Complete Appraisal ✦ Self-Contained Report

Property Located at:

270 Lake Avenue
Greenwich, Connecticut

Property of:

Japanese Educational Institute of New York

Date of Valuation:

December 12, 2005

Kerin & Fazio, LLC
211 State Street
Bridgeport, CT 06604
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Prepared for:

Arthur R. Block, Esq.
Szold & Brandwen, P.C.
14 Wall Street, 28th Floor
New York, NY 10005

Prepared by:

Christopher K. Kerin, MAI, CCIM

KERIN FAZIO

January 17, 2006

Arthur R. Block, Esq.
Szold & Brandwen, P.C.
14 Wall Street, 28th Floor
New York, NY 10005

RE: Private School Located at 270 Lake Avenue, Greenwich, Connecticut
Owner: Japanese Educational Institute of New York

Dear Attorney Block,

At your request and authorization, Kerin & Fazio, LLC has prepared a complete appraisal presented in a self contained report of the market value of the above referenced real property. It is understood that this appraisal report may be used to support the market value of the property in connection with litigation involving a recent contract of sale.

Briefly, the subject property comprises a private school improved with 15 buildings on a 16.521-acre parcel of land. The school serves students in grades one through nine. Buildings include classrooms, auditorium/library, gymnasium, arts and science building, chapel and residences. Site improvements include playing fields, tennis courts, masonry walls, paved parking and drives, walkways, and quality landscaping. The topography of the land is gently rolling, with some areas of ledge and wetlands. The subject property is located on the west side of Lake Avenue, and on the east side of Ridgeway Drive, in an RA-2 residential zone of Greenwich.

The use of the subject property as a private school is permitted by Special Exception in the RA-2 residential zone. As a condition of zoning approval, restrictions were placed on the use of the property including limiting enrollment to 450 students, limits on classroom hours (no evenings, weekends or summer classes), and requiring 90% of the students to be transported by school bus. Also, no change in the footprint of any buildings is permitted. The impact of these restrictions is considered in the final market value conclusion.

As a result of my inspections, investigations and analyses, it is my opinion that the retrospective market value of the subject property “as is”, in fee simple, as of December 12, 2005, is

TWENTY SIX MILLION EIGHT HUNDRED THOUSAND DOLLARS
($26,800,000)

You will find the data, analyses and conclusions in support of this opinion in the following report. If you have any questions, or if we can be of further service, please feel free to contact us.

Respectfully submitted,

Kerin & Fazio, LLC

Christopher K. Kerin, MAI, CCIM

Kerin & Fazio, LLC
Real Estate Professionals

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EXECUTIVE SUMMARY

Property Type	Private School
Location	270 Lake Avenue, Greenwich, Connecticut
Owner	Japanese Educational Institute of New York
Date of Value Estimate	December 12, 2005
Property Rights Appraised	Fee simple estate
Site Breakdown	
Size	16.521 Acres
Shape	Irregular
Topography	Gently rolling with areas of ledge and wetlands

Building Breakdown	**Identification**	**Building Area**	**Use**
Building 1	Founders Hall	19,011 S.F.	Classrooms
Building 2	Auditorium/Library	9,386 S.F.	Auditorium and Library
Building 3	Ideal Hall	4,748 S.F.	Dining Hall & Kitchen
Building 4	Special Hall	5,475 S.F.	Classrooms
Building 5	Gymnasium	5,508 S.F.	Gymnasium
Building 6	Chapel	2,640 S.F.	Chapel
Building 7	Twain Hall	2,980 S.F.	Classrooms
Building 8	Stowe Hall	1,506 S.F.	Classrooms
Building 9	Irving Hall	2,940 S.F.	Center and Office
Building 10	Arts and Science	10,092 S.F.	Classrooms
Building 12	Kindly Cottage	352 S.F.	Residence
Building 13	Lincoln House	3,647 S.F.	Residence (Duplex)
Building 14	Dream Hall	14,412 S.F.	Classrooms
Building 15	Washington House	2,200 S.F.	Residence
Building 16	Adams House	1,155 S.F.	Residence
Total		86,052 S.F.	

Zoning	RA-2 (Single Family Residential) School use permitted by Special Exception
Highest and Best Use	Continued present use as a school
Market Value:	$26,800,000

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DESCRIPTION AND ANALYSES

FUNCTION OF THE APPRAISAL

The function of this appraisal is to communicate to the reader of this report the appraiser's opinion of the retrospective fee simple market value of the subject property as of December 12, 2005. It is understood that this appraisal report may be used to support the market value of the property in connection with litigation involving a recent contract of sale.

DATE OF THE APPRAISAL

The performance and success of a real estate investment are dependent upon management, market liquidity, and many factors of outside influence. If, for any reason, events occur after the effective date of this appraisal and such subsequent events cause a change in the conditions affecting value, the estimated value of the property will change. Subsequent events would encompass worldwide, national, regional, local, or neighborhood influences. The estimate of value is based upon conditions existing as of December 12, 2005.

EXPOSURE TIME AND MARKETING PERIOD

The value estimate contained in this report is premised upon a one to two year exposure time prior to the hypothetical consummation of a sale on the effective date of the appraisal. Additionally, if properly priced and marketed, the property would be expected to sell within a one to two year marketing period.

SCOPE OF THE APPRAISAL

This is a complete self-contained appraisal report prepared in conformance with the requirements of the Uniform Standards of Professional Appraisal Practice (USPAP) and the Code of Professional Ethics and the Standards of Professional Practice of the Appraisal Institute. The extent of the process of collecting, confirming and reporting the market data utilized in this report is outlined as follows:

- Inspections of the subject property were made on various dates through January 16, 2006.
- Pertinent information regarding the subject property and comparables was collected from Assessor's records and deeds of record. Available survey plans were reviewed and the governing zoning regulations were studied.
- Date of sale, descriptive information, financing and special conditions (where applicable) for each comparable sale was verified with a principle of the transaction (where obtainable) and the applicable documents of record.
- Consideration was given to all approaches to value. The cost approach was developed.
- Final value conclusion was arrived at and reported in a complete self-contained format.

PURPOSE OF THE APPRAISAL

The purpose of this appraisal is to estimate the "as is" market value of the fee simple interest in the subject property as of December 12, 2005. Market value is defined by USPAP, as stated in *The Dictionary of Real Estate Appraisal, Fourth Edition*, published by the Appraisal Institute, as follows:

> *"The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:*
>
> 1. *Buyer and seller are typically motivated;*
> 2. *Both parties are well informed or well advised, and acting in what they consider their own best interests;*
> 3. *A reasonable time is allowed for exposure in the open market;*
> 4. *Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and*
> 5. *The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale."*

PROPERTY RIGHTS APPRAISED

"Fee Simple Estate" subject to and/or together with such easements or other non-possessing interests as of record may appear. Fee simple estate is defined in *The Dictionary of Real Estate Appraisal, Fourth Edition*, published by the Appraisal Institute, as follows:

> *"Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat"*

The above assumes that title is good and marketable, free and clear of all liens, mortgages and other indebtedness.

SALES HISTORY

There have been no sales transactions in the past three years involving the subject property. There is an Agreement of Sale, signed December 12, 2005, between The Japanese Educational Institute of New York (Seller) and The Westchester Fairfield Hebrew Academy (Buyer) to transfer the subject property for $20,000,000. The sale price is below the market value of the subject property concluded in this report of $26,800,000.

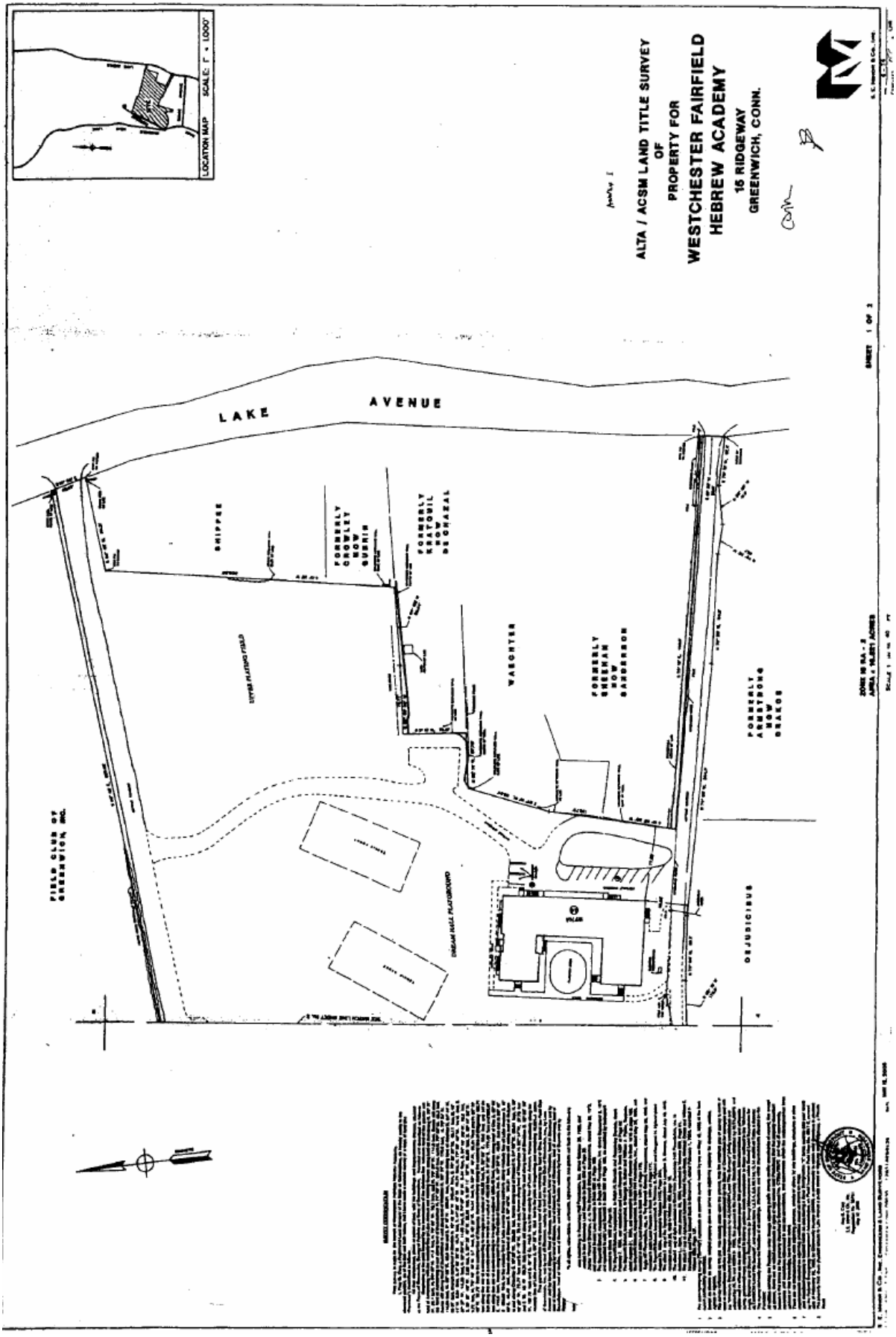
The Seller is leasing back a portion of the property through 3/31/2011 through a separate Lease and Sharing Agreement. The Seller may lease 61.67% of the property at an initial rent of $268,212 per year, plus pass-through expenses including insurance, utilities, security, asbestos remediation and environmental monitoring. The Seller has an option to renew the lease until 3/31/14 at a 25% increase in rent, and may terminate the lease at any time after 4/1/09.

IDENTIFICATION OF THE PROPERTY

An examination of the Land Records of the town of Greenwich (Deed executed 6/18/91 and recorded 6/19/91 in Volume 2135, at Page 138) indicates that the Japanese Educational Institute of New York is the owner, in fee simple, of all those pieces or parcels of land, situated on the west side of Lake Avenue and on the east side of Ridgeway Drive, in the town of Greenwich, in the County of Fairfield, State of Connecticut and more particularly described in the subject deed. The property is known as 270 Lake Avenue, also identified in the Tax Assessor's Office as 15 Ridgeway Drive, Parcel ID 10-4028/S.

The subject land is 16.521 acres in size. The property is shown on Sheets 1 and 2 of a map entitled "ALTA / ASCM Land Title Survey of Property for Westchester Fairfield Hebrew Academy, 15 Ridgeway, Greenwich, Conn.", prepared by S.E. Minor & Co., Inc. Engineering & Land Surveyors. Refer to the following pages for copies of these two maps showing the subject property.

ALTA / ACSM LAND TITLE SURVEY
OF
PROPERTY FOR
WESTCHESTER FAIRFIELD
HEBREW ACADEMY
15 RIDGEWAY
GREENWICH, CONN.
RIDGEWAY
FORMERLY
ORR
NOW
KIERNAN
FIELD CLUB OF
GREENWICH, INC.
MAIN PLAYING FIELD
FORMERLY
BABBIE
NOW
BUSSENSTEIN
FORMERLY
KOEHLER
NOW
PENNINGTON
FORMERLY
BLOCK
ROAD
SHED
RELIGIOUS


ALTA / ACSM LAND TITLE SURVEY
OF
PROPERTY FOR
WESTCHESTER FAIRFIELD
HEBREW ACADEMY
15 RIDGEWAY
GREENWICH, CONN.
LOCATION MAP
SCALE: 1" = 1000'
LAKE AVENUE
SHIPPEE
FORMERLY CHARLES NOW GURRIN
FORMERLY EASTCOTT NOW DE GRAZIA
WAECHTER
FORMERLY SHEEHAN NOW BARBERRON
FORMERLY ARMSTRONG NOW BRAEGS
OBJUDICIBUS
FIELD CLUB OF GREENWICH, INC.
SUPER PLAYING FIELD
DREAM HALL PLAYGROUND
TENNIS COURTS
TENNIS COURTS
PLAN
SHEET 1 OF 2

REGIONAL AND TOWN DATA

The subject property is situated in the town of Greenwich, in Fairfield County, in the southwest section of the state of Connecticut. Greenwich is approximately 48 square miles in land area, bordered on the east by Stamford, on the south by Long Island Sound, and on the west and north by Westchester County, New York State. Some of the major cities within this general section of the nation and their approximate distances from Greenwich are as follows:

City	Distance	Direction
New York, NY	40 Miles	Southwest
Hartford, CT	77 Miles	Northeast
Boston, MA	177 Miles	Northeast
White Plains, NY	15 Miles	Southwest
New Haven, CT	40 Miles	Northeast
Waterbury, CT	50 Miles	Northeast

Transportation

Two major multi-lane, limited access highways traverse Greenwich in an east/west direction: The Merritt Parkway (Connecticut Route #15) and the Connecticut Turnpike (Interstate #95); the former through the central, mainly residential section of the municipalities and the latter following the coast and passing through mainly commercial areas.

Greenwich has four train stations that offer frequent commuter service to Grand Central Station in New York as well as local service. The Cos Cob and Riverside stations offer no connecting services. At Old Greenwich station, CTTransit offers fixed route bus service in the Stamford metro area. At the Greenwich station, CTTransit offers fixed route bus service in the Stamford metro area and Norwalk Transit District provides two commuter shuttles that loop through Town.

National air service is provided by White Plains (Westchester Airport) and New York (LaGuardia Airport), while both national and international flights are available from Bradley International Airport in Windsor Locks, Connecticut, John F. Kennedy International Airport in New York, and Newark International Airport in New Jersey.

Population

The Town of Greenwich falls within the Southwestern Region, which includes the municipalities of Darien, Greenwich, New Canaan, Norwalk, Stamford, Weston, Westport and Wilton. The following table contains population figures for the Southwestern Regional Area.

