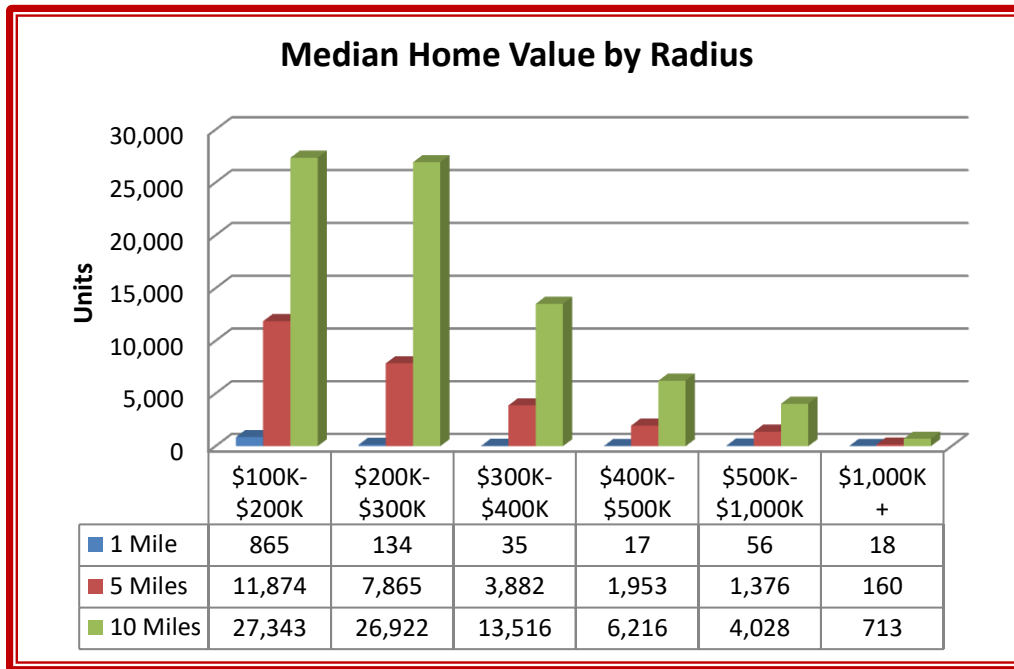


The average year built for all residential structures within a 1 mile radius is 1958 while the median year built is 1946.

Land Use Residential Home Values

The ten-year Treasury Bill rate, as of the date of valuation, was 4.23%, which is a change of 11.61% from the January 1, 2023 ten-year Treasury Bill rate of 3.79%. This upwards change in long-term interest rates has a negative effect on new development due to the increasing costs in construction financing.

Median home values within a 1 mile radius of the subject is \$132,081 with the breakdown of home values within a 1 mile, 5 miles and 10 miles of the subject property reflected below:



Shopping

Local shopping areas are located along the subject's street.

Schools

Area schools report academic results around average levels.

Recreation

Area residents benefit from public parks, playgrounds, and other recreational areas including the Freedom Square, the Troy Pistol League, the Collard City Growers' Garden, and the Knickerbacker Park.

Crime

The subject's area has an adequate police presence and exhibits average crime rates.

Residential Rental Market Trends

The rental market within Troy is generally robust with demand outpacing supply, especially for below market rent-regulated apartments. A variety of public and private schools, a fairly safe living environment with low to moderate crime, and adequate proximity to shopping and business centers establish the subject's neighborhood as moderately desirable. Based on our research of rents in the subject's neighborhood, we have found that typical market-reflective rents within properties similar to the subject range from \$950 to \$1,085 per month (\$317/room to \$362/room) for one-bedroom apartments and \$1,100 to \$1,300 per month (\$275/room to \$317/room) for two-bedroom apartments.

Market Value Trends Conclusion

In general, market values for multifamily buildings within the subject's market area appear to have increased in the recent past. Our independent market survey of sales prices within the subject's general vicinity revealed sales prices which range from \$530,000 to \$1,655,000 or from \$70,167 to \$91,944 per unit. The mean and median sales prices amount to \$980,400 and \$842,000, respectively, while per unit they reflect \$80,962 and \$82,143, respectively.

Transportation

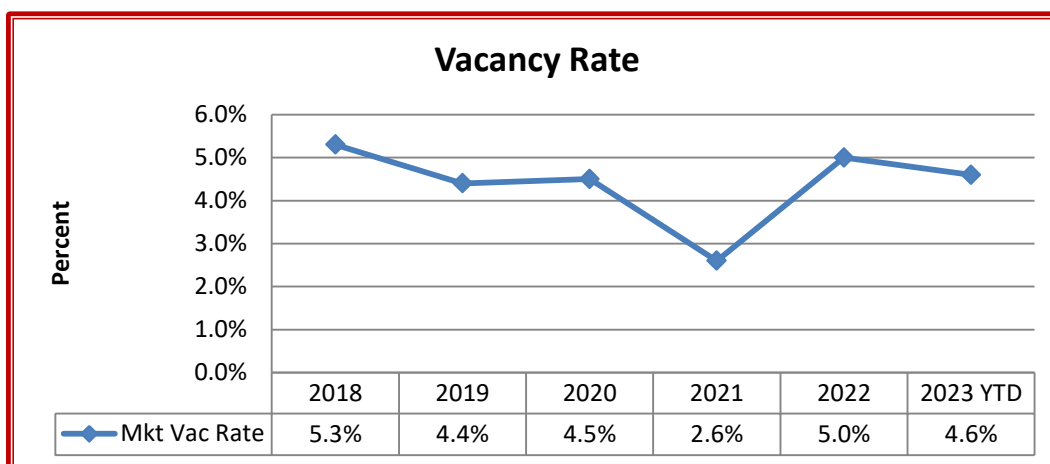
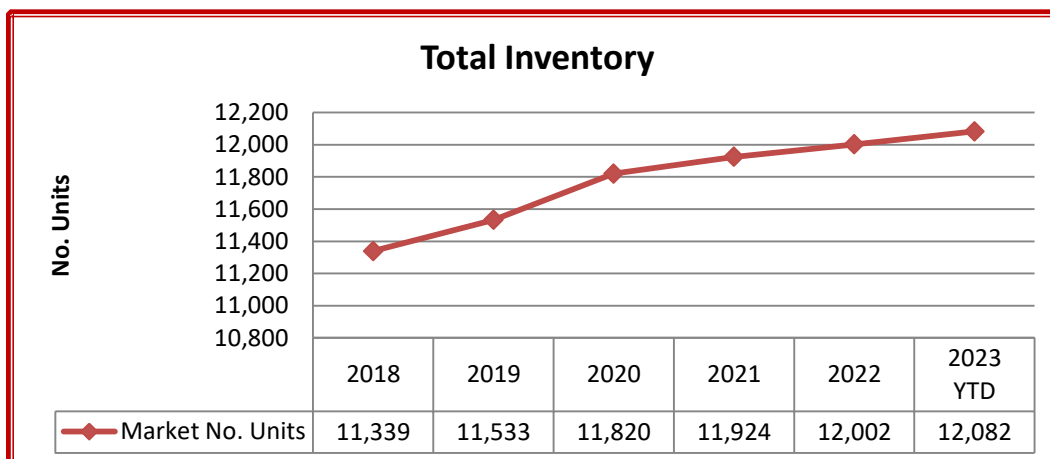
The subject's area is easily accessible from all parts of Troy and benefits from a good public transportation network. Vehicular transportation in this area is considered good. Major avenues and cross streets provide reasonably good access throughout the locality during peak hours, although a moderate and occasionally high level of congestion may persist at times. One important consideration for any property is its proximity to area highways. In this regard, the subject benefits from convenient access to I-787.

Conclusion

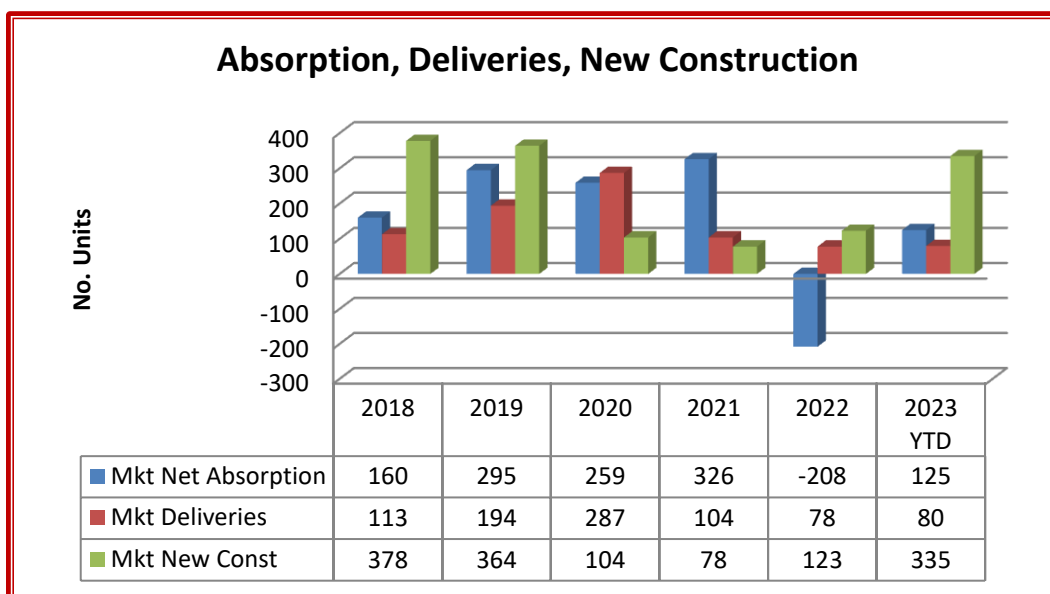
Troy has long been regarded as a primarily affordable area in which to live. The subject property is well located within relatively close proximity to area business and shopping districts, and is locationally competitive within the local marketplace.

Competitive Troy Multi-Family Market Analysis

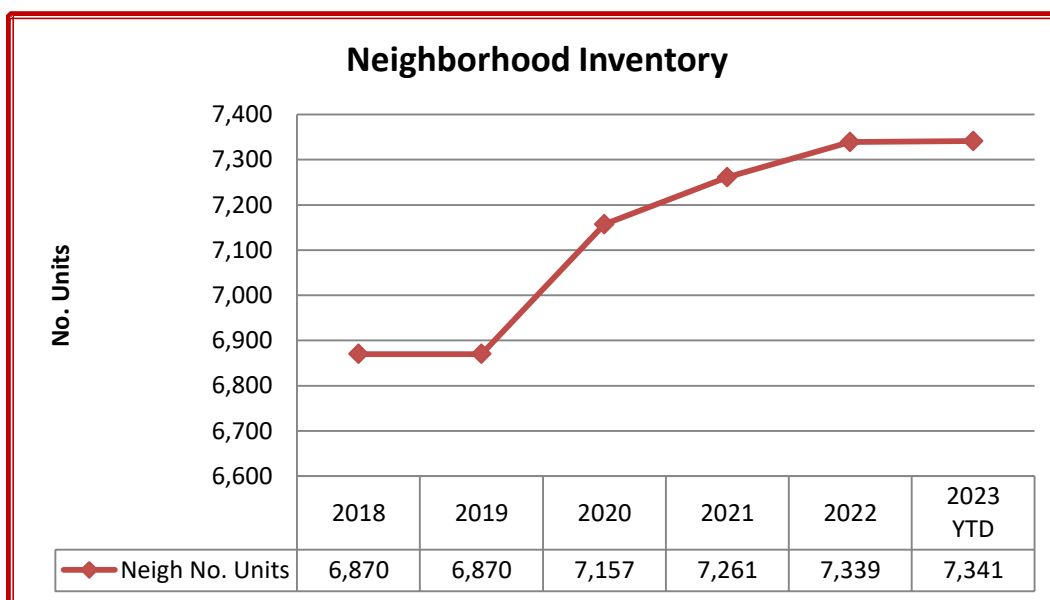
Market figures below have been obtained from CoStar Inc.'s Custom Analytics data source and reflect competitive market data as of the date of valuation. CoStar Inc. is a national real estate data service provider. The subject is located within the Troy multi-family market which comprises 12,082± units within 490 buildings. As of December 2023, the vacancy rate was 4.6% (552 units). The following two charts reflect Troy's overall multi-family inventory and vacancy rate over the past five years:

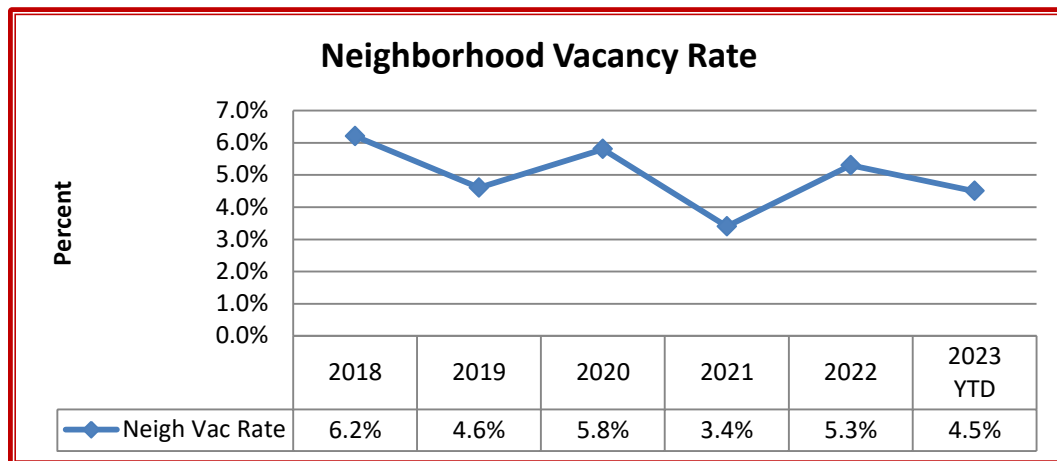


Net absorption is commonly defined as the net change in occupied space over a specified period of time. Unless otherwise noted, net absorption includes both direct leasing and subleased space. Negative net absorption typically corresponds to increased vacancy. Year-to-date net absorption within the Troy multi-family market was 125 units while year-to-date deliveries and pending new construction amounted to 80 and 335 units, respectively. A snapshot of the year-to-date net absorption, deliveries and new construction as well as a historical perspective of Troy's multi-family market dynamics is presented on the following page:

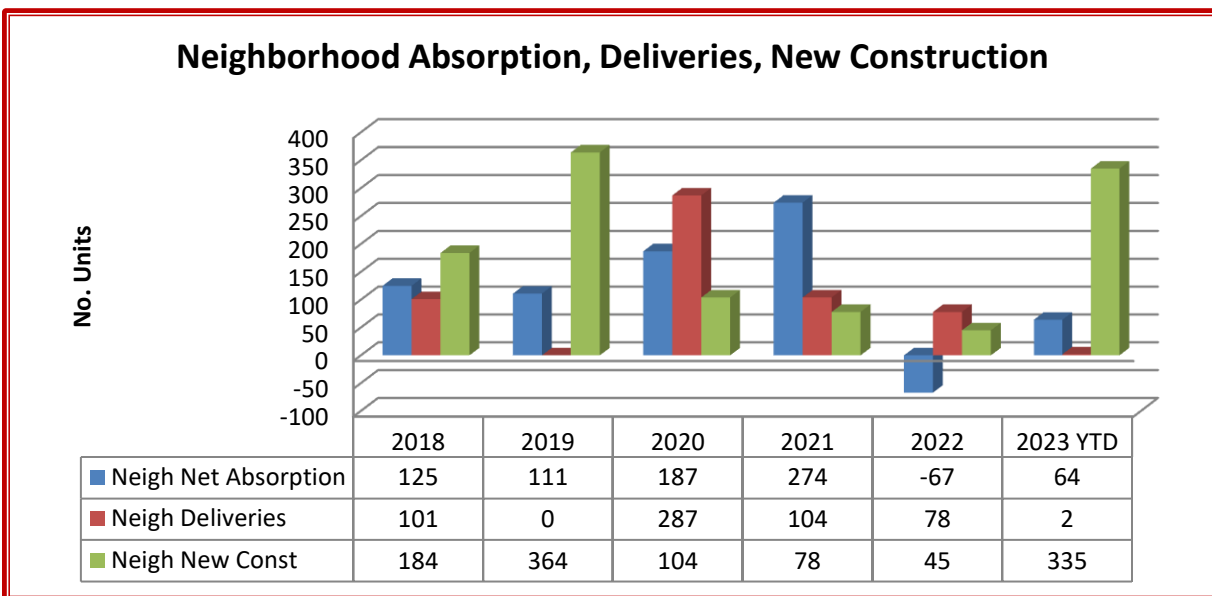


CoStar reports that the vacancy rate for multi-family properties within the subject's immediate neighborhood is 4.5% year to date. This is based on leasing activity within 349 buildings containing 7,341 units available for rent. The vacancy rate in this area has generally decreased from 5.8% to 4.5% since 2020. The following two charts reflect the subject's local neighborhood's multi-family inventory and vacancy rate over the past five years:

