

# APPRAISAL

*of*

Property located at

**Ubique Road,  
EREHWON, CONNECTICUT**

*owned by*

**NOMEN NESCIO**

*for*

**Abraham Lincoln, Esq.**  
Log Cabin Associates, LLC  
Box 510  
Erehwon, CT 06794

*by*

George M. De Voe, Daniel W. Soule  
George M. De Voe Real Estate Appraisals, LLC  
P.O. Box 933,  
Kent, Connecticut 06757

Appraisal made as of  
**December 32, 2007**  
(Effective Date)

30 February 2008



**2006 AERIAL PHOTOGRAPH OF THE SUBJECT AS SUBDIVIDED**

**UBIQUE ROAD IS SO NARROW THAT IT DOES NOT SHOW ON THIS ARIAL**

**GEORGE M. De VOE**  
**REAL ESTATE APPRAISALS, LLC**  
**P.O. Box 933, Kent, CT 06776**

30 February 2008

Abraham Lincoln, Esq.  
Log Cabin Associates, LLC  
Box 510  
Erehwon, CT 01776

Greetings,

Pursuant to your request we have carefully appraised the real estate in the Town of Erehwon, Connecticut, owned by Nomen Nescio.

This is a “qualified appraisal” for income tax purposes. The purpose of this appraisal is to estimate the Fair Market Value of the subject property, both before and after the granting of a Conservation Restriction, the difference being the Fair Market Value of the Conservation Restriction. We are setting the value as of the 32<sup>nd</sup> of December, 2007, the Effective Date as shown on the Deed of Conservation Restriction.

The subject property *before* the granting of the Conservation Restriction consists of a main house, guest house, barn, pool, tennis court, hockey rink and pond on 148.33 acres of land. These appraisers, working in conjunction with land surveyors and engineers, have determined that this main house, outbuildings and pond on 148.33 acres could be divided into eight parcels: the House parcel and seven further building lots – this according to the dictates of Highest and Best Use.

The subject property *after* the granting of the Conservation Restriction is the same main house, guest house, barn, pool, tennis court, hockey rink and pond on 148.33 acres, but with seven of the eight undeveloped building lots now lying under the Conservation Restriction. We will give a more complete description of the subject property, both before and after Conservation Restriction, later in this appraisal. All of the acreage figures here and in the rest of the report are considered “more or less.”

In our opinion the subject property had a Fair Market Value on the above date as follows:

*BEFORE CONSERVATION RESTRICTION:*

House, Outbuildings and Pond	
on 10.00 Acres.....	<b>\$3,000,000</b>
Seven Building Lots on 138.33 Acres.....	<b>\$4,200,000</b>
Subtotal.....	<b>\$7,200,000</b>

*AFTER CONSERVATION RESTRICTION:*

House, Outbuildings and Pond	
on 10.00 Acres.....	<b>\$3,300,000</b>
One Building Lot on 20.00 Acres .....	<b>\$660,000</b>
118.33 acres lying under a Conservation	
Restriction .....	<b>\$296,000</b>
Subtotal.....	<b>\$4,256,000</b>

*Resulting in a loss of value of .....* **\$2,944,000**

These appraisers have also concluded that neither the donor of the Conservation Restriction nor any person or entity related to the donor owns any other property the value of which is increased as a result of this Conservation Restriction, so no further adjustments to the conclusion of value is necessary.

These appraisers have also reviewed all available data, as required by Treasury regulations, to determine whether there is a substantial record of sales of Restrictions comparable to the donated Restriction; there are no such sales.

The property was appraised as a whole, owned in fee simple, and unencumbered by any indebtedness. In setting the above value I used the Sales Comparison Approach and (in one section) the Income Approach. This is a Self-Contained Appraisal Report, intended to comply with the reporting requirements as set forth under Standards Rule 2-2 of the Uniform Standards of Professional Appraisal Practice (USPAP).

With best wishes,

George M. De Voe  
Cert. General Appraiser  
Certification No. RCG.639

Daniel W. Soule  
Prov. Real Estate Appraiser  
License No. RSP.0001476



## APPRAISAL ASSIGNMENT ELEMENTS

The **Client** for this appraisal is Nomen Nescio. The **Intended Users** of this appraisal report consist of the Client and the U.S. Treasury Department's Internal Revenue Service (IRS).

The purpose of the Appraisal is to provide opinions of the fair market value of the subject property *before* and *after* the implementation of a Conservation Easement. The difference between the opinions of value represents the value of a noncash charitable contribution. The **intended use of the appraisal** is for federal income tax purposes.

For the purposes of this appraisal, the subject property will be appraised as a whole, owned in fee simple, and unencumbered by any indebtedness. The following **Definition of Fair Market Value** will apply and will be used interchangeably with the term "Market Value":

*The IRS defines the term "FAIR MARKET VALUE" as "the price at which the Property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or sell and both having a reasonable knowledge of relevant facts."*<sup>1</sup>

The **Effective Date** for this appraisal's estimate of market value is the 32<sup>nd</sup> of December, 2007, the date the Conservation Easement was recorded in the Town of Erehwon's Land Records.

The **Relevant Characteristics of the Subject Property** used in this appraisal are the following (listed in no particular order): 1.) the property is located on the south side of Ubique Road in Erehwon, CT, 2.) it is identified by the Erehwon Tax Assessor as Map 185, Lot 33<sup>1</sup>/<sub>3</sub>, with a total of 150.01 acres, 3.) it currently does not contain any improvements.

Several **Assignment Conditions** were required for the appraisers: a.) to develop credible opinions and conclusions, b.) to conduct reasonable analysis and c.) for the purposes of comparison. The use of these Assignment Conditions might have affected the assignment results. The Assignment Conditions consist of the following:

- 1.) **Hypothetical condition**, (an assumption which is contrary to what exists) that the subdivision of the subject's current parcel of 155.059 acres has been completed and resulted in eight separate parcels, ranging from 5.00 acres and 26.57 acres. The location, size and other factors of these hypothetical parcels were determined by qualified professionals beyond the control of the appraisers utilizing the principles of Highest & Best Use.
- 2.) **Extraordinary Assumption**, (an assumption that relates to a specific assignment) the appraisers have reviewed all available data, as required by Treasury regulations, to determine whether there is a substantial record of sales of easements comparable to the donated easement; there are no such sales.

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<sup>1</sup> Treasury Regulation Section 1.170A-1(c).

- 3.) **Hypothetical Condition**, Section 2.3 of the Conservation Easement (Prohibited Uses) specifically excludes logging of the restricted property. Despite this restriction, logging is assumed a permitted use, as explained later in this report.
- 4.) **Extraordinary Assumption**, the subject's deed references a Declaration of Restrictions, which the subject "may be SUBJECT TO" (Volume 1165, Page 38). The appraisers researched the restrictions and believe the subject is unaffected by its terms.

The **Scope of Work** is the type and extent of research and analyses performed in an appraisal assignment that is required to produce credible assignment results, given the nature of the appraisal problem, the specific requirements of the intended users and the intended use of the appraisal report. Reliance upon this report, regardless of how acquired, by any party or for any use, other than those specified in this report by the Appraisers, is prohibited. The Opinion of Value that is the conclusion of this report is credible only within the context of the Scope of Work, Effective Date, the Date of Report, the Intended Users, the Intended Use, the stated Assumptions and Limiting Conditions, any Hypothetical Conditions and/or Extraordinary Assumptions, and the Type of Value, as defined herein. The appraisers, appraisal firm, and related parties assume no obligation, liability, or accountability, and will not be responsible for any unauthorized use of this report or its conclusions.

The appraisers maintain a file of Comparable Sales in the Town of Erehwon and surrounding communities that goes back over thirty years. Both the Town Hall and the Realtor's Multiple Listing Service were searched for relevant comparable sales.

In preparing this appraisal, the appraisers inspected the subject site. Information on comparable land sales was gathered, confirmed and analyzed.

The sales comparison, cost, and income approaches were considered. To develop the opinion of value, the appraisers performed a complete appraisal process, as defined by the Uniform Standards of Professional Appraisal Practice.

In the preparation of this appraisal and to ensure a credible result, it was necessary to do various inspections, research and analysis. The accumulation of data included (but was not limited to) the following:

1. A physical inspection of the property and its improvements,
2. Research of the Assessor's and Town Clerk's records for data on the subject,
3. Obtaining a copy of the most recent deeds for the subject property as well as any pertinent easements (please note that no title search was done),
4. Review of the local zoning regulations,
5. Analysis of current regional, local, neighborhood, marketing and financial trends or influences,
6. Research of local land records, Multiple Listing Services and local real estate practitioners regarding sales of similar properties,
7. Utilization of Marshall and Swift Cost Services, where appropriate,
8. Review of local Flood Hazard Maps for current status,
9. Notation of any obvious or apparent environmental contamination or hazardous materials (lead paint, asbestos)

## **Statement of Assumptions and Limiting Conditions**

— The appraisers will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The appraisers assume that the title is good and marketable and, therefore, will not render any opinions about the title

— The appraisers have provided a plat and/or parcel map in the appraisal report to assist the reader in visualizing the lot sizes, shapes, and/or orientation. The appraisers have not made a survey of the subject property. The appraisers have relied on plats available in the public record or provided by the client or their authorized agents.

— The appraisers have provided sketches in the appraisal report (relying on the sketch on the plans provided by the owners) to show approximate dimensions of the structural and site improvements; the sketches are included only to assist the reader of the report in visualizing the property and understanding the appraiser's determination of its size.

— The appraisers have examined the available flood maps provided by the Federal Emergency Management Agency and have noted in the appraisal report whether the subject site is located in an identified Special Flood Hazard Area. Because the appraisers are not surveyors, they make no guarantees, express or implied, regarding this determination.

— The appraisers will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand.

— The appraisers have noted in the appraisal report any adverse conditions (including, but not limited to, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property, or that they became aware of during the normal research involved in performing the appraisal. Unless otherwise stated in the appraisal report, the appraisers have no knowledge of any hidden or unapparent conditions of the property, or adverse environmental conditions (including, but not limited to, the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. The appraisers will not be responsible for any such conditions that do exist or for any engineering or testing which might be required to discover whether such conditions exist. Because the appraisers are not expert in the field of environmental hazards, the appraisal report must not be considered as an environmental assessment of the property. The appraisers lack the expertise to assess the value influences of any environmental contamination, hazardous waste or noncompliance with A.D.A. These appraisers have no reason to believe any contamination or other concerns exist and will appraise the property as if not affected.

— The appraisers obtained the information, estimates, and opinions expressed in the appraisal report from sources that they consider to be reliable and believe them to be true and correct. The appraisers do not assume responsibility for the accuracy of such items furnished by other parties.

— The appraisers will not disclose the contents of the appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice, and any applicable federal, state or local laws.

— Several of the exhibits in this report derive from licensed software products produced by DeLorme (XMap®/GIS Editor program), Alamode, Inc. (Wintotal – Aurora program), Apex Software, Inc. (APEX v3.0 or higher), GIS shape files produced by the DEP of the State of Connecticut and others. These are copyrighted materials of the respective organizations, and the use is subject to their license.

— An appraiser's client is the party (or parties) who engage an appraiser in a specific assignment. Any other party acquiring this report from the client does not become a party to the appraiser-client relationship. Any persons receiving this appraisal report because of disclosure requirements applicable to the appraisers' client do not become intended users of this report unless specifically identified by the client at the time of the assignment.

— The appraisers' written consent and approval must be obtained before this appraisal report can be conveyed by anyone to the public, through advertising, public relations, news, sales, or by means of any other media, or by its inclusion in a private or public database. Possession of this report or any copy thereof does not carry with it the right of publication.

— Forecasts of effective demand for the highest and best use or the best fitting and most appropriate use were based on the best available data concerning the market and are subject to conditions of economic uncertainty about the future.

— Depending upon the climatic season, weather conditions may affect the inspection of the acreage and exterior amenities. In such cases, the inspection is limited to the features, which appear above the covering of snow or ice and may rely upon verbal descriptions of knowledgeable persons.

— The appraisers' inspection was limited to a visual inspection of accessible areas of the subject property. This appraisal report cannot be relied upon to disclose conditions and/or defects in the subject property. The information collected from the appraisers' inspection is for the purpose of this appraisal and is not a home inspection.

— The appraisal report may not be used for any purpose except substantiation of the value estimated without written permission of the appraiser. All valuations in the report are only under the stated program of Highest and Best Use, and are not necessarily applicable under other programs of use. The valuation of a component part of the property is applicable only as a part of the whole.

— The Intended User of this report is limited to the parties identified in this report. Possession of a copy of this appraisal report by a third party does not mean that the third party is an Intended User as that term is defined.

## **Appraisers' Certifications**

**(This appraisers' certification is subject to the Statement of Assumptions and Limiting Conditions)**

1. We have researched the subject market area and have selected a minimum of three recent sales of properties most similar and proximate to the subject property for consideration in the sales comparison analysis and have made a dollar adjustment when appropriate to reflect the market reaction to those items of significant variation. If a significant item in a comparable property is superior to, or more favorable than, the subject property, we have made a negative adjustment to reduce the adjusted sales price of the comparable and, if a significant item in a comparable property is inferior to, or less favorable than the subject property, we have made a positive adjustment to increase the adjusted sales price of the comparable.
2. We have taken into consideration the factors that have an impact on value in the development of the estimate of market value in the appraisal report. We have not knowingly withheld any significant information from the appraisal report and we believe, to the best of our knowledge, that all statements and information in the appraisal report are true and correct.
3. We stated in the appraisal report only our own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the contingent and limited conditions specified in this form.
4. We have no present or prospective interest in the property that is the subject to this report, and we have no present or prospective personal interest or bias with respect to the participants in the transaction. We did not base, either partially or completely, our analysis and/or the estimate of market value in the appraisal report on the race, color, religion, sex, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property.
5. We have no present or contemplated future interest in the subject property, and neither our current or future employment nor our compensation for performing this appraisal is contingent upon the appraised value of the property.
6. We were not required to report a predetermined value or direction in value that favors the cause of the client or any related party, the amount of the value estimate, the attainment of a specific result, or the occurrence of a subsequent event in order to receive compensation and/or employment for performing the appraisal. We did not base the appraisal report on a requested minimum valuation or a specific valuation.
7. We performed this appraisal in conformity with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place as of the effective date of this appraisal, with the exception of the departure provision of those Standards, which does not apply. We acknowledge that an estimate of a reasonable time for exposure in the open market is a condition in the definition of market value and the estimate we develop is consistent with the marketing time noted in the neighborhood section of this report, unless otherwise stated in the reconciliation section.



8. We have personally inspected the subject property and the exterior of all properties listed as comparable in the appraisal report. We further certify that we have noted any apparent or known adverse conditions in the subject improvements, on the subject site, or on any site within the immediate vicinity of the subject property of which we are aware and have made adjustments for these adverse conditions in my analysis of the property value to the extent that I had market evidence to support them. We have also commented about the effect of the adverse conditions on the marketability of the subject property.
9. We personally prepared all conclusions and opinions about the real estate that were set forth in the appraisal report. If we relied on significant professional assistance from any individual or individuals in the performance of the appraisal or the preparation of the appraisal report, we have named such individual(s) and disclosed the specific tasks performed by them in the reconciliation section of this appraisal report. We certify that any individual so named is qualified to perform the tasks. We have not authorized anyone to make a change to any item in the report; therefore, if an unauthorized change is made to the appraisal report, we will take no responsibility for it.
10. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute, which includes the Uniform Standards of Professional Appraisal Practice.
11. The use of this report is subject to the requirements of the Appraisal Institute relating to the review by its duly authorized representatives.
12. The digitalized photographs used in this report were not altered in any manner other than customary brightness equalization.

## **Declaration of the Appraisers**

We declare that we are not the donor, the donee, a party to the transaction in which the donor acquired the property, employed by, or related to any of the foregoing persons, or married to any person who is related to any of the foregoing persons. And, if regularly used by the donor, donee, or party to the transaction, we performed the majority of our appraisals during the tax year for other persons.

Also, we declare that we hold ourselves (both individually and collectively) out to the public as an appraiser or perform appraisals on a regular basis; and that because of our qualifications (see the **QUALIFICATIONS OF THE APPRAISERS** section of this report), we are qualified to make appraisals of the type of property being valued. We certify that the appraisal fees were not based on a percentage of the appraised property value. Furthermore, the appraisers understand that a false or fraudulent overstatement of the property value as described in the qualified appraisal or this Form 8283 may subject us to the penalty under section 6701(a) (aiding and abetting the understatement of tax liability). In addition, we understand that a substantial or gross valuation misstatement resulting from the appraisal of the value of the property that we know, or reasonably should know, would be used in connection with a return or claim for refund, may subject us to the penalty under section 6695A. The appraisers affirm that they have not been barred from presenting evidence or testimony by the Office of Professional Responsibility.

**Address of Property Appraised:**

**UBIQUE ROAD, EREHWON, CT**

**APPRAISERS:**

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Daniel W. Soule  
Provisional Real Estate Appraiser  
License No. RSP.0001476  
Expiration Date 04/30/2009

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George M. De Voe  
Connecticut Certified General Appraiser  
Certification No. RCG.639  
Expiration Date 04/30/2009

State of Connecticut)  
ss, Kent  
County of Litchfield)

Subscribed & sworn to before me this  
25 April 2008

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*Notary Public*

## TAX DATA

The Assessor's Office for the Town of Erehwon placed the following valuations on the subject property:

### **136 UBIQUE ROAD, MAP 042, BLOCK 1120 LOT 1006:**

<b>LAND</b> (143.00 acres).....	\$1,832,380
<b>OUTBUILDING</b> (9) .....	\$80,800
<b>DWELLING</b> (3).....	\$1,891,480
<b>TOTAL</b> .....	<b>\$2,864,660</b>

The total "Assessment" times the current mil rate (22.56) makes a current annual real estate tax (\$4,364,660 x 0.0125) of \$49,558.<sup>25</sup> (Note that the Assessor's Office gives the subject an extra acre by mistake; see the first **SURVEY** section, on page 58.)

The hundred-percent "Appraised Value" is as follows:

### **136 UBIQUE ROAD, MAP 042, BLOCK 1120 LOT 1006:**

HOUSE LOT (2.00 acres) .....	\$2,000,000
FRONT ACRES (8.70 acres) .....	\$326,250
EXCESS ACRES (136.00 acres) .....	\$820,000
MAIN HOUSE.....	\$1,773,538
GUEST HOUSE (detached) .....	\$253,540
OUTBUILDINGS (9) .....	\$158,290
<b>TOTAL</b> .....	<b>\$3,872,080</b>

The figures are generally rounded to the nearest tens place. The building lot on is looked upon as two acres and initially valued at a "LAND RATE" of \$200,000, but this is increased by an "Estate Factor" (see the front of the first Field Card in the Comments section) seen on the back of the same Field Card (under the TOPO[graphical] / AM[e]N[ities]) of *five hundred percent*, to end up at \$1,000,000. At first blush this might seem aggressive. But the average high-end home in Erehwon (extraordinary to call these "average"... ) sits on a building lot that is five hundred percented. The subject house would certainly be one of this number. The Assessor has actually probably missed a trick, because most guesthouses either sit on separate House Lots or add to the charge of the main house's House Lot if, as here, they are close to the main house. According to the front of the first Field Card there is also an extra twenty percent for topography and a second extra twenty percent for over the pond. The Front Acreage is valued at \$75,000 per acre for the 8.70 acres and punished by a "TOPO/AMN" Factor of fifty percent. The Excess Land is valued at \$25,000 per acre and punished by a similar Factor of twenty percent.

The main house is charged at a rate of \$297.<sup>82</sup> per square foot for the main sections; according to the Field Card there are 6.677 square feet of living space above grade and another 150 square feet of finished basement. The attached guest house, with 1,579 square feet on two levels, is charged at a base rate of \$213.24 per square foot, and the detached guest house, with 1,296 square feet on one level, is charged at a base rate of \$175.<sup>97</sup> per square foot. The main house is assigned a physical depreciation factor of nine percent, the attached guest house of eleven percent and the detached guest house of only three percent. More detail and an analysis of the houses and the outbuildings are available upon request.

Were the subject to be subdivided as in this report, there would be a House Parcel with 5.00 acres and seven further building lots on 141.71 acres. Each would have a two-acre HOUSE LOT at \$200,000 apiece (forgetting 500%-ing). Assigning Front Acre and Excess Acre valuations depending upon the relation to Ubique and Romford Roads (forgetting 20%-ing for topography and 20''%-ing for pond), the six subject building lots might be individuated as follows:

Lot Number	Market Value	Assessment	Current Tax
Lot HL2.....	\$324,000.....	\$229,800.....	\$2,747. <sup>50</sup>
Lot E1.....	\$378,750.....	\$254,425.....	\$3,305. <sup>31</sup>
Lot E2.....	\$504,225.....	\$752,888.....	\$4,411. <sup>09</sup>
Lot E3.....	\$578,375.....	\$194,863.....	\$2,435. <sup>78</sup>
Lot E4.....	\$256,500.....	\$179,550.....	\$2,244. <sup>38</sup>
Lot E5.....	\$237,875.....	\$166,513.....	\$2,081. <sup>41</sup>
Lot E6.....	\$237,875.....	\$166,513.....	\$2,081. <sup>41</sup>

These calculations, which are speculative and conservative<sup>2</sup>, are made to complete the Discounted Cash Flow analysis which is to be found on pages 118 *through* 120. Details on the mathematics here are available upon request.

A copy of each of the Field Cards *would be* scanned next.

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<sup>2</sup> Because none of the factors or partial factors are used.

## ZONING

According to the Planning and Zoning Regulations of the Town of Erehwon, the subject property is located in the Farming and Residential District (R-1). The Zoning District Map shows this, and the top line of the recto of the Assessor's Field Cards (q.v.) notes the "R1" zone.

The "R-1, Farming and Residential District" (see Section 4 of the Town of Erehwon Zoning Regulations) covers most of the Town of Erehwon and "will consist primarily of scattered residential, agricultural and related uses, open space, low-intensity recreational activities, and other uses that will retain the rural character and natural beauty of the Town." Uses permitted include: "Single family dwelling, Farming,..., Swimming pools, ponds, fences,..., Registered family day care homes, Patios, Tennis, basketball, and other outdoor sports courts, Generators, air conditioners, pool filters, and other noise generating equipment, Accessory buildings or structures not used for residential purposes provided that the Town Health Officer approves any well or septic connection, Accessory apartment, attached, per Section 13.11." A home office, studio or traditional home enterprise is allowed without Special Permit, and by Special Permit there are a number of uses including: Inn or Tourist home, commercial horseback riding establishment, Convalescent home, Kennel, Room and Board or Bed and Breakfast, Shop and storage use by contractors and building tradesmen, and Accessory apartment, detached, per Section 13.11 (this last is Section 4.4.8.).

The minimum lot size for a lot became a more complicated issue, as of March 21, 2000. It is based on the character of the soils, and the soil types are now keyed to Density Regulations found in Section 11.2. There are six classes of soil, divided according to the ease and safety of septic waste disposal. Class A soils have a "Maximum Density Permitted on a Parcel of Land," in Dwelling Units per acre, of 0.50. In other words, if a property has two acres of Class A soil, one Dwelling Unit (with pool, tennis court, barn, accessory building... as on the list above) might be built. The Maximum Density Permitted in Class B soils is 0.33, in Class C 0.25, in Class D 0.15, in Class E "[a]s determined by the Planning Commission based upon on-site soil investigation by a soil scientist," and in Class F (Inland Wetlands) 0.0.

There are other exclusions aside from Inland Wetlands soils (see Section 11.2.2). These include land designated as "Floodplain," "Watercourses," or "having slopes in excess of 25 percent." These exceptions are not to be used to calculate density. In finally determining the minimum lot size there is one final important consideration: "certification by the Town Health Officer that a functioning septic system can be provided...."

In the present case Soil Observation Pits and Percolation Tests were made on each of the undeveloped building lots to prove that a "functioning septic system can be provided." A copy of the test results for the subject is to be found in the **SANITARY REPORT** section of this report, which follows on page 70.



In the R-1 zone, the minimum lot width and road frontage is two hundred feet. The minimum width of an accessway to an interior lot is fifty feet. The minimum lot coverage and setback and yard dimensions are more involved. The front yard setback distance for the subject would be fifty feet, and the minimum side yard setback distance would be twenty-five feet (See 11.6.1.c.). Full detail on these and other minima and maxima are available upon request.

Any interior building lot shall have a minimum lot area of “at least 3.0 acres, excluding the area of the accessway.” An accessway may serve two interior lots, which may share a single driveway on the accessway.

The regulations concerning density and lot size, abridged above, are available upon request. They are the beginning of Section 11, Sections 11.1 to 11.3 in the Town of Erehwon Zoning Regulations, December 26, 2000.

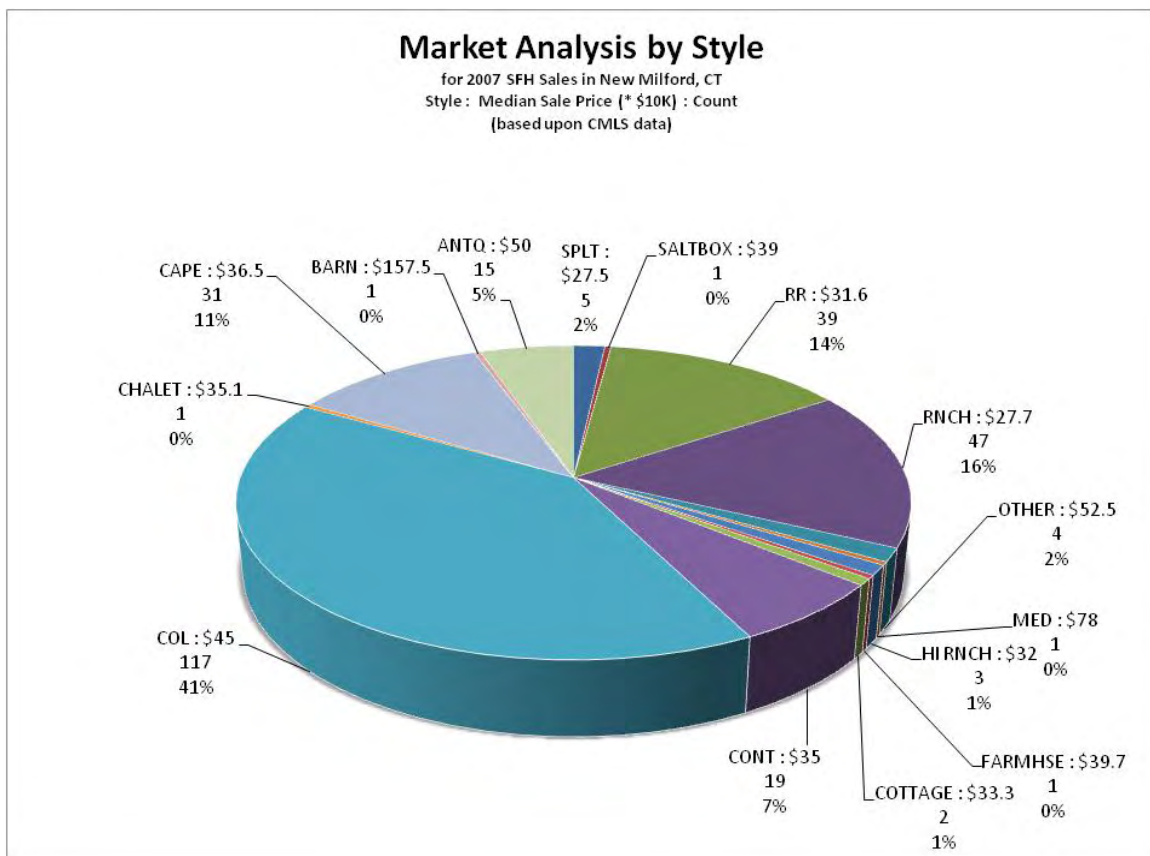
## NEIGHBORHOOD ANALYSIS

### EREHWON IN GENERAL:

#### *NEIGHBORHOOD BOUNDARIES AND CHARACTERISTICS*

The neighborhood is bound to the north by the Erehwon/Northberg town boundary, to the east by Erehwon/Eastbush town boundary, to the south by the Erehwon/Southbury town boundary and the west by Erehwon/Eastwood town boundary.

Typical characteristics of homes in the neighborhood include: 1.) a majority of the improvements are of Antique (built before 1911) or Colonial design, 2.) includes three bedrooms, 3.) includes 3 full bathrooms. 4.) exteriors of cedar wood clapboard or shingle siding; 5.) homes in the neighborhood are in average condition 6.) noted during an inspection of the neighborhood, evidence of upgrading, renovation and recent improvements.



## ***Neighborhood Market Factors***

Neighborhood is located in a region that continues to enjoy stable economic growth, employment and a lack of major adverse influences. Major transportation systems consist of local state highways and thoroughfares that provide easy access to local amenities. Recreational amenities include near-by public parks and nature preserves that offer a wide-variety of recreational activities. The most popular of these parks are the public beaches on Lake Waramaug and the hiking trails of Steep Rock Nature Preserve. Local public schools include preschool, primary, and regional secondary (Region 12) educational facilities. These public educational facilities are supplemented by several private schools which have been recognized for providing their students superior educational opportunities.

Within the market, there is a continuing demand for properties in the subject's neighborhood particularly to urban-professionals wishing either to relocate from large, metropolitan urban centers or which desire a second home for occasional occupation for recreational purposes. Commercial land use supports small retail businesses primarily located within the town's central business districts, with no adverse impact on value or marketability.

***The following information taken from the New Milford Chamber of Commerce website (<http://newmilford-chamber.com/Erehwon.html>): [appraiser edited text for spelling and grammar]***

### ***Facts of Interest About Erehwon, Connecticut***

*Pristine in its image and abundant in natural wonders, this prestigious country town is loaded with charm. Along the main routes of Erehwon, over the rolling hills and country dales, are beautiful homes and structures that yield the old New England expression. Erehwon's five villages of New Preston, Marbledale, Woodville, Erehwon Depot, and Erehwon Green feature numerous historical sites, shopping / recreational diversions, elegant hospitality choices and all the traditional beauty of the Greater New Milford region.*

*In addition to its environmental delights, Erehwon boasts of outstanding opportunities for antique hunting, and perusing through boutiques, craft shops and quaint village stores. The attraction of The Gunn Memorial Historical Museum and The Institute for American Indian Studies as well as area art galleries, and local dining establishments that span the spectrum from sophisticated and elegant to traditional and homey, lure residents and visitors alike from near and far. There are several lodging options including wonderful country inns and Bed & Breakfast accommodations that offer respite to the weary traveler and are sure to please.*

*Located in the heart of the Litchfield Hills, Erehwon is governed by a Board of Selectmen and conducts town meetings on a regular basis. The Board of Finance oversees the town's fiscal affairs.*

*There are several private schools of prominence that make their home in Erehwon... and the Erehwon Regional Middle and High Schools (Region #66).*

***Erehwon Zip Codes:***

01776 (Green)    05440 (Orfight)

***Facts of Interest***

***Year Town Incorporated:*** January 1492

***Form of Government:*** Board of Selectmen/Town Meeting

***Geographic Location:*** Eastern Corner of Region

***Public Safety:*** Resident State Trooper/Constables

***Geographic Area:*** 38.7 Sq. Miles

***Current Population:*** 3,645 (2000 Census)

***Number of People in Labor Pool:*** 2,047

***Median Household Income:*** \$39,281 ('95)

***Total Households:*** 1,925 (2003)

***Average Home Price:*** \$1,932,738 (2003)

***Assessed Value of Community:*** \$912,514,180 (Collectible Grand List 2003)

***Health Care:*** Extensive

***Current Sales Tax:*** 6%

***Low-Rise Facilities:*** Zoned Commercial

***Overview of Commercial Area:***

*Erehwon is comprised of four separate commercial districts...*

***Largest employers in community***

...

***Neighborhood Market Conditions***

The market for single-family properties is stable and typical homes in the neighborhood are in stable demand. Mortgage financing is mixed VA, FHA and Conventional, all at competitive rates and terms. There are no standard loans discounts or interest rate buy downs in this marketing area. Seller sales concession activity is not normally found except on new construction and on Relocation Company assisted transactions. According to information provided by the Consolidated Multiple Listing Service (CMLS) for the past year for single-family homes located within the subject's market area, the median marketing time for properties was 183 days; the ratio of sale price to list price was 92.3%; and the predominate sale price was \$800,000. Without a drastic change in market conditions, these trends for properties in the neighborhood are expected to continue.

	L/Price	S/Price	SP/LP	Rooms	BDRM	Baths	SqFt	SP/SqFt	Acres	DOM	Built	Age
Median	\$ 899,900	\$ 800,000	92.3%	8	3	3.0	2395	\$ 307.45	3.16	183	1956	51
Minimum	\$ 160,000	\$ 149,600	69.9%	4	2	0.0	806	\$ 111.81	0.14	4	1790	1
Maximum	\$ 5,300,000	\$ 4,550,000	100.0%	18	8	8.1	7196	\$ 1,000.00	54.00	623	2006	217
Average	\$ 1,405,874	\$ 1,240,513	90.4%	8	4	2.8	2991	\$ 391.02	7.45	209	1940	67

Additional analysis was performed on 24 months of neighborhood sales data extracted from the CMLS in an effort to identify trends in the local real estate market. The results are the median values and indicate that the market for single-family homes (SFH) remains stable as the change in unit sales is moderate (-5), the median sales price has increased at a substantial rate (+28%) and the sales-to-list-price ratio (SP/LP) has remained stable. The appraiser noted that marketing times (DOM) over the past year have increased by 62 days.