TOTAL POPULATION

Municipality	1990	2000	2004	2009
Darien	18,196	19,607	20,037	20,525
Greenwich	**58,441**	**61,101**	**62,270**	**63,591**
New Canaan	17,864	19,395	20,142	21,011
Norwalk	78,331	82,951	84,107	85,452
Stamford	108,056	117,083	121,142	125,664
Weston	8,648	10,037	10,486	11,010
Westport	24,410	25,749	26,229	26,799
Wilton	15,989	17,633	18,036	18,494
Fairfield County	827,645	882,567	904,001	928,248
Connecticut	3,287,116	3,405,565	3,507,246	3,626,616

SOURCE: Connecticut Town Profiles, Connecticut Department of Economic and Community Development

Income

The income levels vary significantly from town to town within the Southwestern Region. The following table provides data relating to median household income for each community in the Region for 2004.

MEDIAN HOUSEHOLD INCOME

Municipality	2004
Darien	$154,329
Greenwich	**$108,712**
New Canaan	$151,048
Norwalk	$64,334
Stamford	$64,782
Weston	$156,160
Westport	$129,874
Wilton	$149,102
Fairfield County	$71,097
Connecticut	$58,438

Source: Connecticut Town Profiles, Connecticut Department of Economic and Community Development.

The data indicates that, within the Planning Area, Norwalk had the lowest median household income at $64,334 and Weston had the highest at $156,160. All of the municipalities in the Region surpassed the State average. All of the above municipalities fall within Fairfield County, which boasts the highest median household income within the State of Connecticut and among the income in the nation.

Commercial Market

Since the early 1960's, lower Fairfield County has undergone a major urban influx of corporate users, including many Fortune 500 Corporations, making the area the major economic and commercial power in southwestern Connecticut. This economic growth was reflected in the below-average unemployment rates that Greenwich has enjoyed in the past.

The corporate influx, mainly from New York City, was accompanied by the construction of major hotels in the region, as well as the growth of organizations in the service fields to meet the needs of the major companies. This commercial growth resulted in corresponding residential growth, primarily high-rise apartments and condominiums in nearby Stamford.

According to the Albert B. Ashforth office market report (3rd Quarter 2005), the office vacancy rate for Class A space in Fairfield County was 17.0%, with an average asking price of $29.52/S.F. gross. Greenwich's vacancy was 12.2% for Class A office space, with an average asking price of $45.27/S.F. gross. The vacancy rate decreased in Fairfield County and Greenwich from the previous year, indicating improvement in the office sector.

Residential Market

Residential real estate values in the Southwestern Region are among the highest in the State. The median residential sales price for the Southwestern Region ranks first out of the 16 planning regions in the State, and the Town of Greenwich is in the top five out of the 169 municipalities in the State.

Housing in Greenwich is comprised primarily of single family dwellings, with some multi-family dwelling units. The majority of multi-family housing in the Region is located in the cities of Stamford and Norwalk. The following chart illustrates the housing stock in Greenwich compared to the County and State.

HOUSING STOCK

	Town of Greenwich	Fairfield County	State of Connecticut
Existing Units Total (2002)	24,709	342,403	1,401,802
% Single Unit	69.4%	65.3%	64.4%

SOURCE: Connecticut Town Profiles, Connecticut Department of Economic and Community Development

Statistics reported by the Multiple Listing Service for the Town of Greenwich indicate that the median sales price for single-family homes increased an average of more than 20%/annum, compounded from 2003 to 2005, outlined as follows:

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SINGLE-FAMILY HOME SALES – GREENWICH
TIME PERIOD 2003 - 2005

	2003	2004	2005
Number of Sales	737	832	738
Median Sales Price	$1,255,000	$1,625,000	$1,880,000
Percentage Increase		+ 29.5%	+ 15.7%

Source: Multiple Listing Service

Conclusion

The cities and towns within the Southwestern Region are generally considered to be the most prosperous within the state of Connecticut. Historically, they have enjoyed a steady growth in population; above average income levels; relatively low unemployment levels; and growth within the commercial and industrial sectors. The Town of Greenwich has historically experienced above-average income growth, employment and housing prices. Market participants expect the real estate market in Greenwich to continue to improve in the future.

NEIGHBORHOOD, LOCATION AND SITE DATA

The subject property is situated on the west side of Lake Avenue and on the east side of Ridgeway Drive, in the central section of the town of Greenwich. Route 1 and the Greenwich central business district are less than one mile south. Exits 28 and 29 of the Merritt Parkway are located approximately four miles to the north. Refer to the following page for a map showing the location of the subject property.

The subject neighborhood is primarily residential in nature, with predominant zoning in the area being two acre residential. Neighborhood homes typically range in size from 4,000 S.F. to 11,000 S.F., and in price from $3,000,000 to over $7,000,000. One exception is the Field Club of Greenwich, a private swimming and tennis club that abuts the subject property to the north.

The subject parcel contains 16.521 acres of land improved with a private school containing 15 buildings and ancillary site improvements. The shape of the parcel is irregular, with main access via Lake Avenue. The topography of the land is gently rolling, with some areas of ledge and wetlands. Buildings include classrooms, auditorium/library, gymnasium, arts and science building, chapel and residences. Site improvements include playing fields, tennis courts, masonry walls, paved parking and drives, walkways, and quality landscaping. The private school serves students in grades one through nine.

The local streets have asphalt paving and are improved, for the most part, with curbing and storm sewers. Neighborhood dwellings are served by public water, sewer, and gas.

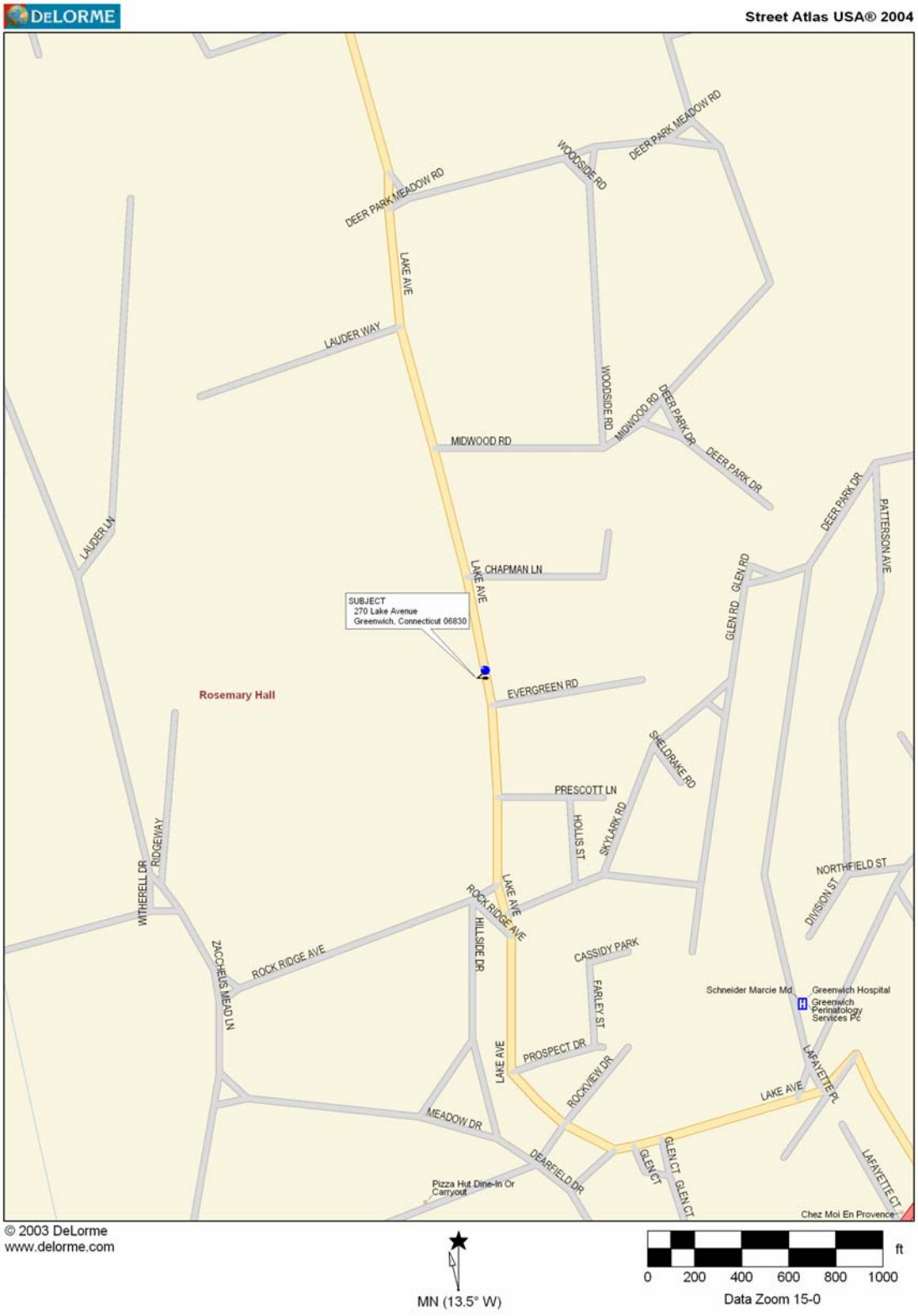
FLOOD ZONE

The property falls within Zone X (areas determined to be outside the 500 year floodplain) as shown on "FIRM Flood Insurance Rate Map, Town of Greenwich, Connecticut, Fairfield County, Panel 17 of 28, Community-Panel Number 090008 0017 C, Map Revised: February 22, 1999", published by the Federal Emergency Management Agency.

TAX INFORMATION

The Town of Greenwich was revalued as of October 1, 2001. The assessment ratio is 70% of value. The 70% assessment for the subject property, carried on the 2004 Grand List, is $10,592,820. The 100% value for assessment purposes as of October 1, 2001 is $15,132,600. A new municipal revaluation in Greenwich was recently completed as of October 1, 2005, with notices to the public mailed in November of 2005. The 100% value for assessment purposes as of October 1, 2005 is $28,286,100. The subject property is a private school that is exempt from real estate taxes.

MAP SHOWING SUBJECT NEIGHBORHOOD



ZONING

The subject property is situated in the RA-2 (two-acre residential) zone of the town of Greenwich (refer to the Building Zone Regulations of the Town of Greenwich). The minimum lot size in an RA-2 zone is two acres. Area, height, setback and FAR requirements in the RA-2 zone are as follows:

RA-2 Zoning Requirements

Maximum Height	3-1/2 stories or 47-1/2 feet
Minimum Lot Size	2 Acres
Minimum Frontage	125 feet
Lot Shape	200' circle
Floor Area Ratio (FAR)	0.09 0.07 by Special Exception and Special Permit
Minimum Front Yard (Depth)	Greater of 75 feet or height of building
Minimum Side Yard (Width)	At least height of building but not less than 35 feet
Minimum Rear Yard (Depth)	Greater of 75 feet or height of building

Permitted uses in the RA-2 zone include single family dwellings, parks, playgrounds, public school grounds and Town buildings and uses. Uses permitted by Special Exception or Special Permit include clubs, cemeteries, churches, etc. Refer to page A-3 of the Addenda for minimum requirements and specific permitted uses in the RA-2 zone.

The use of the subject property as a private school is permitted by Special Exception in the RA-2 residential zone. As a condition of zoning approval, restrictions were placed on the use of the property, including the following:

1) Enrollment is limited to 450 students.
2) No classroom on evenings and weekends, and no classes during the summer recess.
3) At least 90% of the students shall be transported by bus. The number of school buses is limited to 18. The number of cars for faculty shall not exceed 30.
4) Traffic shall be equalized between the two entrances on Ridgeway Drive and Lake Avenue.
5) There shall be no change in the footprint of any buildings.

The impact of these restrictions will be considered in arriving at the final market value conclusion.

DESCRIPTION OF THE IMPROVEMENTS

An outline description of the subject improvements, based on a physical inspection of the interior and exterior of the improvements, and review of the information on file in the Greenwich Town Hall, is as follows:

Building 1 – Founders Hall

Use:	Administrative Office and Elementary School Classrooms
Construction:	Wood frame with slate roof
Story Height:	Three stories plus basement
Floor Area:	6,868 S.F. First Floor 6,096 S.F. Second Floor 6,047 S.F. Third Floor 19,011 S.F. Total
Condition/Year Built:	Good / 1920
Interior:	First Floor - Administrative office, teacher's office, principal's office, teacher's lounge, infirmary and conference room. Second and Third Floors - Elementary school classrooms on the second and third floors. Finish is sheetrock or plaster walls, hanging acoustical tile ceiling, carpeting (office), vinyl tile and rubber tile flooring. An elevator serves the building.
Mechanicals:	Gas fired hot water heat. The entire building has sprinklers.
Comments:	Masonry patio, balcony, etc.

Building 2 – Auditorium/Library

Use:	Auditorium (first floor) and Library (second floor)
Construction:	Masonry and wood frame
Story Height:	Two stories on slab
Floor Area:	4,778 S.F. First Floor 4,608 S.F. Second Floor 9,386 S.F. Total
Condition/Year Built:	Good / 1920
Interior:	First floor - Auditorium with cathedral ceiling and stage, locker room and storage room. Second floor – Library, audio room and broadcasting studio. Finish is sheetrock or plaster walls, hardwood floors in the auditorium, carpeting in the library, hanging acoustical tile ceiling.
Mechanicals:	Gas fired hot water heat. The entire building has sprinklers.

Building 3 – Ideal Hall

Use:	Dining Hall and Kitchen
Construction:	Masonry and wood frame
Story Height:	One and two (partial) stories plus basement
Floor Area:	3,916 S.F. First Floor 832 S.F. Second Floor 4,748 S.F. Total
Condition/Year Built:	Good / 1920
Interior:	Dining hall and kitchen / home economics lab. Finish is sheetrock or plaster walls, vinyl tile floors, and cathedral wood floors in the dining hall.
Mechanicals:	Gas fired hot water heat. The entire building has sprinklers.
Comments:	Utility shed, loading docks, etc.

Building 4 – Special Hall

Use:	Junior High School Classrooms
Construction:	Masonry and wood frame
Story Height:	Two stories plus basement
Floor Area:	2,725 S.F. First Floor 2,750 S.F. Second Floor 5,475 S.F. Total
Condition/Year Built:	Good / 1920
Interior:	Classrooms on the first and second floors with sheetrock or plaster walls, vinyl tile floors and hanging acoustical tile ceiling.
Mechanicals:	Gas fired hot water heat – boiler recently replaced. The entire building has sprinklers.

Building 5 – Gymnasium

Use:	Gymnasium
Construction:	Stone
Story Height:	One story plus basement
Floor Area:	5,508 S.F.
Condition/Year Built:	Good / 1920
Interior:	Gymnasium with hardwood floors, stone walls and cathedral wood ceiling. Mezzanine spectator area (not used). Basement with locker rooms, teacher's office and storage area (former showers).
Mechanicals:	Gas fired hot water heat – boiler recently replaced. The entire building has sprinklers.
Comments:	Open porches, etc.

Building 6 – Chapel

Use:	Chapel
Construction:	Stone
Story Height:	One story plus basement
Floor Area:	2,640 S.F. First Floor
Condition/Year Built:	Very Good / 1904 – Stained glass windows removed and refurbished during renovation in 1990.
Interior:	Chapel with tile floors, stone walls, cathedral wood ceiling.
Mechanicals:	Gas fired hot water heat. The entire building has sprinklers.
Comments:	The value of the antique pipe organ is considered personal property and is not included in this appraisal report.

Building 7 – Twain Hall

Use:	Classrooms
Construction:	Masonry and wood frame
Story Height:	Two stories
Floor Area:	1,490 S.F. First Floor 1,490 S.F. Second Floor 2,980 S.F. Total
Condition/Year Built:	Good / 1920
Interior:	Classrooms on the first and second floors with sheetrock or plaster walls, carpeting and vinyl tile floors and hanging acoustical tile ceiling.
Mechanicals:	Gas fired hot water heat. The entire building has sprinklers.