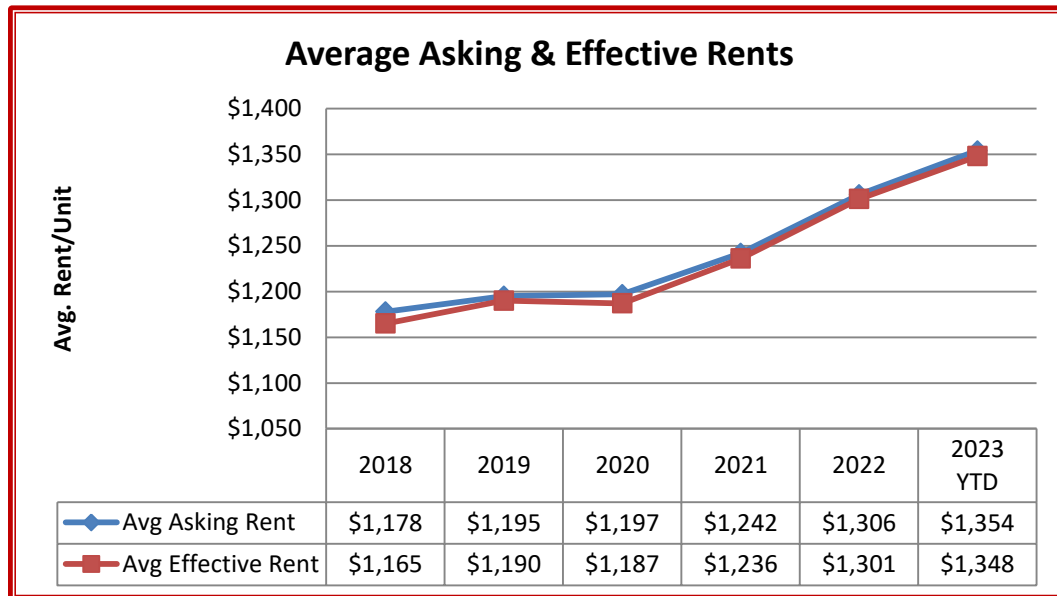




The two most recent years have seen negative absorption of -67 units for 2022 and positive absorption of 274 units for 2021, reflecting fluctuating demand for space. Net absorption for the current year to date is reported to be 64 units, as compared to net absorption of -67 units over the course of last year. A snapshot of the net absorption, deliveries, and new construction within the subject's neighborhood as well as historical perspective of these market dynamics are presented below:

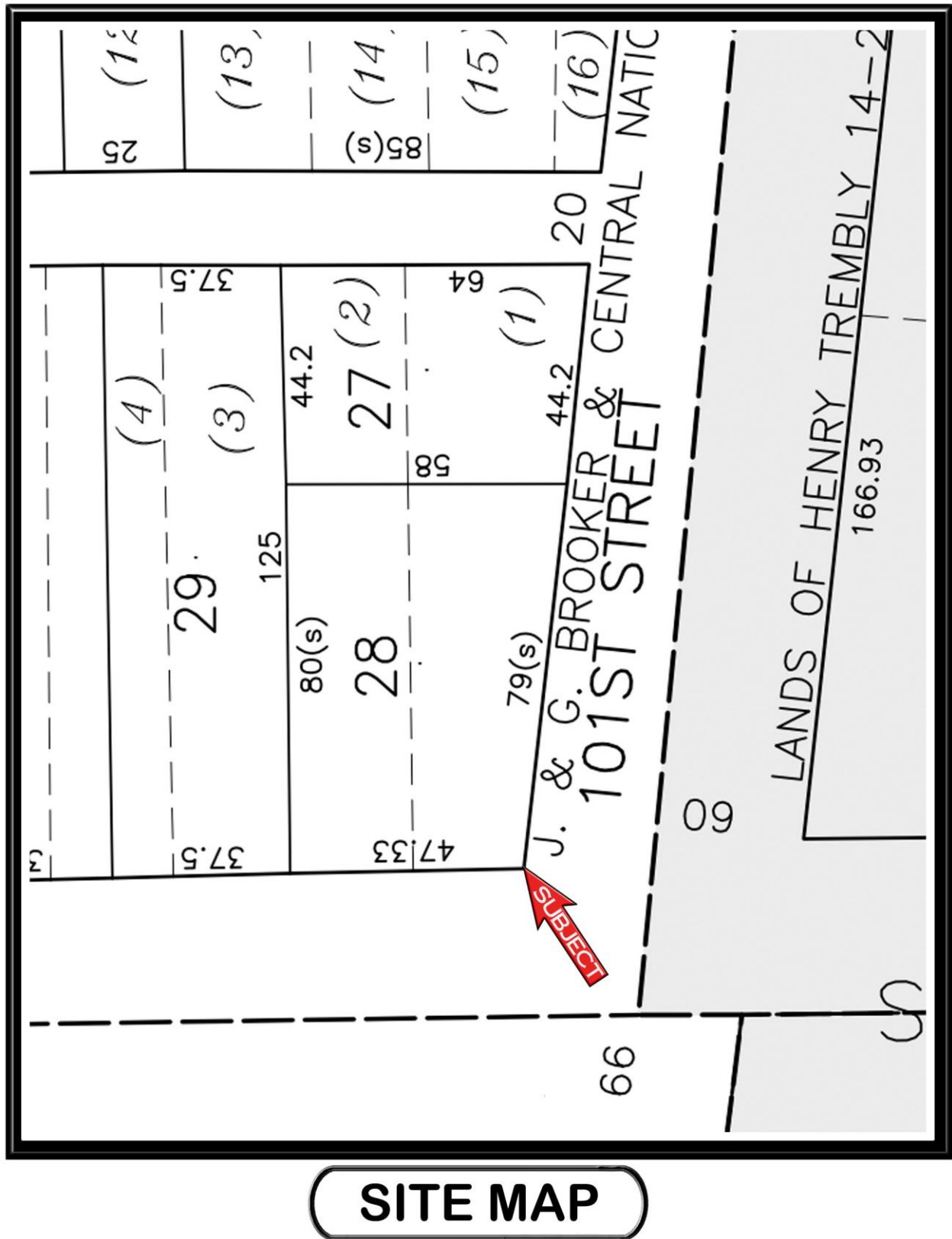


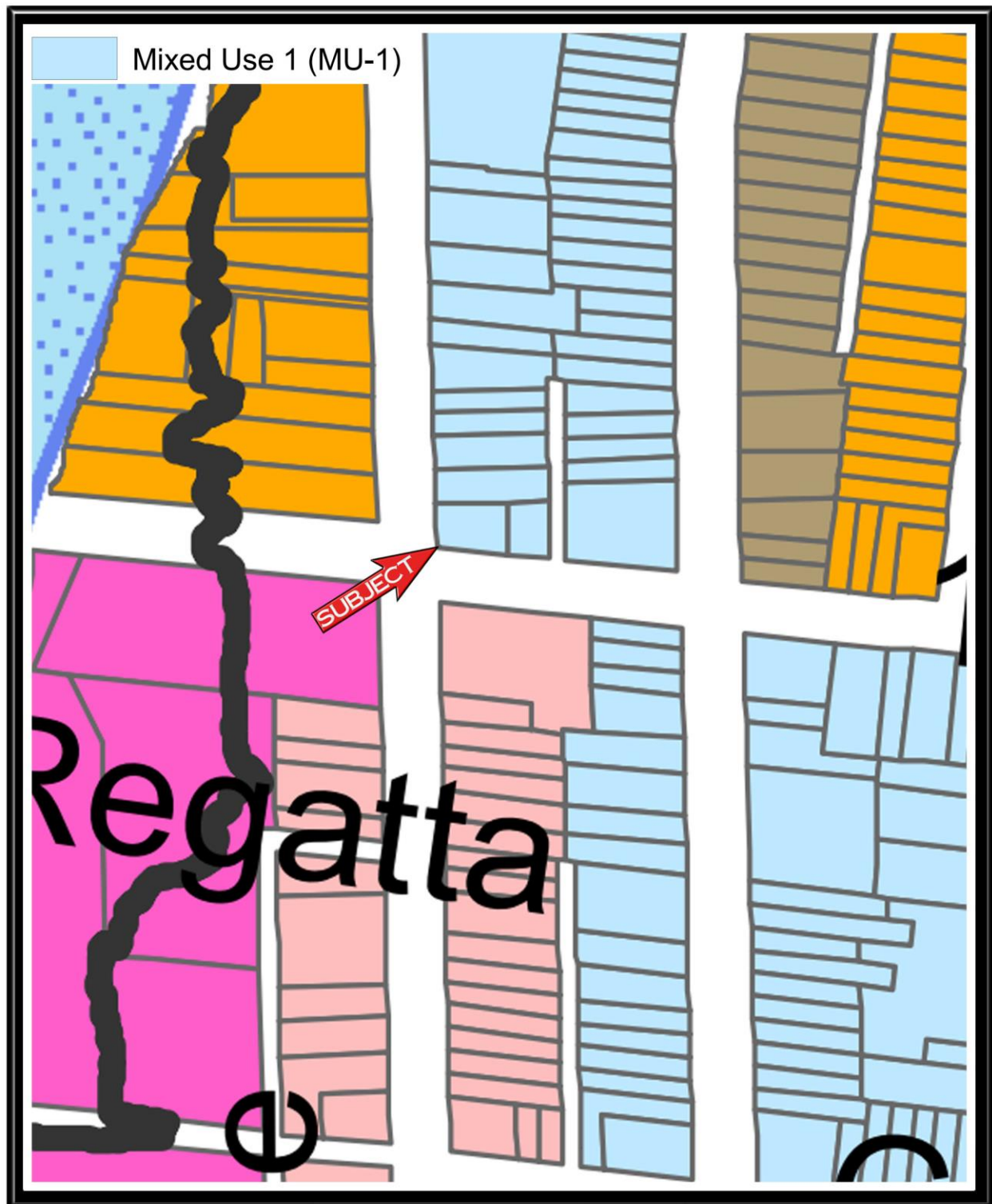
While vacancy rates have declined and absorption over the most recent quarters has been positive, rental rates have trended upward from \$1,197 per month three years ago, to \$1,242 per month two years ago and \$1,306 per month one year ago, to the current average market rate of \$1,354 per month. The following chart illustrates year-to-date and historical asking and effective rents:



Taking into account the general trends in rental rates as well as the vacancy rate, we expect rents to escalate for at least some time going forward.

PROPERTY DESCRIPTION





ZONING MAP

SITE DESCRIPTION

The subject site occupies the northeast corner of the intersection of 101st Street and 2nd Avenue . The site is approximately rectangular in shape with a frontage of 47.33 feet along 2nd Avenue and a maximum depth of 80.00'. Total site area is 4,356± square feet. The site is level with street grade. Public services including electricity, natural gas, and telephone are either in place or available to the site. The subject is located within a Zone "X" Flood Area as represented on Community Panel Map Number 3606770002B, effective March 18, 1980. Zone "X" flood areas consist of areas of minimal to moderate flood hazard determined to be outside the Special Flood Hazard areas. No public or private easements nor hazards of any kind that would be considered detrimental to the site were noted during our investigations.

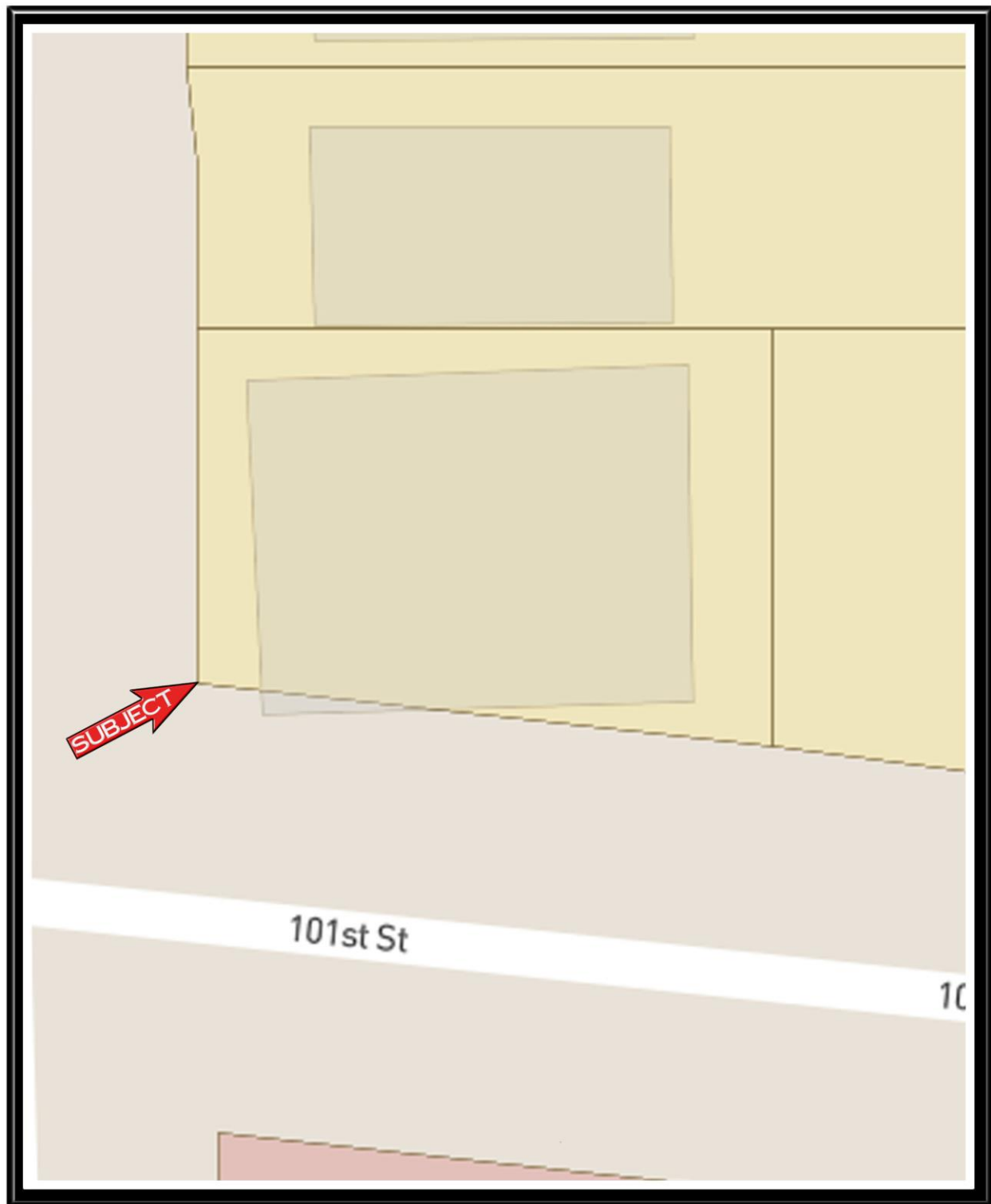
ZONING

According to the Planning Department of the City of Troy, the subject property is zoned MU-1 (manufacturing).

Permitted uses under this zoning include accessory dwelling unit, accessory dwelling, existing carriage houses, agriculture, personal, accessory alternative energy generating equipment, accessory, single-family dwelling, multi-family dwelling, two-family dwelling, live-work unit, residential care facility/home, community center, community garden, day care, group or family, essential community services and facilities, public, medical office/clinic, open space/ greenway/ natural area, park and recreation facilities, public and accessory commercial, public transportation facility/ amenity, public utility, minor, vocational trade school, bed and breakfast, convenience store, docking and pier facilities, accessory, gasoline service station, pre-existing, grocery store, home-based business, minor and major, passenger terminals and taxi stands, commercial, vehicle charging station, accessory.

Based on our best estimates, the subject property is in conformance and compliance with current zoning requirements.

DESCRIPTION OF THE IMPROVEMENTS



SKETCH

The subject property consists of a (circa 1920) two-story plus basement, walkup multifamily building that contains eight residential units with a total of 26 rooms. As of the date of valuation, the building was occupied by leased tenants. The subject structurally conforms with existing similar-type improvements in the immediate vicinity and occupies the northeast corner of the intersection of 101st Street and 2nd Avenue . The subject's total building area above grade amounts to approximately 4,508 square feet. The building superintendent resides offsite. The following description is based upon both a physical inspection of the property by Ruta Malanchuk on December 11, 2023, December 27, 2023 and January 3, 2024, and conversations with the managing agent.

Foundation: The building foundation consists of brick, concrete, and masonry walls, slabs, and footings. Based on our limited assessment of the foundation's condition, building support appears to be adequate.

Exterior Walls: The building exterior wall façade finish consists of stucco. The subject is reported to be constructed with combustible construction with primarily wood framing (construction class D).



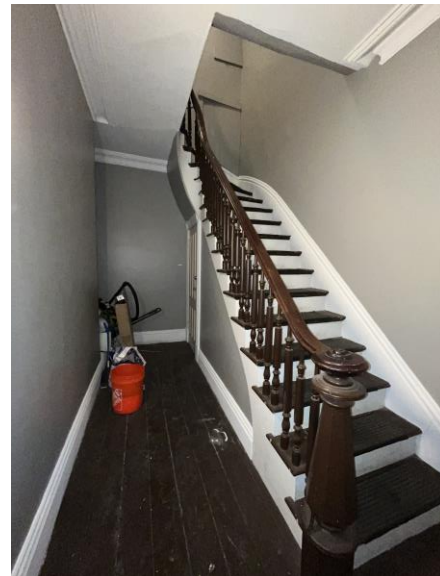
Roof: The subject has a hip roof with a asphalt shingle surface. There are gutters and leaders to provide water drainage away from the roof surfaces.

Windows: Windows are sliding glass with metal frames.