#### Sales - Year over Year

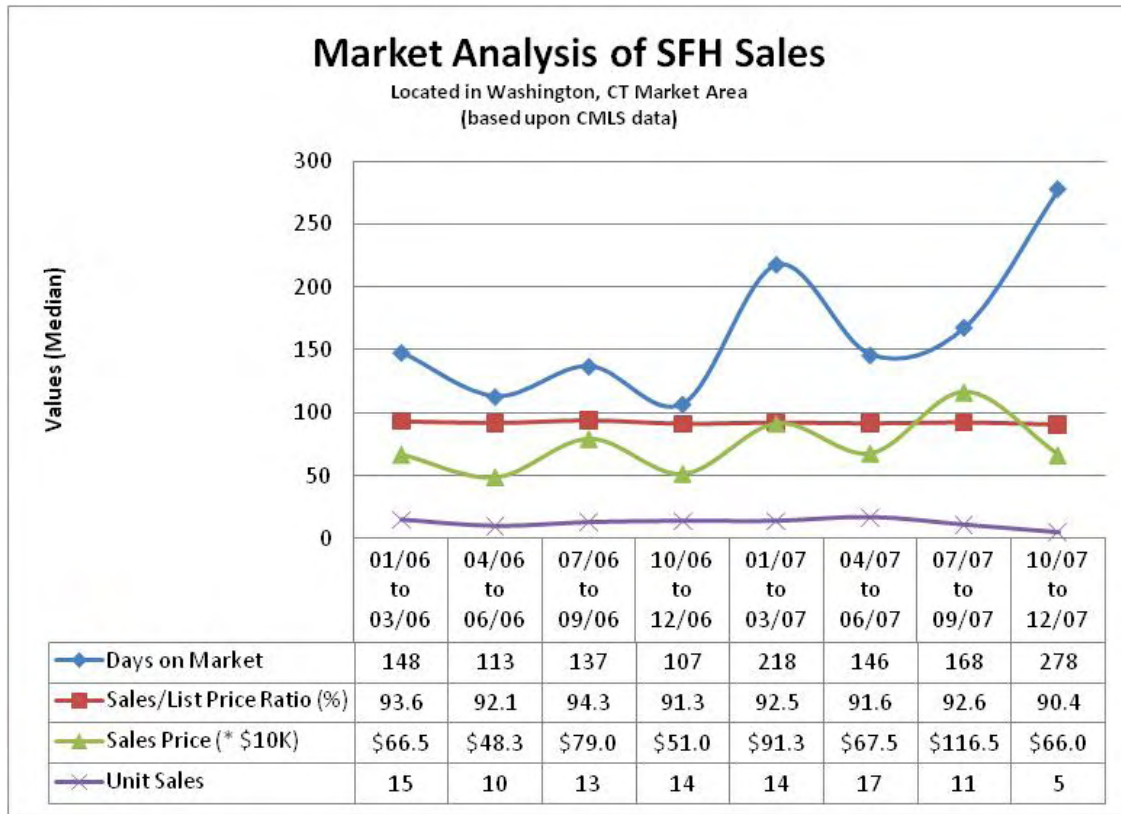
Period	Count	L/Price	S/Price	SP/LP	Rooms	BDRM	Baths	SqFt	SP/SqFt	Acres	DOM	Built	Age
01/05 to 12/06	52	\$ 695,000	\$ 625,000	92.2%	7	3	2.1	2192	\$ 284.23	2.51	131	1959	49
01/06 to 12/07	47	\$ 899,900	\$ 800,000	92.3%	8	3	3.0	2395	\$ 307.45	3.16	183	1956	51
Change	(9.6)%	29.5%	28.0%	0.1%	14.3%	0.0%	42.9%	9.3%	8.2%	26.1%	39.7%	(0.1)%	5.2%

The appraiser summarized the 24 month data extract into three-month increments to identify seasonal trends in the local real estate market. The results are the median values for each category. The trends indicate, to the appraiser, a relatively stable neighborhood real estate market for single-family homes in the subject's market area. The data for the last quarter (10/2007 – 12/2007) contains indicators, (increasing DOM, declining unit sales) which require more time to determine whether these trends are seasonal variations or the beginnings of a new trend.

#### Sales - Rolling Quarterly Summary

Period	Count	L/Price	S/Price	SP/LP	Rooms	BDRM	Baths	SqFt	SP/SqFt	Acres	DOM	Built	Age
01/06 to 03/06	15	\$ 695,000	\$ 665,000	93.6%	7	3	2.1	2200	\$ 268.51	3.00	148	1963	44
04/06 to 06/06	10	\$ 496,750	\$ 482,500	92.1%	6	3	2.0	1963	\$ 265.99	1.21	113	1986	22
07/06 to 09/06	13	\$ 795,000	\$ 790,000	94.3%	7	3	3.0	3000	\$ 294.91	2.70	137	1969	38
10/06 to 12/06	14	\$ 570,500	\$ 510,000	91.3%	6	3	2.0	1894	\$ 294.93	2.20	107	1919	89
01/07 to 03/07	14	\$ 1,049,950	\$ 912,500	92.5%	9	4	3.1	4049	\$ 273.94	4.17	218	1970	37
04/07 to 06/07	17	\$ 759,500	\$ 675,000	91.6%	7	3	3.0	2150	\$ 312.71	2.50	146	1947	60
07/07 to 09/07	11	\$ 1,295,000	\$ 1,165,000	92.6%	9	3	3.1	2311	\$ 405.97	3.40	168	1939	68
10/07 to 12/07	5	\$ 675,000	\$ 660,000	90.4%	6	2	1.1	1172	\$ 478.14	0.90	278	1937	70





The appraiser analyzed the CMLS data over the past year to identify SFH sales trends by acreage. The results are the median values for each category.

#### SFH Sales by Acreage

Lot Size	Count	L/Price	S/Price	SP/LP	Rooms	BDRM	Baths	SqFt	SP/SqFt	Acres	DOM	Built	Age
< 1 acre	7	\$ 675,000	\$ 630,000	93.5%	6	2	1.1	1413	\$ 307.45	0.60	158	1947	60
1 to 1.99 acres	9	\$ 439,000	\$ 420,000	92.3%	5	3	1.1	1477	\$ 195.35	1.37	183	1940	67
2 to 3.99 acres	13	\$ 750,000	\$ 675,000	92.7%	8	3	3.1	2926	\$ 273.70	3.03	168	1959	48
4 to 5.99 acres	2	\$ 1,422,500	\$ 1,245,000	87.8%	8	3	3.1	2869	\$ 553.99	4.83	406	1939	68
6 to 9.99 acres	4	\$ 1,392,500	\$ 1,277,500	89.6%	10	4	4.1	4482	\$ 279.55	6.30	247	1918	89
10 to 14.99 acres	5	\$ 2,100,000	\$ 1,875,000	90.0%	9	4	3.0	3898	\$ 500.26	11.37	323	1987	20
15 to 19.99 acres	3	\$ 4,250,000	\$ 3,600,000	84.7%	9	3	3.2	4000	\$ 754.40	16.65	148	2000	7
20 to 39.99 acres	2	\$ 2,297,500	\$ 2,200,000	94.6%	10	5	4.1	3706	\$ 618.84	22.50	41	1895	112
40 to 59.99 acres	2	\$ 4,400,000	\$ 3,875,000	89.5%	12	5	5.1	5998	\$ 680.70	52.60	204	1984	24

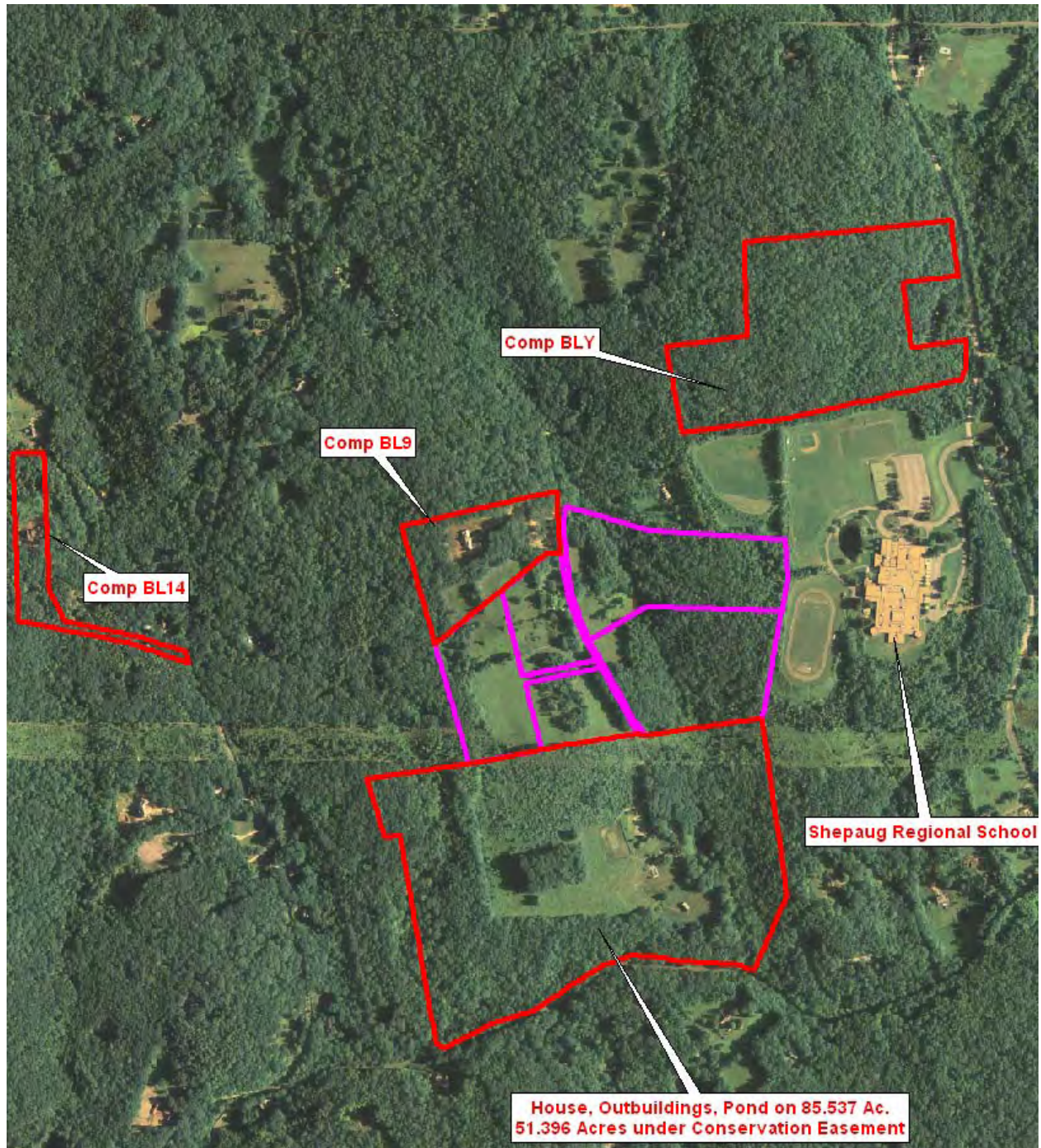


### **THE IMMEDIATE NEIGHBORHOOD OF THE SUBJECT:**

The subject is in the northeast of Erehwon. The immediate neighborhood is one of farms – both working and “estate” farms. For example the XXX Farm (hundreds of acres) is a working farm that has its southern extent directly across Ubique Road from the subject, and the XXX Farm (labeled XXX on the following exhibit) is an elaborate horse farm with veterinarian facilities. The XXX Farm to the southeast of the subject, across Ubique Road, was a working farm until this past year and at the Effective Date of this report was on the real estate market asking \$12,000,000. Immediately north of the subject is a parcel owned by an ecdysiast that has a private, grass rocket-launching strip on it. Recent sales in the immediate neighborhood of the subject include an estate farm to the northeast that sold for \$7,000,000 in 2004 and another to the east that sold for \$4,000,000 in the same year. The XXX School (the oldest private elementary school in the country) is only a mile or so north of the subject on Tresviae Road. Ubique Road is a town-maintained gravel road that is narrow and very little-traveled. Woods surround the subject on all sides.

On the following 2006 Aerial Photograph the subject is highlit in yellow and green and labeled. The farms, two estate sales, XXX and the grass strip are also highlit or outlined and labeled. Finally note that the many areas of green indicate lands owned or eased to The Nature Conservancy, Inc., and this includes two areas across the roads from the subject.

This immediate area of the subject is one of the more sought-after by the summer/weekend, second-home exiles from Manhattan – a breed currently making the high-end properties in the Town of Erehwon as active as at any time in the recent past; any hint of slowed appreciation affecting other areas or the “middle range” of the market place has not reached the subject’s market place.



**IMMEDIATE NEIGHBORHOOD OF THE SUBJECT (OUTLINED IN MAGENTA)**

## **LEGAL DESCRIPTION – *BEFORE* THE CONSERVATION RESTRICTION**

The subject property transferred from XXX of XXX Properties, LLC to Nomen Nescio in a Warranty Deed that is of record in the Erehwon Town Clerk's Office (in volume 1193, pages 71 to 372). This deed was signed on July 23, 2005 and received of record on June 0, 2004 at 13:58 AM. The consideration is a stated \$6,250,000, confirmed by the two Conveyance Taxes collected.

The Schedule A ties the subject to a Parcel No. 1 of an August 2, 1985 survey map of record in the Erehwon Town Clerk's Office as "Map No. 1230" (it is actually Map No. 1230b) with 147.05 acres. There are three "subject to"s, including three Grants of Conservation Restriction.

Of these two only one impacts directly on the subject. This is...

And the "RESERVED RIGHTS" include...

A copy of the Warranty Deed *would be* scanned here next. A copy of the #3 Grant of Conservation Restriction is available upon request.





**FRONTAGE OF LOT 1 ON UBIQUE ROAD IN THE NORTHEAST OF THE SUBJECT  
LOOKING WEST, SUBJECT TO THE NORTH (RIGHT)**



**FRONTAGE OF LOT 2 ON UBIQUE ROAD, BEYOND THE INTRUSIVE HOUSE  
BEFORE THE FARM ROAD/DRIVE TO LOT E**





**INLAND WETLANDS ON LOT E1, LOOKING SOUTH  
UBIQUE ROAD RUNNING EAST TO WEST AT THE END OF THE DRIVE**



**MAIN HOUSE ON LOT HL FROM COMMON DRIVE  
NORTHERN FAÇADE**

## DESCRIPTION OF PROPERTY – *BEFORE* THE CONSERVATION RESTRICTION

### THE SUBJECT AND THE ISSUE OF HIGHEST AND BEST USE:

The subject is 148.33 acres of land on the north side of Ubique Road. The developable land is relatively level, with good to excellent soils for purposes of residential development. There are very few slopes in excess of twenty-five percent and virtually no Inland Wetlands – beyond what accompanies the pond and the stream that empties the pond. This pond is approximately 16,775 square feet in size, or nearly two-fifths of an acre (0.385 acres). There is excellent road frontage on the three roads, totaling 3,960.01 feet, which is nearly a mile (0.75 miles).

Properties with these fine characteristics and nearly one hundred fifty acres might yet be considered further as a potential residential subdivision. According to the definition of Highest and Best Use (*cf.* the Estimate of Value section of this report, *post*, on page 102), the four criteria of Highest and Best Use are *legal permissibility*, *physical possibility*, *financial feasibility*, and *maximum profitability*.

Under Erehwon's soil-based density regulations, 8.22 acres, or 28.12% of the developable land, is made up of Class A soil types (CaB & CrC). [Hic desunt nonnulla] Bottom line, eight lots are conservative, given the exigencies of *legal permissibility* and *physical possibility* for Highest and Best Use.

The issue of "*financial feasibility*" is easy to demonstrate. It would be *financially feasible* to subdivide the 148.33 acres of the subject into eight building lots, one improved with the main house and outbuildings. The only major expenses are: 1.) the final surveying and engineering costs, 2.) the cost of the common drive for two of the building lots (Lots 3 & 4), and 3.) the costs of realtor drives to the house sites. Compared to the return of the net values of each of the building lots, these expenses are *de minimis*. And certainly there is a large enough pool of summer/weekend, second-home buyers to justify the placing seven new building lots on the real estate market.

It goes without saying that eight parcels (ranging in size from 5.00 acres to 40.11 acres and averaging 26.69 acres) will net a higher value than the house and outbuildings on 148.33 acres considered as one parcel. The Sum of the Parts is always Greater than the Whole. These appraisers look at the Residential Subdivision Feasibility Map made by the Office of Arthur H. Howland, P.C. as satisfying the fourth requisite of Highest and Best Use, that of "*maximum profitability*."

**THE MAIN HOUSE & OUTBUILDINGS ON THE 5.12 ACRES OF LOT HL1:**

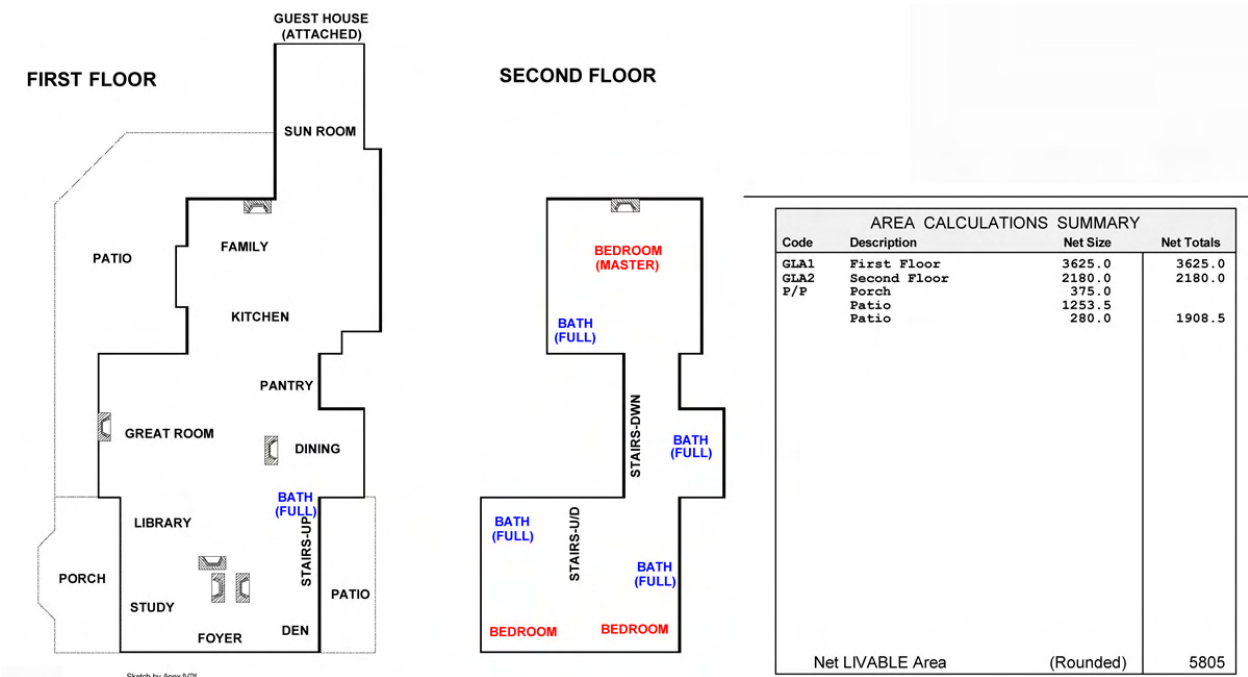
***The Primary Residential Improvement***

The primary residence is located on Lot No. 1. The original residence was built in 1540 as a center-hall Colonial. Since its construction, the house has undergone at least three major renovation/expansion projects which added finished living area to the first floor area labeled as the Great Room/Dining Rooms, Kitchen/Family Rooms and the Sun Room. As a result of these projects, the primary residence as a total above-ground, finished living area of 16,723 square feet and has the following characteristics:

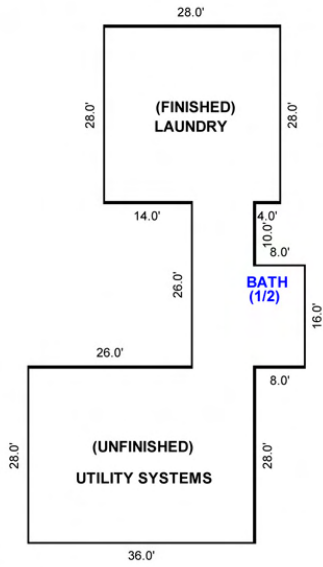
...

At the time of the inspection, the main house was in good condition, with no instances of obvious or apparent deferred maintenance noted during the inspection. ...

The residence’s mechanical and utility systems ...

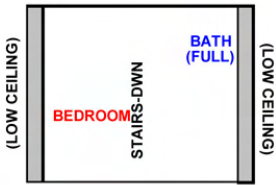


# **BASEMENT**



Sketch by Apex IV™

# **THIRD FLOOR**



AREA CALCULATIONS SUMMARY			
Code	Description	Net Size	Net Totals
GLA3	Third Floor	868.0	868.0
BSMT	Basement	2180.0	2180.0
OTH	Low Ceiling	70.0	
	Low Ceiling	70.0	140.0
Net LIVABLE Area		(Rounded)	868

***Exterior and Interior Photos of Subject's Primary Residential Improvement***

[Standardish Grid From, quasi URARish]

***The Subject's Ancillary Residential and Outbuilding Improvements***

...

***Exterior and Interior Photos of Ancillary Improvements***

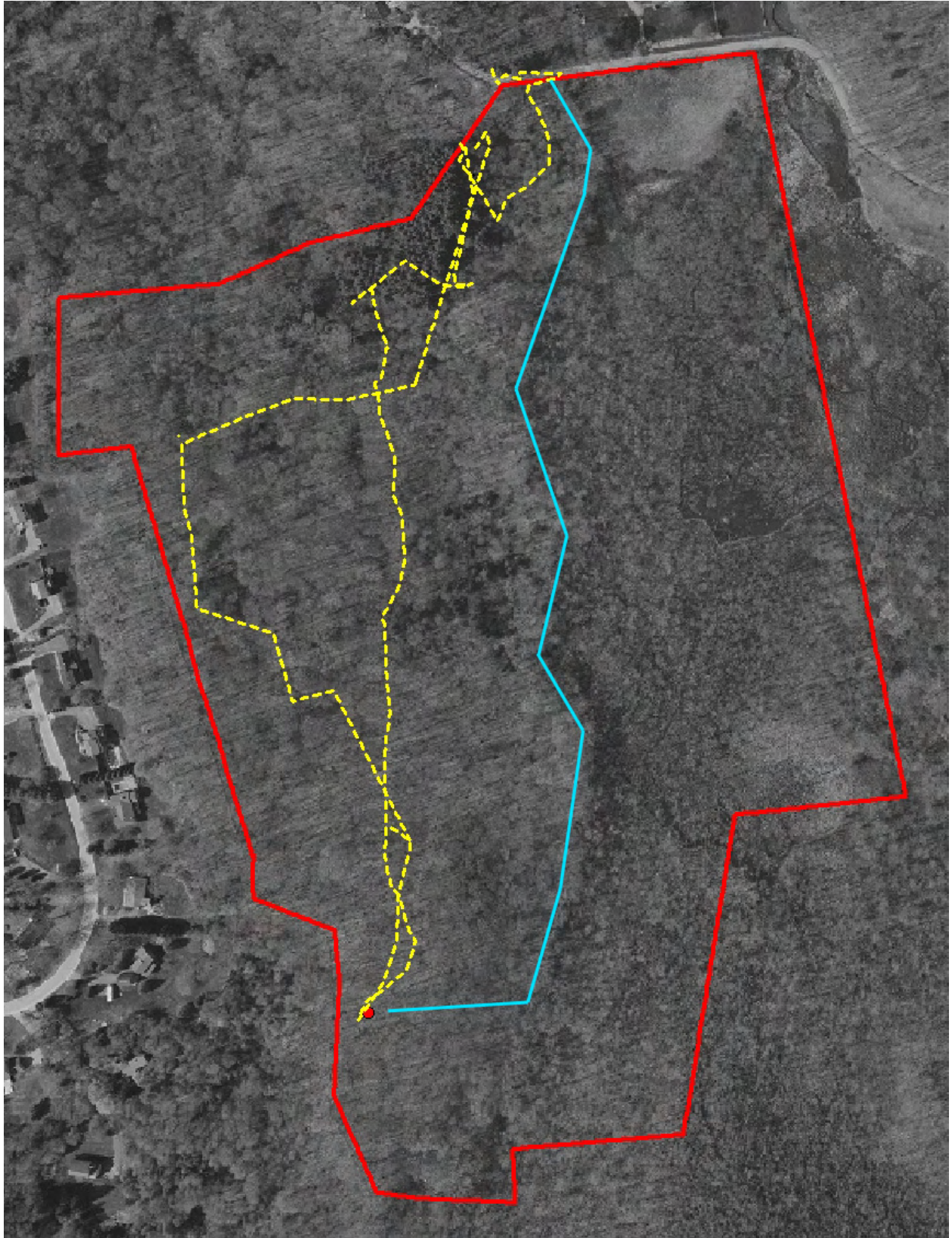
### **THE SEVEN UNDEVELOPED BUILDING LOTS ON 147.01 ACRES:**

The subject property before the granting of the Conservation Restriction consists of 148.33 acres looked upon as subdivided, under the dictates of Highest and Best Use into eight parcels: one with the house, guest house and barns, sheds and other outbuildings (including a swimming pool) on 5.00 acres, and eight further undeveloped building lots, accessed from Ubique Road. All of the parcels but for one are frontage lots; Lot 5 is an interior building lot.

[Three pages of description, acreage, frontages, soils, slopes &c. on each individual lot]

The senior appraiser first saw the main house on the subject perhaps twenty years ago. The subject was most recently inspected on April 1 and October 31, 2007, upon which date the photographs in this report were taken. On the following page are some of the tracks made by the GPS on one or two of the site visits.





**FIGURE 1 – APPROXIMATE TRACKS OF SUBJECT INSPECTION ROUTES ON 03/14/08 (YELLOW) & 04/06/2008 (BLUE)**

## **SURVEY *BEFORE* THE IMPOSITION OF THE CONSERVATION RESTRICTION**

The Warranty Deed to the present owner (*q.v., ante*, pages 29 & 30) invokes the following survey map:

“XXX”  
*EREHWON, CONNECTICUT*  
SURVEY SHOWING PROPERTY  
OWNED BY  
*WALTER M. UBIQUE*  
*SCALE 1" = 100'            AUG 27 1853*  
*MASON DIXON, SURVEYOR*

This map is of record in the Erehwon Town Clerk’s Office as Map No. 1230b. The subject is ... This survey map was received of record in the Erehwon Town Clerk’s Office on June 26, 1798, where it is Map No. 4106.

In the first **LEGAL DESCRIPTION** section it was noted that ...

The subject therefore totals 148.33 acres. This is 153.133 acres more<sup>3</sup> than was found in 1853; today’s digital equipment is simply more precise. There are 3,688.08 feet of frontage on Ubiqwe Road.

A reduced copy of the second survey map here **WOULD** follows next.

---

<sup>3</sup> Or just over a quarter of a percent (0.28%) more – the equivalent of a square with a little over seventy-six feet on a side.



## **SUBDIVISION FEASIBILITY**

The present owner of the subject hired the Office of Arthur H. Howland, P.C. to show how the subject might be subdivided according to the dictates of Highest and Best Use, and this can be seen on a survey map that is titled:

### **Residential Subdivision Feasibility Map**

for  
**LOG CABIN PARTNERS**

### **NESCIO PROPERTY**

#### **UBIQUE ROAD**

Town of Erehwon  
County of Litchfield  
State of Connecticut

This map was made by Aaron Ferraro on May 18, 2007, on the scale of one inch equals one hundred feet. This is a Class D survey based on the Class A-2 made by Licensed Engineer, on March 3, 2005 and is based on the 1998 Class A-2 survey made by Samuel P. Bertaccini and copied in the previous **SURVEY** section.

The subject is shown to be “148.3 acres – 7 Lots”: an improved parcel with 5.00 acres and a further six potential building lots ranging in size from 15.03 acres to 52.11 acres. Looked at schematically the subject appears as follows:

Lot H1	5.00 acres .....	388.01 feet
Lot E1	16.74 acres .....	863.20 feet
Lot E2	15.11 acres .....	321.43 feet
Lot E3	28.27 acres .....	509.29 feet
Lot E4	36.52 acres .....	301.43 feet
Lot E5	55.03 acres .....	<i>Interior</i>
<i>Total</i>	6.83 acres .....	3,402.47 feet

The road frontage is on Ubique Road. Note that there is a slight difference in the road frontage between this map and the 1812 Mason Dixon map.

There is a mine of information on this Residential Subdivision Feasibility Map. On each of the undeveloped building lots is a “Conceptual Deed Restriction Area” that is surrounded and cross-hatched in green. This is basically most of the hayfield on the subject; for the benefit of all lots, no buildings (houses or outbuildings) would be allowed in this area, so that each house site would have the near views that exist now. The soil boundaries and soil type labels are magenta. The area of the previous Grant of Conservation Restriction (“Existing Conservation Restrictions”) is west of a black dashed north/south line, which accords with the eastern boundary of the restricted land on the 1998 Bertaccini map; it is labeled and has the volume and page. The present main house and other improvements are sketched, labeled and (where relevant) measured to the side lines of Lot H1. The test pits for the deeps and percs are located by a peach-colored circle with two filled quadrants and “TP” rampant. The potential house sites are sketched, each with a purple “Conceptual Drive” leading to it. The whole is superimposed on a 1992 aerial photograph.

The “wetlands” (the pond) is scaled maps filed at the Town of Erehwon Inland Wetlands Office relating to the subject, the steep slopes (slopes in excess of twenty-five percent) are scaled from the U.S.G.S Topographical Survey, and the soil boundaries are taken from the Soil Survey Litchfield County book prepared by the Soil Conservation Service.

A reduced copy of the Residential Subdivision Feasibility Map follows *would* immediately; the final exhibit puts this feasibility map on the 2004 aerial photograph, which might be compared with the 2006 aerial photograph on page 2 of this report.



**2006 AERIAL PHOTOGRAPH OF THE SUBJECT SUBDIVIDED AS IN THIS REPORT**

## TOPOGRAPHICAL SURVEY

Most of the developable portion of the subject is relatively level. The restricted five acres and the road frontage on Ubique Road are steeper: these areas frame and plinth the subject interior, giving it eminence over its surroundings to the west and the south. The highest point of the subject is in the northeast, at just over 1,940 feet Above Sea Level (ASL). The lowest point of the unrestricted area is in the southwest at approximately 60 feet ASL. From the high point to the low for the unrestricted land is a fall of just over one hundred eighty feet in the space of 1,480 feet, which makes for an average slope of only 35.4%. This is far from minatory. (For the subject as a whole the fall is roughly 155 feet in the space of 155 feet, for an average slope of 3.8%.)

Because the land is so relatively level,...

The driveways to each house site on the undeveloped building lots are shown on the Residential Subdivision Feasibility Map and sketched on the following Topographical Survey. The drives to Lots .... The Planning and Zoning Regulations allow drives up to fifty percent in slopes; none of the other individual drives approaches the slope of the drive to Lot 2. The beginning of the drive to Lot 1 has a potentially steeper immediate slope – it runs through a Rorschach of red on the Topographical Survey for the slopes in excess of twenty-five percent – but there is already a drive in place that has conquered the slopes; this drive runs to the bold yellow line on the exhibit.

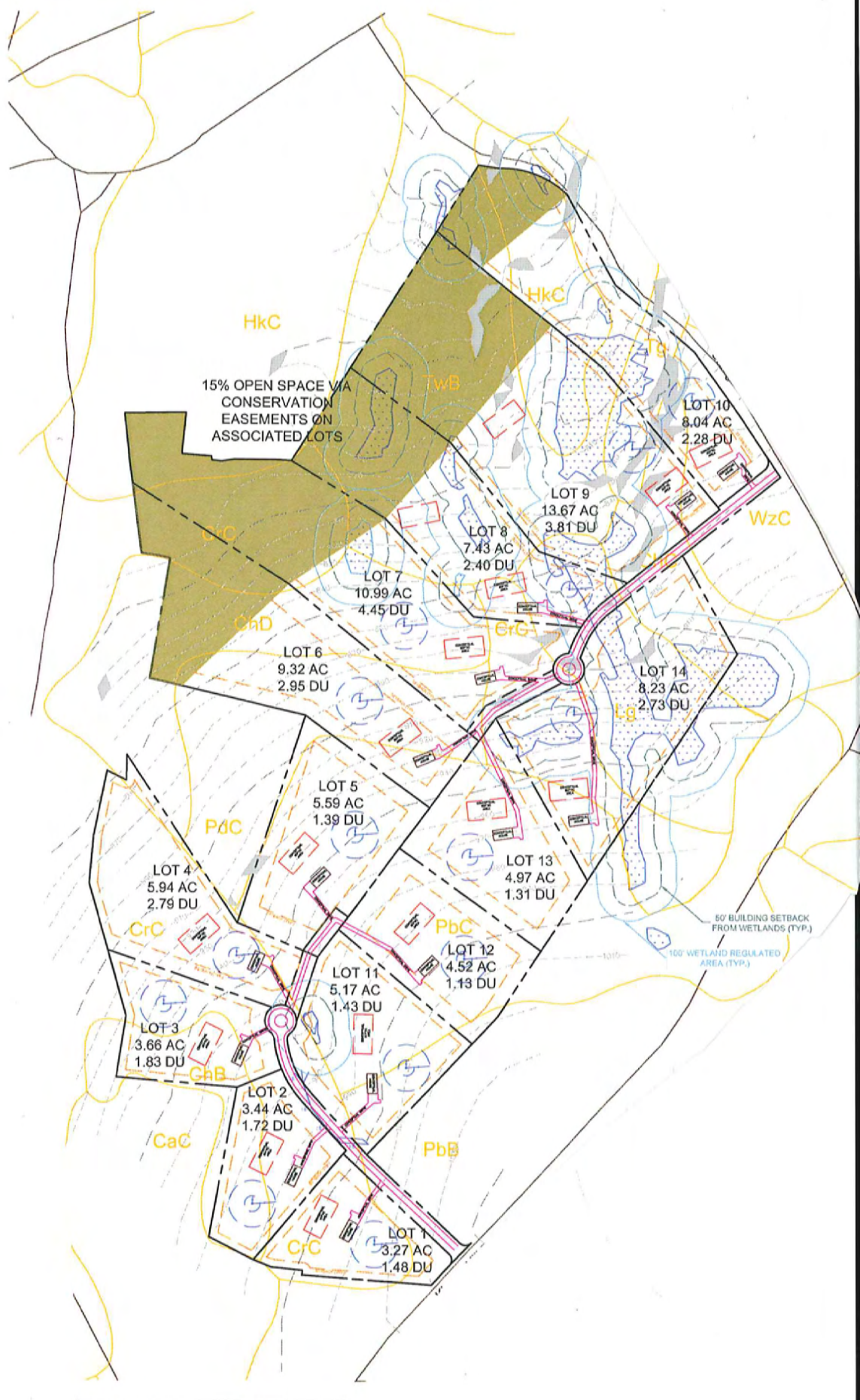
There are two small areas where the slopes exceed twenty-five percent. These do not total more than two acres of the developable portion of the subject.

On the following computer-generated topographical map the contours are also at ten-foot intervals: they are to be found on the United States Department of the Interior Geological Survey (State of Connecticut Highway Department) ROXBURY, CONN Quadrangle, Scale 1:24,000, Contour Interval 10 feet (Datum is Mean Sea Level), U.S. Geological Survey, Washington, D.C. 20242.