Building 8 – Stowe Hall

Use:	Classrooms
Construction:	Masonry and wood frame
Story Height:	One story
Floor Area:	1,506 S.F.
Condition/Year Built:	Good / 1920
Interior:	Classrooms on the first and second floors with sheetrock or plaster walls, carpeting and vinyl tile floors and hanging acoustical tile ceiling.
Mechanicals:	Gas fired hot water heat. The entire building has sprinklers.

Building 9 – Irving Hall

Use:	Community Center and Offices
Construction:	Masonry and wood frame
Story Height:	Two stories
Floor Area:	2,940 S.F.
Condition/Year Built:	Good / 1920
Interior:	Community center on the first floor and offices on the second floor with sheetrock or plaster walls, carpeting and vinyl tile floors and hanging acoustical tile ceiling.
Mechanicals:	Gas fired hot water heat. The entire building has sprinklers.

Building 10 – Arts and Science Building

Use:	Arts, Music and Science Classrooms
Construction:	Masonry and wood frame
Story Height:	One story plus partial basement
Floor Area:	10,092 S.F.
Condition/Year Built:	Good / 1920
Interior:	Two music rooms, two art rooms, two science labs, chemical storage room, teacher's office, two industrial arts workshops. Finish is sheetrock or masonry walls, vinyl tile floor and hanging acoustical tile ceiling. The building is served by an elevator.
Mechanicals:	Gas fired hot water heat and central air conditioning. The entire building has sprinklers.
Comments:	Patio with canopy, greenhouse, etc.

Building 12 – Kindly Cottage

Use:	Residence used as storage
Construction:	Wood frame
Story Height:	One story
Floor Area:	352 S.F.
Condition/Year Built:	Fair / 1912
Interior:	Three rooms (one bedroom) and one full bath

Building 13 – Lincoln House

Use:	Two residential units
Construction:	Wood frame
Story Height:	Two stories plus basement
Floor Area:	2,020 S.F. First Floor Unit 1,627 S.F. Second Floor Unit 3,647 S.F. Total
Condition/Year Built:	Good / 1920
Interior:	Each unit has four rooms (two bedrooms) and one full bath

Building 14 – Dream Hall

Use:	Classrooms
Construction:	Masonry and wood frame
Story Height:	One and Two stories
Floor Area:	9,984 S.F. First Floor 4,428 S.F. Second Floor 14,412 S.F. Total
Condition/Year Built:	Good / 1920
Interior:	Gymnasium with hardwood floors and cathedral ceiling. Classrooms on the first and second floors with sheetrock walls, carpeting and vinyl tile floors and hanging acoustical tile ceiling. The building is served by an elevator.
Mechanicals:	Gas fired hot water heat. The entire building has sprinklers.

Building 15 – Washington House

Use:	Single family residence
Construction:	Wood frame
Story Height:	Two stories plus basement
Floor Area:	1,200 S.F. First Floor 1,000 S.F. Second Floor 2,200 S.F. Total
Condition/Year Built:	Good / 1920
Interior:	Seven rooms (three bedrooms) two full and one half baths

Building 16 – Adams House

Use:	Residence used as storage
Construction:	Wood frame
Story Height:	One and two story plus basement
Floor Area:	1,155 S.F.
Condition/Year Built:	Average / 1920
Interior:	Four rooms (two bedrooms) and one full bath

Site improvements include two playing fields, two tennis courts, masonry walls, paved parking and drives, walkways, amphitheater, and quality landscaping. The buildings were renovated in 1990 when the property was purchased by the current owner. Note that the value of the personal property is not included in this appraisal report.

The current sales contract for the property indicates asbestos in the building that requires remediation. The value conclusion in this appraisal assumes that the property is free from contamination, with the seller responsible for any required clean up.

PRESENT USE

The subject property is improved with a private school serving grades one through nine. The property was originally constructed for use as a school in 1920 known as Rosemary Hall. When Rosemary Hall merged with the Chote School and moved its campus, the school was sold to The Daycroft School. The Japanese Educational Institute of New York purchased the school campus from The Daycroft School in 1991.

HIGHEST AND BEST USE

The principle of highest and best use is defined in *The Dictionary of Real Estate Appraisal, Fourth Edition*, published by the Appraisal Institute, as follows:

> *"The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity."*

The highest and best use of an improved property is estimated both as if vacant and as currently improved. The analysis of highest and best use as if vacant determines the site's potential use, the market forces acting on the property, as well as revealing forms of obsolescence that may be present in the existing improvements. The analysis as improved determines the use of the property that is the most valuable and determines the types of comparables needed for analysis.

As stated in the above definition, the highest and best use of the subject property must meet four criteria: legal permissibility, physical possibility, financial feasibility, and maximum profitability. Each of these four factors will be analyzed in examining the highest and best use of the subject property as if vacant and as improved.

HIGHEST AND BEST USE - AS VACANT

The highest and best use of land or a site as though vacant is defined by the Appraisal Institute in *The Dictionary of Real Estate Appraisal*, *Fourth Edition,* as follows:

> *"Among all reasonable, alternate 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."*

In arriving at an opinion of the highest and best use for the subject property as if vacant, the appraiser has taken cognizance of such factors as neighborhood trends and influences, accessibility, zoning, current market conditions relative to this type of property, physical characteristics of the property, etc. The subject parcel contains 16.521 acres of land area in an RA-2 zone. The highest and best of the subject property as if it were vacant would be to subdivide the parcel for single family residential development. The minimum lot size in the RA-2 zone is two acres, indicating a maximum lot yield of eight lots (16.521 acres ÷ 2 acres/lot). Requirements for road construction, accessway construction, open space, and topographic and soil (wetlands) restrictions would effectively reduce the number of lots to an estimated yield of approximately six conforming building lots. Note that there is significant risk associated with approval process. The actual number of lots achievable on the subject property will not be known until engineering and testing is undertaken, and final subdivision approvals are obtained by the necessary Town agencies.

HIGHEST AND BEST USE - AS IMPROVED

The highest and best use of a property as improved is defined by the Appraisal Institute in *The Dictionary of Real Estate Appraisal, Fourth Edition,* as follows:

> *"The use that should be made of a property as it exists. An existing property should be renovated or retained as is so long as it continues to contribute to the total market value of the property, or until the return from a new improvement would more than offset the cost of demolishing the existing building and constructing a new one."*

It is the appraiser's opinion that the highest and best use of the subject property as improved would be for its continued present use as a private school. Factors in support of this highest and best use conclusion include the following:

1) The subject property has Site Plan and Special Exception approvals in place from the town of Greenwich to operate as a private school.

2) Private school use is physically possible as evidenced by the 15 school buildings currently on the property. Ancillary improvements include playing fields, tennis courts, paved parking and walkways. Full public utilities are connected to the subject property including public water, sewer and gas.

3) Continued private school use is financially feasible and the most profitable use of the subject property. There is no alternate use that would yield a higher present value indication for the subject property. The market value of the property as a private school exceeds the value of the land for residential subdivision as outlined in this appraisal report.

VALUATION METHOD

In estimating the value of the subject property, the three usual approaches to value were considered; i.e., the cost approach, the income capitalization approach and the sales comparison approach. A brief explanation of each approach, as taken from *The Dictionary of Real Estate Appraisal, Fourth Edition*, published by the Appraisal Institute, follows.

> **Cost Approach***: A set of procedures through which a value indication is derived for the fee simple interest in a property by estimating the current cost to construct a reproduction of, or replacement for, the existing structure; deducting accrued depreciation from the reproduction or replacement cost; and adding the estimated land value plus an entrepreneurial profit. Adjustments may then be made to the indicated fee simple value of the subject property to reflect the value of the property interest being appraised.*
>
> **Sales Comparison Approach***: A set of procedures in which a value indication is derived by comparing the property being appraised to similar properties that have been sold recently, applying appropriate units of comparison, and making adjustments to the sale prices of the comparables based on the elements of comparison. The sales comparison approach may be used to value improved properties, vacant land, or land being considered as though vacant; it is the most common and preferred method of land valuation when comparable sales data are available.*
>
> **Income Capitalization Approach***: A set of procedures through which an appraiser derives a value indication for an income-producing property by converting its anticipated benefits (cash flows and reversion) into property value. This conversion can be accomplished in two ways. One year's income expectancy can be capitalized at a market-derived capitalization rate or at a capitalization rate that reflects a specified income pattern, return on investment, and change in the value of the investment. Alternatively, the annual cash flows for the holding period and the reversion can be discounted at a specified yield rate.*

The subject property is a private school, which is considered a special-purpose property. The cost approach was developed since this is the most reliable method of arriving at the market value of school facilities. The sales comparison approach was not developed due to the absence of recent sales of schools considered comparable to the subject property. The income capitalization approach was not developed because private schools are typically not purchased on the basis of income production.

COST APPROACH

In the application of the cost approach, the value of the subject 16.521-acre site as if vacant and available for its highest and best use is first estimated. Second, the cost to construct replacements for the existing buildings and site improvements are estimated, including all direct and indirect costs. All accrued depreciation is then deducted from replacement cost new, and the value of the site is added in order to estimate the fee simple market value of the property.

Land Value

In estimating the value of the subject land (16.521 acres) there are, in essence, two basic methods available.

1. **Sales Comparison Approach** - In this method, comparable sales of bulk land, i.e., sales exhibiting an overall comparability with respect to location, zoning, type and physical characteristics of the land and improvements, approval status etc., would be compared and adjusted directly to the subject property.

2. **Development Procedure** - "Development Procedure" is defined in *The Dictionary of Real Estate Appraisal*, published by the Appraisal Institute, as follows:

   > *"A procedure for valuing undeveloped acreage which involves discounting the cost of development and the probable proceeds from the sale of developed sites. See also Subdivision Development Method"*
   >
   > Subdivision Development Method *"A method of estimating land value when subdivision and development are the highest and best use of the parcel of land being appraised. All direct and indirect costs and entrepreneurial profit are deducted from an estimate of the anticipated gross sales price of the finished lots; the resultant net sales proceeds are then discounted to present value at the market-derived rate over the development and absorption period to indicate the value of the raw land."*

This method, in essence, views the subject property from the point of view of a theoretical developer who must consider such essential factors as probable lot yield, estimated development costs, probable selling price of lots, estimated time to dispose of lots in the marketplace (absorption time), etc., in judging what he can pay for the land, raw and undeveloped. Both approaches have been developed in this appraisal report.

Land Value – Sales Comparison Approach

The sales comparison approach involves a study of recent transfers of large parcels of residential land considered similar to the subject property. These properties are compared and adjusted to the subject property. As is typical in the analysis of large parcels of residential land, this analysis will be made using sale price/acre of land area as the unit of comparison. This is arrived at by dividing the sale price of the comparable by the total acres of land area.

A detailed search of the town of Greenwich has uncovered two recent sales in 2005 of large parcels of vacant land, outlined as follows:

Location:	Pecksland Lane Greenwich, CT	28 Conyers Farm Drive Greenwich, CT
Grantor:	Estate of Charlotte Hacken	Dover Holdings, LLC
Sale Price:	JRF Land Enterprises, LLC	KLGC, LLC
Volume/Page:	4885/208	4903/14
Sale Price:	$16,565,000	$14,600,000
Sale Date:	4/1/05	4/22/05
Zone:	RA-2	RA-4
Size:	22.88 Acres	20.12 Acres
Sale Price/Acre:	**$723,995/Acre**	**$725,646/Acre**
Comments:	4 Lots + Open Space	Single Lot in Conyers Farm

As outlined above, the two studied comparable sales indicates a value range for the subject property of $723,995/Acre to $725,646/Acre, with a mean of $724,820/Acre. In estimating a value conclusion for the subject property, consideration has been given to such value-influencing variables as time, location, physical characteristics of the site and improvements, financing, conditions of sale, etc. Based on the foregoing, the value of the land is estimated at a rounded $725,000/Acre, or a rounded **$12,000,000** ($725,000/Acre x 16.521 Acres).

Land Value – Development Procedure

In the application of the development procedure, the appraiser first estimates the retail value of each of the six lots and then deducts all development costs to arrive at an estimate of the net revenues available to satisfy the mortgage interest, equity interest and to allow an adequate residual cash flow to the developer (termed "developer's profit"). When a derivative discount rate is found that satisfies the market derived required rates of return for all parties of the investment, the present value of the subject property can be estimated. Since, in practice, this process is accomplished over an extended span of time (depending on time necessary to obtain approvals, construct the infrastructure and sell-off the entire inventory of lots), a discounted sellout technique, incorporating the profit-residual model, has been utilized.

The profit-residual model essentially views the subject property from the point of view of a theoretical developer. Cash flows are distributed under the profit-residual model according to the following market-derived return hierarchy.

1) Points, principal, and interest are paid to the mortgagee in accordance with provisions of typical mortgage loans on sellout properties.
2) Equity dividends are paid from remaining revenues until a market-derived equity yield rate is satisfied.
3) All remaining cash flows are allocated to the entrepreneur's profit.

The discount rate used to compute the net present value of the subject property is found by trial and error. A trial discount rate is inputted, resulting in a computed overall valuation and residual cash flow to developer's profit. Whenever residuals allocated to developer's profit do not match the desired market-derived profit, a new discount rate is inputted until the desired residual cash flow to developer's profit is met. This process is known as iteration. When the discount rate that yields the desired residual profit is found, cash flows to equity, cash flows to the mortgage interest, and the overall valuation are known. The discounted sellout, incorporating the profit-residual model, is developed in detail on the following pages.

ESTIMATED TIME DELAY FOR APPROVALS

Because of the requirements for submission associated with engineering, topography, soils, boundary surveys, contingencies, etc., an estimated minimum delay of nine months from the date of appraisal is considered necessary before final approvals could theoretically be obtained for the proposed 6-lot subdivision. This time delay takes into consideration the time to draft all necessary site layouts and environmental reports and to obtain required approvals from the necessary town agencies.

ESTIMATED CURRENT (12/05) RETAIL VALUE FOR 6 VACANT LOTS

In order to make a reasonable estimate of the projected average retail value of the six vacant lots, the appraiser has utilized the sales comparison approach. There have been six recent lot sales in the subject's RA-2 zone considered comparable to the subject property, outlined as follows:

COMPARABLE RESIDENTIAL LOT SALE DATA
TOWN OF GREENWICH, CONNECTICUT

LOCATION	SALE DATE	SALE PRICE/ LOT	LAND AREA (ACRES)	ZONE
Baldwin Farms Road South	8/31/2005	$2,900,000	2.00	RA-2
15 Sidney Lanier Lane *	5/5/2005	$3,600,000	2.05	RA-2
Zaccheus Mead Lane	8/20/2004	$2,500,000	2.00	RA-2
205 Clapboard Ridge Road	8/12/2004	$3,450,000	3.00	RA-2
Vineyard Lane	7/2/2004	$2,500,000	2.25	RA-2
Pecksland Road	5/24/2004	$2,000,000	2.27	RA-2

* Teardown Sale

These lot sales indicate a value range for conforming lots of $2,000,000 to $3,600,000, with an average of $2,825,000. In estimating a retail lot value conclusion for the six subject lots, consideration has been given to such value-influencing variables as lot size, shape, location, topography, etc. The subject property is situated in the southern portion of the neighborhood, which is considered superior. Based on the foregoing, it is the appraiser's opinion that the probable average retail value for the six vacant subject lots is **$3,000,000/Lot**.