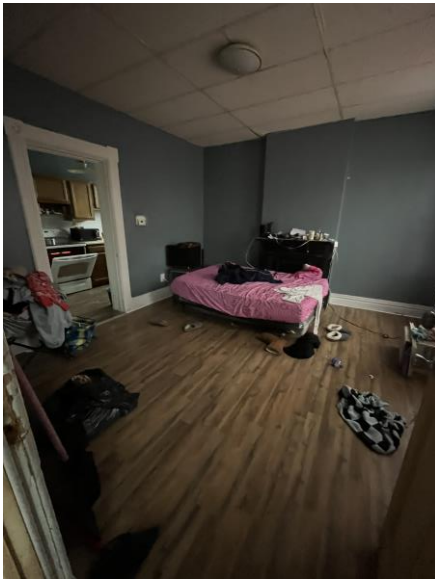
Building Entrance: The building is accessed via a single main entrance door that leads directly into the building's interior. The exterior door consists of wood .



Common Area: Common area ceilings and walls are painted sheetrock. Floors are finished with hardwood. Lighting is provided by incandescent fixtures and the subject has two enclosed stairways providing access to all of the building levels.



Interiors: The interiors are typical in terms of layout, design, and finish and feature painted sheetrock walls and suspended acoustical tile ceilings; flooring is hardwood. Lighting is provided by incandescent fixtures. Ceiling heights is approximately nine feet.



Kitchens: The kitchens feature modern fixtures and equipment including cabinetry with hard surface countertops, sinks, refrigerators, and gas stoves.



Bathrooms: Typical bathrooms finishes include standard fixtures (tub/shower, low tank top type toilets and porcelain sinks). Bathroom walls and ceilings are painted sheetrock; the floors are vinyl composition tile.



Basement: The subject has a full basement (occupying approximately 100% of the building footprint area) that contains mechanical systems, utility connections, meters, and storage space. Basement finishes include brick walls, concrete flooring, and exposed joists ceilings. Lighting is incandescent.



Plumbing: The plumbing lines throughout the building for cold and hot water are copper. Sewer lines are reported to be PVC.

Heating/Hot
Water:

Each building unit is supplied with an individual electric- ductless HVAC system which provides heat, as well as a separate hot water heater, the cost of which is borne by the building tenants. We note that units 4 is the only unit which still uses fuel, which the cost is borne by the property owner for that unit. The heating system is reported to exhibit average energy efficiency.



Air-
Conditioning:

Air-conditioning in the subject is provided by window/wall units controlled by the occupants.

Electricity/Gas:

The building is equipped with circuit breakers. Electric service is separately metered; the meters are located outside the building. The gas lines are brass. Gas service is master metered; the meters are located outside the building.

Water & Sewer:

We have been informed that the subject property is billed on a metered basis. There is a single master water meter for the building.

Overall
Condition:

Satisfactory

Additional Photos



Side of subject



Electric meters and yard



Electric Meters
(8 residential unit meters and common area meter)



Back side of subject



Gas meter



Common area



Thermostat



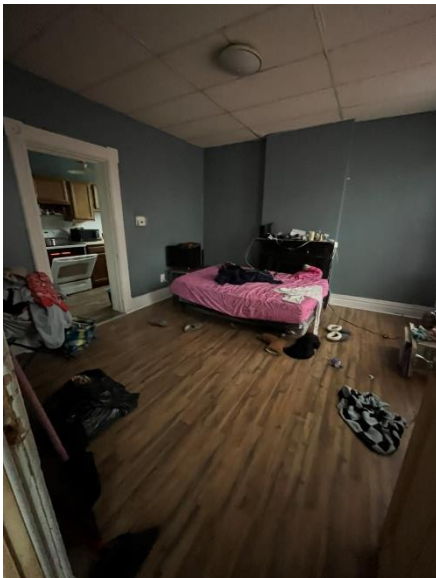
Kitchen Unit 1



Kitchen Unit 1



Unit 1



Unit 1 Bedroom



Exterior entrance



Common area storage room



Common area



Common area



Common area



Unit 8 Kitchen



Unit 8 Bathroom



Unit 8 Bedroom



Unit 4



Unit 4



Unit 4



Unit 4 Bedroom



Unit 4 Bathroom



Cellar



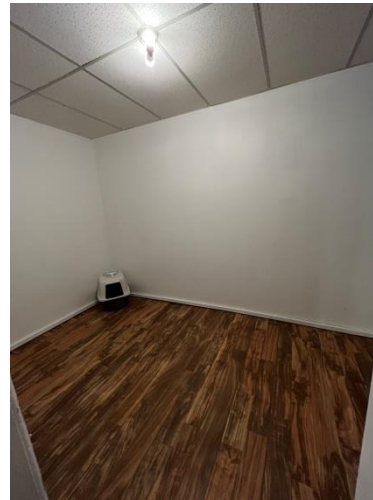
Cellar



Water Heater



Water Heaters



Unit 5 Bedroom



Unit 5 Living room



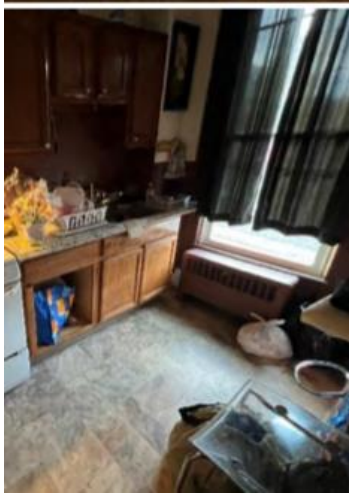
Unit 5 Living Room



Unit 5 Kitchen



Unit 5 Bathroom



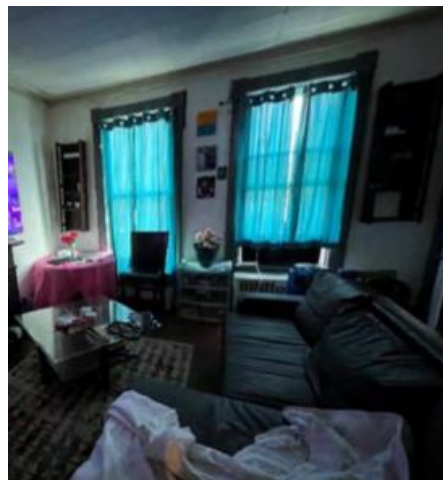
Unit 3 Kitchen



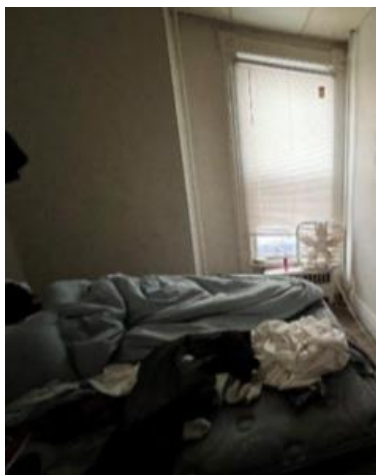
Unit 3 Bathroom



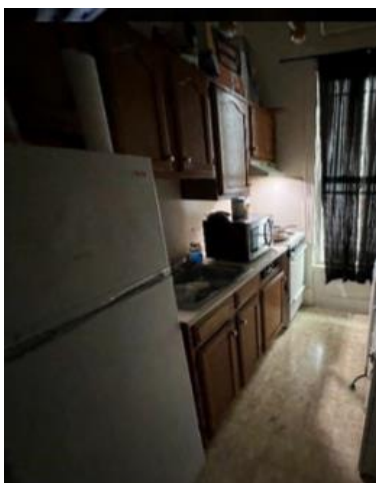
Unit 3 bedroom



Unit 3 Living room



Unit 6 Bedroom



Unit 6 Kitchen



Unit 6 Bathroom



Cellar



Water Heaters

Cellar



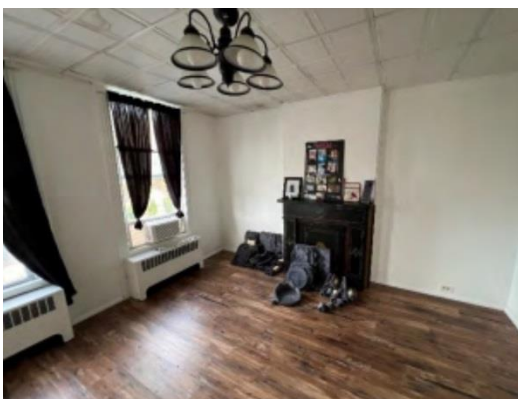
Water Heater



Unit 2 Bathroom



Unit 2 Kitchen



Unit 2 Living Room



Unit 2 Bedroom



Unit 7 Kitchen



Unit 7 Bedroom



Unit 7 bathroom

Residential Unit Information

The subject property contains eight apartments with a total of 26 rooms. Approximate average rooms per unit and average unit and room sizes are presented below.

Unit Type	Unit Count	Average Unit Size (SF)	Average Room Size (SF)	Average Rooms/Unit
1-BR	6	494	165	3.0
2-BR	2	659	165	4.0

The above averages are based on total living area of approximately 4,283 square feet (4,508 square feet of above-grade building area plus an estimated 5.00% for common areas space).

Unit breakdown incorporating general layout features is presented below:

One-Bedroom Apartments

6 units

These units include a living room, bedroom, kitchen, and bathroom.

Two-Bedroom Apartments

2 units

These units include a living room, two bedrooms, kitchen, and bathroom.

Comments on Condition and Functionality

The subject property was inspected with the assistance of the building managing agent. The subject is a typical multifamily building. In general, the subject was observed to be in satisfactory condition and appears to have received adequate maintenance. There was no significant deferred maintenance noted at the time of inspection. The property is in adequate demand and is competitive within its local market. Effective age is 20 years with a remaining economic life of 40 years, assuming proper management and maintenance.

During the course of the inspection of the subject property, the appraiser entered and inspected a total of eight residential apartment units, which amounts to 100% of all apartment units. In particular, we examined apartments 1, 2, 3, 4, 5, 6, 7 & 8. While it would be ideal to inspect each and every unit in order to ensure that there are no physical condition concerns within the subject, to do so is typically improbable since most tenants residing in the subject property work during the week and as such are not available during the course of our inspection. The units inspected represent, in our opinion, a reasonable sampling of typical apartment units in the subject in terms of style and condition.

In addition, the appraiser inspected the subject's common area and the basement. Despite our best efforts, we were unable to gain access to some parts of the subject. We thus have not inspected the roof.

A summary of the subject's individual and aggregate room and unit counts is presented on the following page.

Floor	Line A # Rms	Line B # Rms	Line C # Rms	Line D # Rms
Supt.				
-1				
0				
1	3	3	4	3
2	3	3	3	4
Total	6	6	7	7

Total Residential Rooms	26	Avg. Residential Room Size	165	SF
Total Residential Units	8	Avg. Residential Unit Size	535	SF
Total Units	8			

ASSESSED VALUE AND REAL ESTATE TAXES

The subject property is identified by the City of Troy as Section 90.46, Block 2, Lot 28. Each year's tax liability is typically computed based upon the property's assessed value. The value for the subject's City/County taxes has remained stable over the past several years. Tax rates over the past three years have generally increased. The equalization rate for real property within the City of Troy is 70.00%. The subject's current assessed value is \$250,000, which implies an equalized market value of approximately \$357,143 ($\$250,000 \div 70.00\%$). We note that our opinion of market value for the subject is \$750,000, which amounts to an equalization rate of 33.33% ($\$250,000 \div \$750,000$). Tax years for City/County taxes begin in July, respectively. The subject's City/County taxes for the period 2021/2022 - 2023/2024 and our projections for the 2024/2025 period are as follows:

SCHOOL TAXES	BLOCK:	2	LOT:	28
LOT 1	2021/2022	2022/2023	2023/2024	2024/2025
Assessment	\$250,000	\$250,000	\$250,000	\$250,000
Tax Rate			2.10%	2.21%
Total Tax			\$5,253	\$5,515
% Change Tax Rate				5.00%
% Change Taxes				5.00%

CITY/COUNTY TAXES	BLOCK:	2	LOT:	28
LOT 1	2021	2022	2023	2024
Assessment	\$250,000	\$250,000	\$250,000	\$250,000
Tax Rate			2.72%	2.86%
Total Tax			\$6,799	\$7,139
% Change Tax Rate				5.00%
% Change Taxes				5.00%

TOTAL TAX SUMMARY						
YEAR/PERIOD	TAX					
School Taxes 2023/2024	\$5,253	÷ 12	×	7	Month(s) =	\$3,064
School Taxes 2024/2025	\$5,515	÷ 12	×	5	Month(s) =	\$2,298
City/County Taxes 2023	\$6,799	÷ 12	×	1	Month(s) =	\$567
City/County Taxes 2024	\$7,139	÷ 12	×	11	Month(s) =	\$6,544
Total Projected Taxes	\$12,473					

Real Estate Taxes Conclusion

The subject's total projected taxes for the **December 2023 - November 2024** period amount to \$12,473.

VALUATION OVERVIEW

HIGHEST AND BEST USE ANALYSIS

Before proceeding with the specific valuation techniques employed to appraise the subject property, it is necessary to set the proper context by first considering the highest and best use (or uses) of the property.

Highest and Best Use as Though Vacant:

Highest and best use of land or a site as though vacant is defined as: "Among all reasonable, alternative uses, the use that yields the highest present land value, after payments are made for labor, capital and coordination. The use of a property based on the assumption that the parcel of land is vacant or can be made vacant by demolishing any improvements."

The highest and best use must be legally permissible, physically possible, financially feasible and maximally productive.

In accordance with the regulations of the subject's MU-1 (manufacturing) zoning as detailed in the City of Troy zoning code, the legally permissible development of the site as though vacant would be for a multifamily dwelling. It is the appraiser's opinion that, if the site were vacant, development of the site with such an improvement in compliance and conformance with the zoning district would be financially feasible and yield the highest net return to the land.

Highest and Best Use as Improved:

It is the appraiser's opinion that neither demolition nor substantial modification of the existing improvement would result in a higher net value return than is currently being achieved. The subject property is in conformance and compliance with current zoning requirements. It is clear that the existing improvements add value to the land. The highest and best use as improved is thus to retain the existing building in its current use.

VALUATION PROCESS:

The subject property consists of a (circa 1920) two-story plus basement, walkup multifamily building that contains eight residential units with a total of 26 rooms.

Given that the objective of this assignment is to form an opinion of the "as is" market value(s) of the property, both the Sales Comparison and Income Approaches will be given consideration in this analysis. Based on the nature of the subject property and scope of this assignment, the appraiser did not use the Cost Approach to value. This approach is not generally considered primarily meaningful in appraising a property of this type and age.

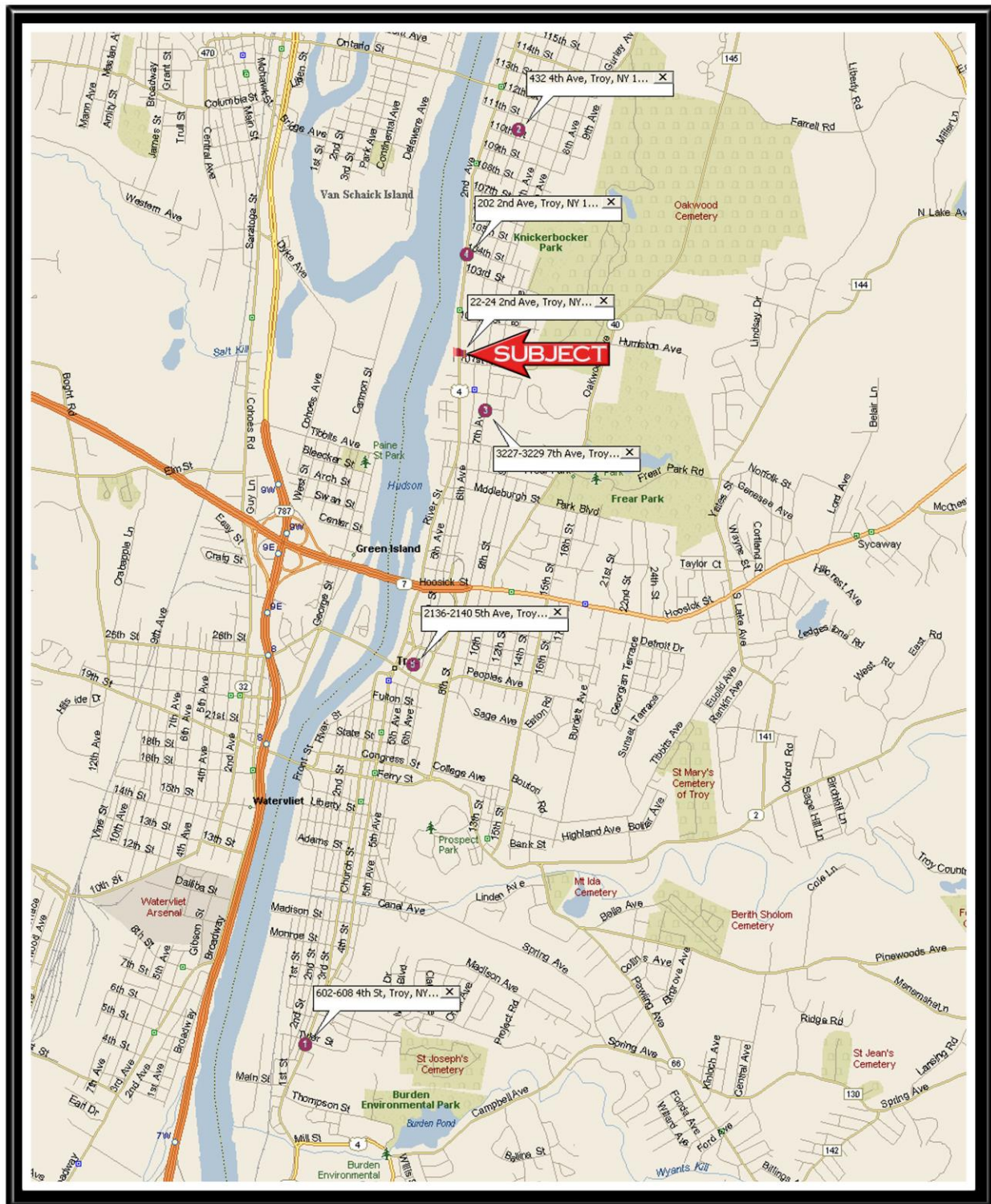
SALES COMPARISON APPROACH

SALES COMPARISON APPROACH

This approach involves direct comparisons between the subject property and similar properties that have been sold in the same or in similar markets, in order to derive a market value indication. The approach represents an interpretation of the actions of buyers, sellers, and investors in the market, and is based upon the principle of substitution, which holds that a prudent person will not pay more to buy a property than it will cost to buy a comparable substitute property. The price paid for a property is usually the result of an extensive shopping process in which available alternatives are compared, based upon the buyer's purchase criteria. When a sufficient number of similar property purchases are made in the current market, the resulting pattern usually provides a good indication of market value.

