

APPRAISAL OF
Talbot Property
33 Oak Street
Brattleboro, Vermont

February 20, 2024



Prepared for: Robert Davis
Brattleboro Savings and Loan
221 Main Street
PO Box 1010
Brattleboro, VT 05302-1010

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February 20, 2024

Robert Davis
Brattleboro Savings and Loan
221 Main Street
PO Box 1010
Brattleboro, VT 05302-1010

Dear Mr. Davis:


At your request, I have completed an appraisal of the Megan Talbot property, located at 33 Oak Street in Brattleboro, Vermont. The property being appraised consists of a 0.40+/- acre site, improved with an eight-unit, multi-family apartment building that totals 7,586+/- square feet. The building is vacant and in fair condition at this time. The owner has submitted a budget and plans to renovate the building and add an additional (5) apartment units. Upon completion the 13-unit apartment building will total 11,183+/- square feet. The subject is identified within the Brattleboro land records on Tax Map #27, Block #52, Parcel #53.

The purpose of this appraisal report is to estimate the "as is" and "as complete" market values of the subject property according to the definition thereof stated in the report, subject to the assumptions, limitations and certification therein. This report has been prepared in conformance with the most recent USPAP regulations. Extraordinary assumptions have been made in completing this assignment. Should they fail to be met, then the values assigned shall be considered invalid.

After analyzing all available information, it is the appraiser's opinion that the "as is" value of the subject property is Two Hundred Eighty Thousand Dollars (\$280,000.00). The effective date of the "as is" value is January 25, 2024. The subject's "as complete" market value has been reconciled at One Million One Hundred Thirty-Five Thousand Dollars (\$1,135,000.00). The effective date of the "as complete" value is May 1, 2025, which represents the expected completion date of the proposed renovations. Market value is defined as a sale within a reasonable amount of time which has been estimated at 6+/- months for the subject property.

Please find the data necessary to support this value in the accompanying report.

Sincerely,


Brian B. Audy
Certified General Appraiser
License #80-0000063
BBA/las



Hayden L. Audy
Certified General Appraiser - Trainee
License #080.0134122-TRNE

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Exterior Photos
Front of Building – East & West



Exterior Photos
Rear of Building – East & West



Interior Photos
Typical Apartment Unit



Interior Photos
Typical Apartment Unit (Continued)



Interior Photos
Typical Apartment Unit (Continued)



Site Photos
Parking Area



Oak Street
North & South



Executive Summary

Client/Intended User: Brattleboro Savings & Loan

Property: Talbot Multi-Family Property
Address: 33 Oak Street
 Brattleboro, Vermont

Tax Map #: Tax Map #27, Block #52, Parcel #53

Assessment: \$368,230.00

Real Estate Taxes: \$11,036.20

Highest and Best Use: Multi-Family Rental Investment Use

Owner of Record: Megan Talbot

Location Type: Residential

Building Characteristics

	“As Is”	“As Complete”
Physical Age:	1860+/-	1860+/-, 2024
Remaining Economic Life:	15+/- years	45+/- years
Construction:	2- & 3-story, Woodframe	2.5-story, Woodframe
Finished Bldg. Area:	7,586+/- square feet	11,183+/- square feet
Number of Units:	(8) Apartment Units	(13) Apartment Units
Quality:	Average	Average
Condition:	Fair	Average/Good

Site Characteristics

Land Area: 0.40+/- acre

Zoning Designation: Residential Neighborhood (RN) District

Conforming: Legal, Conforming

Valuation Information

Interest Appraised: “As Is” & “As Complete” Market Values

Effective Date of “As Is” Value: January 25, 2024

Effective Date of “As Complete” Value: May 1, 2025

Inspection Date: January 25, 2024

Date of Appraisal: February 20, 2024

Exposure Time/Marketing Period 6+/- months

Executive Summary (Continued)**Market Value Indicators****“As Is” Valuation**

Sales Comparison Approach:	\$280,000.00
“As Is” Value Reconciled:	\$280,000.00

“As Complete” Valuation

Income Approach	
>Direct Capitalization Method	\$1,155,000.00
>Gross Rent Multiplier	\$1,150,000.00
Sales Comparison Approach	\$1,105,000.00
“As Complete” Value Reconciled:	\$1,135,000.00

Value Conclusion

“As Is” Market Value	\$280,000.00
“As Complete” Market Value	\$1,135,000.00

Statement of Limiting Conditions

The legal description furnished us is assumed to be correct. We take no responsibility for matters legal in character, nor do we render any opinion as to the title, which is assumed to be good. All existing liens and encumbrances have been disregarded and the property is appraised as though free and clear under responsible ownership.

We believe the information furnished to us by others to be reliable and we assume no responsibility for its accuracy.

Possession of this report, or a copy thereof, does not carry with it the right of publication, nor may it be used for any purpose by any but the applicant without the previous written consent of the appraiser or the applicant and then only with proper qualifications.

We are not required to give testimony or to appear in court by reason of this appraisal, with reference to the property in question unless arrangements have been previously made.

The distribution of the total valuation in this report between land and improvements, if so stated, applies only under the existing program of utilization. The separate valuations for land and building must not be used in conjunction with any other appraisal and are invalid if so used.

We take no responsibility for the structural soundness of the improvements or the condition of the mechanical features or component parts of the structure hereon.

Statement of Limiting Conditions (Continued)

We take no responsibility for water or waste systems but accept only these facts as presented to us by the owner or his agent.

We take no responsibility in determining whether or not a property complies with the American Disabilities Act of 1992. The requirements of this Act on existing buildings are unclear therefore the determination as to whether a property is in compliance with ADA is beyond the scope of this appraisal assignment. A specific study determining if a property is in compliance is always recommended.

Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the property, was not observed by the appraiser. The appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation or other potentially hazardous materials may affect the value of the property. The value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.

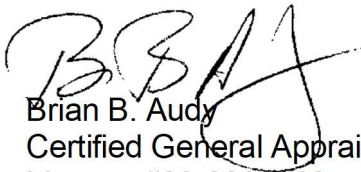
In the event that this appraisal is used as a basis to set a Market Price, no responsibility is assumed for the seller's inability to obtain a purchaser at the value reported herein.


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 report analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial and 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 performed no (or the specified) services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- 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 Uniform Standards of Professional Appraisal Practice.
- I have made a personal inspection of the property that is the subject of this report.
- Hayden Audy, appraiser trainee, assisted in completing the report.
- Extraordinary assumptions were made in appraising the property.

Respectfully submitted,


Brian B. Audy
Certified General Appraiser
License #80-0000063
February 20, 2024
BBA/las


Hayden L. Audy
Certified General Appraiser - Trainee
License #080.0134122-TRNE

Scope of Work

Scope of work is defined by USPAP as “the type and extent of research and analyses in an assignment.” In accordance with USPAP regulations (Standard #1 and #2), the appraiser submits this appraisal report. The scope of work encompasses the investigations, research and analysis necessary to prepare a report that is in accord with the intended user and the purpose of the report. Three approaches may be used in valuing a property. They are the cost, income, and sales comparison approaches. In estimating the subject’s “as is” value the sales comparison approach is the only method being utilized. No historic operating expenses were made available for review. This, coupled with the property’s vacancy and overall fair condition as of the inspection date make utilization of the income approach too subjective. In completing the “as complete” valuation of the subject, the income and sales comparison approaches are both being demonstrated. The income approach will include both the gross rent multiplier and direct capitalization methods. A proforma was submitted by the owner. The cost approach is not an appropriate approach when considering either valuation scenario due to the inherent subjectivity in estimating the replacement cost and all depreciation it suffered for a building of the subject’s age.

The process for completing the appraisal begins with the specifics of the assignment as dictated by the client. The client/intended user is Brattleboro Savings and Loan. They have requested the appraisal to determine the “as is” and “as complete” market values of the subject property for mortgaging. The subject’s legal owner is Megan Talbot. Its legal address is 33 Oak Street, Brattleboro, Vermont. The property consists of a 0.40+/- acre site, improved with an eight-unit, multi-family apartment building that totals 7,586+/- square feet. The building is vacant and in fair condition at this time. The owner has submitted a budget and plans to renovate the building and add an additional (5) apartment units. Upon completion, the 13-unit apartment building will total 11,183+/- square feet. A walkthrough inspection was completed on January 25, 2024 with the general contractor, Mr. Timothy Munroe.

Scope of Work (Continued)

The second step is the research of market data pertinent to the valuation of the property. This includes all data necessary to support the individual approaches that are deemed appropriate. The appraiser's files, information from other appraisers within the area being researched, brokers, Vermont property transfer tax returns, buyers and sellers have been included in the research of data. The data is then analyzed and the appropriate approaches are applied and reconciled. The final step in completing the appraisal is to assemble the report.

Hayden Audy, appraiser trainee, collaborated in completing the appraisal. He assisted in the inspection, researching municipal land records, confirming comparable properties, and preparing the report.

Scope of Work (Continued)**Extraordinary Assumption(s) have been made in completing this appraisal.**

USPAP provides the following definition for an “**extraordinary assumption**”:

“An assumption, directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser’s opinions or conclusions.”

The following extraordinary assumptions have been made:

1. It is assumed that the information submitted by the general contractor and property owner regarding the proposed renovations, the total cost, and the construction timeline is accurate and comprehensive. The general contractor has developed a budget for the proposed renovations totaling \$1,099,850, however, the scope of work is substantial and it does not appear that Mr. Munroe’s budget includes individual quotes from contractors that will be directly responsible for the work, thus contributing to uncertainty regarding cost. Additionally, the general contractor stated that the work will take 15 months to complete and noted that this is predicated upon several other preliminary factors being addressed, such as obtaining town permits for the addition of five new units. The age of the building and high levels of existing deferred maintenance also make it likely that there will be unforeseen costs incurred during the renovation process. Given the moderate to high level of uncertainty regarding the cost and estimated completion date, it is necessary to make an extraordinary assumption that the work will be completed on or before May 1, 2025 at a cost of no more than \$1,099,850.
2. It is assumed that the “as complete” unit layout and projected rent roll submitted by the property owner are accurate. The owner submitted a projected unit layout that includes (13) apartment units; (1) of which will be an efficiency unit, (5) of which will be one-bedroom units, (6) of which will be two-bedroom units, and (1) of which will be a three-bedroom unit. This differs from the renovation plans submitted by the general contractor, which states that the (13) units will include (1) efficiency unit, (2) one-bedroom units, (4) two-bedroom units, and (6) three-bedroom units. Given that the owner’s submitted proforma rent roll corresponds to the unit layout that the owner submitted as well, it is assumed that this will be the layout of the building in its “as complete” configuration.
3. It is assumed that the owner will be able to obtain local permitting for the proposed expansion of the building’s finished area, number of units, and parking area expansion. The property in its “as is” configuration pre-exists and has permits for use as an 8-unit multi-family dwelling, however, new permits will be required to add (5) more apartments, and this will likely require expansion of the parking area in order to meet zoning regulations.

Purpose of Appraisal

The purpose of this appraisal is to estimate the “as is” and “as complete” market values of the subject property for mortgaging. The distribution of the total valuation specified in this report between land and improvements applies only under the existing program of utilization. The valuation for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.

Fee simple is defined as rights of ownership in a property without limitation to any particular class of heirs or restrictions. It should be noted however such absolute ownership is nevertheless subject to four powers of government: eminent domain, taxation, police and escheat. Government control of air rights in connection with aircraft may be considered as a possible fifth governmental power.

Client/Intended User

The client/intended user of this report is Brattleboro Savings and Loan. Any other use of this report other than its intended use for loan underwriting, assessing collateral risk and managing assets by someone other than the client/intended user does require the prior written consent of the appraiser.

Appraisal Process

The appraisal process is an orderly program by which the problem is defined. The work necessary to solve the problem is planned, data collected, classified, analyzed, and interpreted into an estimate of value. It is an accurate method of making a thorough appraisal in an efficient manner.

Definition of Market Value

The definition of market value, which follows, is taken from the Interagency Appraisal and Evaluation Guidelines published in the Federal Register, Volume 75, #237, Page 77472 on Friday, December 10, 2010.

"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 the sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised, and acting in what they consider their best interest;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash and U.S. dollars, or in terms of financial arrangements comparable thereto;
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."

The difference between market price and market value is in the premises of intelligence, knowledge and willingness, all of which are contemplated in market value but not in market price. At any given moment of time, market value implies what a property is actually worth and the market price at which it may be sold.

Conveyance History

The subject property is presently owned by Megan Talbot. She purchased the property from Oak Manor Corporation on June 2, 2023 for \$350,000. Oak Manor Corporation had owned the property since January of 1989 when they purchased the property from Bruce Bryant. The property is not listed for sale at this time.

Zoning

The subject is located in the Residential Neighborhood zoning district within the Town of Brattleboro, Vermont. This district is composed of high- to moderate-density residential neighborhoods extending outward from downtown Brattleboro. The purpose of this district is to allow for a diverse range of housing, encourage an increase and improvement in the town's housing stock, and promote more compact neighborhoods.

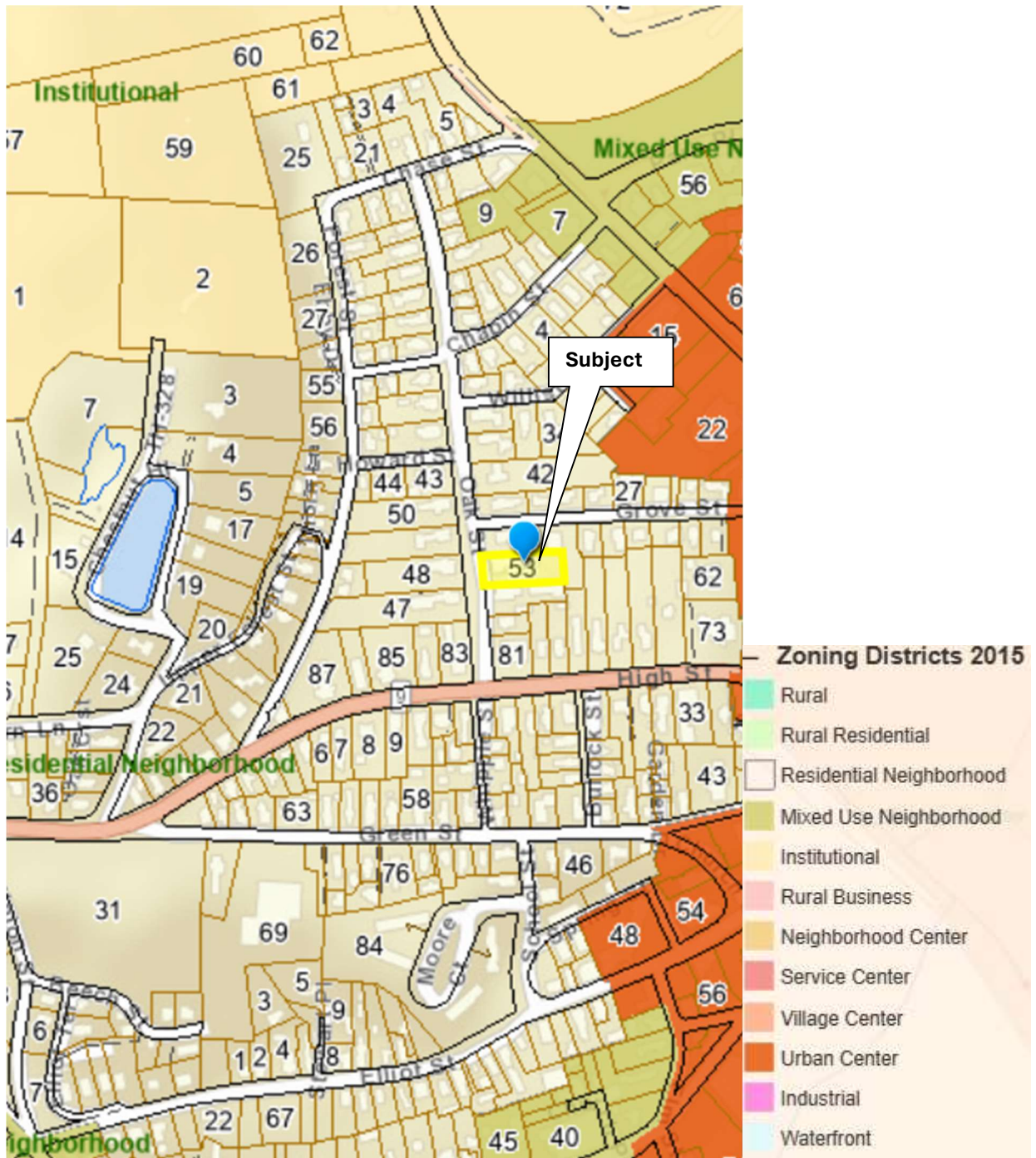
Dimensional standards include a minimum lot size requirement for development of 6,000 square feet, a minimum frontage length of 60', and a maximum lot coverage ratio of 70%.

Permitted uses include single- and two-family residential dwellings, retirement housing, nature or recreational parks, bus stop shelters, utility structures, communication antenna facilities, agriculture, and forestry. Conditional uses are more numerous and include multi-family residential dwellings, other specialized residential structures, congregate living, assisted living, skilled-nursing services, bed and breakfasts, inns, shops or stores (up to 2,000 square feet in size), professional services (up to 2,000 square feet in size and having at least one dwelling unit on the property), religious facilities, fitness/athletic clubs, grade schools, cemeteries, child daycare facilities, services for the elderly or disabled, and air transportation facilities.

The subject's site appears to conform to dimensional standards. Multi-family residential use does fall within the scope of permitted and conditional uses for the district. The subject is legally permitted for use as an eight-unit multi-family property at this time. While no permits have been issued for the proposed use of the property as a 13-unit multi-family dwelling, this type of use does appear to be permitted within the Residential Neighborhood zoning district.

A zoning map and excerpt from the Brattleboro zoning bylaws does follow.

Zoning Map



Residential Neighborhood District Bylaws

Section 226. Residential Neighborhood (RN) District

226.A PURPOSE. The Residential Neighborhood District is composed of high- to moderate-density residential neighborhoods extending outward from downtown Brattleboro and West Brattleboro village, and along the Route 9 corridor. While primarily residential in use, these neighborhoods vary significantly in the form and density of housing they offer, and include traditional neighborhoods, post-war suburban-style neighborhoods, multi-family developments, townhouses and mobile home parks. The land within this district is generally served by municipal water and sewer. Walkability and proximity to public transit service, neighborhood stores, schools, parks and other amenities varies by neighborhood. The purpose of this district is to allow a diverse range of housing, encourage an increase in and improvement of the town's housing stock, and promote more compact, walkable neighborhoods in balance with protection of neighborhood character and quality of life, and in accordance with the policies of the Brattleboro Town Plan.

226.B USE STANDARDS. The permitted and conditional uses allowed in this district in accordance with SECTION 211 are listed in FIGURE 2-19.

226.C DIMENSIONAL STANDARDS. The following standards apply to all development in this district in accordance with SECTION 212:

LOTS	SETBACKS OR YARDS	DENSITY	BUILDINGS
Size: 6,000 sf min Frontage: 60 ft min Coverage: 70%	Front: 15 ft min – 40 ft max ^{AVE} Side: 10 ft min each side and 25 ft min combined Rear: 20 ft min Riparian: 25 ft min ^{PD} or 50 ft min ^{UN}	Residential: 12 du/ac max Nonresidential: 0.2 FAR max	Footprint: 4,000 sf max Frontage Build-Out: 30% min – 60% max Height: 3 stories max

AVE = May vary based on neighborhood average. See SUBSECTION 212.H.

PD = Previously developed lot. UN = Undeveloped lot.

See CHAPTER 510 for further guidance on interpreting dimensional standards.

226.D FRONTAGE STANDARDS. The following standards apply to development in this district that requires major site plan approval in accordance with SECTION 213:

- (1) No more than 300 square feet of land within the front yard setback may be paved for vehicular access. Previously developed lots must eliminate any excess pavement within the setback to the maximum extent feasible given site-specific conditions.
- (2) The remainder of the minimum front yard setback must be maintained or established as lawn or landscaped green space except that:
 - (a) Sidewalks, walkways or outdoor seating areas may be located within the minimum front yard setback. If there are no or inadequate public sidewalks along the street, a minimum 5-foot sidewalk must be provided and it may be located within the front yard setback adjacent to the street right-of-way (see sidewalk standards in SECTION 311).
 - (b) Encroachments may be located within the minimum front yard setback in accordance with SECTION 301.
- (3) No parking is permitted within the minimum front yard setback and any pre-existing parking must be removed to the maximum extent feasible given site specific conditions. This will not be interpreted to restrict resident or employee parking within a lawful driveway.

Residential Neighborhood District Bylaws (Cont.)

CHAPTER 220. DEVELOPED ZONING DISTRICTS

Figure 2-19. Residential Neighborhood Use Table

PERMITTED USES	
Single-family detached dwelling	Nature or recreational park
Single-family attached dwelling	Bus stop shelter
Accessory dwelling	Utility structures
Duplex (2 units)	Communication antenna
Retirement housing	Agriculture and forestry
CONDITIONAL USES	
Triplex (3 units)	Professional services ²
Quadraplex (4 units)	Religious facility
Multi-family dwellings (5 or more units)	Fitness, sports, gym or athletic club
Other specialized residential structures	Grade school
Congregate living	Cemetery
Assisted living	Child day care
Skilled-nursing services	Services for the elderly and disabled
Bed and breakfast or inn	Air transportation facility
Shop or store ¹	

¹ Limited to a neighborhood market up to 2,000 sf that is located on Western Avenue east of I-91 or on South Main Street.

² Limited to 2,000 sf unless it is located on Western Avenue east of I-91. There must be at least one dwelling unit on the property.

Assessment

The subject is presently assessed by the Town of Brattleboro at \$368,230. Its assessment includes allocations of \$70,000 for land and \$298,230 for its building. It should be noted that the subject's assessed value will likely increase upon completion of the proposed renovations.

Common Level of Assessment

The current common level of assessment in Brattleboro, as published by The State of Vermont on August 25, 2023, is 86.65%.

Tax Rate

The tax rate for Brattleboro, which is the effective rate for July 1, 2023 through June 30, 2024, is \$2.9971 per \$100 of assessment.

Taxes

The subject's taxes for the current fiscal year are \$11,036.20. It should be noted that the subject's taxes will likely increase upon completion of the proposed renovations and reassessment by The Town of Brattleboro.

Area Data

Address

33 Oak Street, Brattleboro, Vermont

Location

Brattleboro is located in the southeast corner of Vermont

County

Windham County is bound to the north by Windsor County, to the west by Bennington County, to the east by the state of New Hampshire and to the south by the State of Massachusetts.

Economics

Brattleboro is hub for the county in terms of employment, medical and shopping needs.

Employment

The employment market in the area is quite diverse and includes a mix of service, trade and manufacturing jobs. Brattleboro's total labor force, as calculated by the Vermont Department of Labor, was estimated at 5,874 individuals in August of 2023. Of the total labor force, 5,706 individuals were considered employed, while 168 individuals were unemployed.

Unemployment Rate

Unemployment	Vermont	Windham County	Brattleboro Labor Market Area	Brattleboro
December 2023	2.0%	2.3%	2.4%	2.3%
November 2023	2.0%	2.6%	2.5%	2.2%
Annual (2022)	2.6%	2.9%	2.9%	2.8%

**Data taken from Vermont Department of Labor, Economic & Labor Market Information, Local Area Unemployment Statistics(LAUS) program in cooperation with the U.S. Bureau of Labor Statistics.*

Population

12,184 for the town of Brattleboro as of year 2020 according to the U.S. Census Bureau. This is up slightly from the 2010 census population figure of 12,049 for Brattleboro.

Main Highways

Interstate 91 north and south, Route 5 north and south, and Route 9 east and west.

Transportation

There is local and interstate bus service and Amtrak train service available in Brattleboro. National airports are located in Hartford, Connecticut and Manchester, New Hampshire.

Government

Selectboard, town manager

Schools

Brattleboro possesses a public elementary and high school

Area Data (Continued)**Fire Department**

Full time department

Police Department

Municipal department

Comment

Brattleboro is the largest community in Windham County, situated in the southeast corner of Vermont. The population of Windham County was reported to be 45,905 in 2020 and 44,513 in 2010 according to the US Census Bureau. Brattleboro's population was listed as 12,184 in 2020 and 12,041 in 2010 in the same Census Reports, constituting approximately 26.5% of the County's total population. It is the hub for southeastern Vermont and is part of a three-state region. The city is bordered by New Hampshire to its east, Windsor County to its north, Bennington County to its west, and Massachusetts to its south. Its prosperity relates directly to the growth of this broader region. The Town does benefit from close proximity to an interstate highway system, with three exits off of Interstate 91. Brattleboro is 32.1 square miles in size and occupies 19,731 acres of land, of which 64 acres or 3%, is dedicated to the urban center.

The urban area of Brattleboro is quite vibrant in comparison to most other urban villages in Vermont. Several of the older buildings in the downtown area have been updated over the last 30 years. Its downtown center does emulate an era of a thriving business community with a very diverse population mix. The arts have and continue to play a large part in the continued success of the downtown area of Brattleboro. This area is often referred to as the "urban art oasis". It is home to the New England Youth Theater and the New England Center for Circus Arts. Within the downtown center there are four art galleries, a museum, a number of bookstores, eateries and other retail and service shops.

Area Data (Continued)

Brattleboro, while having one of the stronger and arguably most diverse economies in Southern and Central Vermont, has suffered from a static and aging population. The average age of residents is now 42.3 years and the population of working-age peoples and school-age children has declined since the year 2000. National statistics do indicate that the majority of population growth in the country is occurring in large metropolitan areas and warmer climates. Analysts point to greater economic opportunity and shifts in personal preferences as the main driver of this population trend. Despite this national trend, Brattleboro's economy does include a number of strong, basic employment opportunities in the form of manufacturing and goods production companies headquartered within the town. The Town Plan, published in 2018, states that Brattleboro had 11,096 jobs in 740 different establishments in 2016. Between the years 2010 and 2016 the number of manufacturing establishments increased by 7.9% and the number of manufacturing jobs increased by 15.8%. Likewise, the number of goods production establishments increased only marginally, 1.2%, in this same period, yet the number of individuals employed within this sector increased by nearly 19%. In addition to the basic components of Brattleboro's economy, there are a large percentage of individuals employed in the medical and healthcare services fields. The healthcare and medical sciences field does offer many high-wage and skilled job opportunities that have low impact on the environment, relative to the manufacturing and production sector. Approximately 4% of the Town's workforce is employed in this sector. Primary/secondary and vocational education is another economic sector strongly represented in Brattleboro. There are a number of colleges, in addition to elementary, middle, and high schools, within a short commute. This sector saw a 10% growth in the number of institutions and a 13.9% increase in employment between 2010 and 2016. The retail component of Brattleboro's economy has exhibited consolidation over the last

Area Data (Continued)

decade as the number of retail establishments has shrunk by 12.4%. The town conducted a study to aid in economic development, with regard to land use, and has determined that there is no need to expand growth in the retail sector because of population trends, the increasing number of sales transactions occurring online, as well as the opening of a Super Walmart in nearby Hinsdale, NH. The same study has led the Town to focus on development within the commercial and industrial areas of town, as well as redevelopment of the older, traditionally residential neighborhoods so as to improve the existing housing stock and support the ongoing trend of conversion from residential to commercial and mixed-use. This is consistent with data indicating that the vast majority of new residents prefer to live in rural bedroom communities outside of Brattleboro where the housing stock is much newer and generally more affordable. The following figures have been included from the most recent Town Plan published by Brattleboro:

Area Data (Continued)

The following illustration shows growth and consolidation within each sector of Brattleboro's economy:

Table 2.1: Brattleboro Covered Employment and Wages

INDUSTRY	ESTABLISHMENTS		EMPLOYMENT		TOTAL WAGES		AVERAGE WAGE	
	2016	% change from 2010	2016	% change from 2010	2016	% change from 2010	2016	% change from 2010
Total covered—all ownerships	740	-1.6	11,096	1.6	\$466,232,000	14	\$40,020	12.2
Private ownership	708	-1.3	9,940	2.8	\$416,275,928	15.6	\$41,878	12.4
Goods producing	84	1.2	1,908	18.9	\$100,108,934	37.4	\$52,470	15.6
Natural resources, mining	4	100	120	(c)	\$7,141,023	(c)	\$59,674	(c)
Agriculture, forestry	3	50	(c)	(c)	(c)	(c)	(c)	(c)
Construction	40	-7	316	(c)	\$16,029,660	(c)	\$50,767	(c)
Manufacturing	41	7.9	1,473	15.8	\$76,938,251	33	\$52,250	14.9
Wholesale trade	45	18.4	788	-17.6	\$37,511,235	-9	\$48,184	10.4
Retail trade	106	-12.4	1,406	2.9	\$41,523,010	19.8	\$29,536	16.4
Transportation & warehousing	9	-18.2	198	(c)	(c)	(c)	(c)	(c)
Publishing industries, except Internet	9	0	58	-45.3	\$2,593,966	-23.2	\$45,047	41.2
Broadcasting, except Internet	3	0	28	12	\$740,835	1.3	\$26,224	-10.3
Telecommunications	3	-25	(c)	(c)	(c)	(c)	(c)	(c)
Financial & insurance	27	-10	400	-11.3	\$24,115,218	-6.8	\$60,276	5.2
Real estate & rental & leasing	31	6.9	171	-4.5	\$6,770,935	9.2	\$39,538	13.9
Professional, business services	109	7.9	652	4.5	\$31,961,677	-0.7	\$49,015	-5.1
Education, health services	131	10.1	2,917	13.9	\$131,179,277	29.3	\$44,963	13.6
Arts, entertainment & recreation	16	77.8	86	7.5	\$1,573,466	28.5	\$18,332	20.4
Accommodation and food services	74	-11.9	1,022	3.8	\$18,861,648	26.5	\$18,448	21.8
Other services, except public administration	60	-15.5	306	-19.9	\$8,525,217	-3	\$27,845	21.1
Government	32	-8.5	1,155	-8	\$49,956,072	2	\$43,236	10.9

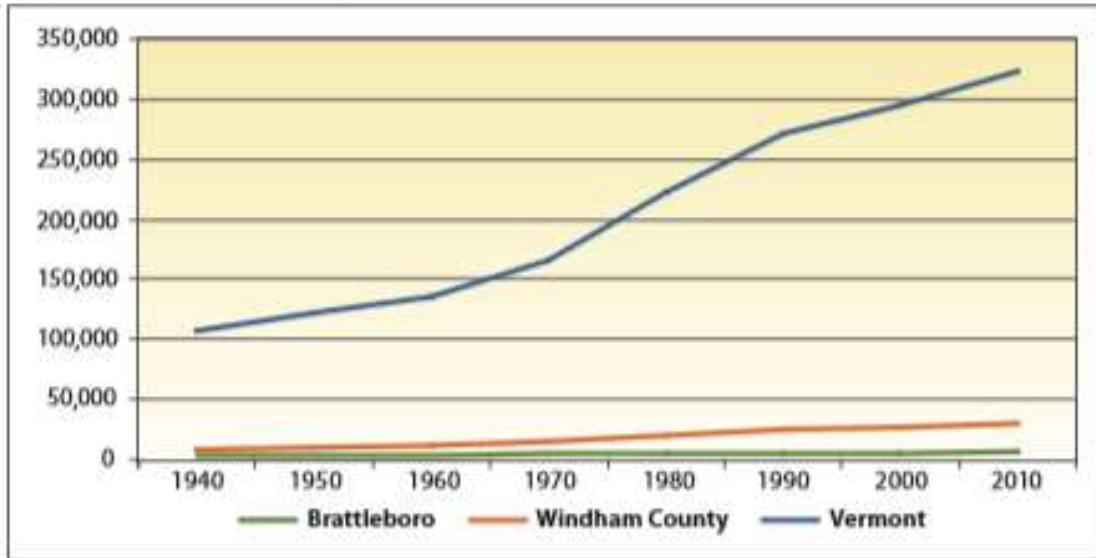
Source: Covered Employment and Wages for Town of Brattleboro, Base Time Period 2016, Change from 2010, Covered Employment, ELMI Data Tools, Economic and Labor Market Information, Information Center, website of the Vermont Department of Labor, available at: www.labor.vermont.gov/Default.aspx