GROSS SELLOUT VALUE

Summing the value estimates for the subject lots is an indication of the gross sellout value of the subdivision. The indicated retail value for the six subject lots is as follows:

Gross Sellout Value	($3,000,000/Lot x 6 Lots)	**$18,000,000**

Note that the gross sellout value of a project does not constitute the property's market value. A property's market value is its present value whereas gross sellout value fails to take into consideration the time, risk and expenses inherent in the development and marketing of a residential subdivision. The current market value of the subject vacant land will be estimated via the discounted sellout technique presented on the following pages. This resultant net present value indication will represent the market value of the subject property, as of the effective date of this appraisal, as if to a single buyer.

MARKET RISE

Market participants expect the residential real estate market in Greenwich to continue to improve in the future. In light of the foregoing, and with consideration to the estimated retail lot value conclusion and rate of absorption for the subject subdivision, the projected selling price of the lots is estimated to increase at a rate of 6%/annum over the sellout period.

ESTIMATED SCHEDULE FOR DISPOSITION

In judging the probable time for absorption into the market for the six subject lots, the most important factor to be taken into consideration is the current market for residential land in the town of Greenwich. The scarcity of vacant land in Greenwich has fueled the demand for local housing. The price of lots should continue to increase as the supply of prime building sites diminishes.

Assuming no unforeseen economic disaster or other calamity, absorption, then, is basically a function of prudently feeding lots into the market at a rate designed to maintain the best possible balance between price and rate of disposition. In light of these observations, a prudent rate of disposition for the subject six-lot development would be two lot sales per quarter after the initial nine-month time delay for subdivision approvals. It is estimated that the total sellout (six lots) will be accomplished within 1.50 years (six quarters) from the date of this appraisal report.

EXPLANATION OF ESTIMATED PROJECTED EXPENSES

Following is a discussion and explanation of the estimated expenses associated with the subject residential subdivision:

1) Engineering:	This expense, including architects, surveyors and engineering costs, is estimated at $10,000/Lot or a total of $60,000, amortized over the first three quarters. Therefore, $60,000 ÷ 3 = $20,000/quarter.
2) Legal (Submission Process & Closing Costs):	Estimated at $30,000 for the submission process, amortized over the first three quarters. Therefore, $30,000 ÷ 3 = $10,000/quarter. Closing costs are estimated at a flat rate of $800/lot, payable at closing.
3) Construction (Roads, Drainage, etc.):	Estimated as $1,000,000 paid in the first quarter after subdivision approvals are granted (Quarter 4). Rates estimated on the basis of historical study of subdivisions in the general area, verified through Marshall Valuation Service.
4) Taxes:	Initial tax projections are based on current land assessment and present mill rate, amortized on a quarterly basis. Subsequent taxes are apportioned to the developer on the basis of the projected schedule of sales based on an average assessment and the estimated future mill rate, projected to increase at a rate based on historical increases in the mill rate.
5) Insurance:	Annual Premium = $2,000 ($500/Quarter) average during the holding period. Insurance during the construction period is estimated at $2,000/Quarter.
6) Surety Bond:	$1,000,000 ± performance bond needed during construction phase (4th quarter). 90% of the bond will be released upon construction completion. 10% of the bond must remain in place for a period of one year. Bond is held at an estimated effective rate of 5%. Therefore, $1,000,000 at 5% interest for 1 quarter (0.25) = $12,500 in Quarter 4. $100,000 at 5% interest = $5,000 ÷ 2 Quarters = $2,500/Quarter during the balance of the sellout period.
7) Sales Expenses:	Selling of the lots in the subject subdivision will be done through a real estate agent at the typical commission is 5% of the gross sale price (including Town and State conveyance fees).
8) Interest on Construction Financing:	Interest on financing infrastructure construction is at an effective rate of 8.00%. $1,000,000 borrowed at 8% for effectively three months. $1,000,000 x 8% x 1 quarter (0.25) = $20,000 in Quarter 4. Assumption is that borrowed capital will be paid off with proceeds from initial lot sales as rapidly as possible.
9) Entrepreneur's Profit:	Entrepreneur's, a residual, is realized in the final stages of the holding period. Profit for obtaining all necessary approvals for the proposed six-lot subdivision, construction of road, accessways, drainage, etc., and selling off the lots is estimated at 10% of gross sales. This rate considers the relatively small size of the subject subdivision.
10) Purchase Financing	Purchase financing is based on a 65% loan-to-value ratio, 1.35 payback ratio, 8% interest rate.

EQUITY YIELD

An equity yield rate is a rate of return on equity capital, as distinguished from debt capital. The equity yield rate is the equity investor's internal rate of return. The equity yield rate reflects current and expected rates of return by investors in comparable investment vehicles. The following table highlights a number of selected rates:

December, 2005

Prime Rate	7.00%
Discount Rate	5.00%
Federal Funds	4.00%
Corporate Bonds Aaa	5.44%
Corporate Bonds Baa	6.39%
5-Year Treasury	4.45%
10-Year Treasury	4.52%
20-Year Treasury	4.81%

According to *Valuation Insights & Perspectives*, Volume 10, Number 3, Third Quarter, 2005, published by the Appraisal Institute, internal rate of return (discount rate) has nationally ranged from 7.00% - 13.00% for all commercial property types in the second quarter of 2005. This internal rate of return represents a return on equity, or yield, for industrial, retail, office and apartment properties. The equity yield rate for undeveloped properties would tend to be in the upper end of this range as there is typically greater inherent risk in a project that is undeveloped, such as risk involved in the approval and sellout process. Note that the subject property is appraised with all approvals in place and most construction complete, thereby reducing the risk in the project. Based on the foregoing, an appropriate IRR for the subject property would be 13.00%. Note that the equity yield rate including entrepreneur's profit exceeds 34%.

DISCOUNTED SELLOUT

The preceding steps and resulting conclusions are synthesized into a net present value (NPV) indication for the subject property through the use of a quarterly discounting process utilizing the profit-residual model. Note that future cash flows are discounted at a rate that reflects the relative degree of risk and allows all parties of the investment to satisfy their individual returns.

The net present market value of the six lots is the value, as of the effective date of this appraisal, as if to a single buyer.

DISCOUNTED SELLOUT

QUARTER	0	1	2	3	4	5	6	7	8	TOTAL
Average Price/Lot	$3,000,000	$3,000,000	$3,045,000	$3,090,675	$3,137,035	$3,184,091	$3,231,852	$3,280,330	$3,329,535	
Number of Lots Sold	0	0	0	0	2	2	2	0	0	6
Gross Proceeds From Sales	$0	$0	$0	$0	$6,274,070	$6,368,181	$6,463,704	$0	$0	$19,105,956
LESS EXPENSES:										
Engineering	$0	$20,000	$20,000	$20,000	$0	$0	$0	$0	$0	$60,000
Legal	$0	$10,000	$10,000	$10,000	$1,600	$1,600	$1,600	$0	$0	$34,800
Infrastructure Construction	$0	$0	$0	$0	$1,000,000	$0	$0	$0	$0	$1,000,000
Taxes	$0	$8,000	$8,000	$8,000	$12,500	$12,500	$12,500	$0	$0	$61,500
Insurance	$0	$500	$500	$500	$2,000	$500	$500	$0	$0	$4,500
Surety Bond	$0	$0	$0	$0	$12,500	$2,500	$2,500	$0	$0	$17,500
Sales Expense	$0	$0	$0	$0	$313,704	$318,409	$323,185	$0	$0	$955,298
Interest on Construction Financing	$0	$0	$0	$0	$20,000	$0	$0	$0	$0	$20,000
										$0
Total Expenses	$0	$38,500	$38,500	$38,500	$1,362,304	$335,509	$340,285	$0	$0	$2,153,598
Net Revenue	$0	($38,500)	($38,500)	($38,500)	$4,911,767	$6,032,672	$6,123,419	$0	$0	$16,952,358
Present Value Factor @ 19.64%	1.000000	0.953198	0.908586	0.866063	0.825529	0.786893	0.750065	0.714960	0.681498	
Net Present Value	$0	($36,698)	($34,981)	($33,343)	$4,054,807	$4,747,066	$4,592,960	$0	$0	$13,289,811
DISTRIBUTION OF NET PROCEEDS										
Net Proceeds Before Debt Service & Profit	$0	($38,500)	($38,500)	($38,500)	$4,911,767	$6,032,672	$6,123,419	$0	$0	$16,952,358
Less: Finance Charges	$0	$172,768	$172,768	$172,768	$172,768	$95,022	$17,277	$0	$0	$803,369
Less: Principal Repayment	$0	$0	$0	$0	$3,887,270	$3,887,270	$863,838	$0	$0	$8,638,377
Net Proceeds to Equity	$0	($211,268)	($211,268)	($211,268)	$851,729	$2,050,380	$5,242,304	$0	$0	$7,510,612
Profit Cash Flow to Equity at Indicated Equity Yield of 12%	$0	($211,268)	($211,268)	($211,268)	$851,729	$1,413,515	$4,605,439	($636,865)	$0	$5,600,016
Residual to Entrepreneur's Profit	$0	$0	$0	$0	$0	$636,865	$636,865	$636,865	$0	$1,910,596

Mortgage Yield 8.00%

Equity Yield Rate 13.00%

Equity Yield Rate Including Entrepreneur's Profit 34.01%

Entrepreneur's Profit as a Percentage of Gross Sales 10.00%

VALUE INDICATION:

Present Value of Net Proceeds Before Debt Service Discounted Quarterly @ 4.910% = $13,289,811

Rounded $13,300,000

LAND VALUE - RECONCILIATION

Sales Comparison Approach	$12,000,000
Development Procedure	$13,300,000

In arriving at a final value conclusion for the 16.521 acre parcel of land, greatest weight has been given to the sales comparison approach, with the development procedure providing secondary support. The subject property is raw land, with no engineering or subdivision approvals in place. The value via the development procedure is given less weight due to the considerable risks involved in the approval process at this early stage of the development process. With consideration to the foregoing, the final market value conclusion for the subject land is estimated at **$12,500,000**.

REPLACEMENT COST ESTIMATE

In estimating the replacement cost of the subject improvements, the appraiser has relied on the standards and estimates of Marshall & Swift Valuation Service as set forth in their 2004-2005 issues and adjusted by their update sheets to December, 2005.

Calculator costs are averages of final costs of actual construction projects that are broken down by typical groups of occupancy and quality ratings. These costs do not represent any specific building, except as the building is included in the averages. Adjustments are made to reflect differences in the major components that are considered to have the most significant impact on value. All other components of the building are considered to be equal to the general quality of the building. Refinements to the average costs for type of heating, sprinklers, area/perimeter ratio, and story height are given at the end of the section, and adjustments for elevators are on the cost pages. Current and Local Cost Multipliers are given in Section 99.

Buildings are divided into five construction classes: A, B, C, D and S, as described in Section 1. In each class there will be variations and sub-classes; but for purposes of pricing, the major elements of the building should be considered in entering the tables. Thus, if a building which is otherwise a Class B has a steel truss roof, the costs for the Class B building will still be representative. Interpolations may be made if the appraiser feels the building overlaps two classes, or the segregated costs in Section 41 may be used for adjustments. The market value of the subject property via the cost approach is outlined on the following pages.

BUILDING 1 - FOUNDERS HALL

Frame Offices/Classroom with Slate Roof Built in 1920 and in Good Condition Overall
Total Gross Floor Area of Building - 19,011 S.F.
Perimeter - 470 S.F.

Basic S.F. Cost*			$111.75	
Modifying Multipliers:				
Story Height		1.000		
Floor Area - Perimeter Multiplier		0.915		
Local Multiplier		1.270		
Current Cost Multiplier		1.050		
Composite Multiplier:			1.220	
Adjusted Unit Value			$136.35	
Subtotal	19,011 S.F. x	$136.35		$2,592,189
Sprinklers				$93,154
Elevator				$70,000
Patio, Balcony				$20,000
Basement	6,107 S.F.			$200,737
Estimated Replacement Cost of Building 1 - Founders Hall				**$2,976,080**

Depreciation (Physical and Normally Accrued Functional Obsolescence)

Physical depreciation and normally accrued functional obsolescence are based on the age/life concept. According to Marshall & Swift Valuation Service, the estimated life expectancy for a Class "D" Good Classroom is 40 years. The appraiser has estimated the effective age of the building to be 15 years. Depreciation is, therefore, 20% (Section 97, Page 16).

External obsolescence - None noted

Replacement Cost Less Total Depreciation $2,976,080 - 20% **$2,380,864**

* Source: Section 18, Page 14 (2/05), Class "D" Good Classroom (2/3)
Source: Section 18, Page 43 (2/05), Class "D" Good Administration (Office) Building (1/3)

BUILDING 2 - AUDITORIUM / LIBRARY

Masonry Auditorium / Library Built in 1920 and in Good Condition Overall

Total Gross Floor Area of Building -	9,386	S.F.
Perimeter -	290	S.F.

Basic S.F. Cost*		$128.15	
Modifying Multipliers:			
Story Height	1.000		
Floor Area - Perimeter Multiplier	0.932		
Local Multiplier	1.270		
Current Cost Multiplier	1.030		
Composite Multiplier:		1.219	
Adjusted Unit Value		$156.23	
Subtotal	9,386 S.F. x $156.23		$1,466,412
Sprinklers			$45,991
Mezzanine Stage			$80,000
Estimated Replacement Cost of Building 2 - Auditorium/Library			**$1,592,403**

Depreciation (Physical and Normally Accrued Functional Obsolescence)

Physical depreciation and normally accrued functional obsolescence are based on the age/ life concept. According to Marshall & Swift Valuation Service, the estimated life expectancy for a Class "C" Good Auditorium/Library is 45 years. The appraiser has estimated the effective age of the building to be 15 years. Depreciation is, therefore, 14% (Section 97, Page 16).

External obsolescence - None noted

Replacement Cost Less Total Depreciation	$1,592,403 - 14%	**$1,369,467**

* Source: Section 16, Page 14 (8/05), Class "C" Good Auditorium (1/2)
Source: Section 18, Page 18 (2/05), Class "C" Good Media Center (Library) (1/2)

BUILDING 3 - IDEAL HALL

Masonry Classroom Built in 1920 and in Good Condition Overall		
Total Gross Floor Area of Building -	4,748	S.F.
Perimeter -	270	S.F.

Basic S.F. Cost*				$113.38	
Modifying Multipliers:					
Story Height			1.000		
Floor Area - Perimeter Multiplier			0.984		
Local Multiplier			1.270		
Current Cost Multiplier			1.050		
Composite Multiplier:				1.312	
Adjusted Unit Value				$148.77	
Subtotal	4,748 S.F.	x	$148.77		$706,375
Sprinklers					$23,265
Shed, Loading Docks					$8,000
Basement	3,772 S.F.				$123,986
Estimated Replacement Cost of Building 3 - Ideal Hall					**$861,626**

Depreciation (Physical and Normally Accrued Functional Obsolescence)

Physical depreciation and normally accrued functional obsolescence are based on the age/ life concept. According to Marshall & Swift Valuation Service, the estimated life expectancy for a Class "C" Good Classroom is 45 years. The appraiser has estimated the effective age of the building to be 15 years. Depreciation is, therefore, 14% (Section 97, Page 16).

External obsolescence - None noted

Replacement Cost Less Total Depreciation	$861,626 - 14%	**$740,998**

* Source: Section 18, Page 14 (2/05), Class "C" Good Classroom

BUILDING 4 - SPECIAL HALL

Masonry Classroom Built in 1920 and in Good Condition Overall		
Total Gross Floor Area of Building -	5,475	S.F.
Perimeter -	300	S.F.

Basic S.F. Cost*				$113.38	
Modifying Multipliers:					
Story Height			1.000		
Floor Area - Perimeter Multiplier			0.986		
Local Multiplier			1.270		
Current Cost Multiplier			1.050		
Composite Multiplier:				1.315	
Adjusted Unit Value				$149.08	
Subtotal	5,475 S.F.	x	$149.08		$816,189
Sprinklers					$26,828
Basement	2,725 S.F.				$89,571
Estimated Replacement Cost of Building 4 - Special Hall					**$932,587**

Depreciation (Physical and Normally Accrued Functional Obsolescence)

Physical depreciation and normally accrued functional obsolescence are based on the age/ life concept. According to Marshall & Swift Valuation Service, the estimated life expectancy for a Class "C" Good Classroom is 45 years. The appraiser has estimated the effective age of the building to be 15 years. Depreciation is, therefore, 14% (Section 97, Page 16).