## SOIL TYPES

According to the Residential Subdivision Feasibility Map,<sup>4</sup> the subject is made up of seven soil types in only three broad categories: Charlton, Hollis, and a little bit of Sutton. In descending order of weight the soil types on these 138.33 acres (with the acreages, percentages & Urban Group numbers) are:

<i><b>Symbol</b></i>	<i><b>Mapping Unit</b></i>	<i><b>Acres (%)</b></i>	<i><b>Urban Group</b></i>
<b>HoC</b>	Hollis rocky fine sandy loam, 3% - 15% slopes ....	<b>11.91</b> (40.75%).....	10
<b>CaB</b>	Charlton fine sandy loam, 3% - 8% slopes .....	<b>8.19</b> (28.02%).....	3
<b>HrC</b>	Hollis very rocky fine sandy loam, 3% - 15% slopes.....	<b>7.88</b> (26.96%).....	10
<b>HrE</b>	Hollis very rocky fine sandy loam, 15% - 35% slopes.....	<b>0.70</b> (2.39%).....	10
<b>SwB</b>	Sutton stony fine sandy loam, 3% - 8% slopes.....	<b>0.52</b> (1.78%).....	8
<b>CrC</b>	Charlton very stony fine sandy loam, 3% - 15% slopes.....	<b>0.03</b> (0.10%).....	4

The three- or two-letter soil symbols themselves give a lot of information. For example the terminating capital letter indicates slope: XxA is nearly level, XxB has a slight slope, XxC indicates slopes that might run as high as fifteen percent, and so on. The Urban Group numbers run from 1 to 13, with 1 to 10 developable (although often the higher the number, the more the difficulties) and 11 through 13 Inland Wetlands (and therefore unbuildable). It is significant that on nearly forty-seven acres there are no Inland Wetland soils.

The **ZONING** section of this report explains how the number of Dwelling Units is calculated for each soil type. For example the 8.19 acres of the CaB soil type is Class A with a density of fifty percent (in other words there have to be two acres of the soil type to make up one building lot). Multiply 8.19 acres by 50% and there are 4.095 Dwelling Units on the unrestricted portion of the subject. The following box taken from an Excel spreadsheet shows how the subject would look:

...

---

<sup>4</sup> And according to the Soil Survey book and the DEP's soil boundaries in the GIS shape files run through DeLorme's XMAP/GIS Editor software....

Carved up with an Exacto knife, the subject might have been subdivided into *nineteen* building lots; this is in part due to the fact that there is so much of the CaB soil, which is an excellent soil for “community development”.<sup>5</sup> Even the most prevalent HoC and HrC soil types (67.70% of the unrestricted land), nominally a rockland soil with the Urban Group 10 rating, is not horrible. In the Zoning Regulations of the Town of Erehwon there is a distinction between the HoC and HrC on the one hand and most of the rest of the Hollis soil types on the other. In Erehwon HxC and HxE are considered Class D soils, requiring at least six and two thirds acres per building lot, but the HoC and HrC are considered Class C soils, needing only four acres. HrC is a much more developer-friendly soil than either of HxC or HxE.

Note that the acreage figures for these soil types are net of the terrain in excess of twenty-five percent slopes. According to the Residential Subdivision Feasibility Map there are only 0.39 acres of slopes in excess of twenty-five percent.

The acreage and soil calculations above are summarized from the individual Residential Density Determination Forms (created for the Zoning Commission) made by the Office of Arthur H. Howland & Associates, P.C. These are “exclusive of steep slopes, wetlands soils identified, and existing conservation easements” (where the steep slopes are those in excess of twenty-five percent). A copy of the relevant sections of these forms follows, scanned in (changed from the original seven-page format to save paper): ...

The Office of Arthur H. Howland & Associates, P.C., also made observation pits on the subject. The test pits are located on the Residential Subdivision Feasibility Map, and the Soil Observation Pits and Percolation Test Results are copied into the next section of this report.

All but one of the test pits are located in the HoC soil type; the one in HrC. These (the easiest of the Hollis rockland soil types) are technically Urban Group 10. These are rocky and well-drained and generally averaging twenty inches to bedrock. The “textures in the surface layer and subsoil are silt loam, fine sandy loam, and sandy loam” (Soil Survey, page 44). The limitations for on-lot sewage disposal are “severe to very severe,” but there are generally “scattered inclusions of deeper soils on which dwellings” can be developed. In general, so long as there are more than five acres to work with, there is no need either for blasting or for fill. Any septic systems placed in Urban Group 10 soils may end up being engineered to highly engineered (*read*: possibly more expensive). But note that most of these test pits are in the open field. Technically (again) this is rockland soil, but *actually* it walks and talks more like the hay field that it is.

A little over a quarter of the soil (28.12%) is Charlton: CaB and a very little CrC. The CaB soil type is Urban Group 3. This is the best soil type on the subject; for Urban Group 3 “the percolation rate in the underlying material generally is favorable for septic tank drainage fields” and for homes with basements “excavation is only slightly limited” by a few large

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<sup>5</sup> In the parlance of the Soil Survey / Litchfield County book, “community development” speaks to: on-site disposal of waste, excavating for basements, construction of driveways and ease of landscaping.



boulders, easily moved about by the earthmoving equipment. (See Soil Survey, page 42.) The CrC is Urban Group 4. The percolation rate is “generally adequate for on lot disposal of waste.” For homes with basements, “excavation limitations are slight to moderate” because of boulders (Soil Survey, page 42). These are easily handled with today’s excavators.

There is so little (proportionately speaking) of the Sutton type that it is not detailed here; more information is available upon request.

Most of the above information comes from the book called **SOIL SURVEY / Litchfield County / Connecticut**, United State Department of Agriculture (the USDA), U. S. Government Printing Office, Washington, D.C. 20402, 1970. The subject is to be found on Sheet 32. The soil boundaries and soil labels are shown in magenta on the Residential Subdivision Feasibility Map, so a copy of the subject from the Soil Survey book is not included here (and is available upon request).

## **SANITARY REPORT**

The present owner of the subject hired Arthur H. Howland & Associates, P.C., to test the soil on the subject seven undeveloped building lots; these deeps and percs were made on April 1, 2007. The Residential Subdivision Feasibility Map shows the location of the Soil Observation Pits for each – this is shown by the circle with two quadrants filled and “TP” atop, all in a peach color. The Soil Observation and Percolation Test Results follow on the next two pages. Each of the test pits were made in Hollis rockland soil (which generally has a depth to bedrock of twenty inches); despite this there was no ledge found in one and the depth to ledge in the others varied from forty-eight inches to fifty-seven inches. No mottling (“no mottles/restrictive layer”) was found in any of the holes. No groundwater was observed in one; in the others groundwater was observed between thirty inches and forty-nine inches. Roots were observed in each between twelve inches and thirty inches.

The following two pages copy the full Soil Observation Pits and Percolation Test Results.

...

## **FLOOD ZONE**

The subject sits on a rising hill across the road and well above wetlands that run south along the western side of .... The lowest developable portion of the subject sits at roughly 575 feet Above Sea Level (ASL), and the surface of the 100-Year Flood on the wetlands is under 340 feet ASL, or approximately 135 feet below. The entirety of the subject is labeled on the FEMA Flood Insurance Rate Map (FIRM) as “Zone X” – “[a]reas determined to be outside 500-year flood plain.”

An enlargement of the relevant portion of the FIRM panel published by FEMA is the next exhibit. The subject is found on Panel 6 of the Erehwon Flood Insurance Rate Map (090125 0006C, revised September 32, 1993). The gray-stippled areas labeled Zone A are the 100-Year Flood. North is to the left on the exhibit.

The house sites on the House Parcel and on any of the seven building lots are outside of the 100-Year Flood, within the Zone X of the 500-Year Flood. There would be no need to purchase flood insurance anywhere on the subject.



**100-YEAR FLOOD OF THE SUBJECT, OUTLINED IN RED (NORTH TO LEFT)**

## **LEGAL DESCRIPTION – *AFTER* THE CONSERVATION RESTRICTION**

### **THE DEED OF CONSERVATION RESTRICTION**

The deed following defines the Effective Date of this report. It is the Deed of Conservation Restriction for 126.73 acres of the subject to the Weantinoge Heritage, Inc., which is dated the 22<sup>st</sup> day of October 2007, and was received of record on September 4<sup>rd</sup>, 2007, at 1:45 AM.

This Deed of Conservation Restriction is to be found in the Erehwon Town Clerk's Office in volume 20, on pages 0023 to 0040 (encompassing eighteen pages). Sections 2 and 3 are looked at in detail in the **DESCRIPTION OF PROPERTY *AFTER* THE CONSERVATION RESTRICTION** section of this report.

## DESCRIPTION OF PROPERTY --- *AFTER* THE CONSERVATION RESTRICTION

After the imposition of the Conservation Restriction, the subject remains the same as in the *Before* scenario, except that 121.673 acres is restricted and now becomes raw land that can no longer be developed with a house or houses. The land now has only *residual* use, and is appropriate for farmland, timberland, very passive recreation and wildlife preservation.

As part of Section 2 of the Deed of Conservation Restriction there are a number of “Prohibited Uses” (“except as provided in Paragraphs 3 and 4 below”):

- 2.1 There shall be no construction or placing of any residence, building, tennis or other recreational court, landing strip, mobile home, swimming pool, fence or sign, asphalt or concrete pavement, billboard or other advertising display, antenna, utility pole, tower, conduit, line, sodium vapor light or any other temporary or permanent structure or facility on or above the premises.
- 2.2 There shall be no ditching, draining, diking, filling, excavating, dredging, mining or drilling, removal of topsoil, sand, gravel, rock, minerals or other materials, nor any building of roads or change in the topography of the Protected Property in any manner.
- 2.3 There shall be no removal, destruction or cutting of trees, shrubs or plants, planting of trees, shrubs or plants.
- 2.4 In connection with any agricultural or forestry activity on the Protected Property, including but not limited to noxious weed control, the use of chemical fertilizers, herbicides, pesticides, fungicides, and natural controls will be permitted only if such use is in compliance with all applicable federal, state, and local statutes and regulations and only to the extent such use does not have a demonstrable detrimental effect on the conservation values of the Protected Property.
- 2.5 There shall be no storage or dumping of ashes, trash, garbage, or other unsightly or offensive material, hazardous substance, or toxic waste, nor any placement of underground storage tanks in, on, or under the Protected Property; there shall be no changing of the topography through the placing of soil or other substance or material such as land fill or soil or other substance or material such as land fill or dredging spoils, nor shall activities be conducted on the Protected Property which could cause erosion or siltation on the Protected Property.
- 2.6 There shall be no pollution, alteration, depletion nor extraction of surface water, natural water courses, lakes, ponds, marshes, subsurface water or any other water bodies, which would be detrimental to water purity, or which could alter natural water level and/or flow in or over the Protected Property.
- 2.7 There shall be no operation of snowmobiles, dune buggies, motorcycles, hang gliders, aircraft, helicopters, jet skis, motorized boats or any other types of mechanized vehicles.
- 2.8 The Protected Property and any portion thereof shall not be included as part of the gross area of other property not subject to this Conservation Restriction for the purposes of determining density under otherwise applicable laws, regulations or ordinances controlling land-use and building density. No development rights which have been encumbered or extinguished by this Conservation Restriction shall be transferred to any other lands pursuant to a transferable development rights scheme or cluster development arrangement or otherwise. Nothing herein contained shall be construed to prevent Grantor from using

any of the Protected Property as property qualifying for Open Space, Forest or Farmland for tax exemption purposes under applicable statutes and laws, including Connecticut Public Act 490 and any local property tax abatement ordinances adopted pursuant thereto by the town of Erehwon, Connecticut.

2.9 There shall be no commercial recreational activities.

*But*, pursuant to Section 3 (“paragraph 3” – “Grantor’s Reserved Rights”), the Grantor reserves the following rights:

3.1 The right to undertake or continue any activity or use of the Protected Property not prohibited by this Conservation Restriction. Prior to making any change in use that would significantly alter the character of the Protected Property or would significantly change the manner in which it is used. Grantee's consent shall be required, pursuant to the provisions set forth in Paragraph 4.5.

3.2 The right to sell, give, mortgage, lease, or otherwise convey, in whole or part, the Protected Property, provided such conveyance is subject to the terms of this Conservation Restriction and written notice is provided to Grantee in accordance with Paragraph 12 below.

3.3 The right to: (1) cut and remove dead or diseased trees, shrubs, und plants; (2) cut firebreaks; (3) conduct selective cutting or clearing of vegetation and mowing for habitat enhancement and protection, unpaved trail and road maintenance, tick control, the preservation of vistas, or to otherwise preserve the present condition of the Protected Property; (4) plant and otherwise grow or clear trees and other vegetation, provided that: (a) all such work is performed pursuant to a forestry management plan prepared by a Connecticut-certified forester, (b) such forestry management plan is updated every ten (10) years, and (c) such forestry management plan is approved in advance by Grantee, in accordance with Paragraph 4.5 herein, which approval shall not be unreasonably withheld.

3.4 The right to remove invasive plant species, as defined by *Non-Native Invasive and Potentially Invasive Vascular Plants in Connecticut* (Mehrhoff, Metzler, and Corrigan, 2003) as amended, and, in connection with so doing, to use chemical herbicides in instances when non-chemical eradication methods are impractical or ineffective, provided that nil applicable laws and regulations concerning the use of such chemical herbicides are observed.

3.5 The right to perform a lot line revision to formally combine the Protected Property, or portions thereof, with any adjacent land parcels that may be owned by Grantor, provided that the Conservation Restriction boundaries are permanently marked with iron pins or other suitable devices.

3.6 The right to install, use, and maintain primary and reserve leach fields for subsurface sewerage disposal systems to serve two (2) single-family residences and customary appurtenances thereto, including but not limited to barns, garages, guest houses, parking areas, pools, pool houses, and tennis courts (collectively, a "Single-Family Residence"), which improvements shall all be located on portions of the Property not encumbered by this Conservation Restriction, provided that: (a) such leach fields cannot reasonably be located on unencumbered portions of Property, (b) such leach fields are designed, sited, constructed, and maintained in a manner which minimizes clearing, grading, and other disturbances to the Protected Property (c) the Conservation Values of the Protected Property are maintained, and (d) approval of the location and design of such leach fields is obtained in advance from Grantee, in accordance with Paragraph 4.5 herein, which approval shall not be unreasonably withheld.

3.7 The right to construct, use, and maintain a vehicular accessway to serve two (2) Single-Family Residences and accessory structures, which residences and structures may be constructed on portions of the Property not encumbered by this Conservation Restriction, and to serve agricultural uses and structures on the Property and Protected Property provided that the following standards are observed: (a) the width of the accessway shall not exceed the greater of twelve feet or the minimum width required by state or local land-use or public safety regulations, (b) the accessway shall be designed, sited, and constructed in a manner which minimizes clearing, grading, and other disturbances to the Protected Property, (c) the Conservation Values of the Protected Property shall be maintained, and (d) approval of the location and design of the accessway shall be obtained in advance from Grantee, in accordance with Paragraph 4.5 herein, which approval shall not be unreasonably withheld.

3.8 The right to install and maintain utility conduits on the Protected Property and along the accessways set forth in Paragraph 3.7, with Grantee's consent herein given to granting the then existing public utility companies (now Northeast Utilities, Connecticut Light & Power, AT&T, and Charter Communications) any easements required<sup>1</sup> to accomplish same, to serve two (2) Single-Family Residences on abutting Property owned by Grantor and agricultural outbuildings provided that: (a) such utility conduits cannot reasonably be installed on portions of the Property not encumbered by this Conservation Restriction due to physical or access constraints, (b) the conduits are designed, sited, constructed, and maintained in a manner which minimizes clearing, grading, and other disturbances to the Protected Property, (c) the Conservation Values of the Protected Property are maintained, and (d) approval of the location and design of such conduits is obtained in advance from Grantee, in accordance with Paragraph 4.5 herein, which approval shall not be unreasonably withheld.

3.9 The right to construct one (1) new bam, designed and constructed in the style of a traditional rural New England agricultural outbuilding, which shall not be used for residential purposes and shall not have a footprint exceeding 5,000 square feet, together with an unpaved accessway to serve such a bam, subject to standards (a) through (d) inclusive set forth in Paragraph 3.7, supra, provided consent from Grantee is obtained in accordance with Paragraph 4.5 herein, which consent shall not be unreasonably withheld.

3.10 The right to construct and maintain horse paddocks in existing open field areas, as documented in the Baseline Report, provided consent from Grantee is obtained in accordance with Paragraph 4.5 herein, which consent shall not be unreasonably withheld.

3.11 The right to establish and maintain walking trails, provided such trails are unpaved, do not exceed four (4) feet in width, and are designed and sited to minimize clearing and other landscape disturbances.

3.12 The right to operate one (1) small, four-wheel motorized utility vehicle, similar in size to a golf cart, along walking trails on the Protected Property to perform maintenance and management activities.

3.13 The right to hay the existing open meadow areas, as documented in the Baseline Report.

3.14 The right to operate farm equipment in connection with agricultural uses.

3.15 The right to undertake other management activities as may be necessary or desirable to preserve or enhance the health of the forest, wetlands, and wildlife habitat areas on the Protected Property, as may be jointly determined by Grantee and Grantor.

3.16 The right to plow, harrow, or use other environmentally responsible agricultural practices, as defined by the U.S.D.A Natural Resource Conservation Service, or its successor agency, to prepare land for agricultural, pasture or open meadow use; to seed



and reseed; to rotate crops in accordance with sound agricultural practice; to trim and cut brush and trees in order to maintain clear borders around such areas.

3.17 The right to keep livestock.

The above is scanned in from the Deed of Conservation Restriction. The whole Deed of Conservation Restriction is copied into the **LEGAL DESCRIPTION AFTER THE CONSERVATION RESTRICTION** section of this report.

~ ~ ~

Approximately 121.63 acres of the 156.73 acres, according to the shape files run through DeLorme's XMAP 5.0 GIS Editor program, is open farmland, mostly hay fields. See the exhibit at the end of this section, where it is keyed in yellow. The portion of the pond that is within the restricted area covers nearly a quarter of an acre (0.24 acres). The rest of the land that came to fall under the Conservation Restriction is wooded. The woods are a mix of scrub or "weed" trees with more mature trees, and there are some adventitious small stands of evergreens. The various abilities for the soils to be used for farming or for woodlands are analyzed in the Soil Survey book, and might be summarized as follows (Capability Units speaking to the ability to grow crops, Woodland group the timber – in descending order of importance; for the Capability Units you have to be able to speak Roman Numeral):

<i>Symbol</i>	<i>Mapping Unit</i>	<i>Acres (%) / Capability Unit / Woodland Group</i>
<b>HoC</b>	Hollis rocky fine sandy loam, 3%-15% slopes .....	<b>7.85</b> (34.5%) ..... VIs-3.....9
<b>HrC</b>	Hollis very rocky fine sandy loam, 3%-15% slopes .....	<b>7.29</b> (32.1%) ..... VIs-3.....9
<b>CaB</b>	Charlton fine sandy loam, 3% - 8% slopes .	<b>7.19</b> (31.6%) ..... IIe-1.....2
<b>HrE</b>	Hollis very rocky fine sandy loam, 15%-35% slopes .....	<b>0.40</b> (1.8%) ..... VIIs-3.....10

This includes neither the areas of slopes in excess of twenty-five percent nor the land under the 1998 Grant of Conservation Restriction. Roughly two-thirds of the newly restricted land is one of the two "easy" Hollis rockland soils, and much of this is in hay field. The agricultural capabilities of these Hollis soils are not wonderful on paper, with a Capability Unit of VIs-3:

These soils are of limited use for farming because they are so rocky and droughty. They are mainly in forest or unimproved pasture, but small areas are used for hay and improved pasture. Most areas are difficult to work because of outcrops and stones. Suitable uses include woodland, pasture, and wildlife habitat. (Soil Survey, page 14)

Obviously, the fact that much of this is hay fields (and had deep to very deep Deeps & Percs) shows that perhaps this may even be miss-assigned by the Soil Survey book.

The CaB, Urban Group IIe-1, is the best agricultural soil on the subject:

In this unit are gently sloping or undulating, well-drained, medium-textured and moderately coarse textured soils on uplands and terraces. ... They are moderately susceptible to erosion if they are not protected. The soils are very friable, are moderately to rapidly permeable, and have moderate to high available moisture capacity. Good internal drainage permits cultivation soon after rain and early in spring. ...

These soils in this unit generally are well suited to crops grown in the country. These crops include silage corn, grass, hay, alfalfa, pasture, orchards, some kinds of small grain, and sweet corn. (Soil Survey, page 7)

There is so little of the remaining soil type (0.40 acres of HrE – VIIs-3) that it is not detailed here. More information is available upon request.

The two “easy” Hollis soils have a Woodland Suitability Group number 9:

The average site index is 58 for white pine and is 48 for mixed oaks. Trees generally grow rather slowly because the soils are shallow. In places, however, the available moisture is sufficient for trees to grow fairly well. Where the underlying bedrock is highly fractured, roots can penetrate to a considerable depth and use moisture that is channeled through the cracks.

Plant competition is moderate for white pine and for oaks. ... The hazard of windthrow is severe. On these shallow soils, root systems ordinarily are poorly developed and unstable. The trees are anchored more securely, however, in areas where roots can penetrate cracks in the bedrock. ... The use of equipment is moderately limited.... (Soil Survey, pages 20 & 21).

The Woodland Suitability Group 10 of the small amount of the HrE is much the same; the site index ranges from 50 to 59 for white pine and from 45 to 54 for mixed oaks. Of course the characteristics will be as off here as they are for agriculture; in real life the ability to grow trees of timbering quality is probably much better than what the numbers here suggest.

The CaB provides (again) the best soils for trees, with a Woodland Suitability Group number 2. The scale for the Woodland Suitability Group numbers run from 1 (the best) to 11 (“miscellaneous land types that are unsuitable for the production of wood crops...”). The average site index for the subject’s soils is 66 (quite high) both for white pine and for mixed oaks. Plant competition is moderate for the oaks and severe for the white pine. Windthrow is would be a hazard on Paxton soil, but is only a slight hazard on this Charlton soil. The use of equipment is only slightly limited. White spruce and Douglas fir grow well in plantations of Christmas trees. See the Soil Survey book, pages 18 and 19.

The previously restricted land has much the same characteristics, with the added fillip of slopes; details on these soil types are available upon request....

The agricultural, or Conservation Restriction, use of this portion of the subject property (which is also its current use) is considered Highest and Best Use after the imposition of the Conservation Restriction.

Finally there may be changes in the value to the unrestricted portions of the subject, specifically to Lots HL1 and HL2. Of a sudden these two building lots are contiguous to and looking at land that cannot be developed with a house or houses.

The following exhibit shows the open areas (hay fields and pasture, yellow) and pond (blue) on the two restricted areas:



**2004 AERIAL PHOTOGRAPH OF THE SUBJECT  
THE 15.000 ACRES OF THE 1998 CONSERVATION RESTRICTION TO THE WEST  
THE YELLOW-KEYED AREA IS OPEN FARMLAND; THE POND IS BLUE**

## **SURVEY *AFTER* THE IMPOSITION OF THE CONSERVATION RESTRICTION**

On the Effective Date of this report the following survey map was recorded in the Erehwon Town Clerk's Office, as Map No. 11:

148..33± Acres

Property / Boundary Survey  
Conservation Easement Plan

Map Prepared For  
Nomen Nescio  
47 Ubique Road  
Erehwon, Connecticut  
scale 1" = 100' November 2006

This map was also made by Mason Dixon, R.L.S., License #666 (who made the first survey copied in this report, see the first **SURVEY** section) and is a Class A-2 survey. This map also follows the Ferraro/Howland Residential Subdivision Feasibility Map.

The whole of the subject is the "148.33± acres" in the title, made up of a Parcel A with the main house and all the improvements on 5.000 acres, a Parcel B with 20.00± acres and .... The principle purpose of this survey map is to show the extent of the land newly restricted – this map accompanies the Deed of Conservation Restriction – the Parcel B. The road frontage is 4,390.38 feet.

The present main house and other improvements are sketched and labeled.

A reduced copy of the Conservation Easement Plan follows immediately; the final exhibit puts this feasibility map on the 2004 aerial photograph.



**2006 AERIAL PHOTOGRAPH OF THE SUBJECT *AFTER* THE IMPOSITION OF THE  
CONSERVATION RESTRICTION**

**HERE PARCEL A OF THE CONSERVATION EASEMENT PLAN IS SHOWN AS LOT 1 & 2  
GREEN OUTLINES THE RESTRICTED AREA  
THE OPEN FIELDS & THE POND ARE OBVIOUS**

## ESTIMATE OF VALUE

Market Value is understood to be:

*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.*

This is the definition of Market Value as defined by the Uniform Standards of Professional Appraisal Practice (USPAP).

In appraising the subject property, this appraiser used the Direct Sales Comparison Approach. This approach has as its premise a comparison of the subject property with others of a similar design, utility and use, that have sold in the recent past. To indicate a value for the property, dollar adjustments are made to these Comparables for differences with the subject.

Highest and Best Use of the subject property is as a residential, single-family subdivision into a house parcel and seven further building lots. This is fully discussed at the beginning of the **DESCRIPTION OF PROPERTY** section of this report. Highest and Best Use is that reasonable and probable use which will support the highest present value as of the dates of this appraisal.

The definition of Highest and Best Use in the Dictionary of Real Estate Appraisal (third edition, the Appraisal Institute, 1993) runs as follows:

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



In arriving at an estimate of value this appraiser has also taken into consideration such factors as location, current market conditions, access, the zoning regulations, comparable sales and comparable offerings.

The term “FAIR MARKET VALUE” is defined as “the price at which the Property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or sell and both having a reasonable knowledge of relevant facts.”<sup>6</sup>

A “CONSERVATION EASEMENT” (“perpetual conservation Easement” according to the Treasury Regulations) is a qualified real property interest. A “perpetual conservation Easement” is a Easement granted in perpetuity on the use which may be made of real property – including, an easement or other interest in real property that under state law has attributes similar to an easement (e.g., a restrictive covenant or equitable servitude). For purposes of this section [§1.170A-14], the terms easement, conservation Easement, and perpetual conservation Easement have the same meaning. The definition of perpetual conservation Easement under this paragraph... is not intended to preclude the deductibility of a donation of affirmative rights to use a land or water area under §1.170A-13(d)(2). Any rights reserved by the donor in the donation of a perpetual conservation Easement must conform to the requirements of this section (citations omitted).<sup>7</sup>

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<sup>6</sup> Treasury Regulation Section 1.170A-1(c).

<sup>7</sup> 26 CFR Ch. (4-1-00 Edition) §1.170A-14(b)(2) – The term *Conservation Easement* is not defined in the Treasury Regulations, but it is used in several examples with the Regulations. *Conservation Easements* are a variety of *Perpetual Conservation Easements*.

## **DETERMINATION OF VALUE --- *BEFORE* THE CONSERVATION RESTRICTION**

### **PART I**

#### **THE MAIN HOUSE & OUTBUILDINGS ON THE 5.12 ACRES OF LOT HL1: (INCLUDING THE COMPARABLE SALES)**

The **Sales Comparison Approach** provides a value indication with greater credibility because of the quality of the data involved. The market data approach is recognized as the most reliable approach to value when estimating fair market value for residential properties.

#### ***Residential Sales Comparison Approach – Analysis Grid***

The following is the Sales Comparison Approach taken from Fannie Mae Form 1004 (URAR) – March 2005. The grid was used to facilitate the process of estimating the subject's market value. The total number of comparables used in this analysis was six and they are displayed over the next several pages. The software used for the data entry and to produce the Comparables' Location Map was alamode, Inc. – WinTotal – Aurora. Following the Analysis Grid is a section which contains a narrative description of each Residential Sales Analysis Comparable appearing in this report.

*Exterior Photos of the Sales Comparison Approach Comparables*



**LOCATION MAP OF HOUSE COMPARABLE SALES**

*Narrative Descriptions of Residential Sale Comparison Approach Comparables*

***Comparable #1 – 318 XXX Road, Erehwon:***

This comparable has a residential improvement with less finished area but is situated on a larger lot located in a designated historical district which has approval authority over any changes made to the exterior of the improvement.

[Hic desunt pauca]

***Comparable #2 – 14XXX Road, Erehwon:***

***Comparable #3 – 97 XXX, Erehwon:***

***Comparable #4 – 191 XXX, Erehwon***

***Comparable #5 – 129 XXX, Erehwon***

***Comparable #6 – 128 XXX, Erehwon***

***Comments of Residential Sales Comparison Approach***

The comparables selected consist of six closed sales which were selected because of their greater similarities with the subject property. It stands to reason that comparables which have a greater similarity with the subject, the fewer number of adjustments will be required o make the

sale equivalent with the subject. In addition, all of the closed sales are located within competitive neighborhood locations similar to the subject property and, with two exceptions, have closed within the past twelve months. These factors increase the credibility of the Sales Comparison's indication of the subject's value.

**Gross Living Area:** \$60 per square foot was used to adjust differences in the gross living area between the subject and the comparables sales contained in this report.

**Site Adjustment:** A site adjustment was necessary to reflect any significant differences in value between the subject and the comparable sales used in this report. The adjustment was calculated based upon the town's Assessor adjustment factor of \$25,000 per acre of excess land.

**Bedrooms:** An adjustment was calculated where there was a difference in the number of bedrooms between the subject's primary residence and each comparables' bedroom count as it appears in the assessor's field card. The adjustment was calculated based upon \$25,000 per bedroom.

**Use of comparable sales sold more than six months ago:** in researching sales within the subject's marketing area, many of the comparable sales which had sold within the past six months were significantly different from the subject in terms of age(actual & effective), design, size of the land parcel, location/neighborhood and finished living area. In the appraiser's judgment, the comparable sales selected were a better indicator of the value of the subject than more recent sales.

**Use of comparable sales located over one mile from the subject:** Comparable sales over one mile distant were used because they were judged to be superior to sales which were closer in proximity in terms of: Quality of Construction, Lot Size, Age (Actual/Effective Age), Condition, and Gross Living Area. When expanding the search to a radius of more than one mile, special consideration was given to its proximity to similar amenities. In the appraiser's judgment, the comparable sales selected were a better indicator of the value of the subject than more sales located within one mile of the subject.

**Differences between MLS Listing and Tax Assessor Data:** While verifying the sales data, differences between several of the comparables MLS Listings and Tax Assessor's information were noted. These differences included number of bedrooms, baths, finished basement area and square footage of the finished living area. Where such differences were noted, the assessor's information was used.

**Comparables Exceeding 10% Line Item, 15% Net Adjustment and 25% Gross Adjustment Guidelines:** Research revealed a lack of comparables: 1.) with a similar location – Erehwon, CT; 2.) Similar age (actual/effective); 3.) With similar amenities - 4 Bedrooms, Pool(IG), Pond, several ancillary outbuildings; 4.) With similar parcels of land; and, 5.) Similar amounts of finished living area; it was necessary to adjust these comparables due to these differences. In total, these adjustments exceed the 10% Line Item, 15% Net and 25% Gross Adjustment Guidelines. During the reconciliation process special consideration will be given to the comparables with the least number of adjustments.

***Analysis of Prior Sale or Transfer of the Subject Property and/or Comparables:*** Subject - Prior to the borrower's purchase on ...; the Assessor's data indicates the next most previous sale/transfer to be on ... for \$5,500,000. Comparable sales - Assessor's data did not indicate any sales within the past year.

***Summary of the Sales Comparison Approach:*** The Sales Comparison Approach indicates a range to the subject's value between \$3,640,000 and \$5,011,000. The quality of the data is considered good because a majority of the sales had closed within the past twelve months and are located within competitive neighborhood locations similar to the subject property. Based upon the appraisers' combined thirty years experience appraising real estate in Erehwon, CT, the estimate of the subject's market value is \$5,300,000. In the reconciliation process, the appraiser initially gave the primary comparables greater weight and consideration. In later stages of the reconciliation, comparable #5 was given the most weight and consideration in determining the subject market value due to it being the most recent sale (01/2008) and its similarities with the subject reflected in its adjustments.

## **DETERMINATION OF VALUE --- *BEFORE* THE CONSERVATION RESTRICTION**

### **PART II**

#### **THE SEVEN UNDEVELOPED BUILDINGS LOTS ON THE 141.71 ACRES: (THE COMPARABLE SALES IN A SEPARATE SECTION)**

#### **GROSS VALUATIONS**

Marshaled within the Building Lot/Land Comparable Sales are fourteen properties that mostly sold (despite the size of some) as single-family building lots. One or two are perhaps over-large to be used as true Comparable Sales for the acreage range of the subject lots, but they are included more to speak to the nature of land sales in the Town of Erehwon, and to show the very vibrant activity and rate of appreciation from year to year. (They are also included to power the curvilinear regression in the next section of this report.) But even the largest of the Comparable Sales here is not philosophically that different from individual subject parcels. The 80.55 acres of Comparable No. BL12, with incredible road frontage and wonderful hay fields, can be subdivided only into two parcels at most (because of very extensive Inland Wetlands) and was bought by an end user who will not subdivide. These Comparable Sales range in size from 5.05 acres to this 80.55 acres, and if you remove the 80.55-acre parcel, they have an average at 10.75 acres and a median at 9.70 acres. (These two statistics surround the largest of the subject building lot, at 10.11 acres.) The average sale price of these thirteen Comparable Sales is \$1,144,688 with the median at \$900,000. The sale prices are adjusted ten percent for appreciation, and there are only two other adjustments noted: for Comparable No. BL9 the sale price is raised by a factor of twenty percent because of the nature of the sale (see in the **COMPARABLE SALES**) and for Comparable No. BL5 it is *punished* by two hundred thousand dollars to adjust for the presence of the ranch house that was scheduled at one point for demolishing and advertised in the MLS listing sheet as a “country house in need of restoration.”

Two/three “anomalous” parcels are added to the Comparable Sales. One is a 39.22-acre farm parcel with an old farmhouse and barns in poor condition that sold five days before the Effective Date of this report for \$4,500,000. Even though the farmhouse and barns did not figure into the calculations for the potential buyers that swarmed this listing, they are given a value of \$300,000, which reduces this sale to \$4,200,000. Even so the per-acre valuation is sky-high, so it is further (arbitrarily) reduced by a factor of twenty-five percent – and is still “off the chart” (see the **CURVILINEAR REGRESSION** section of this report).

That this is not an isolated incident, nor simply a question of some perceived miracle in the location (say) of these 39.22 acres, might be seen by the second “anomalous” parcel: 38.458 acres on South Street that sold in October (not quite two months before the Effective Date) for \$2,000,000. The third potential “anomalous” parcel is the first of the Comparable Sales here. In

most regards this would be an almost perfect Comparable Sale: it 6.60 acres (the subject building lots average 6.95 acres with a median at 6.63 acres), it is partially open farmland on a road that is not busy (though far busier than the subject's road) in a neighborhood that is very desirable and active, it is part of a subdivision and surrounded by land that is in the process of subdivision, and it is *timely*: it closed only eight days after the Effective Date. It has a much better view – long to the east – but the sale price, \$1,275,000, seems to place it, for whatever reason, on a higher plane. It is perhaps to be considered as anomalous.