(c) Data is confidential

Area Data (Continued)

Figure 1 – Comparative Housing Stock Growth (Brattleboro, Windham County, Statewide)

Figure 6.1: Total housing units



Source: U.S. Census 2010

Figure 2 –Population & Housing Trends (Brattleboro, VT & Windham County)

Table 6.1: Demographic profile

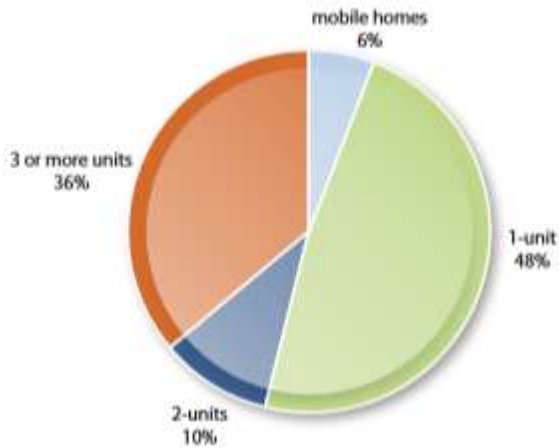
	1990	2000	% Change	2010	% Change
BRATTLEBORO					
Population	12,241	12,005	-1.93%	12,046	0.34%
Housing units	5,551	5,686	2.43%	5,998	5.49%
Households	5,092	5,364	5.34%	5,562	3.69%
Persons per household	2.3	2.15	-	2.09	-
WINDHAM COUNTY					
Population	41,588	44,216	6.32%	44,513	0.67%
Housing units	25,796	27,039	4.82%	29,735	9.97%
Households	16,264	18,375	12.98%	19,290	4.98%
Persons per household	2.49	2.35	-	2.23	-

Source: U.S. Census Bureau, Profile of General Population and Housing Characteristics

Area Data (Continued)

Figure 3 – Housing Stock Profile (Brattleboro, VT)

Figure 6.2: Housing units by type in Brattleboro



Source: American Community Survey, 5-year Estimates 2011–2015

Table 6.2: Number of rooms in units

Bedrooms	Total Housing Units	% of Housing Units
1 room	144	2.4
2 rooms	391	6.6
3 rooms	814	13.8
4 rooms	1011	17.2
5 rooms	1271	21.6
6 rooms	773	13.1
7 rooms	520	8.8
8 rooms	357	6.1
9 rooms or more	612	10.4

Source: American Community Survey 5-year Estimates 2011–2015

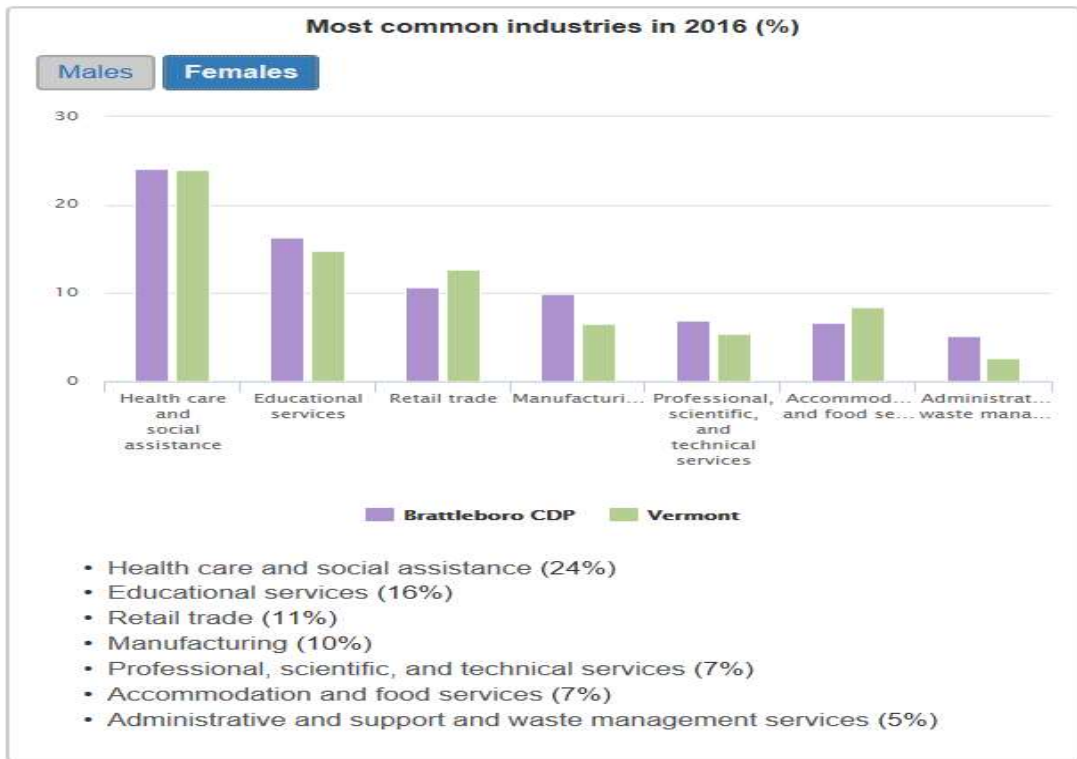
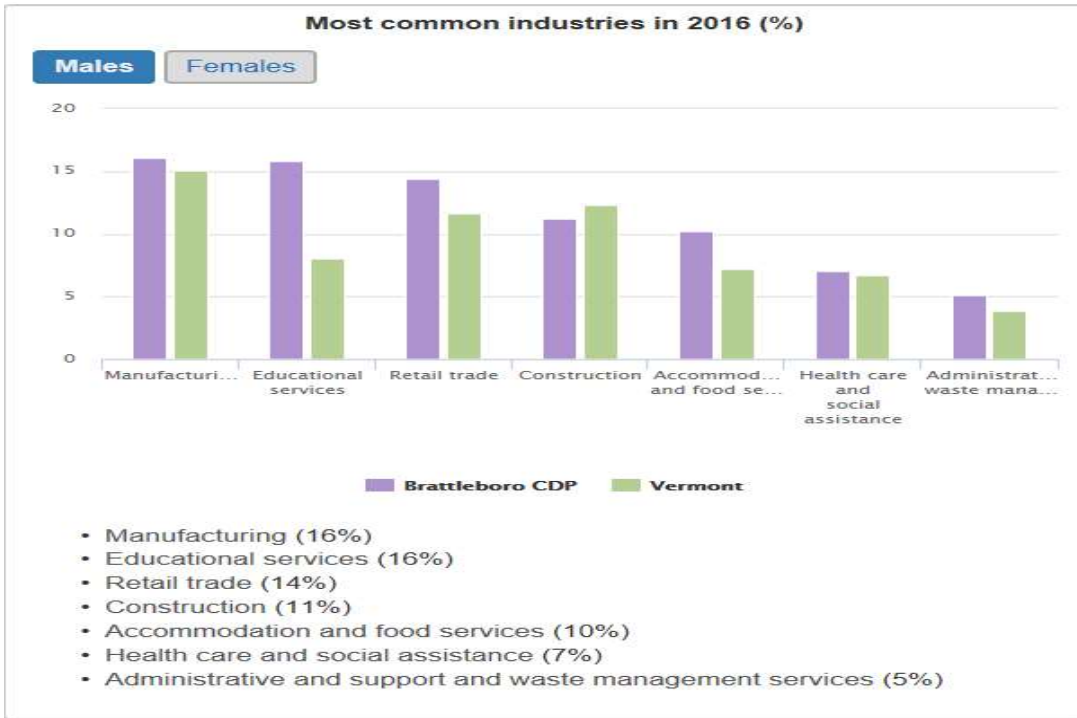
Table 6.3: Age of housing in Brattleboro

Decade built	Housing units	Percent
Prior to 1950	3,115	52.9%
1950 to 1959	399	6.8%
1960 to 1969	434	7.4%
1970 to 1979	553	9.4%
1980 to 1989	667	11.3%
1990 to 1999	508	8.6%
2000 to 2009	207	3.5%
2010 to present	10	0.2%

Source: Selected Housing Characteristics Income: 2011–2015 U.S. Census, American Community Survey

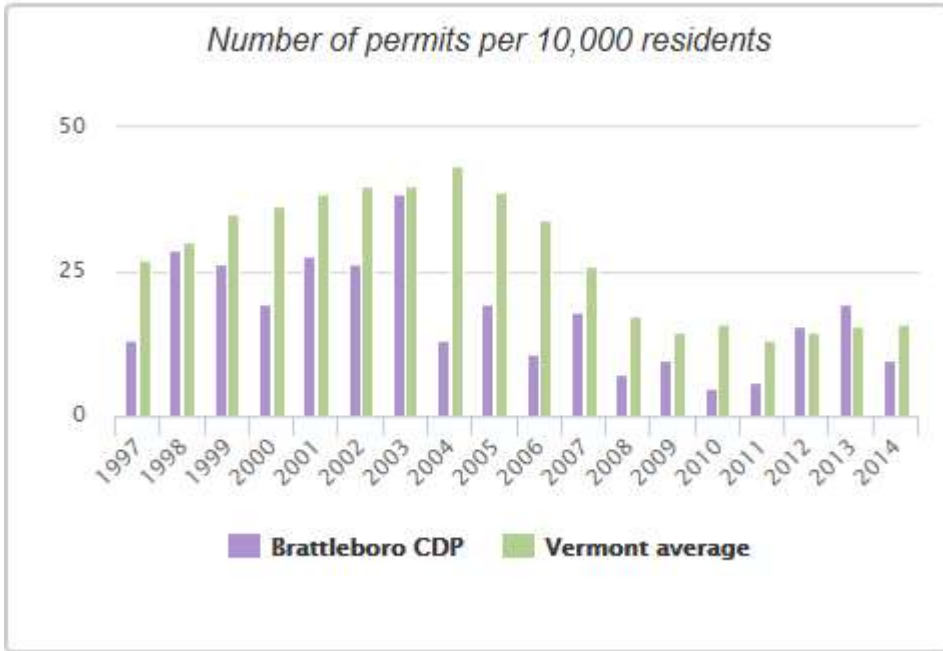
Area Data (Continued)

Figure 4 – Employment by Industry (Brattleboro, VT)



Area Data (Continued)

Figure 5 – Housing Permits by Year (Brattleboro, VT)



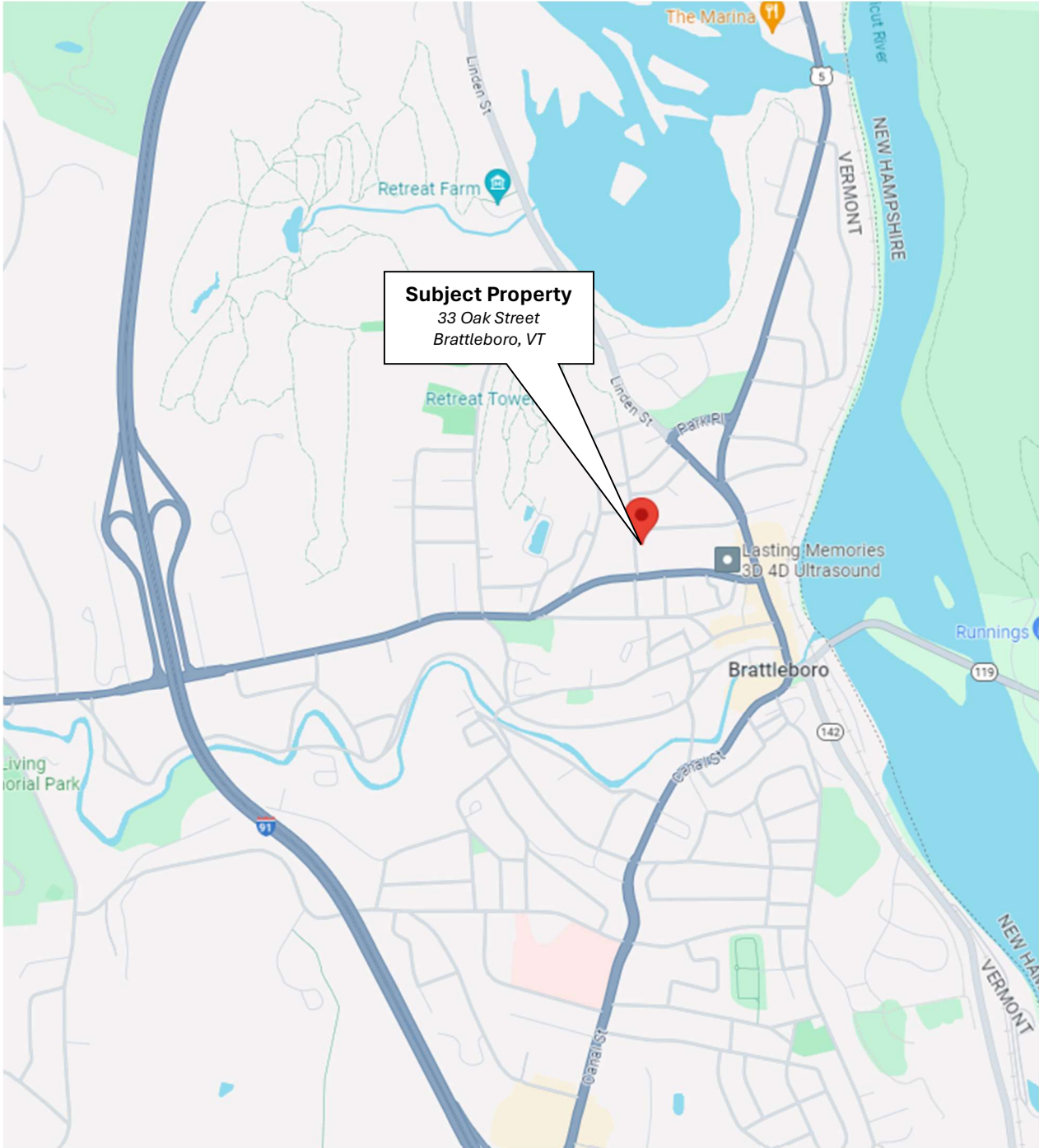
Location Map



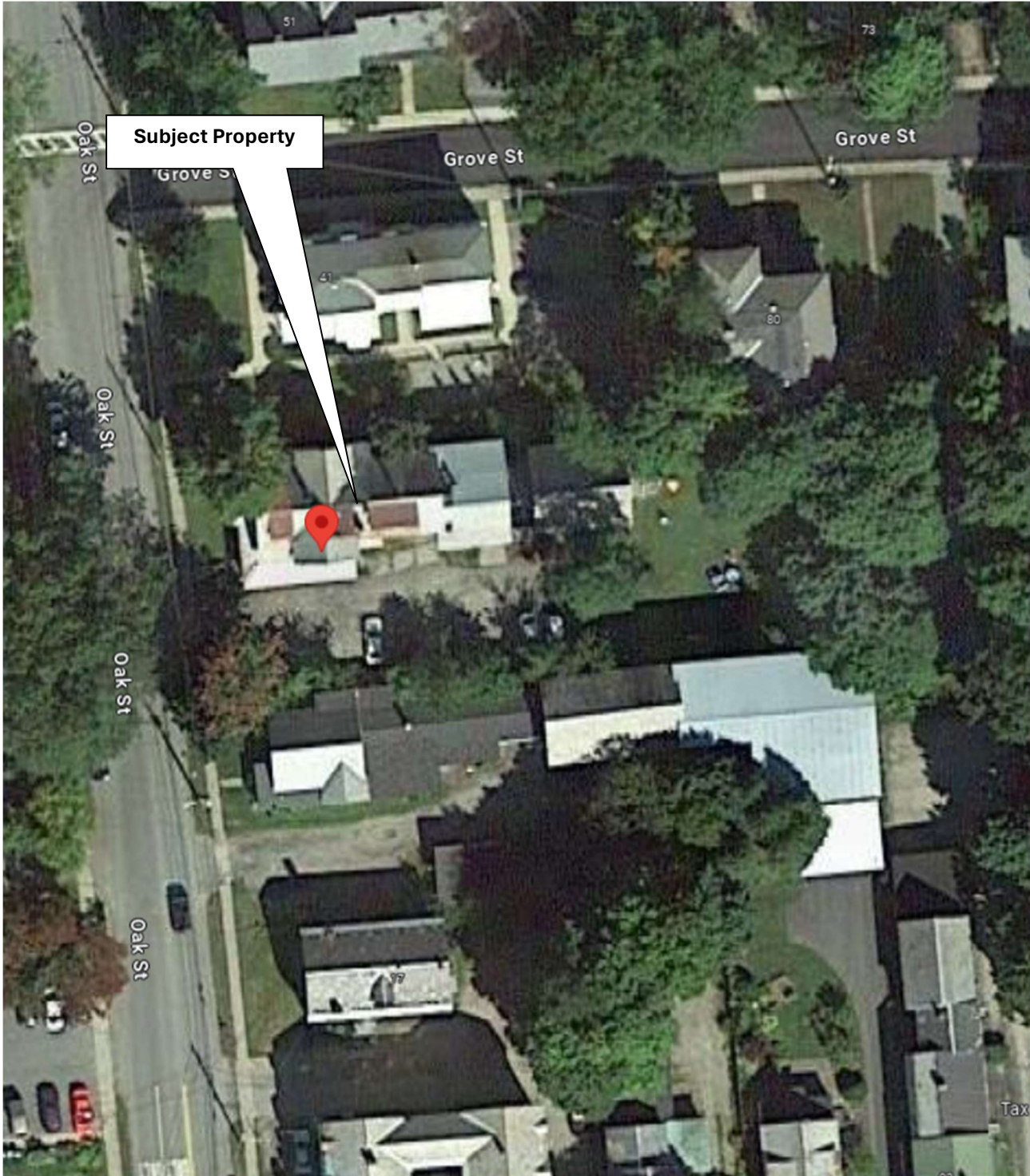
<http://www.visit-vermont.com/vtmap.html>

2/15/2011

Location Map

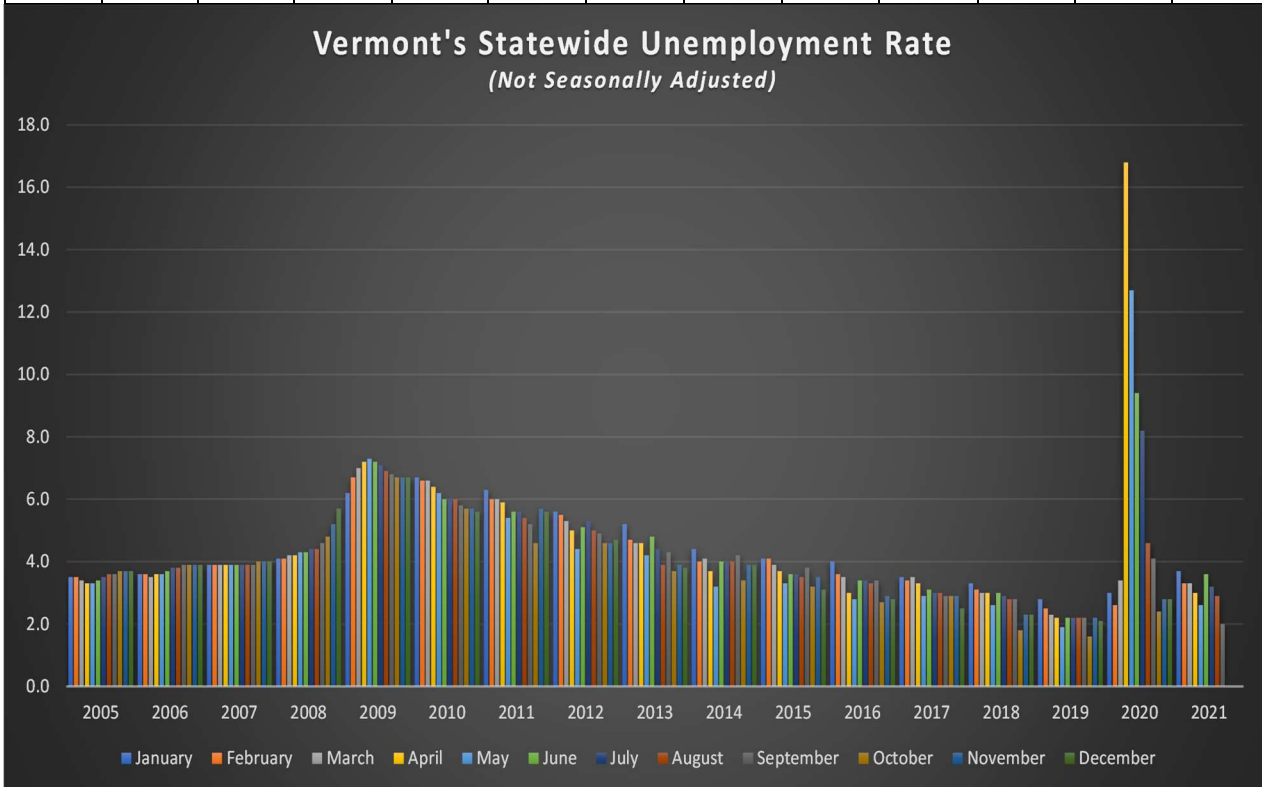


Aerial View



Vermont's Statewide Unemployment Rate
Not Seasonally Adjusted

	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC
2005	3.5	3.5	3.4	3.3	3.3	3.4	3.5	3.6	3.6	3.7	3.7	3.7
2006	3.6	3.6	3.5	3.6	3.6	3.7	3.8	3.8	3.9	3.9	3.9	3.9
2007	3.9	3.9	3.9	3.9	3.9	3.9	3.9	3.9	3.9	4.0	4.0	4.0
2008	4.1	4.1	4.2	4.2	4.3	4.3	4.4	4.4	4.6	4.8	5.2	5.7
2009	6.2	6.7	7.0	7.2	7.3	7.2	7.1	6.9	6.8	6.7	6.7	6.7
2010	6.7	6.6	6.6	6.4	6.2	6.0	6.0	6.0	5.8	5.7	5.7	5.6
2011	6.3	6.0	6.0	5.9	5.4	5.6	5.6	5.4	5.2	4.6	5.7	5.6
2012	5.6	5.5	5.3	5.0	4.4	5.1	5.3	5.0	4.9	4.6	4.6	4.7
2013	5.2	4.7	4.6	4.6	4.2	4.8	4.4	3.9	4.3	3.7	3.9	3.8
2014	4.4	4.0	4.1	3.7	3.2	4.0	4.0	4.0	4.2	3.4	3.9	3.9
2015	4.1	4.1	3.9	3.7	3.3	3.6	3.6	3.5	3.8	3.2	3.5	3.1
2016	4.0	3.6	3.5	3.0	2.8	3.4	3.4	3.3	3.4	2.7	2.9	2.8
2017	3.5	3.4	3.5	3.3	2.9	3.1	3.0	3.0	2.9	2.9	2.9	2.5
2018	3.3	3.1	3.0	3.0	2.6	3.0	2.9	2.8	2.8	1.8	2.3	2.3
2019	2.8	2.5	2.3	2.2	1.9	2.2	2.2	2.2	2.2	1.6	2.2	2.1
2020	3.0	2.6	3.4	16.8	12.6	9.4	8.2	4.6	4.1	2.4	2.8	2.8
2021	3.7	3.3	3.3	3.0	2.6	3.6	3.2	2.9	2.0	1.6	1.9	2.2
2022	3.5	2.8	2.4	2.4	2.1	2.5	2.1	2.0	2.1	1.8	2.4	2.7
2023	2.8	2.8	2.4	1.9	1.7	2.1	1.8	2.2	2.0	1.8	2.0	2.0



Neighborhood Data

Location	Residential/Mixed-Use Neighborhood
Built-Up	100% developed
Values	There have been (5) sales of multi-family properties within the subject's immediate neighborhood in the last 4+/- years. These sales support a range of values from approximately \$207,000 up to \$775,000. On a per unit basis, these (5) sales support values from approximately \$69,000 per unit up to \$157,500 per unit, however, (4) of these sales were of smaller, two-, three-, and four-unit dwellings, which do command much higher values on a per unit basis when compared to larger multi-family properties like the subject. There was an 11-unit multi-family property in the subject's neighborhood, which sold in May of 2022 for \$70,455 per unit. Sales of multi-family properties, with four or more units, throughout Brattleboro support a broad range of values from approximately \$50,000 to \$100,000 during this period, with the average sales price being approximately \$71,000 per unit, and the median sales price being approximately \$76,000 per unit.
Vacancy Rate/Trend	Multi-family vacancies have been at an all-time low (5% or less) over the last 3+/- years. It is likely as the market enters a more normalized mode, similar to what was seen prior to Covid-19, vacancies will increase. Conversations with brokers, property managers, and property owners indicate that vacancies have risen slightly over the last 12+/- months.
Change in Use	Unlikely, the neighborhood is well established
Age Range	Properties along Oak Street typically date back to the late 1800's/early 1900's.
Utilities	Municipal utilities are available at this location.
Traffic Flow	Moderate; The average daily count along Oak Street at the subject's location was 4,481 vehicles per day in 2022. This represents the stretch of roadway between High Street, south of the subject, and Grove Street, to the subject's north. Data was pulled from the Vermont Agency of Transportation's most recent Annual Average Daily Traffic Report. This is up slightly from 4,441 vehicles per day in 2021.

Neighborhood Data (Continued)

General Property Conditions	Average
Compatibility	Average
Adverse Conditions	None
Land Use	Oak Street, and the surrounding neighborhood, is developed primarily with a mix of circa 1900's multi-family residential and mixed-use properties.
Boundaries	The subject's neighborhood is defined as the primarily residential area just west of Brattleboro's urban downtown.

Comment

The subject is located along Oak Street, less than ½ mile west of the center of downtown Brattleboro. The surrounding neighborhood is primarily residential in character, with most properties having been originally developed in the mid/late 1800's up through the mid-1900's. Most development in the area is similar to the subject, with buildings being two- and three-story, woodframe structures that were originally built as single-family homes, many of which have since been reconfigured into multi-family dwellings or for mixed-use. There are similar vintage and style properties to the east, west, north, and south of the subject. There is an affordable housing property immediately north of the subject. There is a vacant multi-family property immediately south. Located to the west, along the opposite side of Oak Street, there are a few multi-family and mixed-use properties that have professional offices on their lower levels. Properties in the neighborhood vary in condition and level of updates. It appears that approximately 2/3 of the buildings in the neighborhood have had updates and are in average to good condition, while the remaining third is in average or less condition. The subject's neighborhood is well established. No major changes are anticipated within the foreseeable future.

Property Description

The subject of this appraisal is located at 33 Oak Street, just west of the urban center of downtown Brattleboro, Vermont. The property is owned by Megan Talbot. The property consists of a 0.40+/- acre site, improved with an eight-unit, multi-family apartment building that totals 7,586+/- square feet. The owner has submitted a budget and plans to renovate the building and add an additional (5) apartment units. Upon completion, the 13-unit apartment building will total 11,183+/- square feet. The following description is based on a walkthrough inspection of the property conducted on January 25, 2024 with the general contractor, Mr. Timothy Munroe. It should be noted that the building is vacant and in fair condition at this time. Mr. Munroe stated that the building has been vacant for several months at a minimum. He also stated that the property does have permits and certificates of occupancy for the existing (8) units, though the owners have not yet received permits for the additional (5) units that have been proposed.

The scope of this assignment includes development of an opinion of market value for the subject property in its "as complete" configuration, based on proposed renovations submitted by the property owner. The owner plans to renovate and reconfigure the building, adding an additional (5) apartment units, bringing the total number of apartments in the building to (13). The owner is utilizing the Vermont Housing Improvement Program (VHIP) to aid in financing the project. They have agreed to contribute \$240,000 for the rehab and renovation of the existing (8) units in the building, as well as an additional \$250,000 for the construction of (5) new units. The VHIP program restricts rents for a period of five years. The general contractor for the proposed improvements was present during the inspection of the property on January 25, 2024. He estimates a fifteen-month construction timeline. It is assumed the work will be completed on, or before, May 1, 2025. The contractor also submitted cost

Property Description (Continued)

estimates. The estimates total \$1,099,850, with \$411,600 allocated toward the rehab and renovation of the existing (8) units, \$257,250 allocated toward the construction of the (5) new units, and \$431,000 allocated toward permitting, sitework, a sprinkler system, cost overruns, and the general contractor's fee.

The subject is identified within the Brattleboro land records on Tax Map #27, Block #52, Parcel #53. The subject's site is 0.40+/- acres in size and approximately rectangular in shape. It is level and open throughout. The property is situated along the eastern side of Oak Street where it includes approximately 82.5' of frontage. Municipal utilities are available at this location and are extended to the subject. The property is accessed via a single curb cut off the eastern side of Oak Street. Its parking area can accommodate 12+/- vehicles. The parking area will be expanded to the east in order to meet local permit guidelines as part of the proposed renovations. The appraisers have not conducted an environmental assessment of the subject property, nor are they qualified to perform such an assessment. The Vermont DEC Hazardous Sites list was reviewed and the subject property did not appear to be listed as having any environmental issues. This appraisal assumes that the subject property is free and clear of any environmental issues or issues of contamination related to the subject and its adjacent properties. The property is situated on FEMA Flood Map #50025C0502E, dated September 28, 2007. It appears that the subject property sets outside any known areas of flood hazard.

The subject's building is a two- and three-story, woodframe structure that originally dates back to 1860+/- . The building totals 7,586+/- square feet and is configured for multi-family use with (8) apartment units. The building is constructed over a mix of full and crawl space foundation. The three-story section of the building has a full and unfinished basement,

Property Description (Continued)

consisting of brick, stone, and mortar construction with a mix of dirt and slab flooring. The midsection of the building has a mix of low-height crawl space and slab. The far eastern end of the building has a separate full and unfinished basement. Access was not available to this area of the basement though it is assumed to be similar in construction as the full section under the three-story portion of the building. The exterior of the building includes older wood clapboards in fair condition. The proposed renovations include abatement of all lead hazards, repairs to exterior decks and railings, and repairs and painting to siding as needed. Windows throughout the building are primarily older, wooden, single-glaze, double-hung units. There are also a few older, casement-type units. It should be noted that some of the windows are broken at this time. The scope of exterior renovations includes replacing all single-pane windows with double-pane, energy efficient units. The building includes a gable-style, slate roof in average to fair condition. There is also a small section of the roof finished with corrugated metal in similar condition. The roof will be repaired as needed as part of the proposed renovations. It will remain primarily slate. The midsection of the building will also have an addition constructed over the third-floor level, necessitating reconfiguration of the roof in this area of the building. There is an attached garage and shed along the front of the midsection of the building. They total approximately 539 square feet and are minimally finished at this time. This area of the building will be finished and reconfigured as apartment space as part of the renovations. There are also several porches along the southern and western sides of the first-floor level, which will also be finished and reconfigured as apartment space. This increases the size of the first-floor level from 3,057+/- square feet, in the building's "as is" configuration, up to 4,008+/- square feet, in its "as complete" configuration. There will be multiple exterior stairwells and decks installed providing ingress/egress for upper-floor units in

Property Description (Continued)

the building.