External obsolescence - None noted

Replacement Cost Less Total Depreciation	$932,587 - 14%	**$802,025**

* Source: Section 18, Page 14 (2/05), Class "C" Good Classroom

BUILDING 5 - GYMNASIUM

Stone Gymnasium Built in 1920 and in Good Condition Overall

Total Gross Floor Area of Building -	5,508	S.F.
Perimeter -	312	S.F.

Basic S.F. Cost*				$108.14	
Modifying Multipliers:					
Story Height			1.183		
Floor Area - Perimeter Multiplier			0.980		
Local Multiplier			1.230		
Current Cost Multiplier			1.050		
Composite Multiplier:				1.497	
Adjusted Unit Value				$161.92	
Subtotal	5,508	S.F. x	$161.92		$891,837
Sprinklers					$26,989
Open Porches					$26,700
Mezzanine	810	S.F.			$49,426
Basement	5,508	S.F.			$468,180
Estimated Replacement Cost of Building 5 - Gymnasium					**$1,463,132**

Depreciation (Physical and Normally Accrued Functional Obsolescence)

Physical depreciation and normally accrued functional obsolescence are based on the age/ life concept. According to Marshall & Swift Valuation Service, the estimated life expectancy for a Class "C" Good Gymnasium is 40 years. The appraiser has estimated the effective age of the building to be 10 years. Depreciation is, therefore, 11% (Section 97, Page 16).

External obsolescence - None noted

Replacement Cost Less Total Depreciation	$1,463,132 - 11%	**$1,302,188**

* Source: Section 18, Page 25 (2/05), Class "C" Good Gymnasium

BUILDING 6 - CHAPEL

Stone Chapel with Slate Roof Built in 1904 and in Very Good Condition Overall

Total Gross Floor Area of Building -	2,640	S.F.
Perimeter -	212	S.F.

Basic S.F. Cost*				$193.09	
Modifying Multipliers:					
Story Height			1.054		
Floor Area - Perimeter Multiplier			1.098		
Local Multiplier			1.230		
Current Cost Multiplier			1.010		
Composite Multiplier:				1.438	
Adjusted Unit Value				$277.61	
Subtotal	2,640 S.F.	x	$277.61		$732,880
Sprinklers					$12,936
Basement	2,640 S.F.				$94,169
Estimated Replacement Cost of Building 6 - Chapel					**$839,985**

Depreciation (Physical and Normally Accrued Functional Obsolescence)

Physical depreciation and normally accrued functional obsolescence are based on the age/ life concept. According to Marshall & Swift Valuation Service, the estimated life expectancy for a Class "C" Excellent Church (Chapel) is 50 years. The appraiser has estimated the effective age of the building to be 10 years. Depreciation is, therefore, 6% (Section 97, Page 16).

External obsolescence - None noted

Replacement Cost Less Total Depreciation	$839,985 - 6%	**$789,586**

* Source: Section 16, Page 9 (8/05), Class "C" Excellent Church (Chapel)

BUILDING 7 - TWAIN HALL

Masonry Classroom Built in 1920 and in Good Condition Overall		
Total Gross Floor Area of Building -	2,980	S.F.
Perimeter -	200	S.F.

Basic S.F. Cost*		$113.38	
Modifying Multipliers:			
Story Height	1.000		
Floor Area - Perimeter Multiplier	1.006		
Local Multiplier	1.270		
Current Cost Multiplier	1.050		
Composite Multiplier:		1.342	
Adjusted Unit Value		$152.10	
Subtotal 2,980 S.F. x $152.10			$453,256
Sprinklers			$14,602
Estimated Replacement Cost of Building 7 - Twain Hall			**$467,858**

Depreciation (Physical and Normally Accrued Functional Obsolescence)

Physical depreciation and normally accrued functional obsolescence are based on the age/life concept. According to Marshall & Swift Valuation Service, the estimated life expectancy for a Class "C" Good Classroom is 45 years. The appraiser has estimated the effective age of the building to be 15 years. Depreciation is, therefore, 14% (Section 97, Page 16).

External obsolescence - None noted

Replacement Cost Less Total Depreciation	$467,858 - 14%	**$402,358**

* Source: Section 18, Page 14 (2/05), Class "C" Good Classroom

BUILDING 8 - STOWE HALL

Masonry Classroom Built in 1920 and in Good Condition Overall

Total Gross Floor Area of Building -	1,506	S.F.
Perimeter -	166	S.F.

Basic S.F. Cost*		$113.38	
Modifying Multipliers:			
Story Height	1.000		
Floor Area - Perimeter Multiplier	1.098		
Local Multiplier	1.270		
Current Cost Multiplier	1.050		
Composite Multiplier:		1.464	
Adjusted Unit Value		$166.01	
Subtotal	1,506 S.F. x $166.01		$250,010
Sprinklers			$7,379
Estimated Replacement Cost of Building 8 - Stowe Hall			**$257,389**

Depreciation (Physical and Normally Accrued Functional Obsolescence)

Physical depreciation and normally accrued functional obsolescence are based on the age/ life concept. According to Marshall & Swift Valuation Service, the estimated life expectancy for a Class "C" Good Classroom is 45 years. The appraiser has estimated the effective age of the building to be 15 years. Depreciation is, therefore, 14% (Section 97, Page 16).

External obsolescence - None noted

Replacement Cost Less Total Depreciation	$257,389 - 14%	**$221,355**

* Source: Section 18, Page 14 (2/05), Class "C" Good Classroom

BUILDING 9 - IRVING HALL

Masonry Classroom Built in 1920 and in Good Condition Overall		
Total Gross Floor Area of Building -	2,940	S.F.
Perimeter -	150	S.F.

Basic S.F. Cost*		$113.38	
Modifying Multipliers:			
Story Height	1.000		
Floor Area - Perimeter Multiplier	0.968		
Local Multiplier	1.270		
Current Cost Multiplier	1.050		
Composite Multiplier:		1.291	
Adjusted Unit Value		$146.35	
Subtotal 2,940 S.F. x $146.35			$430,281
Sprinklers			$14,406
Estimated Replacement Cost of Building 9 - Irving Hall			**$444,687**

Depreciation (Physical and Normally Accrued Functional Obsolescence)

Physical depreciation and normally accrued functional obsolescence are based on the age/ life concept. According to Marshall & Swift Valuation Service, the estimated life expectancy for a Class "C" Good Classroom is 45 years. The appraiser has estimated the effective age of the building to be 15 years. Depreciation is, therefore, 14% (Section 97, Page 16).

External obsolescence - None noted

Replacement Cost Less Total Depreciation	$444,687 - 14%	**$382,431**

* Source: Section 18, Page 14 (2/05), Class "C" Good Classroom

BUILDING 10 - ARTS AND SCIENCE

Masonry Classroom Built in 1920 and in Good Condition Overall

Total Gross Floor Area of Building -	10,092	S.F.
Perimeter -	548	S.F.

Basic S.F. Cost*			$155.61	
Modifying Multipliers:				
Story Height		1.000		
Floor Area - Perimeter Multiplier		0.980		
Local Multiplier		1.270		
Current Cost Multiplier		1.050		
Composite Multiplier:			1.307	
Adjusted Unit Value			$203.36	
Subtotal	10,092 S.F. x	$203.36		$2,052,267
Sprinklers				$49,451
Elevator				$70,000
Patio with Canopy, Greenhouse				$10,000
Basement	5,280 S.F.			$173,554
Estimated Replacement Cost of Building 10 - Arts and Science				**$2,355,271**

Depreciation (Physical and Normally Accrued Functional Obsolescence)

Physical depreciation and normally accrued functional obsolescence are based on the age/ life concept. According to Marshall & Swift Valuation Service, the estimated life expectancy for a Class "C" Good Science Building is 45 years. The appraiser has estimated the effective age of the building to be 15 years. Depreciation is, therefore, 14% (Section 97, Page 16).

External obsolescence - None noted

Replacement Cost Less Total Depreciation	$2,355,271 - 14%	**$2,025,533**

* Source: Section 18, Page 30 (2/05), Class "C" Good Science Building

BUILDING 12 - KINDLY COTTAGE

Residential Cottage with 3 Rms (1 Brm) 1 Bath Built in 1912 and in Fair Condition Overall
Total Gross Floor Area of Building - 352 S.F.

Basic S.F. Cost*		$61.11	
Modifying Multipliers:			
Floor Area - Shape Multiplier	1.104		
Local Multiplier	1.270		
Current Cost Multiplier	1.110		
Composite Multiplier:		1.556	
Adjusted Unit Value		$95.11	
Subtotal	352 S.F. x $95.11		$33,477
Open Porch, Crawl Space			$1,200
Estimated Replacement Cost of Building 12 - Kindly Cottage			**$34,677**

Depreciation (Physical and Normally Accrued Functional Obsolescence)

Physical depreciation and normally accrued functional obsolescence are based on the age/ life concept. According to Marshall & Swift Valuation Service, the estimated life expectancy for a Class "D" Fair Cottage is 50 years. The appraiser has estimated the effective age of the building to be 30 years. Depreciation is, therefore, 44% (Section 97, Page 17).

External obsolescence - None noted

Replacement Cost Less Total Depreciation	$34,677 - 44%	**$19,419**

* Source: Section 12, Page 13 (8/04), Class "D" Fair Guest Cottage

BUILDING 13 - LINCOLN HOUSE

Residential Dwelling (Duplex) Built in 1920 and in Good Condition Overall		
First Floor	2,020	S.F.
Second Floor	1,627	S.F.
Total Building Area -	3,647	S.F.

Basic S.F. Cost*			$84.27		
Modifying Multipliers:					
Floor Area - Shape Multiplier	0.963				
Local Multiplier	1.270				
Current Cost Multiplier	1.110				
Composite Multiplier:			1.358		
Adjusted Unit Value			$114.40		
First Floor Cost	$114.40	x	2,020 S.F.		$231,088
Upper Floor Cost	$105.25 **	x	1,627 S.F.		$171,238
Basement					$36,000
Open Porch, Deck, Fireplace, and Appliances, Not Included in Basic Cost				=	$30,000
Estimated Replacement Cost of Building 13 - Lincoln House					**$468,326**

Depreciation (Physical and Normally Accrued Functional Obsolescence)

Physical depreciation and normally accrued functional obsolescence are based on the age/life concept. According to Marshall & Swift Valuation Service, the estimated life expectancy for a Class "D" Good Residence is 55 years. The appraiser has estimated the effective age of the building to be 20 years. Depreciation is, therefore, 21% (Section 97, Page 17).

External obsolescence - None noted

Replacement Cost Less Total Depreciation	$468,326 - 21%	**$369,978**

* Source: Section 12, Page 13 (8/04), Class "D" Good Residence

** Upper Floor Cost is 92% of the Square Foot Cost of the First Floor

BUILDING 14 - DREAM HALL

Masonry Classroom Built in 1920 and in Good Condition Overall

Total Gross Floor Area of Building -	14,412	S.F.
Perimeter -	580	S.F.

Basic S.F. Cost*		$113.38	
Modifying Multipliers:			
Story Height	1.000		
Floor Area - Perimeter Multiplier	0.955		
Local Multiplier	1.270		
Current Cost Multiplier	1.050		
Composite Multiplier:		1.273	
Adjusted Unit Value		$144.39	

Subtotal	14,412	S.F.	x	$144.39	$2,080,928
Sprinklers					$70,619
Elevator					$70,000
Basement	9,984	S.F.			$328,174
Estimated Replacement Cost of Building 14 - Dream Hall					**$2,549,721**

Depreciation (Physical and Normally Accrued Functional Obsolescence)

Physical depreciation and normally accrued functional obsolescence are based on the age/life concept. According to Marshall & Swift Valuation Service, the estimated life expectancy for a Class "C" Good Classroom is 45 years. The appraiser has estimated the effective age of the building to be 15 years. Depreciation is, therefore, 14% (Section 97, Page 16).

External obsolescence - None noted

Replacement Cost Less Total Depreciation	$2,549,721 - 14%	**$2,192,760**

* Source: Section 18, Page 14 (2/05), Class "C" Good Classroom

BUILDING 15 - WASHINGTON HOUSE

Residential Dwelling Built in 1920 and in Good Condition Overall		
First Floor	1,200	S.F.
Second Floor	1,000	S.F.
Total Building Area -	2,200	S.F.

Basic S.F. Cost*				$84.27	
Modifying Multipliers:					
Floor Area - Shape Multiplier		0.972			
Local Multiplier		1.270			
Current Cost Multiplier		1.110			
Composite Multiplier:				1.370	
Adjusted Unit Value				$115.47	
First Floor Cost	$115.47	x	1,200 S.F.		$138,563
Upper Floor Cost	$106.23 **	x	1,000 S.F.		$106,232
Basement					$20,000
Porches, Fireplace, and Appliances, Not Included in Basic Cost			=		$18,000
Estimated Replacement Cost of Building 15 - Washington House					**$282,795**

Depreciation (Physical and Normally Accrued Functional Obsolescence)

Physical depreciation and normally accrued functional obsolescence are based on the age/ life concept. According to Marshall & Swift Valuation Service, the estimated life expectancy for a Class "D" Good Residence is 55 years. The appraiser has estimated the effective age of the building to be 20 years. Depreciation is, therefore, 21% (Section 97, Page 17).

External obsolescence - None noted

Replacement Cost Less Total Depreciation	$282,795 - 21%	**$223,408**

* Source: Section 12, Page 13 (8/04), Class "D" Good Residence

** Upper Floor Cost is 92% of the Square Foot Cost of the First Floor

BUILDING 16 - ADAMS HOUSE

Residential Dwelling Built in 1920 and in Average Condition Overall		
First Floor	770	S.F.
Second Floor	385	S.F.
Total Building Area -	1,155	S.F.

Basic S.F. Cost*			$60.72	
Modifying Multipliers:				
Floor Area - Shape Multiplier	1.000			
Local Multiplier	1.270			
Current Cost Multiplier	1.110			
Composite Multiplier:			1.410	
Adjusted Unit Value			$85.60	
First Floor Cost	$85.60	x	770 S.F.	$65,910
Upper Floor Cost	$78.75 **	x	385 S.F.	$30,318
Basement				$17,000
Porch, Deck, and Appliances, Not Included in Basic Cost			=	$18,000
Estimated Replacement Cost of Building 16 - Adams House				**$131,228**

Depreciation (Physical and Normally Accrued Functional Obsolescence)

Physical depreciation and normally accrued functional obsolescence are based on the age/life concept. According to Marshall & Swift Valuation Service, the estimated life expectancy for a Class "D" Average Residence is 55 years. The appraiser has estimated the effective age of the building to be 30 years. Depreciation is, therefore, 36% (Section 97, Page 17).