In applying the Sales Comparison Approach, the appraiser employs the following five steps:

1. Research of the market to identify similar properties for which pertinent sales, listings, offerings, and/or rental data is available.
2. Qualification of the prices as to terms, motivating forces, and bona fide nature.
3. Comparison of important attributes (i.e. property rights conveyed, conditions of sale, financing, time, location, size, age/condition/quality, and miscellaneous considerations) between the comparable sales and the subject property.
4. Consideration of all dissimilarities and their probable effect on the price of each comparable sale to derive individual market value indications for the property being appraised.
5. From the pattern developed, formulation of an indication of market value for the property being appraised.

**SALES MAP**

Comparable Sale #1

Location: 602-608 4Th St, Troy, NY 12180

Block/Lot: 111.52-9-12

Grantor: Liberty Way, LLC

Grantee: Capital Pines LLC

Date of Sale: 10/25/2023

Sale Price: \$1,300,000

Interest Conveyed: Leased Fee

Financing: All cash to seller.

Site Description

Size: 7,655 SF

Lot Dimensions: 45.000x89.000

Shape: Rectangular

Utilities: All available

Easements: None noted

Topography: Level with street grade. No flood issues noted.

Zoning: R4

Floor Area Ratio: 1.55

Parking Ratio: 68%

Property Description: Three-story, 11,844 square foot walkup apartment building (constructed circa 1910) with 18 units.

Occupancy: 97.60%

Distance from Subject: 3 miles

Summary

Price per Unit: \$72,222

Price per Sq. Foot: \$110

Comments: The unit mix is unknown and there are no discernible amenities. The property's last renovation date has not been reported.

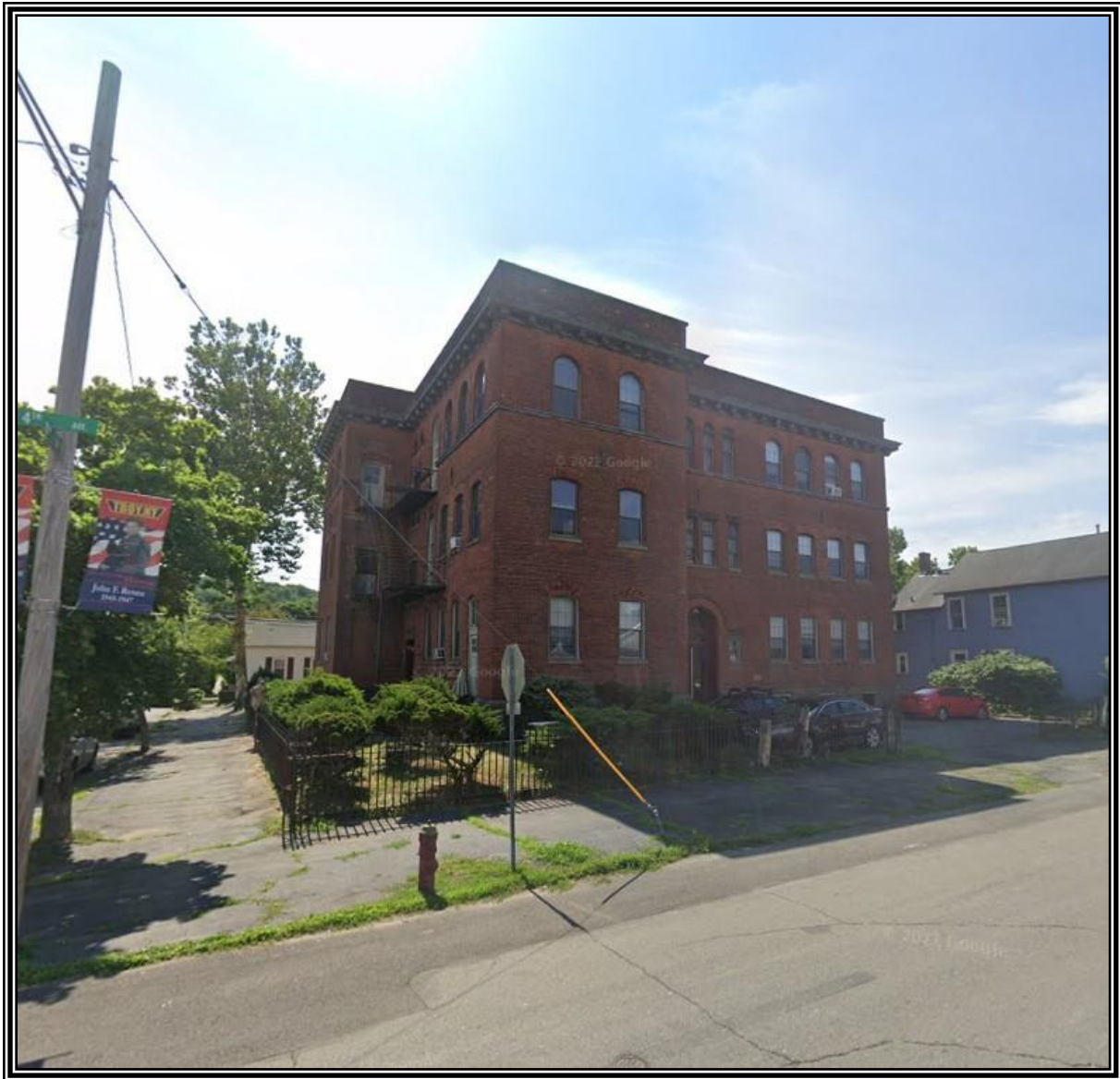
Comparable Sale #1 Photo



Comparable Sale #2

Location:	432 4Th Ave, Troy, NY 12182
Block/Lot:	80.71-8-1
Grantor:	Windy Gates Prop Llc
Grantee:	Hudson Lofts LLC
Date of Sale:	2/21/2023
Sale Price:	\$842,000
Interest Conveyed:	Leased Fee
Financing:	All cash to seller.
Site Description	
Size:	12,197 SF
Lot Dimensions:	100.000x120.000
Shape:	Rectangular
Utilities:	All available
Easements:	None noted
Topography:	Level with street grade. No flood issues noted.
Zoning:	R2
Floor Area Ratio:	1.18
Parking Ratio:	97%
Property Description:	Three-story, 14,400 square foot walkup apartment building (constructed circa 1980) with 12 units.
Occupancy:	96.44%
Distance from Subject:	1 mile
Summary	
Price per Unit:	\$70,167
Price per Sq. Foot:	\$58
Comments:	The unit mix is unknown and there are no discernible amenities. The property's last renovation date has not been reported. Research has attempted to contact all parties involved, all current detail provided via public record.

Comparable Sale #2 Photo



Comparable Sale #3

Location: 3227-3229 Seventh Ave, Troy, NY 12180

Block/Lot: 90.63-1-4

Grantor: Avalon Enterprises LLC

Grantee: Midland Ave 2 LLC

Date of Sale: 6/15/2022

Sale Price: \$530,000

Interest Conveyed: Leased Fee

Financing: All cash to seller.

Site Description

Size: 14,375 SF

Lot Dimensions: 50.000x100.000

Shape: Rectangular

Utilities: All available

Easements: None noted

Topography: Level with street grade. No flood issues noted.

Zoning: R4

Floor Area Ratio: 0.46

Parking Ratio: 91%

Property Description: Three-story, 6,625 square foot walkup apartment building (constructed circa 1890) with 6 units.

Occupancy: 97.42%

Distance from Subject: 0.23 miles

Summary

Price per Unit: \$88,333

Price per Sq. Foot: \$80

Comments: The unit mix is unknown and there are no discernible amenities. The property's last renovation date has not been reported.

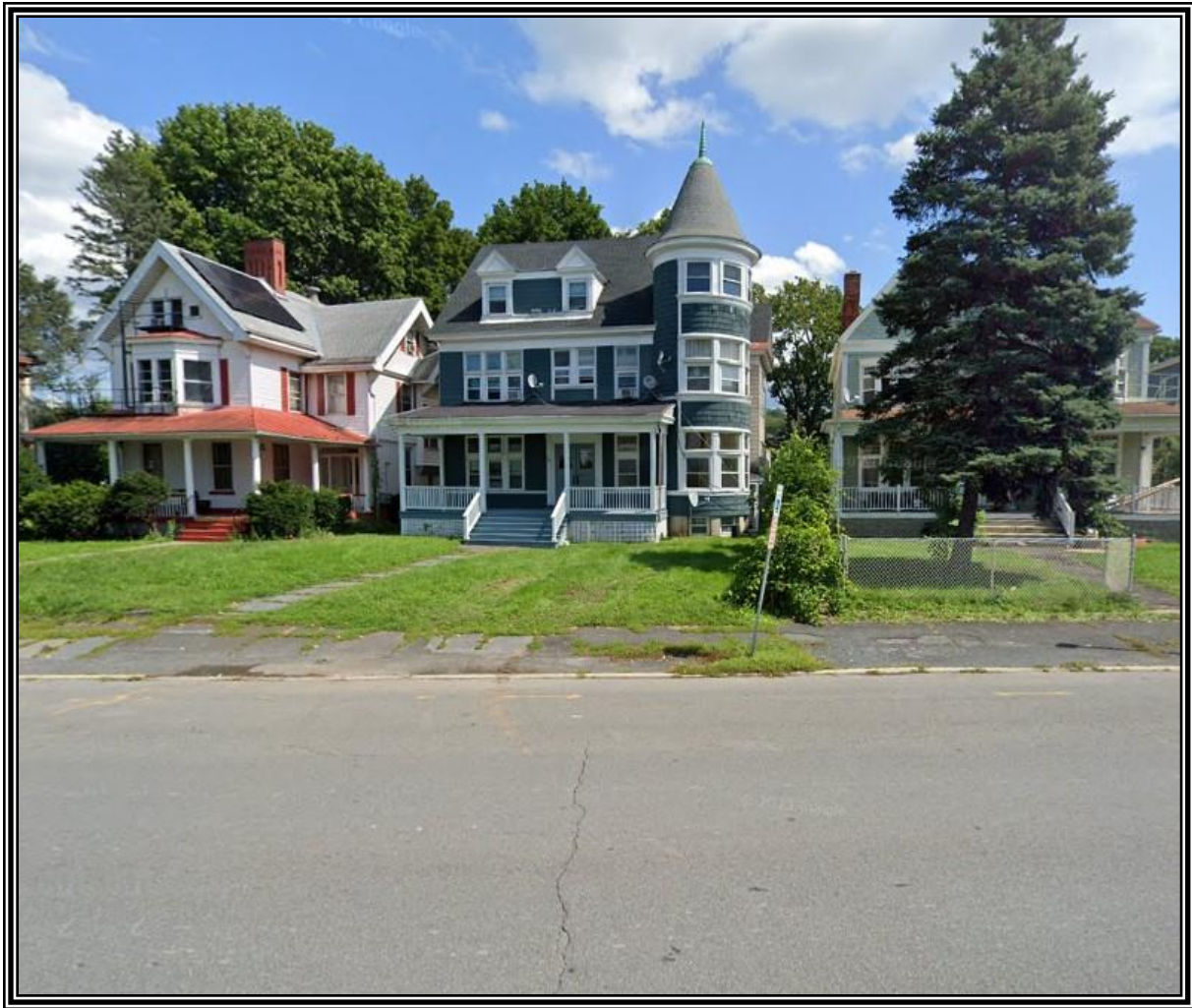
Comparable Sale #3 Photo



Comparable Sale #4

Location:	202 2Nd Ave, Troy, NY 12180
Block/Lot:	90.30-3-3
Grantor:	202 SECOND AVE TRUST, LANDAU ALISA
Grantee:	
Date of Sale:	5/31/2022
Sale Price:	\$575,000
Interest Conveyed:	Leased Fee
Financing:	All cash to seller.
Site Description	
Size:	14,810 SF
Shape:	Rectangular
Utilities:	All available
Easements:	None noted
Topography:	Level with street grade. No flood issues noted.
Zoning:	MU
Floor Area Ratio:	0.41
Property Description:	Three-story, 6,118 square foot walkup apartment building (constructed circa 1920) with 7 units.
Occupancy:	100.00%
Distance from Subject:	0.47 miles
Summary	
Price per Unit:	\$82,143
Price per Sq. Foot:	\$94
Comments:	The unit mix is unknown and there are no discernible amenities. The property's last renovation date has not been reported.

Comparable Sale #4 Photo



Comparable Sale #5

Location: 2136-2140 5Th Ave , Troy, NY 12180

Block/Lot: 101.38-10-22

Grantor: Troy Raven, LLC

Grantee: Jacob Sander LLC

Date of Sale: 4/2/2022

Sale Price: \$1,655,000

Interest Conveyed: Leased Fee

Financing: All cash to seller.

Site Description

Size: 3,049 SF

Lot Dimensions: 25.000x130.000

Shape: Irregular

Utilities: All available

Easements: None noted

Topography: Level with street grade. No flood issues noted.

Zoning: R5

Floor Area Ratio: 2.71

Property Description: Three-story, 8,268 square foot walkup apartment building (constructed circa 1910) with 18 units.

Occupancy: 97.42%

Distance from Subject: 1.28 miles

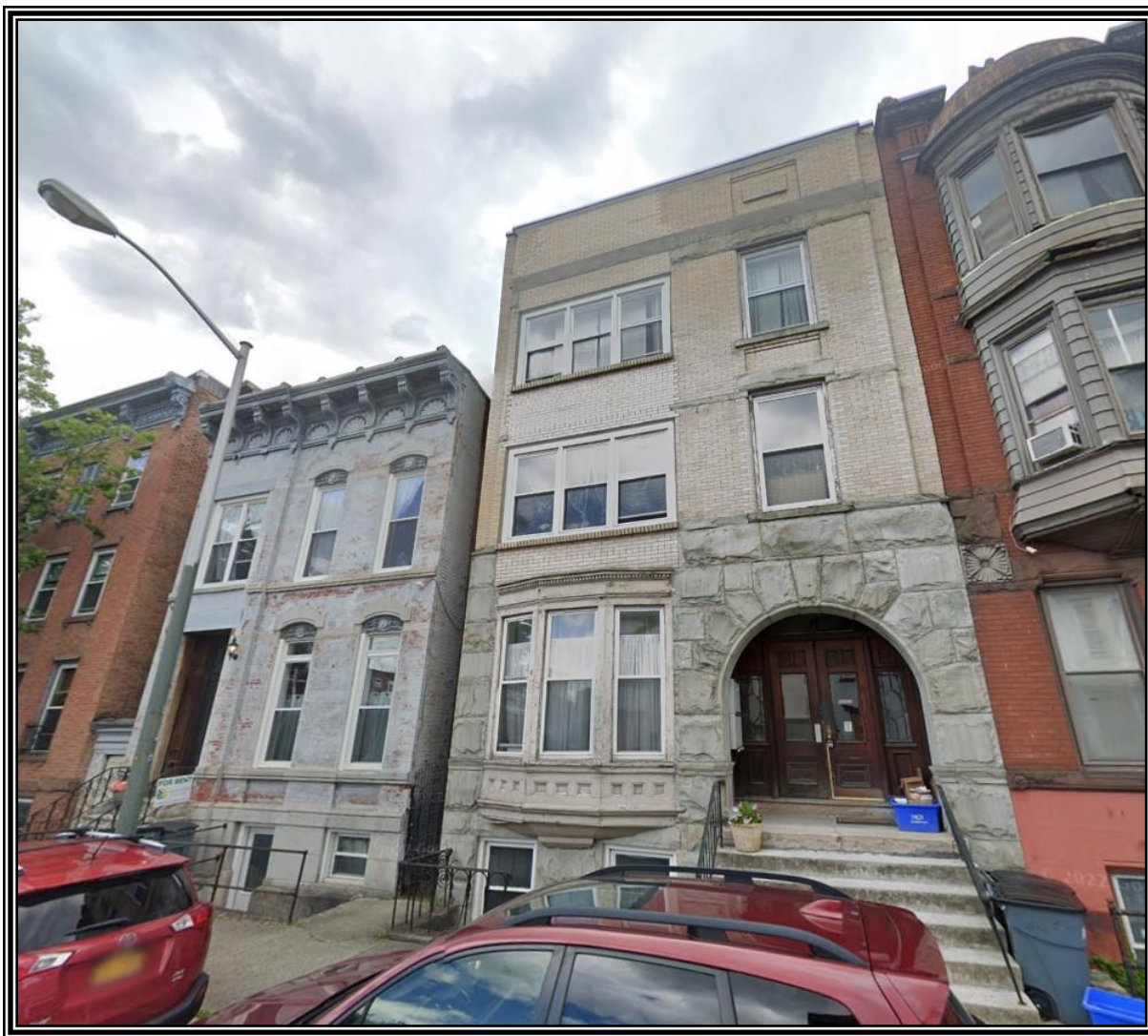
Summary

Price per Unit: \$91,944

Price per Sq. Foot: \$200

Comments: The unit mix is unknown and there are no discernible amenities. The property's last renovation date has not been reported. The date sold, price, sq ft, buyer name was provided by Jessica Richer and Tracy Murray of Hanna Commercial Real Estate who represented the buyer and seller.