The interior of the building is configured for multi-family use at this time. The first-floor level totals 3,057+/- square feet and includes Units #1, #2, #3, and #4. The second floor totals 3,437+/- square feet and includes Units #5, #6, and #7. The finished portions of the third floor total 1,092+/- square feet and includes Unit #8. There are (3) one-bedroom units (Units #1, #3, and #6), (4) two-bedroom units (Units #2, #4, #5, and #8), and (1) three-bedroom apartment (Unit #7). The units vary in size and condition at this time. Each unit has a kitchen, living room, a full bath, and between (1) and (3) bedrooms. Interior finishes consist primarily of hardwood and vinyl flooring, sheetrock and plaster walls with some areas of wood wainscot, and sheetrock and plaster ceilings. Most bathrooms are finished with either vinyl or ceramic tile flooring, sheetrock walls and ceilings, and are equipped with older 5' tub enclosures. The submitted scope of work for the proposed renovations states that (5) new units will be installed where the storage/garage areas exist at this time. There will be a small addition constructed over the third floor along the midsection of the building, which will be used to accommodate Unit #13. The contractor stated on the date of inspection that the existing units will be modified only minimally. The interior of the existing units will receive painting and repairs to finishes as needed, as well as repairs and replacement of all fixtures in kitchens and bathrooms as needed. They will have updated bathrooms, with new sheetrock being added throughout. With the addition, the building will total 11,183+/- square feet and include (13) apartment units; (1) of which will be an efficiency unit, (5) of which will be one-bedroom units, (6) of which will be two-bedroom units, and (1) of which will be a three-bedroom unit.

Mechanical systems for the building, as well as proposed renovations to mechanical systems, are described as follows: The building has hot water heat throughout via primarily

Property Description (Continued)

older cast iron radiators. There is an oil-fired, Buderus-brand boiler for the heating system that is approximately 15 years in age. It appears each unit is separately zoned. There are (2) 275+/- gallon oil storage tanks. As part of the renovations, mini-split heat pump units will be installed in each apartment unit. The existing hot water heating system will be updated as needed and will function as a back-up heating source for the building. It appears that each unit in the building has its own electrical service and is separately metered. As part of the renovations, the electrical components will be updated as needed and expanded to include the newly constructed units. Each unit will be separately metered. Additionally, a new hardwired smoke, fire, and carbon monoxide detection alarm system will be installed. Lighting throughout will also be updated. The building is not sprinkled at this time. Each unit includes a full bath, with most being equipped with an older 5' tub enclosure. Domestic hot water is zoned off of the boiler for the heating system. As part of the renovations, the bathroom in each unit will be updated, as well as new baths constructed for the new units. A fire sprinkler system will be installed. Domestic hot water will be via individual electric tanks in each unit.

The building in its "as is" configuration is considered overall average in quality and fair in condition. The exterior of the building needs repairs to the siding, windows, and roof. The interior of the building is dated and has not been updated in several years. Many units are dirty and still have clutter from previous tenants. Upon completion of the proposed renovations the building will be considered average in quality and average to good in condition. It will have had cosmetic updates throughout the interior and exterior, as well as needed updates to mechanical systems. New kitchen and bathroom fixtures will have been installed throughout. The property upon completion will have overall good appeal.

Property Description (Continued)**“As Complete” - Rent Schedule & Lease Summary**

(As submitted by the Property Owner)

Unit	Unit Type	Projected Rent	Utilities Furnished in Rent
Unit #1	Apartment Unit <i>(One-Bedroom)</i>	\$945/mo.	None
Unit #2	Apartment Unit <i>(Two-Bedroom)</i>	\$1,150/mo.	None
Unit #3	Apartment Unit <i>(One-Bedroom)</i>	\$945/mo.	None
Unit #4	Apartment Unit <i>(Two-Bedroom)</i>	\$1,150/mo.	None
Unit #5	Apartment Unit <i>(One-Bedroom)</i>	\$945/mo.	None
Unit #6	Apartment Unit <i>(Two-Bedroom)</i>	\$1,150/mo.	None
Unit #7	Apartment Unit <i>(Three-Bedroom)</i>	\$1,426/mo.	None
Unit #8	Apartment Unit <i>(Two-Bedroom)</i>	\$1,150/mo.	None
Unit #9	Apartment Unit <i>(Two-Bedroom)</i>	\$1,150/mo.	None
Unit #10	Apartment Unit <i>(Two-Bedroom)</i>	\$1,150/mo.	None
Unit #11	Apartment Unit <i>(One-Bedroom)</i>	\$945/mo.	None
Unit #12	Apartment Unit <i>(One-Bedroom)</i>	\$945/mo.	None
Unit #13	Apartment Unit <i>(Efficiency Apt.)</i>	\$803/mo.	None

The subject property is configured with (8) apartment units, though is vacant at this time. The owner plans to renovate and reconfigure the building, adding an additional (5) apartment units, bringing the total number of apartments in the building to (13). The owner is utilizing the Vermont Housing Improvement Program (VHIP) to aid in financing the project. They have agreed to contribute \$240,000 for the rehab and renovation of the existing (8) units in the building, as well as an additional \$250,000 for the construction of (5) new units. The VHIP program restricts rents for a period of five years. The unit mix will include (1) efficiency unit, (5) one-bedroom units, (6) two-bedroom units, and (1) three-bedroom unit. The tenants will be responsible for all monthly utility expenses in addition to rent, though rubbish removal, lawn care, and snow plowing will be included.

Property Description (Continued)**Site**

Legal Description/Volume 491, Page 594 of the Brattleboro land records.

Tax Map/Map #27, Block #52, Parcel #53

Lot Size/0.40+/- acre

Shape/ Approximately rectangular

Frontage/ 82.5'+/- of frontage along the eastern side of Oak Street.

Topography/Approximately level

Water/Municipal

Sewer/Municipal

Landscaping/The site includes a surrounding lawn with some gardens, mature trees, and shrubs. Its landscaping is rated as average or typical in quality when compared to the rest of the neighborhood.

Parking/ The property is accessed via a single curb cut off the eastern side of Oak Street. Its parking area can accomodate 12+/- vehicles. The parking area will be expanded to the east in order to meet local permit guidelines as part of the proposed renovations.

Flood Plain/ The property is situated on FEMA Flood Map #50025C0502E, dated September 28, 2007. It appears that the subject property sets outside any known areas of flood hazard.

Easements & Encumbrances/The subject's deed and legal description have been reviewed. It does not appear that there are any easements or encumbrances that adversely affect the value or marketability of the property.

Warranty Deed

DOC# 00000805
BK 491 PG 594

WARRANTY DEED

KNOW ALL PERSONS BY THESE PRESENTS That **OAK MANOR**

CORPORATION, a Vermont Corporation with a place of business located in Brattleboro in the County of Windham and State of Vermont, Grantor, in the consideration of One Dollar and other valuable consideration paid to my full satisfaction by **MEGAN TALBOT** of Burlington in the County of Chittenden and State of Vermont, Grantee, by these presents, do freely GIVE, GRANT, SELL, CONVEY AND CONFIRM unto the said Grantee, **MEGAN TALBOT**, and her heirs and assigns forever, a certain piece of land in Brattleboro in the County of Windham and State of Vermont, described as follows, viz:

Being all and the same lands and premises conveyed to Oak Manor Corporation by Warranty Deed of Bruce A. Bryant dated January 19, 1989, recorded in Volume 209, Page 641 of the Brattleboro Land Records, and being more particularly described as follows:

“Being all and the same lands and premises conveyed to Bruce A. Bryant by warranty deed of Margaret P. Coty and T. Hans Russell, Successor Trustee, dated 8 May 1984, recorded in Volume 178, Page 7 of the Brattleboro Land Records, and in said deed described as follows:

“ ‘Being all and the name lands and premises an undivided one-third interest in which was conveyed to Margaret F. Coty, a Grantor herein, by deed of Leah G. Young, Trustee dated March 17, 1965 and recorded in Book 109, Page 531 of the Land Records of Brattleboro, Vermont and an undivided two-thirds interest in which was conveyed to F. Elliott Barber, Jr. and Mary D. Folsom, Trustees under the aforesaid Trust Indenture by deed of Leah G. Young, Trustee dated March, 17, 1965 and recorded in Book 109, Page 532 of the Brattleboro Land Records, and being also all and the same lands and premises as ware conveyed to the said Leah G. Young, Trustee by warranty deed of Hugh F. Folsom and Mary D. Folsom, husband and wife, and Margaret F. Coty, joined by her husband Daniel H. Coty dated March 17, 1965 and recorded at Book 109, Page 530 of the Brattleboro Land Records, in which latter deed said premises are described as follows:

“ ‘Lying and being on the Easterly side of Oak Street, so-called; and bounded and described as follows: Bounded Westerly on Said Oak Street about 82.5 feet; Northerly on land formerly of Mrs. Ella J. Starkey, now owned by Margaret R. Porter and Mary Bolton Porter about 161 feet, and on land formerly of Godfrey Crosby, now owned by Pliny W. Burrows and Lucy C. Burrows about 59.5 feet, Easterly on land formerly of Mrs. A. I. Miller, now owned by Pliny W. Burrows and Lucy C. Burrows about 82.5 feet, and Southerly on land formerly of Mrs. Emma C. Allen, now owned by Henry B. Allen and Marion Strowbridge, about 217 feet, together with Buildings thereon.

“ ‘The Grantor T. Hans Russell was appointed Successor Trustee under the aforesaid Trust Indenture by order of the Windham Superior Court in the matter of F. Elliot Barber, Jr. and Mary D. Folsom, individually and as Trustees vs. Margaret Folsom Coty et al, Docket No. S17-81 Wmc, said Order dated December 1, 1981 and duly recorded upon the Brattleboro Land Records [Book 168, Page 110].’ ”

Doc# 00000805
BK 491 PG 595

TO HAVE AND TO HOLD said granted premises, with all the privileges and appurtenances thereof, to the said Grantee, **MEGAN TALBOT**, and her heirs and assigns, to her own use and behoof forever; And I, the said Grantor, **OAK MANOR CORPORATION** for itself and its heirs, executors and administrators, do covenant with the said Grantee, **MEGAN TALBOT**, and her heirs and assigns, that until the ensembling of these presents it is the sole owner of the premises, and have good right and title to convey the same in manner aforesaid, that they are **FREE FROM EVERY ENCUMBRANCE**, except as aforesaid; And it hereby engage to **WARRANT AND DEFEND** the same against all lawful claims whatever, except as aforesaid.

Dated this 31 day of May, 2023.

OAK MANOR CORPORATION


**ROBERT REMY-POWERS, A DULY
AUTHORIZED AGENT**

STATE OF VERMONT)
COUNTY OF WINDHAM) SS.

At Brattleboro this 31st day of May 2023, **ROBERT REMY-POWERS, a duly authorized agent of OAK MANOR CORPORATION**, personally appeared and he acknowledged this instrument, by him sealed and subscribed, to be his free act and deed and the free act and deed of Oak Manor Corporation.

Before me 
Notary Public

My Commission Expires: 1/31/2025

ACKNOWLEDGMENT
Ret rec'd (certs/Act 250 disclo) Tax pd
Doc: 00000804 Date: Jun 16, 2023
Christina Howe Clerk

Jean Brewster Giddings
Notary Public
State of Vermont
Commission No. 0000535
Commission expires 1/31/2025

BRATTLEBORO VERMONT Town Clerk
Jun 16, 2023 01:43P, BK 491 PG 593
Christina Howe Clerk

Tax Map

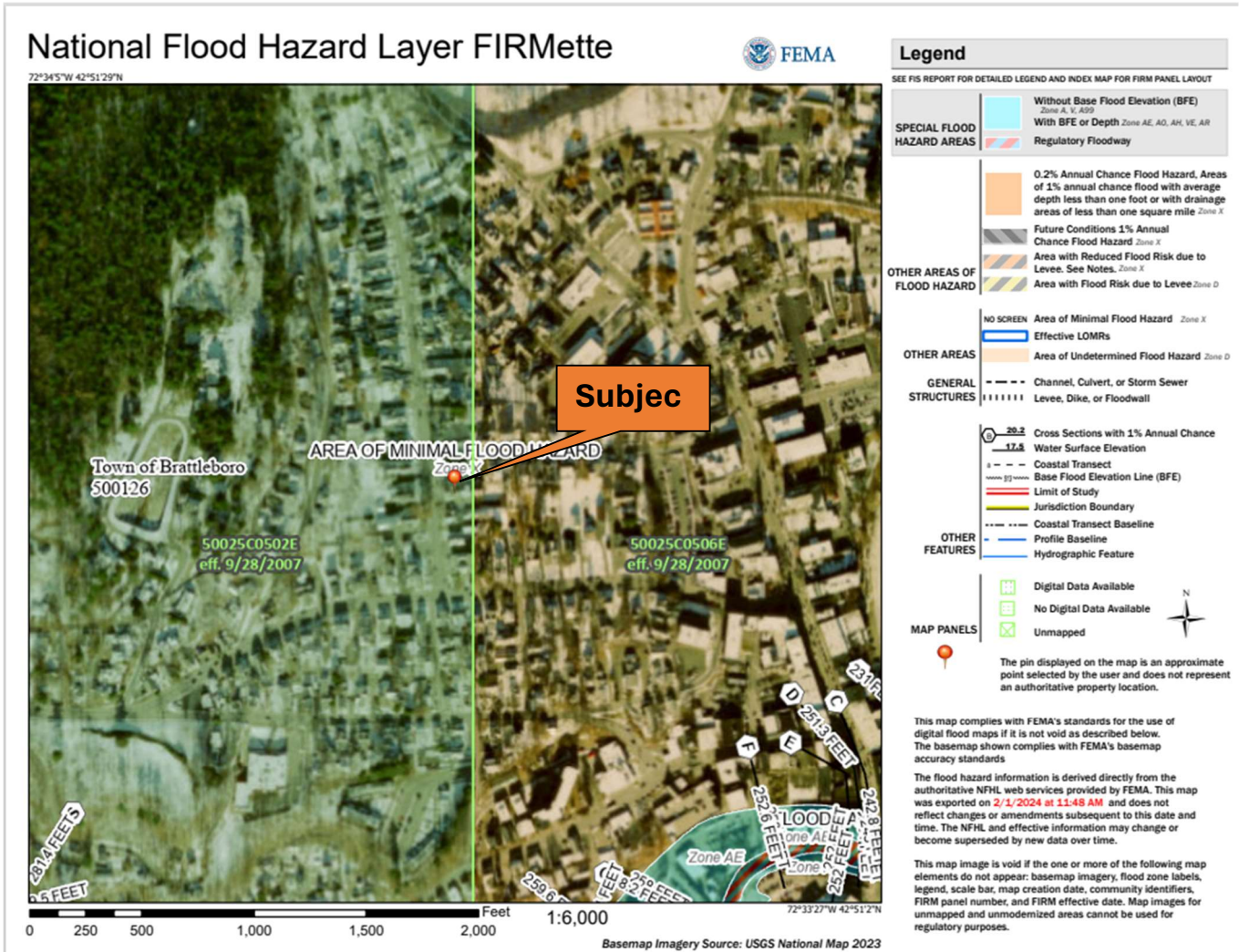


Subject Property
Tax Map #27, Block #52, Parcel #53

VT ANR Parcel Map



Flood Plain Map



Property Description (Continued)

Building

Age/1860+/- with renovations and addition in 2024

Style/Two- and three-story, woodframe, apartment building.

Size”As Is”: 7,586+/- square feet, (8) units

”As Complete”: 11,183+/- square feet, (13) units

Roof/The building includes a gable-style, slate roof in average to fair condition. There is also a small section of the roof finished with corrugated metal in similar condition. The roof will be repaired as needed as part of the proposed renovations. It will remain primarily slate. The area of the building over the existing garage will also have an addition constructed over the third-floor level, necessitating reconfiguration of the roof in this area of the building.

Exterior/ The exterior of the building includes older wood clapboards in fair condition. The proposed renovations include abatement of all lead hazards, repairs to exterior decks and railings, and repairs and painting to siding as needed. There are also several porches along the southern and western sides of the first-floor level, which will also be finished and reconfigured as apartment space. This increases the size of the first-floor level from 3,057+/- square feet, in the building’s “as is” configuration, up to 4,008+/- square feet, in its “as complete” configuration. There will be multiple exterior stairwells and decks installed providing ingress/egress for upper-floor units in the building.

Windows/ Windows throughout the building are primarily older, wooden, single-glaze, double-hung units. There are also a few older, casement-type units. It should be noted that some of the windows are broken at this time. The scope of exterior renovations includes replacing all single-pane windows with double-pane, energy efficient units.

Insulation/The amount or type of insulation was not verified. Insulation will be added to the building as part of the proposed renovations.

Foundation/ The building is constructed over a mix of full and crawl space foundation. The three-story section of the building has a full and unfinished basement, consisting of brick, stone, and mortar construction with a mix of dirt and slab flooring. The midsection of the building has a mix of low-height crawl space and slab. The far eastern end of the building has a separate full and unfinished basement. Access was not available to this area of the basement though it is assumed to be similar in construction as the full section under the three-story portion of the building.

Property Description (Continued)**Building**

Electrical/ It appears that each unit in the building has its own electrical service and is separately metered. As part of the renovations, the electrical components will be updated as needed and expanded to include the newly constructed units. Each unit will be separately metered. Additionally, a new hardwired smoke, fire, and carbon monoxide detection alarm system will be installed. Lighting throughout will also be updated.

Plumbing/ The building is not sprinkled. Each unit includes a full bath, with most being equipped with an older 5' tub enclosure. Domestic hot water is zoned off of the boiler for the heating system. As part of the renovations, the bathroom in each unit will be updated, as well as new baths constructed for the new units. A fire sprinkler system will be installed. Domestic hot water will be via individual electric tanks in each unit.

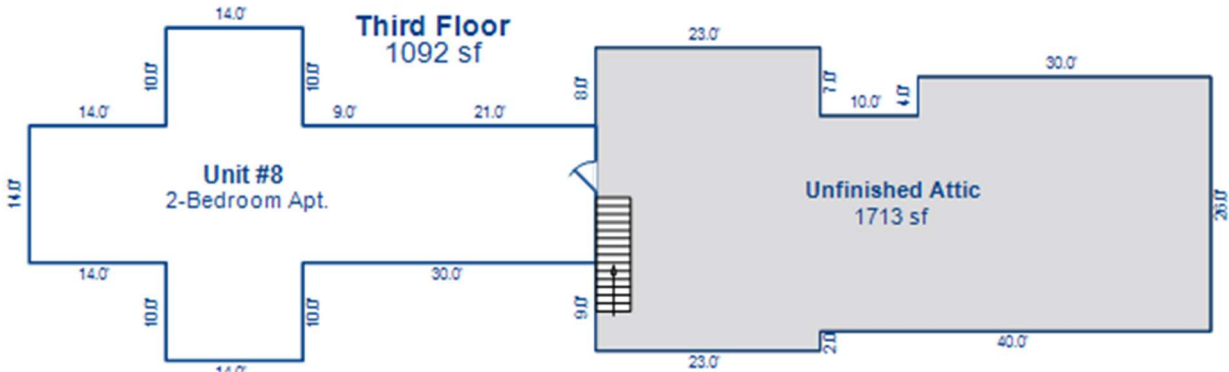
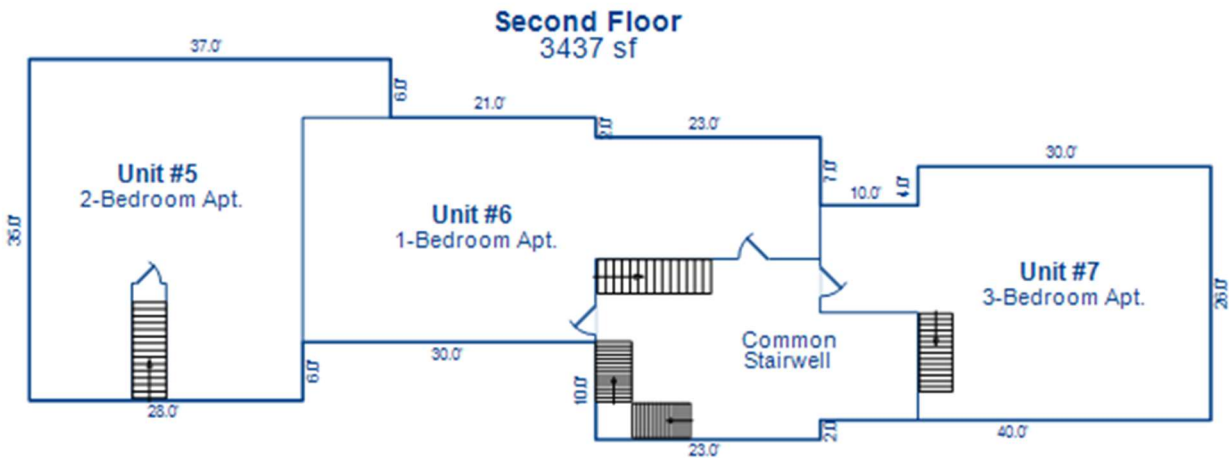
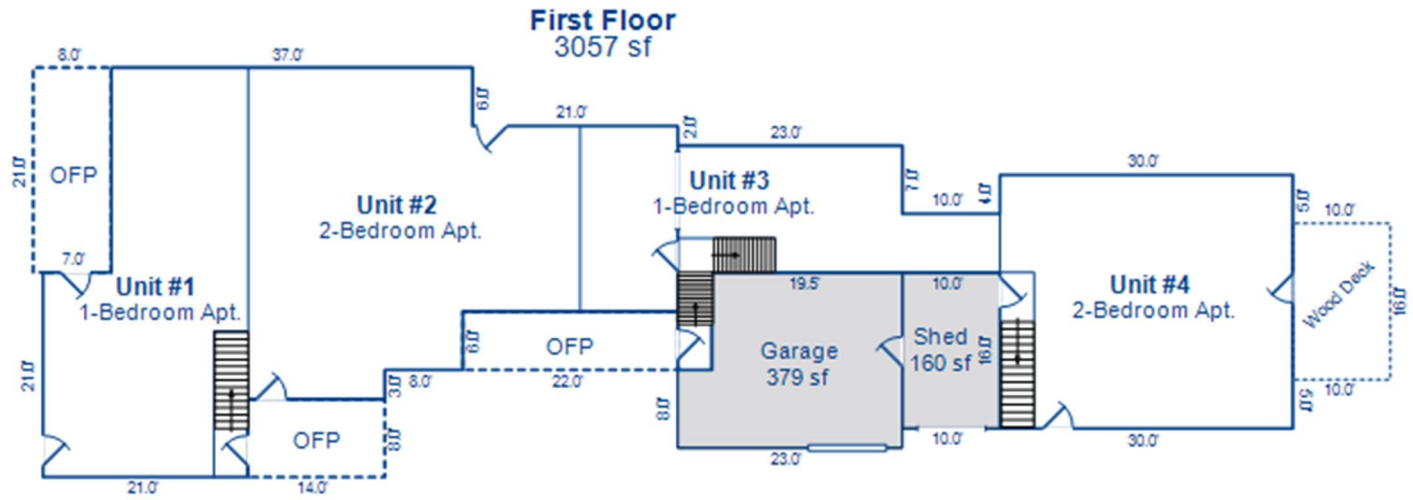
Heat/The building has hot water heat throughout via primarily older cast iron radiators. There is an oil-fired, Buderus-brand boiler for the heating system that is approximately 15 years in age. It appears each unit is separately zoned. There are (2) 275+/-gallon oil storage tanks. As part of the renovations, mini-split heat pump units will be installed in each apartment unit. The existing hot water heating system will be updated as needed and will function as a back-up heating source for the building.

Quality/"As Is" – Average
"As Complete" - Average

Condition/"As Is" – Average
"As Complete" – Average/Good

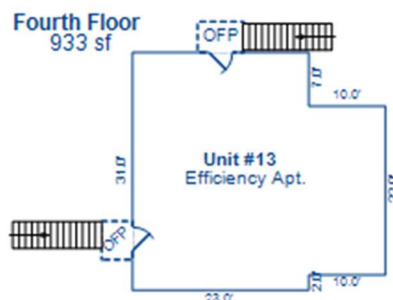
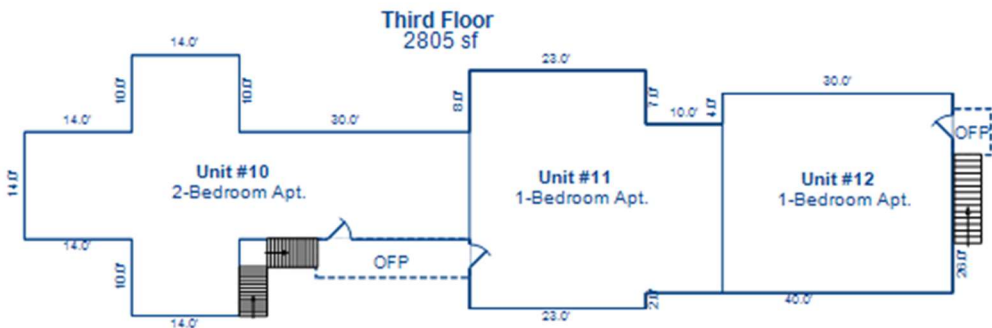
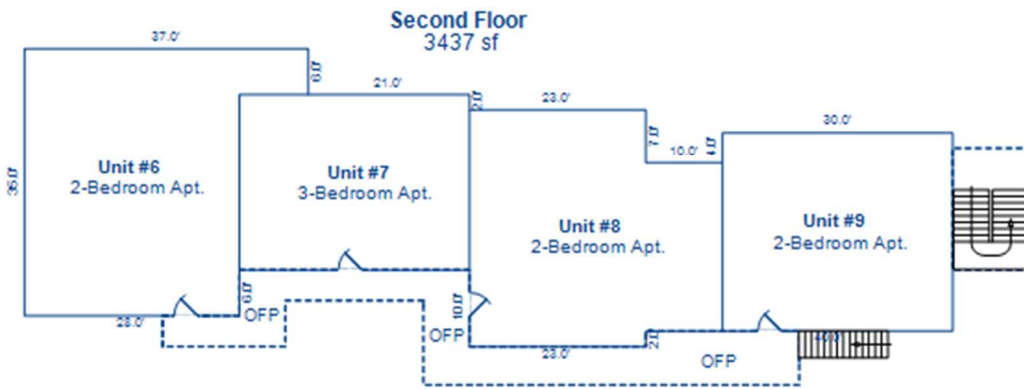
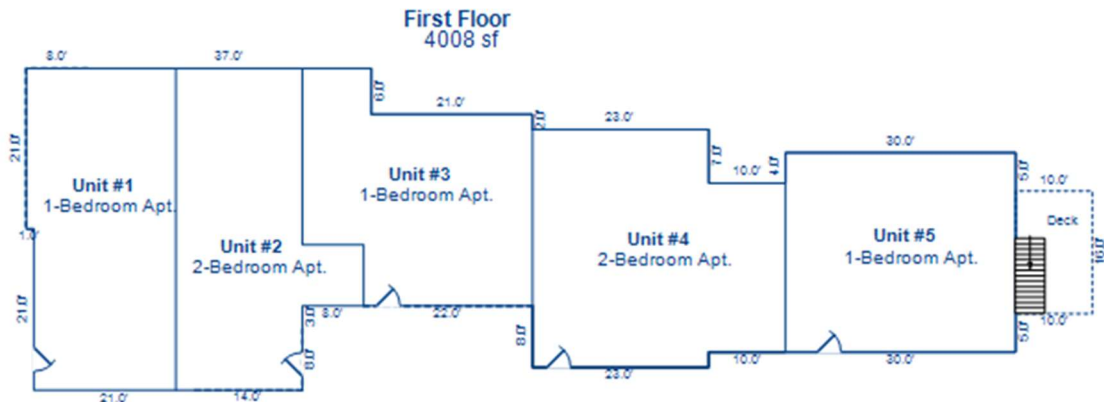
Other/ There is an attached garage and shed along the front of the midsection of the building. They total approximately 539 square feet and are minimally finished at this time. This area of the building will be finished and reconfigured as apartment space as part of the renovations. The property's strengths are its location, larger size and onsite parking. Its weaknesses are its condition, prolonged expected renovation period and the lack of sub-contractors bids. The budget seems low.