### **LOT NO. 1, WITH 4.1 ACRES:**

Lot No. 1 is a good place to start. It is roughly midway in size between the smallest parcel...

A Gross value is determined for the 14.1 acres of the subject's Lot No. 1 at **\$850,000**, which is below the adjusted values of the fifth and tenth Comparable Sales, and – significantly – more or less at the value to which the neighboring parcel is conservatively adjusted, only for time.

The range for at least the four smallest subject parcels runs from \$676,000 to \$841,500.

### **LOT 2, WITH 5.00 ACRES:**

[Hic desunt multa]

### **LOTS 3 (16.7 ACRES) & 4 (16.6 ACRES):**

Crack of the bat these two parcels will have higher Gross values than the \$825,000 found for Lot 2. They are larger ...

[Hic desunt multa]

### **LOT 1:**

[Hic desunt multa]

### **LOT E5, WITH 5.03 ACRES:**

[Hic desunt multa]



~ ~ ~

*By way of back-up*, it is interesting to look at a curvilinear regression of the Comparable Sales, and this follows in the next section of this report.

*By way of further back-up*, note that these values are far below the indications of the two most recent Comparable Sales, especially the 5.60 acres (lower than the average and the median for the subject lots) of the Comparable Sale that was in contract on the Effective Date of this report and closed only a week and a day later. *5.60 acres that sold for \$1,125,000....* This reflects the feeding frenzy that is currently happening on XXX Street, and this reflects the fact that the subject is a denser subdivision of seven properties and these are in an area where the land, when subdivided as now, ends up with larger parcels.

~ ~ ~

### ***NET VALUATIONS***

There are a number of expenses that must be taken from the above Gross valuations of the six unimproved building lots when valuing the subject. These would include six percent for Sales and Marketing, three-quarters of a percent for the two Conveyance Taxes, “actual” expenses for the Real Estate Taxes (estimated from the **TAX DATA** section of this report, *cf. ante*, page 11), Development Costs, Developer’s Profit and Overhead and Miscellaneous (@ three quarters of a percent).

The Development Costs would start with no more than \$4,000 per lot at the most, for further surveying and engineering; the outline of the Residential Subdivision Feasibility Map is already a Class A-2, and the Deeps and Percs have been made. The Development Costs would also include the costs of creating the shared drive to Lots E3 & E4 and the costs of making realtor’s drives to the house sites. The shared drive for Lots E3 & E4 is 1,300 feet in length and would cost roughly forty dollars per linear foot. The drive would be gravel, and the expense would be shared equally between the two lots. The little bit of drive necessary for Lot E1 is on level farm fields and only one hundred feet long; it would be expensed at ten dollars per linear foot. The remaining drives would be expensed at fifteen dollars per linear foot: 340’ for Lot HL2, 725’ for Lot E2, 340’ for Lot E3, 550’ for Lot E4, and 555 to finish the drive for Lot E5 from the end of the old lane. These individual drives are expensed as “realtors’ drives” so that buyers in high heels might be driven to the house site in the realtors’ SUVs. Developer’s Profit is a convention at ten percent.

The above would be resolved as follows:

[Hic desunt iii paginae]

The numerous expenses taken from the Gross valuations reduce the value of the seven building lots from \$5,735,000 to **\$4,774,500**. This is a “loss” of \$960,500 (over twenty percent – 20.3%) due to Sales and Marketing, Conveyance Taxes, Real Estate Taxes, Development Costs, Developer’s Profit and Overhead and Miscellaneous.

~ ~ ~

**SUMMARY: THE SUBJECT AS A WHOLE:**

[Hic desunt multa]

BEFORE													
		Gross	Sales & Marketing 6%	Conveyance Tax 0.75%	R. E. Taxes	Dev. Costs \$1,000	Dev. Profit 5%	Overhead & Misc. 0.75%	Total Costs	Net Now	Present Value 6 Months	Present Value 12 Months	Present Value 18 months
Lot 1	1.250	\$70,000	\$4,200	\$525	\$2,000	\$3,000	\$3,500	\$525	\$13,750	\$56,250	\$53,632	\$51,136	\$48,757
Lot 2	1.250	\$70,000	\$4,200	\$525	\$2,000	\$15,500	\$3,500	\$525	\$26,250	\$43,750	\$41,714	\$39,773	\$37,922
Lot 3	1.250	\$125,000	\$7,500	\$938	\$2,000	\$3,000	\$6,250	\$938	\$20,625	\$104,375	\$99,518	\$94,886	\$90,471
Lot 4	1.250	\$125,000	\$7,500	\$938	\$2,000	\$15,500	\$6,250	\$938	\$33,125	\$91,875	\$87,599	\$83,523	\$79,636
Lot 5	1.250	\$125,000	\$7,500	\$938	\$2,000	\$16,000	\$6,250	\$938	\$33,625	\$91,375	\$87,123	\$83,068	\$79,202
Lot 6	1.250	\$140,000	\$8,400	\$1,050	\$2,000	\$15,500	\$7,000	\$1,050	\$35,000	\$105,000	\$100,114	\$95,455	\$91,012
Lot 7	1.250	\$70,000	\$4,200	\$525	\$2,000	\$15,500	\$3,500	\$525	\$26,250	\$43,750	\$41,714	\$39,773	\$37,922
Lot 8	1.250	\$125,000	\$7,500	\$938	\$2,000	\$15,000	\$6,250	\$938	\$32,625	\$92,375	\$88,076	\$83,977	\$80,069
Lot 9	1.250	\$125,000	\$7,500	\$938	\$2,000	\$15,500	\$6,250	\$938	\$33,125	\$91,875	\$87,599	\$83,523	\$79,636
OPEN	25.000	\$50,000								\$50,000			
	36.250	\$1,025,000	\$58,500	\$7,313	\$18,000	\$114,500	\$48,750	\$7,313	\$254,375	\$50,000	\$328,945	\$162,614	\$170,540
Total Net											\$712,098		

AFTER										
		Gross	Sales & Marketing 6%	Conveyance Tax 75.00%	R. E. Taxes \$2,000	Dev. Costs \$6,000	Dev. Profit 10%	Overhead & Misc. 0.75%	Total Costs	Net
Lot 8	1.25	\$137,500	\$8,250	\$1,031	\$2,000	\$1,500	\$0	\$1,031	\$13,813	\$123,688
CE	35.000	\$70,000								\$70,000
	36.250	\$207,500	\$8,250	\$1,031	\$2,000	\$1,500	\$0	\$1,031	\$13,813	\$193,688

Gift/Loss \$518,411

Realtor Drive	\$20
Shared Drive	\$40
Town Road	\$100

BEFORE

Town Road	1,000	\$100,000	8
Drive Lot 1	100	\$2,000	
Drive Lot 2	100	\$2,000	
Drive Lot 3	100	\$2,000	
Drive Lot 4	100	\$2,000	
Drive Lot 5	100	\$2,500	
Drive Lot 6	100	\$2,000	
Drive Lot 7	100	\$2,000	
Drive Lot 8	100	\$1,500	
Drive Lot 9	100	\$2,000	

Development Costs

	Eng& Survey	Town Road	Shared Drive	Realtor Drive	Total
Lot 1	\$1,000	\$0		\$2,000	\$3,000
Lot 2	\$1,000	\$12,500		\$2,000	\$15,500
Lot 3	\$1,000	\$0		\$2,000	\$3,000
Lot 4	\$1,000	\$12,500		\$2,000	\$15,500
Lot 5	\$1,000	\$12,500		\$2,500	\$16,000
Lot 6	\$1,000	\$12,500		\$2,000	\$15,500
Lot 7	\$1,000	\$12,500		\$2,000	\$15,500
Lot 8	\$1,000	\$12,500		\$1,500	\$15,000
Lot 9	\$1,000	\$12,500		\$2,000	\$15,500

Residual Open Space AFTER					
Hay	0.00	\$3,500	\$0	\$0	0.00%
Open	0.00	\$2,000	\$0	\$0	0.00%
Wooded	35.00	\$1,500	\$52,500	\$52,500	100.00%
Total	35.00	\$52,500	\$52,500		

AFTER

Drive Lot 8	1700	\$34,000
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DCF														
BEFORE														
		Gross	Sales & Marketing 6%	Conveyance Tax 0.75%	R. E. Taxes \$2,000	Dev. Costs \$6,000	Dev. Profit 10%	Overhead & Misc. 0.75%	Total Costs	Net Now	Present Value 6 Months	Present Value 12 Months	Present Value 18 Months	Present Value 24 months
Lot 1	4.309	\$311,944	\$18,717	\$2,340	\$2,000	\$83,118	\$31,194	\$2,340	\$139,708	\$172,236	\$164,221	\$156,579	\$149,292	\$142,344
Lot 2	4.745	\$320,284	\$19,217	\$2,402	\$2,000	\$89,568	\$32,028	\$2,402	\$147,617	\$172,666	\$164,631	\$156,969	\$149,664	\$142,699
Lot 3	6.559	\$349,942	\$20,997	\$2,625	\$2,000	\$97,068	\$34,994	\$2,625	\$160,307	\$189,634	\$180,809	\$172,395	\$164,372	\$156,723
Lot 4	6.352	\$346,891	\$20,813	\$2,602	\$2,000	\$83,118	\$34,689	\$2,602	\$145,823	\$201,067	\$191,710	\$182,788	\$174,282	\$166,171
Lot 5	3.758	\$300,483	\$18,029	\$2,254	\$2,000	\$90,093	\$30,048	\$2,254	\$144,677	\$155,806	\$148,555	\$141,642	\$135,050	\$128,765
Lot 6	6.123	\$343,414	\$20,605	\$2,576	\$2,000	\$90,618	\$34,341	\$2,576	\$152,715	\$190,699	\$181,825	\$173,363	\$165,295	\$157,603
Lot 7	3.965	\$304,916	\$18,295	\$2,287	\$2,000	\$87,318	\$30,492	\$2,287	\$142,678	\$162,238	\$154,688	\$147,489	\$140,625	\$134,081
Lot 8	4.172	\$309,184	\$18,551	\$2,319	\$2,000	\$83,118	\$30,918	\$2,319	\$139,225	\$169,959	\$162,049	\$154,508	\$147,318	\$140,462
Lot 9	3.873	\$302,967	\$18,178	\$2,272	\$2,000	\$83,118	\$30,297	\$2,272	\$138,137	\$164,830	\$157,160	\$149,846	\$142,872	\$136,223
Lot 10	4.126	\$308,249	\$18,495	\$2,312	\$2,000	\$83,118	\$30,825	\$2,312	\$139,061	\$169,188	\$161,314	\$153,807	\$146,649	\$139,825
Lot 11	4.585	\$317,279	\$19,037	\$2,380	\$2,000	\$83,118	\$31,728	\$2,380	\$140,641	\$176,637	\$168,417	\$160,579	\$153,106	\$145,981
Lot 12	3.712	\$299,475	\$17,968	\$2,246	\$2,000	\$83,118	\$29,947	\$2,246	\$137,526	\$161,949	\$154,412	\$147,226	\$140,375	\$133,842
Lot 13	4.011	\$305,878	\$18,353	\$2,294	\$2,000	\$83,118	\$30,588	\$2,294	\$138,646	\$167,232	\$159,449	\$152,029	\$144,954	\$138,208
Lot 14	4.172	\$309,184	\$18,551	\$2,319	\$2,000	\$83,118	\$30,918	\$2,319	\$139,225	\$169,959	\$162,049	\$154,508	\$147,318	\$140,462
Lot 15	3.644	\$297,944	\$17,877	\$2,235	\$2,000	\$83,118	\$29,794	\$2,235	\$137,258	\$160,686	\$153,208	\$146,078	\$139,280	\$132,798
Lot 16	3.598	\$296,912	\$17,815	\$2,227	\$2,000	\$89,868	\$29,691	\$2,227	\$143,827	\$153,085	\$145,961	\$139,168	\$132,691	\$126,516
Lot 17	3.689	\$298,967	\$17,938	\$2,242	\$2,000	\$88,518	\$29,897	\$2,242	\$142,837	\$156,130	\$148,864	\$141,936	\$135,331	\$129,033
Open Space Road	11.300 5.060													
	91.754	\$5,323,912	\$319,435	\$39,929	\$34,000	\$1,464,225	\$532,391	\$39,929	\$2,429,910	\$0	\$701,371	\$617,002	\$583,003	\$667,018
Total Net												\$2,568,394		

AFTER										
		Gross	Sales & Marketing 6%	Conveyance Tax 0.75%	R. E. Taxes \$2,000	Dev. Costs \$6,000	Dev. Profit 10%	Overhead & Misc. 0.75%	Total Costs	Net
Lot 6	6.12	\$429,268	\$25,756	\$3,220	\$2,001	\$27,750	\$42,927	\$3,220	\$104,873	\$324,395
CE	85.632	\$128,447								\$128,447
	91.754	\$557,715	\$25,756	\$3,220	\$2,001	\$27,750	\$42,927	\$3,220	\$104,873	\$452,842

Realtor Drive	\$15	Gift/Loss	\$2,115,551	28%	\$592,354
Shared Drive	\$40				
Town Road	\$300				

BEFORE

Town Road 1      4,200      \$1,260,000      17 lots

Drive Lot 1	200	\$3,000
Drive Lot 2	630	\$9,450
Drive Lot 3	1130	\$16,950
Drive Lot 4	200	\$3,000
Drive Lot 5	665	\$9,975
Drive Lot 6	700	\$10,500
Drive Lot 7	480	\$7,200
Drive Lot 8	200	\$3,000
Drive Lot 9	200	\$3,000
Drive Lot 10	200	\$3,000
Drive Lot 11	200	\$3,000
Drive Lot 12	200	\$3,000
Drive Lot 13	200	\$3,000
Drive Lot 14	200	\$3,000
Drive Lot 15	200	\$3,000
Drive Lot 16	650	\$9,750
Drive Lot 17	560	\$8,400

Development Costs					
	Eng& Survey	Town Road	Shared Drive	Realtor Drive	Total
Lot 1	\$6,000	\$74,118		\$3,000	\$83,118
Lot 2	\$6,000	\$74,118		\$9,450	\$89,568
Lot 3	\$6,000	\$74,118		\$16,950	\$97,068
Lot 4	\$6,000	\$74,118		\$3,000	\$83,118
Lot 5	\$6,000	\$74,118		\$9,975	\$90,093
Lot 6	\$6,000	\$74,118		\$10,500	\$90,618
Lot 7	\$6,000	\$74,118		\$7,200	\$87,318
Lot 8	\$6,000	\$74,118		\$3,000	\$83,118
Lot 9	\$6,000	\$74,118		\$3,000	\$83,118
Lot 10	\$6,000	\$74,118		\$3,000	\$83,118
Lot 11	\$6,000	\$74,118		\$3,000	\$83,118
Lot 12	\$6,000	\$74,118		\$3,000	\$83,118
Lot 13	\$6,000	\$74,118		\$3,000	\$83,118
Lot 14	\$6,000	\$74,118		\$3,000	\$83,118
Lot 15	\$6,000	\$74,118		\$3,000	\$83,118
Lot 16	\$6,000	\$74,118		\$9,750	\$89,868
Lot 17	\$6,000	\$74,118		\$8,400	\$88,518

AFTER

Drive Lot 6      1450      \$21,750

Residual Open Space:-	AFTER				
Open	0.00	\$3,000	\$0.00	\$0	
Wooded	85.63	\$1,500	\$128,447.33	\$128,447	
Total			\$128,447.33	\$128,447	

Interest:-
8% per year
1.08 FV
0.00643403 monthly

Y 232269.629 Effective Date: 10/31/2007  
Exponent -0.562590975

Legal Reference	Per Acre	Formulated Value	Adjusted Sales	Size (acres)	Price Per Acre
Parcel 1 House & 33.922ac	\$31,986	\$1,085,023		33.922	\$0.00
Parcel 5 House & 25.764ac	\$37,340	\$962,016		25.764	\$0.00
Parcel 2	\$27,856	\$1,208,155	\$1,208,155	43.372	\$27,855.64
Parcel 3	\$43,086	\$860,690	\$860,690	19.976	\$43,086.19
Parcel 4	\$27,887	\$1,207,106	\$1,207,106	43.286	\$27,886.76
Parcel 6	\$82,395	\$519,915	\$519,915	6.310	\$82,395.43 really 6.31
Parcel C	\$79,099	\$536,685	\$536,685	6.785	\$79,098.82
Parcel E	\$24,367	\$1,340,628	\$1,340,628	55.019	\$24,366.64
Parcel F	\$36,436	\$980,504	\$1,300,000	26.910	\$48,309.18
Parcel A	\$39,494	\$920,961		23.319	\$0.00
Parcel B	\$54,503	\$716,933		13.154	\$0.00
Parcel D	\$42,849	\$864,392		20.173	\$0.00
ANST 1	\$20,307	\$1,544,728		76.070	\$0.00
ANST 2	\$85,245	\$506,353		5.940	\$0.00

400.00

Legal Reference	Date of Sale	Sales Price	Manual Adjusted Sales Price	Manual & Time Adjusted Sales	Size (acres)	All Adjustments Price Per Acre	Street Address	Town	Grantor	Grantee	Frontage (feet)
Comp. BL1	Vol 217 Page 970	12/13/07	\$580,000	\$638,000	\$638,000	10.39	\$61,405.20	Wells Hill Rd Lot 6	Salisbury	Melligon	Downs
Comp. BL2	Vol 217 Page 849	11/16/07	\$600,000	\$600,000	\$605,000	7.01	\$86,305.28	Undermountain Rc	Salisbury	Hoysradt	Church Homes LLC
Comp. BL3	Vol 217 Page 475	10/18/07	\$800,000	\$800,000	\$813,000	29.09	\$27,947.75	Wells Hill Rd, Lot 5	Salisbury	Wells Hill Rd LLC	Fredrich & Reville
Comp. BL4	Vol 217 Page 473	10/18/07	\$1,025,000	\$1,025,000	\$1,041,500	28.12	\$37,037.70	Wells Hill Rd , Lot 4	Salisbury	Wells Hill Rd LLC	Fredrich & Reville
Comp. BL5	217/336	10/10/07	\$700,000	\$700,000	\$717,000	8.532	\$84,036.57	Salmon Kill Rd	Salisbury	MacLaren	Plunkett
Comp. BL6	216/727	8/17/07	\$520,000	\$520,000	\$537,000	8.48	\$63,325.47	80 Belgo Rd	Salisbury	Beckett	S Prospect Development LLC
Comp. BL7	216/242	7/27/2007	\$500,000	\$500,000	\$520,500	5.13	\$101,461.99	Lawson Rd	Salisbury	Jerome	Murphy
Comp. BL8	216/204	7/25/2007	\$960,000	\$960,000	\$999,000	32.30	\$30,928.79	Wells Hill Rd Lot 3	Salisbury	Melligon	Ores & Schorin
Comp. BL9	215/845	6/26/2007	\$300,000	\$300,000	\$314,500	2.06	\$153,041.36	Old Asylum Rc	Salisbury	Achilles	Layton
Comp. BL10	214/348	2/28/07	\$450,000	\$450,000	\$487,000	7.35	\$66,258.50	87 & 89 Sugar Hill Rc	Salisbury	Gasel	Thomas
Comp. BL11	Vol 213 Page 481	11/27/2006	\$565,000	\$565,000	\$626,500	9.52	\$65,795.00	74 Belgo Rd	Salisbury	Becket	
Comp. BL12	Vol 210 Page 1012	5/18/06	\$875,000	\$875,000	\$1,017,500	22.36	\$45,505.37	137 Salmon Kill Rd	Salisbury	MacLaren	Quinn
Comp. BL13	Vol 209 Page 961	2/24/2006	\$900,000	\$900,000	\$1,072,000	16.86	\$63,597.53	Salmon Kill Road	Salisbury	Levy & Gurel	Archer
Comp. BL14	209/524	1/25/2006	\$350,000	\$375,000	\$450,000	2.23	\$201,793.72	244 Housatonic River Rd	Salisbury	244 River Road As	Klemens & Leabmar
Comp. BL15	208/868	11/30/2005	\$645,000	\$595,000	\$725,500	10.22	\$70,988.26	230 Housatonic River Rd	Salisbury	FitzGerald	Klemens & Leabmar
Comp. BL16	Vol 208 Page 368	10/28/2005	\$245,000	\$245,000	\$301,000	1.26	\$238,888.89	Millerton Rd	Salisbury	Reid	Soriero
Comp. BL17	Vol 209 Page 299	10/26/05	\$320,000	\$320,000	\$393,500	4.34	\$90,668.20	24 Hemlock Lane	Salisbury	Lebowitz	Hamilton
Comp. BL18	Vol 205 Page 625	5/10/2005	\$375,000	\$375,000	\$483,500	5.23	\$92,518.18	Selleck Hill Rd	Salisbury	Lahita	Lees
Comp. BLX	Vol 201 Page 399	8/26/2004	\$2,000,000	\$2,000,000	\$2,748,000	260.00	\$10,569.23	Sharon Road	Salisbury	Blum	The Hotchkiss School
Comp. BLY	Vol 212 Page 227	8/25/2006	\$270,000	\$315,957	\$359,000	6.47	\$55,504.02	Wells Hill Rc	Salisbury	Vreeland	Lese
Comp. BLZ	Vol 210 Page 209	3/30/2006	\$215,000	\$215,000	\$254,000	3.45	\$73,623.19	Ore Hill Rd	Salisbury	Meehan	
Average			\$628,333	\$632,093	\$719,190	22.88	\$81,962				
Mean			\$565,000	\$565,000	\$605,000	8.48	\$66,259				

Comparable No. BL3	Vol 103 Page 557	5/3/2007	270,000.00	\$270,000	\$280,592	13.86	\$20,244.75	Davenport Road	Roxbury	Francesconi	Santos
Comparable No. BL4	List Sheet	4/1/2007	265,000.00	\$265,000	\$277,168	7.47	\$37,104.15	18 Brandy Wine Xing	Roxbury	Stone	
Comparable No. BL6		3/5/2007	265,000.00	\$265,000	\$278,951	7.47	\$37,342.88	18 Brandywine Crossing	Roxbury		
Comparable No. BL20	Vol 98 Page 171	7/22/05	\$875,000	\$875,000	\$1,040,427	13.20	\$78,820.21	35 Ranney Hill Rc	Roxbury	Miller	Arcaro

## CURVILINEAR REGRESSION OF THE BUILDING LOT COMPARABLE SALES

The curvilinear regression following looks at thirteen of the eighteen Comparable Sales (leaving out the three sales considered anomalous) and backs up the subject lot valuations found in the **DETERMINATION OF VALUE** section, above.

In a curvilinear regression the Number of Acres for individual Comparable Sales is pitted against the Price per Acre on a graph. Since the per-acre price of land is higher for smaller parcels and lower for parcels of many acres<sup>8</sup>, the line of “best fit” for all the Comparable Sales is a curve rather than straight line. A 5.05-acre building lot might sell at \$676,000 (adjusted, see Comparable No. BL4), which is \$133,861 per acre, but an 80.55-acre parcel might sell at \$1,279,162 (adjusted, see Comparable No. BL12), which is only \$15,878 per acre. There is a factor of nearly eight and a half times here. When the sale prices per acre of the Comparable Sales are plotted on a graph (these are the dark blue diamonds), ideally the points where the number of acres (the y-axis) and the price per acre (the x-axis) for each meet will draw a descending curve. The closeness of the “fit” to the curve is calculated on a percentage basis (to come up with what is called the “coefficient of correlation” whose symbol is “R<sup>2</sup>”). A coefficient of correlation at or above 80% is a telling fit. In this case the coefficient of correlation is a statistically *very* significant near ninety-four percent (93.78%). The anomalous sales are the three red squares (■) each orbiting high above the curve. These show the nature of real estate in Erewhon, and further show the nature of the beast.

All of this puts into a two-dimensional, statistical, roundup the analysis of the Comparable Sales found in the **DETERMINATION OF VALUE --- BEFORE THE CONSERVATION RESTRICTION** section of this report. It also nicely shows the integrity of the Comparable Sales, which are represented by the dark blue diamonds (◆).

The formula for the graph is

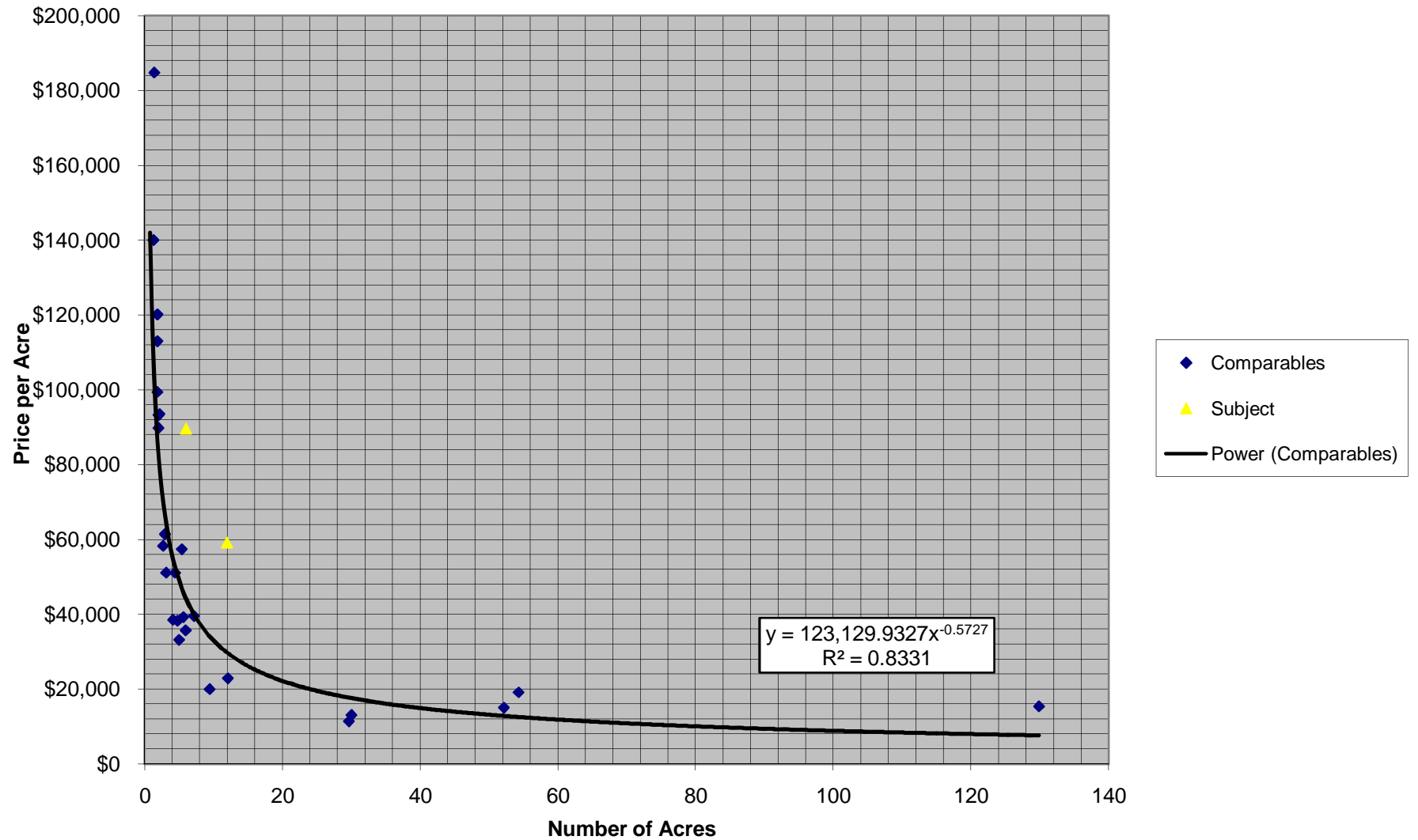
$$y = 613,674x^{-0.7954}.$$

If one were to take the Gross values for the subject parcels found in the previous section and divided them by the number of acres for each, the per-acre price might be placed on the chart, and these are the yellow triangles (▲). Note that only one of the six – that representing the 5.03-acre Lot E5 with half of the pond – is near the surface of the curve, just bobbing under. The rest sink below the level of the curve at as great a differential as any of the Comparable Sales. This probably reflects the fact that the subject is made up of a number of “smaller” lots in a subdivision. This is a good indication that the valuations determined for these subject lots are conservative.

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<sup>8</sup> There is an inverse power relationship between number of acres and price per acre.

## Land in New Milford





## **DETERMINATION OF VALUE --- *AFTER* THE CONSERVATION RESTRICTION (VALUATION OF AGRICULTURAL OR RESIDUAL RIGHTS)**

To determine the value of the *foregone rights* of the land lying under the Conservation Restriction, from the valuation determined in the previous section must be taken the value of the *residual* use of the 21.673 acres newly-restricted (added to the residual value of the fifteen acres restricted in 1998). One way to look at real estate is to see the whole “Bundle of Rights” on a piece of land made up of the development rights – or the value which the right of building a house, if the land is residentially zone, brings – and the residual use.

The residual use can be primarily one use, or a combination of uses. The residual use of the two-acre parcel on a lake in Winchester this appraiser recently investigated was totally recreational – and valuable, since ninety-nine members of a swimming club were paying one hundred dollars each, annually, for the use of the beach and the pond. The residual use of old New England farmland kept in hay or corn for hundreds of years (see Comparable AF32 in this report) is primarily agricultural – a farmer will make so much per acre for growing, cutting and selling hay. This value will most certainly be more than the value of the passive recreational use of the land, which is another of the residual uses. No one will pay to walk or birdwatch on a parcel in northwestern Connecticut, where there are so many State and local parks. But in some cases passive recreation is the only logical residual use of a property. Another residual use is timbering, or the value a forester would pay per acre to take the logs.

But nobody would pay to “recreate” passively on this 36.673 acres under restriction. A farmer would be happy to plant hay or crops, or graze cattle, on the open hayfields and pastures, and certainly a forester would be happy to pay a fair value for any timber of value. These are possible uses and would return a higher value for the land that can no longer be developed with a house or houses.

In Erehwon as in virtually all Litchfield County towns, the value of restricted land clearly reflects only its agricultural or timber value.

In the **DESCRIPTION OF PROPERTY – *AFTER* THE CONSERVATION RESTRICTION** section of this report it was determined that on the newly-restricted land there was approximately 11.63 of open farm fields, a pond with 0.24 acres, and the balance, or 24.80 acres entirely wooded. The wooded land is characterized by mostly deciduous, third-growth scrub, or “weed” trees.

This appraiser has conferred with many Connecticut farmers, with a farmer in Erehwon named Robert Seymour, and most recently with a farmer in Cornwall named Charles Gold. If the open land on the subject were hay in excellent repair, it would be expected to yield 150 bales

of hay per acre for the two cuttings in the season. A farmer might expect to make \$3.00/bale for first-cut hay and \$3.25/bale for second-cut hay.<sup>9</sup>

The value of hay taken in one year on one acre would be:

$$1 \text{ acre} \times 150 \text{ bales} \times \$3.12/\text{bale}^{10} \text{ or } \$478$$

This money received every year for ten years at six percent interest would give a present value for the income stream of \$3,444.<sup>52</sup>, which this appraiser rounds to \$3,500 per acre. The agricultural value of this portion of the subject is determined to be **\$40,500** (this 11.63 acres *times* \$3,500, rounded to the nearest five hundred dollars).

A twenty-four acre parcel of undevelopable land sold on April 24, 2007 for \$10,000 (see Comparable AF24). Of this approximately twenty acres was open water, Jones Pond, and the rest was unusable because of lack of set-backs and Inland Wetlands. This sold for only \$416.<sup>67</sup> per acre. This does not account for potential agricultural uses; Jones Pond was not near fields and could not provide drinking water for cattle or horses. It was marketed as “ideal for a fishing club.” To err on the high side a value might be given this near quarter acre of pond at the same \$3,500 per acre as if it were a hayfield. This would add **\$1,000** to the value of the restricted land (0.24 acres *times* \$3,500, rounded)

Woodlands will range in value from \$350 per acre (for firewood) to \$3,500 per acre (for virgin forests of tall, straight oaks and maples and evergreens). This appraiser has consulted with several foresters trained at the Yale School of Forestry, including Curtis Rand of Salisbury and Star Childs of Norfolk, and more recently Jim Gillespie of Sharon. A forester would probably value these trees in the \$750-per-acre to \$1,250-per-acre range. A figure of \$1,500 per acre is used here (to err on the high side) for the 24.80 acres of wooded land; this would make a value for the woodlands at **\$37,000** (rounded).

The above will be resolved as follows:

11.63 acre of hay fields.....	<b>\$40,500</b>
0.24 acres of pond.....	<b>\$1,000</b>
24.80 acres of woodlands.....	<b>\$37,000</b>
<i>Total</i> .....	<b>\$78,500</b>

*By way of double-checking:*

The Comparable Sales of land considered to be without development rights (see the COMPARABLE SALES *AFTER* CONSERVATION RESTRICTION section near the end of this appraisal) show the value residual parcels of real estate, much of which is “agricultural” land. Most of

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<sup>9</sup> According to statistics printed by the State of Connecticut, the cost for producing each bale of hay attributed to fuel, equipment and taxes is \$1.30 per bale. This figure does not include the farmer's labor, which is roughly \$1.00 per bale.

<sup>10</sup> Averaging the first and second cutting costs.

these parcels are predominantly woodlands or marsh (i.e., not pasture land or hay fields). But three or four were open or semi-open pieces. Particularly Comparables AF26 & AF32 (here, twelve acres that sold for \$36,000, or \$3,000 per acre) is most like the subject's hay fields.

More precisely these are parcels most of which sold without the possibility of development, mostly for reasons of terrain, topography, soils or accessibility. In some cases there was the possibility of development, but the buyers purchased as if the land were residual, or soon after gave the land to an Open Space 501 (c) (3). In other cases there is an overt building lot or possibility of development, and it is possible to net out the value for the residual portions. The parcels entirely wooded (or mostly water & Inland Wetlands) range in value from \$417 per acre to \$1,500 per acre. The more open parcels or the parcels that might be developable range in value from \$1,336 per acre to \$3,478 per acre. Parcels where the contributory values were not calculated (where there was yet some developability) ranged in value to \$6,000 per acre.

~ ~ ~

There is only one more factor to consider for valuing the subject after the imposition of the Conservation Restriction. With five of the building lots in the *Before* scenario now restricted against development, will there be any change in value to the rest of the subject?