Comparable Sale #5 Photo



Adjustments to Comparable Sales**Property Rights Conveyed/Conditions of Sale**

This adjustment reflects the type of conveyance (fee simple, leased fee, or leasehold interest) as well as conditions of sale, which may be either arms length, or referee or bank foreclosure and re-conveyance. Where applicable and available, information regarding special financial considerations (such as the 421-a and J-51 tax benefit programs in New York City) specific to a particular sale is considered as well.

Financing

Financing considerations include third-party conventional financing, special financing and seller financing, each of which can affect a property's perceived market value (i.e. the price a typical well-informed buyer would be willing to pay for the property).

Time (Changes in Market Conditions)

An adjustment necessary to reflect changes in market conditions (inflation/deflation, supply/demand) between the time of sale of a comparable property and the date of valuation of the subject, if any such changes are noted.

Location

An adjustment pertaining to location characteristics that affect the desirability, and therefore the value, of a particular property. Locational factors and their significance often vary with the type of property being appraised; for example, factors significant to a residential property are typically quite different than those important to, say, an industrial property. Location characteristics considered may include existing improvements and/or development patterns in the area, view and/or recreational amenities, quality of local schools, proximity to shopping areas, traffic levels, visibility and exposure, the type and quality of municipal services offered, adequacy of public transportation and population trends.

Size

The size of any building is a significant consideration in its valuation due to the correlation between building size and income stream, which impacts profitability. Generally, smaller buildings will be traded in the marketplace at higher prices per unit of measurement than larger ones. Therefore, differing property sizes may require adjustments between the subject property and the comparable sales, depending on whether each one is larger or smaller than the subject.

Age/Condition/Quality

A property's age, condition, and underlying construction quality are possibly the most obvious physical indications of value. This category considers the overall condition of the comparable as well as its functional and aesthetical suitability for its intended use.

Amenities/Miscellaneous

This category includes, but is not limited to, amenities (as relevant to the subject's property type) such as usable cellar/attic space, elevators, doorman service, a laundry room, a workout room, rooftop terraces, on-site parking, and other such features. Other characteristics considered may include ceiling height (for warehouse and industrial buildings in particular), storage sheds or other accessory structures on the site, site shape and topography, zoning regulations, and the like. Where applicable and available, information regarding the sales' rental income levels is reviewed and compared to the subject. In addition, where relevant we analyze the subject's land-to-building area ratio in comparison to the sales', and also consider any excess/surplus land and unused FAR/development rights. Another factor considered is whether the buildings are of similar story heights (e.g. for certain building types, one-story buildings generally tend to be more valuable than multi-story buildings with the same total floor area).

Adjustment Grid

The adjustment grid on the following page is utilized to illustrate the comparative factors judged to be of significance by the appraisers. The adjustments are stated in percent relationship and are made from the perspective of the subject property to the comparable. Therefore, a positive (+) adjustment indicates that the subject is judged to be superior to the comparable in a particular adjustment category, while a negative (-) adjustment indicates that the subject has been judged to be inferior as it relates to the comparable. Where no adjustment is made, this indicates that the appraisers have judged that the degree of difference between the subject and the comparable does not warrant one.

The adjustments made to each comparable are totaled to arrive at a net adjustment, which is then added to a factor of 1 for multiplication purposes. The resulting adjustment factor is then applied to the respective time adjusted per unit price to arrive at an indicated value for the subject property.

Comparable Sales Grid

	Sales	Date	Nb. Bldg. Units	Year Built	Sale Price	Abv. Grade Building Area SF	Distance from Subj.	\$/SF Above Grade	Prop. Rts/Old of Sale	Adj. Price/Unit	Financing	Adj. Price/Unit	Time	Adj. Price/Unit	Location	Size	Age/Cond./Quality	Adj. Msc.	Total Adj.	Adj. Price/Unit	Adj. Price/SF
	Subject:	12/11/2023	8	1920		4,508	0.0														
1	602-608 4Th St	10/25/2023	18	1910	\$1,300,000	11,844	3.0	\$72,222.22	\$0	\$72,222.22	\$0	\$72,222.22	0.6%	\$72,687.21	5.0%	7.5%	0.0%	0.0%	12.5%	\$81,773.12	\$124
2	432 4Th Ave	2/21/2023	12	1980	\$842,000	14,400	1.0	\$70,166.67	\$0	\$70,166.67	\$0	\$70,166.67	4.0%	\$72,982.95	0.0%	10.0%	5.0%	0.0%	15.0%	\$83,930.39	\$70
3	3227-3229 Seventh Ave	6/15/2022	6	1890	\$530,000	6,625	0.2	\$88,333.33	\$0	\$88,333.33	\$0	\$88,333.33	7.5%	\$94,915.98	0.0%	2.5%	0.0%	-5.0%	-2.5%	\$92,543.08	\$84
4	202 2Nd Ave	5/31/2022	7	1920	\$575,000	6,118	0.5	\$82,142.86	\$0	\$82,142.86	\$0	\$82,142.86	7.7%	\$88,432.97	0.0%	2.5%	-10.0%	-5.0%	-12.5%	\$77,378.85	\$89
5	2136-2140 5Th Ave	4/2/2022	18	1910	\$1,655,000	8,268	1.3	\$91,944.44	\$0	\$91,944.44	\$0	\$91,944.44	8.5%	\$99,728.23	-5.0%	5.0%	-5.0%	2.5%	-2.5%	\$97,235.03	\$212
	Average		12	1922	\$980,400	9,451	1.2	\$80,961.90						Adj. Avg.			\$86,572.09				
	Median		12	1910	\$842,000	8,268	1.0	\$82,142.86						Adj. Median			\$83,930.39		Indic. Val/	Unit	\$85,000.00
	Min.		6	1890	\$530,000	6,118	0.2	\$70,166.67						Adj. Min.			\$77,378.85		Base Value		\$680,000
	Max.		18	1980	\$1,655,000	14,400	3.0	\$91,944.44						Adj. Max.			\$97,235.03		Add/Ded:		\$2,675
																			Est. Mkt. Value		\$675,000

EXPLANATION OF ADJUSTMENTS

This valuation is primarily to assist in developing the most accurate basis for comparing the subject property to recent comparable sales. This method of valuation seeks to compare the comparable sales to the subject property in terms of: (i) Property Rights Conveyed/Condition of Sale; (ii) Financing; (iii) Time; (iv) Location; (v) Size of the property; (vi) Age/Condition/Quality and (vii) Amenities/Miscellaneous.

Property Rights Conveyed/Conditions of Sale

All of the comparable sales appear to be arms-length transactions. The subject is being appraised on the basis of its Leased Fee interest. As all of the sales represent Leased Fee transfers, no adjustments for conditions of sale or property rights have been rendered.

Financing

Where available, we have reviewed the recorded mortgage instruments at time of conveyance for the comparable sales. To our knowledge, all of the comparable sales were conveyed all cash to seller and thus no adjustments for financing are required.

Time (Changes in Market Condition)

Based on our analysis of the real estate market conditions affecting the comparable sales compared to conditions as of the valuation date, a 5% annual adjustment for time is necessary. It is our opinion that multifamily building market values within the subject's market area have generally increased overall during the time period since the earliest of the selected comparable sale transactions occurred and that an estimated 5% per year adjustment is appropriate to reflect this trend.

Location

Physical location, with all of its attendant characteristics and considerations, directly influences the value of any property. The subject property occupies the northeast corner of the intersection of 101st Street and 2nd Avenue. Local shopping areas are located along the subject's street. Sales Nos. 2, 3 and 4 were all observed to be similar to the subject property in terms of location and did not require adjustment. Sale No. 1 is situated within a location that is considered less desirable than the subject's location and was thus adjusted upward. Sale No. 5 is situated within a location that is deemed superior to the subject's location and was consequently adjusted downward.

Size

The subject building contains 4,508 square feet. Each of the comparable sales has been adjusted based on the similarity or dissimilarity in size to the subject property. All of the comparable sales have significantly smaller units compared to the subject and were thus adjusted upward to account for the subject's larger average unit size and higher value per unit.

Age/Condition/Quality

The subject property is a prewar construction erected circa 1920. Our inspection revealed that the building is in satisfactory condition and the subject appears to have received adequate maintenance.

Sales Nos. 1 and 3 both appear to be similar to the subject property in terms of age/condition/quality, and did not require adjustment. Sale No. 2 is deemed inferior to the subject with respect to age/condition/quality, and was consequently adjusted upward. Sales Nos. 4 and 5 both appear to be superior to the subject in terms of age/condition/quality, and were thus adjusted downward.

Amenities/Miscellaneous

Sale No. 3 and 4 are superior to the subject in terms of land to building ratio and has been adjusted downward and sale No. 5 is inferior to the subject in terms of land to building ratio and has been adjusted upward.

Sales Comparison Approach Valuation Conclusion**Selection of Unit of Comparison**

During the course of this analysis, we compared and adjusted the above-mentioned comparable sales to the subject property in terms of property rights conveyed, conditions of sale, financing, location, size, etc. Each sale was reviewed after adjustment on a price per square foot and per unit basis in order to establish a meaningful range of comparison. In general, the unit of comparison with the narrowest comparative range will provide the most reasonable indication of the subject's market value via this approach. A summary of the comparable sales, before and after adjustment, is presented below:

Comparable Sales Analysis			
	Value	/SF	/Unit
<i>Unadjusted Range</i>			
Low End	\$530,000	\$58	\$70,167
High End	\$1,655,000	\$200	\$91,944
% Distribution	212%	242%	31%
<i>Adjusted Range</i>			
Low End	\$541,652	\$70	\$77,379
High End	\$1,750,231	\$212	\$97,235
% Distribution	223%	203%	26%

Conventionally, apartment buildings are valued on a price-per-unit basis, and we have utilized this methodology in arriving at a value indication for the subject. While a price-per-SF or price-per-room analysis has the advantage of employing a more uniform standard of physical measure, apartment buildings are generally purchased for their income potential, and income is most directly related to the number of units that can be rented out to tenants. Therefore, a price-per-unit analysis will usually yield the most market-reflective value indication.

Based on the foregoing analysis, we have developed our indicated value parameters on an adjusted price per unit basis. This index of comparison affords us the narrowest and thus most reliable range in values from which to form an indication of the subject's market value via the Sales Comparison Approach. The adjusted price per unit value indication reflects a range from \$77,379 to \$97,235. The average value of all sales is \$86,572 per unit. In consideration of the above analysis, it is our opinion that the subject is anticipated to achieve a market value of \$85,000 per unit. Our estimated value per SF is weighted more heavily on sale Nos. 1, 2 and 3 as they are the most recent sales in 2023 and one in 2022 which are all located in close proximity to the subject.

In light of the range of data presented and the current state of the real estate market, the subject's market value is indicated to be approximately \$680,000 (\$85,000/unit x 8 units), say **\$675,000**. To this value, we must reflect the following:

Base Indication	\$680,000
Plus 421-a/J-51/ICIP Tax Benefit ¹	\$0
Plus Other Addition	\$0
Market Value Indication (As Stabilized)	\$680,000
Less Rent Loss Due to Lease-Up ²	\$0
Less Brokerage Commission ³	\$0
Less Rent Shortfall ⁴	\$0
Plus Excess Rent ⁵	\$2,675
Market Value Indication (As Completed)	\$682,675
Plus Interim Tax Savings ⁶	\$0
Less Cost to Cure ⁷	Not Applicable
Market Value Indication (As Is)	\$682,675
Rounded	\$675,000

Thus, the subject's indicated market value via the Sales Comparison Approach, as of December 11, 2023, is:

MARKET VALUE INDICATION VIA SALES COMPARISON APPROACH

\$675,000

Approach	Value	\$/Unit	\$/Room	\$/SF	Overall Rate	GRM
Sales Comparison	\$675,000	\$84,375	\$25,962	\$150	8.69%	6.84

¹ See Assessed Value and Real Estate Taxes section of this report for derivation of this benefit.

² See Income Approach section of this report for derivation of this deduction.

³ See Income Approach section of this report for derivation of this deduction.

⁴ See Income Approach section of this report for derivation of this deduction.

⁵ See Income Approach section of this report for derivation of this deduction.

⁶ See Assessed Value and Real Estate Taxes section of this report for derivation of this benefit.

⁷ This deduction reflects those items detailed in the "Comments on Condition and Functionality" within the Description of the Improvements section of this report.

COST APPROACH

For reasons set forth within the Valuation Overview section of this report, the Cost Approach to value has not been developed in this appraisal.

INCOME APPROACH

In arriving at a value indication via the Income Approach, the following steps are taken:

1. Estimate the annual Potential Gross Income of the property based on the actual leases in effect and/or on comparable rental data.
2. Deduct from Gross Potential Income the estimated loss of income resulting from vacancies and/or non-collections to arrive at an estimate of Effective Gross Income.
3. Estimate the expenses that are anticipated to be incurred in the operations of the property. The total expenses are deducted from Effective Gross Income to arrive at an estimate of net operating income (NOI - income before debt service, income taxes and depreciation).
4. Derive a capitalization rate by reference to the return requirements of the equity and capital (mortgage) markets and/or implied capitalization rates from comparable sale transaction. Utilized the appropriate method(s) of capitalization to convert the NOI into a value indication via direct capitalization. In addition, or alternatively, the income stream may be capitalized using GRM (Gross Rent Multiplier) or DCF (Discounted Cash Flow) analyses.

Analysis of Estimated Income and Expenses

The estimates of income and expenses provided in this appraisal represent a projection of operations for the one-year period commencing with the valuation date (12/11/2023-12/10/2024). Relevant documentation regarding the subject's occupancy and associated income has been submitted by the property management and this information has been reviewed and utilized in estimating the subject's Potential Gross Income (PGI). Because the subject is exempt from rent regulation, our income estimates for the subject's residential units are based on the application of viable market rent indications.

The appraisers were provided with a list of unaudited historical operating expenses covering the 2022 period. In addition, we have conducted a survey of comparable multifamily building operating costs and considered comparative studies of building operating expenses as relevant. We have been guided by such information as well as our independent determination of the reasonableness of these expenses in arriving at our projected expenses for the projection period.

Gross Income Estimate – Residential Units

On the following page we present a rent roll detailing both the current and projected monthly rents for the subject's residential apartment units..

As the subject's apartments are fully exempt from rent regulation, they are eligible to rent at market rates.

Rent Roll Summary

Unit #	Floor	Unit SF	Room Count	Actual Reported Monthly Rent (ARMR)	Actual Modified Monthly Rent	Status	Expiration Date	Projected Monthly Rent (PMR)	Market Rent	Market Rent Less ARMR	Market Rent Less PMR
1	1	494	3.00	\$943	\$943	EX	1/16/2025	\$943	\$1,000	\$57	\$57
2	1	494	3.00	\$1,025	\$1,000	EX	8/3/2024	\$1,000	\$1,000	-\$25	\$0
3	1	659	4.00	\$1,250	\$1,200	EX	8/12/2024	\$1,200	\$1,200	-\$50	\$0
4	1	494	3.00	\$943	\$943	EX	9/16/2024	\$943	\$1,000	\$57	\$57
5	2	494	3.00	\$1,050	\$1,000	EX	10/1/2024	\$1,000	\$1,000	-\$50	\$0
6	2	494	3.00	\$943	\$943	EX	1/16/2025	\$943	\$1,000	\$57	\$57
7	2	494	3.00	\$1,100	\$1,000	EX		\$1,000	\$1,000	-\$100	\$0
8	2	659	4.00	\$1,250	\$1,200	EX	10/1/2024	\$1,200	\$1,200	-\$50	\$0
Monthly Totals:				\$8,504	\$8,229			\$8,229	\$8,400	-\$104	\$171
Annual Totals:				\$102,048	\$98,748			\$98,748	\$100,800	-\$1,248	\$2,052

Our review of the subject's rent roll revealed that some of the reported rents were higher than deemed supportable by market rent indications (our survey of market rents is presented in the following section). For the purposes of this analysis, unit rents that exceed our estimated market rent are reduced to market levels, and legal rent increases (if any) are not applied. Credit for excess rent revenue collectible during the remainder of the lease term(s) will be recognized via a lump-sum adjustment to the capitalized value at the end of this approach. Based on conversations with ownership, unit 7 is on a month to month basis.

The table below depicts various rent roll statistics by unit type as well as by current status.

