

ASSUMPTIONS AND LIMITING CONDITIONS

1. This is a Complete Summary Appraisal Report, which is intended to comply with the reporting requirements set forth under Standard Rule 2-2 of the Uniform Standards of Professional Appraisal Practice. As such, it might not include full discussions of the data, reasoning, and analyses that were used in the appraisal process to develop the appraiser's opinion of value. Supporting documentation concerning the data, reasoning and analyses is retained the appraiser's file. The information contained in this report is specific to the needs of the client and for the intended use stated in this report. The appraiser is not responsible for unauthorized use of this report.
2. No responsibility is assumed for legal or title consideration. Title to the property is assumed to be good and marketable unless otherwise stated in this report.
3. The property is appraised free and clear of any or all liens and encumbrances unless otherwise stated in this report.
4. Responsible ownership and competent property management are assumed unless otherwise stated in this report.
5. The information furnished by others is believed to be reliable. However, no warranty is given for its accuracy.
6. All engineering is assumed to be correct. Any plot plans and illustrative material in this report are included only to assist the reader in visualizing the property.
7. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them.
8. It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws otherwise stated in this report.
9. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a nonconformity has been stated, defined, and considered in this appraisal report.
10. It is assumed that all required licenses, certificates of occupancy, or other legislative or administrative authority from any local, state, or national governmental, or private entity or organization have been or can be obtained or renewed for any use on which the value estimates contained in this report are based.

11. Any sketch in this report may show approximate dimensions and is included to assist the reader in visualizing the property. Maps and exhibits found in this report are provided for reader reference purposes only. No guarantee as to accuracy is expressed or implied unless otherwise stated in this report. No survey has been made for the purpose of this report.
12. It is assumed that the utilization of the land and improvements is within the boundaries or property lines of the property described and that there is no encroachment or trespass unless otherwise stated in this report.
13. The appraiser is not qualified to detect hazardous waste and/or toxic materials. Any comment by the appraiser that might suggest the possibility of the presence of such substances should not be taken as confirmation of the presence of hazardous waste and/or toxic materials. Such determination would require investigation by a qualified expert in the field of environmental assessment. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials may affect the value of the property. The appraiser's value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value unless otherwise stated in this report. No responsibility is assumed for any environmental conditions, or for any expertise or engineering knowledge required to discover them. The appraiser's descriptions and resulting comments are the result of the routine observations made during the appraisal process.
14. Unless otherwise stated in this report, the subject property is appraised without a specific compliance survey having been conducted to determine if the property is or is not in conformance with the requirements of the Americans with Disabilities Act. The presence of architectural and communications barriers that are structural in nature that would restrict access by disabled individuals may adversely affect the property's value, marketability, or utility.
15. Possession of this report, or a copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed without the written consent of the appraiser, and in any event, only with proper written qualification and only in its entirety.
16. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser, or the firm with which the appraiser is connected) shall be disseminated to the public through advertising, public relations, news sales, or other media without prior written consent and approval of the appraiser.

PURPOSE OF THE APPRAISAL

The purpose of this appraisal is to estimate Market Value (as defined) as of the effective date of July 7, 2020.

INTENDED USE OF THE REPORT

This report is to be used for the sole purpose of assisting the clients, Matthew J. Kalina, Esquire & the Hanover Township Sewer Authority, with decisions regarding possible disposition of the subject.

INTEREST VALUED

The valuation is predicated upon the owner's interest being one of "Fee Simple Absolute".

REAL ESTATE APPRAISED

The subject is a vacant lot located along the north side of Steubenville Pike (at Kramer Road) in Smith Township, Washinton County, Pennsylvania.

It is specifically known as Tax ID Number 570-003-00-00-0005-00 according to the tax assessment records of Washington County. At its westerly most point, the subject does extend over the township line into Hanover Township.

As of the effective date, the real estate is under the ownership of the Hanover Township Sewer Authority. There is no recent and relevant purchase of the subject property and, to the best of my knowledge, the subject is not currently listed for sale nor is it under agreement of sale.

Gary R. Bodnar has not appraised this property in the last 3 years.

LOCATION AND NEIGHBORHOOD

The subject property is situated in Smith Township, Washington County, Pennsylvania, approximately 30 miles west of Downtown Pittsburgh and 25 miles northwest of the City of Washington, Pennsylvania.

The Township of Smith is located in the northern portion of the county and is bounded by the following municipalities: the Townships of Hanover, Robinson, Jefferson, Cross Creek and Mt. Pleasant and the Boroughs of Burgettstown and Midway.

The area is somewhat rural in nature and serviced by a number of primary & secondary roadways including US Route 22 and State Routes 18, 50, 980 and Steubenville Pike. The township is sparsely developed given its rolling, wooded general topography.

The immediate neighborhood of the subject consists primarily of scattered mixed uses. The area is not far from Raccoon State Park and areas of state gamelands.