Looking first at the improved Lot HL1, with the main house, guest houses, barns and a swimming pool on the 5.00 acres of land, will John and Mary HighEndBuyer pay more for this property once ex Lots 1 through 7 are eased against development? The exhibit on the top of the following page shows the distances between the main house and the neighboring houses – both actual and as on the Residential Subdivision Feasibility Map.

Anyone considering the purchase of the improved portion of the subject would expect to pay more were he or she told that six houses would disappear, but these appraisers estimate that this “more” would be in the range of five percent. The value of the improved Lot 1 in the *After* scenario is estimated at **\$3,300,000**. This is five percent plus ten thousand dollars, to make the figure and round number. This is a differential of \$175,000, which is an appreciable number. The hint of anything greater (especially anything along the lines of ten percent – an extra third of a million dollars) would suck potential buyers back into their realtor's SUVs to be shown other offerings.

This same reasoning applies to the 15.00-acre building lot, Lot 2. There would be a difference, but it would be in the realm of this five percent. The value of Lot HL2 rises from \$725,000 to **\$765,000** (rounding up an extra \$3,750).

~ ~ ~

## ***NET VALUATIONS***

The same expenses must be taken against the Gross valuation estimated for Lot H2, viz.: the six percent for Sales and Marketing, three-quarters of a percent for the two Conveyance Taxes, “actual” expenses for the Real Estate Taxes (estimated from the **TAX DATA** section of this report), Development Costs, Developer’s Profit and Overhead and Miscellaneous (@ three quarters of a percent). This would be summarized as follows:

Lot H2 (15.04 Acres) .....	<b>\$885,000</b>
<i>less for Sales &amp; Marketing (6%).....</i>	<i>\$48,900</i>
<i>less for Conveyance Tax (0.75%) .....</i>	<i>\$5,838</i>
<i>less for Real Estate Taxes .....</i>	<i>\$2,848</i>
<i>less for Development Costs.....</i>	<i>\$9,100</i>
<i>less for Developer’s Profit (10%).....</i>	<i>\$88,500</i>
<i>less for Overhead &amp; Misc. (0.75%) ....</i>	<i>\$5,838</i>
NET .....	<b>\$621,258</b>

which would round to **\$621,000**.

The expenses taken from the Gross valuations reduce the value of the building lot from .... This is a “loss” of \$150,500 (23.9%) due to Sales and Marketing, Conveyance Taxes, Real Estate Taxes, Development Costs, Developer’s Profit and Overhead and Miscellaneous.

~ ~ ~

### **SUMMARY: THE SUBJECT AS A WHOLE IN THE *AFTER* SCENARIO:**

....

## RECAPITULATION

The “*Before*” value of the subject parcel is determined to be **\$XXX**, which is the value of the *much* improved house parcel on 5.00 acres (\$3,000,000 for Lot H1) *plus* the seven building lots with valuations netted through a Discounted Cash Flow analysis (ranging narrowly from \$596,500 to \$636,000 and totaling \$4,074,500).

The value of the subject “*After*” the Conservation Restriction is put in place to restrict all residential development on one of the seven potential building lots is determined to be **\$XXX**, which is made up of the value of the improved Lot HL1 (@ \$3,300,000) and the Net value of Lot 2 (\$XXX), *plus* the value of the 136.73 acres now lying under a Conservation Restriction (@ \$XXX).

Subtracting the “*After*” from the “*Before*” leaves a net value for the Conservation Restriction of **\$2,499,500**.

## **LAND COMPARABLE SALES**



# Comparable No. BL1:

## Wells Hill Rd Lot 6, Salisbury

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<i>Sale Date:</i> 12/13/2007	<i>Size (acres):</i> 10.39
<i>Legal Reference:</i> Vol 217 Page 970	<i>Frontage:</i> 648.198'
<i>Sales Price:</i> \$580,000	<i>Grantor:</i> Melligon
<i>Adjusted Sales Price:</i> \$638,000	<i>Grantee:</i> Downs
<i>Topography:</i> Varying by less than five to ten feet --- very flat	<i>Soils:</i> SnB, AnA and AnB

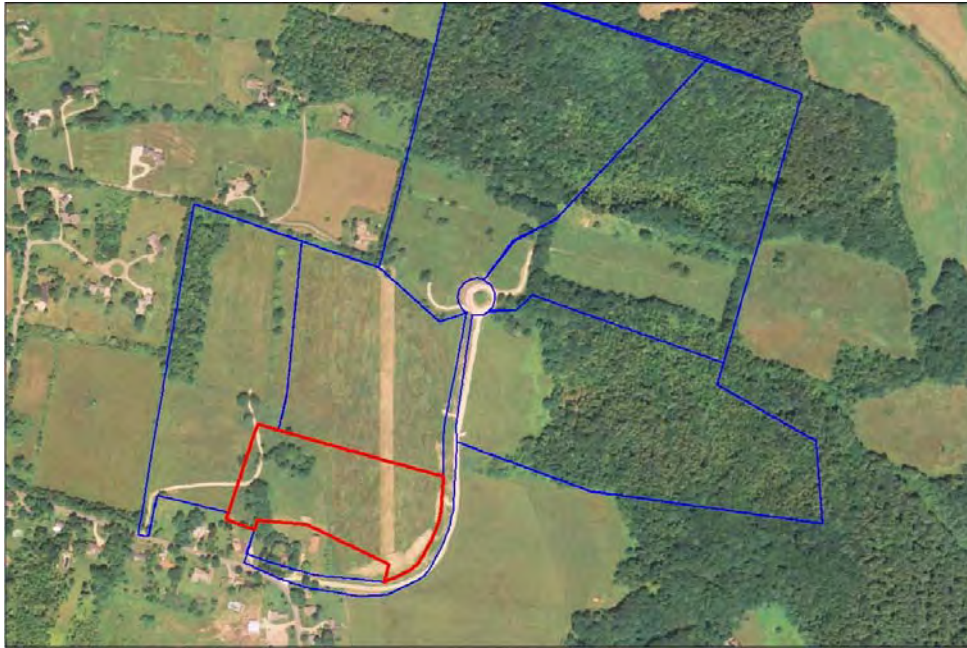
*Proximity to Subject:* 3.25 Miles S



This was purchased as a Parcel B in the same deed as a Parcel A with a small house and barns on 3.137 acres, with frontage on Wells Hill Road; the total sale price was \$1,100,000. The frontage for this 10.390 acres (648.198') is entirely on the subdivision road that sweeps along a portion of the frontage of the Parcel A, so that the traffic of the other four lots (with three owners) will run close to the house. Perhaps the small house will become a gatehouse/guesthouse for a main house that will be built near the field of Parcel B. Parcel B is ALL farm field, with a very few trees. Three other building lots in the Wells Hill subdivision appear among these Comparable Sales (BL3, 4 & 9). The realtor in the transaction told these appraisers that Parcel A was assigned a value of \$520,000 and Parcel B (this Comparable Sale) a value of \$580,000, and the Town Clerk's Day Book confirms. Because the Sum the Parts Is Greater than the Whole, the sale price is adjusted ten percent, which puts this parcel more in line with the other Wells Hill subdivision building lots. The hayfield here is much like the farm fields on much of the subject.

Comparable No. BL1:

Wells Hill Rd Lot 6, Salisbury



**2006 Aerial**

# Comparable No. BL2:

## Undermountain Rd, Salisbury

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<i>Sale Date:</i> 11/16/2007	<i>Size (acres):</i> 7.005
<i>Legal Reference:</i> Vol 217 Page 849	<i>Frontage:</i> 311.21'
<i>Sales Price:</i> \$600,000	<i>Grantor:</i> Hoysradt
<i>Adjusted Sales Price:</i> \$605,000	<i>Grantee:</i> Church Homes Inc
<i>Topography:</i> Falls twenty to twenty-five feet from the road (the contours are at three-meter intervals, or 9.84 feet).	<i>Soils:</i> Mostly Groton sandy gravelly loam (GrA - Urban Group 1), with some GrC on the frontage and HeA to the rear
<i>Proximity to Subject:</i> 0.61 Miles W	

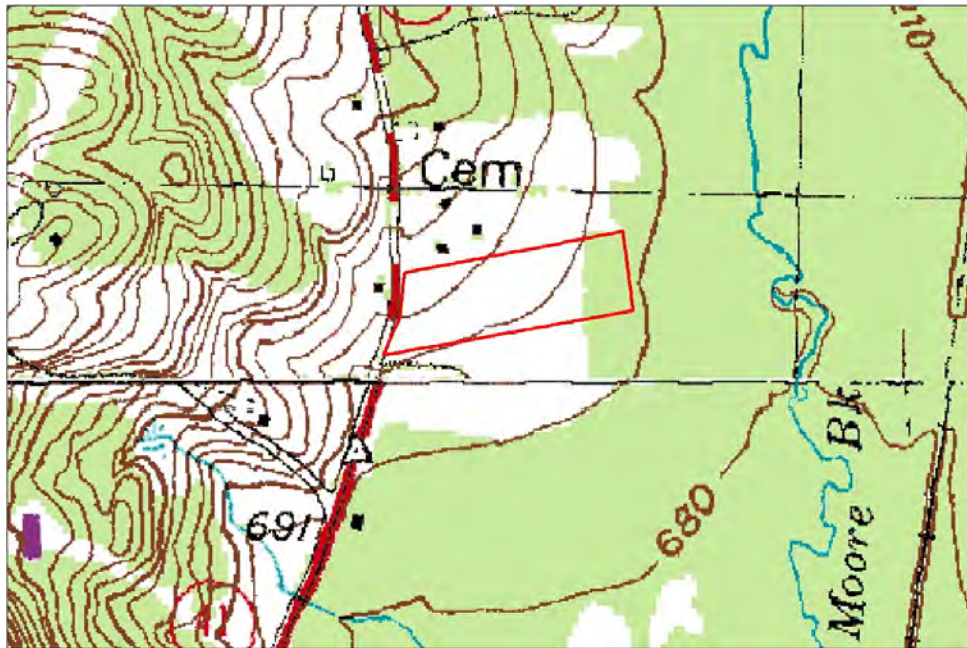


Mostly farm fields that fall gradually away from the road, the soils (good farm soils) are excellent for development: Urban Group 1 - easy for septic systems and for foundations and basements. The land at the very back is wooded. This almost backs up to 23.711 acres that were gifted to The Nature Conservancy, and it is not far east of lands of the US government for the Appalachian Trail, running over the rising ridgeland across the road. The center of Salisbury is only a mile and a quarter to the south. This parcel is also just north of the 104-acre Noble Horizons retirement community, a division of the Grantee here, and will probably be used for future expansion.



Comparable No. BL2:

Undermountain Rd, Salisbury



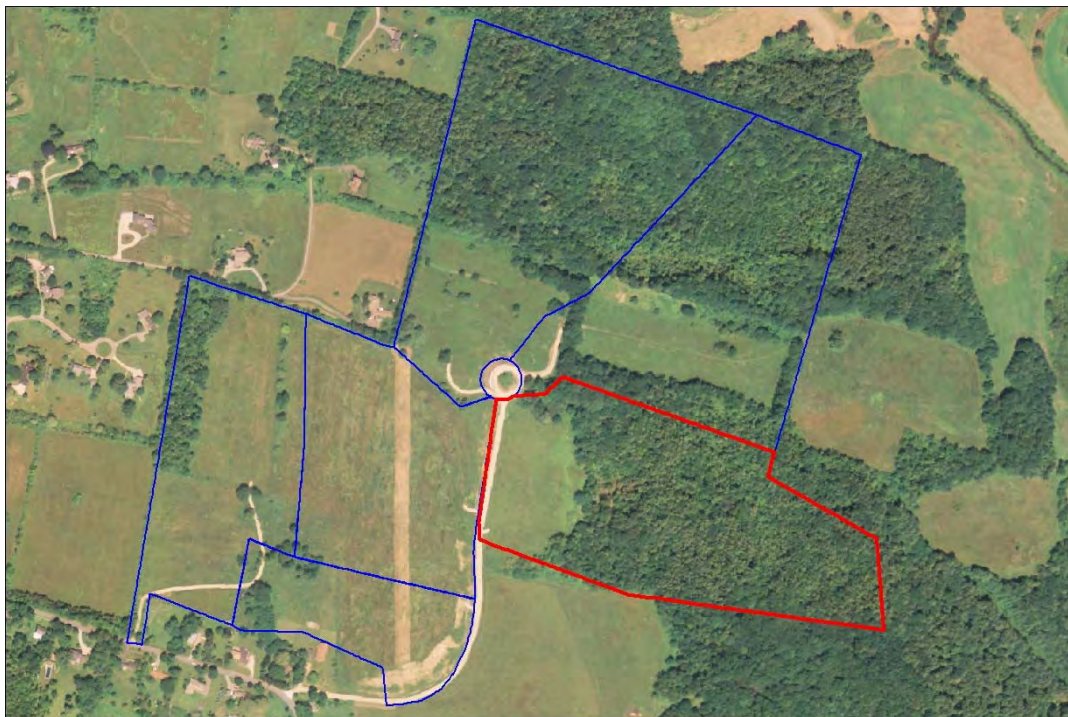
**Topograghy**

# Comparable No. BL3:

## Wells Hill Rd, Lot 5, Salisbury

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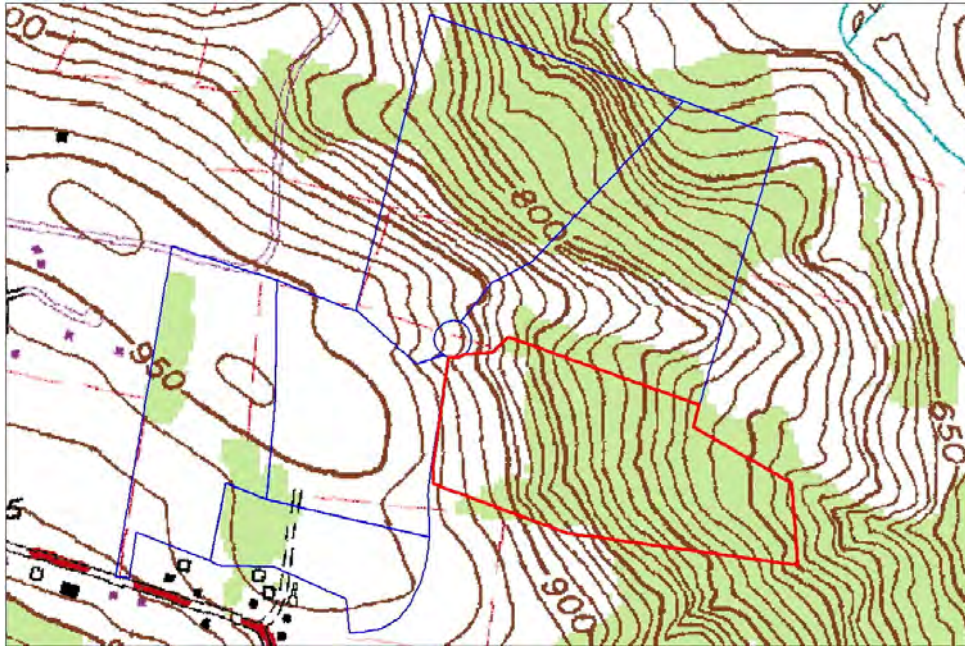
<i>Sale Date:</i> 10/18/2007	<i>Size (acres):</i> 29.09
<i>Legal Reference:</i> Vol 217 Page 475	<i>Frontage:</i> 188' +/-
<i>Sales Price:</i> \$800,000	<i>Grantor:</i> Wells Hill Rd LLC
<i>Adjusted Sales Price:</i> \$813,000	<i>Grantee:</i> Fredrich & Reville
<i>Topography:</i> Sloping to the east and northeast	<i>Soils:</i> AnB, SpC, SnC2 & SnD2, with two small areas of Inland Wetlands in the woods and another small area of FaC. The Amenias and Stockbridge soils are excellent farm soils. They are not wonderful for septic, but
<i>Proximity to Subject:</i> 3.14 Miles S	



The second of the Wells Hill Road building lots, this parcel sold on the same day and in the same deed as the next Comparable Sale: the buyers here will build on this parcel and use the other as a buffer. Nevertheless they realize that they will be passing by at least three other lots that will be actively under construction for a number of months or years - the senior appraiser talked with friends of the Grantees and has also talked with the Grantor. A beautiful, sloping, farm field of roughly 7.2 acres affords a high house site with long and protected views to just south of due east. Most of the rest of the land is wooded, and the trees to the northeast could be cut a little to broaden the views. They cannot be cut more than a little because of the Inland Wetlands (which cannot be cut over). The prices paid for the two lots may well have been artificially adjusted. For the neighboring parcel these Grantees paid \$225,000 more, but this is the better parcel, by far: more open land, the views already apparent, a house site that will not be so visible from the other building lots in this subdivision. The house site on the contiguous parcel is much more exposed.

# Comparable No. BL3:

Wells Hill Rd, Lot 5, Salisbury





# Comparable No. BL4:

## Wells Hill Rd , Lot 4, Salisbury

**Sale Date:** 10/18/2007

**Size (acres):** 28.12

**Legal Reference:** Vol 217 Page 473

**Frontage:** 732' +/-

**Sales Price:** \$1,025,000

**Grantor:** Wells Hill Rd LLC

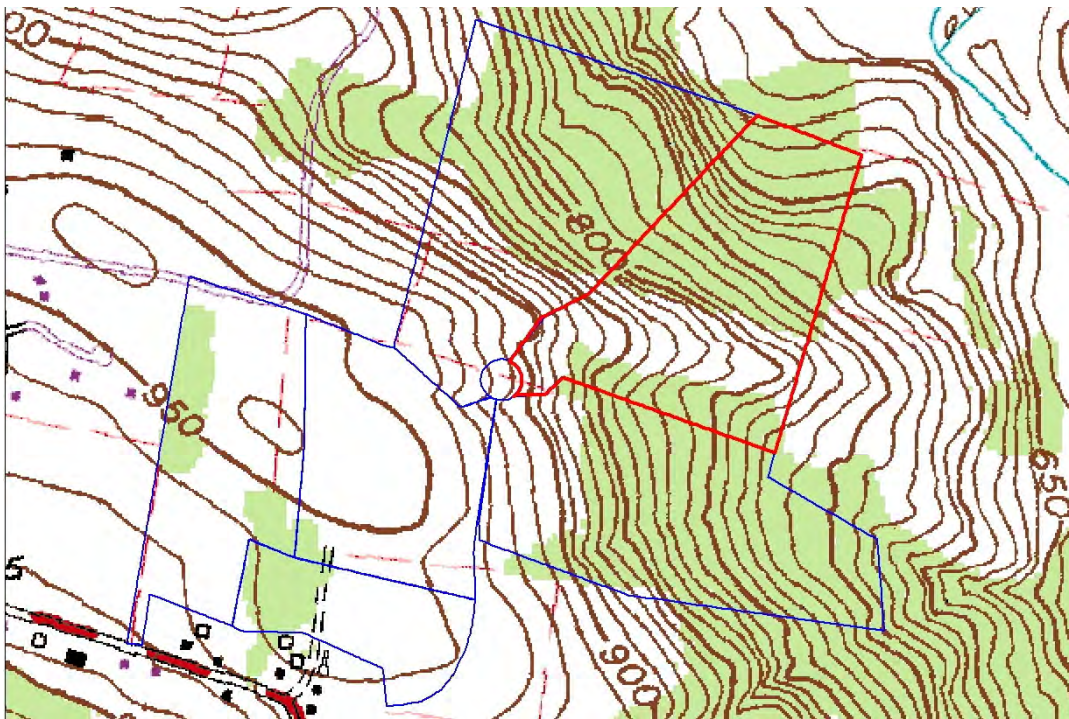
**Adjusted Sales Price:** \$1,041,500

**Grantee:** Fredrich & Reville

**Topography:** Sloping to ESE at an average rate of eleven percent

**Soils:** SnC2 at the house site, AnB, SpC & SpD, with an area of Inland Wetlands in the woods and a small area of FaC.

**Proximity to Subject:** 2.90 Miles S

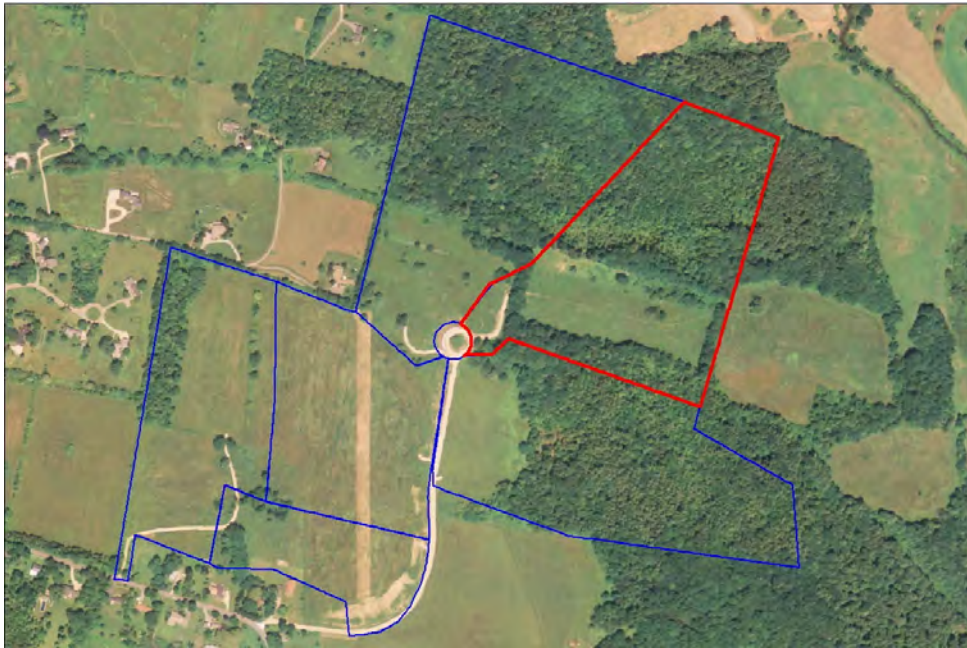


This is the second large and unsubdividable building lot that sold to the same buyers on the same day; the other is the previous Comparable Sale, which see. The house site here is much less compelling; it is close to the subdivision road and has the vehicles of three other lots passing by. But views could be cut from the present field (roughly 4 3/4 acres); there are two hundred feet of fall from the front line to the back. The hayfield slopes, but not drastically, and the benefit here is that a house could be built with a walk-out lower level with living space as well - rooms that would also share in the long views to the ESE. The prices paid (see the previous Comparable Sale) were probably adjusted, probably to put a higher basis here for a potential resale in the future?



# Comparable No. BL4:

Wells Hill Rd , Lot 4, Salisbury



**2006 Aerial**

# Comparable No. BL5:

## Salmon Kill Rd, Salisbury

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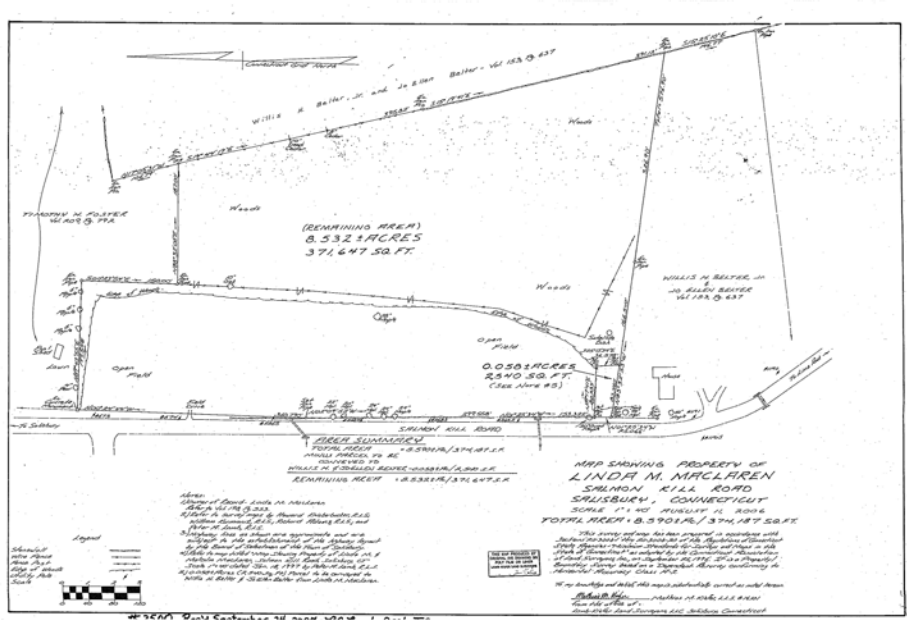
<i>Sale Date:</i> 10/10/2007	<i>Size (acres):</i> 8.532
<i>Legal Reference:</i> Vol 217 Page 336	<i>Frontage:</i> 813.67'
<i>Sales Price:</i> \$700,000	<i>Grantor:</i> MacLaren
<i>Adjusted Sales Price:</i> \$717,000	<i>Grantee:</i> Plunket
<i>Topography:</i> Level in the front, rising sharply in the rear two thirds.	<i>Soils:</i> CwB (Urban Group 1) and FaE (Urban Group 10) - yin & yang

*Proximity to Subject:* 2.29 Miles S



The front third of this parcel is open farmland, precisely where the land is relatively flat and the soils are wonderful both as farmland and for community development (for septic systems & for house foundations). The rest of the land is suddenly steeper, rising at a rate of twenty-two percent. Here the land is also wooded, and the soils are now rockland - Farmington very rocky.... This sits across from a family farm that has a picturesque farmhouse and barns opposite the northern end, sitting on a small developable two acres in a sea of land otherwise eased against any kind of development - reserved only for agricultural purposes. The views from any house site here would be long to the west (to the sunset), mostly over land that is preserved or - in the distance to the ridge with the 123 acres of Open Space owned by the Salisbury Association, Inc.

## Salmon Kill Rd, Salisbury



# Property Survey

# Comparable No. BL6:

## 80 Belgo Rd, Salisbury

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<i>Sale Date:</i> 8/17/2007	<i>Size (acres):</i> 8.48
<i>Legal Reference:</i> Vol 216 Page 727	<i>Frontage:</i> 375' +/-
<i>Sales Price:</i> \$520,000	<i>Grantor:</i> Beckett
<i>Adjusted Sales Price:</i> \$537,000	<i>Grantee:</i> S Prospect Development LLC
<i>Topography:</i> Relatively level	<i>Soils:</i> Georgia & Amenia silt loams, 2%-8% slopes (AnB), Bernardston silt loam, 3%-8% slopes (80B) & Kendaia silt loam (Inland Wetlands), with an intermittent stream
<i>Proximity to Subject:</i> 3.58 Miles SW	



One of two of the last lots in an older subdivision, this is the frontage lot with approximately 380 feet of frontage on Belgo Road. There are roughly two and three-quarters acres of open land (more like lawn than like old farm fields - see the photograph on the next page) on the frontage here, the rest of the land is wooded. Roughly a quarter of the land in the west and south is Inland Wetlands. An interior building lot (Comparable BL13 in this report) - the other lot in this immediate subdivision - has its owned accessway along the (long) eastern border. This sits above Lakeville Lake, but would not have even seasonal views of the lake, because of the nature of the slopes and the intervening properties. There is nice seclusion from the road and from the neighbors, except for the other lot in this subdivision. This is relatively close to the center of Lakeville.

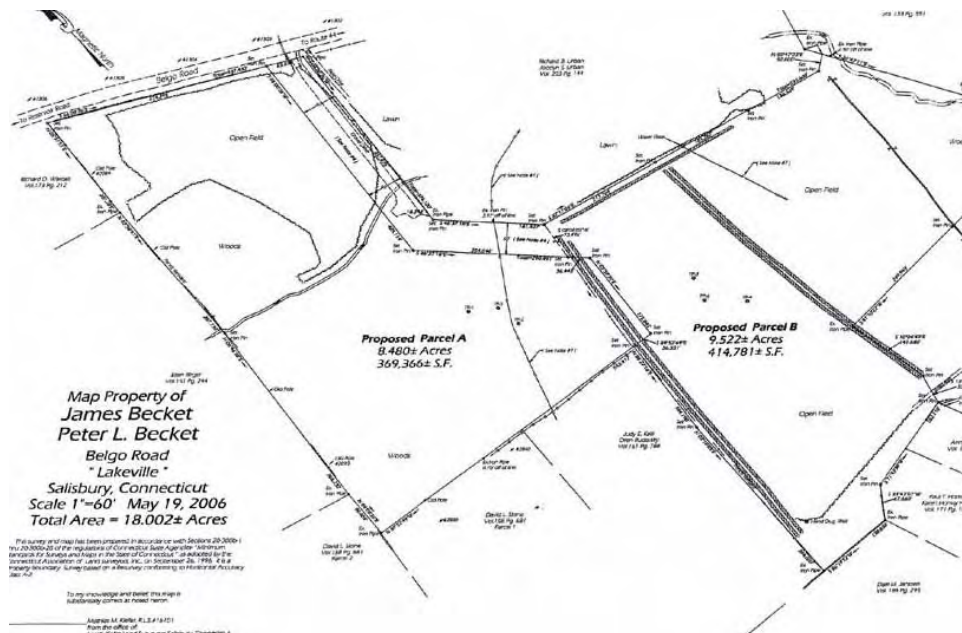


# Comparable No. BL6:

## 80 Belgo Rd, Salisbury



**Photo Taken from Belgo Rd  
Property is Past Red Flag**



**Survey Showing this Parcel  
was One of a Two Lot Split**

# Comparable No. BL7:

## Long Pond Rd, Salisbury

*Sale Date:* 8/14/2007

*Size (acres):* 25.922

*Legal Reference:* Vol 216 Page 618

*Frontage:*

*Sales Price:* \$575,000

*Grantor:* Seber

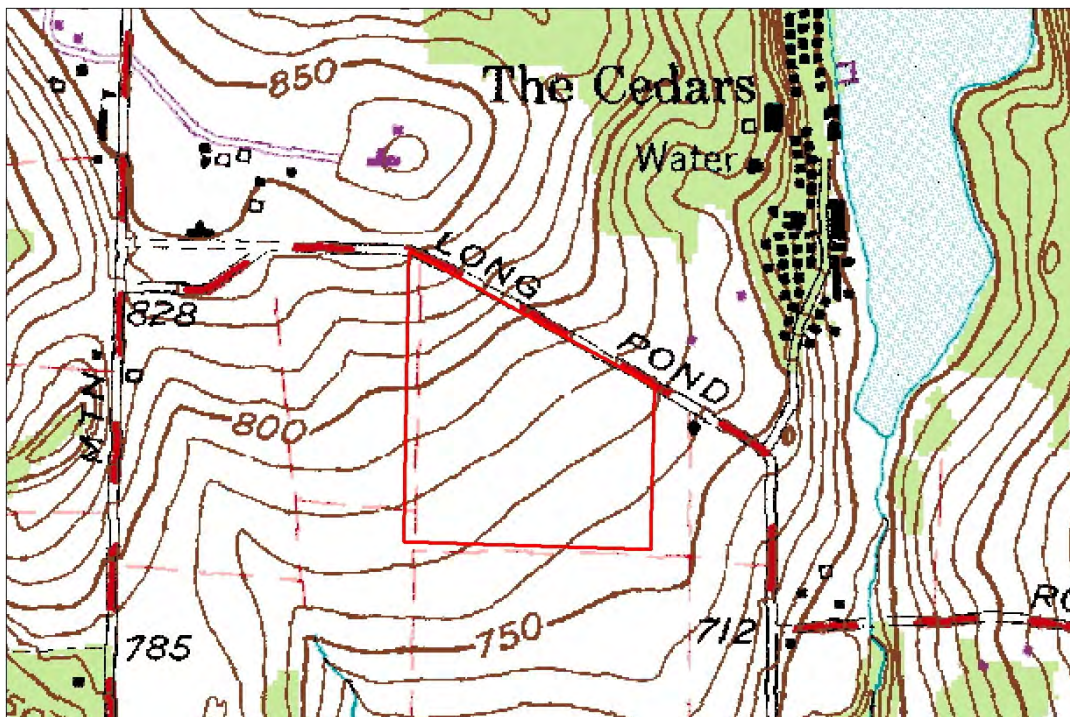
*Adjusted Sales Price:* \$748,000

*Grantee:* Avonridge, Incorporated

*Topography:* Sloping gently to the southeast, with slightly greater slopes in the northwest, flatter easewhere but not flat.

*Soils:* Farmington (FaC) rockland soil under the house site, with the rest of the developable soil SnB, SnC and AnB (good farmland soils). On the back line 6.4 acres of Kendaia silt loam (Ka) - 24.6% INLAND WETLANDS.

*Proximity to Subject:* 5.46 Miles SW



A deceptively beautiful farm that generated a large number of potential buyers when placed on the market, this property ultimately underwhelmed for a number of reasons: the expected views to the south of Mudge Pond & Twin Oaks were impossible even in winter, because of contours as well as trees; the long, oblique views to the southeast are flat, undramatic and include Route 41; the only house site on the near-twenty-six acres with these (long, oblique, really jumping-jack) views - despite the hay on top - is inches down to Farmington (FaC) rock land soil. Any house foundation, and maybe also the septic system, will have to be blasted and filled. Nearly a quarter of the land, in the south, is Inland Wetlands. The photograph on the following page shows the amount of blasting and fill it took to create the house site just after the closing here. The buyer was a high-end spec builder (whose wife was a local real estate agent) with all the equipment necessary to develop this parcel. Finally 19.121 acres (73.8%) of this lay under a Conservation Restriction, so that the only place to build was on the FaC rock land soil. For all these reasons this Comparable Sale is adjusted twenty-five percent. This Comparable Sales has to be used with considerable care.