Unit Classification	Studio	1-BR	2-BR	3-BR	Total
Rent Controlled					
# of Units	0	0	0	0	0
% of Line Units	0%	0%	0%	0%	0%
Average Modified Actual Rent	\$0	\$0	\$0	\$0	\$0
Average Projected Rent	\$0	\$0	\$0	\$0	\$0
Total Modified Actual PGI	\$0	\$0	\$0	\$0	\$0
Total Projected PGI	\$0	\$0	\$0	\$0	\$0
% of Modified Actual PGI	0%	0%	0%	0%	0%
% of Projected PGI	0%	0%	0%	0%	0%
Rent Stabilized					
# of Units	0	0	0	0	0
% of Line Units	0%	0%	0%	0%	0%
Average Modified Actual Rent	\$0	\$0	\$0	\$0	\$0
Average Projected Rent	\$0	\$0	\$0	\$0	\$0
Total Modified Actual PGI	\$0	\$0	\$0	\$0	\$0
Total Projected PGI	\$0	\$0	\$0	\$0	\$0
% of Modified Actual PGI	0%	0%	0%	0%	0%
% of Projected PGI	0%	0%	0%	0%	0%
Exempt					
# of Units	0	6	2	0	8
% of Line Units	0%	100%	100%	0%	100%
Average Modified Actual Rent	\$0	\$972	\$1,200	\$0	\$1,029
Average Projected Rent	\$0	\$972	\$1,200	\$0	\$1,029
Total Modified Actual PGI	\$0	\$5,829	\$2,400	\$0	\$8,229
Total Projected PGI	\$0	\$5,829	\$2,400	\$0	\$8,229
% of Modified Actual PGI	0%	71%	29%	0%	100%
% of Projected PGI	0%	71%	29%	0%	100%
Vacant					
# of Units	0	0	0	0	0
% of Line Units	0%	0%	0%	0%	0%
Average Modified Actual Rent	\$0	\$0	\$0	\$0	\$0
Average Projected Rent	\$0	\$0	\$0	\$0	\$0
Total Modified Actual PGI	\$0	\$0	\$0	\$0	\$0
Total Projected PGI	\$0	\$0	\$0	\$0	\$0
% of Modified Actual PGI	0%	0%	0%	0%	0%
% of Projected PGI	0%	0%	0%	0%	0%
Totals					
# of Units	0	6	2	0	8
% of Line Units	0%	100%	100%	0%	100%
Average Modified Actual Rent	\$0	\$972	\$1,200	\$0	\$1,029
Average Projected Rent	\$0	\$972	\$1,200	\$0	\$1,029
Market Rent	\$0	\$1,000	\$1,200	\$0	-
Total Modified Actual PGI	\$0	\$5,829	\$2,400	\$0	\$8,229
Total Projected PGI	\$0	\$5,829	\$2,400	\$0	\$8,229
% of Modified Actual PGI	0%	71%	29%	0%	100%
% of Projected PGI	0%	71%	29%	0%	100%

Gross Income Estimate Projection & Conclusion - Residential Units

The average projected rents of the subject's occupied Exempt one-bedroom and two-bedroom apartments are \$972 and \$1,200 per month, respectively. These rents must be compared to our estimated current market rents for one-bedroom and two-bedroom units, as developed within our rental survey analysis, of \$1,000 (\$333/room) and \$1,200 (\$300/room) per month, respectively.

This suggests that there is only nominal upside potential. In consideration of the above, the subject's apartments are anticipated to achieve the following Actual and Projected annual rents:

Actual & Projected Potential Gross Income from Apartment Units		
	Modified Actual	Projected
Occupied Exempt	\$98,748	\$98,748
Total Residential Income	\$98,748	\$98,748

Market Rental Value Estimate: Residential Income

In order to accurately establish viable market rent level indications so as to ascertain if the actual rents collected within the subject are market-reflective, and as a measure of upside or downside income potential, the appraisers have conducted a survey of rentals in the subject's general vicinity. These comparable rentals were selected based upon their similarity to the subject in terms of location, building type, age/style/condition, amenities and other features.

Comparable Residential Rentals

1-BR Apartments																
Address	E/W	Monthly Rent	Location Adj.	Age/Cond. /Qual. Adj.	Size Adj.	Misc. Adj.	Adjusted Rent	Est. % Vacancy	Unit Room Count	Dist. from Subj. (miles)	Rent/ Room	No. Baths	Utilities Incl. in Rent	No. Stories	No. Units	Yr. Built/ Renovbesides .
Subject Property	W	\$1,001					\$1,001	0.00%	3.0	0.00	\$334	6.0	Water/Sewer	2	6	1920
166 2nd Ave	W	\$1,000	0%	0%	0%	0%	\$1,000	0.00%	3.0	0.34	\$333	1.0	Water/Sewer	3	12	1900/1980
186 2nd Ave	W	\$1,085	0%	0%	0%	0%	\$1,085	0.00%	3.0	0.36	\$362	1.0	Water/Sewer	3	5	1890/1980
32 King Street	W	\$950	5%	0%	0%	0%	\$998	0.00%	3.0	1.28	\$333	1.0	Water/Sewer	3	16	1890/1960
202 2nd Ave	W	\$950	0%	0%	0%	0%	\$950	0.00%	3.0	0.43	\$317	1.0	Water/Sewer	3	7	1920/1980
Averages	W	\$996					\$1,008	0.00%	3.0	0.60	\$336	1.0		3	10	

SUBJECT	1-BR	SUMMARY	
<i>Reported Rents</i>	\$/Room	\$/SF	\$/Unit
Min:	\$314	\$22.90	\$943
Max:	\$367	\$26.71	\$1,100
Mean:	\$334	\$24.30	\$1,001
Median:	\$328	\$23.90	\$984
Range:	17%	17%	17%

MARKET	RENT	1-BR	CONCL.
	\$/Room	\$/SF	\$/Unit
Estimate:	\$333		\$1,000

COMP.	1-BR	SUMMARY	
		\$/Room	\$/Unit
Min:		\$317	\$950
Max:		\$362	\$1,085
Mean:		\$336	\$1,008
Median:		\$333	\$999
Range:		14%	14%



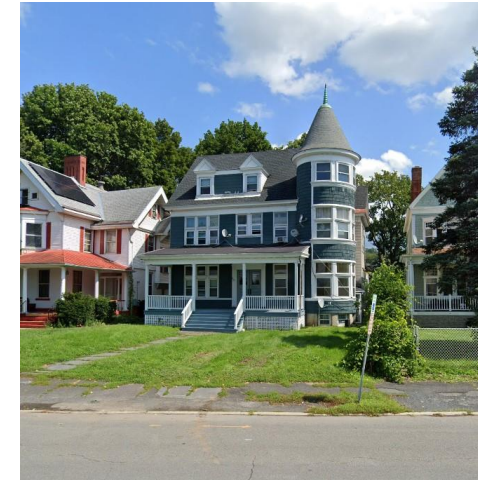
166 2nd Ave



186 2nd Ave



32 King Street



202 2nd Ave

Comparable Residential Rentals

2-BR Apartments																
Address	E/W	Monthly Rent	Location Adj.	Age/Cond. /Qual. Adj.	Size Adj.	Misc. Adj.	Adjusted Rent	Est. % Vacancy	Unit Room Count	Dist. from Subj. (miles)	Rent/ Room	No. Baths	Utilities Incl. in Rent	No. Stories	No. Units	Yr. Built/ Renov.
Subject Property	W	\$1,250					\$1,250	0.00%	4.0	0.00	\$313	2.0	Water/Sewer	2	2	1920
3132 6th Ave	W	\$1,100	0%	0%	0%	0%	\$1,100	0.00%	4.0	0.31	\$275	1.0	Water/Sewer		3	6 1940/1980
632 2nd Ave	W	\$1,300	0%	-3%	0%	0%	\$1,268	0.00%	4.0	1.61	\$317	1.0	Water/Sewer		3	20 1900/1970
644 2nd Ave	W	\$1,250	0%	0%	0%	0%	\$1,250	0.00%	4.0	1.67	\$313	1.0	Water/Sewer		4	6 1900/1970
44 2nd Ave	W	\$1,200	0%	0%	0%	0%	\$1,200	0.00%	4.0	0.04	\$300	1.0	Water/Sewer		3	4 1940/1970
Averages	W	\$1,213					\$1,204	0.00%	4.0	0.91	\$301	1.0			3.25	9

SUBJECT	2-BR	SUMMARY	
<i>Reported Rents</i>	\$/Room	\$/SF	\$/Unit
Min:	\$313	\$22.77	\$1,250
Max:	\$313	\$22.77	\$1,250
Mean:	\$313	\$22.77	\$1,250
Median:	\$313	\$22.77	\$1,250
Range:	0%	0%	0%

MARKET	RENT	2-BR	CONCL.
	\$/Room	\$/SF	\$/Unit
Estimate:	\$300		\$1,200

COMP.	2-BR	SUMMARY	
		\$/Room	\$/Unit
Min:		\$275	\$1,100
Max:		\$317	\$1,268
Mean:		\$301	\$1,204
Median:		\$306	\$1,225
Range:		15%	15%



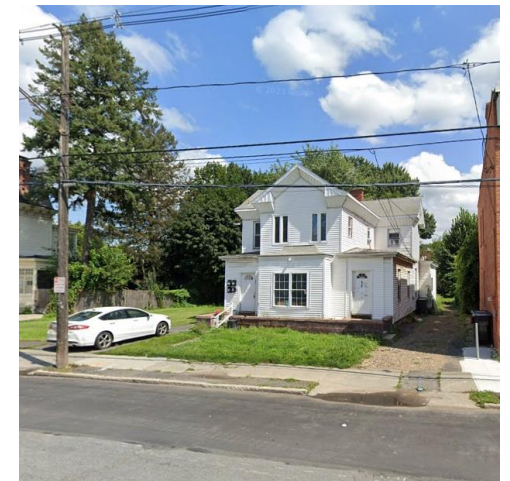
3132 6th Ave



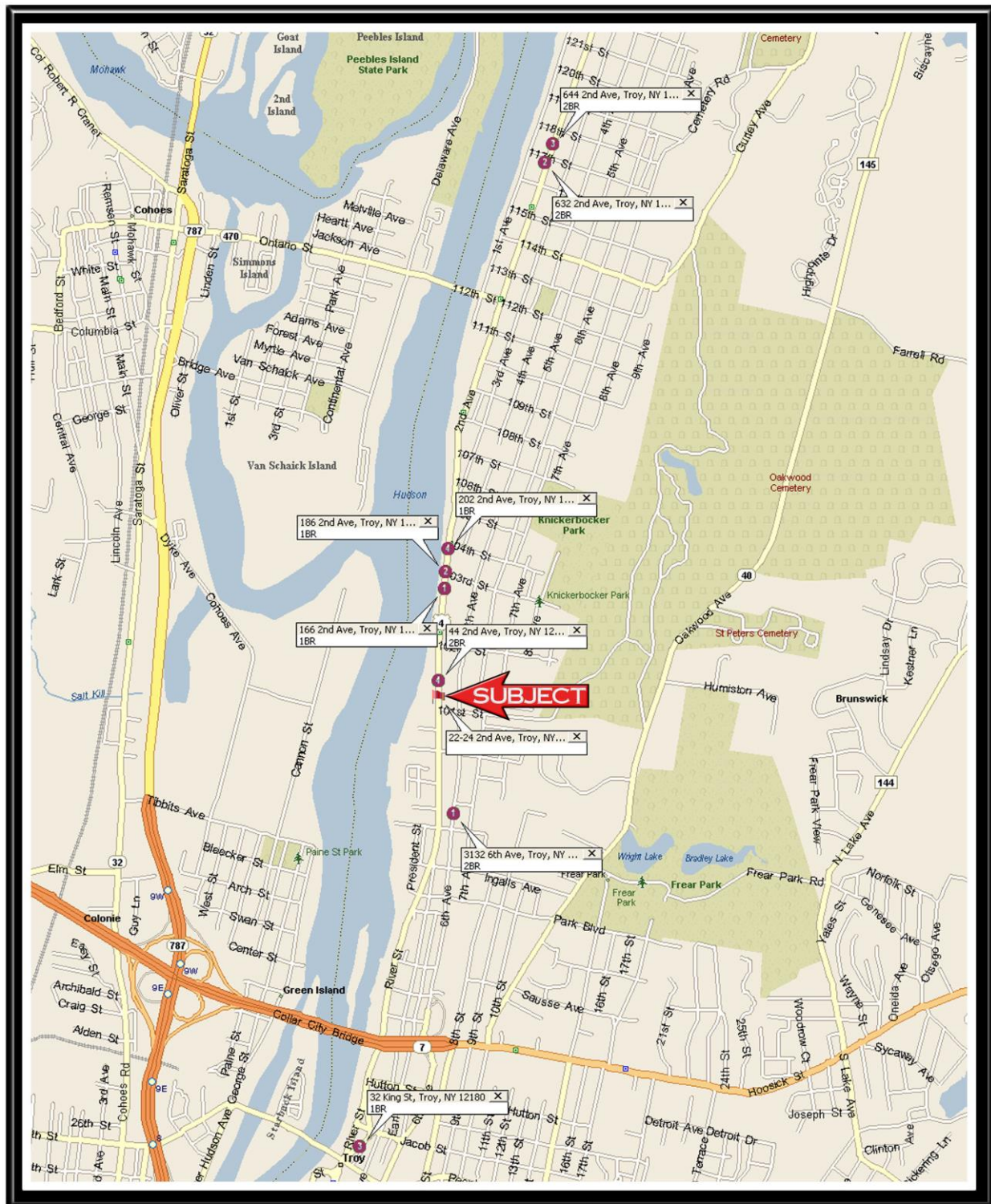
632 2nd Ave



644 2nd Ave



44 2nd Ave



RENTALS MAP

Residential Market Rent Analysis Conclusion

Bedroom Type	Min. Mkt Rent	Max. Mkt Rent	Avg. Mkt Rent	Min. Contract Rent	Max Contract Rent	Avg. Contract Rent	Applied Mkt Rent
1-BR	\$950	\$1,085	\$1,008	\$943	\$1,100	\$1,001	\$1,000
2-BR	\$1,100	\$1,268	\$1,204	\$1,250	\$1,250	\$1,250	\$1,200

The results of our survey revealed that after adjustments, rents ranged from \$317/room to \$362/room for one-bedrooms, and from \$275/room to \$317/room for two-bedrooms. Based on these findings, we have estimated current market rents for the subject's one-bedroom and two-bedroom units to be \$1,000 (\$333/room) and \$1,200 (\$300/room) per month, respectively.

Where deemed necessary, adjustments have been made to reflect any significant differences between the subject and the comparables. Factors considered for adjustment include location, age/condition/quality, and size. In addition there is a "Miscellaneous" adjustment category that accounts for any other material factors, such as time adjustments for rentals that are not current, amenities such as elevator services, parking, high ceilings, and the like, or differing terms (regarding who pays for heat, electric, etc.).

Based on the foregoing analysis, the subject's existing rents are generally not supported by the comparable rentals surveyed. Based on our market rent conclusions, the subject's overall rent level is at approximately 98% of full market rent potential. This suggests that there is only nominal upside potential.

Excess Rent

The subject has excess rent associated with the residential units. Specifically, five units have rents exceeding market rent. As previously noted, we have applied market rent to these units on a stabilized basis. We estimate that the total excess rent collectible over the remaining lease term(s) will amount to \$2,675. Given the short-term nature of residential leases, no discounting is applied as the impact would be minimal. This excess rent is added to our estimate of market value via the Sales Comparison and Income Approaches to value.

Potential Gross Income Conclusion

Based on our analysis of area market rents, the subject's rent roll, our estimates of the subject's actual and projected Potential Gross Income are as follows:

Potential Gross Income Summary		
Income Category	Modified Actual Income	Projected Income
Occupied Exempt Units	\$98,748	\$98,748
Total Income	\$98,748	\$98,748

EXPENSE ANALYSIS

(12/11/2023-12/10/2024)

Leases within the subject's market are generally executed on a gross or modified-gross lease basis, with the tenants responsible for the base rent amount and usually some or all utilities. Expenses typically incurred by ownership include real estate taxes, insurance, Common area utilities, legal and audit fees, water and sewer charges, repairs and maintenance, payroll costs, management fees, and an allowance for reserves for replacement. Depending on the specifics of the property involved, some of these expense categories may actually or effectively be irrelevant.

The appraisers were provided with a list of unaudited historical operating expenses covering the 2022 period. In estimating appropriate expenses for the subject property, we have analyzed the subject's reported expenses in light of our experience with similar properties, and where applicable, compared the reported expenses with both comparable building operating statements and various professional publications that reflect similar operating information. We have relied primarily on the subject's expense history as well as our survey of operating expense information from comparable multifamily buildings located within the Troy area and general vicinity.

Real Estate Taxes -**\$12,473**

Please refer to the Real Estate Tax section of this report.

Insurance -**\$4,000**

Historical							2022: \$4,000.00		
Expenses							\$0.89/SF	\$500.00/Unit	\$153.85/Rm
Comp. Exp.	Low	\$0.23/SF		\$305.63/Unit			\$81.50/Room		
	High	\$0.73/SF		\$746.18/Unit			\$179.70/Room		
	Avg.	\$0.54/SF		\$542.38/Unit			\$143.58/Room		

Estimated based on ownership's current cost.

Fuel -**\$1,800**

Historical							2022: \$1,800.00		
Expenses							\$0.40/SF	\$225.00/Unit	\$69.23/Rm
Comp. Exp.	Low	\$0.41/SF		\$409.67/Unit			\$91.86/Room		
	High	\$1.24/SF		\$2,000.00/Unit			\$600.00/Room		
	Avg.	\$0.73/SF		\$899.17/Unit			\$249.09/Room		

Our inspection of the subject's heat plant system revealed that it was in good condition. We note that all units except for unit _ and _ have been changed to electric heat which is separately metered. Consequently, we have applied the reported amount for fuel. We have consequently selected \$1,800 (\$0.40 per square foot) as a good indication of this cost for our projection period.

