

The subject site appears irregular in shape, at street grade and generally level throughout. All necessary utilities reportedly are available including on-site well, septic, propane gas, electricity and telephone with adequate on-site parking noted. Visual observation of the subject site did not reveal any apparent encroachments or adverse easements. At time of observation, in-ground propane tanks were noted.

New London Road (Route 896) is a heavily traveled artery providing traffic flow in a north/south direction.

15. BUILDING ANALYSIS

This building was reportedly built in 2007 and consists of a detached two story masonry constructed restaurant/bar type building containing a gross building area of 3,888 square feet, exclusive of unfinished basement area.

Based upon a limited building observation, a description of the construction detail is as follows:

Foundation:	Reinforced concrete slab and concrete footings
Foundation Walls:	Poured concrete
Floor:	Reinforced concrete in basement with wood flooring on upper levels
Exterior Walls:	Stone veneer, brick and stucco
Windows:	Insulated fixed pane
Doors:	Insulated glass in metal entry door; metal exterior doors; metal and wood interior doors
Roof:	Shingle and built-up bituminous roofing
Downspouts:	Aluminum
Gutters:	Aluminum
Wall Finish:	Sheetrock and laminated walls in finished area
Ceiling Finish:	Sheetrock and suspended ceiling tiles
Ceiling Height:	Approximately 12' in dining/bar area; 8' on second level and 9' in basement

Floor Finish:	Carpeting and tile in finished area with concrete flooring in basement
HVAC:	Warm air system provides heating and cooling throughout
Hot Water:	Two "Bradford-White", eighty gallon capacity hot water tanks
Electric:	800 ampere electric service
Dining Area:	Contains seating for approximately 60 patrons
Bar:	Wood bar seats approximately 14 patrons and contains assorted stainless steel sinks; 2 – ice bins; 2 coolers; beer chest; under-counter refrigerator and assorted beer and soda taps
Kitchen:	<p>First level kitchen contains typical commercial grade fixtures and equipment consisting of assorted stainless steel sinks; 2 – "True" stainless steel refrigerator; 2 – "True" refrigerated sandwich tables; "Vulcan" ten burner gas stove with double oven; "Blodgett" oven; "Magic Kitchen" broiler; "Hatco" toaster; 2 – "Pitco" deep fryer and countertop dishwasher</p> <p>Second level kitchen contains double stainless steel sink set in work area with wood base and overhead cabinets; four burner electric stove/oven; microwave; fan/light and refrigerator</p>
Lavatories:	First level men's lavatory contains single sink, urinal and toilet in metal partition while ladies lavatory contains triple sink and two toilets in metal partitioning
Bath:	Second level bath contains vanity sink, toilet and tub with overhead shower
Security:	Battery back-up lights and fire extinguishers
Steps:	Metal interior steps to upper and lower levels

Layout: First Level
Entry foyer, dining room, bar, kitchen, lavatories and
storage area

 Second Level
Office, living area, kitchen galley, full bath and
storage

 Basement Level
Mechanical area and storage

CONDITION AND OBSOLESCENCE

The subject property was observed to be in average condition overall without any physical or functional deficiencies noted. The subject appears to have an effective age of five years, with a remaining economic life expectancy approaching forty-five to fifty years. A physical observation of the roofing was not made, however a limited exterior and interior observation did not reveal any indication of roof leaks.

The subject improvement is of average construction quality, consistent with the age and use of the building. Interior layout is adequately designed and properly partitioned to provide sufficient traffic flow. Patron, work, office and residential areas are within local market standards. Electric appears adequate for the present usage.

Portions of the subject property not observed (if any) were assumed to be as reported or similar to comparable portions that were observed. During the limited observation, I did not notice any structural conditions, however, I am not a building inspector or engineer and I have assumed a building inspector's or engineer's report would not reveal any items requiring expenditures to correct. No responsibility is assumed for hidden defects of various building components such as the foundation, floors, walls, roof, etc., adequacy and operating condition of mechanical systems such as HVAC, electrical, plumbing, etc.; or conformity to specific governmental requirements such as fire, building and safety, earthquake, occupancy codes, etc.

External obsolescence is attributed to the current economic condition of the nation. The economy as a whole is stagnant and recovery will in all likelihood be slow in coming. The occupancy level within the subject area is good, with minimal vacancies noted. For the most part, buildings within the area appear to be owner-occupied.

At time of observation, the existence of potentially hazardous materials, which may or may not be present on the site, were not

observed; nor is there any knowledge of the existence of such materials on or in the site. Existence of hazardous substances, including without limitation polychlorinated biphenyls, petroleum leakage, or agricultural chemicals, which may or may not have been present on the site, or other environmental conditions, were not called to my attention, nor did I become aware of such during my limited observation. I have no knowledge of the existence of such materials on or in the site unless otherwise stated. I am not qualified to test such substances or conditions. In addition, I am unaware of previous usage of the subject site. As a result, I do not have knowledge of possible storage of chemicals or other toxins and an environmental audit is strongly suggested for precautionary purposes only. The presence of such hazardous substances or environmental conditions may affect the value of the subject property. If environmental factors are found, I reserve the right to determine the effect it may have on the subject property and reserve the right to apply that effect on the reconciled market value. The value estimated was predicated on the assumption that there was no such condition on or in the property or in such proximity thereto that it would have caused a loss in value. No responsibility was assumed for any such conditions, or for any expertise or engineering knowledge required to discover them.

As of January, 1992, all places of public accommodation such as restaurants, hotels, theaters, professional offices, retail stores, libraries, and schools, and commercial facilities including warehouses, plants, and the private portions of office buildings must comply with the Accessibility Guidelines of the Americans with Disabilities Act. The intent of the Act was to make real estate fully accessible to disabled consumers and employees by removing architectural and communication barriers. The Act effected all new construction and the altered portion of any existing facility that was altered in a manner that effected usability. Barrier removal measures included building access ramps, curb cuts at sidewalks and entrances, lowering shelves and telephones, adding Braille elevator controls, installing flashing alarm lights, widening doorways, installing grab bars in toilets, designating special parking, installing accessible water fountains, and removing high pile carpeting. The Guidelines are complex and their application and the costs of compliance are beyond my expertise. The value estimated in this analysis is predicated on the assumption that no alternations are necessary that would require compliance with the Act. No responsibility was assumed for any possible non-compliance or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in the field if so desired, especially where any building alterations are contemplated.

The perimeter sketch is presented on the following page.

Building Sketch

Borrower			
Property Address	1215 New London Road	County	Chester
City	Landenberg	State	PA
Lender		Zip Code	19350-1121