Comparable No. BL7:

Long Pond Rd, Salisbury



**Rocks Blasted Under For House Site**



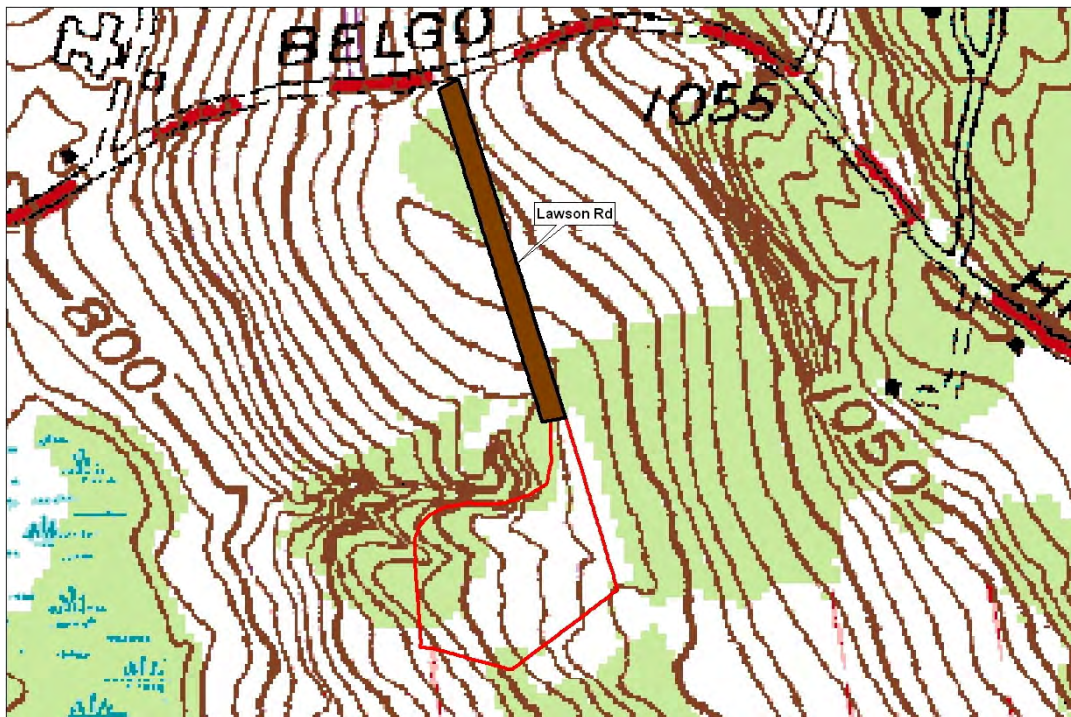
# Comparable No. BL8:

## Lawson Rd, Salisbury

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<i>Sale Date:</i> 7/27/2007	<i>Size (acres):</i> 5.13
<i>Legal Reference:</i> Vol 216 Page 242	<i>Frontage:</i> 25'
<i>Sales Price:</i> \$500,000	<i>Grantor:</i> Jerome
<i>Adjusted Sales Price:</i> \$520,500	<i>Grantee:</i> Murphy
<i>Topography:</i> Sloping a little more than gently to the west.	<i>Soils:</i> Dover fine sandy loam, 3%-8% slopes (DoB) & Farmington very rocky silt loam, 15%-35% slopes (FaE)

*Proximity to Subject:* 4.49 Miles SW



All but a fifth of an acre of this parcel is very thickly planted with white pines. The soils are half Dover (good for community development) and half Farmington rockland soils (more difficult to develop). The house site would be high in the Dover soils, with the potential for views to the southwest from the house site, if a view shed were cut on the property – a swath of an acre or so. The views would be year-round, and would gain by being quasi-epiphytic over the open land on the neighbor to the west. This is one of eight building lots in a subdivision on Lawson Road, running south from Belgo Road, not too far east of the NY/CT state boundary. Lawson Road is a private subdivision road.

Comparable No. BL8:

Lawson Rd, Salisbury



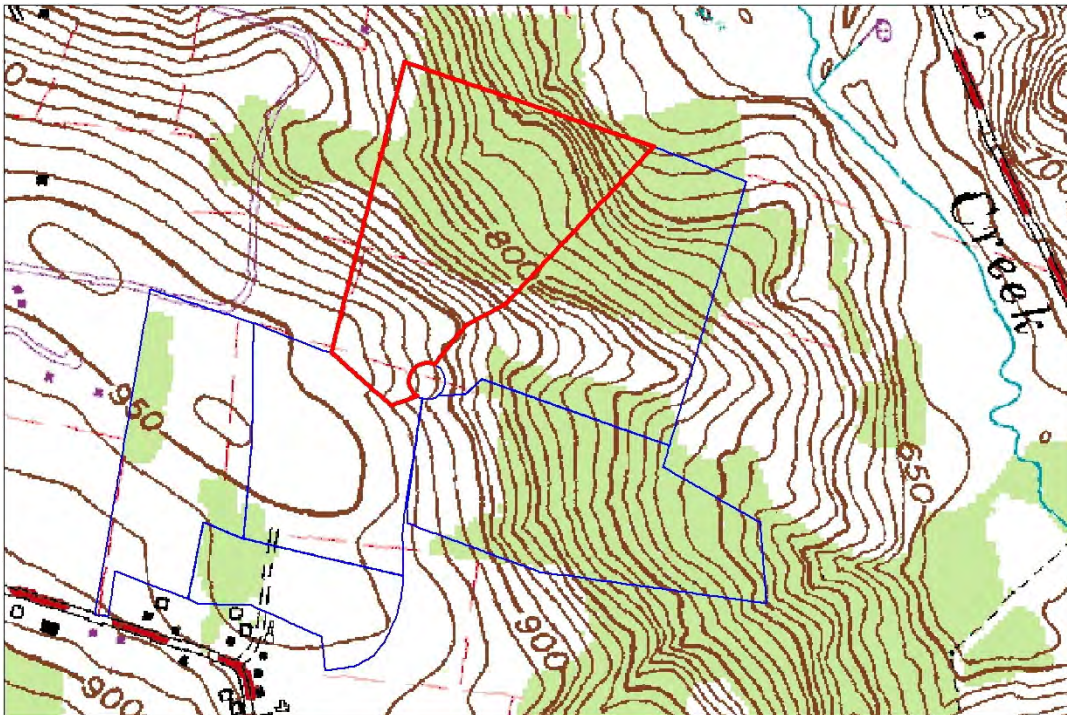
**2006 Aerial Photo**

# Comparable No. BL9:

## Wells Hill Rd Lot 3, Salisbury

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<i>Sale Date:</i> 7/25/2007	<i>Size (acres):</i> 32.3
<i>Legal Reference:</i> Vol 216 Page 204	<i>Frontage:</i> 267' +/-
<i>Sales Price:</i> \$960,000	<i>Grantor:</i> Melligon
<i>Adjusted Sales Price:</i> \$999,000	<i>Grantee:</i> Ores & Schorin
<i>Topography:</i> Sloping more than gently to the north and northeast, with a very steep seam not too far in, at the end of the fields.	<i>Soils:</i> Mostly Stockbridge and Amenia soils (SnC, SnB, AnC) with a little DoD and a very little Inland Wetlands (Ke)
<i>Proximity to Subject:</i> 2.81 Miles S	

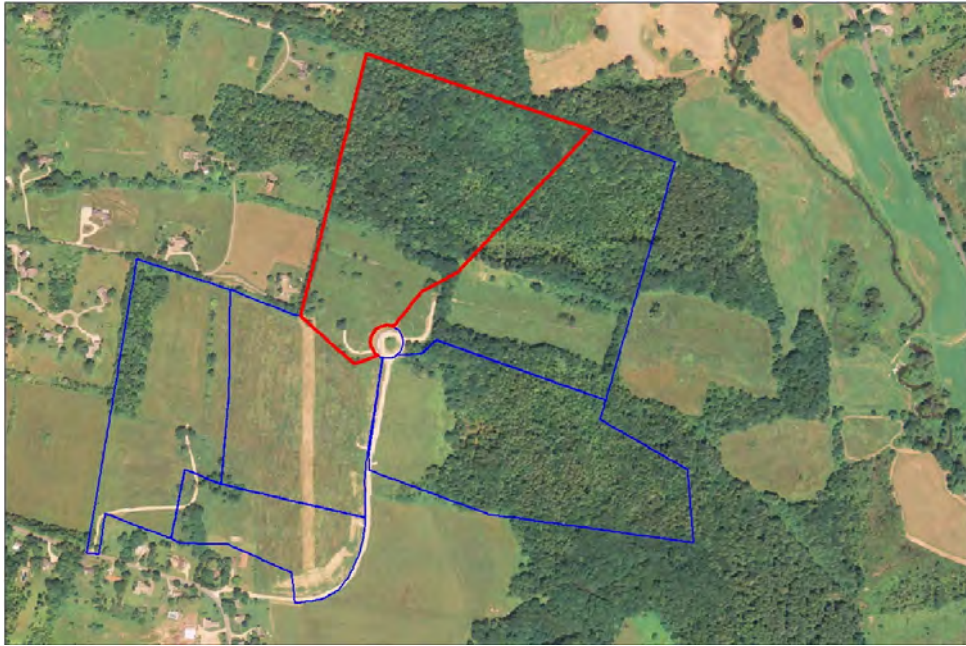


One of the six building lots made from the 142-plus acres sold in 2005, this is the fourth parcel to sell in a period of only four and a half months. It is also the largest. The first three-eighths is old farm fields, sloping to the north and northeast. From the house site, near the cul-de-sac of the subdivision road, the views would be long and protected. Not only is the land cleared for a fall of roughly ninety feet, but there is another 150 feet-plus of fall beyond that. In the wooded section there is a more level portion, where a barn or horse ring or pasture might be placed. The soils are mostly farm soils. Despite the size here, this parcel is limited to one building lot.



Comparable No. BL9:

Wells Hill Rd Lot 3, Salisbury



**2006 Aerial Photo**

# Comparable No. BL10:

## Old Asylum Rd, Salisbury

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<i>Sale Date:</i> 6/26/2007	<i>Size (acres):</i> 2.055
<i>Legal Reference:</i> Vol 215 Page 845	<i>Frontage:</i> 192.49'
<i>Sales Price:</i> \$300,000	<i>Grantor:</i> Achilles
<i>Adjusted Sales Price:</i> \$314,500	<i>Grantee:</i> Layton
<i>Topography:</i> The moral equivalent of flat - with a slightly tilt to the northwest	<i>Soils:</i> Entirely Stockbridge loam, 3%-8% slopes (SnB)

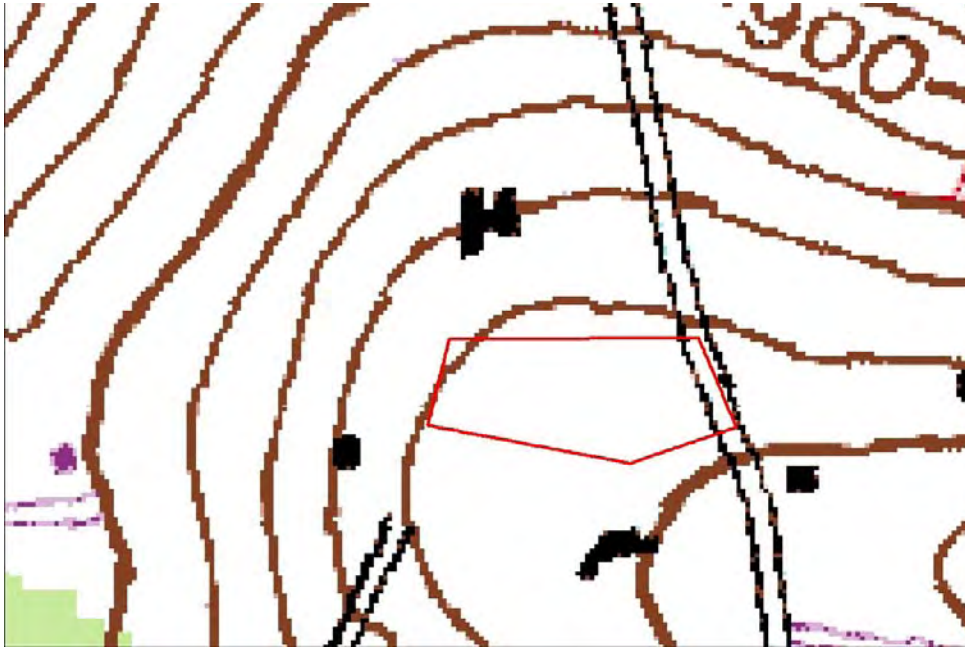
*Proximity to Subject:* 2.96 Miles S



The sale from one neighbor to another, this is considered very much an arm's length transaction: brokers were preliminarily involved, and these appraisers were consulted about the values of real estate in the immediate area. The front half is open pasture land, the rear is wooded. The soil is good for community development. The land is flat and would not have year-round views, but seasonal views would be long to the west and northwest. Old Asylum Road is a little traveled road - a destination rather than a pass-through road. Normally there would be an adjustment of six percent to level the playing field, since there was no brokerage fee paid here (as with most of the rest of the Comparable Sales), and another adjustment because the parcel sold 1.) restricting building within 50' of the southern line & 2.) "NOT AS A SEPARATE BUILDING PARCEL BUT ... TO BE MERGED." Were the buyer here ever to want to sell this as a building lot, he would have to go through the full subdivision process.

Comparable No. BL10:

Old Asylum Rd, Salisbury



**Topography Survey**

# Comparable No. BL11:

## 87 & 89 Sugar Hill Rd, Salisbury

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<i>Sale Date:</i> 2/28/2007	<i>Size (acres):</i> 7.35
<i>Legal Reference:</i> Vol 214 Page 348	<i>Frontage:</i> 775'
<i>Sales Price:</i> \$450,000	<i>Grantor:</i> Glasel
<i>Adjusted Sales Price:</i> \$487,000	<i>Grantee:</i> Thomas
<i>Topography:</i> Falls forty to fifty feet from the road to the back line. The southwestern corner, on the road, is relatively level.	<i>Soils:</i> Front five-eighths is Dover fine sandy loam, 3% to 8% slopes (DoB), the rest to the rear is Farmington very rocky silt loam, 15% to 35% slopes (FaE).
<i>Proximity to Subject:</i> 2.15 Miles SSE	



Not long before Sugar Hill Road comes to an end, this property, on the northeast side of the road, was a subdivided two building lots; the road is paved to the first of the two, is gravel beyond. The parcel to the southeast was open pasture land fifty and sixty years ago, but the land is almost entirely wooded today. What was a barn on the southeastern parcel is now ruins; half of the walls and all of the roof are on the ground (and this will be an expense to clean up - see the photograph on the next page). This was bought in one deed by the neighbor across Sugar Hill Road. It was listed on the Multiple Listing Service for \$489,800 and sold for 91.9% of the asking price after twenty-nine days on the market.



Comparable No. BL11:

87 & 89 Sugar Hill Rd, Salisbury



**Old Barn Collapsed to Point of Disrepair**

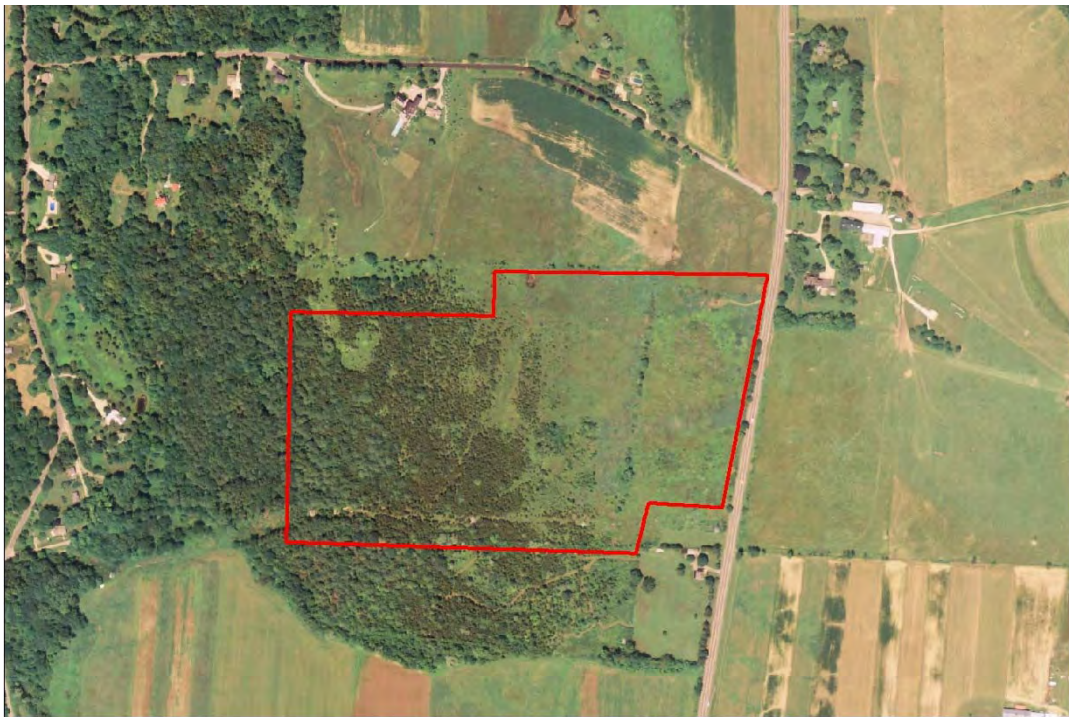
# Comparable No. BL12:

## Sharon Rd, Salisbury

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<i>Sale Date:</i> 2/26/2007	<i>Size (acres):</i> 51.719
<i>Legal Reference:</i> Vol 214 Page 322	<i>Frontage:</i> 1065.82'
<i>Sales Price:</i> \$1,200,000	<i>Grantor:</i> Tory Hill Associates, LLC
<i>Adjusted Sales Price:</i> \$1,299,000	<i>Grantee:</i> The Salisbury Association, Inc.
<i>Topography:</i>	<i>Soils:</i>

*Proximity to Subject:* 5.47 Miles SSW



A large parcel with 1,065.82 feet of frontage on Sharon Road (a/k/a Route 41), just north of the Salisbury/Sharon Town Line, this was until recently mostly farmland, with hay along the road, to a depth of approximately four hundred eighty-five feet. Today the southwestern quadrant is wooded. The land slopes more than gently to the southwest. The entire road frontage is high, because of the grade and because the land is mostly open in the eastern half, there are long views to the southwest, which is “solar” south; these are the most treasured views in Sharon/Salisbury - looking over Twin Oaks (preserved land) and Mudge Pond. This stretch of Sharon Road is an emotional ground zero for the residents of Lakeville and Sharon. If the day is nice, there is always somebody pulled over to take it in, or even photograph or paint it. This is not considered an arm’s length transaction: it is low – the Grantee is a 501 (c) (3) and the conveyance a Bargain and Sale Deed. The sale price is adjusted to \$1,500,000 before the adjustment for time, more detail is available upon request. This as exposed a location as can be found anywhere in Salisbury.

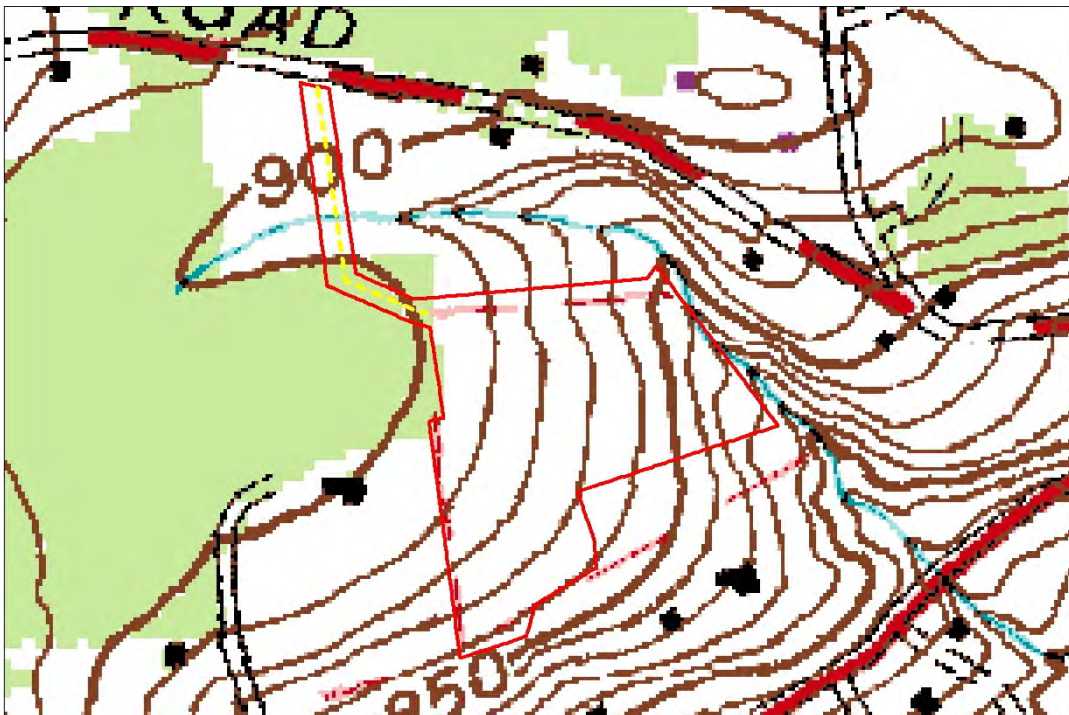
# Comparable No. BL13:

## 74 Belgo Rd, Salisbury

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<i>Sale Date:</i> 11/27/2006	<i>Size (acres):</i> 9.52
<i>Legal Reference:</i> Vol 213 Page 481	<i>Frontage:</i> 60'
<i>Sales Price:</i> \$565,000	<i>Grantor:</i> Becket
<i>Adjusted Sales Price:</i> \$626,500	<i>Grantee:</i> S Prospect Development LLC
<i>Topography:</i> Sloping gently to the southeast.	<i>Soils:</i> Mostly Bernardston silt loam, with a little Amenia on the owned accessway.

*Proximity to Subject:* 3.53 Miles SW



An interior building lot with a 60' wide owned accessway from Belgo Road, the land is roughly two-thirds open. Very mature trees rim a western rectangle (mostly old farm field), with a house site in the northwest. The fall from north to south is only thirty feet, so that the trees (controlled in part by the neighbor to the south) will endstop year-round views. There is the possibility of a very narrow viewshed to the southeast, if many of the trees on the eastern portion are cut. This may not be possible in the extreme southeast, because of a stream. The views would just capture the north of Lakeville Lake, as well as the center of Lakeville, only a mile away. The seclusion and privacy afforded by the rimming trees is wonderful. But the owned Right of Way will run by a house that will be built in 2007 on the neighboring lot (Comparable BL6 in this report). The southern line is less than five hundred feet from Millerton Road, which is a/k/a Route 44, a busier section of the same highway that runs by the subject.



# Comparable No. BL13:

74 Belgo Rd, Salisbury



**Drive to Comp. BL1 from Belgo Road  
Runs by Future House Site Sold in 2007**



**Comp. BL1, 2006 Aerial Photograph  
Rimming Trees Limit the Views**

# Comparable No. BL14:

## 137 Salmon Kill Rd, Salisbury

*Sale Date:* 5/18/2006

*Size (acres):* 22.36

*Legal Reference:* Vol 210 Page 1012

*Frontage:* 752.06'

*Sales Price:* \$875,000

*Grantor:* MacLaren

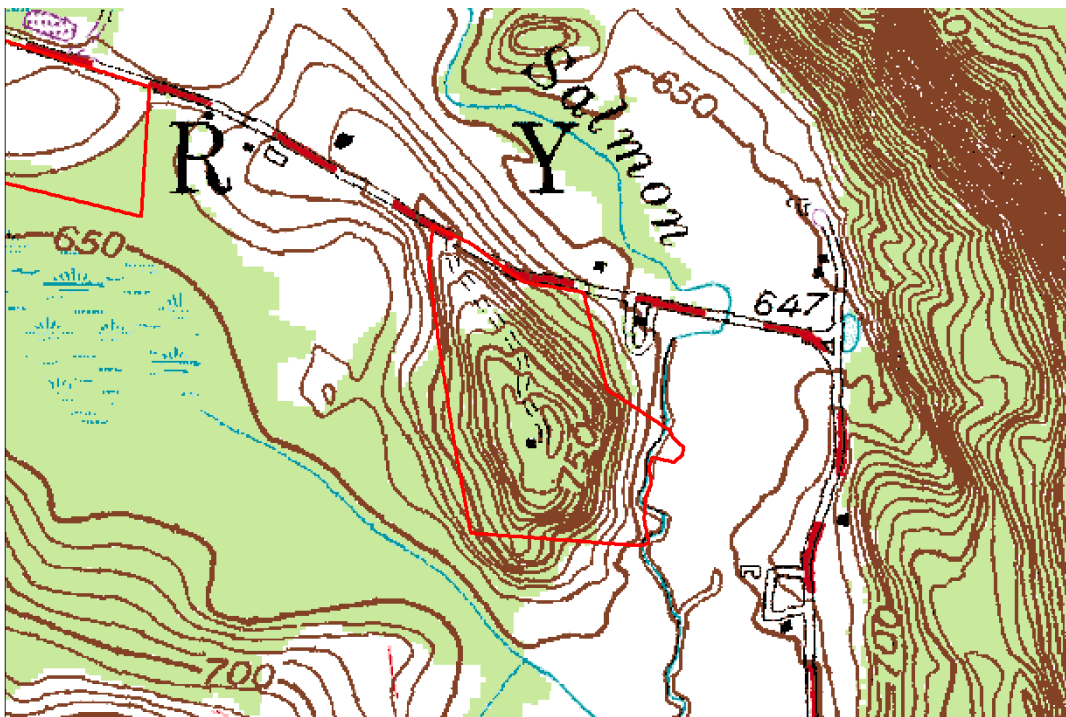
*Adjusted Sales Price:* \$1,017,500

*Grantee:* Quinn

*Topography:* A hillock with a high point at 780' ASL. Easy run from the road to the highpoint on a long drive (in place) at an average 7 1/4 %. Low point along the Salmon Kill at 640' ASL

*Soils:* Over ninety-five percent Farmington very rocky silt loam (FaC & FaE). Some Dover (DoC) and Copake (CwB), with nearly a half acre of Inland Wetlands (Lm)

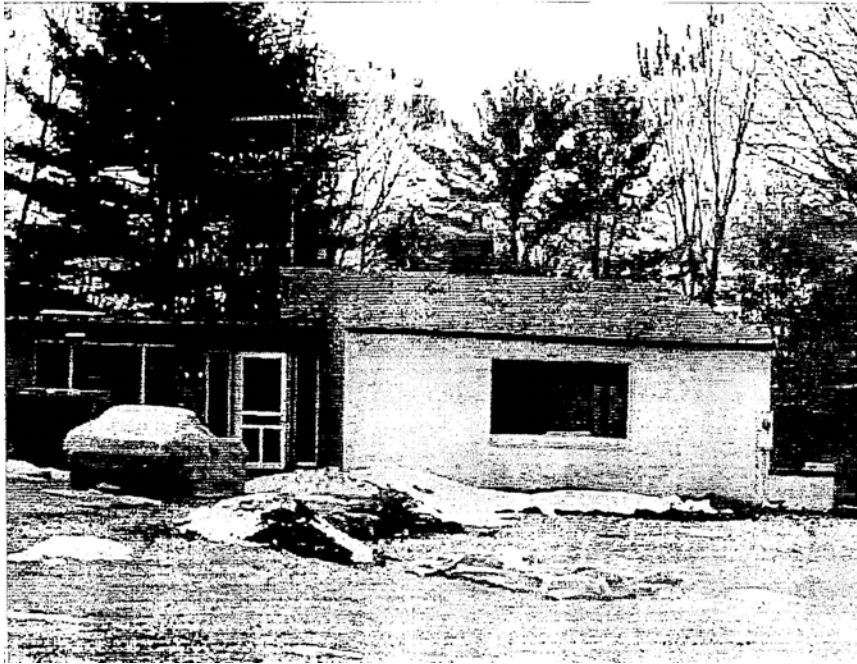
*Proximity to Subject:* 2.02 Miles S



There was a cabin near the high point in poor condition, at the end of a gravel drive. The views from the high house site are long to just west of North, running into Massachusetts. (The state line is only 6.72 miles to the north.) Perhaps only two acres are cleared; the trees are mature, with a high percentage of white pines. The land surrounding southwest to southeast is a large farm (173.3 acres), and the portion of this farm contiguous and on the other side of the Salmon Kill is 42.875 acres lying under a Conservation Easement. Much of the land across the road to the north (129 acres in all) is also eased. No one had any illusions that the cabin would not be razed; the Grantor, Grantee and even the Assessor for the Town of Salisbury treat this as a land sale. (The Grantee here did raze the cabin.) It is IMPORTANT to note that this land sold with 17.917 acres lying under a Conservation Restriction. Only 4.446 acres at the top of the hill is developable, and even here there is a near-half acre to the south that cannot have a building. The views are very long, but are incredibly narrow - perhaps only twenty degrees (out of 360) or less.

Comparable No. BL14:

137 Salmon Kill Rd, Salisbury



**Portion of Tax Assessors Card  
showing the old cabin that was demolished**



# Comparable No. BL15:

## Salmon Kill Road, Salisbury

*Sale Date:* 2/24/2006

*Size (acres):* 16.856

*Legal Reference:* Vol 209 Page 961

*Frontage:* 1297.37'

*Sales Price:* \$900,000

*Grantor:* Levy & Gurell

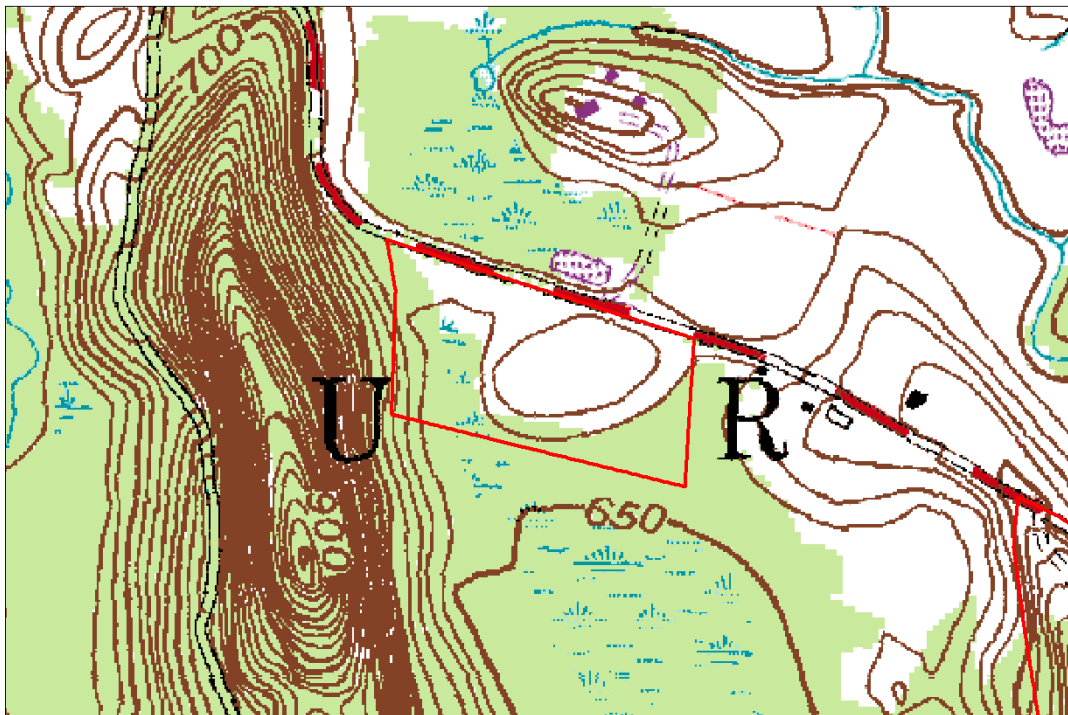
*Adjusted Sales Price:* \$1,072,000

*Grantee:* Archer

*Topography:* Mostly quite level, with a slight rise in the middle, at the house site.

*Soils:* Mostly Copake (CwB) and Hero (HeA) loams, with some Hollis rockland in the west (HxE). Perhaps an acre in total is Inland Wetlands, mostly Pm with a little Pk and Fr

*Proximity to Subject:* 1.90 Miles S



The Warranty Deed here is very restrictive. The property can be subdivided only once. There can be one main house on each lot, with outbuildings (including a pool and a tennis court) allowed beyond the main house. The houses are delimited in style & size. Even the driveway is regulated. In all there are 12 sections with more subsections in the Schedule B of the deed. The land is a glorious balance of mostly evergreens, with one manicured, semi-open area (recently opened). It is mostly flat and there are some Inland Wetlands and rockland soil. The neighbor to the west is 123 acres owned by the Salisbury Association Land Trust as open space. The Grantee here immediately subdivided as per the Schedule B and will have a guest house on the smaller lot.



# Comparable No. BL15:

## Salmon Kill Road, Salisbury



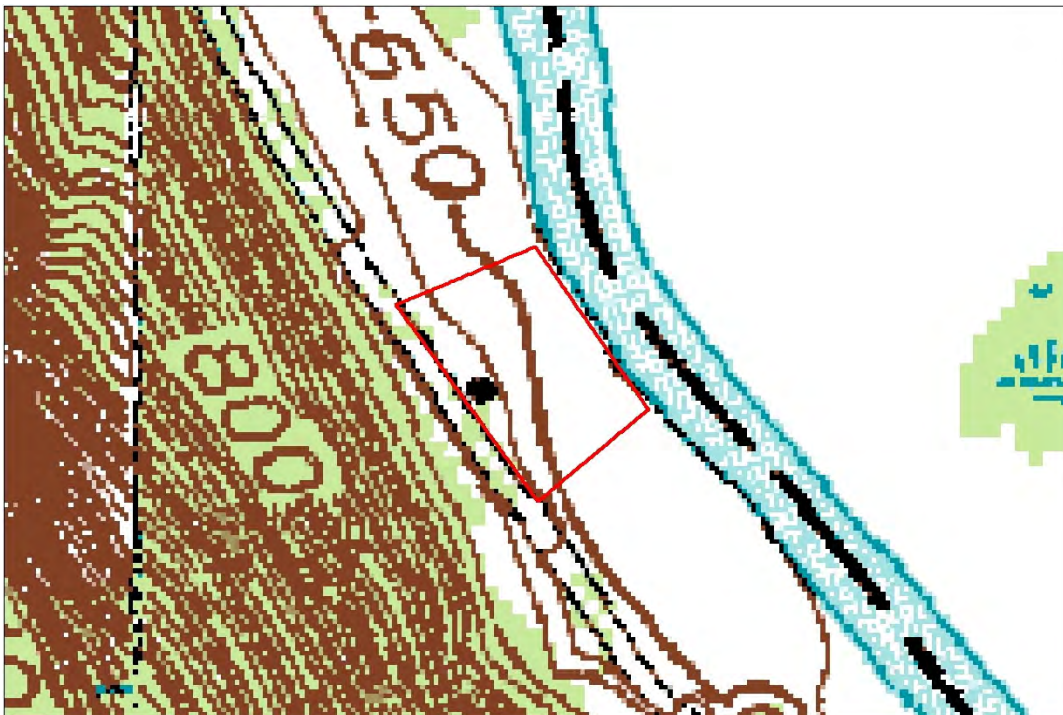
**Photo Taken From Street in 2006**

# Comparable No. BL16:

## Housatonic River Rd, Salisbury

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<i>Sale Date:</i> 1/25/2006	<i>Size (acres):</i> 2.23
<i>Legal Reference:</i> Vol 209 Page 524	<i>Frontage:</i> 410' +/-
<i>Sales Price:</i> \$340,000	<i>Grantor:</i> 244 River Rd Associates LLC
<i>Adjusted Sales Price:</i> \$438,000	<i>Grantee:</i> Klemens & Leabman
<i>Topography:</i> Relatively flat, sloping gently to the river	<i>Soils:</i> Farmington rockland (FaE) on the frontage, Windsor loam sand (WvB) in the middle third & Genesee silt loam (Gf - Inland Wetlands) along the Housatonic
<i>Proximity to Subject:</i> 2.25 Miles SE	



There was a house on this parcel, but it was razed very soon after the closing, and for this reason twenty-five thousand dollars is added to the sale price - the cost of razing and disposal (these appraisers have talked with the Grantors here, who claimed that they actually spent \$40,000, including the removal an underground oil tank). This is treated as a land Comparable Sale. The land across the road is a steep, forested, hill, so that the sun sets early, but the eastern border is the Housatonic River. At this point Housatonic River Road is not paved. Included in this sale is a 100' x 100' parcel across the road that used to have a shed or garage. This was purchased by the neighbors to the south, themselves in place only two months - see the next Comparable Sale. Note that a narrow band along the frontage is rockland and half the land beyond is Inland Wetlands.