External obsolescence - None noted

Replacement Cost Less Total Depreciation	$131,228 - 36%	**$83,986**

* Source: Section 12, Page 13 (8/04), Class "D" Average Residence

** Upper Floor Cost is 92% of the Square Foot Cost of the First Floor

SITE IMPROVEMENTS	
Estimated Depreciated Cost of the Site Improvements Including Playing Fields, Tennis Courts, Masonry Walls, Landscaping, Paving, Utility Connections, Etc.	$1,000,000

Total Replacement Costs	
Building 1 - Founders Hall	$2,380,864
Building 2 - Auditorium / Library	$1,369,467
Building 3 - Ideal Hall	$740,998
Building 4 - Special Hall	$802,025
Building 5 - Gymnasium	$1,302,188
Building 6 - Chapel	$789,586
Building 7 - Twain Hall	$402,358
Building 8 - Stowe Hall	$221,355
Building 9 - Irving Hall	$382,431
Building 10 - Arts and Science Building	$2,025,533
Building 12 - Kindly Cottage	$19,419
Building 13 - Lincoln House	$369,978
Building 14 - Dream Hall	$2,192,760
Building 15 - Washington House	$223,408
Building 16 - Adams Hall	$83,986
Depreciated Value of Site Improvements	$1,000,000
Total Sound Value of Improvements	$14,306,355
Plus Site Value	$12,500,000
FINAL VALUE INDICATED BY THE COST APPROACH	$26,806,355
(ROUNDED)	**$26,800,000**

FINAL VALUE CONCLUSION

The use of the subject property as a private school is permitted by Special Exception in the RA-2 residential zone. As a condition of zoning approval, restrictions were placed on the use of the property including limiting enrollment to 450 students, limits on classroom hours (no evenings, weekends or summer classes), and requiring 90% of the students to be transported by school bus. Also, no change in the footprint of any buildings is permitted.

The most restrictive limitation placed on the subject school is the requirement that no more than 450 students be enrolled at the school. In order to arrive at the impact of the zoning restrictions on market value, the average floor area per student nationwide was studied. The subject property has 15 buildings totaling 86,052 S.F. of floor area. According to Marshall Valuation Service (Section 18, Page 33, February 2005), the average floor area per student for a high quality school is 169 S.F. for an elementary school and 196 S.F. for a middle school, averaging 183 S.F. The subject school serves grades one through nine. With a 450 student maximum, the subject school has 191 S.F. per student, which falls within the range indicated by Marshall Valuation Service and near the average. Based on the foregoing, and given the strong demand for real estate in the Greenwich market, the zoning limitation does not adversely impact the market value of the subject property.

As a result of my inspections, investigations and analyses, it is my opinion that the retrospective market value of the subject property “as is”, in fee simple, as of December 12, 2005, is

TWENTY SIX MILLION EIGHT HUNDRED THOUSAND DOLLARS
($26,800,000)

LIMITING CONDITIONS

The information contained in this report was obtained from reliable sources, but is in no sense guaranteed. The appraisal was made subject to the following conditions:

1) Title to the property is assumed to be good and marketable, free and clear of all encumbrances, liens, mortgages and other indebtedness except as otherwise noted herein.

2) The survey and the boundary descriptions are assumed to be correct, as taken from the land records of the Town of Greenwich, Connecticut.

3) The appraiser is not responsible for any defect in title to the property.

4) No engineering tests of any kind were made of the property or improvements. Accordingly, no representation is made and no liability is assumed with respect to the soundness or physical adequacy of the improvements, mechanical, structural or electrical elements associated with the property, soil conditions, water conditions, presence or absence of toxic waste or other deleterious materials or similar matters except as expressly set forth herein.

5) This appraisal makes no claims as to the ability of the property to meet the standards of the Department of Environmental Protection and related pollution control regulatory agencies or the ability of the property to earn title insurance. The value opinion developed in the appraisal presumes such compliance but does not certify it.

6) Disclosure of the contents of this appraisal report is governed by the by-laws and Regulations of the Appraisal Institute.

7) Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser or the firm with which such person is connected, or any reference to the Appraisal Institute or to the MAI or RM designation) shall be disseminated to the public through advertising media, public relations media, news media, or any other public means of communication without the prior written consent and approval of the undersigned.

8) All engineering is assumed to be correct. The plot plans and illustrative material in this report are included only to assist the reader in visualizing the property.

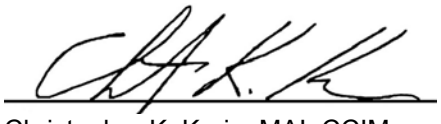
9) It is assumed that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.

10) Unless otherwise stated in this report, the existence of hazardous substances, including without limitation asbestos, polychlorinated biphenyls, petroleum leakage, or agricultural chemicals, which may or may not be present on the property, or other environmental conditions, were not called to the attention of nor did the appraiser become aware of such during the appraiser's inspection. The appraiser has no knowledge of the existence of such materials on or in the property unless otherwise stated. The appraiser, however, is not qualified to test for such substances or conditions. If the presence of such substances, such as asbestos, urea formaldehyde foam insulation, or other hazardous substances or environmental conditions, may affect the value of the property, the value estimated is predicated on the assumption that there is no such condition on or in the property or in such proximity thereto that it 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.

CERTIFICATION

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- 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.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.
- As of the date of this report, Christopher K. Kerin has completed the requirements of the continuing education program of the Appraisal Institute.
- Christopher K. Kerin has made personal inspections of the property that is the subject of this report on various dates through January 16, 2006.



Christopher K. Kerin, MAI, CCIM

ADDENDA

OUTLINE OF QUALIFICATIONS, EDUCATION, AND EXPERIENCE OF CHRISTOPHER K. KERIN

BIOGRAPHICAL DATA

A graduate of the University of Connecticut, Chris holds a degree in Finance with a concentration in Real Estate and Urban Economic Studies. He has earned the Appraisal Institute's distinguished MAI membership designation, indicating an advanced level of expertise in the valuation of commercial, industrial and other property types. Chris is one of only 4% of commercial professionals to have earned the elite CCIM designation. CCIM's are nationally recognized as experts in all phases of the real estate investment process. As an MAI, CCIM, licensed real estate broker and appraiser, Chris has the experience, market knowledge and negotiation skills that are critical for advising clients on important real estate investment decisions.

PROFESSIONAL AFFILIATIONS

Appraisal Institute – MAI Designation, Certificate No. 10693
CCIM Institute – CCIM Designation, Certificate No. 8949
Connecticut Office of Policy and Management – Certified to Perform Revaluation Functions
for Land/Residential/Commercial/Industrial/Supervisor - Certificate No. 790
Member - National Association of Realtors
Member - International Council of Shopping Centers
Connecticut Broker License No. 750623
Connecticut Certified General Appraiser No. 329

EDUCATION AND TRAINING

University of Connecticut, B.S. Degree, Business Administration, May, 1989, Finance, Real Estate and Urban Economic Studies, Cum Laude

Completed numerous courses and seminars offered by the Appraisal Institute, CCIM Institute, National Association of Realtors, University of Connecticut, as well as other real estate institutions, including the following:

- Pension Fund Investment in Real Estate
- Environmental Risk and Real Estate
- Commercial Brokerage Techniques
- Affordable Housing Valuation
- Marketing Commercial Property
- Principals of Income Property Appraisal
- Standards of Professional Practice
- Valuing Local Retail Properties
- Case Studies in Real Estate Valuation
- Tax-Deferred 1031 Property Exchange
- The Appraiser as an Expert Witness
- Ethics in Real Estate
- Real Estate Finance
- Principles of Real Estate

QUALIFICATIONS OF CHRISTOPHER K. KERIN (Continued)

EXPERT WITNESS BACKGROUND

Qualified as expert real estate witness appraising in Federal Court and in State Courts in Fairfield, Hartford, Litchfield and New Haven Counties.

EMPLOYMENT

4/04 - Present:	Member of Kerin & Fazio LLC, Bridgeport, CT
11/95 - 4/04:	President of Kerin Commercial Real Estate, Bridgeport, CT
2/99 - 1/01:	Executive Vice President, Wilson Commercial Real Estate, Wilton, CT
11/95 - 2/99:	Executive Vice President, New England Land Company, Greenwich, CT
5/89 - 11/95:	Lesher-Glendinning & Company, Inc., Ridgefield, CT
11/85 - 2/87:	Coldwell Banker Commercial Real Estate, Stamford, CT

REFERENCE OF WORKING EXPERIENCE

Individuals, attorneys, corporations, municipalities and State Agencies, including: U.S. Department of the Interior, State Department of Transportation, The Connecticut Light and Power Company, Resolution Trust Corporation (RTC), Chase Manhattan Bank, Chemical Bank, First Union Bank, Village Bank, Ridgefield Bank, Burger King, Pizza Hut of America, Mobil Oil Corporation, Marriott Corporation, Skanska (U.S.A.), Inc., Stamford Hospital, W & M Properties, A.D. Phelps, Inc., etc.

REPRESENTATIVE CLIENT LIST

Albert D. Phelps
Archon Financial
Ashforth Properties
Belgravia Capital Corporation
Berkshire Corporate Park
Burger King
D'Addario Industries
Enterprise Rent-A-Car
Heller Real Estate Financial Services
Hoffman Brothers
IBM Corporation
Marriott Corporation
Mobil Oil Corporation
Pizza Hut of America
Skanska (U.S.A.), Inc.
Stamford Hospital
Stop & Shop Supermarket Co.
Texaco
The Prudential Mortgage Capital Co.
W & M Properties of Connecticut
Abate & Fox
Albert, Ward & Johnson
Cacace, Tusch & Santagata
Church & Church
Cohen & Wolfe
Cummings & Lockwood
Curtis, Brinckerhoff & Barrett
Day, Berry & Howard
Ivey, Barnum & O'Mara
Lovejoy and Rimer
Owens, Schine & Nicola
Pepe & Hazard
Pinney, Payne, Van Lenten, Dillman
Pullman & Comley
Tierney, Zullo, Flaherty and Murphy
Wise & Wise
United States Department of Interior
Connecticut Department of Public Works
Connecticut Department of Transportation
Connecticut Development Authority
Connecticut Light and Power Company
Connecticut Resources Recovery Authority
Diocese of Bridgeport
Federal Deposit Insurance Corporation
Lesher-Glendinning Municipal Services
Nature Conservancy
Resolution Trust Corporation
Trust for Public Land
Town of Brookfield
Town of Darien
Town of Greenwich
Town of New Canaan
Town of Newtown
Town of North Branford
Town of Redding
Town of Ridgefield
Town of Southbury
Town of Weston
Bank of Darien
Bayerische Vereinsbank AG (New York)
Chase Manhattan Bank
East Bank
Chemical Bank
European American Bank
NewMil Bank
New Milford Bank & Trust
Newtown Savings Bank
Ridgefield Bank
Union Savings Bank
Webster Bank
Westport Bank & Trust
Wilton Bank

REPRESENTATIVE ASSIGNMENT LIST

PROPERTY	CITY	PROPERTY TYPE	SIZE
Merritt Seven	Norwalk, CT	Office	1,000,000+ S.F.
Stamford Plaza	Stamford, CT	Office	950,000 S.F.
Kettletown Road	Southbury, CT	Office	850,000 S.F.
Greenwich Office Park	Greenwich, CT	Office	430,000 S.F.
Canterbury Green	Stamford, CT	Office/Apartment	350,000 S.F.
2 Steamboat Road	Greenwich, CT	Office	290,000 S.F.
Crystal Mall	Waterford, CT	Regional Mall	1,000,000+ S.F.
Summer & Bedford	Stamford, CT	Shopping Center	400,000 S.F.
955 Ferry Boulevard	Stratford, CT	Shopping Center	190,000 S.F.
Sand Hill Plaza	Newtown, CT	Shopping Center	160,000 S.F.
6900 Main Street	Stratford, CT	Industrial	1,900,000 S.F.
500 Main Street	Stratford, CT	Industrial	1,550,000 S.F.
Housatonic Avenue	Bridgeport, CT	Industrial	680,000 S.F.
Reserve & Maxim Roads	Hartford, CT	Power Plant	400,000 S.F.
97 Newberry Road	East Windsor, CT	Industrial	280,000 S.F.
901 Ethan Allen Hwy	Ridgefield, CT	Industrial	200,000 S.F.
607 Bantam Road	Litchfield, CT	Industrial	150,000 S.F.
Heritage Village	Southbury, CT	Senior Housing	2,580 Units
Redding Road	Redding, CT	Senior Housing	382 Units
Sand Pit Road	Danbury, CT	Senior Housing	345 Units
Palmer & Havemeyer	Stamford, CT	Senior Housing	287 Units
1165 King Street	Greenwich, CT	Senior Housing	210 Units
Newbury Commons	Stamford, CT	260 Unit Apartment	330,000 S.F.
The Classic	Stamford, CT	144 Unit Apartment	230,000 S.F.
Black Rock Turnpike	Easton/Weston, CT	Residential Land	730 Acres
Heritage at East Lyme	East Lyme, CT	Residential Land	340 Acres
Route 202	Washington, CT	Residential Land	280 Acres
Good Hill Farm	Roxbury, CT	Residential Land	240 Acres
Old Farm Hill	Newtown, CT	Residential Land	150 Acres
Sail Harbour Club	Sherman, CT	Waterfront Land	130 Acres
Indian Mill Road	Greenwich, CT	Residential Land	110 Acres
High School Lane	Darien, CT	High School	340,000 S.F.
Unquowa Road	Fairfield, CT	Middle & High School	490,000 S.F.
660 Morehouse Road	Easton, CT	Elementary School	77,000 S.F.
377 North Wilton Road	Wilton, CT	Elementary School	70,000 S.F.