Building Sketch – “As Is”



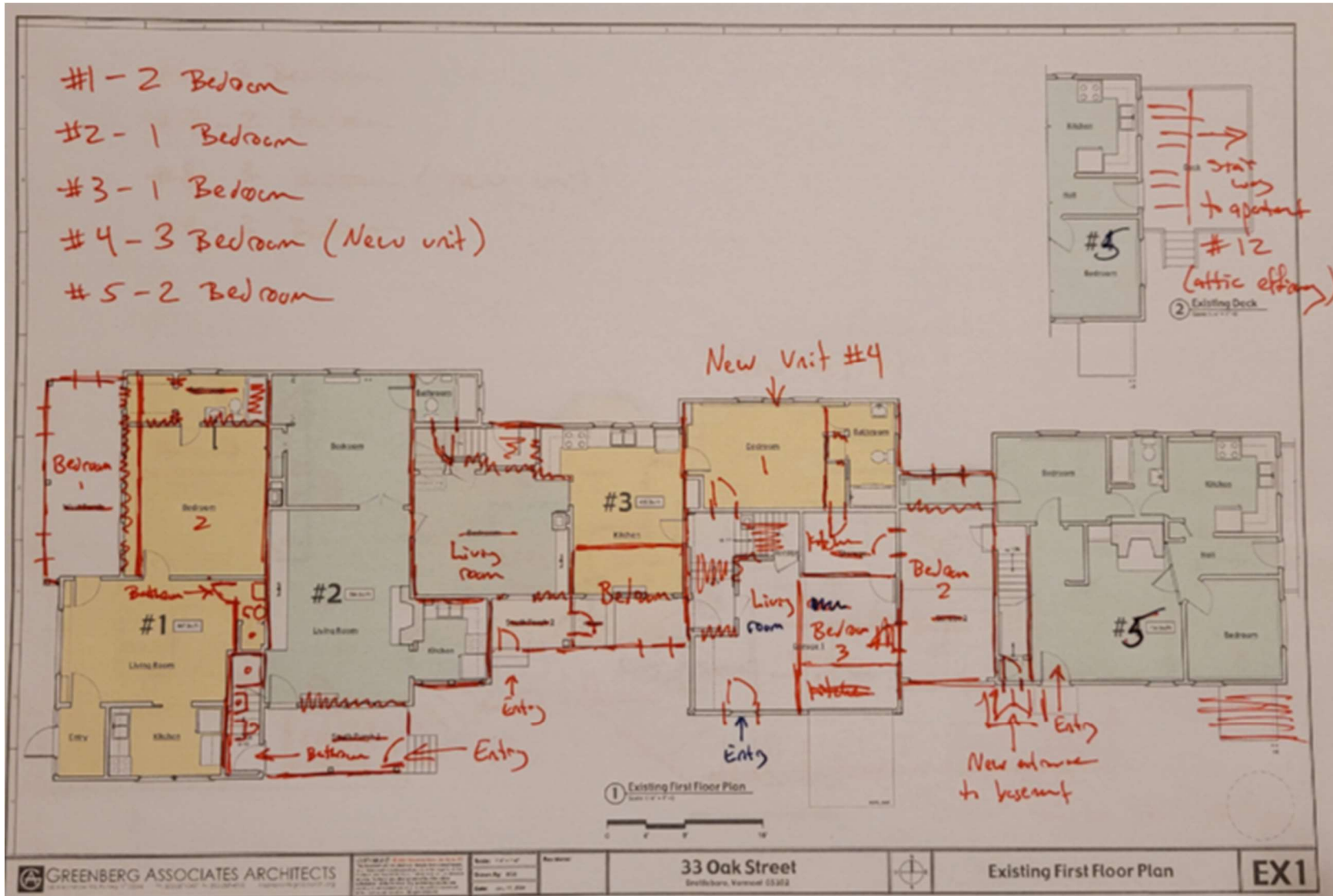
Approximate Layout/Not to Scale

Building Sketch – “As Complete”



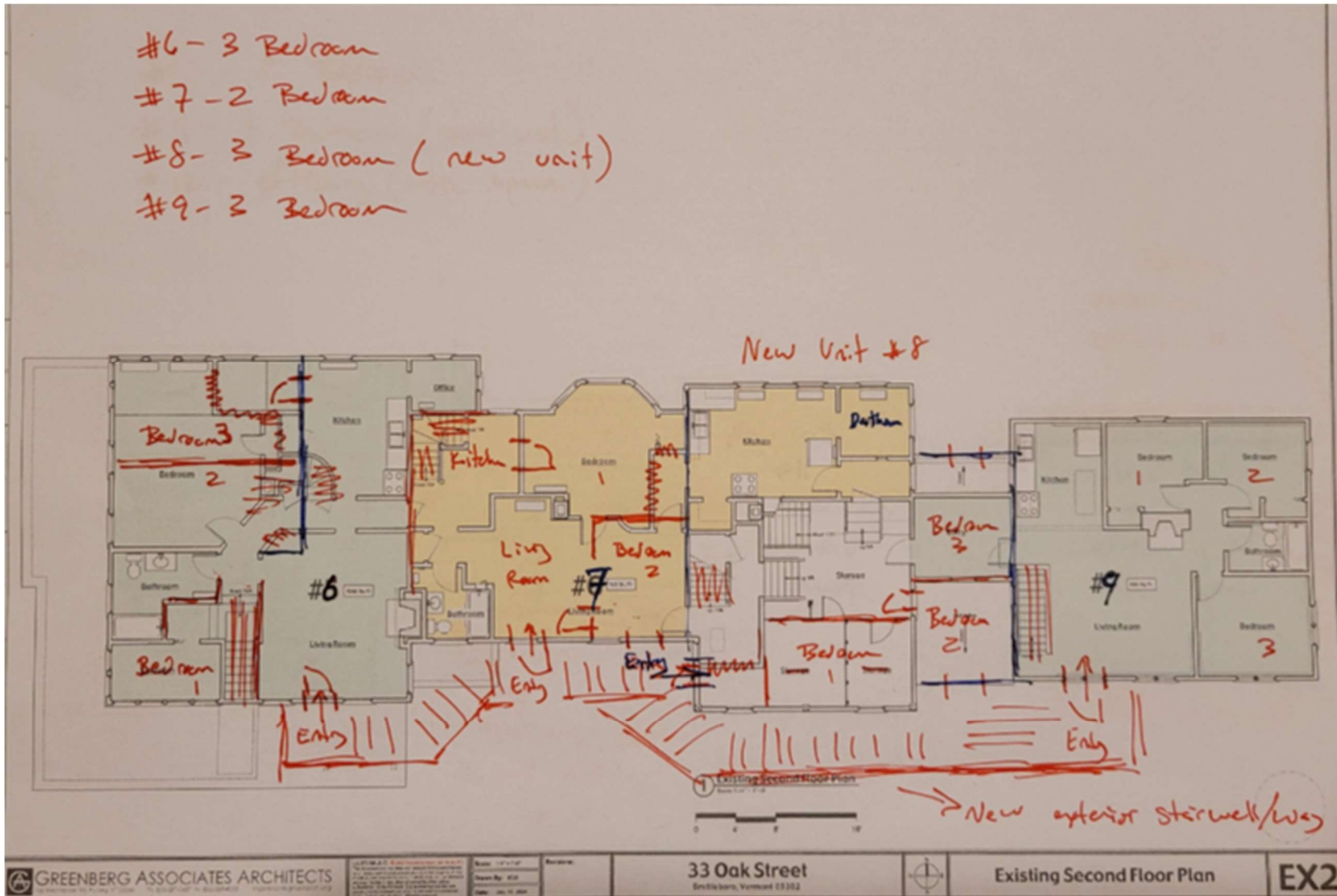
Approximate Layout/Not to Scale

Submitted Plans



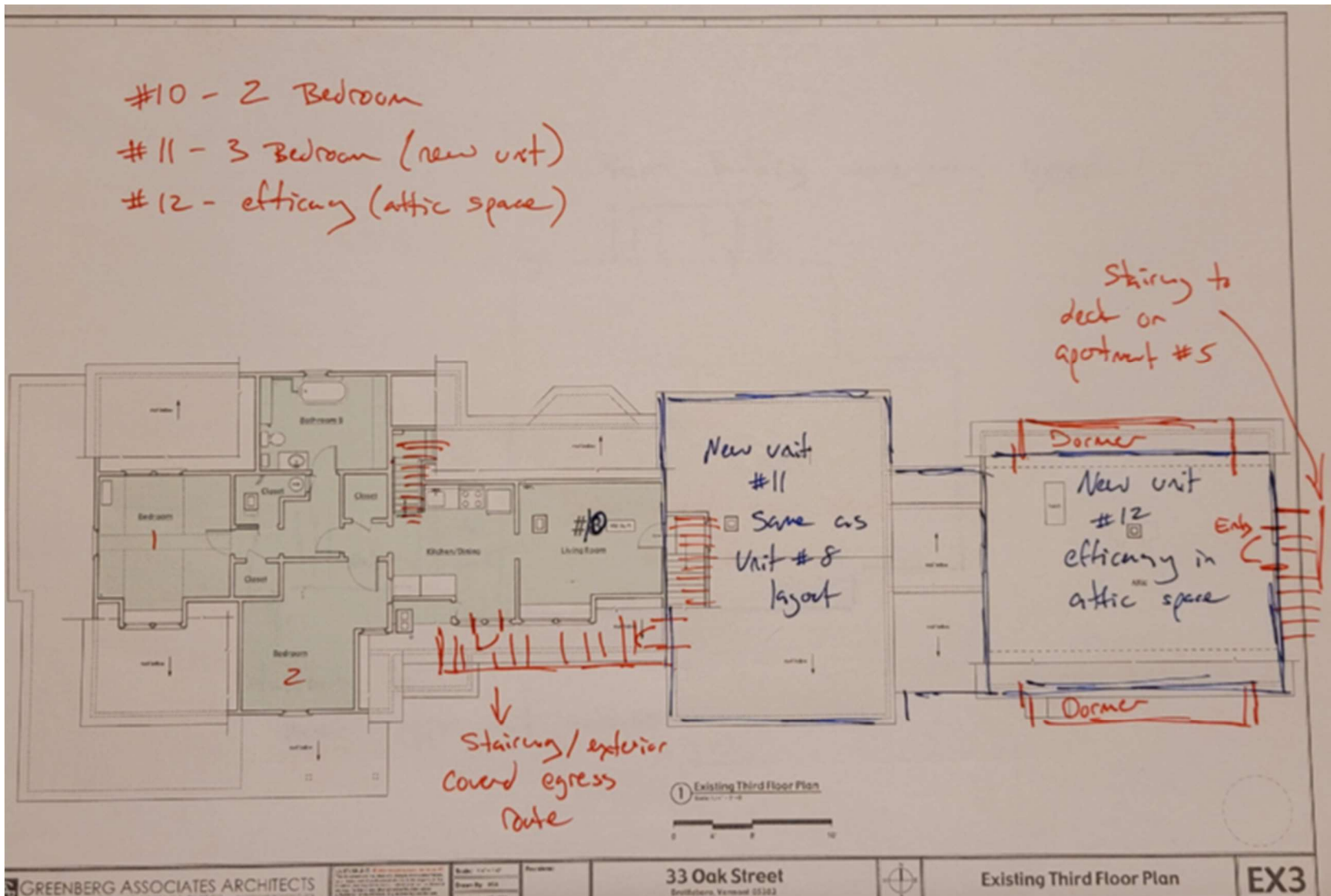
*It should be noted that this does not represent the unit layout and projected rent roll that was submitted by the property owner. These sketches are only being included for review and do not represent the "as complete" configuration of the building that underscores the final opinion of the subject's "As Complete" value.

Submitted Plans



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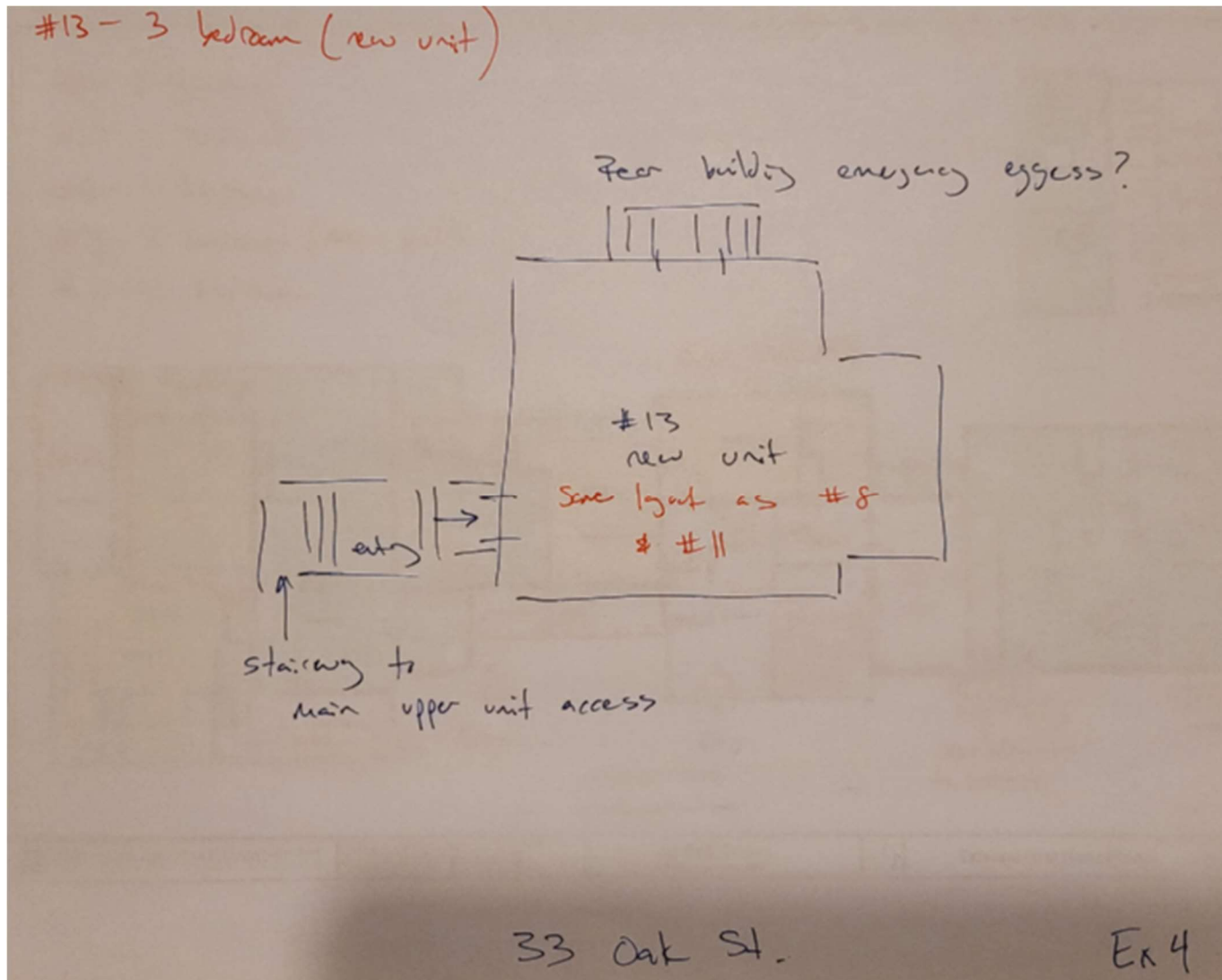
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Audy Appraisals, P.C. • P.O. Box 688 • Arlington, Vermont 05250

Submitted Plans



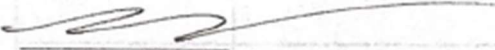

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Submitted Renovation Budget

<h1>MUNROE UNLIMITED</h1> <p>EST. 2007</p>	
<p>23 Pine St. Springfield, VT #1 05156 (818)-326-8584 RRPM Firm # 100182 RRP# R-I-18692-23-00146 IRC # 32711 SOW/Contract Date: 12/4/2023 SOW/Contract # 12-4-2023-33</p>	
	
<p>Megan Talbot Brattleboro, VT - 33 Oak St.</p>	
Scope of Work	
8 Unit apartment building rehab. - 6,000 sq. ft.	
See additional reports provided by GMPG LLC, 520 Charles Keir and VHC Healthy Homes Program for specific descriptions of required work line items.	
<ul style="list-style-type: none"> Exterior - ***Abatement of all lead hazards, awaiting Lead Assessors recommendations regarding abatement procedures (Adam Cook & VHC Healthy & Lead-Safe Homes Program) Repair all exterior decks, hand railings, entryway thresholds, door knobs and handles as needed. Replace all single paned windows with double pane energy efficient windows Convert storage unit structure per discussion with client see page 7 of 100 of GMPG LLC inspection report into 4 additional dwelling units. Paint exterior of building and repair trims and siding as needed. Repair roof as needed Removal of all chimney access on roof Installation of propane backup heating systems and vent directly out of basement 	
<ul style="list-style-type: none"> Interior- ***Abatement of all lead hazards, awaiting Lead Assessors recommendations regarding abatement procedures (Adam Cook & VHC Healthy & Lead-Safe Homes Program) Smoke detector systems compliant with VT Fire code Fire sprinkler systems compliant with VT fire code Install vented fans into each bathroom unit 	

<ul style="list-style-type: none"> ● Install mini-split Heating & Cooling systems into each apartment unit ● Update Electrical panels for each unit in basement ● Paint & patch all interior apartment units, as well as repair of 1 specific bathroom walls (which will consist of removing plaster and lathe and replacing with green board; mold resistant drywall) per conversation with client ● Repair of existing fixtures and or installation of new if cleaning and repair are not possible for items such as stoves, refrigerators, toilets, sinks etc... ● Repair each apartment unit per conversation with client, and notes supplied in GMPG LLC.'s Inspection report. ● Address Fire Marshal's noted items/concerns and code-violations using report compiled by 520 Charles Keir on 5/23/2023 	
<p>Estimated costs for rehabbing original 8 apartment units</p>	<p>\$411,600</p>
<p>Existing garage/storage apartment unit access conversion into 4 additional apartment units</p>	
<ul style="list-style-type: none"> ● Convert existing garage/storage space into liveable rental units ● Currently 3 stories of space are available for liveable space conversion ● 4th story of liveable space will consist of adding 1 story/raising the existing roof structure approximately 12 feet to account for the added liveable rental unit ● Plans will be drawn up by local TBD architect to adhere to VT state building code ● The exact building phases for 4 apartment units is TBD ● The problems to be addressed are the abatement of all lead hazards at 33 Oak St prior to new construction. ● The securing of all building permits, and ensuring compliance with all building ordinances and authoritative building bodies such as Town, State and Federal. ● Parking locations need to be developed ● City sewer needs inspecting and potentially updating to accommodate 5 new rental units ● Access/egresses need constructing and installing most of which consist of removing an existing deck and adding 3 story stairways to access upper most units. ● Plumbing and electrical need proper completion to each unit TBD (awaiting plan development with architect for exact placement of bath units and kitchen units in new apartment spacing). ● Wall/structural framing of stairs, doorways, passageways, closets, shelving, etc... ● Window designs/purchasing and installation ● Lighting ● Smoke alarm system installation in all apartment units both existing and new construction ● Fire sprinkler system installation in all existing apartment units both existing and new construction ● Insulating/networking with 3E Thermal for financing/and other contributions regarding energy conservation in new apartment units ● Painting, cabinetry, kitchen fixture installation, bathroom fixture installation ● Punch list ● Sign off of certificate of occupancy from Fire Marshalls 	
<p>Conversion of existing attic space into rental unit</p>	

<ul style="list-style-type: none"> • The scope of work for this unit will be much the same as the four additional rental units • This unit is separated on this scope of work, due to its location in the existing building • Electrical, plumbing, smoke detector system, fire sprinkler systems all need installation/addressing/updates • Access/egress need designing, main access will be from (East?) side of house/new construction 3 story/covered stairway • Bathroom, kitchen, living space development inside of attic space • Removal of existing chimney to make space in living area • Construction of multiple dormers to add space and lighting to living space • Insulation/drywall/painting • Cabinetry, bathroom fixtures, kitchen fixtures • Punch list • Certificate of occupancy per Fire Marshalls 	
Estimated New Apartment Construction x 5 units costs	\$257,250
Additional costs originally unforeseen and incidental to new rental unit fabrication	
Licensed architectural consulting & plans for State permitting of additional apartments required by Fire Marshall	\$12,000
Construction fence to keep out homeless/vagrants/squatters	\$9,000
Inspection of and modifications of tie-ins to city water and city sewer to allow for additional apartment units	\$30,000
Sitework - provision of 1 parking space per apartment unit/state and city ordinance	\$30,000
Fire Sprinkler system	\$60,000
Smoke detector alarm system	\$65,000
Cost overruns/Change orders	\$150,000
Monthly GC Fee - anticipated 15 months for construction	\$75,000

Total estimated costs of rehabbing original 8 apartment units and development of 5 new apartment units		\$1,099,850.00
Date		
<u>12/4/2023</u>		
Rev. Timothy Munroe owner Munroe Unlimited		
		
Date		
<u>12/4/23</u>		
Client/Representative for Megan Talbot		
		

Highest and Best Use

Highest and best use may be defined as 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 physical characteristics of the land such as size, shape, location, and topography have been considered. In addition, the analysis has included the surrounding developments, existing zoning, access to major transportation routes, availability of utilities, current trends, and demand for property of this type in the real estate market.

The land value is based on the premise of the highest and best use "as though vacant". There are four tests, which are taken into consideration in developing an opinion of highest and best use. These four tests include an examination of those uses that are physically possible, legally permissible, financially feasible, and maximally productive. Each criterion is considered cumulatively and provides the best analysis for the highest and best use of the subject site "as though vacant."

The first consideration is to determine the uses that are physically possible for the site. Size, shape, area, soils and topography affect the use to which a site may be physically developed. The utility of a parcel may depend on its frontage and depth. Irregularly shaped parcels may cost more to develop and, when developed, may have less utility than a rectangular parcel.

The second consideration is to determine which of the physically possible uses are legally permissible. Zoning regulations, floodway development regulations, deed restrictions, and existing leases are all examples of factors that affect which potential uses for the property are legally permissible.

Highest and Best Use (Continued)

The third section of this analysis is to determine which physically possible and legally permissible uses are also financially feasible for the property. This requires consideration of market conditions, the supply of existing properties of each use type, as well as demand for each use type within a given market.

The final step is to decide what the maximally productive use of the property is given the conclusions drawn from what is physically possible, legally permissible, and financially feasible for the property as though vacant and available. This section of the highest and best use analysis requires in-depth analysis to determine which uses are in greatest demand and can generate the greatest productivity for the specific property being appraised.

Highest and Best Use “As Though Vacant & Available”

The following table is a summary of these considerations regarding the subject property as though vacant and available. The table reflects potential uses in broad categories and employs a process of elimination to determine the highest and best use of the property based on the four criteria previously described.

Highest & Best Use Analysis – “As though Vacant & Available”				
Potential Use	Physically Possible	Legally Permissible	Financially Feasible	Maximally Productive
Agricultural	No	-	-	-
Forestry	No	-	-	-
Land Holding	Yes	Yes	Yes	No
Recreation	Yes	Yes	No	-
Single-Family	Yes	Yes	Yes	No
Multi-Family	Yes	Yes	Yes	Yes
Retail/Service Use	Yes	Yes	Yes	No
Office Use	Yes	Yes	Yes	No
Industrial/Shop Use	No	-	-	-
Hospitality/Lodging	Yes	Yes	No	-
Mixed-Use	Yes	Yes	Yes	No

The highest and best use of the subject property, as though vacant and available, would be for development of multi-family home. Residential single- or multi-family use would be most compatible with the surrounding residential neighborhood, though the property’s close proximity to downtown Brattleboro and high demand for multi-family properties likely make development of a multi-family property the maximally productive use of the property as though vacant and available. This represents the highest and best use of the subject’s site as vacant and available.

Highest and Best Use “As Improved”

The subject property is improved with an eight-unit, multi-family apartment building that totals 7,586+/- square feet. The building is vacant and in fair condition at this time. The owner has submitted a budget and plans to renovate the building and add an additional (5) apartment units. Upon completion, the 13-unit apartment building will total 11,183+/- square feet. It will be of average quality and considered average to good in overall condition. The following table is a summary of these considerations regarding the subject property as presently improved. The table reflects potential uses in broad categories and employs a process of elimination to determine the highest and best use of the property based on its present configuration.

Highest & Best Use Analysis – “As Improved”				
Potential Use	Physically Possible	Legally Permissible	Financially Feasible	Maximally Productive
Reconfiguration				
Agricultural	No	-	-	-
Forestry	No	-	-	-
Single-Family	Yes	Yes	No	-
Multi-Family	Current Use	Yes	Yes	Yes
Retail/Service Use	Yes	No	-	-
Office Use	Yes	Yes	Yes	No
Industrial Use	No	-	-	-
Hospitality/Lodging	Yes	Yes	No	-
Mixed-Use	Yes	Yes	Yes	No
Redevelopment				
Single-Family	No	-	-	-
Multi-Family	No	-	-	-
Retail/Service Use	No	-	-	-
Office Use	No	-	-	-
Industrial Use	No	-	-	-
Hospitality/Lodging	No	-	-	-
Mixed-Use	No	-	-	-

The highest and best use of the property as improved is for its current/proposed multi-family rental investment use. The proposed renovations will bring the property from fair condition to average to good condition. The updates will make the building very appealing to potential tenants. The property works quite well for multi-family use and is very compatible with the surrounding neighborhood. The market for multi-family properties has been quite strong over the last 3 years. At present, there are a total of (12) multi-family properties listed for sale in Brattleboro with only (1) being under contract for sale. Of the (12) listings, (11) of the properties have between 2 and 4 units, with only one listing having 7 units. The subject’s size and number of units make the property quite appealing for rental investment use.

Market Analysis

The economy and real estate market in the area are presently in a moderate phase and appear to be entering a more normalized mode, similar to the market prior to the COVID-19 pandemic.

During the pandemic, the market for both single and multi-family homes was especially strong. Single-family homes were appreciating in excess of 20% annually, while the multi-family market was experiencing appreciation at 10%+ annually. During this period, rents for apartment units in the area increased significantly. Vacancy rates also declined to 5% or less. At this time, it appears that the market is entering a more normalized mode.

The commercial market experienced a wide array of impacts during Covid:

The hotel and hospitality market had state mandates closing them back in 2020. The mandates were lifted in 2021. This market has been quite active over the last few years.

The market for professional and institutional use properties also was somewhat depressed during Covid. Several of these properties were vacated during Covid as employees were working from home. Service and retail properties also saw a dip in occupancy levels during the pandemic. Overall, the market appears to be reaching a normalized mode at this time. National statistics published by Cushman & Wakefield, state that vacancies for office properties on an annual basis was around 12% in 2019. Vacancies rose sharply in 2020 and continued to be quite high with vacancies nationwide of approximately 18.5%. It should be noted, however, that there has been some adaptation within this market in Vermont. Demand for single offices, shared coworking spaces, and smaller office rentals have increased within Vermont as professionals and small business owners still need spaces to work and meet clients outside their home.

The industrial segment has seen substantial increase in demand and values over the

Market Analysis (Continued)

last few years due to ecommerce. Data has been trending up for these properties. National data publications state that vacancy rates were near 3.2% at the end of 2022. The upswing in the industrial market is due to consumer preferences with ecommerce seeing a large increase. The forecast for ecommerce businesses indicate that they will possess approximately 22% of the market within the next year which is up from 10.7% in 2019. This is in direct contrast with the retail segment of the commercial market.

The retail market was devastated by stores being mandated to close for several months at a time, disrupting customer relationships, and allowing for the drastic shift in market share to ecommerce. The growing presence of ecommerce has increased competition for local, brick and mortar retail stores. The retail market segment will likely be forced to adapt to new consumer psychology and preferences by adopting practices like curbside pick-up, contactless payment, voice commerce, and in-store digitization. We may also see a change in development criteria for the retail segment, with possibly an increase in mixed-use development or development of facilities with much larger areas dedicated to drive-up fulfillment.

The market for restaurants was considered near a tipping point prior to the pandemic, though this downward trend was increased rapidly by the pandemic. National statistics show that there were near 631,000 restaurants in the US in 2022, which is approximately 72,000 fewer than in 2019 when there were 703,000 restaurants in the country.

While the residential market, single and multi-family homes, and some segments of the commercial market, have performed quite well over the last 4+/- years, it does appear that the market is beginning to slow and reach a more normalized mode that was present prior to Covid. Transactions across all sectors appear to be slowing down and exposure

Market Analysis (Continued)

times do appear to be increasing. Higher inflation and interest rates over the last 12 months have been contributing to normalization of the current market.

Brattleboro is the hub for the county. Most residents commute into Brattleboro for employment, shopping, and medical needs. This area has traditionally possessed a stronger real estate market than other areas of Southern Vermont, excluding the resort communities. Brattleboro benefits from being located on Interstate 91 as well as being contiguous to New Hampshire to the east and Massachusetts to the south. Brattleboro, unlike most other urban areas in Central and Southern Vermont, possesses a very vibrant downtown center. Vacancies are quite low, rents are quite high and marketing times for properties are often shorter in Brattleboro versus other surrounding similar size communities.

The subject's marketability in its "as is" configuration is rated as average at this time. Demand for these properties continues to be quite strong. Vacancies continue to be quite low and rents remain quite high. Despite the subject's condition and vacancy, very rarely do multi-family properties with eight or more units become available for sale in Brattleboro. In addition to the property's number of units, the subject's marketability is enhanced by its location and proximity to downtown Brattleboro. The subject's marketability in its "as complete" configuration is considered average to good.

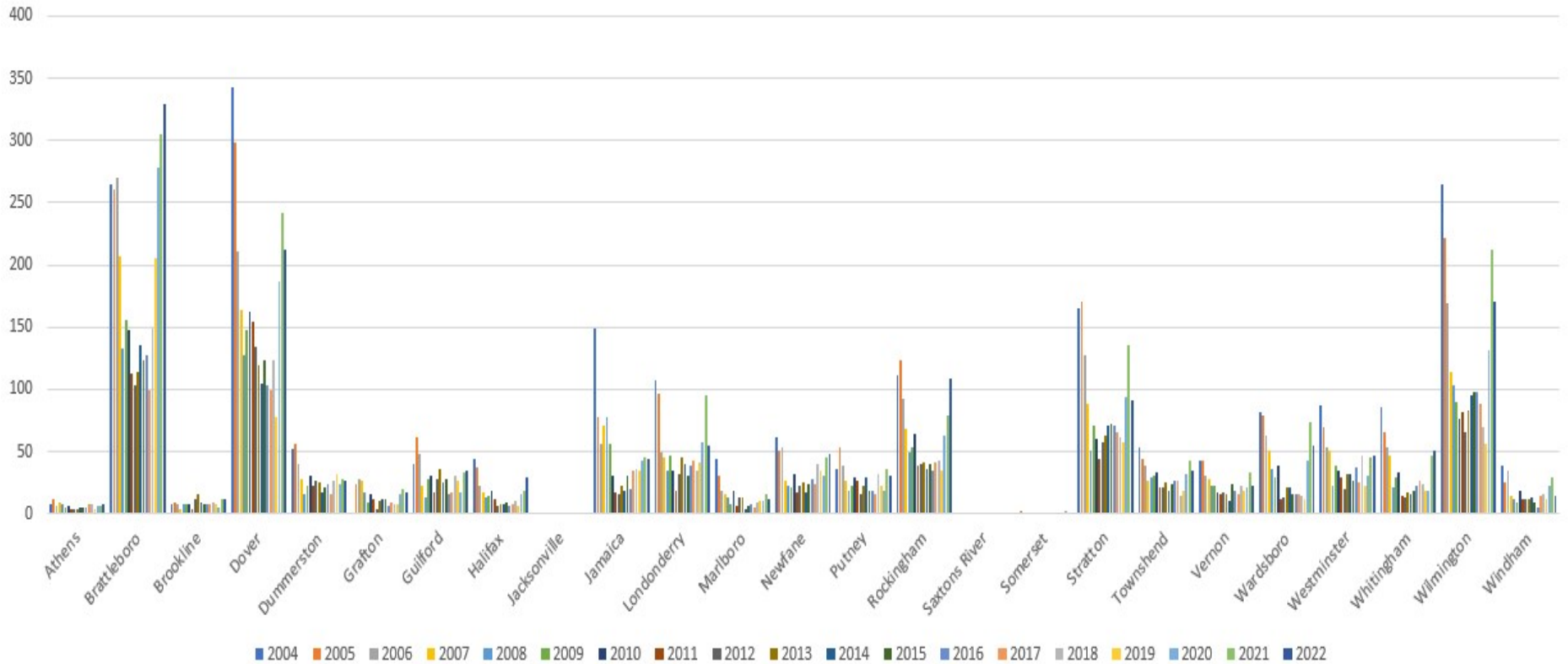
The following is the sales transaction history for most communities within Windham County for the last 17 years. It is followed by a list of similar multi-family properties presently offered for sale in Brattleboro and the surrounding region. These properties are not necessarily competing with the subject and are being included to provide an overview of the current real estate market in the region.

Market Analysis (Continued)**Windham County Sales History**

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Athens	7	5	6	4	3	3	5	5	5	8	8	3	6	6	8
Brattleboro	133	155	147	113	103	114	136	123	127	99	149	205	278	305	329
Brookline	7	8	7	4	11	16	9	7	7	8	9	8	5	12	12
Dover	127	147	162	154	134	119	104	124	103	99	123	77	186	242	212
Dummerston	15	23	30	23	27	25	17	21	24	16	26	32	24	28	26
Grafton	9	12	16	12	4	10	11	11	6	9	7	7	15	20	17
Guilford	13	28	30	17	28	36	25	28	16	17	30	27	17	33	34
Halifax	13	14	19	11	6	8	7	9	6	8	10	6	16	18	29
Jacksonville	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Jamaica	33	41	31	17	15	23	18	30	20	35	36	34	43	45	44
Londonderry	34	47	42	18	32	45	40	31	39	43	35	41	58	95	55
Marlboro	13	8	18	6	13	13	4	6	7	5	9	10	10	15	12
Newfane	23	21	32	17	22	25	17	24	28	24	40	34	31	45	48
Putney	19	22	29	26	16	23	29	19	18	16	32	23	19	36	31
Rockingham	49	54	64	39	40	41	36	40	34	41	42	35	63	79	108
Saxtons	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0
Somerset	0	1	0	0	0	0	1	0	1	0	0	0	2	1	0
Stratton	51	71	60	44	58	63	71	72	71	65	61	57	94	135	91
Townshend	29	30	33	21	21	25	18	24	26	27	14	18	32	43	34
Vernon	23	22	17	15	17	16	10	24	18	15	22	18	21	33	22
Wardsboro	36	29	38	12	13	21	21	16	15	16	14	12	43	73	55
Westminster	22	38	35	29	20	32	32	26	37	25	47	23	30	45	47
Whitingham	21	29	33	14	13	17	16	19	22	26	24	19	18	47	51
Wilmington	103	90	76	82	65	83	95	98	98	89	69	56	132	212	170
Windham	11	9	19	12	11	12	13	9	5	14	16	12	23	29	14

Market Analysis (Continued)

Windham County Sales History



Market Analysis (Continued)**Unemployment Statistics**

	Vermont	Brattleboro
2008	4.7%	3.8%
2009	6.9%	6.9%
2010	6.1%	6.1%
2011	5.6%	5.2%
2012	5.0%	5.2%
2013	4.4%	4.8%
2014	4.1%	4.3%
2015	3.7%	3.6%
2016	3.3%	3.0%
2017	3.0%	3.1%
2018	2.7%	2.5%
2019	2.4%	2.5%
2020	5.6%	6.4%
2021	3.4%	4.1%
2022	2.6%	2.8%

Market Analysis (Continued)

Multi-Family
4982403
Active

148 Elliot Street
Brattleboro
Unit/Lot # VT 05301

Listed: 1/16/2024 \$275,000
Closed:
DOM: 29



County VT-Windham
VillDstLoc
Year Built 1830
Style Colonial
Color
Total Stories 2
Taxes TBD No
TaxGrosAmt \$5,175.00
Tax Year 2021
Lot Size Acres 0.20
Lot - Sqft 8,712

Total Units 7
Total 1 BR Units 3
Total 2 BR Units 0
Total 3+ BR Units 0
Total Leases
Gross Income \$70,800
Operating Expense
Net Income

Delayed Showing No
Date - Showings Begin



Directions

Remarks - Public 3 single bedroom units and 4 single room occupancy units (SROs) w a shared bathroom. \$70,800 in gross annual revenue. The unfinished basement is spray foam insulated with a vapor barrier.