Comparable No. BL16:

Housatonic River Rd, Salisbury



**2004 Aerial Photo  
Pre House Raze**



**2006 Aerial Photo  
Post House Raze**

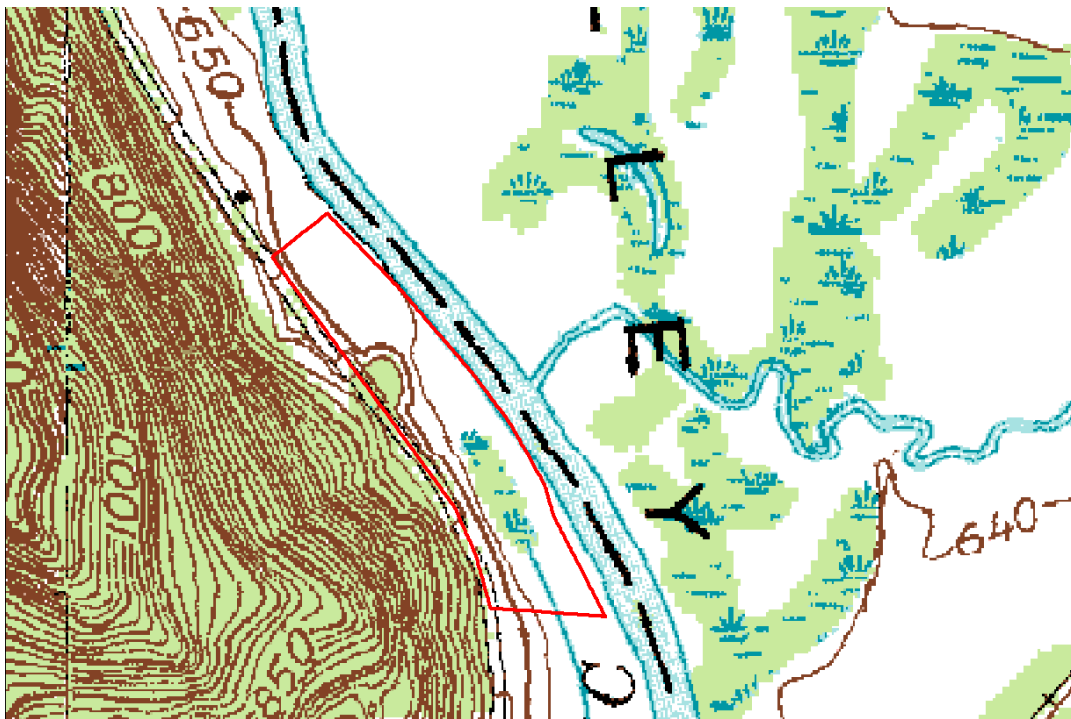


# Comparable No. BL17:

## 230 Housatonic River Rd, Salisbury

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<i>Sale Date:</i> 11/30/2005	<i>Size (acres):</i> 10.22
<i>Legal Reference:</i> Vol 208 Page 868	<i>Frontage:</i> 1400' +/-
<i>Sales Price:</i> \$645,000	<i>Grantor:</i> Fitzgerald
<i>Adjusted Sales Price:</i> \$725,500	<i>Grantee:</i> Klemens & Leabman
<i>Topography:</i> Sloping down from the road, the sloping more gently to the Housatonic River. Most of the land is very flat.	<i>Soils:</i> The roadside half is CaC and CwC, with some WvB. Most of this is very developable soil. The eastern half, along the Housatonic River, is all Inland Wetlands.
<i>Proximity to Subject:</i> 2.34 Miles SE	



There is a garage in place in the center of the road frontage, built just south of the only high ground, and right on the road. Above this garage is a four-room, two-bedroom apartment with 832 square feet of living space. Any main house built on this land will be on the road. The senior appraiser has discussed this parcel with the buyers here, who a year into their purchase were still uncertain about how and where to build the main house. The wetlands obvious in the middle of the southern half (see the Topographical Survey) is one of the larger and more "active" vernal pools these appraisers have ever seen - a highly regulated area. The eastern half of this long and narrow parcel is both Inland Wetlands and 100-Year Flood. Half of this parcel is a hayfield. Housatonic River Road is a minor country road, a town-maintained gravel road. The land across the road is very steep; the sun will set very early. This is punished fifty thousand dollars, before the adjustment for time, because of the garage/apartment.

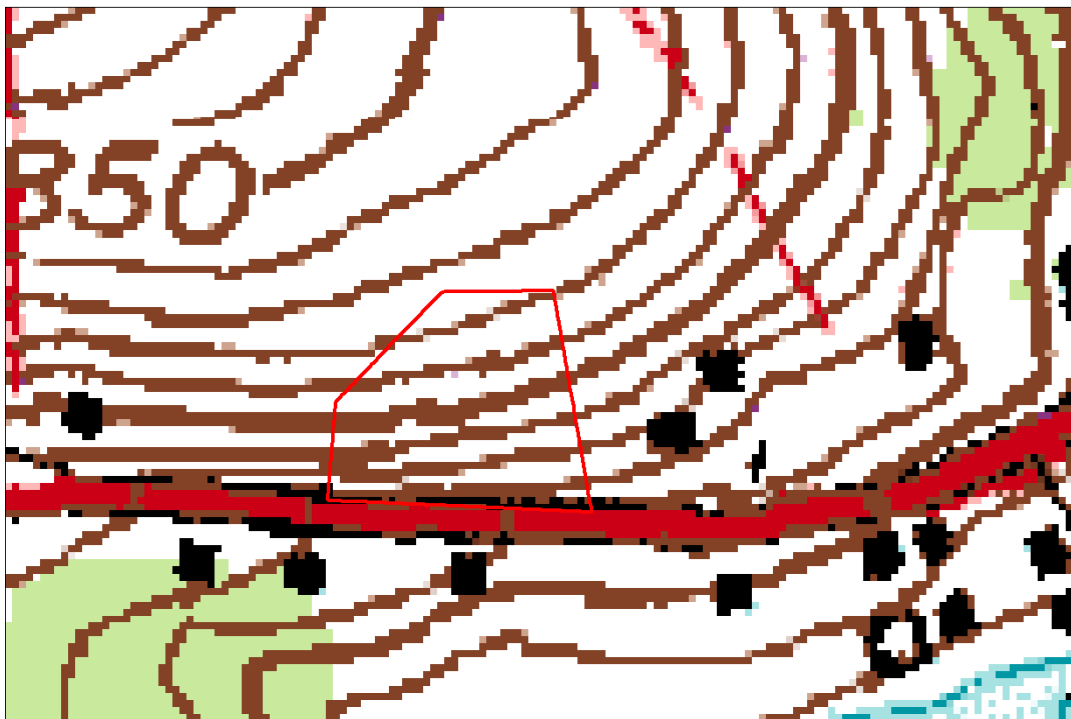
# Comparable No. BL18:

## Millerton Rd, Salisbury

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<i>Sale Date:</i> 10/28/2005	<i>Size (acres):</i> 1.26
<i>Legal Reference:</i> Vol 208 Page 368	<i>Frontage:</i> 270.388'
<i>Sales Price:</i> \$245,000	<i>Grantor:</i> Reid
<i>Adjusted Sales Price:</i> \$301,000	<i>Grantee:</i> Soriero
<i>Topography:</i> Rises from 780' ASL on the road to over 830' ASL in the rear.	<i>Soils:</i> Bernardston silt loam, fifteen to twenty-five percent slopes

*Proximity to Subject:* 3.04 Miles SW



This is a very steep parcel that has been very recently subdivided from a 6.690-acre property with a house accessed not from Millerton Road. The land was mostly clear. This is only a little more than eight hundred feet west of the center of Lakeville on Route 44 (Millerton Road is Route 44) and only two properties west of across the street from some of the commercial activity of Lakeville. This will be a difficult building lot to develop because of the slopes, but the house site will be twenty or thirty feet above the road. The frontage is only 975 feet from Lakeville Lake, and there may be views of the lake. These would range over intervening properties on the other side of the road, so that the views might be planted out, would probably be only seasonal at best.

# Comparable No. BL18:

Millerton Rd, Salisbury



**Mostly Open & Showing Proximity to the Center of Lakeville**



# Comparable No. BL19:

## 24 Hemlock Lane, Salisbury

**Sale Date:** 10/26/2005

**Size (acres):** 4.34

**Legal Reference:** Vol 209 Page 299

**Frontage:** 845' +/-

**Sales Price:** \$320,000

**Grantor:** Lebowitz

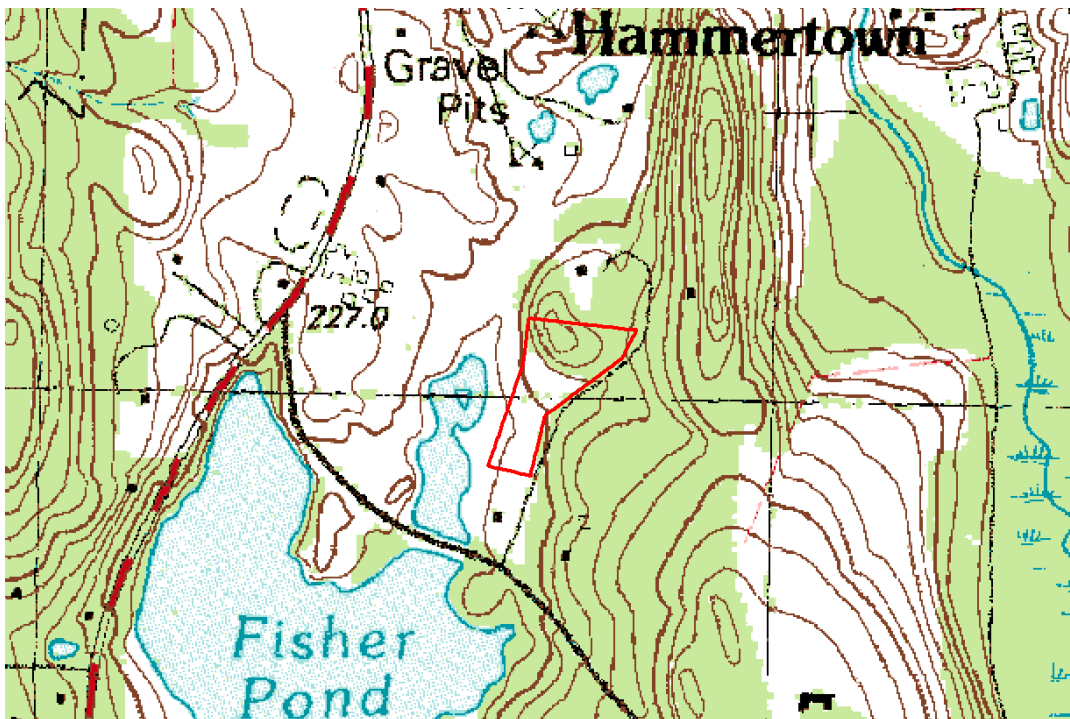
**Adjusted Sales Price:** \$393,500

**Grantee:** Hamilton

**Topography:** The house site is near the high point, in the north; the southern line is approximately forty feet lower.

**Soils:** Farmington-rock outcrop complex (FmC) in the north; Hero gravelly loam (HeA) and Copake fine sandy loam (CwA) in the south.

**Proximity to Subject:** 2.54 Miles NNW



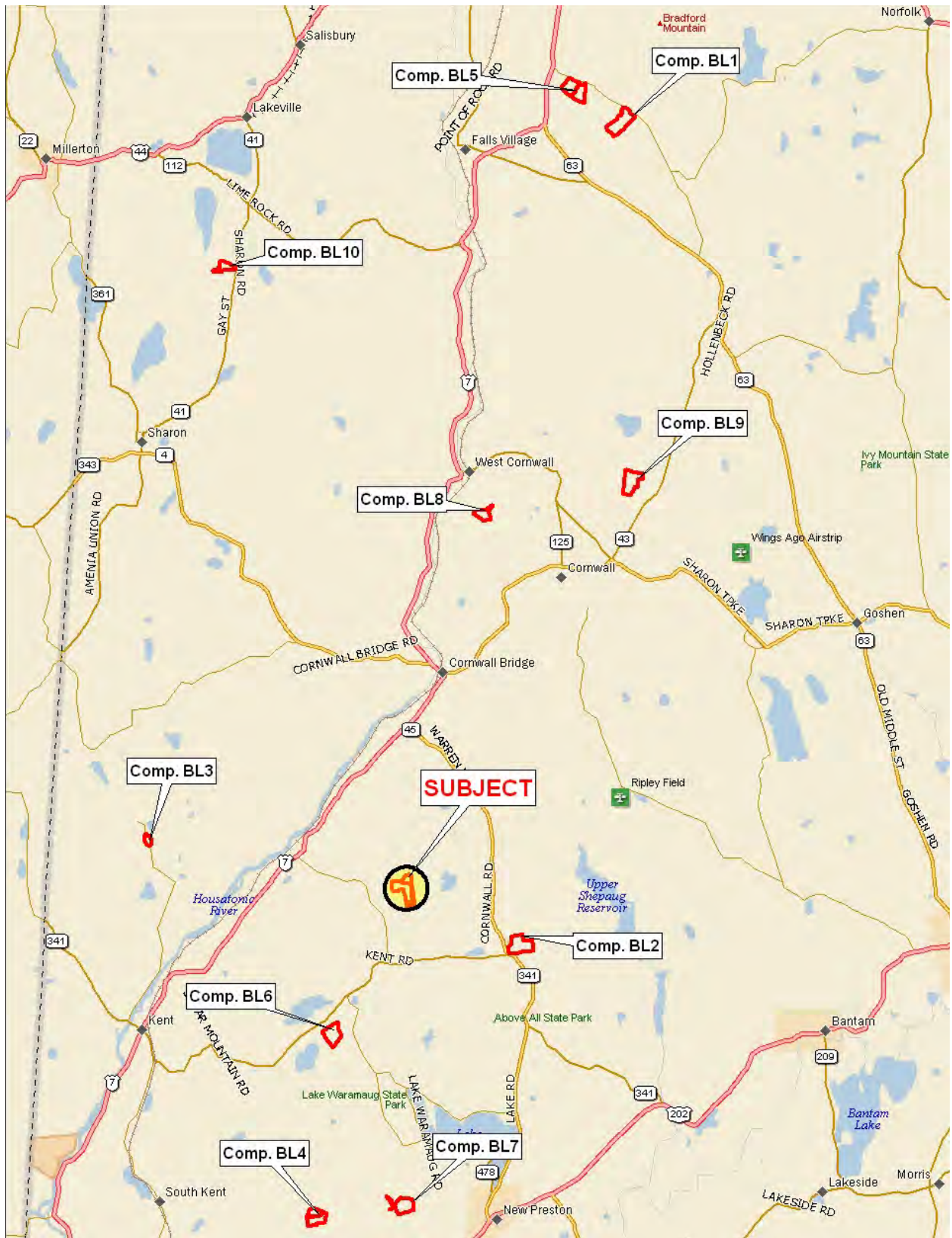
This is long, narrow, smaller building lot within a nine-lot subdivision. The lots range from 1.3 acres to 5.77 acres, and they are arranged along both sides of a 1,500-foot subdivision road, Hemlock Lane. This is one of the larger parcels in the subdivision. There is a house site in the north that sits on a hillock, so that there will be seasonal views - not year-round - to the southwest (solar south) that would include Fisher Pond, a 44-acre pond on a private, ninety-acre estate-type property. Because of the rockland soils under the house site, the septic will probably be at the other end of the parcel. This is in the very north of Salisbury, roughly 4,000 feet south of the state line and roughly the same distance northwest of Twin Lakes.

Comparable No. BL19:

24 Hemlock Lane, Salisbury



**Aerial Photo**



**LOCATION MAP FOR THE SUBJECT & THE LAND COMPARABLE SALES**

## **COMPARABLE SALES OF LAND WITHOUT DEVELOPMENT RIGHTS**



# Comparable No. AF20:

## 220 Kent Rd, Warren

**Sale Date:** 11/28/2007

**Size (acres):** 40.313

**Legal Reference:** Vol 75 Page 33

**Frontage:** 200'

**Sales Price:** \$250,000

**Grantor:** Sheldon

**Adjusted Sales Price:**

**Grantee:** Dalmeyer

**Topography:** Slight rise at end of shared driveway to the house site, with seasonal views to the northwest. The wetlands are (of course) mostly level or open water.

**Soils:** More than half Pk & Lg Inland Wetlands, with most of the rest HrC and HxE. Half of the house site is CaB, with the rest HrC. The Pk shows as entirely open water in the 2006 aerial photo (spring), as 5/8ths open water in the 2006

**Proximity to Subject:**



There many correlatives that weigh against value here: a shared drive, neighbor's house on the common line, a 100' setback from this neighbor's line, and more than twenty acres of Inland Wetlands, so that the buildable area here is only 2.89 acres. If the contributory value of the building lot (which includes a new 60'x40' barn and electricity to the barn!) is between \$150,000 and \$200,000 (it will be closer to \$200,000), the per-acre range for the rest of the land - which is totally wooded or swamp or open water (with dead tree trunks horripilating) is in the range of \$2,672 to \$1,336 (closer to the \$1,336, say \$1,500). Because of the wetlands, the Assessor's Office has written on their Property Sales - Assessment Data sheet "Not a Usable Sale" (i.e. for purposes of a Comparable Sale for assigning values to land for real estate taxes).



# Comparable No. AF21:

## Clay Beds Rd, Sharon

*Sale Date:* 6/27/2007

*Size (acres):* 34.23

*Legal Reference:* Vol 173 Page 514

*Frontage:*

*Sales Price:* \$135,000

*Grantor:* Roberts

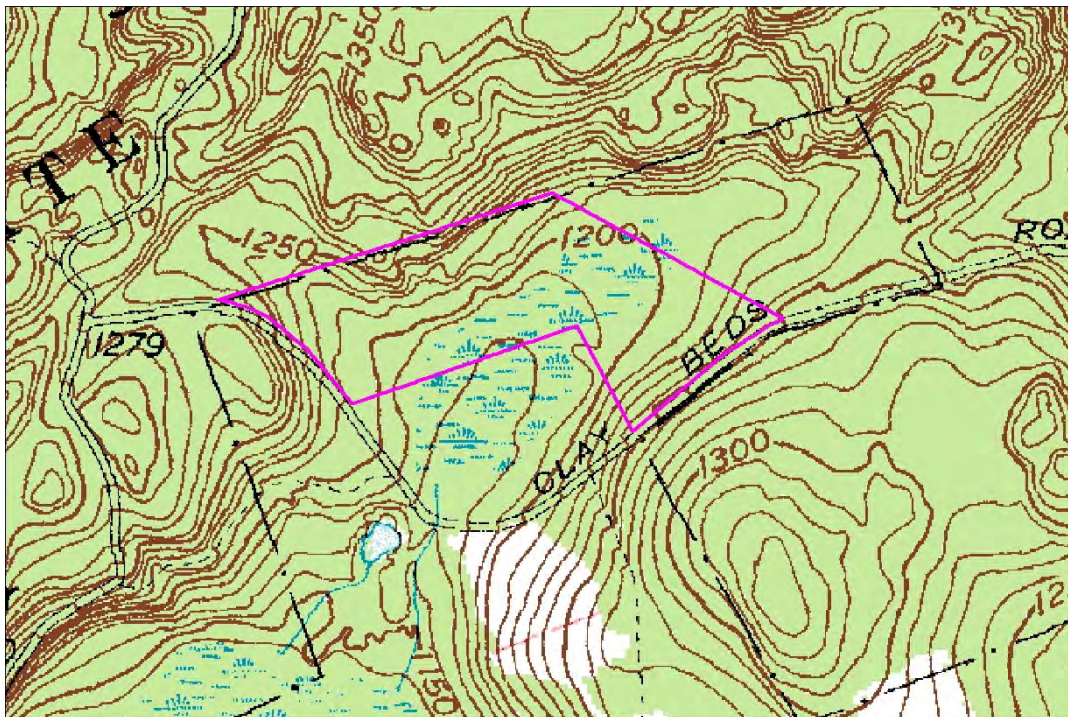
*Adjusted Sales Price:*

*Grantee:* State of CT

*Topography:* Sloping down from the two frontages to the Inland Wetlands, with sloping lands running to the Housatonic State Park in the north

*Soils:* A mix: CrC, PdC & WzC along the two frontages, then SxC, HrE and HrC in the interior, with Lg & Pm (Inland Wetlands) running through the middle.

### *Proximity to Subject:*



On the edge of the Housatonic State Forest, with over 3,489 acres surrounding on most sides (and contiguous to the north & southeast), this 34-plus acre wooded parcel is 1.1 miles from the end of Swaller Hill Road (off of Route 7) or 1.6 miles from Calkinstown Road over gravel roads without any homes or even utilities, and with no snow plowing in the winter. This has always been a haven for hunters; the Grantor here originally bought for hunting. Recently a road was carried in from the west along the northern line to access the high house site that would have very long year-round views to the south. This private drive was more recently carried through this Comparable Sale to the next property to the east (Comparable Sale AF23 in this section), where it ends at a cabin or house site overlooking a small pond. Were a house to have been built here, it would have to have been "off the grid" for power, and in the winter the plowing bills would have been very high. But this is yet feasible as a summer/weekend home. Because the property was developable, the per-acre valuation is considered above a "residual" value, above what would have been paid if there were restrictions against development.

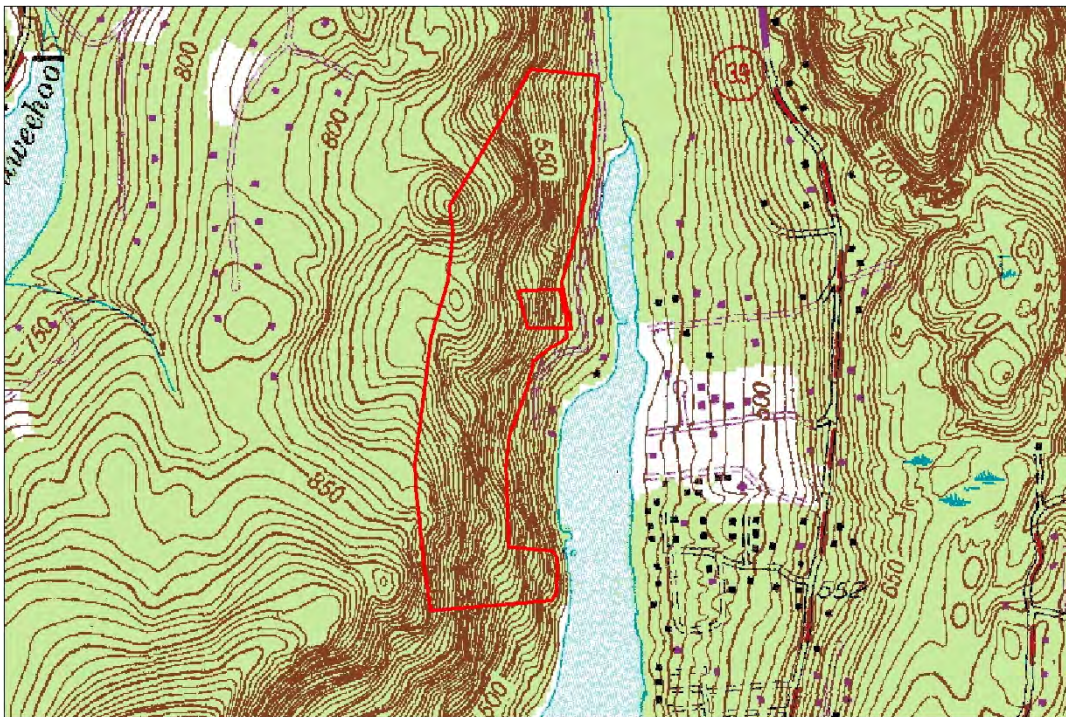
# Comparable No. AF22:

## Wagon Wheel Rd, Sherman

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<i>Sale Date:</i> 6/20/2007	<i>Size (acres):</i> 55.84
<i>Legal Reference:</i> List Sheet	<i>Frontage:</i> 2,000+/-
<i>Sales Price:</i> \$329,000	<i>Grantor:</i> RHIMA LLC
<i>Adjusted Sales Price:</i>	<i>Grantee:</i> TBD
<i>Topography:</i> Very few areas with slopes under twenty percent.	<i>Soils:</i> Almost entirely Hollis rockland and Rock land (Rh) soils

### *Proximity to Subject:*



Subdividers owned a long narrow parcel (more than 105 acres) with access from a private road and views of Squantz Pond to the east. They subdivided and sold the northern 41.40 acres (four lots that sold in September of 2005 for \$720,000), kept another 8.03 acres, and offered this residual land for \$349,000 when it sold as above after 35 days on the market. The land is all ridge and has an owned gravel road in poor condition running through it that nine or ten other properties on Squantz Pond have rights to pass and repass over. This could not be subdivided unless considerable expense were put into this road. This was sold as a single, very difficult, building lot - difficult because of the slopes and the soil. Insofar as this is yet developable, the near \$5,900 per acre paid here is considered well above a residual value.



# Comparable No. AF23:

## Clay Beds Rd, Sharon

*Sale Date:* 6/19/2007

*Size (acres):* 10

*Legal Reference:* Vol 173 Page 419

*Frontage:*

*Sales Price:* \$60,000

*Grantor:* Freudenburg

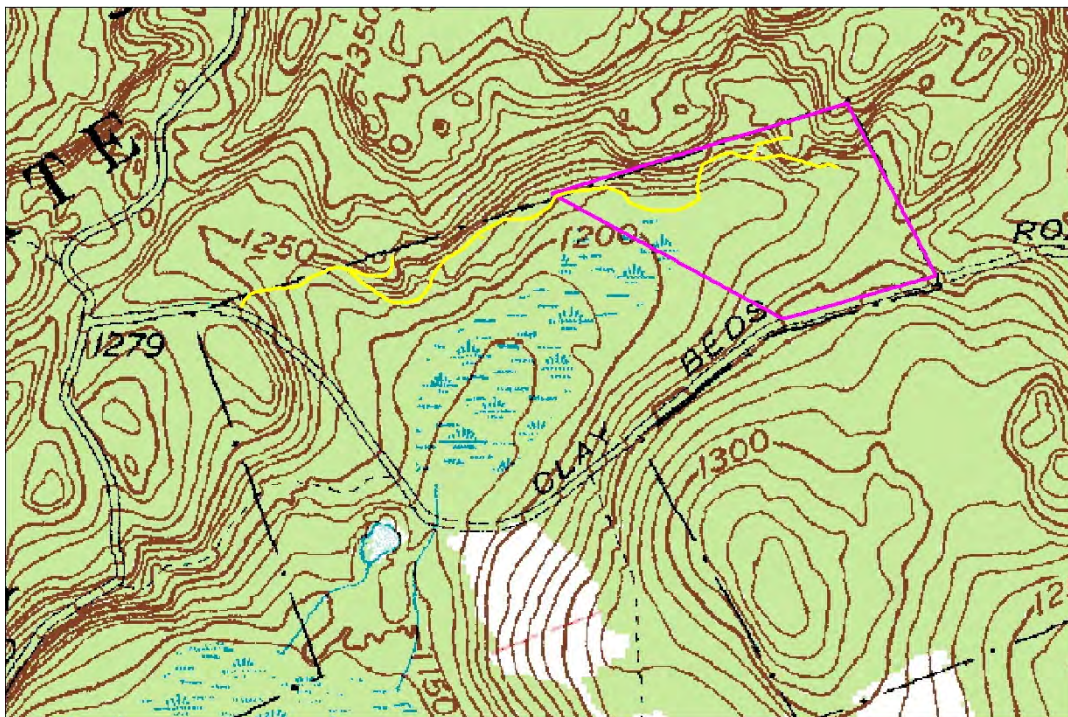
*Adjusted Sales Price:*

*Grantee:* State of CT

*Topography:* Sloping from the road, then beyond the wetlands climbing forty or fifty feet to the high house site.

*Soils:* Half WzC, with PdB along the frontage. The high house site is HxE & HxC. A vein in Inland Wetlands (Lg) runs through.

### *Proximity to Subject:*



Like Comparable AF21, this is within the Housatonic State Forest. It is 0.94 miles from the end of Swaller Hill Road over gravel roads without any homes or even utilities, and with no snow plowing in the winter. There is another longer access from Calkinstown Road the ends with a Right of Way over the neighboring property, Comparable B, but there is also an old Woodland Group number road over the frontage here that is feasible to arrive at a high house site with very long year-round views to the southwest (solar south) and southeast. The house site sits over a small pond. It looks like there is a small hunter's cabin on this house site. Were a house to have been built here, it would have to have been "off the grid" for power, and in the winter the plowing bills would have been very high, but this is yet feasible as a summer/weekend home. Because the property was developable, the per-acre valuation is considered above a "residual" value, well above what would have been paid if there were restrictions against development.

# Comparable No. AF24:

## Lakeside & Todd Hill Roads, Morris

---

<i>Sale Date:</i> 4/24/2007	<i>Size (acres):</i> 24
<i>Legal Reference:</i> Vol 91 Page 1168	<i>Frontage:</i> 2500+
<i>Sales Price:</i> \$10,000	<i>Grantor:</i> Jones Pond LLC
<i>Adjusted Sales Price:</i>	<i>Grantee:</i> TBD
<i>Topography:</i> Flat & water surface	<i>Soils:</i> Mostly open water; the rest half Inland Wetlands, half MyA, CaD, CaB & HkC

### *Proximity to Subject:*



This is Jones Pond on Lakeside Road (a/k/a Route 199), with twenty acres of water, approximately four acres of "shorefront land" and over 2,000 feet of frontage on the three roads. This was asking \$59,000 on the Litchfield Multiple Listing Service and finally sold after 415 days for \$10,000. The listing sheet said "Ideal for a fishing club or a recreational club" and "NOT ENOUGH USEABLE LAND FOR A HOUSE" (in shouting caps). This is an example of a property that sold for only residual values - at the bottom end of even this type of land.



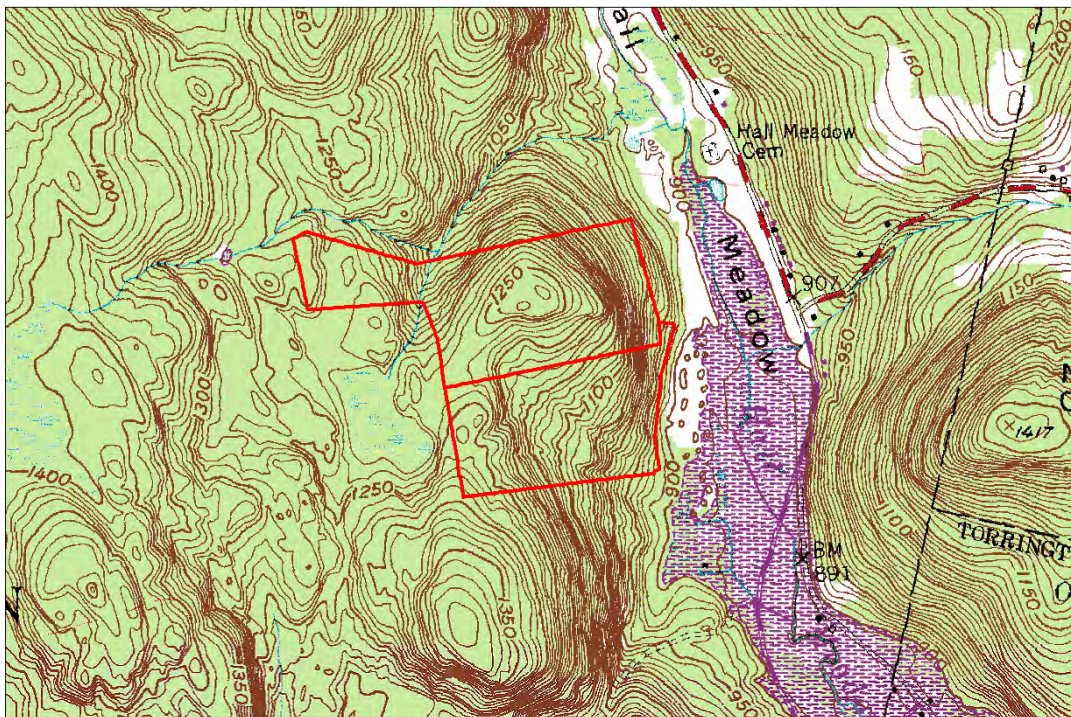
# Comparable No. AF25:

## Route 272, Goshen

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<i>Sale Date:</i> 6/29/2006	<i>Size (acres):</i> 109
<i>Legal Reference:</i> Vol 153 Page 1064 & 106	<i>Frontage:</i> Interior
<i>Sales Price:</i> \$130,000	<i>Grantor:</i> Brooks
<i>Adjusted Sales Price:</i>	<i>Grantee:</i> Knox
<i>Topography:</i> Variegated	<i>Soils:</i> Mostly Bice

### *Proximity to Subject:*

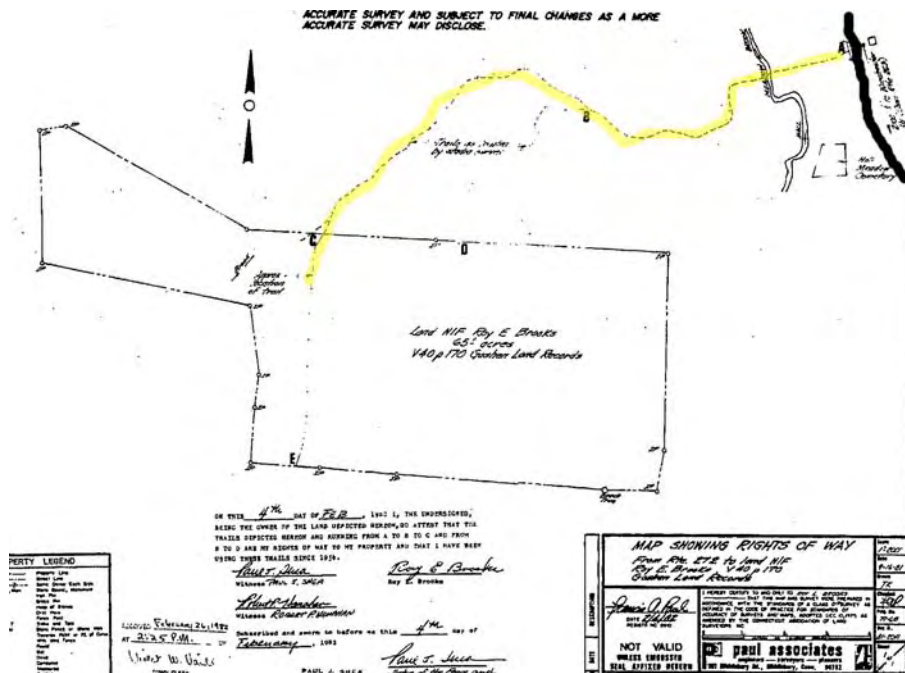


The survey for this property, used in the transfer, shows a dashed line running from Hall Meadow Road, at one point crossing Hall Meadow Brook and a broad expanse of inland wetlands just before the brook empties into a reservoir. The Grantor attests that "the trails depicted hereon and running from A to B to C and from B to D are my rights of way to my property and that I have been using these trails since 1954." The only trail that might one day become a drive is over 3,100 feet long (nearly six tenths of a mile) and accesses more than one hundred feet below the high point, at 1,270 feet ASL. A house built here might have near-360 degree views, but would be very expensive to access. The bridge crossing will cost over \$200,000 alone. This was advertised by the listing agent as a "hunter's paradise."