Common Area Utilities -**\$631**

Historical										
Expenses										
Comp. Exp.	Low	\$0.11/SF			\$100.00/Unit			\$23.95/Room		
	High	\$0.18/SF			\$243.63/Unit			\$64.97/Room		
	Avg.	\$0.14/SF			\$148.31/Unit			\$36.96/Room		

Though ownership does not report a common area utilities expense, the appraisers believe the projected cost is appropriate. We have ascribed a cost of \$631 per annum (\$0.14 per square foot) based on the typical cost of this expense.

Legal, Audit & Professional -**\$2,520**

Though ownership does not report a legal and audit expense, the appraisers believe the projected cost is appropriate. Taking into account the subject's building size, we estimate legal, audit and professional costs to amount to \$2,520.

Water and Sewer -**\$2,400**

Historical								2022: \$2,400.00		
Expenses		\$0.00/SF	\$0.00/Unit					\$0.53/SF	\$300.00/Unit	\$92.31/Rm
Comp. Exp.	Low	\$0.15/SF			\$123.17/Unit			\$35.19/Room		
	High	\$0.34/SF			\$342.00/Unit			\$102.60/Room		
	Avg.	\$0.25/SF			\$260.92/Unit			\$72.36/Room		

We have estimated this expense at \$2,400 (\$300.00 per unit) for our projection period.

Repairs, Maintenance & Supplies -**\$1,800**

Historical								2022: \$1,800.00		
Expenses								\$0.40/SF	\$225.00/Unit	\$69.23/Rm
Comp. Exp.	Low	\$0.26/SF			\$308.48/Unit			\$102.83/Room		
	High	\$1.09/SF			\$1,156.25/Unit			\$243.42/Room		
	Avg.	\$0.63/SF			\$641.28/Unit			\$167.77/Room		

We have selected \$1,800 per annum (\$0.40 per square foot) as a viable indication of this cost to the ownership.

Payroll -**\$4,000**

Payroll costs typically include one or more full- or part-time superintendents, depending on property size and maintenance requirements. In this case, this expense was best represented on a cost per unit basis. Though ownership does not report a payroll expense, the appraisers believe the projected expense is appropriate. We have selected an annual cost of \$4,000 (\$500.00 per unit) as a viable indication of this cost for the projection period.

Management -**\$3,772**

Historical										
Expenses										
Comp. Exp.	Low	\$0.53/SF			\$411.31/Unit			\$137.10/Room		
	High	\$1.39/SF			\$1,476.00/Unit			\$310.74/Room		
	Avg.	\$0.83/SF			\$813.25/Unit			\$206.17/Room		

A typical management fee amounts to 1% to 6% of Effective Gross Income depending on property size, rent levels, etc. Applying a management fee of \$3,772 amounts to \$0.84 per SF or 4.0% of Effective Gross Income (EGI is estimated to be \$94,304).

Miscellaneous -**\$676**

This expense category includes (as applicable) the costs for items such as security, telephone service, exterminating, trash collection, advertising/marketing, landscaping, snow removal, permits and other miscellaneous items. Though ownership does not report miscellaneous expenses, the appraisers believe the projected cost is appropriate. We have estimated this expense at \$676 (\$0.15 per square foot) for our projection period.

Reserves for Replacement -**\$1,600**

A reserve for replacement cost reflects the accrued annual expense for the periodic replacement of both short-term and long-term building items. Short-term items include refrigerators and stoves, and if applicable, microwaves and dishwashers. Long-term items include boilers and roofs. Consistent with industry standards and our experience, we have ascribed a reserves for replacement cost of \$200 per unit or \$1,600 (\$200 x 8 units).

Vacancy and Credit/Collection Loss

As of the date of valuation, there were no residential vacancies reported within the subject property .In consideration of the anticipated demand for the subject, and based on historical and current occupancy levels within the subject's general vicinity, we have ascribed an estimated stabilized vacancy and credit loss of 4.50%. We note that short-term vacancy rates tend to fluctuate (often considerably) in response to changes in economic conditions as well as supply and demand. However, the direct income capitalization technique considers not short-term fluctuations, but rather stabilized long-term operating characteristics.

General Comments

The subject's total expense burden of \$35,673 amounts to \$7.91 per square foot.

HISTORICAL & PROJECTED INCOME & EXPENSES

Subject: 22-24 2nd Avenue Troy New York

	2020	Per Unit	Per Room	Per SF	2021	Per Unit	Per Room	Per SF	% Change	2022	Per Unit	Per Room	Per SF	% Change	Market Projection	Per Unit	Per Room	Per SF	% Change
P.G.I.		\$0	\$0	\$0.00		\$0	\$0	\$0.00	N/A		\$0	\$0	\$0.00	N/A	\$98,748	\$12,344	\$3,798	\$21.91	N/A
RE Taxes		\$0	\$0	\$0.00		\$0	\$0	\$0.00	N/A	\$11,000	\$1,375	\$423	\$2.44	N/A	\$12,473	\$1,559	\$480	\$2.77	13%
Insurance		\$0	\$0	\$0.00		\$0	\$0	\$0.00	N/A	\$4,000	\$500	\$154	\$0.89	N/A	\$4,000	\$500	\$154	\$0.89	0%
Fuel		\$0	\$0	\$0.00		\$0	\$0	\$0.00	N/A	\$1,800	\$225	\$69	\$0.40	N/A	\$1,800	\$225	\$69	\$0.40	0%
Common Area Utilities		\$0	\$0	\$0.00		\$0	\$0	\$0.00	N/A		\$0	\$0	\$0.00	N/A	\$631	\$79	\$24	\$0.14	N/A
Water & Sewer		\$0	\$0	\$0.00		\$0	\$0	\$0.00	N/A	\$2,400	\$300	\$92	\$0.53	N/A	\$2,400	\$300	\$92	\$0.53	0%
Repair/Maint/Supplies		\$0	\$0	\$0.00		\$0	\$0	\$0.00	N/A	\$1,800	\$225	\$69	\$0.40	N/A	\$1,800	\$225	\$69	\$0.40	0%
Inter/Exter Decorating		\$0	\$0	\$0.00		\$0	\$0	\$0.00	N/A		\$0	\$0	\$0.00	N/A	\$0	\$0	\$0	\$0.00	N/A
Elevator Maintenance		\$0	\$0	\$0.00		\$0	\$0	\$0.00	N/A		\$0	\$0	\$0.00	N/A	\$0	\$0	\$0	\$0.00	N/A
Payroll		\$0	\$0	\$0.00		\$0	\$0	\$0.00	N/A		\$0	\$0	\$0.00	N/A	\$4,000	\$500	\$154	\$0.89	N/A
Legal & Audit		\$0	\$0	\$0.00		\$0	\$0	\$0.00	N/A		\$0	\$0	\$0.00	N/A	\$2,520	\$315	\$97	\$0.56	N/A
Management		\$0	\$0	\$0.00		\$0	\$0	\$0.00	N/A		\$0	\$0	\$0.00	N/A	\$3,772	\$472	\$145	\$0.84	N/A
Miscellaneous		\$0	\$0	\$0.00		\$0	\$0	\$0.00	N/A		\$0	\$0	\$0.00	N/A	\$676	\$85	\$26	\$0.15	N/A
Reserves		N/A	N/A	N/A		N/A	N/A	N/A	N/A		N/A	N/A	N/A	N/A	\$1,600	\$200	\$62	\$0.35	N/A
TOTAL EXPENSES	\$0	\$0	\$0	\$0.00	\$0	\$0	\$0	\$0.00	N/A	\$21,000	\$2,625	\$808	\$4.66	N/A	\$35,673	\$4,459	\$1,372	\$7.91	70%

COMPARABLE BUILDING EXPENSE SURVEY

Address	No. 1 1 Washington Place			No. 2 61 Main Street			No. 3 9 Saint Josephs Terrace			No. 4 12-14 Elm Street			No. 5 119 New Unionville Road			No. 6 2 Mulberry Lane					
	# Units	# Rooms	# SF	# Units	# Rooms	# SF	# Units	# Rooms	# SF	# Units	# Rooms	# SF	# Units	# Rooms	# SF	# Units	# Rooms	# SF			
	6	20	9,712	6	21	4,825	8	38	8,505	15	45	10,782	8	30	10,650	5	22	4,750		Averages	
	\$/Unit	\$/Room	\$/SF	\$/Unit	\$/Room	\$/SF	\$/Unit	\$/Room	\$/SF	\$/Unit	\$/Room	\$/SF	\$/Unit	\$/Room	\$/SF	\$/Unit	\$/Room	\$/SF	Per Unit	Per Rm	Per SF
Insurance	599	180	0.37	390	111	0.48	746	157	0.70	528	176	0.73	306	82	0.23	686	156	0.72	542	144	0.54
Labor																					
Common Area Utilities				100	29	0.12	144	30	0.14				244	65	0.18	105	24	0.11	148	37	0.14
Fuel	2,000	600	1.24				436	92	0.41	410	137	0.57	1,068	285	0.80	582	132	0.61	899	249	0.73
Water & Sewer	342	103	0.21	123	35	0.15	335	71	0.32	243	81	0.34							261	72	0.25
Repairs & Maintenance	417	125	0.26	750	214	0.93	1,156	243	1.09	308	103	0.43	575	153	0.43				641	168	0.63
Miscellaneous							63	13	0.06										63	13	0.06
Management				665	190	0.83	1,476	311	1.39	411	137	0.57	701	187	0.53				813	206	0.83
Totals	3,358	1,007	2.07	2,028	579	2.52	4,357	917	4.10	1,900	633	2.64	2,893	771	2.17	1,374	312	1.45	3,368	889	3.17

Pro Forma – Estimated Income and Expenses 12/11/2023-12/10/2024

	\$ Amount	PSF	Per Unit	Per Room
<i><u>Income</u></i>				
Residential Income	\$98,748	\$21.91	\$12,344	\$3,798
Commercial Base Income	\$0	\$0.00	\$0	\$0
Commercial RE Tax Contributions	\$0	\$0.00	\$0	\$0
Commercial Additional Contributions	\$0	\$0.00	\$0	\$0
Other Income	\$0	\$0.00	\$0	\$0
Potential Gross Income	\$98,748	\$21.91	\$12,344	\$3,798
Less Residential/Other V&C Loss @ 4.5%	\$4,444	\$0.99	\$555	\$171
Less Commercial V&C Loss @ 5.0%	\$0	\$0.00	\$0	\$0
Effective Gross Income	\$94,304	\$20.92	\$11,788	\$3,627
<i><u>Operating Expenses</u></i>				
R.E. Taxes	\$12,473	\$2.77	\$1,559	\$480
Insurance	\$4,000	\$0.89	\$500	\$154
Fuel	\$1,800	\$0.40	\$225	\$69
Common Area Utilities	\$631	\$0.14	\$79	\$24
Water & Sewer	\$2,400	\$0.53	\$300	\$92
Repairs/Maint./Supplies	\$1,800	\$0.40	\$225	\$69
Interior/Exterior Decorating	\$0	\$0.00	\$0	\$0
Elevator Maintenance	\$0	\$0.00	\$0	\$0
Payroll	\$4,000	\$0.89	\$500	\$154
Legal & Audit	\$2,520	\$0.56	\$315	\$97
Management	\$3,772	\$0.84	\$472	\$145
Miscellaneous	\$676	\$0.15	\$85	\$26
Reserves	\$1,600	\$0.35	\$200	\$62
Total Operating Expenses	\$35,673	\$7.91	\$4,459	\$1,372
Total Expenses Excluding RE Taxes	\$23,199	\$5.15	\$2,900	\$892
Net Operating Income	\$58,632	\$13.01	\$7,329	\$2,255
<i>Operating Expense Ratio (EGI)</i>	<i>37.83%</i>			

DIRECT INCOME CAPITALIZATION ANALYSIS

Capitalization refers to the conversion of income into value, and a Capitalization Rate is any rate used to convert income into value. Direct Capitalization is defined as:

A capitalization technique that employs capitalization rates and multipliers extracted from sales. Only the first year's income is considered. Yield and value change are implied, but not identified.⁸

Direct Capitalization is also defined as:

A method used to convert an estimate of a single year's income expectancy into an indication of value in one direct step, either by dividing the income estimate by an appropriate rate or by multiplying the income estimate by an appropriate factor.⁹

We have selected the Mortgage-Equity Technique (Ellwood Method) in order to derive a reliable overall capitalization rate for capitalizing the subject's estimated net income.

The Mortgage-Equity Technique (Ellwood Method) utilizes a formula to calculate an overall capitalization rate based on a series of input variables that reflect the mortgage financing and equity investment components of the total property yield. Conceptually, the Ellwood formula builds on the "basic" weighted rate (weighted average of mortgage return rate and equity yield rate) by applying adjustments to reflect equity buildup over time as well as anticipated appreciation/depreciation of the property's value over the investor's holding period. By design, this formula is applicable only to properties with a stabilized income stream that may be expected to change according to specific growth patterns.

Overall Capitalization Rate Development via Mortgage-Equity Technique

The Mortgage-Equity Technique recognizes that real estate investors typically purchase property using a combination of mortgage financing and equity funds. Mortgage financing is favored by investors because it offers the opportunity for positive leverage and gives investors the ability to control properties that would otherwise be beyond their means.

The yield to the equity investor reflects the cash flows that provide for return of, and on, the initial equity investment. The yield requirement of the mortgage lender is expressed as a mortgage constant based on currently available mortgage terms. In addition to these two core components, the Ellwood Method also accounts for equity buildup as well as the expected change (typically, appreciation) in property value during the holding period. Equity buildup reflects the fact that as mortgage payments are made, the remaining loan principal is gradually reduced, while the investor's equity position increases correspondingly.

In all investments, the element of recapture is central. The investor expects a return on investment capital as well a return of the investment itself. Recapture of the mortgage is accomplished through amortization over the investment term, with a balloon payment at the end of the investment term if any balance remains. Recapture of the equity investment is achieved through the operating cash

⁸ Dictionary of Real Estate Appraisal (4th edition, 2002), published by the Appraisal Institute, Chicago, Illinois.

⁹ Ibid.

flows and from the proceeds of a hypothetical property sale at the end of the holding period. The equity growth on the annual equity dividend rate to produce the equity yield rate is based on the use of the sinking fund factor to discount and annualize the equity buildup and value appreciation.

Equity Yield Rate Selection

A yield rate to the equity investor has been selected through a combination of financial and real estate market information, indicating the prospective rate of return necessary to attract long-term real estate investment capital. In addition, we must also consider the risk characteristics inherent to the subject and its operating environment. These include market absorption and vacancy rates, and the economic stability of the local market area. The search for a yield rate begins in the financial markets, which offer rates on current alternative instruments as economic benchmarks. Investors are typically guided psychologically by the ten-year Treasury Note rate, which was approximately 4.23% as of the valuation date.

Although not considered a meaningful alternative investment vehicle, the note rate does represent a benchmark reflective of the costs of debt capital, with minimal ("baseline") risk and appreciation components. Considering the higher risks associated with real estate investment, as well as the management requirements and impairment of liquidity, an upward adjustment must be made to this rate indication.

The subject property consists of a (circa 1920) two-story plus basement, walkup multifamily building that contains eight residential units with a total of 26 rooms. It appears to have received adequate maintenance and is located within the City of Troy. The element of risk in this investment would not be perceived as unusually high by most investors in our opinion, nor will illiquidity or management be unusual burdens in this locality. Based on these considerations, placing greatest reliance on local real estate market information, it is our opinion that an equity yield rate of 11.00% would be sufficient to attract investment capital to the subject property based on the subject's location.

Mortgage Rate Selection

The second key component in the Ellwood formula consists of the mortgage rate, which is expressed as an annual constant and is based on the particular terms of the anticipated mortgage. Consideration must be given to the availability of financing and mortgage terms. A recent survey was conducted in order to more accurately reflect local lending requirements within the subject's general community. Our survey included lending institutions (primarily banks) that offer collateralized loans throughout the metropolitan New York City area and the surrounding environs. We note that the subject's Troy location is considered a primary investment area by most lending institutions.

Lending rates generally ranged from 150 to 250 basis points above the 10-year Treasury, depending on property type, location, size, occupancy, and other pertinent factors affecting risk. Spreads tend to fluctuate in response to changes in the 10-year Treasury rate; as the yield falls, spreads often increase, and as the yield rises, spreads may decrease. This tends to have a stabilizing effect on financing rates. Furthermore, lending rates tend to have an inverse relationship to loan size; i.e. smaller loans often have somewhat higher rates than comparable larger loans.

Taking into account the subject's location, condition, and other pertinent factors, we would expect a mortgage at 200 basis points above the ten-year treasury, for an interest rate of 6.23%. In addition, the typical loan-to-value ratio for properties similar to the subject supports 70% for debt and

30% towards equity. The basic rate normally accounts for the major part of the overall rate. The composition of the basic rate is usually defined with an algebraic formula, but it can also be demonstrated by a regular band of investment.

Expectation of Appreciation/Depreciation

The adjustment for anticipated increase or decrease in property is akin to the recapture allowance used in other capitalization techniques. When there is no expectation for depreciation or appreciation in value, no adjustment is required. The subject property is located within the City of Troy.

Based on the inputs discussed above, our application of the Mortgage-Equity Technique is presented on the following page.