LOCATION MAP





PROPERTY DESCRIPTION

Land - Irregularly -shaped parcel of land having +/- 330' front along Steubenville Pike (only about ½ of this frontage is usable). The depth varies along the subject- same diminishing as you go from west to east. Total area is 1.01 acres however, only about 35% is usable. The usable area therefore is estimated at +/-15,400 SF or about 0.3535 acres.

The total parcel extends into an adjacent creek then slopes steeply upward in a mound. It then slopes downward and levels off into its "usable" portion (easterly portion).

The usable portion of the parcel is part grass & part gravel surfaced and used for parking and a local business sign display area. The area is level and served by most utilities.

The parcel is zoned "B-1" Business according to the zoning map of Smith Township.

Although the site is bounded by a natural watercourse, it cannot be specifically identified as to its flooding potential. The appraiser will assume that there is no flood issue for the purposes of this valuation.

Building- N/A Vacant lot

EXISTING USE AND HIGHEST AND BEST USE

Accessory to adjoining property, i.e. parking and sign display.

SUBJECT PHOTOGRAPHS



SALES COMPARISON APPROACH

The basis or thrust of this approach is predicated upon direct comparisons of the subject property to properties which share some degree of comparability with the subject, and which have sold on the same or similar market.

The estimate predicated upon this approach is considered to be representative of the reactions of typical buyers and sellers in the marketplace and is based upon the principle of substitution. That is, no prudent knowledgeable person will pay more to buy one property than it will cost to buy another similar property. When a sufficient number of sales are evaluated, a pattern is usually established and with proper interpretation, this pattern can be a good and acceptable indication of market value.

Generally, the steps³ in the Sales Comparison Approach are indicated below:

- 1) Research the market to identify similar properties for which pertinent sales, listing, offerings and/or rental data is available.
- 2) Qualify the prices as to terms, motivating forces and bonafide nature.
- 3) Compare each of the comparable properties' important attributes to the corresponding ones of the property being appraised, under the general categories of time, location, physical characteristics and conditions of sale.
- 4) Consider all dissimilarities and their probable effect on the price of each sale property to derive individual market value indications for the property being appraised.
- 5) From the pattern developed, formulate an opinion of market value for the property being appraised.

I have identified several comparable properties within the "competitive market" of the subject. These comparable sales are as follows --

³ The Appraisal of Real Estate, Seventh Edition, American Institute of Real Estate Appraisers.

SALES COMPARISON APPROACH CONTINUED

Sale	Location	Sale Date	Buyer	Description	Consideration
1	Station St Smith Twp 570-011-00-00-0037-01	5/19	Gobleck	Vacant lot having 0.41 acres or 17,860 SF	\$10,000 or \$0.56/SF
2	23 Walnut St Smith Twp 570-015-01-02-0010-01	3/20	Kozak	Vacant lot having 0.42 acres or 18,295 SF	\$7,500 or \$0.41/SF
3	Robinson Hwy Robinson Twp 550-014-00-00-0005-02	5/19	Robinson	Vacant lot having 1.04 acres or 45,302 SF	\$25,000 or \$0.55/SF
4	32 French Hill Rd Smith Twp 570-008-00-00-0008-00	6/20	Rush	Vacant lot having 215' front and containing 1.3 acres or 56,628 SF; slight slope	\$18,000 or \$0.32/SF
5	Walnut St Burgettstown 570-013-02-01-0002-00 & 570-013-02-01-0002-01	5/19	Warrick	Vacant lot having 182' front and containing 0.47 acres or 20,473 SF	\$17,500 or \$0.85/SF
6	Longview Dr Avella 370-005-07-00-0006-00	9/15	N/A	Vacant lot having 117' front and containing 0.25 acres or 10,890 SF	\$11,500 or \$1.06/SF

Analysis of Sales and Conclusions

Since vacant land sales in this area are limited, it was necessary for the appraiser to expand the time frame as well as the geographical area to include adjoining or nearby municipalities.

With the exception of Sale 3 above, the comparables are all residential in nature. However, in these somewhat rural neighborhoods of Washington County there is little to no difference in this attribute- some townships have no zoning in effect at all.

The above sales have areas that are virtually "all usable"- therefore, we are comparing them to the subject's "usable" area only.

The sales range from \$7,500 to \$25,000 in price. More importantly, they range in "unit price" from \$0.32/SF to \$1.06/SF.

At this "size range", there is very little evidence of "price-size" relationship, where generally, the larger parcels sell for the lowest unit price and vice versa.

SALES COMPARISON APPROACH CONTINUED

Analysis of Sales and Conclusions

The subject does have superior exposure relative to that of the comparable sales.

The negative factors affecting the subject however are 1.) its shape, and 2.) its depth – which limits its developable nature due to setbacks and the like.

After considering these sales the subject and comparables relative to their salient differences, I have concluded the following-

Indicated Market Value to Subject - \$1.00/SF

Therefore-

15,400 SF @ \$1.00/SF or \$15,400

RECONCILIATION

The Sales Comparison Approach was given the sole weight and consideration in the final estimate of market value for the subject property.

Final Market Value Estimate \$15,400.00