PHOTOGRAPHS OF THE SUBJECT PROPERTY

Building 1 – Founders Hall

Building 1 Classroom

Building 2 – Auditorium/Library

Building 2 Auditorium

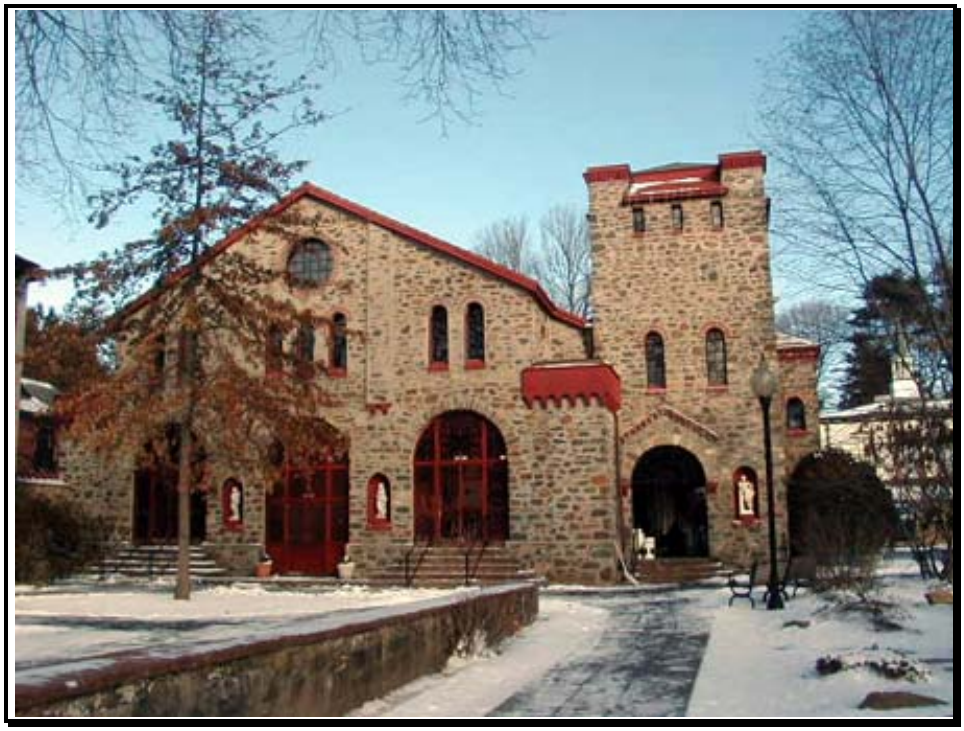
Building 2 Library

Building 3 – Ideal Hall

Building 3 Dining Hall

Building 4 – Special Hall

Building 4 Classroom

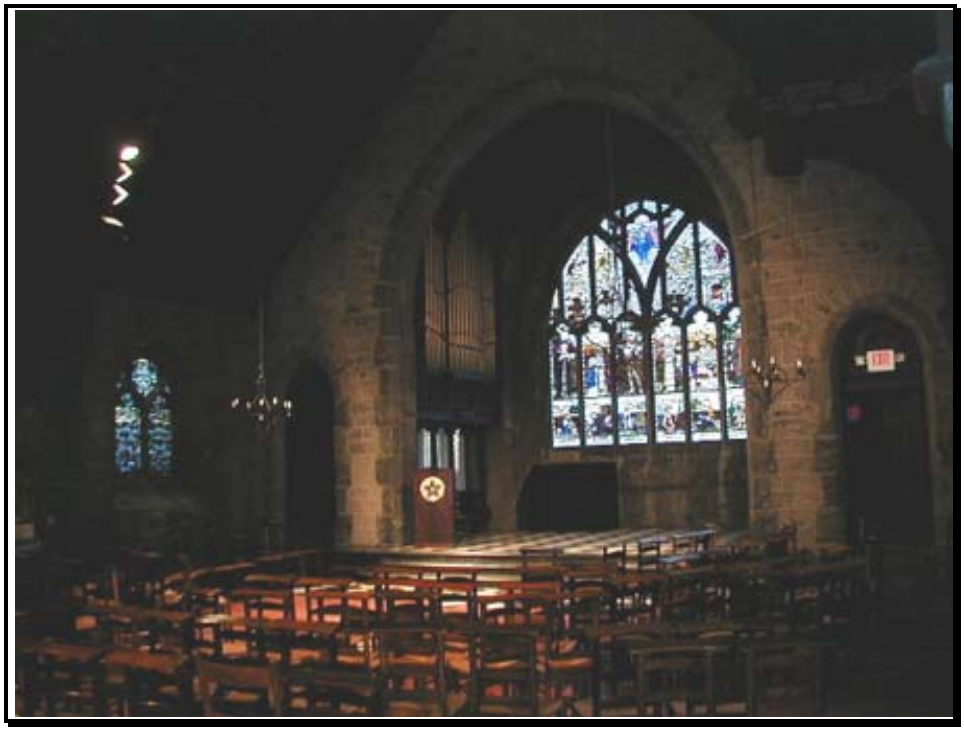


Building 5 – Gymnasium

Building 5 - Gymnasium

Building 5 Gymnasium

Building 6 – Chapel



Building 6 Chapel

Building 7 – Twain Hall

Building 7 Classroom

Building 8 – Stowe Hall

Building 9 – Irving Hall

Building 9 Office

Building 10 – Arts and Science

Building 10 Science Room

Building 10 – Music Room

Building 10 Industrial Arts Workshop

Building 12 Kindly Cottage

Building 13 – Lincoln House

Building 14 – Dream Hall

Building 14 Gymnasium

Building 15 – Washington House

Building 16 – Adams House

DIVISION 9. USE REGULATIONS.[8]

SUBDIVISION 1. RA-4, RA-2, RA-1, RA-20 and R-12 Zones.

Sec. 6-93. PERMITTED USES IN RA-4, RA-2, RA-1, R-20 AND R-12 Zones.

(a) The following principal uses are permitted in RA-4, RA-2, RA-1, R-20 and R-12 Zones and all other principal uses are expressly excluded:
  (1) Detached single family dwellings, one (1) per lot.
  (2) Streets, parks, playgrounds, public school grounds and Town buildings and uses.

Sec. 6-94. PERMITTED USE BY SPECIAL EXCEPTION OR SPECIAL PERMIT AS INDICATED BELOW.

(a) The following uses shall be permitted in RA-4, RA-2, RA-1, R-20 and R-12 Zones when authorized by the Board of Appeals as special exceptions:
  (1) Horticultural and wildlife reservations and natural park areas.
  (2) Clubs, recreational areas and fall-out shelters not open to the general public and not operated for commercial profit, and community centers operated by civic associations.
  (3) Commercial agricultural uses including commercial nurseries and greenhouses, livestock and poultry raising, dairy farming, and kennels, provided that any building or structure designed for such use including the storage of manure or soil fertilizer shall be located not less than one hundred (100) feet from any street or lot line, provided further that any poultry or livestock shall be kept in approved enclosures and shall not be allowed to roam at large, provided further that commercial slaughtering, fertilizer manufacture or any commercial reduction of animal matter shall not be permitted.
  (4) Cemeteries, provided that no location shall be approved any part of which is less than five hundred (500) feet from a residence.
  (5) Churches, educational institutions not operated for commercial profit.
  (6) Public utility uses not including incidental service and storage yards.
  (7) Radio and television stations and towers; satellite earth station towers except those transmitting or distributing microwaves which are subject to Sec. 6-140.1. (10/7/85)
  (8) The keeping of more than six (6) horses (not including their young under the age of six (6) months) provided there shall be at least twenty thousand (20,000) sq. ft. of gross lot area for each horse age six (6) months or older, except when consistent with the purpose of this Article a smaller area may be permitted by the Zoning Board of Appeals. Any facility for the care and raising of horses, including shelter, land area and fencing, shall conform to reasonable conditions or limitations prescribed by the Board of Appeals.
  (9) Repealed (5/31/81) (7/16/86)
  (9) Construction and use of accessory structures involved in the operation of a public underground utility when located in or abutting the street right-of-way and not exceeding one (1) story or thirty-five (35) feet in height.
  (10) Emergency youth shelter. (1/8/77)

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[8] State law reference: As to authority to adopt use regulations, see C.G.S. §7-194(37).

(7/16/86)

(b) The following uses shall be permitted in RA-4, RA-2, RA-1, R-20 and R-12 zones and R-7 zone (by the cross reference in Section 6-97 (b) (1) to RA-4 zones permitted uses) and R-6 zone (by the cross reference in Section 6-98 (b) (1) to R-7 zones permitted uses) when authorized by the Planning and Zoning Commission by Special Permit issued pursuant to Sec. 6-17: (2/8/94)

(1) Hospitals; clinics; nursing homes; homes for the aged; sanitariums; convalescent homes, or other heath care facilities for the elderly; philanthropic or charitable institutions not of a penal or correctional nature nor for the care of insane or feeble-minded patients; provided that any building so permitted shall be located not less than one hundred (100) feet from any street or lot line unless the Commission finds in consideration of the particular use and its specific location that a lesser distance will protect adjacent property owners from adverse impacts. (3/28/92)

(2) Group Living Facility for the Elderly; Special Requirements: (2/25/88)

(a) It is the intent of these regulations to prevent a concentration of facilities and uses which could alter a neighborhood's essential character or contribute to the creation of an institutional atmosphere. No Group Living Facility shall be closer than 2000 feet to another such facility or residential institutional use unless, under Special Permit procedures, the Commission finds a lesser distance is compatible with stated goals and intent. (6/11/90)

(b) In residential zones a Group Living Facility may be located only in structures which were existing and listed with the Tax Assessor's office as of January 1, 1988.

(c) In residential zones there shall be a minimum lot area of 1200 s.f. per person including staff in residence; in no case shall a facility house more than 12 residents plus live-in staff.

(d) There shall be a minimum gross floor area requirement of 400 s.f. per resident, including live-in staff.

(e) Each facility shall provide on-site parking as follows: One space per live-in staff member; enough additional parking to accommodate the passenger cars used by residents, but not less than one space for every three residents.

(f) In residential zones each facility shall have side yard setbacks equal to those of the next more restrictive zone unless the Commission finds that due to location or other circumstances the standard zone setback is sufficient to provide adequate light, air and privacy for residents of the proposed facility and residents in adjacent dwellings. In no case shall the minimum side yard setback be less than 10 feet. In business zones the standards of the R-12 zone shall be used for calculating the side yard setbacks.

(g) Each facility shall have adequate indoor and outdoor common space.

(h) In residential zones there shall be no exterior features to distinguish buildings, as viewed from the street, from other homes in the area. Any exterior changes proposed shall be subject to review by the A.R.C. as part of the Site Plan Review Procedure. The exterior of facilities and the site shall be maintained in good condition and appearance, in conformity with the neighborhood.

(i) Any property located on a septic system or served by well water shall be required to prove the efficiency and capacity of the septic system, and the yield and quality of well water, all in accordance with standards of the Department of Health.

(2/8/94)

(j) Each facility shall be accessible to some form of public or private transportation so that non-driving residents are not isolated from community activities and services.

(k) No Group Living Facility serving persons other than the elderly shall be permitted under this section. Any change of ownership of a Group Living Facility for the Elderly shall require a revised Special Permit.

(l) Each Group Living Facility for the Elderly shall be subject to all standards of Sec. 6-15 and 6-17 of the Building Zone Regulations, and the requirements of the zone in which the facility is located except where modified by the standards contained herein.

(m) Expansion of a Group Living Facility structure shall be subject to Site Plan Review. If the expansion increases the gross floor area by 25%, a revised Special Permit shall be required.

(n) No Certificate of Occupancy shall be issued until the Planning and Zoning Commission has determined that all requirements for establishing a Group Living Facility have been met, including the following.

(1) A designated Responsible Agent, which may be an owner-operator or other person or entity, shall have filed with the Board of Health the following standard agreements which are available in the Commission Office:

A. An agreement which specifies the right of the Board of Health and other Town Agencies having jurisdiction to inspect the facility annually or as necessary.

B. A statement of the obligation of the Responsible Agent to sign a contract with each prospective resident before he or she takes occupancy.

C. A copy of the proposed contract between the Responsible Agent and residents which incorporates, as a minimum, the standard agreement referred to in (1) above. The contract shall specify rights and responsibilities, services offered, and conditions for admission and termination of residency.

(2) The designed Responsible Agent shall file proof of incorporation in the State of Connecticut and a copy of the by-laws of the incorporated entity with the Board of Health.

(3) A Board of Directors which shall include representation from the facility's residents and the community-at-large, and the Responsible Agent, shall have been designated. Said Board shall oversee the facility's operation, help establish policies, and certify annually to the Board of Health that each resident of the Group Living Facility has signed the required contract with the Responsible Agent.

(3) Group Day Care Homes – Special Requirements: (10/2/89)

(a) It is the intent of these regulations to allow care and protection for young children in a home-like atmosphere by allowing an accessory use to a Resident-occupied single family home for operating under State of Connecticut licensing, a Group Day Care Home. It is also the intent of these regulations to prevent the intrusion of commercial uses in a residential zone, in accordance with the guidelines of the Town's Land Use Plan, by establishing the use as accessory to resident occupied use; and to prevent a concentration of facilities and uses which could adversely impact a neighborhood's character, property values or increase or contribute to the creation of an institutional, or more traffic intensive atmosphere; and to promote the health, safety and general welfare of the community.

(10/2/89)

(b) Each Group Day Care Home shall meet the following requirements:
(1) Compliance with all state licensing requirements for Group Day Care Homes;
(2) One (1) on-site parking space exclusively for residential use;
(3) Two (2) on-site parking spaces for non-resident staff members;
(4) No exterior features of the Group Day Care Home shall distinguish it from other single-family dwellings in the area;
(5) There shall be no more than two (2) non-resident employees on the premises at any one time;
(6) Use of the dwelling as a Group Day Care Home shall be subordinate and incident to the use of the dwelling as a single-family residence;
(7) No Group Day Care Home shall be located within two thousand (2,000) feet of another Group Day Care Home.
(8) Any Group Day Care Home serviced by a septic system and/or well shall prove the efficiency and capacity of the septic system, and the yield and quality of well water, all in accordance with standards of the Department of Health;
(9) The Group Day Care Home shall not operate more than twelve (12) hours during each twenty-four (24) hour period, and no overnight accommodations for children or staff shall be permitted.
(10) Application for Special Permit and Site Plan in accordance with Sections 6-13, 6-15 and 6-17 shall be required and standards of Sec. 6-15 and 6-17 shall be met. (10/2/89)

(4) Resident Medical Professional Office (2/8/94)
(a) The purpose of this amendment is to recognize that the office of a resident medical professional is not a low impact use that can blend harmoniously into all residential neighborhoods. This use involves high traffic generation and parking demand, delivery of specialized supplies and materials, and creation of wastes requiring unique handling and disposal. It has historically been allowed as an accessory use in residential neighborhoods to bring an essential service close to where people live but significant changes in medical practice make it necessary to be selective about the location of the use to protect neighborhoods from adverse impacts that detract from their residential character. The Special Permit allows the Commission to ensure compatibility of a resident medical professional office with a neighborhood and protection of the public's health, safety, and welfare and the value of property.
(b) A Resident Medical Professional Office with not more than two (2) non-resident support personnel, such as a secretary, receptionist, aide or nurse provided that:
(1) Such use shall only be permitted on a lot in the RA-1 zone that is at least one and one-half times the minimum required lot size and on a lot in the R-20 zone or in the R-12 Zone that is at least twice the minimum required lot size and on a lot in the R-7 or R-6 zone that is at least two and one-half times the minimum required lot size;
(2) No such office shall occupy more than 700 square feet or 25% of the gross floor area in the premises, whichever is smaller;
(3) Parking shall be governed by Section 6-158 (as amended) but shall not be permitted in the front yard;
(4) There shall be screening in accordance with the schedule set forth in Section 6-180; and

(2/8/94)

(5) There shall be no other accessory use that might otherwise be permitted under any section of these Regulations.

Sec. 6-95. PERMITTED ACCESSORY USES.

(a) Customary uses incident to the principal uses in Sections 6-93 shall be permitted in RA-4, RA-2, RA-1, R-20 and R-12 zones and R-7 zone (by the cross reference in Section 6-97 (b) (1) to RA-4 zones permitted uses) and R-6 zone (by the cross reference in Section 6-98 (b) (1) to R-7 zones permitted uses). They shall include: (2/8/94)

(1) The office of a resident professional person (other than a resident medical professional) or the studio of an artist in which not more than two (2) persons not residents of the premises are employed in connection therewith.

(2) (A) Private garages, barns, sheds, shelters, silos and other structures customarily accessory to residential estates, farms, or resident uses provided no accessory building shall exceed the gross floor area established below, unless authorized by the Board of Appeals as a special exception:

RA-4 and RA-2 zones:	1,200 square feet
RA-1 and R-20 zones:	800 square feet
R-12, R-7, R-6 and RMF zones:	600 square feet

In granting a Special Exception, in addition to considering all the standards of Sec. 6-20(c), and Standards of Sec. 6-17(d)(4), (5), (6), (9), the Board of Appeals shall find in residential zones that the accessory structure by virtue of its scale, design, size or location on the site is compatible with its zone and individually or in combination with other accessory structures, maintains the appearance of being subordinate to the principal structure. (1/1/87)

(B) In the case of buildings which meet the standards of Sec. 6-109, 1(3)(a) of the Building Zone Regulations, as recommended by the Historic District Commission, the Board of Appeals may waive the provisions of Sec. 6-147 (b) and 6-95(a)(2)(A) above. (1/1/87)

(3) Roadside stands for the display and sale of natural products grown on the premises under conditional requirements of location, design, parking and length of operation and any other conditions the Board of Appeals may deem necessary to carry out the purpose of this Article as expressed in Section 6-1.

(4) The keeping of not more than two (2) roomers or boarders by a resident family only in a detached single family dwelling, exclusive of employees on the premises.

(5) The rental and use for residential purposes of dwelling units in accessory buildings, provided the same dwelling units were in lawful existence prior to September 30, 1947.

(6) Retail sale of alcoholic liquor to be consumed on the premises by a club not open to the general public and not operated for commercial profit under a club permit issued by the Liquor Control Commission in accordance with the provision of the Liquor Control Act and the regulation adopted thereunder.

(7) The keeping of not more than six (6) horses (not including their young under the age of six (6) months) provided there shall be at least twenty thousand (20,000) sq. ft. of gross lot area for each horse age six (6) months or older.