Basic Assumptions				
Ratio to Value			Mortgage: 70%	Equity Position: 30%
Term/Holding Period			25 Years	10 Years
Rate: Interest/Yield			6.23%	11.00%
Mortgage Constant				
	25 Years		7.90%	
	10 Years		13.46%	
Mortgage:	70% (D)	x	7.90%	= 5.53%
Equity:	30%	x	11.00%	= 3.30%
Weighted Rate				----- =8.83%
Less Credit for Equity Build-Up				
6.23%	Loan,		Years: 25	
	Constant:		7.90%	
	Interest Rate		6.23%	
	Amortization:		1.67%	(A)
6.23%	Loan,		Years: 10	
	Constant:		13.46%	
	Interest Rate:		6.23%	
	Amortization		7.23%	(B)
% Paid Off	(A)/(B)		= 23.11%	(C)
Sinking Fund Fact. @ 11.00% for 10 years:			5.98%	(E)
Amount Paid Off:				
	Based on % Paid Off:		23.11%	(B)
	Mortgage Ratio:		70%	(C)
	Sinking Fund Factor:		5.98%	(E)
(C)	x (D)	x	(E)	
23.11%	x 70%	x	5.98%	= 0.97%
Unload for Appreciation/Depreciation**				
Projected Appreciation Rate Over Holding Period:			0.00%	/Year
Total Compounded Appreciation of 0.00% x Sinking Funds Factor:				
0.00%	x 5.98%			= 0.00%
			Overall Rate: 7.86%	
			Rounded Overall Rate: 7.75%	

**Adjustment to the basic rate to reflect an expected change in overall property value. If the value change is positive (appreciation), the overall capitalization rate is reduced to reflect this anticipated monetary benefit; if the change is negative (depreciation) the overall capitalization rate is increased.

Based upon the data presented, our analysis of the subject property, the overall marketplace, published real estate investment criteria, and our calculation of a capitalization rate using the Mortgage-Equity technique, it is our opinion that an Overall Capitalization Rate for the subject property of 7.75% is viable for our development of a market value indication via this approach.

Additional market extracted cap rate support is presented below:

	Property Address	Date of Sale	Sales Price	Building SF	No. Units	Occupancy	Overall Cap Rate
1	202 2Nd Ave, Troy, NY	5/31/2022	\$575,000	6,118	7	100.00%	7.91%
2	13 Garner St, Cohoes, NY	4/25/2022	\$745,000	17,440	8	96.49%	7.00%
3	19 Idlewild Park, Watervliet, NY	3/31/2022	\$689,000	8,192	7	96.49%	8.00%
4	135 6Th Ave, Troy, NY	1/25/2023	\$213,000	2,618	6	97.92%	9.30%

Based on our market rent conclusions, the subject's overall rent level is at approximately 98% of full market rent potential. This suggests that there is only nominal upside potential. The subject's market value indication is calculated as follows:

\$58,632 ÷ 7.75% =	\$756,540
Plus Excess Rent	\$2,675
Market Value Indication (As Is)	\$759,215
Rounded	\$750,000

Thus, the subject's indicated market value, as of December 11, 2023, is:

MARKET VALUE INDICATION VIA DIRECT INCOME CAPITALIZATION

\$750,000

Approach	Value	Price/Unit	Price/Room	Price/SF	Overall Rate	GRM
Income	\$750,000	\$93,750	\$28,846	\$166	7.82%	7.60

REPLACEMENT COST NEW/INSURABLE VALUE

REPLACEMENT COST NEW, FOR INSURANCE PURPOSES
("INSURABLE VALUE")

In this section, we estimate the replacement cost new of the subject building improvements. *Replacement cost new* is the total cost of construction required to replace a building, as if in new condition, with a substitute of like or equal utility using current standards of material and design. The cost is arrived at by multiplying the building area(s) by adjusted per-square-foot replacement costs. The costs are conventionally derived from published construction cost survey manuals, such as the Marshall Valuation Service cost manual, published by Marshall & Swift. This manual is recognized as an industry standard and is the source used in this analysis.

The term *insurable value* is often used in place of replacement cost new. However, there is a subtle difference between these two expressions. Per the Marshall manual, insurable value may be defined as "Value used by insurance companies as the basis for insurance. Often considered to be replacement or reproduction cost plus allowances for debris removal or demolition less deterioration and uninsurable items. Sometimes cash value or market value, but often entirely a cost concept."

The Marshall manual makes the salient point that "Insurance exclusions or additions are a matter of underwriting and not a matter of valuation; the appraiser must know the type of coverage and the company policy regarding underwriting and claims before he prepares his report. Also, these items in some cases may be controlled by local governmental rules and regulations." Because of the nuances and complexities involved in arriving at an insurable value, in this analysis we provide only the replacement cost new and not the true insurable value. However, we have included the more familiar term in headings because it is more familiar to many readers.

The Marshall manual makes the salient point that "Insurance exclusions or additions are a matter of underwriting and not a matter of valuation; the appraiser must know the type of coverage and the company policy regarding underwriting and claims before he prepares his report. Also, these items in some cases may be controlled by local governmental rules and regulations." In this case the client defines the exclusions as well as additional indirect costs to be included according to the engagement letter. These additional indirect cost items include "...releasing expense, building permits, reconstruction fees, and owner's supervision expense for reconstruction. Excluded items include land value, site improvements, and entrepreneurial profit." Our analysis of replacement cost presented below does not include any of the excluded items. To account for the additional indirect cost items, we apply a -5% addition to the replacement cost estimate.

For this property, the applicable data was taken from the Marshall Valuation Service cost manual, section/page 12/16 (multifamily building). We have selected the cost factors presented on the following page to estimate the replacement costs of the subject's improvements. The factors do not include land cost/value but are inclusive of most primary hard & soft costs.

In certain instances, the unit cost utilized may be an interpolated figure. For example, if a building is constructed with a combination of Class A and Class C construction techniques, it may be most accurate to calculate the construction cost based on a unit cost interpolated between Class A and Class C unit costs for the appropriate building type. As another example, for a building with a partially finished cellar, the cellar unit cost may be an interpolation between unfinished and finished cellar unit costs.

The listed cost(s) per square foot will be modified by a cost multiplier and a location multiplier, each appropriate to the prevailing cost levels in the subject property's region. Following is an itemized breakdown of Replacement Cost New of the subject's improvements:

REPLACEMENT COST NEW / "INSURABLE VALUE"

Occupancy Type:			multifamily building		
Construction Class:			D		
Quality:			Average		
Building Height:			two stories		
Building Size (Gross SF):					
Estimated Cost New:					12/16
Marshal Valuation Section/Page:					
Estimate Cost per SF:					107
Heating Cost Modification per SF:					-----
Base Building Cost:					107
Multiplier Refinements:					
Height Adjustment:			1		
Perimeter Adjustment:			1		
Current Cost Multiplier (Eastern):			0.97		
Local Cost Multiplier:			1.11		
Other Adjustment:			1		

Combined Refinements:			1.0767		
Adjusted Base Building Cost per SF:					\$115.21
Estimated Cost New:	4,508	x	\$115.21	=	\$519,353
Cellar Costs:	2,555	x	1.0767	=	\$0
Other Costs:					

Replacement Cost New:					\$519,353
Additional Indirect Cost Items:	-5%				-\$25,968
Total Replacement Cost New:					\$493,385
Rounded:					\$500,000

REPLACEMENT COST NEW CONCLUSION: \$500,000

RECONCILIATION

RECONCILIATION & FINAL VALUE OPINION

The approaches utilized have yielded the following value indications:

Approaches	Value	\$/Unit	\$/Room	\$/SF	Overall Rate	GRM
Cost As-Is	N/A	N/A	N/A	N/A	N/A	N/A
Sales Comparison As-Is	\$675,000	\$84,375	\$25,962	\$150	8.69%	6.84
Income As-Is	\$750,000	\$93,750	\$28,846	\$166	7.82%	7.60

The appraisers were requested to form an opinion of the “as is” market value(s) of the Leased Fee Estate in the subject property. To this end, we have utilized both the Sales Comparison and Income Approaches to Value. The Cost Approach was not developed in this appraisal since the subject property does not constitute a specialty use; rather it is a property that would be purchased for its income potential, occupancy, or alternative use. Furthermore, reliable estimates of depreciation and obsolescence are difficult and subjective due to the type and age of the subject’s improvements. It is, therefore, our opinion that this approach is of limited applicability in this context. Consequently, it has been omitted from this analysis.

Our employment of both the Sales Comparison and Income Approaches resulted in a relatively narrow range of value indications. The Sales Comparison Approach directly reflects the actions of participants in the market and is often utilized as a test of reasonableness for the Income Approach when appraising income-producing properties. For properties that are typically wholly or partially owner occupied, this approach is often considered to be a primary indicator of value. The degree of reliability placed on this approach is in direct relation to the availability and comparability of the sales data. We have cited sales of five properties located within the subject’s market.

In the Income Approach, our analysis of the subject’s reported or estimated income and expenses, and our evaluation of these figures in light of current market conditions and comparable market data enabled us to establish a supportable estimate of the subject’s current Net Operating Income. After applying market-reflective yield and mortgage rates, and considering typical terms and availability of financing, a viable capitalization rate was selected and utilized to arrive at a value indication.

Significant weight has been afforded to the Income Approach based on the sufficiency and reliability of the available data and on the notion that the subject, as an income-producing property, would be traded in the marketplace primarily based on its ability to produce an income stream.

Based on the foregoing analysis, we have based our value conclusion on the Income Approach exclusively. Our final opinion of the “as is” market value(s) for the subject’s Leased Fee Estate, as of December 11, 2023, is:

Seven Hundred Fifty Thousand Dollars

\$750,000

Exposure and Marketing Periods:

Based on recent activity within the subject’s market, we estimate that the typical exposure period of an multifamily building is approximately 9-12 months to time of sale. A similar marketing period is anticipated based on current market conditions.

ADDENDA



P : 1-800-948-2121

E : info@nadlanvaluation.com

Order Information

Order Type:	Commercial Appraisal	Order Number:	C23-00084
Property Address:	22 24 2nd ave Troy NY 12182 (Additional Resources)	Property County:	Rensselaer
Order Priority:	Normal		
Year Built:	N/A	Occupied By:	Investment
Legal Description:	N/A	Transaction Type:	Refinance
Order Due Date:	12/1/2023		
Lender on Report:	Logan Finance Corporation		
Lender Address:	1393 Veterans Memorial Highway, Suite 308N Hauppauge NY 11788		
Vendor:	Steven Romer	Assigned On:	11/17/2023 11:54:07 AM
Product:	Summary/Narrative Report Format		
Company Name:	N/A	Contact Person:	N/A
Contact Home Phone:	N/A	Contact Work Phone:	N/A
Contact Cell Phone:	N/A		
Valuation Effective Type:	N/A	Interest Valued:	N/A
Real Estate Valued:	N/A		
Appraisal Category:	Categorized Loan	Appraisal Purpose:	Cash-out Refinance
Order Assignment Expiration Time:	11/17/2023 5:54:07 PM (Eastern Standard Time)		
Loan Type:	Refinance	Loan Number:	na
Access Info:	3475850990		
Contact Person:	N/A		
AMC Reg. Number:	AMC-19-0240		

Fee Details

Product: Summary/Narrative Report Format

Total Vendor's Fee: 2400.00**Net Vendor's Fee:** 2400.00**Borrower Information****Borrower Name:** 22 24 2nd ave LLC**Phone:** N/A**Work Phone:** N/A**Cell Phone:** N/A**Borrower Email:** zvdeutsch@gmail.com**Nadlan Valuation Inc. Instructions**

PRIVATE ORDERS - Any order listed or indicated as a Private Order should still adhere to the letter of engagement, be completed to typical quality standards, and adhere to USPAP guidelines. This includes but is not limited to all necessary photos and addendums required for the assignment.

ACKNOWLEDGED AND AGREED:**Vendor:** Steven Romer**Date:** 11/17/2023 12:17:10 PM

rent roll template.PNG

FOR PROPERTY LOCATED AT:

[illegible]

- Rent Roll (including unit number, bedroom count, leased amount, and expiration dates) [See attached](#)
- Expenses (Tax, insurance, water, electric, heat, management, repairs, etc.) [Taxes 11k Insurance 4k Water about \\$200 a month Heat about \\$150 a month Repairs about \\$150 a month](#)
- Has the property been renovated in the past 3 years? If yes, when and how much did the renovation cost? [See attached](#)
- Is the property under contract of sale? If yes, please provide the contract. [It's a refi](#)

All units are 1 bed
Except unit 3 and 8 are 2 bed

**Ashley Garrison**

11:03 AM (4 hours ago)



Good afternoon, Thank you for taking my call. Can you please send me in writing the one or two units that are still on gas heat which comprises the \$1800 expens

**W Deutsch**

12:37 PM (2 hours ago)



@SolomonPls confirm Thanks Ashley

**Solomon Salzberg** <shloimy0990@gmail.com>

3:17 PM (17 minutes ago)



to W, me ▾

Good afternoon, apartment 4 has gas heat the rest of the units have electrical

STEVEN R. ROMER, MAI
APPRAISER LICENSE

UNIQUE ID NUMBER 46000000719	State of New York Department of State DIVISION OF LICENSING SERVICES	FOR OFFICE USE ONLY Control No. 1546944
PURSUANT TO THE PROVISIONS OF ARTICLE 6E OF THE EXECUTIVE LAW AS IT RELATES TO R.E. APPRAISERS.		EFFECTIVE DATE MO. DAY YR. 01 14 22
ROMER STEVEN R C/O WEST ROCK APPRAISAL SERVIC 7 RUTH CT POB 910 TALLMAN, NY 10982		EXPIRATION DATE MO. DAY YR. 01 13 24
HAS BEEN DULY CERTIFIED TO TRANSACT BUSINESS AS A R. E. GENERAL APPRAISER		
In Witness Whereof, The Department of State has caused its official seal to be hereunto affixed. BRENDAN C. HUGHES ACTING SECRETARY OF STATE		
DOS-1098 (Rev. 3/01)		

PROFESSIONAL LIABILITY BINDER (E&O)

		WESTAPP-01	GPOLTER
CERTIFICATE OF LIABILITY INSURANCE		DATE (MM/DD/YYYY) 7/6/2023	
<p>THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.</p>			
<p>IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).</p>			
PRODUCER The Omni Agency, Inc. 3877 Flatlands Ave 2nd Floor Brooklyn, NY 11234		CONTACT NAME: PHONE (A/C, No, Ext): (718) 831-7888 FAX (A/C, No): (718) 831-7889 E-MAIL ADDRESS:	
INSURED WestRock Appraisal Services Inc aka WestRock Appraisal Services Corp & its president Steven R Romer 500 South Australian Ave Suite 600-1096 West Palm Beach, FL 33401		INSURER(S) AFFORDING COVERAGE NAIC # INSURER A : Interstate Fire & Casualty Company INSURER B : INSURER C : INSURER D : INSURER E : INSURER F :	
COVERAGES		CERTIFICATE NUMBER:	
REVISION NUMBER:		REVISION NUMBER:	
<p>THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.</p>			
INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD
1	COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:		
2	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY		
3	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$		
4	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) <input type="checkbox"/> Y / <input checked="" type="checkbox"/> N / A If yes, describe under DESCRIPTION OF OPERATIONS below		
A	Errors and Omissions	HI273DMLA231	7/6/2023 7/6/2024
			Aggregate 2,000,000
DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)			
CERTIFICATE HOLDER		CANCELLATION	
Evidence of Insurance		SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE <i>The Omni Agency, Inc.</i>	
ACORD 25 (2016/03)		© 1988-2015 ACORD CORPORATION. All rights reserved. The ACORD name and logo are registered marks of ACORD	

STEVEN R. ROMER, MAI APPRAISER QUALIFICATIONS

SUMMARY OF QUALIFICATIONS

Steven R. Romer has over 30 years of experience as a real estate appraiser and consultant, specializing in the appraisal of shopping centers, industrial and commercial facilities, apartment buildings and special purpose properties in the metropolitan and tri-state areas. Mr. Romer is the president and principal of Westrock Appraisal Services Corp.

In addition to holding the MAI designation from the Appraisal Institute, Mr. Romer has earned an MBA degree from the Bernard Baruch College of New York City.

BUSINESS EXPERIENCE

▪ **Westrock Appraisal Services Corp.** **1991 - Present**

President

Active in conducting appraisal assignments, implementing marketing strategies and developing computer-assisted appraisal programs.

▪ **Fee Appraiser** **1987 - 1990**

Performed appraisal assignments for various MAI's including Jerome Jakubovitz, Albert Dolfinger of Property Advisory Group, Lawrence Humphrey of Humphrey and Coyle, William Shubert of William Shubert and Company, among others.

LICENSES

▪ **Certified General R.E. Appraiser - NY**

Licensed by the State of New York as a Certified General Real Estate Appraiser, identification number 46000000719.

▪ **Certified General R.E. Appraiser - NJ**

Licensed by the State of New Jersey as a Certified General Real Estate Appraiser, identification number 42RG00197400.

▪ **Certified General R.E. Appraiser - CT**

Licensed by the State of Connecticut as a Certified General Real Estate Appraiser, identification number RCG.0001278.

PROFESSIONAL AFFILIATIONS

- MAI Designation (No. 21364), Appraisal Institute

EDUCATION

Appraisal Institute Courses Completed:

Real Estate Appraisal Principles
Residential Valuation
Basic Valuation Procedures
Capitalization Theory and Techniques, Part A
Capitalization Theory and Techniques, Part B
Case Studies in Real Estate Valuation
Valuation Analysis and Report Writing
Standards of Professional Practice
Rates, Ratios & Reasonableness

Bernard Baruch College: MBA Degree, May 1988
New York, N.Y.

A handwritten signature in black ink, appearing to read "A. Jones", with a large, stylized loop at the end.