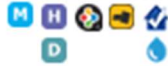
STRUCTURE

Construction Status	Existing	Estimated Completion Date	Footprint	
Construction	Wood Frame		SqFt-Apx Fin Above Grade	2,648
Foundation	Other		SqFt-Apx Fin AG Source	Other
Exterior	Clapboard		SqFt-Apx Fin Below Grade	0
Roof	Other		SqFt-Apx Fin BG Source	Other
Basement	Yes		SqFt-Apx Unfn Above Grade	0
Basement Access Type	Interior		SqFt-Apx Unfn AG Source	Other
Basement Description	Unfinished		SqFt-Apx Unfn Below Grade	1,000
			SqFt-Apx Unfn BG Source	Other
Garage	No		SqFt-Apx Tot Below Grade	
Garage Capacity			SqFt-Apx Total Finished	2,648
Garage Type			SqFt-Apx Total	3,648

	Unit 1	Unit 2	Unit 3	Unit 4	Unit 5	Unit 6	Unit 7	Unit 8
Style								
Level Number	1	1	2					
Apx Sqft								
Bedrooms	1	1	1					
Baths	1	1	1					
Rooms	4	4	4					
Status	Leased	Leased	Leased					
Deposit								
Rental Agr/Trm	Y	ANN Y	ANN Y	ANN				
Rental Amt/Frq	\$950.00 MONTH	\$950.00 MON...	\$1,000.... MONTH					
Occupant Name								
Occupant Phone								
Showing Instr								
Unit Info	Range - Electric, Refrigerator	Range - Electric, Refrigerator	Range - Electric, Refrigerator					
Tenant Pays								

Market Analysis (Continued)

Multi-Family
[4928848](#)
 Active



10 Birge Street
Brattleboro
 Unit/Lot #

VT 05301

Listed: 9/8/2022
 Closed:
 DOM: 524

\$370,000

County VT-Windham
 VillDstLoc
 Year Built 1865
 Style Apartment Building
 Color
 Total Stories 2.5
 Taxes TBD No
 TaxGrosAmt \$5,483.00
 Tax Year 2022
 Lot Size Acres 0.15
 Lot - Sqft 6,534

Total Units 4
 Total 1 BR Units 3
 Total 2 BR Units 1
 Total 3+ BR Units 0
 Total Leases
 Gross Income \$49,272
 Operating Expense \$23,808
 Operating Expense Incl. Heat, Insurance, Maintenance, Snow Removal, Water/Sewer
 Net Income \$25,464.00

Delayed Showing No
 Date - Showings Begin

Directions Follow GPS

Remarks - Public Invest in your own home town! Full tenant roster with the easy access to laundry across the street, grocery stores, train and The Moover. Right in the heart of things with little yard to maintain! Consider as an investment in your portfolio or decide to live in one unit and have the others pay your mortgage! Good way to start, retire or increase your portfolio! Owner is a licensed appraiser. Seller is doing a 1031 exchange. 48 hour notice to show, mask up please!

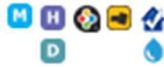
STRUCTURE

Construction Status	Existing	Estimated Completion Date	Footprint	
Construction	Wood Frame		SqFt-Apx Fin Above Grade	3,002
Foundation	Brick, Stone		SqFt-Apx Fin AG Source	Public Records
Exterior	Clapboard, Wood		SqFt-Apx Fin Below Grade	0
Roof	Slate		SqFt-Apx Fin BG Source	
Basement	Yes		SqFt-Apx Unfn Above Grade	0
Basement Access Type	Interior		SqFt-Apx Unfn AG Source	
Basement Description	Full, Stairs - Interior		SqFt-Apx Unfn Below Grade	1,244
			SqFt-Apx Unfn BG Source	Public Records
Garage	No		SqFt-Apx Tot Below Grade	
Garage Capacity			SqFt-Apx Total Finished	3,002
Garage Type			SqFt-Apx Total	4,246

	Unit 1	Unit 2	Unit 3	Unit 4	Unit 5	Unit 6	Unit 7	Unit 8
Style	Flat	flat	flat	flat				
Level Number	1	1	2	2				
Apx Sqft	604	800	618	762				
Bedrooms	1	1	1	2				
Baths	1	1	1	1				
Rooms	3	3	3	4				
Status	Leased	Leased	Leased	Leased				
Deposit								
Rental Agr/Trm	N	M2M N	M2M N	M2MN	M2M			
Rental Amt/Frq	\$1,100.... MONTH	\$900.00 MON...	\$875.00 MONTH	\$1,231.00 MON...				
Occupant Name								
Occupant Phone								
Showing Instr								
Unit Info	Range - Electric, Refrigerator	Range - Electric, Refrigerator	Range - Electric, Refrigerator	Range - Electric, Refrigerator				
Tenant Pays	Electric	Electric	Electric	Electric				

Market Analysis (Continued)

Multi-Family
[4930318](#)
 Active



573 South Main Street
 Brattleboro VT 05301
 Unit/Lot #

Listed: 9/19/2022 \$380,000
 Closed:
 DOM: 513

County VT-Windham
 WillDstLoc
 Year Built 1900
 Style Apartment Building
 Color
 Total Stories 2
 Taxes TBD No
 TaxGrosAmt \$5,581.00
 Tax Year 2022
 Lot Size Acres 0.65
 Lot - Sqft 28,314

Total Units 4
 Total 1 BR Units 1
 Total 2 BR Units 2
 Total 3+ BR Units 1
 Total Leases
 Gross Income \$46,800
 Operating Expense \$14,720
 Operating Expense Incl. Heat, Insurance, Maintenance, Snow Removal, Water/Sewer
 Net Income \$32,080.00

Delayed Showing No
 Date - Showings Begin

Directions Follow GPS

Remarks - Public Just around the corner! From the middle and high school, Oak grove elementary! Pop around the corner for all the high school games, exercise at the track. Interstate is minutes away for easy access to work or play! One apartment is over 1,000 square feet so tons of room for owner occupancy! 2 nice front porches. Worth looking at for either your own home or as an investment. Masks please. Owner is a licensed appraiser and is doing a 1031 exchange. 48 hour notice to show.

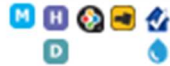
STRUCTURE

Construction Status	Existing	Estimated Completion Date	Footprint
Construction	Wood Frame		SqFt-Apx Fin Above Grade 3,312
Foundation	Block, Stone		SqFt-Apx Fin AG Source Public Records
Exterior	Vinyl		SqFt-Apx Fin Below Grade 0
Roof	Slate		SqFt-Apx Fin BG Source
Basement	Yes		SqFt-Apx Unfn Above Grade 0
Basement Access Type	Interior		SqFt-Apx Unfn AG Source
Basement Description	Unfinished		SqFt-Apx Unfn Below Grade 744
			SqFt-Apx Unfn BG Source Public Records
Garage	No		SqFt-Apx Tot Below Grade
Garage Capacity			SqFt-Apx Total Finished 3,312
Garage Type			SqFt-Apx Total 4,056

	Unit 1	Unit 2	Unit 3	Unit 4	Unit 5	Unit 6	Unit 7	Unit 8
Style								
Level Number								
Apx Sqft								
Bedrooms	2							
Baths	1							
Rooms	5							
Status								
Deposit								
Rental Agr/Trm								
Rental Amt/Frq	\$1,000.... MONTH	\$900.00 MON...	\$1,150.... MONTH	\$900.00 MON...				
Occupant Name								
Occupant Phone								
Showing Instr								
Unit Info								
Tenant Pays								

Market Analysis (Continued)

Multi-Family
4950677
Active



Property Panorama VTour

25 Cottage Street
Brattleboro VT 05301
Unit/Lot #

County VT-Windham
VillDstLoc
Year Built 1910
Style Multi-Family
Color
Total Stories 2
Taxes TBD No
TaxGrosAmt \$5,451.00
Tax Year 2023
Lot Size Acres 0.15
Lot - Sqft 6,534

Listed: 5/1/2023 \$380,000
Closed:
DOM: 289

Total Units 4
Total 1 BR Units 2
Total 2 BR Units 2
Total 3+ BR Units 0
Total Leases
Gross Income \$50,520
Operating Expense \$33,993
Operating Expense Incl. Heat, Insurance, Maintenance, Water/Sewer
Net Income \$16,527.00

Delayed Showing No
Date - Showings Begin

Directions Maple St. to Cottage St., see on left

Remarks - Public Sweet neighborhood. This would be a great location for an owner to live in one unit and rent the other 3. Lots of character! Great investment possibility. Close to Hospital, nursing homes, shopping, interstate for travel. Plenty of off street parking

STRUCTURE

Construction Status	Existing	Estimated Completion Date	Footprint	
Construction	Wood Frame		SqFt-Apx Fin Above Grade	3,264
Foundation	Stone w/ Skim Coating		SqFt-Apx Fin AG Source	Public Records
Exterior	Clapboard, Wood		SqFt-Apx Fin Below Grade	0
Roof	Slate		SqFt-Apx Fin BG Source	
Basement	Yes		SqFt-Apx Unfn Above Grade	0
Basement Access Type	Interior		SqFt-Apx Unfn AG Source	
Basement Description	Dirt Floor, Unfinished		SqFt-Apx Unfn Below Grade	1,380
			SqFt-Apx Unfn BG Source	Public Records
Garage	No		SqFt-Apx Tot Below Grade	
Garage Capacity			SqFt-Apx Total Finished	3,264
Garage Type			SqFt-Apx Total	4,644

	Unit 1	Unit 2	Unit 3	Unit 4	Unit 5	Unit 6	Unit 7	Unit 8
Style	Flat	Flat	Flat	Flat				
Level Number	1	2						
Apx Sqft								
Bedrooms	2	1	1	2				
Baths	1	1	1	1				
Rooms	5	3	3	4				
Status	Leased	Leased	Leased	Leased				
Deposit	\$950.00	\$1,000.00	\$665.00	\$1,200.00				
Rental Agr/Trm	Y M2M	Y ANN	Y M2M	Y M2M				
Rental Amt/Frq	\$1,190.... MONTH	\$1,000.... MON...	\$820.00 MONTH	\$1,200.00 MON...				
Occupant Name								
Occupant Phone								
Showing Instr								
Unit Info								
Tenant Pays	Electric	Electric	Electric	Electric				

Exposure Time

Exposure time is "the estimated length of time that a property being appraised would have been offered on the market prior to the hypothetical consumption of a sale at market value on the effective date of this assignment". The estimated exposure and marketing time is based on data collected from within the market via comparable multi-family sales and listings. A review of multi-family sales within Brattleboro over the last 2+/- years was conducted.

Closed Multi-Family Property Sales – Brattleboro, VT

MLS Number	Address	Improvements	List Date	Date Sold/ AUC	Days on Market
4965874	106-108 Frost St. Brattleboro, VT	Multi-Family Dwelling 4,176+/- sf, (4) units	8/16/2023	1/18/2024	107+/-
4966517	41 North Street Brattleboro, VT	Multi-Family Dwelling 6,483+/- sf, (7) units	8/22/2023	11/22/2023	8+/-
4927977	28 Brook Street Brattleboro, VT	Multi-Family Dwelling 3,364+/- sf, (4) units	9/1/2022	6/6/2023	222+/-
4948949	75 Clark Street Brattleboro, VT	Multi-Family Dwelling 1,932+/- sf, (3) units	4/17/2023	6/1/2023	11+/-
4905365	162 Canal Street Brattleboro, VT	Multi-Family Dwelling 3,946+/- sf, (5) units	4/15/2022	5/31/2023	363+/-
4940658	149 Canal Street Brattleboro, VT	Multi-Family Dwelling 2,100+/- sf, (3) units	1/12/2023	5/2/2023	81+/-
4941387	60 Clark Street Brattleboro, VT	Multi-Family Dwelling 2,579+/- sf, (4) units	1/20/2023	2/28/2023	14+/-
4927018	718 Western Ave., Brattleboro, VT	Multi-Family Dwelling 3,757+/- sf, (3) units	8/25/2022	1/10/2023	82+/-
4905082	16 School Street Brattleboro, VT	Multi-Family Dwelling 6,000+/- sf, (6) units	4/13/2022	11/3/2022	167+/-
				Average Exposure Time:	117+/-

Nine properties were selected. These properties were selected based on their location, sales date, and number of units. It appears that exposure times for properties like the subject range between approximately one week and one year, with the average amount of exposure time to the market being approximately four months. It should be noted that while market conditions are quite good at this time, rising interest rates, high inflation, and an anticipated stabilization of the market within the next year do suggest a potential for exposure times to increase over this period. The following grid shows active multi-family listings and illustrates how long properties are currently being exposed to the market for:

Exposure Time (Continued)**Active Multi-Family Property Listings – Brattleboro, VT**

MLS Number	Address	Improvements	List Date	List Price	Days on Market
4982403	148 Elliot Street Brattleboro, VT	Multi-Family Dwelling <i>2,648+/- sf, (7) units</i>	1/16/2024	\$275,000	29+/-
4928848	10 Birge Street Brattleboro, VT	Multi-Family Dwelling <i>3,002+/- sf, (4) units</i>	9/8/2022	\$370,000	524+/-
4930318	573 S. Main Street Brattleboro, VT	Multi-Family Dwelling <i>3,312+/- sf, (4) units</i>	9/19/2022	\$380,000	513+/-
4950677	25 Cottage Street Brattleboro, VT	Multi-Family Dwelling <i>3,264+/- sf, (4) units</i>	5/1/2023	\$380,000	289+/-
4927400	321 Williams Street Brattleboro, VT	Multi-Family Dwelling <i>2,108+/- sf, (3) units</i>	8/27/2022	\$145,000	536+/-
4930315	36 Green Street Brattleboro, VT	Multi-Family Dwelling <i>2,664+/- sf, (3) units</i>	9/19/2022	\$280,000	508+/-

The active listings included above illustrate that exposure times do appear to be increasing. This is attributed to high interest rates and high inflation. High interest rates increase the cost to borrow and limit the appeal of purchasing investment properties. High inflation has contributed to overall higher price sensitivity. For example, four of these listings support asking prices between \$90,000 and \$100,000 per unit, which is near the top of the range for what recent multi-family property sales support. Given these considerations, as well as current market conditions, the subject's condition, and the subject's vacancy, the value assigned to the subject property represents an exposure time of 6+/- months. This is based on the market value opinion developed within this report and that the property would be actively offered for sale by a competent brokerage company familiar with the property type and the region.

Valuation Rationale and Methodology

In valuing a property it is appropriate to identify the probable purchaser of the property since the valuation estimate should replicate the motivations and methodologies of the market place.

The probable purchaser of the subject property would likely be an individual or LLC, not necessarily from the area, who would be purchasing the property to continue utilizing it for rental investment use. This is true for the subject in both its “as is” and “as complete” configurations. There has been an increase of investors from outside of the area purchasing multi-family properties in the last 36+/- months. Much of this is attributed to lower property values in largely rural states, like Vermont, when compared to more densely populated major metropolitan areas, as well as local market conditions for multi-family properties which have supported robust rent growth and extraordinarily low vacancies during this period.

In completing an appraisal, three approaches may be considered. They are the Cost, Income and Sales Comparison Approaches. In estimating the subject’s “as is” value the sales comparison approach is the only method being utilized. No historic operating expenses were made available for review. This, coupled with the property’s vacancy and overall fair condition as of the inspection date, make utilization of the income approach too subjective. In completing the “as complete” valuation of the subject, the income and sales comparison approaches are both being demonstrated. The income approach will include both the gross rent multiplier and direct capitalization methods. A proforma was submitted by the owner. The cost approach is not an appropriate approach when considering either valuation scenario due to the inherent subjectivity in estimating the replacement cost and all depreciation it suffered by a building of the subject’s age. The definition of the three methods being utilized follows:

Valuation Rationale and Methodology (Continued)

The definition of the GIM as taken from USLegal.com:

The Gross Rent Multiplier *which is also referred to as the Gross Income Multiplier is a ratio model based on a property's gross rent and sales price. It is best used to measure the value of smaller investment properties such as the subject. It is adapted from the market approach and is commonly used on apartment buildings.*

The definition of the income approach and sales comparison approach as taken from The Dictionary of Real Estate Appraisal, Third Edition, 1993 follows:

The Income 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 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 Direct 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.”*

The value analysis will begin with development of the subject's “as is” value via the sales comparison approach. The value analysis will then transition into the “as complete” valuation, which will include both the income approach and sales comparison approach. The value analysis will conclude with the final reconciliation of values. A separate site valuation is not being completed on the subject. The cost approach is not being included thus its site value is not considered an integral component in establishing its value. The Town of Brattleboro has the subject's 0.40+/- acre site assessed at \$70,000. Brattleboro's current common level of assessment, as published on August 25, 2023, is 86.65%.

“As Is” Valuation

8-Unit Multi-Family Building & 0.40+/- Acres

Sales Comparison Approach**Comparable No. 1 – McDermott to Lincoln11SVCS Corp**

Grantor:	Brian McDermott 11 & 11.5 Lincoln Avenue Rutland City, VT	Grantee:	Lincoln11SVCS Corp.
Sales Price:	\$167,500	Sales Date:	10/05/2023
Zoning:	Mixed Residential - I		
Financing:	Conventional	Sales Price/Unit:	\$33,500
Highest & Best Use:	Multi-Family Rental Investment Use		
Verified:	Inspection, MLS, Appraiser's File, VT PTTR, and town records		

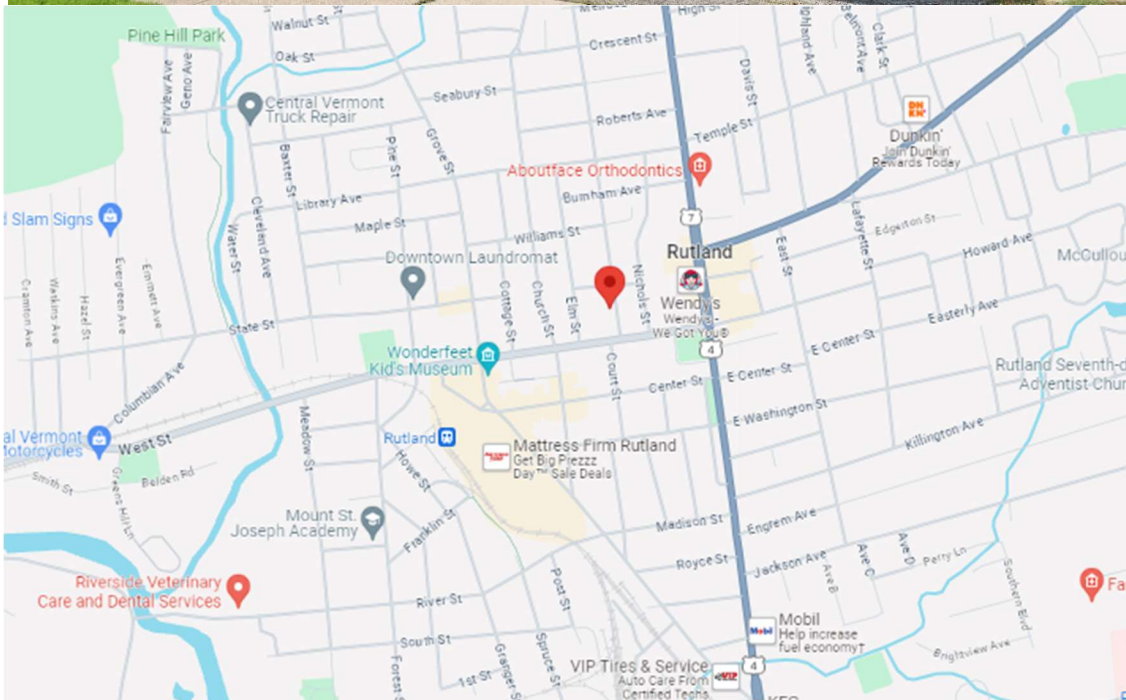
Property Description

Neighborhood:	Residential
Lot Size:	0.27+/- acre
Parking:	Graveled lot, 2+/- spots, public parking offsite
Utilities:	Municipal
Shape:	Rectangular
Landscaping:	Average/typical for the neighborhood
No. of Buildings:	Two
No. of Stories:	Two
Construction:	Woodframe
Quality:	Average
Gross Sq. Ft.:	4,241+/- square feet
No. of Units:	Five
Basement:	Full, unfinished
General Condition:	Average/Fair
Physical Age:	1910+/-
Heat:	BBHW
Other:	None

Comments: This property is located along Lincoln Avenue, approximately ½ mile east of the center of downtown Rutland City. Its neighborhood is almost entirely residential in character. The property consists of a 0.27+/- acre site, improved with a four-unit multi-family apartment building of approximately 2,712 square feet, as well as a single-family home of approximately 1,529 square feet. The (5) units included (4) one-bedroom apartments and (1) 4-br/2-ba single-family home. The property did have at least (2) vacancies when it sold. The buildings had not been updated in several years and were rated as average to fair in condition. It had been listed for sale on June 10, 2023 at an asking price of \$167,500 and spent 69+/- days on market. The property sold on October 5, 2023 for \$167,500 or \$33,500 per unit.

Sales Comparison Approach (Continued)

Comparable No. 1 – McDermott to Lincoln11SVCS Corp



Sales Comparison Approach (Continued)**Comparable No. 2 – 212 Pleasant Street, LLC to Thatcher House, LLC**

Grantor:	212 Pleasant Street, LLC 212 Pleasant Street Bennington, VT	Grantee:	Thatcher House, LLC
Sales Price:	\$420,000	Sales Date:	9/11/2023
Zoning:	Mixed Use - I		
Financing:	Conventional	Sales Price/Unit:	\$35,000
Highest & Best Use:	Multi-Family Rental Investment Use		
Verified:	Inspection, MLS, Appraiser's File, VT PTTR, and town records		

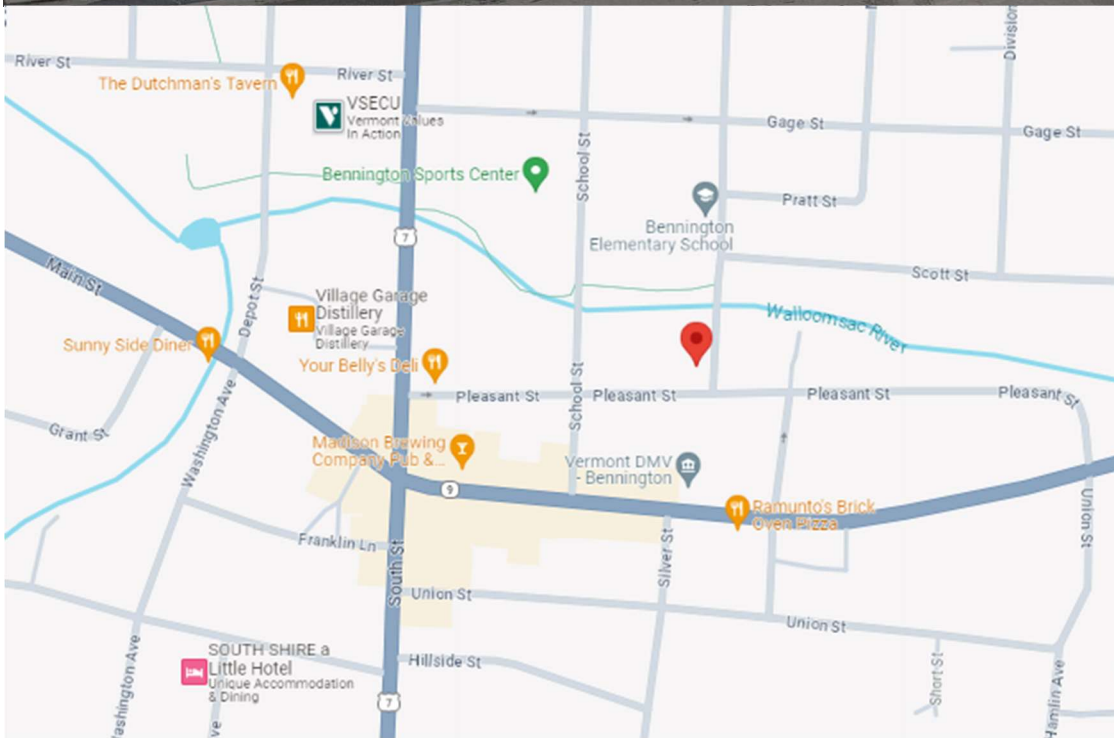
Property Description

Neighborhood:	Mixed-Use
Lot Size:	0.43+/- acre
Parking:	Paved lot, 10+/- spots
Utilities:	Municipal
Shape:	Rectangular
Landscaping:	Average/typical for the neighborhood
No. of Buildings:	One
No. of Stories:	Two
Construction:	Woodframe & Brick
Quality:	Average
Gross Sq. Ft.:	4,844+/- square feet
No. of Units:	Twelve
Basement:	80% full
General Condition:	Average/Fair
Physical Age:	1889+/-
Heat:	Steam
Other:	None

Comments: This property is located along the northern side of Pleasant Street, one block north of Main Street, within downtown Bennington. Its immediate neighborhood is mixed-use in character with properties being configured for both commercial and multi-family use. The property consists of a 0.43+/- acre site, improved with a circa 1889+/-, two-story, brick and woodframe, residential building of approximately 4,844 square feet. The building was leased to Bennington Coalition for the Homeless and functioned as a rooming house, with units occupied on a nightly/weekly basis. It was configured with a total of (12) residential units, though (1) was being used as a manager's office when the property sold. All of the units are smaller, studio-type units. The building was average in quality and average to fair in condition when it sold. The property was sold directly to the tenant. It was purchased for continued use as a homeless shelter.

Sales Comparison Approach (Continued)

Comparable No. 2 – 212 Pleasant Street, LLC to Thatcher House, LLC



Sales Comparison Approach (Continued)**Comparable No. 3 – M.V. Properties, Inc. to Babson's Apartments, LLC**

Grantor:	M.V. Properties, Inc. 202-204 Beech Street Bennington, VT	Grantee:	Babson's Apartments, LLC
Sales Price:	\$220,000	Sales Date:	03/30/2023
Zoning:	Mixed Residential - I		
Financing:	Conventional	Sales Price/Unit:	\$24,444
Highest & Best Use:	Multi-Family Rental Investment Use		
Verified:	Inspection, MLS, Appraiser's File, VT PTTR, and town records		

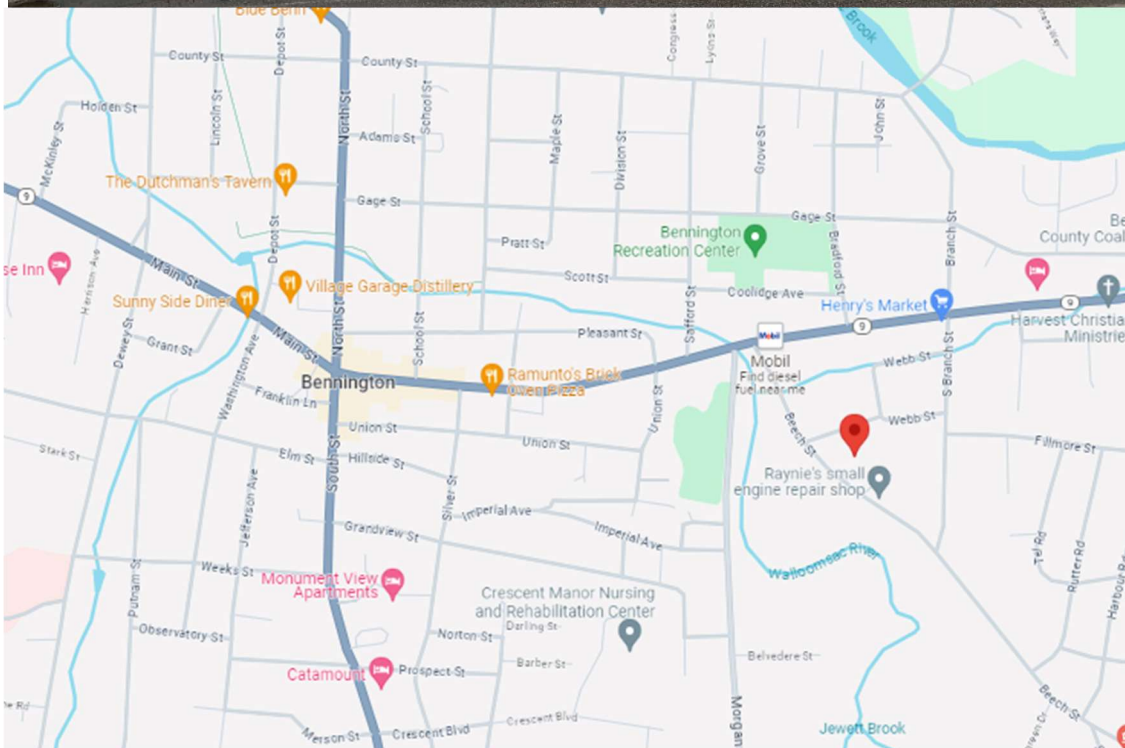
Property Description

Neighborhood:	Residential
Lot Size:	0.75+/- acre
Parking:	Graveled lot, 12+/- spots
Utilities:	Municipal
Shape:	Irregular
Landscaping:	Average/typical for the neighborhood
No. of Buildings:	Two
No. of Stories:	Two
Construction:	Woodframe
Quality:	Average
Gross Sq. Ft.:	5,628+/- square feet
No. of Units:	Nine
Basement:	Full, unfinished
General Condition:	Fair
Physical Age:	1971+/-
Heat:	BBHW
Other:	None

Comments: This property is located along Beech Street, which includes an older suburban residential neighborhood that sets just outside of the downtown commercial center of Bennington. The property consists of a 0.75+/- acre site, improved with (2) multi-family buildings totaling 5,628+/- square feet and (9) apartment units. The building at 202 Beech Street is a six-unit apartment building of approximately 3,840 square feet. The building at 204 Beech Street is a three-unit apartment building of approximately 1,788 square feet. The property includes a total of (9) one-bedroom apartments. The buildings were in overall fair condition and the buyer purchased the property knowing that several renovations would be required to address code issues and deferred maintenance items. The buyer does own a construction company and submitted a budget of approximately \$41,125 to address these issues. The property sold on March 30, 2023 for \$220,000 or \$24,444 per unit.