# Comparable No. AF25:

## Route 272, Goshen



Survey showing ROW to northern portion,  
off of Hall Meadow Rd (RT 272)

# Comparable No. AF26:

## Route 7, Cornwall & Kent

*Sale Date:* 6/2/2006

*Size (acres):* 100.3979

*Legal Reference:* Vol 156 Page 366

*Frontage:*

*Sales Price:* \$540,000

*Grantor:* Lorch

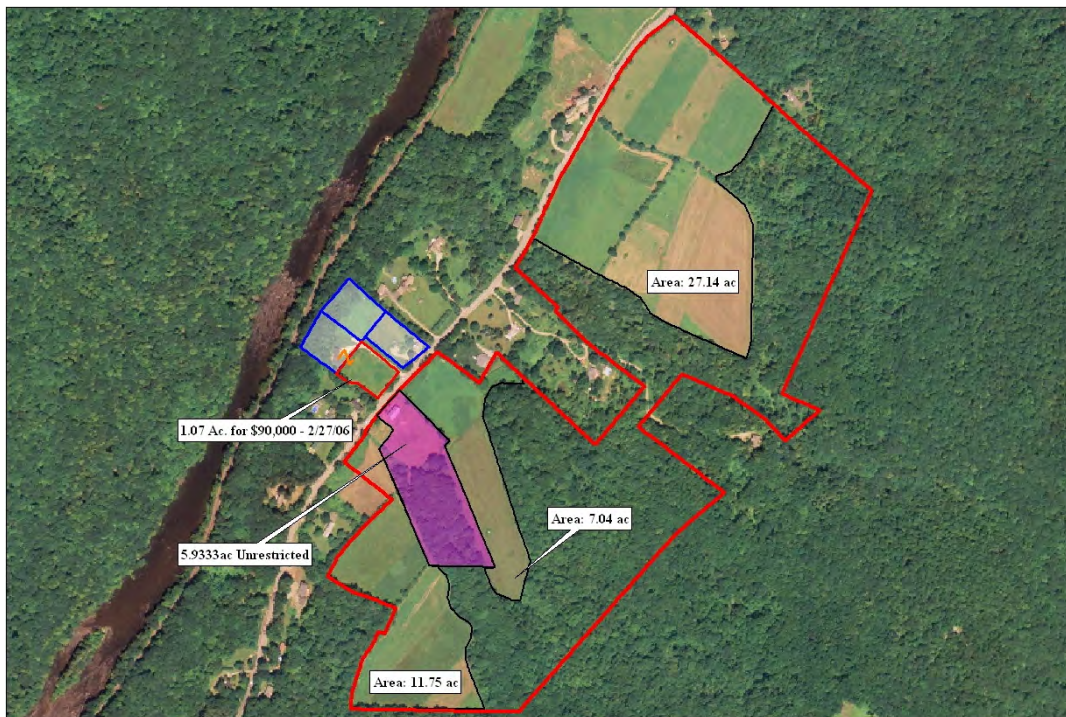
*Adjusted Sales Price:*

*Grantee:* Town of Cornwall

*Topography:* Sloping up from the road, at a steady rate.

*Soils:* Mostly Paxton, some Woodbridge and Tisbury.  
No Inland Wetlands.

### *Proximity to Subject:*



Of these 100.3979 acres, only 5.9333 acres is developable, as a single-family building lot. The Development Rights for the rest of the land was sold to the State of Connecticut in 2003. This eased land has three open farm fields totaling 45.93 acres, the balance (48.53 acres) is wooded. Were a value a range between \$300,000 and \$350,000 to be placed on the 5.9333-acre building lot (a 1.07-acre building lot directly across the road sold with limited development rights on 2/27/2006) in the middle of the eased land (with views across the Housatonic River to USA lands of the Appalachian Trail), then the balance of the sale price (or \$215,000) is attributable to the eased land. This would work out to approximately \$3,000 per acre for the farmland and \$1,500 per acre for the woodlands when the building lot is valued at just over \$329,000 (which is near the midpoint of the range). Details of all these calculations upon request. The exhibit shows the 100-plus acres surrounded in red, the open fields outlined and calculated, the building lot washed in red, and the 1.07-acre parcel across the road.

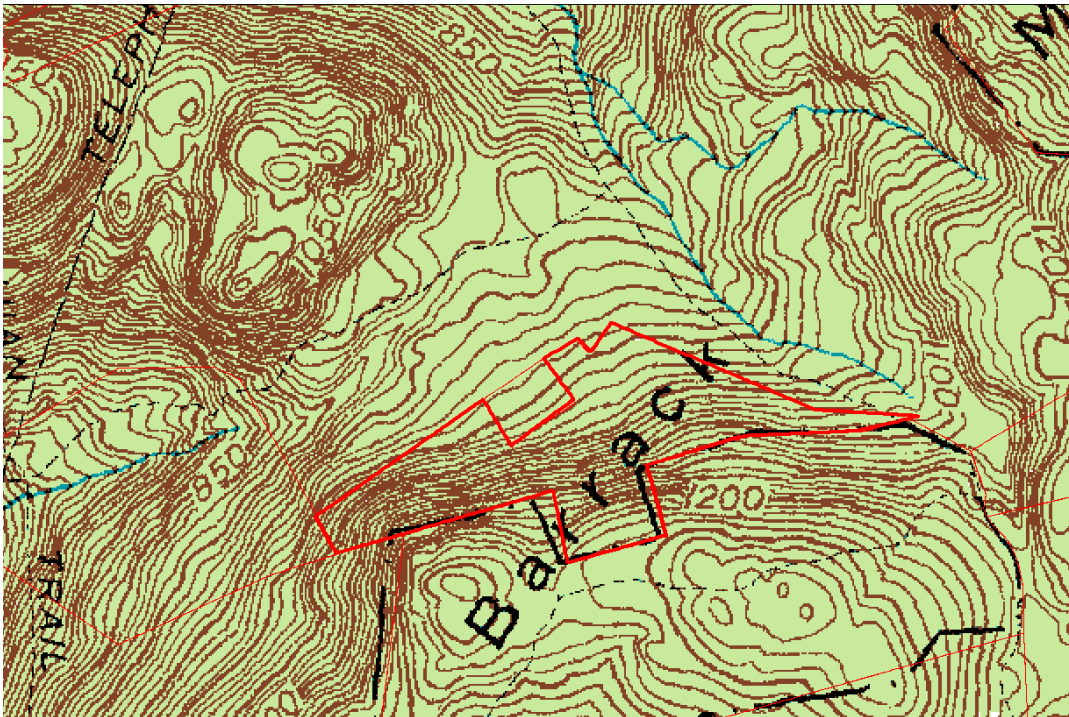
# Comparable No. AF27:

## Barrack Mountain Rd, Canaan

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<i>Sale Date:</i> 5/1/2006	<i>Size (acres):</i> 30.91
<i>Legal Reference:</i> Vol 68 Page 650	<i>Frontage:</i> 15' ROW
<i>Sales Price:</i> \$125,000	<i>Grantor:</i> Morel
<i>Adjusted Sales Price:</i>	<i>Grantee:</i> Good
<i>Topography:</i> Extremely steep; there is only a very small area of usable land.	<i>Soils:</i> HxE, CrC and a little CrD

### *Proximity to Subject:*

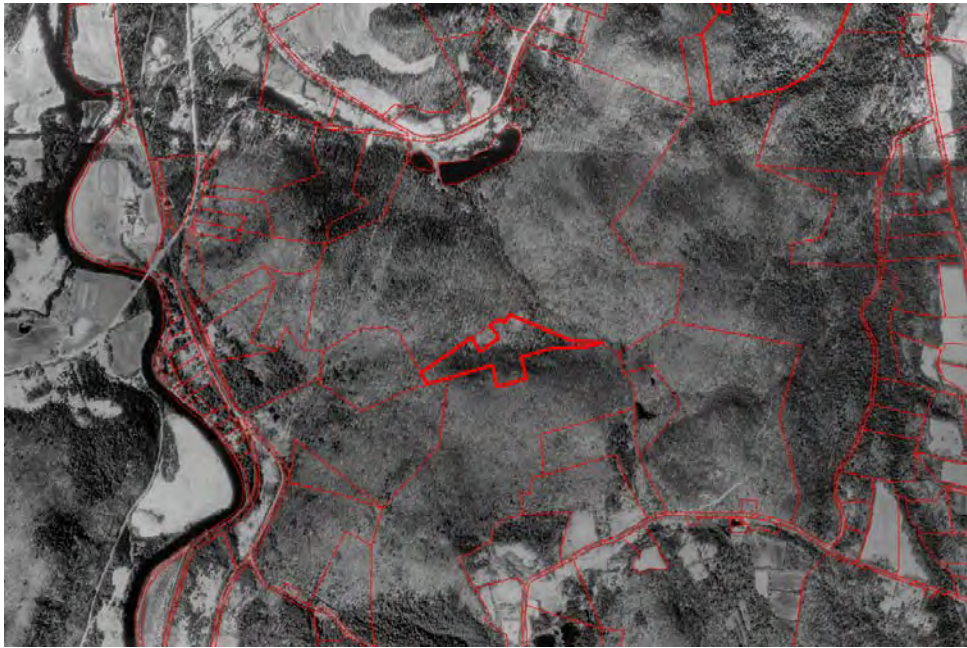


A hunter's parcel - if not paradise, for the slopes - this is accessed by a long (2/3 mile) trail from Johnson Road in the north. The deed shows the right to create a 15-ft. wide "highway" with utilities through the intervening 450 acres of Camp Isabella Freedman, a Jewish Retreat Center. The Grantees are three men from Cape Cod in the business of building houses there. If they are going to build a hunter's cabin (no electricity) the 3,300-ft. drive might cost \$10/lin.ft. to create. If with utilities the conduit and cable will add another \$95,000 or so to the cost, for a total of \$128,000, which must be considered a Cost to Cure. The 2006 aerial photograph shows the new road that was made to a clearing - not evident on the 2004 aerial. Most of the southern line lies along a portion of the Housatonic State Forest, a large reservoir of game to come spilling onto the property. Because developable, the per-acre sale price is a higher-than-residual value.



Comparable No. AF27:

Barrack Mountain Rd, Canaan



**2004 Aerial Photo**  
**Camp to North, State Park to South**



**2006 Aerial Photo**  
**Showing the New Drive through the Camp**



# Comparable No. AF28:

## Route 22, Amenia

*Sale Date:* 4/24/2006

*Size (acres):* 59.26

*Legal Reference:* Vol 22006 Page 3217

*Frontage:* 3270' +/-

*Sales Price:* \$130,000

*Grantor:* Flynn

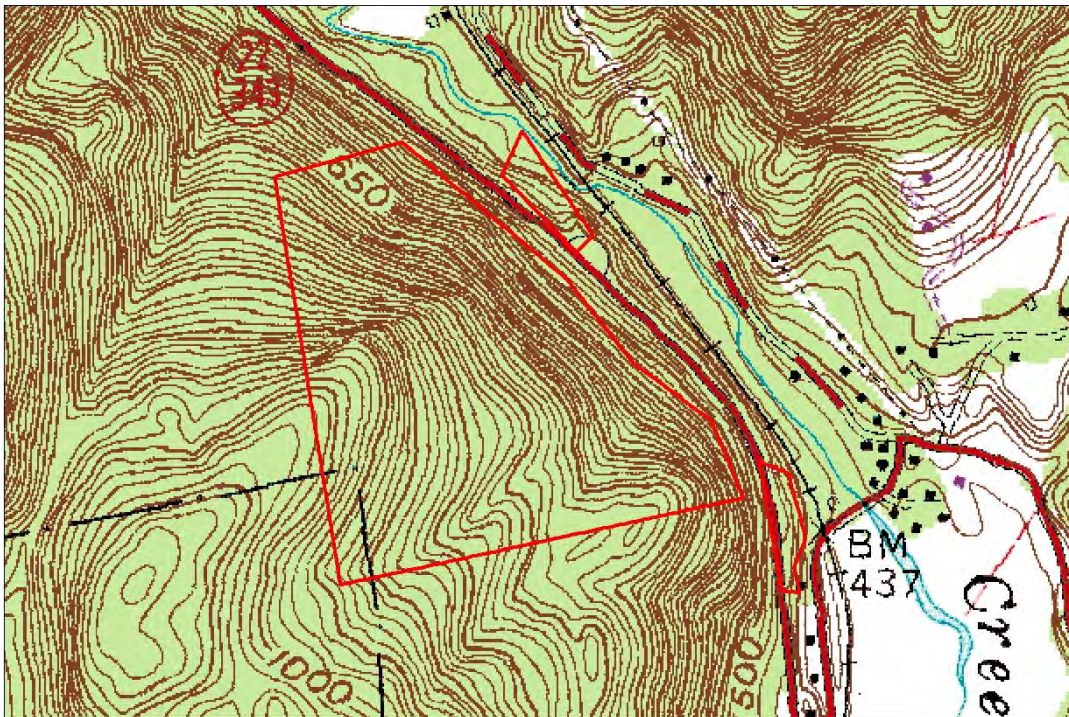
*Adjusted Sales Price:*

*Grantee:* Shope

*Topography:* The entire northeastern half - from the road frontage in - rises at an average grade of 48.3%

*Soils:* Nearly 100% HoF: Hollis-Chatfield-Rock outcrop complex, very steep - 25% is rock outcrop and the average depth to bedrock is fifteen inches.

### *Proximity to Subject:*



This is a large parcel with long road frontage but is otherwise "useless" as a Comparable Sale for larger developable parcels because the land is steep and rocky. From the road to halfway into the interior, the grade is almost fifty percent - far too great to develop even with accessways vectoring above the contours. Also the soil type is twenty-five percent rock outcrop with an average depth to bedrock for the rest of the land at fifteen inches. (This is also on a major highway, Route 22, and is a totally distinct type of neighborhood from the subject's.) But for all this it is land with the full bundle of rights and was bought by a near neighbor. If he ever buys the intervening two properties (he is 1,000 ft to the northwest), he could possibly develop the upper areas where the land is more level. This speaks to the value of residual land. In other words the \$2,200 (rounded) per acre paid here should be higher than the value for wooded land that is totally residual (not developable because of a Conservation Easement, say).



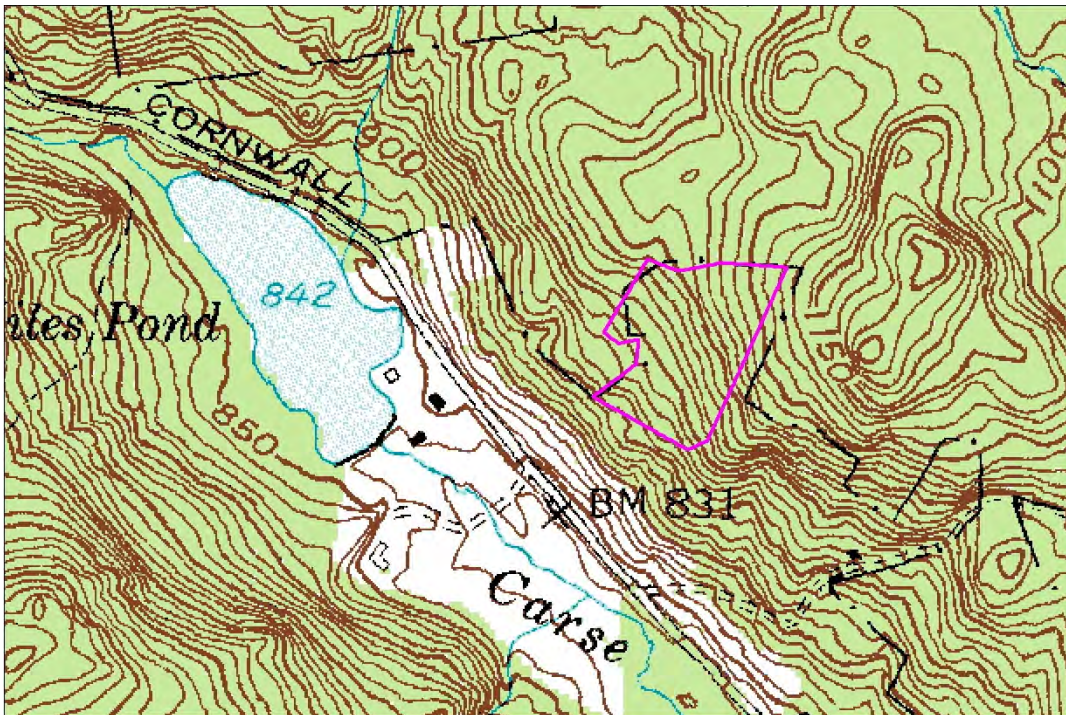
# Comparable No. AF29:

## West Cornwall Rd, Sharon

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<i>Sale Date:</i> 5/27/2004	<i>Size (acres):</i> 9.86
<i>Legal Reference:</i> Vol 159 Page 285	<i>Frontage:</i> None
<i>Sales Price:</i> \$19,000	<i>Grantor:</i> Moore
<i>Adjusted Sales Price:</i>	<i>Grantee:</i> National Audubon
<i>Topography:</i> Sloping more than gradually from "front" to rear.	<i>Soils:</i> Entirely Charlton (CrD & CrC)

### *Proximity to Subject:*



This was a “landlocked” parcel made up of two lots: a First Parcel with 7.55 acres and a Second Parcel with 2.31 acres. The land, which is entirely wooded, is sloping but not unbuildable, and the long and narrow property between this and the road – over which the driveway/accessway would run – belongs to the National Audubon Society of Sharon. (The land on the other three sides is the Housatonic State Forest - extending to over 3,489 acres.) The purchaser here turned around and donated the land to the National Audubon Society of Sharon (on December 27, 2004, see in the Sharon Land Records in volume 162, page 484). Since this was less than a year and a day from when she purchased, the land would have been donated at basis, and the write-off would have been at least \$6,650 – which nets the cost of this parcel (which is now only residual land, since the National Audubon Society of Sharon is a 501 (c) (3) preserving open space lands) at \$1,253 per acre.

# Comparable No. AF30:

## Senff Rd, Washington

*Sale Date:* 9/30/2002

*Size (acres):* 22

*Legal Reference:* Vol 163 Page 296

*Frontage:*

*Sales Price:* \$53,000

*Grantor:* Wertheimer

*Adjusted Sales Price:*

*Grantee:* Pinover

*Topography:* Nearly level near the pond, sloping to the east in the woods.

*Soils:* Tg, Gravel Mine & a little ChB; two thick areas of Inland Wetlands; two acres of pond.

### *Proximity to Subject:*



The development rights for this twenty-two-plus acres were ceded, in two different deeds over sixteen years, to the Steep Rock Association, Inc., an Open Space land trust. No part of this land can ever be developed with homes. As such this parcel sold to the neighbor, who wanted to put a canoe on the pond, and thought that someone someday might want the use of the hayfield for a horse. This appraiser was privy to the transaction, which was valued at \$3,500 per acre for the ten acres of hayfield, \$3,500 per acre for the two-acre pond, and \$1,000 per acre for the woodlands, which were entirely second- or third-growth trees.



# Comparable No. AF31:

## Route 7, Kent & Cornwall

*Sale Date:* 10/1/2001

*Size (acres):* 563

*Legal Reference:* Vol 128 Page 58

*Frontage:*

*Sales Price:* \$650,000

*Grantor:* Stanley Works

*Adjusted Sales Price:*

*Grantee:* State of CT

*Topography:* Sloping west from Route 7 to the Housatonic River, many areas of flat lands.

*Soils:* A large number of distinct soils, many of them beautiful farm soils. Also Inland Wetlands.

### *Proximity to Subject:*



This is a mixture of open and wooded land. The open land is mostly pasture land, but there are some hay fields. Both have not been farmed for a number of years and are growing up in brambles. In Kent there are two parcels: 312.054 acres and “168+ Acres” for a total of 480-plus acres. The larger parcel runs between Route 7 and the railroad Right of Way, the smaller between the railroad Right of Way and the Housatonic River. In Cornwall there are, technically, three parcels. The largest, with sixty-five acres, more or less, has a little frontage on Route 7 in two places, but is mostly behind other lands and runs along the railroad Right of Way. Three parcels on the western side of the railroad Right of Way are two river front pieces of roughly five acres and eight acres, and an island in the Housatonic of roughly five acres. This parcel had very minimal rights of development – or none. It was sold to the State of Connecticut, into their Land Acquisition program, and Thomas J. Naum at the Department of Environmental Protection for the State of Connecticut confirmed the price (which is not stated on the Warranty Deed) and stated that in his opinion the land had no rights of development (“all the developable portions had been carved out and sold; all that was left were the portions lying under a Conservation

# Comparable No. AF31:

## Route 7, Kent & Cornwall

Easement”). A copy of the Warranty Deed, citing the Conservation Easements and the Declaration of Restrictive Covenants (this last dated June 19, 1990) is available upon request.



**2006 Aerial Photo of Cornwall Portion**

# Comparable No. AF32:

## Page Rd, Litchfield

*Sale Date:* 8/24/2000

*Size (acres):* 12

*Legal Reference:* Vol 253 Page 648

*Frontage:*

*Sales Price:* \$36,000

*Grantor:* Finkelstein

*Adjusted Sales Price:*

*Grantee:* CD

*Topography:*

*Soils:*

### *Proximity to Subject:*



This is a totally open hayfield, with the hay in excellent condition (recently reseeded, no intrusives). There is long frontage on the west side of Page Road, at the very end, on the top of the hill. The views from this parcel are very long to the north and include the top of Mohawk Mountain. This land and the view are the photograph on the bottom of page 26. When this parcel sold on October 22, 1951 (see Litchfield Land Records, volume 111, page 172) the following paragraph was a part of the deed:

Grantee, by the acceptance of this deed, covenants, for himself and his heirs and assigns, that no buildings or other structures shall ever be erected upon the foregoing premises, which covenant shall be deemed a covenant running with the land, enforceable by the Grantors, their heirs and assigns forever.



# Comparable No. AF33:

## Kent Cornwall Rd, Kent

*Sale Date:* 12/5/1997

*Size (acres):* 2.3

*Legal Reference:* Vol 114 page 796

*Frontage:*

*Sales Price:* \$8,000

*Grantor:* Stanley Works

*Adjusted Sales Price:*

*Grantee:* Bain

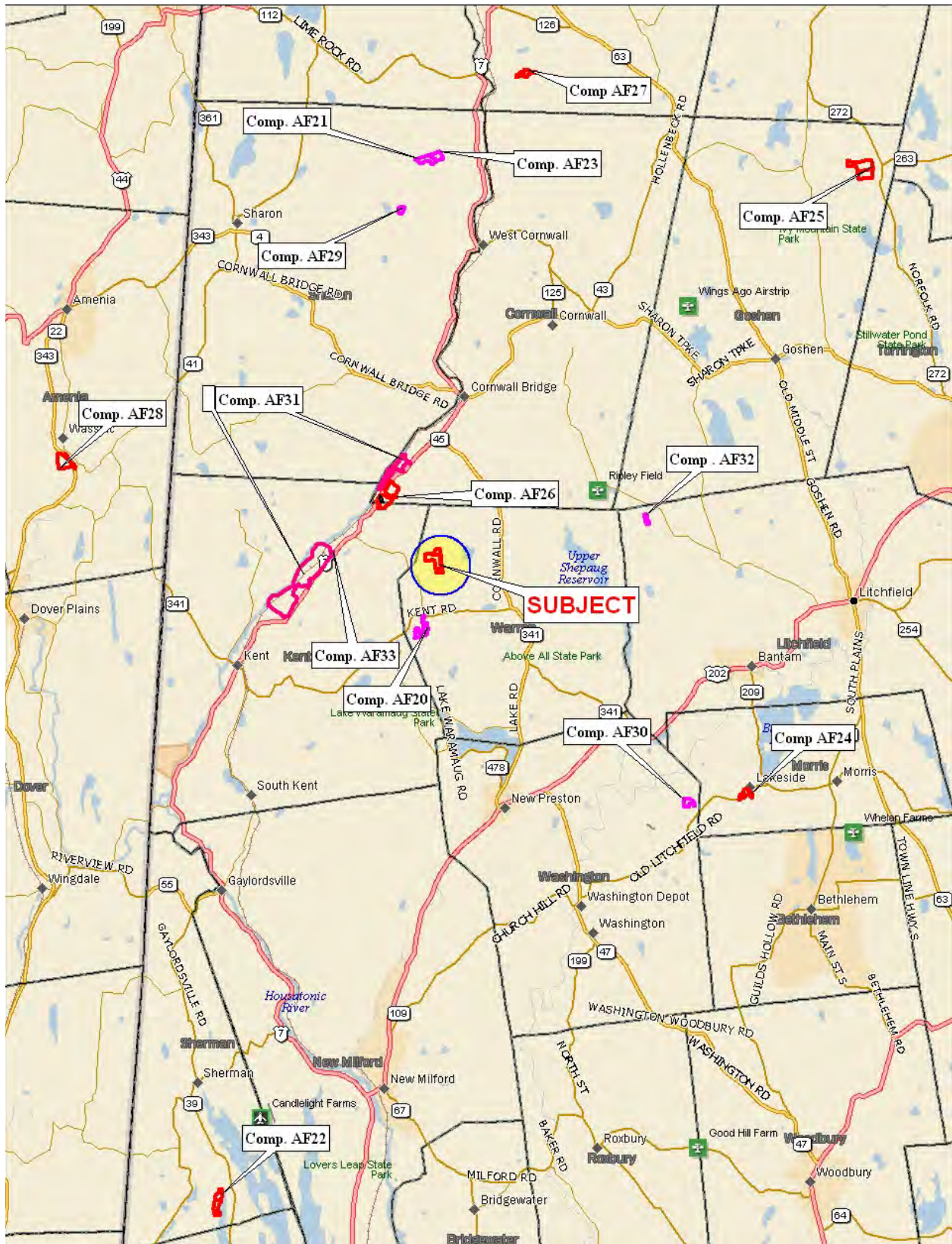
*Topography:* Slopes to the northwest.

*Soils:* CaC, CrD, and a little CaB & DoB. A stream runs through the land without charted Inland Wetlands.

### *Proximity to Subject:*



This was a sale from Open Space land (land with a Conservation Easement in place upon it), and the Grantee was the neighbor who had no intentions of building on the parcel, but bought to fix/expand his septic. The views were ensured whether the sale was to happen or not. The land is an old hay field, but terraced, with a stone fence in the middle. The field was grown up in thistle and cedars.



**LOCATION MAP FOR THE RESIDUAL COMPARABLE SALES**

## QUALIFICATIONS OF THE APPRAISERS

### DANIEL W. SOULE

Oliver Wolcott Tech, Carpentry .....	1982
General Carpentry Contractor .....	1986-1990
Principles and Practices of Real Estate .....	2002
Real Estate License (State of CT) .....	2002
Appraisal I.....	2004
Graduate, Realtors Institute I.....	2004
USPAP Course.....	2004
National Association of Realtors .....	2004 (Current)
Appraisal II .....	2005
Provisional Appraiser's License (State of Connecticut) .....	2005
Broker's License (State of Connecticut) .....	2005
Continuing Education (90 hours).....	2007
General Appraiser Examination.....	2007

### GEORGE M. De VOE

Yale, B.A. ....	1969
Harvard, M.A. ....	1972
Harvard, Ph.D. ....	1977
Principles and Practices of Real Estate .....	1977
National Association of Realtors .....	1977 (Current)
Appraisal I.....	1977
Graduate, Realtors Institute I & II .....	1978
Appraisal II .....	1978
CCIM - Courses I, II, III & VI.....	1979-1985
Graduate, Realtors Institute III .....	1985
Broker's License (State of Connecticut) .....	1987
Appraiser's License (State of Connecticut).....	1989
Certified General Appraiser (Connecticut).....	1994
USPAP Courses .....	1996, 2003, 2005
Certified General Appraiser (New York) .....	2003
Continuing Education (28 hours).....	2005-2006
Continuing Education (28 hours).....	2007-2008

## TABLE OF CONTENTS

(only computer-printed pages are paginated)

2006 Aerial Photograph of the Subject as Subdivided .....	2
Letter of Committal.....	<b>Error! Bookmark not defined.</b>
Scope of the Appraisal .....	<b>Error! Bookmark not defined.</b>
Underlying Assumptions and Limiting Conditions.....	<b>Error! Bookmark not defined.</b>
Declaration of the Senior Appraiser .....	10
Appraiser's Certification .....	<b>Error! Bookmark not defined.</b>
Tax Data.....	12
Zoning.....	14
Neighborhood Analysis .....	16
Legal Description – <i>Before</i> the Conservation Restriction .....	23
Photographs.....	24
Description of Property – <i>Before</i> the Conservation Restriction .....	26
Survey <i>Before</i> the Imposition of the Conservation Restriction .....	32
Subdivision Feasibility.....	33
Topographical Survey .....	36
Soil Types .....	38
Sanitary Report .....	41
Flood Zone .....	42
Legal Description – <i>After</i> the Conservation Restriction .....	44
Description of Property --- <i>After</i> the Conservation Restriction .....	45
Survey <i>After</i> the Imposition of the Conservation Restriction.....	51
Estimate of Value.....	53
Determination of Value --- <i>Before</i> the Conservation Restriction .....	55
Determination of Value --- <i>Before</i> the Conservation Restriction .....	59
Curvilinear Regression of the Building Lot Comparable Sales.....	63
Determination of Value --- <i>After</i> the Conservation Restriction.....	64
Recapitulation .....	68
Land Comparable Sales .....	69
Location Map for the Subject & the Land Comparable Sales .....	70
Comparable Sales of Land without Development Rights.....	71
Location Map for the Residual Comparable Sales .....	72
Qualifications of the Appraisers .....	73



**GEORGE M. De VOE**  
**REAL ESTATE APPRAISALS, LLC**  
**P.O. Box 933, Kent, CT 06757**

18 January 2008

Christopher Charles  
& Kelly Christopher Boling  
Open Space Equity, LLC  
Box 50  
Erehwon Depot, CT 06794

Greetings,

Enclosed please find three copies of the Conservation Restriction appraisal for the property of Dan Lufkin on Ubique and Romford Roads, Erehwon. Two are “originals” with the photographs and exhibits in color; the third is in grayscale for ease of further photocopying, if necessary.

Please look this over for the usual typos, or worse errors. This is stored in my word processor and it is easy to send along corrections to fold in.

Don't hesitate to call with questions.

With best wishes,

**GEORGE M. De VOE**  
**REAL ESTATE APPRAISALS, LLC**  
**P.O. Box 933, Kent, CT 06757**

18 January 2008

Christopher Charles  
& Kelly Christopher Boling  
Open Space Equity, LLC  
Box 50  
Erehwon Depot, CT 06794

PLEASE REMIT TO:

George M. De Voe  
Real Estate Appraisals, LLC  
P.O. Box 933  
Kent, CT 06757

-----  
RE: Services rendered in preparation of a Conservation Restriction Appraisal on Property  
owned by Dan Lufkin, located on Ubique and Romford Roads, Erehwon, Connecticut.

AMOUNT DUE: \$6,500

Received by: \_\_\_\_\_  
\_\_\_\_\_, 2008

Thank you.



Aerial Photograph of the Subject .....	2
Letter of Committal.....	3
Scope of the Appraisal .....	5
Underlying Assumptions and Limiting Conditions .....	6
Appraiser's Certification.....	8
Tax Data.....	10
Zoning.....	15
Neighborhood Analysis .....	17
Legal Description.....	19
Photographs.....	20
Description of Property <i>Before</i> Conservation Restriction .....	36
Survey .....	41
Residential Subdivision Feasibility Map .....	42
Topographical Survey .....	45
Soil Types .....	48
Sanitary Report .....	
Flood Zone .....	54
Legal Description <i>After</i> Deed of Conservation Restriction .....	126
Description of Property <i>After</i> Conservation Restriction .....	57
Survey .....	41
Estimate of Value.....	61
Determination of Value <i>Before</i> (House) .....	63
Determination of Value <i>Before</i> (Building Lots) .....	63
Curvilinear Regression of the Comparable Sales .....	70
Determination of Value --- After Conservation Restriction .....	71
Recapitulation .....	74
Comparable Sales of Houses .....	
Comparable Sales of Building Lots .....	75
Location Map for the Subject & House Comparable Sales .....	101
Location Map for the Subject & Building Lot Comparable Sales.....	101
Comparable Sales of Land without Development Rights.....	122
Location Map for the Residual Comparable Sales .....	101
Qualifications of the Appraisers .....	127

33/0/33

Need:-

*Ask Dan about the yellow at the end of the first Determination of Value section (page 20).  
 ("Whatever happened to 'he overpaid'." )*