(2/8/94)

(8) Indoor athletic uses occupying more than 1,200 square feet of floor area when authorized by the Board of Appeals as special exceptions.
(9) Family Day Care as defined in Sec. 6-5(a)(21.1). (7/31/80)

(b) HOME OFFICE (2/8/94)

(1) The purpose of this regulation is to take into account the changing nature and location of the workplace because of technological advancements, including the development of new computer-based home businesses and increased use of telecommuting, resulting in a growing number of people doing office work in their homes. This regulation allows for the changing character and type of work performed in the home provided there is no impact on the residential character of the community by prohibiting change in the character and appearance of the dwelling, minimizing traffic and parking on residential streets, avoiding noise normally associated with business operations, and maintaining public health, safety and welfare and the value of property. Any use that becomes more intensive than permitted by standards established for residential zones shall be permitted only in the appropriate business zone.

(2) A home office shall be permitted as an accessory use incident to the principal uses in Section 6-93 in RA-4, RA-2, RA-1, R-20 and R-12 zones and R-7 zone (by the cross reference in Section 6-97(b)(1) to RA-4 zones permitted uses) and R-6 zone (by the cross reference in Section 6-98(b)(1) to R-7 zone permitted uses), provided all of the following requirements are met at all times:

(A) No non-resident person shall be employed or otherwise associated with the business in the home office;
(B) The business shall be primarily conducted by telecommunications, mail or courier deliveries;
(C) There shall be no more than three business visitors daily to the home office, provided, however, that there shall be adequate off-street parking as provided in Section 6-158 for both business visitors and residential use;
(D) There shall be no sign on the premises advertising the home office, notwithstanding Section 6-163;
(E) There shall be no change in the exterior of the dwelling or addition of parking space in the front yard, no outdoor display or storage of materials, supplies, equipment or waste, and no exterior visible evidence of such use;
(F) There shall be no noise, odor or electrical interference caused by such home office use;
(G) There shall be no stock of merchandise for sale or equipment that is customarily employed in sales on the premises;
(H) There shall be only one home office in the dwelling and no other accessory use on the premises that might otherwise be permitted under any section of these Regulations;
(I) No home office shall occupy more than 700 square feet or 25% of the gross floor area in the premises, whichever is smaller.

Sec. 6-96. PROHIBITED ACCESSORY USES.

The following accessory uses shall be prohibited in RA-4, RA-2, RA-1, R-20 and R-12 zones:

(1) Separate servants' quarters having housekeeping facilities or accessory dwelling units within or attached to private dwellings except for Elderly Conversions. (See Sec. 6-99)
(2) Any business or industrial uses other than those permitted in Section 6-95.

(2/8/94)

(2) Upon receipt of a combined application for rezoning, special permit and site plan by the Commission, the applicant shall submit the necessary information for site plan review as stated in Section 6-13 to 6-16.1 of these Regulations. In acting upon any rezoning special permit and site plan, the Commission may take into consideration the recommendations of any Town agencies or outside specialists with which it consults, such as but not limited to the Architectural Review Committee, Historic District Commission, and Greenwich Historical Society.

(3) Within sixty days after the conclusion of the Public Hearing on the HRO zone, the Commission may approve the application for rezoning, special permit and site plan review if the Commission finds that Sec.6-13 to 6-17 of these Regulations are met.

(4) No alteration of the exterior from that shown in the architectural plans (Sec. 6-14) or addition resulting in an increase in floor area will be permitted unless reapplication for a special permit and site plan review is made.

(5) If the principal building on property zoned HRO is destroyed, the HRO zone designation shall become null and void and the property shall revert to the zone in which it was classified prior to said zone change, or if said zone no longer exists, to the most restrictive contiguous residential zone.

Sec. 6-109.1 HISTORIC OVERLAY ZONE (HO)

(1) Purposes

An Historic Overlay Zone ("HO") is hereby established for the purposes of encouraging the protection, enhancement, perpetuation and use of buildings and structures (hereinafter called "structures") and appurtenant vistas having special historical or aesthetic value which represent or reflect elements of the Town's cultural, social, economic, political and architectural history.

(2) Procedure

Application for HO Zone, as well as Special Permit as hereinafter mentioned, may be made by the Owner of the structure and its site by filing same with the Planning and Zoning Commission. Application for HO Zone may also be made by the Planning and Zoning Commission on its own motion. All applications shall be referred to Historic District Commission and any other consultants the Planning and Zoning Commission may choose for evaluation and recommendations. The Planning and Zoning Commission shall hold a public hearing upon all rezoning applications within sixty (60) days of their respective filing dates. (1/6/88)

(3) Standards

(a) The Commission may grant an HO zone to a site where it finds that the structure or structures on the site are not less than 40 years old and are architecturally or historically notable in accordance with any or all of the following standards: (1/6/88)

(1) The uniqueness of the structure or structures. (1/6/88)

(2) The historical significance of the structure or structures. (1/6/88)

(3) The distinctiveness of the architectural character of the structure or structures. (1/6/88)

(4) The placement and/or treatment of unusual and/or historic structures on a site constitutes a unique estate setting significant to the Town's history and worthy of preservation. (1/6/88)

(1/6/88)

Sec. 6-130. BUILDING LINES.

(a) No building or addition thereto, either above or below grade, shall be constructed nearer to a street or proposed street than any front building line established for such street, as shown on maps referred to in Section 6-205.1 or any portion of a lot, to which a rear building line is applicable as shown on a map in Section 6-205.1 which extends beyond the rear building line applicable to the lot.

(b) No portion of any lot extending to the rear of the rear building line applicable to the lot, may be used in computing parking area credit under Section 6-158 for any other lot. In ascertaining such portion of a lot extending to the rear of a rear building line applicable to the lot, the boundaries of the portion existing as of the date of the establishment of the rear building line applicable to the lot shall be determinative and controlling. Notwithstanding any front yard requirements of this Article, or any building line heretofore established for the Town and former Borough of Greenwich, a building or addition thereto either above or below grade may be constructed on that portion of any lot extending from the front building line to the rear building line applicable to the lot.

Sec. 6-131. MINIMUM FRONTAGE EXCEPTIONS.

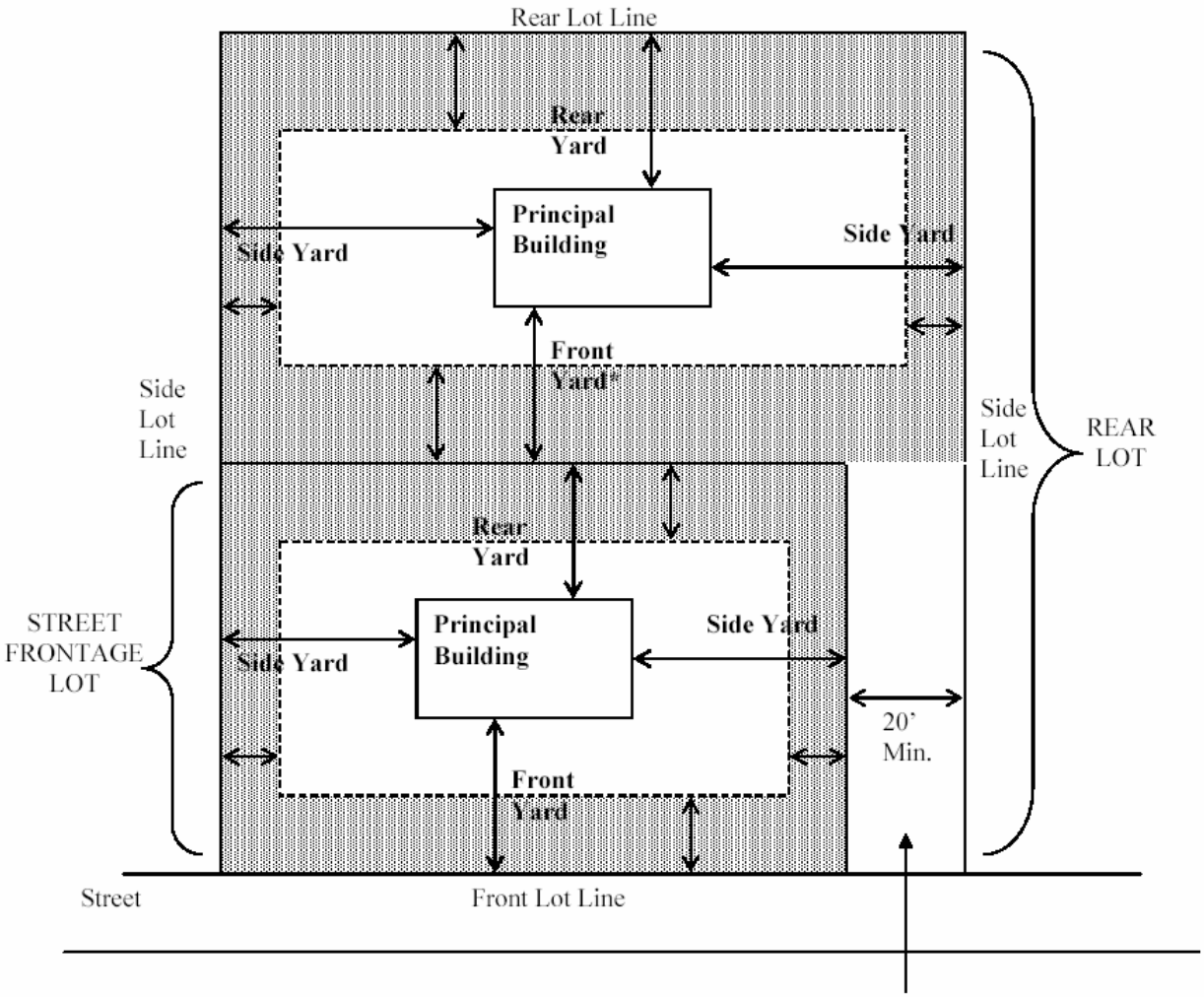
(a) A rear lot not fronting on a street, whether or not in separate ownership and whether or not the rear or front lots are presently built upon, may be improved in accordance with requirements of the particular zone provided that:
   1) Such lot has access to a street by means of an unobstructed access way held in the same fee simple ownership as the rear lot;
   2) That such access way shall be 20 feet wide and shall continue undiminished for at least the depth of the front yard setback of the zone. (5/17/2000)
   3) Within the lines of such access way there shall be constructed a graveled or other paved way at least 12 feet wide and of sufficient thickness to support fire apparatus and other mobile equipment;
   4) At no point shall the twenty (20) foot access way exceed a vertical rise of 15%;
   5) The area of access way is excluded from lot area calculation for lot size and FAR. Lot size is determined to begin at a point where the lot shape requirement of the zone can be demonstrated (either circle or rectangle); (2/7/2001)
   6) The access way is considered to end at that point where the front lot line width and the lot shape requirements of the zone are satisfied. (2/7/2001)
   7) Such access way shall not be included for the purpose of meeting the area required by Section 6-205 of the rear lot.
   8) Such access way does not adjoin any other access way to a rear lot.

(b) In the case of two rear lots not fronting on a street, whether or not in separate ownership and whether or not the rear or front lots are presently built upon, said lots may be improved in accordance with requirements of the particular zone provided that:
   1) Each such lot have access to a street by means of adjoining 20 ft. wide unobstructed access ways held in the same fee simple ownership as the rear lot;
   2) That such access way shall be at least 20 feet wide and no greater than 35 feet and shall continue undiminished for at least the depth of the front yard setback of the zone; (2/7/2001)

(2/7/2001)

DIAGRAM 7.1

ILLUSTRATION OF YARDS FOR TYPICAL LOTS
AND REAR LOTS



*For Rear Lots property owner selects which lot line will be front lot line per Sec. 6-131.

SEC. 6-205. SCHEDULE OF REQUIRED OPEN SPACES, LIMITING HEIGHTS AND BULK OF BUILDINGS.
(a) RESIDENTIAL ZONES

ZONE	MAXIMUM HEIGHT		MINIMUM LOT SIZE		LOT SHAPE	FLOOR AREA RATIO	MINIMUM FRONT YARD (DEPTH)	MINIMUM SIDE YARD (WIDTH)	MINIMUM REAR YARD (DEPTH)
	STORIES	FEET	AREA	FRONTAGE					
RA-4 (Single family)	3-1/2	**50 ft.**	4 Acres	125 ft. Lot width 200 ft. to be measured at house location	Large enough to contain a circle 300 ft. in diameter	.0625 See Note 7 Below	75 ft. or height of existing building, whichever is greater	Each equal to at least height of building but not less than 50 ft.	75 ft. or height of existing building whichever is greater
RA-2 (Single family)	3-1/2	**47½ ft.**	2 Acres	125 ft. Lot width 150 ft. to be measured at house location	Large enough to contain a circle 200 ft. in diameter	.09 See Note 7 Below	75 ft. or height of existing building, whichever is greater	Each equal to at least height of building but not less than 35 ft.	75 ft. or height of existing building whichever is greater
RA-1 (Single family)	2-1/2	**40 ft.**	1 Acre	125 ft.	Large enough to contain a circle 150 ft. in diameter	.135	50 ft. or height of existing building, whichever is greater	Each equal to at least height of building but not less than 25 ft.	50 ft. or height of existing building whichever is greater
R-20 (Single family)	2-1/2	**37½ ft.**	20,000 sq. ft.	100 ft.	Large enough to contain a circle 100 ft. in diameter	.225	40 ft. or height of existing building whichever is greater	Each equal to at least 1/2 the height of the building but not less than 15 ft. Sum of both not less than 35 ft.	40 ft. or height of existing building whichever is greater
R-12 (Single family)	2-1/2	35 ft.	12,000 sq. ft.	80 ft.	Large enough to contain a 60' by 100' rectangle	.315	35 ft. or height of existing building whichever is greater	Each equal to at least 1/3 the height of the building but not less than 10 ft. Sum of both not less than 25 ft.	35 ft. or height of existing building whichever is greater
R-7 (Single family)	2-1/2	35 ft.	7,500 sq. ft.	65 ft.	Large enough to contain a 45' by 85' rectangle	.36	25 ft. or height of existing building, whichever is greater	Each equal to at least 1/7 the height of the building but not less than 5 ft. Sum of both not less than 15 ft.	25 ft. or 3/4 of height of existing building whichever is greater
R-6 (Single, two family)	2-1/2	35 ft.	7,500 sq. ft.	60 ft.	Large enough to contain a 45' by 85' rectangle	.55	25 ft. or height of existing building whichever is greater	Each equal to at least 1/7 the height of the building but not less than 5 ft. Sum of both not less than 15 ft.	25 ft. or 3/4 of height of existing building whichever is greater
(Multi-family Dwellings. Dwellings groups and other permitted uses)* (12/27/78)	3	35 ft.	4,200 sq. ft. per family (Note 9) (11/21/81)	60 ft.	Same as above		Same as above	25 ft.	same as above
R-MF (Single, two family)	2-1/2	35 ft.	3,600 sq. ft.	60 ft.	Large enough to contain a 45' by 85' rectangle	.60	25 ft.	15 ft.	25 ft.
(Multi-family Dwellings. Dwelling groups and other permitted uses)**	4	40 ft.	2,400 sq. ft. per family	60 ft.			20 ft. per story but in no case less than 50 ft.	20 ft. per story but in no case less than 50 ft.	20 ft. per story but in no case less than 50 ft.

* See Section 6-98(a)(2)
** See Section 6-98(a)(2)
Note 7 – F.A.R. of .05 in RA-4, and F.A.R of .07 in RA-2 Zones Applicable to Special Exception and Special Permit Uses Only

+ Street side yard - See Division 10 of this Article.
Corner lots - See Division 10 of this Article.
Minimum Front Yard - Streets less than 50 feet - See Section 6-203.
(1/15/03)