Sales Comparison Approach (Continued)

Comparable No. 3 – M.V. Properties, Inc. to Babson's Apartments, LLC



Sales Comparison Approach (Continued)**Comparable No. 4 – Thomas Bishop Rev. Trust to Sorba**

Grantor:	Thomas Bishop Revocable Trust 67/69 River Street Springfield, VT	Grantee:	Francois & Barbara Sorba
Sales Price:	\$350,000	Sales Date:	03/12/2021
Zoning:	General Business	Sales price/Unit:	\$29,167
Financing:	Cash to Seller		
Highest & Best Use:	Multi-family investment		
Verified:	Inspection, town records and broker		

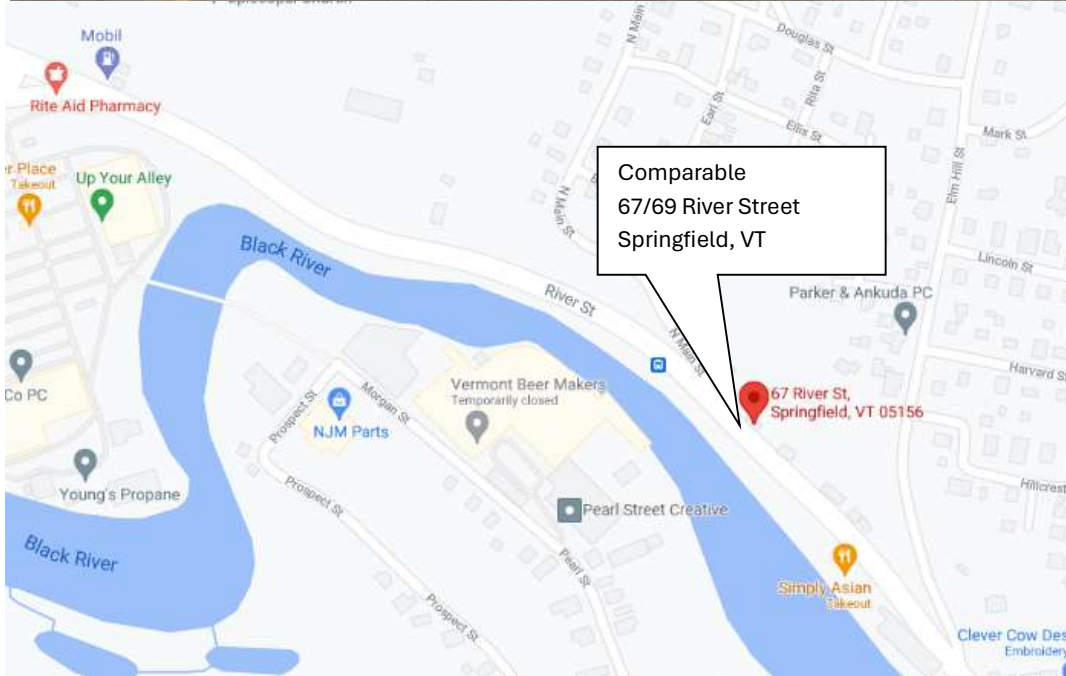
Property Description

Neighborhood:	Urban; Mixed-Use
Lot Size:	0.63+/- acre
Parking:	Paved and Graveled parking, 8+/- spots
Utilities:	Municipal
Shape:	Approximately rectangular
Landscaping:	Minimal, small lawn area
No. of Buildings:	Three
No. of Stories:	Two
Construction:	Woodframe
Quality:	Average
Gross Sq. Ft.:	8,174+/- square feet
No. of Units:	12
Foundation:	Partial, unfinished
General Condition:	Average/Fair
Effective Age:	25+ years
Physical Age:	1880+/-, 1970+/-
Equipment:	Appliances
Heat:	BBHW

Comments: This property is located along River Street in the Town of Springfield, Vermont. Its neighborhood is classified as mixed-use. Properties along this stretch of River Street consist of a mix of commercial properties as well as some multi-family residential properties. This property includes a 0.63+/- acre site, consisting of (2) adjacent parcels, improved with a 4-unit multi-family building, a 7-unit multi-family building, and an A-frame style single-family dwelling. The combined gross building area of the three buildings totals 8,174+/- square feet. Of the twelve units, there are (2) studio apartments, (5) one-bedroom units, (4) two-bedroom apartments, and (1) single-family home that was its own rental unit. The buildings demonstrated average quality, though were in average to fair condition and had not been updated in many years. The property had been listed on September 10, 2020 at an asking price of \$375,000 and spent 34+/- days on market before entering its contract for sale. It sold in March of 2021 for \$350,000, or \$29,167 per unit.

Sales Comparison Approach (Continued)

Comparable No. 4 – Thomas Bishop Rev. Trust to Sorba



Talbot Property – “As Is”

33 Oak Street
Brattleboro, Vermont

Item	Subject	Comparable No. 1		Comparable No. 2		Comparable No. 3		Comparable No. 4	
Address	33 Oak Street	11 Lincoln Ave.		212 Pleasant Street		202-204 Beech St.		67/69 River Street	
Town	Brattleboro	Rutland City		Bennington		Bennington		Springfield	
Proximity to Subject	N/A	70 miles		40 miles		40 miles		40 miles	
Sales Price	N/A	\$167,500		\$420,000		\$220,000		\$350,000	
Sales Price/Unit	N/A	\$33,500		\$35,000		\$24,444		\$29,167	
Data Source	Inspection	Inspection		Inspection		Inspection		Inspection	
VALUE ADJUSTMENT	DESCRIPTION	DESCRIPTION	ADJUST.	DESCRIPTION	ADJUST.	DESCRIPTION	ADJUST.	DESCRIPTION	ADJUST.
Sale Concessions	N/A	None		None		None		None	
Date of Sale/Inspection	1/25/2024	10/5/2023		9/11/2023		3/30/2023		3/12/2021	15%
Location	Residential	Residential	20%	Mixed-Use	20%	Residential	20%	Mixed-Use	20%
Lot Size	0.40+/- acres	0.27+/- acres		0.43+/- acres		0.75+/- acres		0.63+/- acres	
Design & Appeal	2&3-story, WF	2 Bldgs., WF		2-story, WF/Brk		2 Bldgs., WF		3 Bldgs., WF	
Quality of Construction	Average	Average		Average		Average		Average	
Age	1860+/-	1910+/-		1889+/-		1971+/-		1880+/-, 1970+/-	
Condition	Fair	Average/Fair	-10%	Average/Fair	-10%	Fair		Average/Fair	-10%
No. of units	Eight	Five		Twelve		Nine		Twelve	
Gross Square Footage	7,586+/- sf	4,241+/- sf		4,844+/- sf		5,628+/- sf		8,174+/- sf	
Average Unit Size	948+/- sf	848+/- sf		404+/- sf	5%	625+/- sf	5%	681+/- sf	5%
Basement	Partial, unfinished	Full, unfinished		Partial, unfinished		Full, unfinished		Partial, unfinished	
Functional Utility	Average	Average		Average		Average		Average	
Heating/Cooling	HW	BBHW		Steam		BBHW		BBHW	
Other	None	None		None		None		None	
Net Adjustment(s)		Adjust. + or (-)	10%	Adjust. + or (-)	15%	Adjust. + or (-)	25%	Adjust. + or (-)	30%
Value indicated/unit:			\$36,850		\$40,250		\$30,556		\$37,917
Value assigned to the subject property: \$35,000 per unit x (8) Units = \$280,000.00									

Sales Comparison Approach (Continued)**Gross and Net Adjustments**

	Sale #1	Sale #2	Sale #3	Sale #4
Sales Price/List Price	\$167,500	\$420,000	\$220,000	\$350,000
Sales Price/sq.ft.	\$33,500	\$35,000	\$24,444	\$29,167
Gross Adjustments	30%	35%	25%	50%
Net Adjustments	+10%	+15%	+25%	+30%
Adjusted Price/sq.ft.	\$36,850	\$40,250	\$30,556	\$37,917

The sales comparison approach is based on the assumption that a purchaser would pay no more for a property than what other competing properties have sold for. In completing the sales comparison approach comparables are researched, verified and an appropriate unit of comparison is developed. The subject in its "as is" configuration consists of an 8-unit multi-family dwelling on a 0.40+/- acre site. Given the overall fair condition of the building and its vacancy, recent sales of vacant multi-family properties of similar condition were the primary focus of research. Research for comparable sales focused within the four Southern Vermont Counties, Bennington, Rutland, Windham and Windsor. Four comparable sales were selected. Sales #1, #2, and #3 took place in the last year and date back from October of 2023 to March of 2023, while Sale #4 took place back in March of 2021. The comparables were reviewed on a gross sales price, sales price per square foot, and sales price per unit basis. It was determined that the best unit of comparison was on a sales price per unit basis. The adjustments on the grid have been made on a percentage basis. The following is a summary of adjustments made on the grid:

Sales Comparison Approach (Continued)

Date of Sale: It appears that the real estate market is entering a more normalized mode such as prior to Covid-19 in 2020. Values have been increasing over the last few years, however, do appear to have leveled off over the last 12+/- months. Sales #1, #2, and #3 took place in the last year and were not adjusted. Sale #4 is older, dating back to March of 2021, and was adjusted upward 15% for appreciation.

Location: The location adjustment category is used to compare the regional, local, and property specific location features that serve to enhance or diminish the marketability and appeal of a given property. Regional locational factors include broader market conditions, proximity to major urban areas, as well other conditions dependent on the use of the property. Local locational factors include analysis of differences in rents, property values, and demand between individual towns. Property specific locational factors include compatibility within a neighborhood, as well as property values within a given neighborhood when compared to the larger community as a whole. Together, these factors form the basis for adjustments made under the location category. The subject is located in a residential neighborhood in Brattleboro, Vermont. All four sales were adjusted under this category. Sale #1 is located in Rutland City, while Sales #2 and #3 are located in Bennington, and Sale #4 is located in Springfield. Bennington, Springfield, and Rutland City support similar multi-family property values, though Brattleboro does exhibit overall higher property values and rents. For this reason, all four sales were adjusted upward for inferior location.

Condition: The condition category considers the physical and effective ages of each property, as well as level of updates, deferred maintenance items, and overall appeal. The subject's condition is rated as overall fair at this time. Sales #1, #2, and #4 were rated as superior in condition and were adjusted downward, while Sale #3 was rated as similar in condition and no adjustment was required.

Average Unit Size: Properties that include larger, two- and three-bedroom units typically command premiums over properties with the same number of units, though smaller studio and one-bedroom units, warranting adjustment for substantial differences in average unit size between given properties. The average size indicated based on the subject's eight units being divided into the total square footage is 948+/- square feet. Sale #1 was not adjusted under this category, however Sales #2, #3, and #4 have much smaller average unit sizes and were each adjusted upward 5%.

Sale #1 required two adjustments. This property is located in Rutland City and was adjusted upward 20% for the overall lower property values and rents in Rutland City when compared to Brattleboro. The only other adjustment was downward 10% for its slightly superior condition, which was rated as average to fair when the property sold. The net adjustment on Sale #1 is +10%. It supports an adjusted value of \$36,850 per unit for the

Sales Comparison Approach (Continued)

subject property in its “as is” configuration.

Sale #2 required three adjustments. It was first adjusted upward 20% for inferior location. This property is located in Bennington, which like Rutland City, supports overall lower property values and rents when compared to Brattleboro. The second adjustment was downward 10% for its slightly superior condition, which was rated as average to fair when the property sold. The last adjustment was upward 5% for its smaller average unit size of 404+/- square feet, compared to the subject’s average unit size of 948+/- square feet. The net adjustment on Sale #2 is +15%. It supports an adjusted value of \$40,250 per unit for the subject in its “as is” configuration.

Sale #3 required two adjustments. This property is also located in Bennington, Vermont. Like Sale #2, it was adjusted upward 20% for inferior location. The only other adjustment required for this sale was upward 5% for its smaller average unit size of 625+/- square feet, compared to the subject’s average unit size of 948+/- square feet. The net adjustment on Sale #3 is +25%. It supports an adjusted value of \$30,556 per unit for the subject in its “as is” configuration.

Sale #4 required four adjustments. It was first adjusted upward 15% under the date of sale/market conditions category for appreciation that has taken place within the multi-family sector since this property sold back in March of 2021. Sale #4 was then adjusted upward 20% under the location category for the overall lower property values and rents in Springfield when compared to Brattleboro. The third adjustment was downward 10% for superior condition, which was rated as average to fair when this property sold. The last adjustment was upward 5% for its smaller average unit size of 681+/- square feet, compared to the subject’s average unit size of 948+/- square feet. The net adjustment on

Sales Comparison Approach (Continued)

Sale #4 is +30%. It supports an adjusted value of \$37,917 per unit for the subject in its “as is” configuration.

The adjusted value range indicated by the four comparable sales is from \$30,556 per unit, as indicated by Sale #3, up to \$40,250 per unit, as indicated by Sale #2. The mean, or average of the adjusted value range is \$36,393 per unit. The median, or center value is \$37,383 per unit. Sales #1 and #3 had the lowest gross adjustments and support the middle and bottom of the range. An “as is” value of \$35,000 per unit, for a total value of \$280,000 is indicated for the subject property via the sales comparison approach.

Reconciliation of “As Is” Value

The “as is” value scenario included only the sales comparison approach. The property’s fair condition and vacancy at this time make the income approach too subjective to rely upon. The cost approach was also considered too subjective given the age of the improvements. The sales comparison approach supports a value of \$280,000 for the subject in its “as is” configuration. An “as is” market value of \$280,000 is reconciled for the subject property. The effective date of the “as is” value is January 25, 2024, which represents the date of the walkthrough inspection.

“As Complete” Valuation

13-Unit Multi-Family Dwelling & 0.40+/- Acres

“As Complete” Valuation

In completing the “as complete” valuation of the subject property, both the income approach and sales comparison approach are being utilized. The property in its “as complete” configuration will consist of a 0.40+/- acre site, improved with a 13-unit multi-family building of approximately 11,183 square feet. The building will be of average quality and will be in average to good condition. The following begins the “as complete” valuation with the income approach:

Income Approach

The income approach is the first approach being demonstrated. The direct capitalization and gross rent multiplier methods are being utilized. Anticipated and not trailing income and expenses are being used in completing both methods. The subject's proposed rent roll, projected income, and projected expenses were submitted by the property owner. The income approach is based on anticipated rents and expenses. Data gleaned from other similar multi-family properties in the region is also being used in reconciling the subject's market rents, vacancies, income loss, and operating expenses. Real estate is a "capital good." The benefit in owning real estate can be measured in the form of money income or amenities such as from a business or both.

In estimating the value of the "capital good," the appraiser must consider the present worth as of an effective date of anticipated future income over a designated period of time. The process for converting future income into present worth is known as capitalization. The procedures used in completing the income approach are as follows:

1. Estimate potential gross income
2. Estimate effective gross income
3. Estimate operating expenses
4. Estimate net operating income
5. Estimate capitalization rate
6. Translate net operating income into value

The direct capitalization method entails capitalizing the first year's stabilized net operating income at a market derived capitalization rate. It is a ratio model using an overall rate to express the relationship between one year's net operating income and value. This method is most reliable and appropriate when appraising a multi-family property that includes 5 or more units, has stable occupancy, and has supporting financial information for past expenses.

Income Approach (Continued)

The gross rent multiplier method is also being included. It is a simple measurement of investment performance based on the subject's annual gross rent before deducting any expenses. This approach is an accepted method in valuing an investment property such as the subject.

In completing both methods, it is necessary to support a capitalization rate and multiplier from market data. The following sales are being used to support the subject's overall capitalization rate and multiplier.

Income Approach (Continued)

The following is a list of comparable multi-family sales from Brattleboro as well as other urban communities in Southern and Central Vermont. They are being used to demonstrate what similar properties support for capitalization rates and gross rent multipliers in the Southern Vermont area.

Market Derived Capitalization Rate & Gross Rent Multipliers

	Location	Sales Date	# of Units	Cap. Rate	GRM	Sales Price	EGI	NOI
1	326 Pleasant St. Bennington	06/2023	12	8.6%	5.2	\$750,000	\$144,200	\$64,242
2	41 North Street Brattleboro	11/2023	7	10.1%	5.7	\$550,000	\$96,768	\$55,283
3	16 School Street Brattleboro	11/2022	6	12.1%	5.8	\$500,000	\$85,800	\$60,636
4	35-39 Meadow Lane Castleton	08/2022	12	9.1%	6.6	\$1,050,000	\$159,607	\$95,805
5	51/61 Grove St. Brattleboro	05/2022	11	9.2%	7.0	\$775,000	\$110,196	\$71,076
6	36-38 Washington St. Rutland City	01/2022	11	9.6%	6.5	\$600,000	\$92,100	\$57,678
7	23 S. Main Street Brattleboro	09/2020	10	16.5%	3.9	\$450,000	\$115,956	\$74,236
			Average:	10.7%	5.8			
			Median:	9.6%	5.8			
			Max:	16.5%	7.0			
			Min:	8.6%	3.9			

The seven sales represent transfers of larger multi-family properties from throughout Central and Southern Vermont for the past few years. Sales #2, #3, #5, and #7 are all located in Brattleboro. While Sales #2 and #3 have far fewer units than the subject, they are the most recent sales of larger multi-family properties in Brattleboro and have been included to illustrate the local market conditions. Sale #7, while being an older sale, has also been included as it is one of the only sales of larger multi-family properties in Brattleboro over the last 4+/- years. The remaining sales are located in comparable urban locations in Bennington and Rutland County, and have been included as they represent the most recent sales of larger multi-family properties (with 10+ units) that have sold in recent years. It should be noted that multi-family properties in Brattleboro do typically command overall higher rents

Income Approach (Continued)

and property values when compared to the Bennington and Rutland market areas. The sales date from June of 2023 back to September of 2020.

Capitalization rates are calculated by dividing the net operating income of a property by its sales price. As such, a property that sells for a high price and has low net operating income will support a lower capitalization rate than a property that sells for the same price but generates higher net operating income. The range of capitalization rates is from 8.6% up to 16.5%. The mean, or average capitalization rate indicated by the sales is 10.7%, with the median being much lower at 9.6%. Sale #4 is a particularly good indicator of a capitalization rate for the subject as it sold with rents near the top of the market and was in comparable condition to the subject in its "as complete" configuration. This sale supports an overall capitalization rate of 9.1%. Sale #5 is also a good indicator of a capitalization rate of the subject as it was in similar condition and had a similar of units. It supports a capitalization rate of 9.2%. The subject will be in average to good condition, though will pose some added risk to a potential investor/purchaser as it will not have any tenants or leases in place and will be rent restricted for a period of five years. For this reason, a slightly higher capitalization rate is warranted. An overall capitalization rate of 9.5% is reconciled and will be used in completing the direct capitalization method.

Gross rent multipliers are determined by dividing the sales price by the gross income of a given property. Operating expenses and vacancies are not included in the calculation. Properties that sell at a high price point that have high gross income support overall lower multipliers than properties that sell at the same price but have lower gross rent. The range suggested for a gross rent multiplier by the sales is from 3.9 up to 7.0. The mean, or average multiplier indicated by the range is 5.8, with the median also being a multiplier of 5.8. The gross rent multiplier is much more sensitive to number of units than capitalization rates.

Income Approach (Continued)

Additional weight is being given to Sales #1, #4, #5, and #6 as they all include ten or more units. These sales support multipliers between 5.2 and 7.0. Given that the subject will be rent restricted for five years due to utilization of VHIP funding in renovating the building, a slightly higher multiplier is warranted. A multiplier of 6.5 is reconciled and will be used in completing the gross rent multiplier method.

The following page includes a market rental survey of studio, one-bedroom, two-bedroom, and three-bedroom apartment units in Brattleboro. The subject's owner-projected rents have been included. It should be noted that the subject's rents will be restricted because of the utilization of VHIP funding for the proposed renovations. Fair market rental rates for Brattleboro, as published by HUD, have also been included. In calculating the impact of the rent restriction, a deduction will be made at the conclusion of the income approach for the loss in rent, attributed to the difference between unrestricted market rents and restricted rents, which the subject will be required to utilize for five years because of the conditions of the VHIP funding being utilized in the renovations. The total difference over the five years is being discounted to present value, utilizing a 7.5% discount rate.

Income Approach (Continued)**Market Rental Survey
Brattleboro, Vermont**

	Location	Unit Type	Rent	Utilities Furnished
Studio Apartment Rents				
	Subject Property <i>Projected Rents – (1) Unit</i>	Studio/Efficiency	\$803/mo.	None
	HUD Fair Market Rent Brattleboro, VT (FY2024)	Studio/Eff.	\$976/mo.	None
1	173/175 High Street	Studio/Eff.	\$550/mo.	None
2	31 Pleasant Street	Studio/Eff.	\$850/mo.	Electric
3	25 Cottage Street	Studio/Eff.	\$820/mo.	Heat & Hot Water
4	129 Canal Street	Studio/Eff.	\$1,000/mo.	All Utilities Included
One-Bedroom Apartment Rents				
	Subject Property <i>Projected Rents – (5) Units</i>	One-Bedroom	\$945/mo.	None
	HUD Fair Market Rent Brattleboro, VT (FY2024)	One-Bedroom	\$1,091/mo.	None
1	25 Cottage Street	One-Bedroom	\$820-\$1,000/mo.	Heat & Hot Water
2	149 Canal Street	One-Bedroom	\$1,000-\$1,100/mo.	Heat & Hot Water
3	10 Birge Street	One-Bedroom	\$875-\$1,100/mo.	Heat & Hot Water
4	108 High Street	One-Bedroom	\$1,500/mo.	Heat & Hot Water
5	67 Vine Street	One-Bedroom	\$1,000/mo.	Heat
6	162 Canal Street	One-Bedroom	\$795-\$1,025/mo.	Heat & Hot Water
7	23 South Main Street	One-Bedroom	\$1,250/mo.*	Heat & Hot Water
8	24 Ebby Drive	One-Bedroom	\$1,100/mo.*	None
Two-Bedroom Apartment Rents				
	Subject Property <i>Projected Rents – (6) Units</i>	Two-Bedroom	\$1,150/mo.	None
	HUD Fair Market Rent Brattleboro, VT (FY2024)	Two-Bedroom	\$1,340/mo.	None
1	25 Cottage Street	Two-Bedroom	\$1,190-\$1,200/mo.	Heat & Hot Water
2	233 Elliot Street	Two-Bedroom	\$1,100/mo.	All Utilities Included
3	14-16 Thomas Street	Two-Bedroom	\$1,050/mo.	None
4	36 Green Street	Two-Bedroom	\$1,250/mo.	Heat & Hot Water
5	10 Birge Street	Two-Bedroom	\$1,231/mo.	Heat & Hot Water
6	394 Canal Street	Two-Bedroom	\$1,350/mo.	Heat
7	144 Maple Street	Two-Bedroom	\$1,550/mo.*	All Utilities Included
8	29 Canal Street	Two-Bedroom	\$1,450/mo.*	Heat & Hot Water
Three-Bedroom Apartment Rents				
	Subject Property <i>Projected Rents – (1) Unit</i>	Three-Bedroom	\$1,426/mo.	None
	HUD Fair Market Rent Brattleboro, VT (FY2024)	Three-Bedroom	\$1,655/mo.	None
1	173 Green Street	Three-Bedroom	\$1,400/mo.	All Utilities Included
2	572 South Main Street	Three-Bedroom	\$1,325/mo.	All Utilities Included
3	108 High Street	Three-Bedroom	\$2,000/mo.	Heat & Hot Water
4	214 Maple Street	Three-Bedroom	\$1,200/mo.	None
5	188 High Street	Three-Bedroom	\$1,065-\$1,290/mo.	None
6	38 Grove Street	Three-Bedroom	\$1,100-\$1,425/mo.	Heat & Hot Water

*Asking Rents

Income Approach (Continued)

The subject property, in its “as complete” configuration, includes (1) studio apartment unit, (5) one-bedroom apartment units, (6) two-bedroom apartments, and (1) three-bedroom apartment unit. The units will all have been updated and will be in average to good condition, with good overall appeal. The contractor stated that the tenants will be responsible for their own utility expenses in addition to monthly rent. The units will also be rent restricted as the property is being renovated with funds from the Vermont Housing Improvement Program (VHIP).

The owner’s prospective rent roll has rent of \$803 per month assigned to the studio apartment unit (Unit #13). The market rental survey of studio apartments in Brattleboro supports a range of \$550 up to \$1,000 per month. The projected rent of \$803 per month is within market range, though is lower than the HUD Fair Market Rent for a studio/efficiency apartment unit in Brattleboro in 2024. Based on the survey of comparable studio units, market rent of \$900 per month is being utilized in completing the income approach.

The market rental survey of one-bedroom units included a total of (8) properties, all of which are located in Brattleboro. These (8) properties support a range of market rents from \$795 per month up to \$1,500 per month. The first (6) properties represent actual rents, while the last (2) properties represent vacant units with asking rents that are currently available. The subject’s one-bedroom units (Units #1, #3, #5, #11, and #12) have prospective rents of \$945 per month. This falls near the lower end of the market range and is lower than the 2024 HUD Fair Market Rent for a one-bedroom apartment unit in Brattleboro of \$1,091 per month. Based on the survey of comparable one-bedroom units, market rent of \$1,100 per month is being utilized in completing the income approach.

The market rental survey of two-bedroom units included a total of (8) properties, all of which are located in Brattleboro. These (8) properties support a range of market rents

Income Approach (Continued)

from \$1,050 per month up to \$1,550 per month. The first (6) properties represent actual rents, while the last (2) properties represent vacant units with asking rents that are currently available. The subject's (6) two-bedroom units (Units #2, #4, #6, #8, #9, and #10) all will be rented at a rate of \$1,150 per month with no utilities furnished. This falls near the bottom of the market range and is lower than the 2024 HUD Fair Market Rent for a two-bedroom apartment unit in Brattleboro of \$1,340 per month. Based on the survey of comparable two-bedroom units, market rent of \$1,300 per month is being utilized in completing the income approach.

The last section of the market rental survey included (6) properties with three-bedroom apartment units in Brattleboro. All (6) properties represent actual reported rents for occupied units. The (6) properties support a range of market rents for three-bedroom units from \$1,065 per month up to \$2,000 per month, with (5) of the properties supporting a tighter range of market rents from \$1,200 per month up to \$1,425 per month. The projected rent of \$1,426 per month for Unit #7 is within market range though is lower than the 2024 HUD Fair Market Rent of \$1,655 per month for a three-bedroom apartment unit in Brattleboro. Market rent of \$1,500 per month is being utilized in completing the income approach.

Income Approach (Continued)

In summary, the subject's owner-projected rents appear to be at or near the bottom of the market range and lower than the HUD published fair market rents for 2024. Market rent has been assigned to all of the units in completing the income approach. As previously stated, the difference between the owner-projected restricted rents and the market rents assigned, over the 5-year restriction period, will be discounted to present value and deducted from the value indicated by the income approach. In estimating the subject's projected "as complete" configuration its potential gross rent is estimated at \$188,400 annually.

Talbot Property

Rent & Potential Gross Projection

Unit	Unit Type	Owner-Projected Rental Rate	HUD FMR 2024 (Restricted)	Unrestricted Market Rent
Unit #1	1-br/1-ba	\$945/mo.	\$1,091/mo.	\$1,100/mo.
Unit #2	2-br/1-ba	\$1,150/mo.	\$1,340/mo.	\$1,300/mo.
Unit #3	1-br/1-ba	\$945/mo.	\$1,091/mo.	\$1,100/mo.
Unit #4	2-br/1-ba	\$1,150/mo.	\$1,340/mo.	\$1,300/mo.
Unit #5	1-br/1-ba	\$945/mo.	\$1,091/mo.	\$1,100/mo.
Unit #6	2-br/1-ba	\$1,150/mo.	\$1,340/mo.	\$1,300/mo.
Unit #7	3-br/1-ba	\$1,426/mo.	\$1,655/mo.	\$1,500/mo.
Unit #8	2-br/1-ba	\$1,150/mo.	\$1,340/mo.	\$1,300/mo.
Unit #9	2-br/1-ba	\$1,150/mo.	\$1,340/mo.	\$1,300/mo.
Unit #10	2-br/1-ba	\$1,150/mo.	\$1,340/mo.	\$1,300/mo.
Unit #11	1-br/1-ba	\$945/mo.	\$1,091/mo.	\$1,100/mo.
Unit #12	1-br/1-ba	\$945/mo.	\$1,091/mo.	\$1,100/mo.
Unit #13	Studio/Eff.	\$803/mo.	\$976/mo.	\$900/mo.
Potential Gross Rental Income	Monthly	\$13,854	\$16,126	\$15,700
	Annually	\$166,248	\$193,512	\$188,400

Income Approach (Continued)

In estimating a property's effective gross income it is necessary to apply a factor for vacancies and uncollected rents. Vacancy rates are calculated based on neighborhood data, market statistics, and information gathered from industry professionals. At present, the multi-family market in Brattleboro and the surrounding region is quite good. Most apartment buildings presently are experiencing near full occupancy, though vacancies do appear to be increasing, and the number of vacant and available units on the market is much higher than it was 12+/- months ago. Vacancies appear to be between 3% and 5% at this time, though this is for properties that are well-established and operating in a stabilized manner. The owner has not included any deduction for potential vacancy and collection losses in their proforma. It is assumed that the owner will advertise vacant units as they become available over the course of renovations. Given current market conditions and high demand for apartment units, as well as the owner's marketing of units during the renovation process, it is assumed the property will be operating at a stabilized level upon completion. Given this assumption, the higher end of the market range (5%) is being utilized in projecting vacancy and collection losses. The subject's projected effective gross rent, after deducting 5% for vacancy and income losses (\$9,420) is estimated at \$178,980.

Talbot Property

Effective Gross Rent Projection

	PGI <i>(Projected)</i>	Vacancy Rate	V&C Losses <i>(\$/yr)</i>	EGI <i>(Projected)</i>
Market-Projected	\$188,400	5.0%	\$9,420	\$178,980

Income Approach (Continued)

The following grid includes the owner's projected operating expenses for the property in its "as complete" configuration. The second column represents the subject's projected gross rent and expenses based on both the owner's projected expenses and market data taken from other similar multi-family properties in Southern Vermont.

Talbot Property

Operating Income and Expenses

	Projected By Owner	Projected Market
Potential Gross Rent	\$193,512	\$188,400
<i>V&C Losses</i>	-	\$9,420
Effective Gross Rent	-	\$178,980
Expenses		
Taxes	\$11,040	\$15,000
Insurance	\$5,244	\$5,244
Repairs & Maint.	\$3,192	\$11,200
Utilities	\$17,400	\$6,000
Management Fee	\$16,992	\$17,900
Professional Fees	\$0	\$1,500
Misc.	\$0	\$0
Reserve	\$0	\$5,369
Total Operating Exp.	\$53,868	\$62,213
Net Operating Income	\$139,644	\$116,767

Income Approach (Continued)**Operating Expense Comparison Grid**

	Property #1		Property #2		Property #3		Property #4		Property #5		Property #6		Average Values	
Location	2 Linhale Drive Springfield, VT		219 Pleasant Street Bennington, VT		330-332 Pleasant St. Bennington, VT		35, 53, 79 Meadow Ln. Castleton, VT		326 Pleasant Street Bennington, VT		189 N. Main Street Rutland City, VT		-	
Number of Units	15		11		9		12		12		8		-	
Gross Building Area (Approximate sq.ft.)	6,584		5,264		5,220		9,984		7,960		6,613		-	
Age/Quality	Old/Average		Renovated/Good		Old/Average		Renovated/Avg-Gd.		Old/Average		Old/Average		-	
Tenant Expenses	None		Electric, HW		Electric		Electric		Electric		Electric, HW		-	
	\$/Annual	\$/Unit	\$/Annual	\$/Unit	\$/Annual	\$/Unit	\$/Annual	\$/Unit	\$/Annual	\$/Unit	\$/Annual	\$/Unit	\$/Annual	\$/Unit
Effective Gross Income	\$88,680	\$5,912	\$100,778	\$9,162	\$92,759	\$10,307	\$160,547	\$13,379	\$144,200	\$12,017	\$99,145	\$12,393	-	\$10,528
Operating Expenses														
Insurance Expense	\$9,525	\$635	\$5,250	\$477	\$6,376	\$708	\$7,634	\$636	\$5,167	\$431	\$3,707	\$463	\$6,277	\$558
R&M Expense	\$16,097	\$1,073	\$24,113	\$2,192	\$10,400	\$1,156	\$11,733	\$978	\$20,393	\$1,699	\$8,445	\$1,056	\$15,197	\$1,359
R&M Exp./Sq.ft.	\$2.44	-	\$4.58	-	\$1.99	-	\$1.18	-	\$2.56	-	\$1.28	-	\$2.34	-
Utility Expense	\$8,860	\$591	\$12,731	\$1,157	\$17,775	\$1,975	\$24,126	\$2,011	\$22,288	\$1,857	\$20,765	\$2,596	\$17,758	\$1,698
Management Fees	-	-	\$9,344	\$849	\$5,877	\$653	-	-	\$17,206	\$1,434	-	-	\$10,809	\$979
Mgmt Fees/EGI	-	-	9.3%	-	6.3%	-	-	-	11.9%	-	-	-	9.2%	-
Professional Fees	\$2,050	\$137	\$14,508	\$1,319	\$118	\$13	\$903	\$75	\$367	\$31	-	-	\$3,589	\$315
Total Operating Exp.	\$47,306	\$3,154	\$76,923	\$6,993	\$49,114	\$5,457	\$64,742	\$5,395	\$79,958	\$6,663	\$46,311	\$5,789	-	\$5,575
Net Operating Income	\$41,374	\$2,758	\$23,855	\$2,169	\$43,645	\$4,849	\$95,805	\$7,984	\$64,242	\$5,354	\$52,834	\$6,604	-	\$4,953

**Not all operating expenses were included in this grid*

Income Approach (Continued)

Taxes: The subject's taxes for the current fiscal year are \$11,036.20, though the subject's tax expense will likely increase upon completion of the proposed renovations and reassessment by the Town of Brattleboro. The owner has projected a tax expense of \$11,040 for the subject. This amount is being projected at \$15,000, based on the anticipated increase in assessed value upon completion of the proposed renovations. This projection is based on the current assessed value of the property, less the assessed site value, which totals \$298,230 or \$39.31 per square foot. Based on the increase in finished building area to 11,183 square foot in its "as complete" configuration, the assessed value of the improvements increases to \$439,640. The projected assessed value of the property is therefore projected at \$509,640. Based on the current tax rate, the projected real estate taxes are therefore reconciled at \$15,000.

Insurance: The owner projects the insurance expense for the property in its "as complete" configuration will total \$5,244, or \$403 per unit. The comparable property expense comparison grid shows a range for this expense item from \$431 per unit up to \$708 per unit, with the average being \$558 per unit. While the owner-projected insurance expense is lower than any of these properties, the property will be in average to good condition and will be fully in code compliance. The subject's insurance expense is being projected at \$5,244, consistent with the owner's projection.

Repairs and Maintenance: The subject will be in overall average to good condition upon completion of the proposed renovations. The owner projects \$3,192 in repairs and maintenance expenses upon completion of the renovations, which totals approximately \$0.29 per square foot. Their projection does not appear to include any allocations for repairs or unit cleaning, and is limited largely to plowing, mowing, and rubbish removal. The review of comparable properties included calculation of each property's repairs and maintenance expense on a per square foot basis, which is ideal for comparison purposes. The resulting values ranged from a low of \$1.18 per square foot, up to a high of \$4.58 per square foot, with the average being \$2.34 per square foot. The subject will be in better condition than any of the properties that were included for comparison, warranting a lower repairs and maintenance expense. The subject's repairs and maintenance expense is being estimated at \$11,200, or approximately \$1.00 per square foot because of its overall average to good condition and recent updates.

Utilities: The owner projects the subject's utility expense will total \$17,400, or \$1,338 per unit. The owner's projection seems quite high as the contractor stated during the inspection that the subject's units will not have any utilities furnished in monthly rent. The comparable properties all have heat included in monthly rent, with some properties also furnishing hot water, and tenants picking up electricity expenses for all six properties. The comparable properties support a range from \$591 per unit up to \$2,596 per unit for this expense item, with the average being \$1,698 per unit. The subject's utility expense is being projected at \$6,000, or \$500 per month, representing the cost of common area/house electrical expenses and utility costs for vacant units.

Management Fee: Most management fees in the area range from 5% up to 15%. Typically, management companies charge the higher rate, with properties that are owner managed reporting the lower rate. The owner projected management fees of \$16,992 for the upcoming

Income Approach (Continued)

year, which equals 10.2% of their projected effective gross income. The comparable expense comparison grid suggests a range for this expense item from 6.3% up to 11.9%, with the average being 9.2% of a property's effective gross income. 10% of its effective gross or \$17,898, rounded to \$17,900 is projected for its management fee.

Professional Fees: Professional fees represent the cost of preparing quarterly and year end reports, attorney fees, banking fees, and other accounting fees. Most similar multi-family properties in the area support a range of professional fees from \$500 up to \$1,500. The comparable properties support an average professional fees expense of \$3,589, however this was influenced substantially by Property #2 which had exceptionally high professional fees. The owner did not include any professional fees in their projected operating expenses. Based on the size of the property, a professional fee expense of \$1,500 is being projected.

Reserve: Most prudent investors and lenders require a reserve for replacements. This expense item is used for updating major building components such as mechanical systems, roofing, and appliances. The owner did not include a reserve for replacements in their projected operating expenses. Online publications indicate that a replacement reserve between 2% and 5% is appropriate. Given that the subject will be newly renovated, a reserve near the bottom of this range is appropriate. 3% of its effective gross or \$5,369 is projected.

The subject's effective gross income was projected at \$178,980. Its projected operating expenses total \$62,213. Its net operating income is projected at \$116,767. The following illustrates both the direct capitalization method and gross rent multiplier method and concludes the income approach.

The deduction for rent loss over the five-year restriction period is calculated as follows: The total difference in projected market rent and the owner's restricted rents that were submitted is \$105,220. This amount is being discounted at a rate of 7.5% to determine its present value. The present value is therefore calculated at \$73,292, rounded to \$73,000.

Income Approach (Continued)**Direct Capitalization Method****Operating Income:**

Potential Gross Rent	\$ 188,400.00
-----------------------------	----------------------

Less 5% vacancy and income loss	(<u>\$ 9,420.00</u>)
---------------------------------	------------------------

Effective Gross Rent	\$ 178,980.00
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Operating Expenses:

Total Expenses	(<u>\$ 62,213.00</u>)
----------------	-------------------------

Net Operating Income:	\$ 116,767.00
------------------------------	----------------------

Net Operating Income divided by Capitalization Rate = Value

$\$116,767 \div 9.5\% = \$1,229,122$

Less Rent Loss: **(\$73,000)**

Value Indicated: \$1,156,126

Value Indicated by Direct Capitalization Method: \$1,155,000.00

Gross Rent Multiplier Method

GRM x Gross Rent = Value

$6.5 \times \$188,400 = \$1,224,600$

Less Rent Loss: **(\$73,000)**

Value Indicated: \$1,151,600

Value Indicated by Gross Rent Multiplier Method: \$1,150,000.00

Owner Projected Income
As Submitted on the Owner's Proforma

INCOME		Construction Loan		Loan + VHIP New Build + Lead		Loan + VHIP for all + Lead	
		Market Rent	Utilities (all except electric)	Hybrid - Low Income (new units)	Utilities (all)	Low Income + New Units	Utilities (all)
Unit 1	1/1	1300		1825		945	
Unit 2	2/1	1500		1828		1150	
Unit 3	1/1	1200		1825		945	
Unit 4	2/1	1500		1828		1150	
Unit 5	1/1	1300		1825		945	
Unit 6	2/1 (1/1 now)	1500		1828		1150	
Unit 7	3/1	1800		2032		1428	
Unit 8	2/1	1600		1828		1150	
Unit 9	2 bed	1000		803		1150	
Unit 10	2 bed	1000		803		1150	
Unit 11	1 bed	1000		803		945	
Unit 12	1 bed	1000		803		945	
Unit 13	studio	1000		803		803	
TOTAL		17,500		18,234		13,854	

Sales Comparison Approach**Comparable No.1 – Lehouillier to Pine Hill Properties, LLC**

Grantor:	Gilles & Laura Lehouillier	
Grantee:	Pine Hill Properties, LLC 51 Lower Main Street West Johnson, VT	
Sales Price:	\$880,000	Sales Date: 12/20/2022
Zoning:	Village Storefront District	Sales price/Unit: \$51,765
Financing:	Conventional	Sales price/SF: \$93.06
Highest & Best Use:	Multi-family rental investment	
Verified:	Inspection, VT PTTR, Town Records	

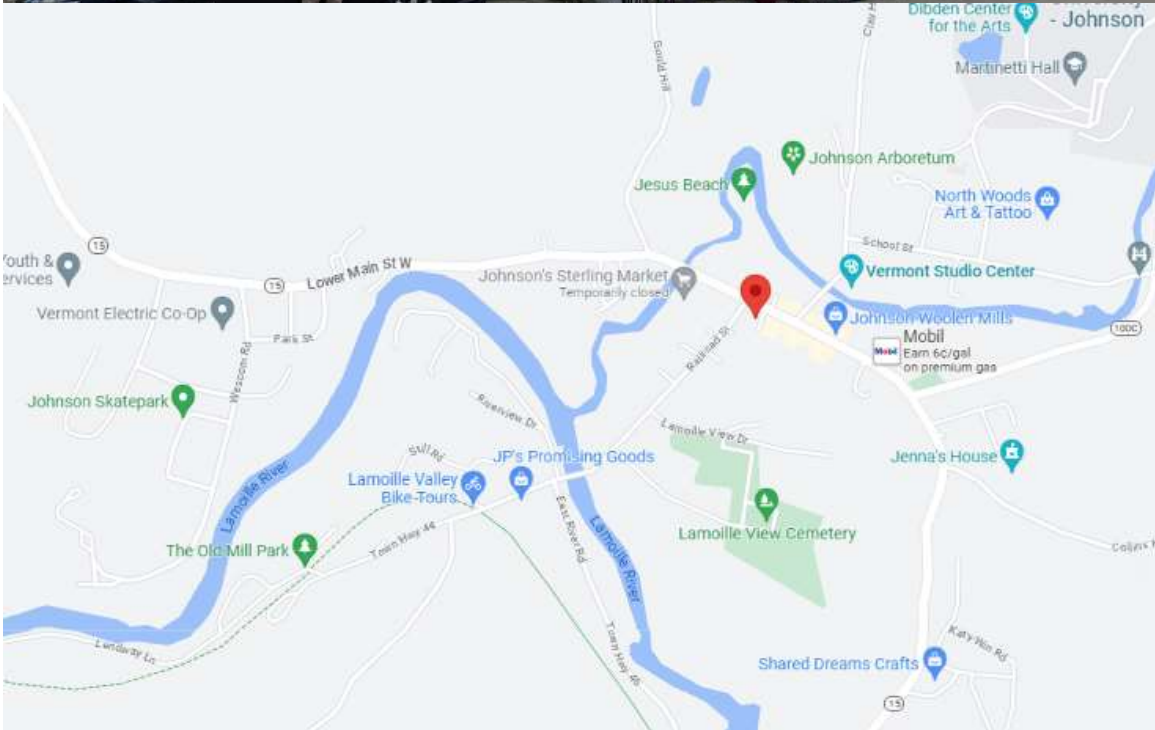
Property Description

Neighborhood:	Mixed-Use; Multi-family & Commercial
Lot Size:	0.31+/- acre
Parking:	Onsite, graveled, ample parking
Utilities:	Municipal
Lot Shape:	Approximately Rectangular
Landscaping:	Typical for the neighborhood with small lawn area.
No. of Buildings:	One
No. of Stories:	Three
Construction:	Woodframe
Quality:	Average
Gross Sq. Ft.:	9,456+/- square feet
Avg. Unit Size:	556+/- square feet
No. of Units:	(17) Units
Foundation:	Full, unfinished
General Condition:	Average
Physical Age:	1800+/-
Heat:	HW
Other:	Storage Shed

Comments: This property is located along Lower Main Street West in Johnson, Vermont. Its neighborhood is considered mixed-use with the primary use being multi-family and mixed-use properties. The property consists of a 0.31+/- acre site, improved with a circa 1800+/-, three-story, woodframe apartment building. The building totals 9,456+/- square feet and includes (17) units, supporting an average unit size of 556+/- square feet. The building was overall average in quality and condition when it sold. The property sold on December 20, 2022 for \$880,000 or \$51,765 per unit.

Sales Comparison Approach (Continued)

Comparable No.1 – Lehouillier to Pine Hill Properties, LLC



Sales Comparison Approach (Continued)**Comparable No.2 – Riverfront Apartments, LLC to PVD Properties, LLC**

Grantor:	Riverfront Apartments, LLC	
Grantee:	PVD Properties, LLC 286, 288, 294 Railroad Street Johnson, VT	
Sales Price:	\$865,000	Sales Date: 09/30/2022
Zoning:	Village General District	Sales price/Unit: \$78,636
Financing:	Conventional	Sales price/SF: \$104.36
Highest & Best Use:	Multi-family rental investment	
Verified:	Inspection, VT PTTR, Town Records	

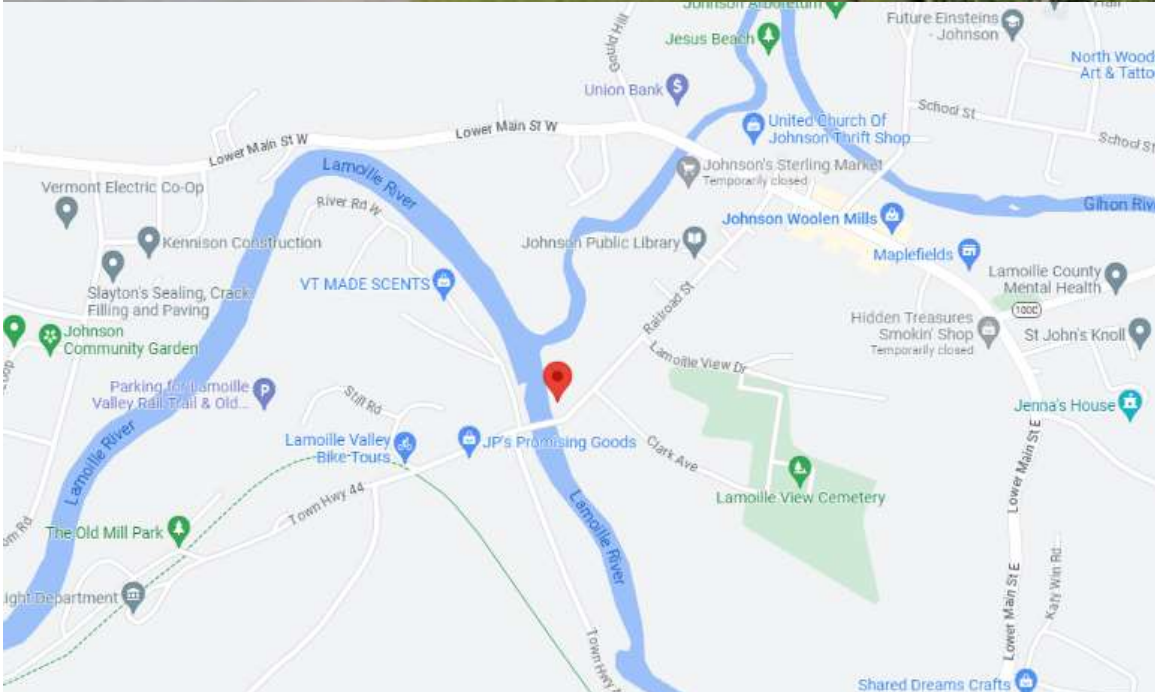
Property Description

Neighborhood:	Residential/Mixed-Use
Lot Size:	1.00+/- acre
Parking:	Onsite, paved, ample parking
Utilities:	Municipal
Lot Shape:	Approximately Rectangular
Landscaping:	Typical for the neighborhood with large rear lawn area.
No. of Buildings:	Three
No. of Stories:	Two-story
Construction:	Woodframe
Quality:	Average/Good
Gross Sq. Ft.:	8,289+/- square feet
Avg. Unit Size:	754+/- square feet
No. of Units:	(11) Units
Foundation:	Partial, unfinished
General Condition:	Average/Good
Physical Age:	1900+/-, 1988+/-, 1991+/-
Heat:	Multiple Systems
Other:	None

Comments: This property is located along Railroad Street in Johnson, Vermont. Its neighborhood is considered mixed-use with the primary use being single- and multi-family residential. The property consists of a 1.00+/- acre site, improved with (3) multi-family apartment buildings totaling 8,289+/- square feet and (11) units. The buildings were overall average to good in quality and condition when it sold. All of the units had been updated in the last 10+/- years. The buildings also had updates to roofing, siding, laundry facilities, and mechanical systems. It was fully occupied when the property sold. It had been listed on June 13, 2022 at a price of \$895,000 and spent 30+/- days on market. The property sold on September 30, 2022 for \$865,000 or \$78,636 per unit.

Sales Comparison Approach (Continued)

Comparable No.2 – Riverfront Apartments, LLC to PVD Properties, LLC



Sales Comparison Approach (Continued)**Comparable No. 3 – Castleton Investments, LLC to Viscido Real Estate, LLC**

Grantor:	Castleton Investments, LLC 35/53/79 Meadow Lane Castleton, VT	Grantee: Viscido Real Estate, LLC
Sales Price:	\$1,050,000	Sales Date: 08/19/2022
Zoning:	Residential 20,000sf District	Sales price/Unit: \$87,500
Financing:	Conventional	Sales price/SF: \$105.17
Highest & Best Use:	Multi-family investment	
Verified:	Broker, inspection, Town Records, Appraiser's File, and MLS	

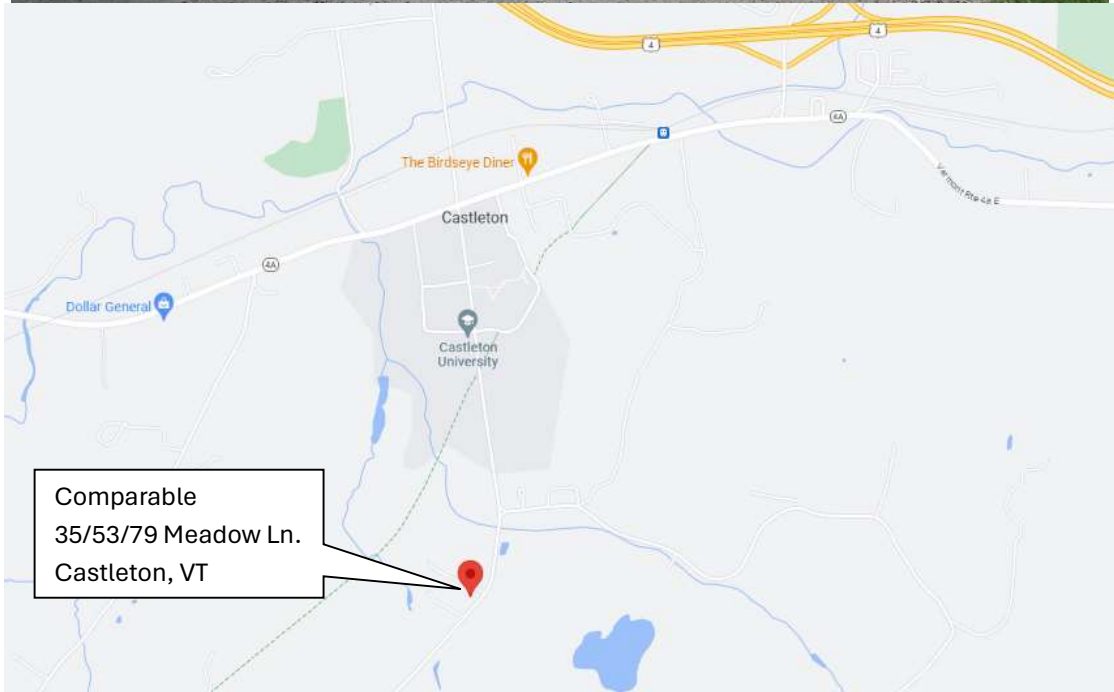
Property Description

Neighborhood:	Residential
Lot Size:	1.60+/- acres
Parking:	Off street, paved, 2+/- spaces per unit
Utilities:	Municipal
Lot Shape:	Approximately Rectangular
Landscaping:	Average, surrounding lawns with trees and shrubs.
No. of Buildings:	Three
No. of Stories:	Two-story
Construction:	Woodframe
Quality:	Average
Gross Sq. Ft.:	9,984+/- square feet
Average Unit Size:	768+/- square feet
No. of Units:	(12) Units; (12) Two-Bedroom Units
Foundation:	Full, unfinished
General Condition:	Average/Good
Effective Age:	25+/- years
Physical Age:	1971+/-
Heat:	BBHW

Comments: This property is located along Meadow Lane, which is a short, dead-end public roadway that runs west off of South Street approximately one mile south of the village area of Castleton. The surrounding neighborhood is best characterized as single family residential. The Castleton University campus is located less than ½ mile north of the property. The property consists of a 1.60+/- acre site, improved with (3) identical four-unit multi-family buildings totaling 9,984+/- square feet and (12) two-bedroom apartment units. The majority of units had been updated in recent years and the property was fully occupied when it sold. Rents ranged between \$1,025 and \$1,150 per month with heat and hot water included in rent. The property sold on August 19, 2022 for \$1,050,000 or \$87,500 per unit.

Sales Comparison Approach (Continued)

Comparable No. 3 – Castleton Investments, LLC to Viscido Real Estate, LLC



Sales Comparison Approach (Continued)**Comparable No. 4 – SV Properties, LLC to 51-61 Grove Street, LLC**

Grantor:	SV Properties, LLC 51 & 61 Grove Street Brattleboro, VT	Grantee: 51-61 Grove Street, LLC
Sales Price:	\$775,000	Sales Date: 05/31/2022
Zoning:	Residential Neighborhood	Sales price/Unit: \$70,455
Financing:	Conventional	Sales price/SF: \$80.40
Highest & Best Use:	Multi-family investment	
Verified:	Broker, inspection and Town Records	

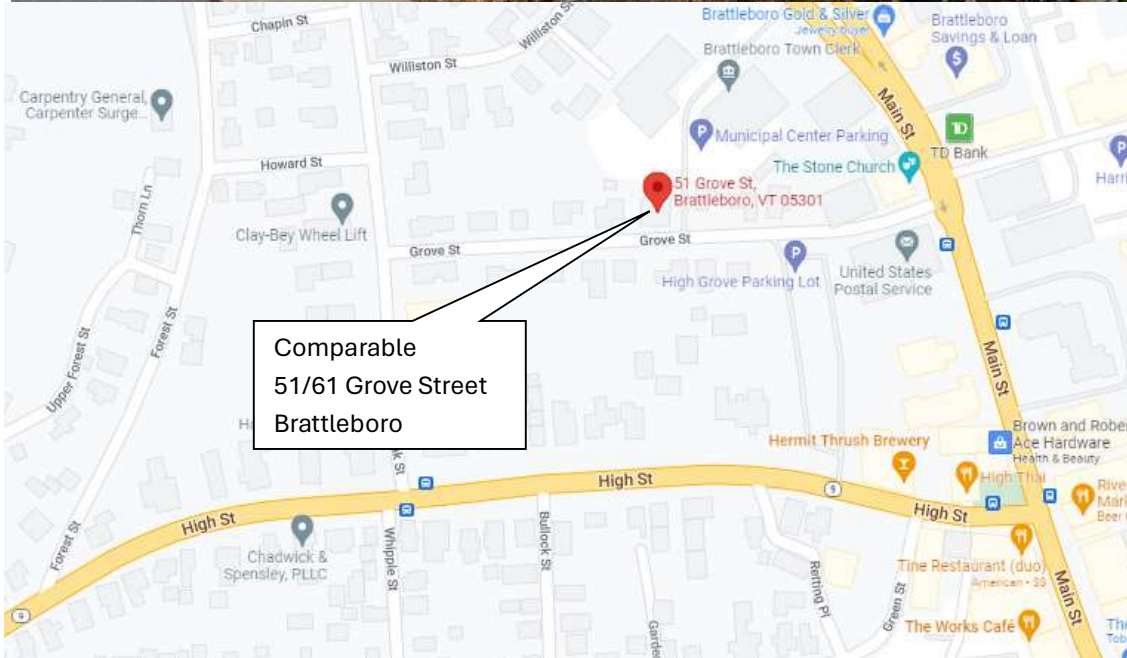
Property Description

Neighborhood:	Residential
Lot Size:	0.33+/- acres
Parking:	Off street, 16+/- spaces
Utilities:	Municipal
Lot Shape:	Approximately Rectangular
Landscaping:	Average, surrounding lawns with trees and shrubs.
No. of Buildings:	Two
No. of Stories:	Two
Construction:	Woodframe
Quality:	Average
Gross Sq. Ft.:	9,639+/- square feet
No. of Units:	(11) Units; (4) One-Bedroom Units & (7) Two-Bedroom Units
Foundation:	Full, unfinished
General Condition:	Average/Good
Effective Age:	25+/- years
Physical Age:	1900+/-
Heat:	Multiple Systems, updated

Comments: This transaction included the concurrent sale of (2) adjacent, separately deeded multi-family properties that were sold together. The property at 51 Grove Street consists of a 0.15+/- acre site, improved with a two-story, five-unit apartment building. The property at 61 Grove Street consists of a 0.18+/- acre site, improved with a two-story, six-unit apartment building. Together, the buildings have a combined square footage of 9,639+/- square feet. The property also includes a detached storage barn. The buildings had been updated in recent years and had new mechanical systems and insulation installed in 2016+/- . They were considered overall average in quality and average to good in condition when they sold. They had been listed for sale on March 11, 2022 at a price of \$749,900 and spent only 6+/- days on market. They sold on May 31, 2022 for \$775,000, or \$70,455 per unit.

Sales Comparison Approach (Continued)

Comparable No. 4 – SV Properties, LLC to 51-61 Grove Street, LLC



Sales Comparison Approach (Continued)**Comparable No.5 – Local Properties, LLC to Tetragrammaton Holdings, LLC**

Grantor:	Local Properties, LLC	
Grantee:	Tetragrammaton Holdings, LLC 14, 36, and 46 School Street Johnson, VT	
Sales Price:	\$1,575,000	Sales Date: 05/06/2022
Zoning:	Village General District	Sales price/Unit: \$98,438
Financing:	Conventional	Sales price/SF: \$159.70
Highest & Best Use:	Multi-family rental investment	
Verified:	Inspection, VT PTTR, Town Records	

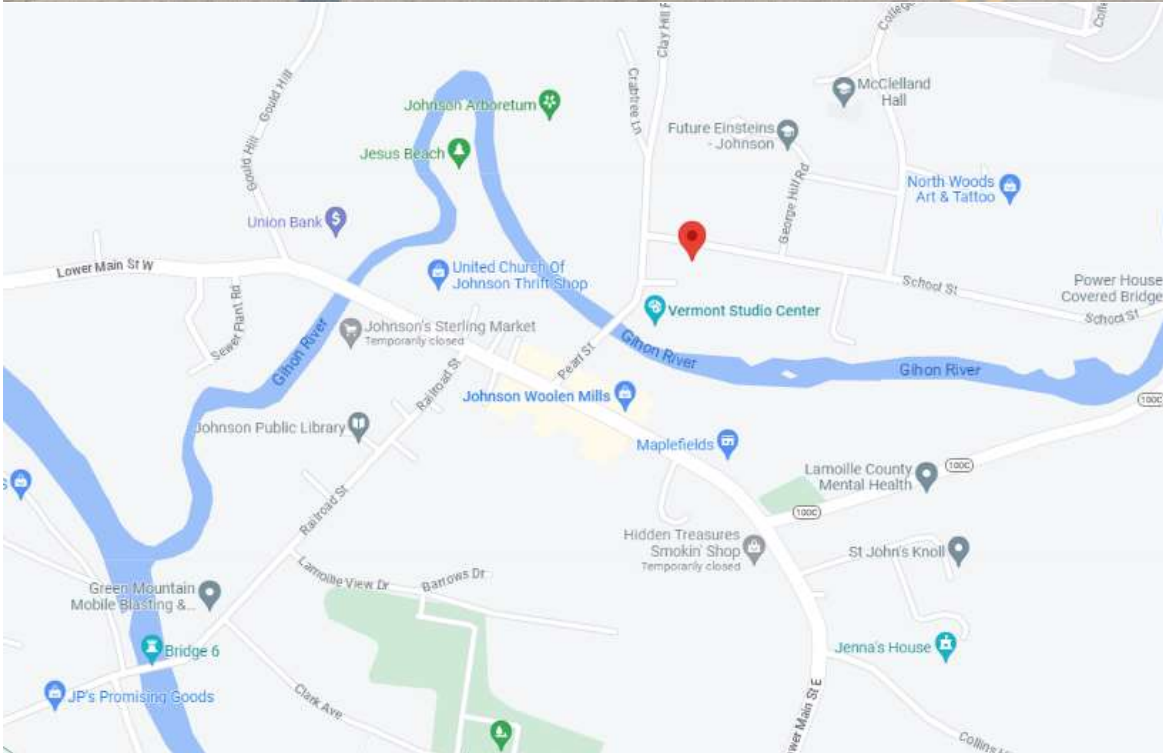
Property Description

Neighborhood:	Mixed-Use
Lot Size:	0.69+/- acre
Parking:	Onsite, paved, ample parking
Utilities:	Municipal
Lot Shape:	Approximately Rectangular
Landscaping:	Typical for the neighborhood with a lawn area.
No. of Buildings:	Three
No. of Stories:	Two-story
Construction:	Woodframe
Quality:	Average/Good
Gross Sq. Ft.:	9,862+/- square feet
Avg. Unit Size:	616+/- square feet
No. of Units:	(16) Units
Foundation:	Partial, unfinished
General Condition:	Good
Physical Age:	1900+/-
Heat:	Multiple Systems
Other:	None

Comments: This property is located along School Street in Johnson, Vermont. Its neighborhood is considered mixed-use. The property consists of a 0.69+/- acre site, improved with (3) multi-family apartment buildings totaling 9,862+/- square feet and (16) units. The buildings were overall average to good in quality and good in condition when the property sold. They had been renovated in recent years and the property was fully leased when it was listed for sale. The property was listed for sale on February 1, 2022 at a price of \$1,650,000 and spent 8+/- days on market. The property sold on May 6, 2022 for \$1,575,000, or \$98,438 per unit.

Sales Comparison Approach (Continued)

Comparable No.5 – Local Properties, LLC to Tetragrammaton Holdings, LLC



Sales Comparison Approach (Continued)**Comparable No. 6 – Barre Street Holdings, Co. to River Street Associates, LLP**

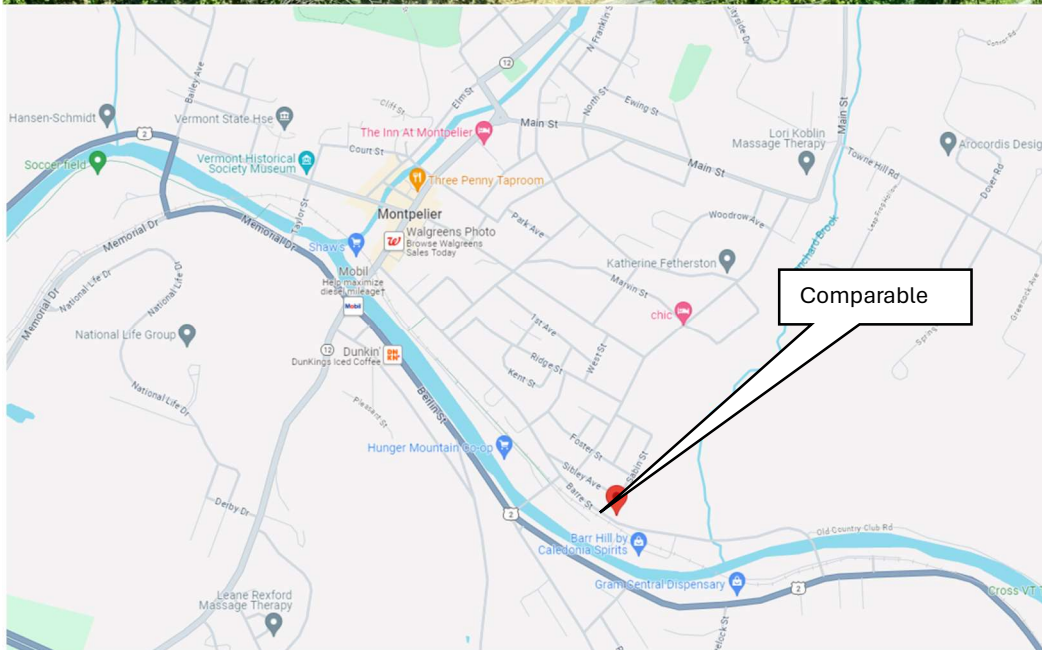
Grantor:	Barre Street Holdings, Co.		
Grantee:	River Street Associates, LLP 282, 288, 294 Barre Street Montpelier, VT		
Sales Price:	\$1,375,000	Sales Date:	09/28/2021
Sales price/SF:	\$125.26	Sales price/Unit:	\$91,667
Zoning:	River Front – Mixed Residential		
Financing:	Cash to seller		
Highest & Best Use:	Multi-family Rental Investment		
Verified:	Inspection, Broker, Appraiser's File, and Town Records		

	<u>Property Description</u>
Neighborhood:	Mixed-Use
Lot Size:	1.08+/- acres
Parking:	Paved driveway & parking area
Utilities:	Municipal
Shape:	Unknown
Landscaping:	Average/typical for a multi-family property
No. of Buildings:	Three
No. of Stories:	2.5-story
Construction:	Woodframe
Quality:	Average
Gross Sq. Ft.:	10,977+/- square feet
Average Unit Size:	732+/- square feet
No. of Units:	(15) Units; (9) 1-br units, (6) 2-br units
Foundation:	Full, unfinished
General Condition:	Average
Effective Age:	25+/- years
Physical Age:	1900+/-
Heat:	HW
Other:	Two-Car Garage, Storage Shed

Comments: This property is located in a mixed-use neighborhood, within the River Front – Mixed Residential district in Montpelier. The property includes a 1.08+/- acre site, improved with (3) multi-family apartment buildings that total 10,977+/- square feet with (15) units. The buildings are all of similar vintage, style, quality, and condition. The majority of units are dated along their interiors, while some have had interior updates. The buildings are rated as overall average in both quality and condition. The property was purchased by an investor for a continuation of multi-family rental investment use. It sold on September 28, 2021 for \$1,375,000, or \$91,667 per unit.

Sales Comparison Approach (Continued)

Comparable No. 6 – Barre Street Holdings, Co. to River Street Associates, LLP



Sales Comparison Approach (Continued)**Comparable No. 7 – Farris Development VT, LLC to 23 South Main St, LLC**

Grantor:	Farris Development VT, LLC	
Grantee:	23 South Main St, LLC 23 South Main Street Brattleboro	
Sales Price:	\$662,500	Sales Date: 09/14/2021
Zoning:	Multi-Use Neighborhood	Sales price/Unit: \$66,250
Financing:	Conventional	Sales price/SF: \$87.68
Highest & Best Use:	Multi-family investment	
Verified:	Inspection, broker and town records	

Property Description

Neighborhood:	Residential
Lot Size:	.23+/- acres
Parking:	Paved driveway
Utilities:	Municipal
Shape:	Unknown
Landscaping:	Limited but typical for a multi-family property
No. of Buildings:	One
No. of Stories:	3 stories
Construction:	Woodframe
Quality:	Average
Gross Sq. Ft.:	7,556+/- square feet
No. of Units:	Ten Units
Foundation:	Slab
General Condition:	Average or better
Effective Age:	25+/- years
Physical Age:	1920+/-
Heat:	BBHW

Comments: This property is located in an older residential neighborhood west of the Village of Brattleboro. The property consists of a 0.23+/- acre site improved with a circa 1920+/-, three-story, woodframe, 10-unit apartment building of approximately 7,556 square feet. It includes (5) one-bedroom units and (5) two-bedroom units. Rents range from a low of \$750 per month up to a high of \$1,100 per month. Its potential monthly gross totaled \$9,663 when the property sold. The landlord does furnish all utilities in monthly rent. The building was of average quality and average or better condition when it sold. Additionally, it sold with each unit equipped with kitchen appliances. The most recent sale of the property was on September 14, 2021, where it sold for \$662,500, or \$66,250 per unit. The property had previously sold in September of 2020 for \$450,000 or \$45,000 per unit.

Sales Comparison Approach (Continued)

Comparable No. 7 – Farris Development VT, LLC to 23 South Main St, LLC



Sales Comparison Approach (Continued)**Comparable No. 8 – Scout Properties, LLC to Horton**

Grantor:	Scout Properties, LLC 34 North Pleasant Street Middlebury	Grantee: Horton
Sales Price:	\$850,000	Sales Date: 05/14/2021
Zoning:	Office/Apartment	Sales price/Unit: \$85,000
Financing:	Cash to Seller	Sales price/SF: \$91.40
Highest & Best Use:	Multi-family investment	
Verified:	Broker, inspection and MLS	

Property Description

Neighborhood:	Mixed use
Lot Size:	0.40+/- acre
Parking:	Onsite, paved, 10+/- spaces
Utilities:	Municipal
Shape:	Unknown
Landscaping:	Average; typical for the surrounding neighborhood
No. of Buildings:	Two
No. of Stories:	Two
Construction:	Woodframe
Quality:	Average/Good
Gross Sq. Ft.:	9,300 square feet
No. of Units:	10
Foundation:	Full, included above
General Condition:	Average/Good
Physical Age:	1900+/-
Heat:	Baseboard hot water

Comments: This property is located in a mixed-use neighborhood, along North Pleasant Street in Middlebury, Vermont. The property includes a 0.40+/- acre site, improved with a 7-unit, multi-family building, as well as a detached, 3-unit multi-family building. The improvements date back to 1900+/- and feature woodframe construction. The property was fully occupied when it sold. It had been listed on April 1, 2021 and spent 11+/- days on market before going under contract for sale. It sold on May 14, 2021 for \$850,000, or \$85,000 per unit.

Sales Comparison Approach (Continued)

Comparable No. 8 – Scout Properties, LLC to Horton



Talbot Property – “As Complete”

33 Oak Street
Brattleboro, Vermont

Item	Subject	Comparable No. 1		Comparable No. 2		Comparable No. 3		Comparable No. 4		Comparable No. 5		Comparable No. 6		Comparable No. 7		Comparable No. 8	
Address	33 Oak Street	Lower Main St. West		286-294 Railroad St.		35/53/79 Meadow Ln.		51/61 Grove Street		14-46 School St.		282-294 Barre Street		23 S. Main Street		34 N. Pleasant St.	
Town	Brattleboro	Johnson		Johnson		Castleton		Brattleboro		Johnson		Montpelier		Brattleboro		Middlebury	
Proximity to Subject	N/A	150 miles		150 miles		80 miles		<1/4 mile		150 miles		115 miles		1/2 mile		100 miles	
Sales/List Price	N/A	\$880,000		\$865,000		\$1,050,000		\$775,000		\$1,575,000		\$1,375,000		\$662,500		\$850,000	
Sales Price/Unit	N/A	\$51,765		\$78,636		\$87,500		\$70,455		\$98,438		\$91,667		\$66,250		\$85,000	
Data Source	Inspection	Inspection		Inspection		Inspection		Inspection		Inspection		Inspection		Inspection		Inspection	
VALUE ADJUSTMEN	DESCRIPTION	DESCRIPTION	ADJUS	DESCRIPTION	ADJUS	DESCRIPTION	ADJUST	DESCRIPTION	ADJUST	DESCRIPTION	ADJUST	DESCRIPTION	ADJUST	DESCRIPTION	ADJUST	DESCRIPTION	ADJUST
Sales Concessions	N/A	None		None		None		None		None		None		None		None	
Date of Sale/Insp.	5/1/2025	12/20/2022	5%	9/30/2022	5%	8/19/2022	5%	5/31/2022	5%	5/6/2022	5%	9/28/2021	10%	9/14/2021	10%	5/14/2021	15%
Location	Residential	Mixed-Use	-10%	Residential	-10%	Residential		Residential		Mixed-Use	-10%	Mixed-Use	-20%	Residential		Mixed-Use	-10%
Site	0.40+/- acres	0.31+/- acres		1.00+/- acres	-5%	1.60+/- acres	-5%	0.33+/- acres		0.69+/- acres		1.08+/- acres	-5%	0.23+/- acres		0.40+/- acres	
Design & Appeal	3.5-story, WF	3-story, WF		3 Bldgs., WF		3 Bldgs., WF		2 Bldgs., WF		3 Bldgs., WF		2.5-story, WF		3-story, WF		2 Bldgs., WF	
Quality of Construction	Average	Average		Average		Average		Average		Average/Good		Average		Average		Average	
Age	1860+/-, 2024	1800+/-		1900+/-		1971+/-		1900+/-		1900+/-		1900+/-		1920+/-		1900+/-	
Condition	Average/Good	Average/Fair	30%	Average	15%	Average/Good		Average	15%	Good	-10%	Average	15%	Average	15%	Average/Good	
Number of Units	Thirteen	Seventeen	5%	Eleven		Twelve		Eleven		Sixteen	5%	Fifteen		Ten	-5%	Ten	-5%
Gross Building Area	11,183+/- sf	9,456+/- sf		8,289+/- sf		9,984+/- sf		9,639+/- sf		9,862+/- sf		10,977+/- sf		7,556+/- sf		9,300+/- sf	
Average Unit Size	860+/- sf	556+/- sf	5%	754+/- sf		832+/- sf		876+/- sf		616+/- sf	5%	732+/- sf		756+/- sf		930+/- sf	
Basement	Partial, unfinished	Full, unfinished		Partial, unfinished		Full, unfinished		Full, unfinished		Partial, unfinished		Full, unfinished		Slab		Full, incl. above	
Functional Utility	Average	Average		Average		Average		Average		Average		Average		Average		Average	
Heating/Cooling	Mini-splits, HW	HW		Mult. Systems		BBHW		Multiple Systems		Mult. Systems		HW		BBHW		BBHW	
Other	None	Storage Shed		None		None		Detached Barn	-3%	None		2-car garage	-3%	None		None	
Net Adjustment(s)		Adjust. + or (-)	35%	Adjust. + or (-)	5%	Adjust. + or (-)	0%	Adjust. + or (-)	17%	Adjust. + or (-)	-5%	Adjust. + or (-)	-3%	Adjust. + or (-)	20%	Adjust. + or (-)	0%
Value indicated:			\$69,882		\$82,568		\$87,500		\$82,432		\$93,516		\$88,917		\$79,500		\$85,000

Value Assigned to the Subject Property: \$85,000/unit X (13) Units = \$1,105,000.00

Sales Comparison Approach (Continued)**Gross and Net Adjustments**

	Sale #1	Sale #2	Sale #3	Sale #4
Sales Price	\$880,000	\$865,000	\$1,050,000	\$775,000
Price/Unit	\$51,765	\$78,636	\$87,500	\$70,455
Gross Adjustments	55%	35%	10%	23%
Net Adjustments	+35%	+5%	+0%	+17%
Adjusted Price/Unit	\$69,882	\$82,568	\$87,500	\$82,432

	Sale #5	Sale #6	Sale #7	Sale #8
Sales Price	\$1,575,000	\$1,375,000	\$662,500	\$850,000
Price/Unit	\$98,438	\$91,667	\$66,250	\$85,000
Gross Adjustments	35%	53%	30%	30%
Net Adjustments	-5%	-3%	+20%	+0%
Adjusted Price/Unit	\$93,516	\$88,917	\$79,500	\$85,000

The sales comparison approach is based on the assumption that a purchaser would pay no more for a property than what other competing properties have sold for. In completing the sales comparison approach comparables are researched, verified and an appropriate unit of comparison is developed. Twelve sales were reviewed with the eight most comparable being selected and utilized within the sales grid. There have been a limited number of transfers of larger multi-family properties like the subject in recent years, necessitating expansion of the search area beyond the four Southern Vermont counties; Bennington, Windham, Rutland, and Windsor. The sales date back from December of 2022 to May of 2021. The sales were analyzed on a sales price per unit basis. The adjustments on the grid have been made on a percentage basis. The following is a comment on the categories that required adjustment on the accompanying grid.

Sales Comparison Approach (Continued)

Date of Sale/Market Conditions: This adjustment is meant to account for market conditions, either increasing or decreasing for the comparables versus the subject's effective date of appraisal. All eight sales were adjusted upward between 5% and 15% for appreciation.

Location: The location adjustment category is used to compare the regional, local, and property specific location features that serve to enhance or diminish the marketability and appeal of a given property. Regional locational factors include broader market conditions, proximity to major urban areas, as well other conditions dependent on the use of the property. Locational factors include analysis of differences in rents, property values, and demand between individual comparable towns versus the subject. Property specific locational factors include compatibility within a neighborhood, as well as property values within a given neighborhood when compared to the larger community as a whole. Sales #1, #2, #5, #6, and #8 required adjustment under this category. Adjustments ranged between 10% and 20%. Sales #4 and #7 are located in Brattleboro and did not require adjustment for location. Sale #3 is located in Castleton, which supports overall similar property values and rents when compared to Brattleboro. It was not adjusted for location.

Lot Size: The adjustments made under this category are meant to reflect differences in the contributory value of each property's site component as it relates to the subject. Factors such as site size, flood hazard status, landscaping, and availability of onsite parking are considered in forming adjustments under this category. Sales #2, #3, and #6 include larger sites and were each adjusted downward 5%.

Condition: The condition category considers differences in the physical and effective age, the level of updates, and the level of deferred maintenance exhibited by each comparable property as it relates to the subject. The subject's condition will be average to good upon completion of the proposed renovations. Sales #1, #2, #4, #6, and #7 were rated as inferior in condition and were adjusted upward between 15% and 30%, while Sale #5 was rated as superior in condition and was adjusted downward 10%. Sales #3 and #8 were rated as similar in condition and were not adjusted.

Number of Units: When analyzing multi-family properties on a sales price per unit basis, it appears that values typically decrease as the given number of units increases, and vice versa, with values increasing as the number of units decreases. As such, adjustments are warranted for large differences in the number of units between given properties. Sales #1 and #5 both include several more units than the subject and were each adjusted upward 5%. Sales #7 and #8 include far fewer units than the subject and were adjusted downward 5%. The remaining sales all have a similar number of units as the subject and were not adjusted.

Average Unit Size: This category is being utilized to adjust for the differences in appeal/marketability between multi-family properties that have a unit mix consisting of larger, multi-bedroom units, versus properties which include much smaller, primarily studio and

Sales Comparison Approach (Continued)

one-/two-room units. Sales #1 and #5 were the only comparable properties that required adjustment under the unit size category. The adjustments for size were all positive, not exceeding 5%.

Other: This category is utilized to adjust for unique property features, amenities, and outbuildings that contribute to the appeal and overall value of the property. Sales #4 and #6 both include detached outbuildings and were each adjusted downward minimally at 3%. The remaining sales did not require adjustment under this category.

Sale #1 required five adjustments. It was first adjusted upward 5% for appreciation that has taken place since this property sold back in December of 2022. It was then adjusted downward 10% for superior location. This property is located in Johnson, Vermont, which is influenced by the nearby Stowe resort area and supports overall higher property values and rents when compared to Brattleboro. The third adjustment was upward 30% for far inferior condition, which was rated as average to fair when this property sold. Sale #1 was then adjusted upward 5% for its (17) units, compared to the subject's proposed (13) units. The last adjustment was upward 5% for smaller average unit size of 556+/- square feet, compared to the subject's average unit size of 860+/- square feet. The net adjustment on Sale #1 is +35%. It supports an adjusted value of \$69,882 per unit, which does represent the bottom of the adjusted value range.

Sale #2 required four adjustments. It was adjusted upward 5% for appreciation that has occurred since the property sold. It sold back in September of 2022. It was then adjusted downward 10% for location. Similar to Sale #1, this property is also located in Johnson, Vermont. Sale #2 was then adjusted downward 5% for its larger, 1.00+/- acre site size. The only other adjustment was upward 15% for its overall average condition, compared to the subject's average to good condition in its "as complete" configuration. The net adjustment on Sale #2 is +5%. It supports a value of \$82,568 per unit.

Sales Comparison Approach (Continued)

Sale #3 required only two adjustments. Like Sales #1 and #2, this sale was adjusted upward 5% for appreciation. It sold back in August of 2022. The only other adjustment was downward 5% for its larger site size of 1.60+/- acres. The net adjustment on Sale #3 is +0%. It supports a value of \$87,500 per unit for the subject in its "as complete" configuration.

Sale #4 required three adjustments. It was first adjusted upward 5% for appreciation that has taken place since this property sold back in May of 2022. It was then adjusted upward 15% for inferior condition, which was rated as overall average when the property sold. The only other adjustment to Sale #4 was downward 3% under the 'other' category for the detached barn on the property. The net adjustment on Sale #4 is +17%. It supports an adjusted value of \$82,432 per unit for the subject.

Sale #5 required five adjustments. This property also sold in May of 2022 and was adjusted upward 5% for appreciation. It was then adjusted downward 10% for location. Like Sales #1 and #2, this property is located in Johnson, Vermont. The third adjustment was downward 10% for the overall good condition of the improvements when this property sold. All of the buildings had been renovated and had upscale appeal. Sale #5 was then adjusted upward 5% for its (16) units, compared to the subject's proposed (13) units. The last adjustment was upward 5% for smaller average unit size of 616+/- square feet, compared to the subject's average unit size of 860+/- square feet. The net adjustment on Sale #5 is -5%. It supports an adjusted value of \$93,516 per unit, which does represent the top of the adjusted value range.

Sale #6 required five adjustments. This sale took place back in September of 2021 and was adjusted upward 10% for appreciation. It was then adjusted downward 20%

Sales Comparison Approach (Continued)

under the location category. This property is located in Montpelier, and benefits from being in the River Front district. Property values, rents, and market conditions in Montpelier are rated as superior when compared to Brattleboro, warranting adjustment. It was then adjusted downward 5% for its larger, 1.08+/- acre site size. The fourth adjustment was upward 15% for inferior condition, which was rated as overall average when the property sold. The last adjustment was downward 3% under the 'other' category for the two-car garage on the property. The net adjustment on Sale #6 is -3%. It supports an adjusted value of \$88,917 per unit for the subject.

Sale #7 required three adjustments. Like Sale #6, this property sold in September of 2021 and was adjusted upward 10% for appreciation. It was then adjusted upward 15% for inferior condition, which was rated as overall average when the property sold. The third adjustment made to Sale #7 was downward 5% for its fewer number of units when compared to the subject. This property includes (10) units, whereas the subject will include (13) units, warranting adjustment. The net adjustment on Sale #7 is +20%. It supports an adjusted value of \$79,500 per unit for the subject in its "as complete" configuration.

Sale #8 required three adjustments. It was first adjusted upward 15% for appreciation that has taken place since the property sold. It sold back in May of 2021. It was then adjusted downward 10% for superior location. It is located in Middlebury, Vermont, which supports overall higher property values and rents when compared to Brattleboro. The only other adjustment was downward 5% for its fewer number of units when compared to the subject. This property includes (10) units, whereas the subject will

Sales Comparison Approach (Continued)

include (13) units, warranting adjustment. The net adjustment on Sale #8 is +0%. It supports a value of \$85,000 per unit for the subject in its “as complete” configuration.

The adjusted value range indicated on a per unit basis by the eight sales is from \$69,882 per unit, as indicated by Sale #1, up to \$93,516 per unit, as indicated by Sale #5. The mean, or average adjusted value indicated by the sales is \$83,664 per unit. The median, or center of the adjusted value range is \$83,784 per unit. When excluding Sales #1 and #5, which support the top and bottom of the adjusted value range, the remaining six sales all support a narrow range of adjusted values from approximately \$80,000 per unit up to \$89,000 per unit. Additional weight is also being given to Sales #4 and #7 because they are located in Brattleboro, as well as Sales #3 and #8 because they have net adjustments of 0%. Sales #3, #4, #7, and #8 support adjusted values of \$87,500 per unit, \$82,432 per unit, \$79,500 per unit, and \$85,000 per unit, respectively. A value of \$85,000 per unit, for a total value of \$1,105,000 is indicated for the subject property in its “as complete” configuration by the sales comparison approach.

Reconciliation of “As Complete” Value

The “as complete” value scenario included both the income approach and the sales comparison approach. The income approach included both the gross rent multiplier method and the direct capitalization method. The gross rent multiplier method supports an “as complete” value of \$1,150,000, while the direct capitalization method supports a slightly higher “as complete” value of \$1,155,000. The sales comparison approach supports an “as complete” value of \$1,105,000. Equal weight is given to each of the approaches. An “as complete” value of \$1,135,000 is reconciled for the subject. The effective date of the “as complete” value is May 1, 2025, which represents the expected completion date of the proposed renovations.

Final Reconciliation of Values**“As Is” Valuation**

Sales Comparison Approach	\$280,000.00
“As Is” Value:	\$280,000.00

“As Complete” Valuation

Income Approach	
>Direct Capitalization Method	\$1,155,000.00
>Gross Rent Multiplier	\$1,150,000.00
Sales Comparison Approach	\$1,105,000.00
“As Complete” Value:	\$1,135,000.00

In determining the “as is” value of the subject property, the sales comparison approach was the only method utilized. The property was vacant and in fair condition, making utilization of the income approach too subjective. The age of the improvements made utilization of the cost approach too subjective as well. The sales comparison approach indicated an “as is” value of \$280,000 for the subject. An “as is” value of \$280,000 is reconciled for the subject property. The effective date of the “as is” value is January 25, 2024, which represents the date of the walkthrough inspection.

In determining the “as complete” value of the subject property, both the income and sales comparison approaches were utilized. The income approach included both the gross rent multiplier and direct capitalization methods. The sales comparison approach was also utilized in the “as complete” valuation. It included (8) comparable multi-family sales. The three methods utilized support “as complete” values for the subject ranging from \$1,105,000 up to \$1,155,000. Equal weight was given to all three approaches utilized and an “as complete” market value of \$1,135,000 is reconciled for the subject. The effective date of the “as complete” value is May 1, 2025, which represents the expected completion date of the proposed improvements. Extraordinary assumptions were made in completing this appraisal. In the event the assumptions are not met, the “as complete” value assigned would be invalid.

Value Conclusion

Therefore, as a result of the analysis and conclusions drawn from herein, it is the appraiser's opinion that the "as is" value of the Megan Talbot property located at 33 Oak Street in Brattleboro, Vermont is Two Hundred Eighty Thousand Dollars (\$280,000.00). The effective date of the "as is" value is January 25, 2024, which represents the date of the walkthrough inspection of the property. The "as complete" value of the subject property is One Million One Hundred Thirty-Five Thousand Dollars (\$1,135,000.00). The effective date of the "as complete" value is May 1, 2025, which represents the expected completion date of the proposed renovations. Market value is defined as a sale within a reasonable period of time, which is estimated at 6+/- months for the subject property. Extraordinary assumptions were made in completing this appraisal. In the event the assumptions are not met, the "as complete" value assigned would be invalid.

Qualifications of the Appraiser

Brian B. Audy, Certified General Appraiser

Appraisal Experience

1989 to Present - Appraised primarily commercial, industrial and institutional properties throughout central and southern Vermont.

1978 through 1989 - Appraised, prepared feasibility studies and reviewed several hundred residential, estate, recreation, and commercial appraisals throughout Vermont.

Prior experience includes Assessor for the Town of Shaftsbury, Vermont 1979-1982; licensed and sold real estate 1977-1978; worked in building construction 1968-1970.

Professional Memberships and Designations

Certified General Real Estate Appraiser by the State of Vermont License #80-00000063; Certified for residential and condominium work from Vermont Housing Finance Agency; Certified for Veterans Administration and Housing and Urban Development appraisals.

Appraisal Institute, Vermont Chapter
Board of Directors -1991 through 1993

Appraisal Institute, New Hampshire Chapter
Past Affiliate Member

Appraisal Institute, Upstate New York Chapter
Past Affiliate Member

American Red Cross, Green Mountain Chapter Board
of Directors -1991 through 1993

Education

Society of Real Estate Appraisers, Residential Course 101, Capitalization Course 201, and commercial seminars. American Institute of Real Estate Appraisers A-2. American Institute Standards of Professional Practice. Vermont Housing Finance Agency residential and condominium course, Business law and other related real estate courses, Johnson State College, Johnson, Vermont 1971-1975 BA - Business and economic concentration.

Clients include financial institutions throughout central and southern Vermont, the Federal Deposit Insurance Corp., the United States Attorney and Marshals Offices, Attorneys and Business Owners.

Client List

*Bank of Bennington
Brattleboro Savings
T.D. Banknorth
Northfield Savings Bank
Key Bank
Community Bank
M&T Bank
Heritage Credit Union
Vermont State Credit Union*

*Shires Housing
Vermont Economic Dev. Corp.
Rutland Economic Dev. Corp.
Bennington County Indus. Corp
Windham County Industrial Corp.
Vermont Housing Finance Agency
Small Business Admin.
Rutland County Affordable Housing Agency*

*Town of Arlington
Town of Bennington
Town of Winhall
Town of Cavendish
Town of Manchester*

State of Vermont
Real Estate Appraisers
Certified General Real Estate Appraiser

Brian B Audy
PO Box 688
Arlington, Vermont 05250-0688

Credential #:
080.0000063
Status:
Active
Effective:
Jun 01, 2022
Expires:
May 31, 2024

Notable Persons

Specialties

James C. Condes
Secretary of State

For the most accurate and up to date record of licensure, please visit <https://www.vermont.gov/app/online-services/>

State of Vermont
Real Estate Appraisers
Certified General Real Estate Appraiser - Trainee

Hayden L Audy
918 Old West Road
Arlington, Vermont 05250-0654

Credential #: 080.0134122-TRNE
Status: Active
Effective: Nov 01, 2023
Expires: Oct 31, 2025

Notable Persons
Supervisor: Brian Audy

Specialties

James C. Condes
Secretary of State

For the most accurate and up to date record of licensure, please visit <https://www.vermont.gov/app/online-services/>



January 18, 2024

Audy Appraisals, P.C.
 Brian Audy
 PO Box 688
 Arlington, VT 05250

Dear Brian,

This letter is to confirm our request for a real estate appraisal on the following property:

Address: 33 Oak Street, Brattleboro, VT

Owned by: Megan Talbot

Contact: **Owner's Rep/On-site Contractor:** Timothy Munroe 818-326-8584

Requirement: As-is real estate value, and as-complete real estate value w/ the proposed 13 residential rental units.

The Brattleboro Savings and Loan Association, as a FDIC insured, state chartered savings bank, is required to comply with FDIC Regulations on appraisals. Section 323.4 of the Regulation requires that all appraisers must conform to the Uniform Standards of Professional Appraisal Practice (USPAP). The appraisal must also conform to the requirements contained in Title XI of FIRREA. An Addendum is attached outlining the minimum appraisal standards required by The Brattleboro Savings and Loan Association. The appraisal must be prepared for the benefit of The Brattleboro Savings and Loan Association.

The principal appraiser must inspect the property and be familiar with all comparable sales utilized in the report. The principal appraiser shall sign the report as well as all individuals providing significant assistance in the report. The principal appraiser may not sign as a review appraiser. The appraisal shall reference whether or not the property is located in a Flood Hazard Zone.

Subcontracting of this assignment or portions of this appraisal is expressly forbidden without the prior written consent of The Brattleboro Savings and Loan Association.

In order to be acceptable to The Brattleboro Savings and Loan Association, your appraisal must fully comply with the USPAP standards. We reserve the right to review appraisals for conformance with our requirements before acceptance. Appraisals that do not meet minimum The Brattleboro Savings and Loan Association standards are subject to return for correction or clarification or may be rejected entirely.



If you accept this assignment, please sign where indicated below and return this letter to us along with a signed copy of the attached Addendum. If you have any questions or require any additional information, please call me at (802) 275-3961.

Sincerely,

Robert Davis

Robert Davis
Commercial Banking Officer

Appraisal assignment accepted this 19th day of January 2024. Appraisal will be prepared in conformance with USPAP and The Brattleboro Savings and Loan Association standards. The appraisal shall be completed and delivered to the Bank no later than February 16, 2024 for a fee of \$2,200.

BBAJ
Brian Audy

1-19-24
Date



APPRAISAL REQUIREMENT ADDENDUM

CERTIFICATION:

The appraiser certifies and agrees that:

1. The appraisal conforms to the Uniform Standards of Professional Appraisal Practice (USPAP) adopted by the Appraisal Standards Board of the Appraisal Foundation. The report will contain the appraiser's certification of compliance with USPAP.
2. The appraisal is based upon the following definition of market value:
 - a. Market value means 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.
3. The appraisal will meet the following "Appraisal Standards" as required by Title XI of FIRREA. Appraisals must:
 - a. Be sufficiently descriptive to enable the reader to ascertain the estimated market value and the rationale for the estimate;
 - b. Provide detail and depth of analysis that reflect the complexity of the real estate appraised;
 - c. Analyze and report in reasonable detail any prior sales of the property being appraised that occurred within the following time periods:
 - for 1-4 family residential property, one year preceding the date when the appraisal was prepared;
 - for all other property, three years preceding the date when the appraisal was prepared.
 - d. Analyze and report data on current revenues, expenses and vacancies for the property if it is and will continue to be income producing;
 - e. Analyze and report a reasonable marketing period for the subject property;



- f. Analyze and report on current revenues, expenses and vacancies for the property if it is and will continue to be income producing;
- g. Analyze and report on current market conditions and trends that will affect projected income or the absorption period, to the extent they affect the value of the subject property;
- h. Analyze and report appropriate deductions and discounts for any proposed construction, or any completed properties that are partially leased or leased at other than market rents as of the date of the appraisal, or any tract developments with unsold units;
- i. Include in the certification required by the USPAP an additional statement that the appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan;
- j. Contain sufficient supporting documentation with all pertinent information reported so that the appraiser's logic, reasoning, judgment, and analysis in arriving at a conclusion indicate to the reader the reasonableness of the market value reported;
- k. Include a legal description of the real estate being appraised, in addition to the description required by the USPAP;
- l. Identify and separately value any personal property, fixtures, or intangible items that are not real property but are included in the appraisal, and discuss the impact of their inclusion or exclusion on the estimate of market value; and
- m. Follow a reasonable valuation method that addressed the direct sales comparison, income, and cost approaches to market value, reconciles those approaches, and explains the elimination of each approach not used.
- n. If information required or deemed pertinent to the completion of an appraisal is unavailable, that fact shall be disclosed and explained in the appraisal.

Date: 1-19-29

Brian Audy
Appraiser's Name (please print or type)

BBAJ
Appraiser's Signature

Review Appraiser Name (please type)

Review Appraiser Signature

