

Summary of Important Facts and Conclusions

GENERAL

Subject:	3933 Perkiomen Avenue, Reading, Berks County, Pennsylvania, 19606 This is a two level masonry building composed of an original section and a more recent addition. Gross building area contained in both levels is 25,300 sq.ft.
Owner:	Dennis G. and Susan Rhoads
Legal Description:	see attached deed
Tax Identification:	43-5326-14-42-2797
Date of Report:	June 21, 2011
Intended Use:	The intended use is for mortgage financing.
Intended User(s):	The client and property owner.
Assessed Value:	\$660,800 at 70.10% Implied Market Value: \$942,653
Taxes:	\$25,939
Sale History:	The subject has not sold in the last three years, according to public records. The subject sold for \$1,150,000 on November 1, 2004. arm's length Prior to this transfer, the subject property was owned by the Fecera family for many years, used for a retail furniture store. Subsequent to purchase, the property was converted to multi tenant commercial use
Current Listing/Contract(s):	The subject is not currently listed for sale, or under contract

PROPERTY

Land Area: Total: 72,310 square feet; 1.66 acres

Usable: 72,310 square feet; 1.66 acres
Most land appears usable

Improvements:

Building 1

Building ID: 3933 Perkiomen

Ave

Year Built: 1958

Renovations: 1993

Condition: Good

Number of Stories: 2.00

Gross Building Area (GBA): 25,300

Rentable Area (RA): 23,176

Gross Leasable Area (GLA): 23,176

Number of Units: 1

Property Totals:	GBA*	RA	GLA	Units
	25,300	23,176	23,176	1

*See area definitions, page 8.

Zoning: Highway Commercial

Highest and Best Use of the Site: The subject property is commercially zoned. Commercial use of the site is legally permitted

Highest and Best Use as Improved: The highest and best use is as currently improved.

VALUE INDICATIONS

Sales Comparison \$1,948,000

Approach:

Income Approach:

Direct Capitalization \$1,970,000

Reconciled Value(s): **As Is**

Value Conclusion(s) \$1,970,000

Effective Date(s) June 3, 2011

Property Rights Fee Simple

Property Description

The following description is based on our property inspection, assessment records, property deed, and information provided by property manager.

SITE	
Location:	Information concerning the subject site was obtained by this appraiser during the field inspection.
Current Use of the Property:	Two story building, concrete curbing, paved driveways, service walks
Site Size:	Total: 1.66 acres; 72,310 square feet Usable: 1.66 acres; 72,310 square feet Most land appears usable
Shape:	The site is roughly rectangular.
Frontage/Access:	The subject property has Good, two curb cuts access with frontage as follows: <ul style="list-style-type: none">• Bus. Rte 422: 348 feet The site has an average depth of 213 feet. It is not a corner lot.
Visibility:	Very Good
Topography:	The subject has gently downward sloping topography and no areas of wetlands. The land is level with the street to the building placement line, then slopes downward towards the east and north affording the lower level of the building to be at ground level.
Soil Conditions:	The soil conditions observed at the subject appear to be typical of the region and adequate to support development.
Utilities:	Electricity: The site is served by public electricity. Sewer: City sewer Water: City water Natural Gas: City gas Underground Utilities: Adequacy: The subject's utilities are typical and adequate for the market area.
Site Improvements:	<ul style="list-style-type: none">• Street lights on pole• No sidewalks• concrete curb and gutters

Flood Zone: • Minimal landscaping
The subject is located in an area mapped by the Federal Emergency Management Agency (FEMA). The subject is located in FEMA flood zone X, which is not classified as a flood hazard area.

FEMA Map Number: 42011C0528E
FEMA Map Date: December 5, 1997

The subject is not in a flood zone.

Wetlands/Watershed: No wetlands were observed during our site inspection.

Earthquake Zone: The subject is not in an earthquake zone.

Earthquake Zone
Comments: The subject is not in an earthquake zone.

Environmental Issues: There are no known adverse environmental conditions on the subject site. Please reference Limiting Conditions and Assumptions.

Encumbrance /
Easements: There no known adverse encumbrances or easements. Please reference Limiting Conditions and Assumptions.

Site Comments: Overall, the subject site is typical for its specific and general location. It is functional and suited for its current use with adequate access. 38 parking spaces along the front of the building and approximately 30 parking spaces in the rear.

This is a detailed plat map of a portion of the City of St. Louis, Missouri. The map shows a grid of streets and lots. The streets shown are W. 39TH STREET, W. 40TH STREET, and W. 41ST STREET. The lots are numbered and have dimensions. A specific lot is highlighted with an arrow and labeled "Subject". The lot is located on the east side of W. 39TH STREET, between W. 40TH STREET and W. 41ST STREET. The lot number is 110. The dimensions of the lot are 110.17 feet by 110.17 feet. The lot is shaded in gray. The map also shows other lots and streets, including W. 38TH STREET, W. 37TH STREET, and W. 36TH STREET. The lot numbers and dimensions are provided for each lot. The map is a black and white line drawing.

Subject

IMPROVEMENTS DESCRIPTION

Development/Property 3933 Perkiomen Avenue

Name:

Property Type: commercial Multi tenant use

Overview: This is a two level masonry building composed of an original section and a more recent addition. Gross building area contained in both levels is 25,300 sq.ft.

GENERAL - 3933 PERKIOMEN AVE

Building Identification: 3933 Perkiomen Ave

Building Description: two level building 53 years in age with an addition of 18 years.

Building Class: Class C construction

Construction: Steel and masonry

Construction Quality: average

Year Built: 1958

Renovations: 1993

Effective Age: 15 years

Remaining Useful Life: 55

Condition: Good

Appeal/Appearance: ave to good

Areas, Ratios &
Numbers: Number of Stories: 2.00
 Gross Building Area: 25,300
 Gross Leasable Area: 23,176
 Rentable Area: 23,176
 Number of Units: 1

Building Efficiency Ratio: 91.6%

Land to Building Ratio: 2.86 to 1

FOUNDATION, FRAME & EXTERIOR - 3933 PERKIOMEN AVE

Foundation: Poured concrete slab

Basement/Sublevels: 11,660 square feet; 1 sublevel(s)

Basement Use: Finished, utilities and storage

Structural Frame: masonry

Exterior: concrete block and vinyl siding

Windows: Showroom/fixed pane along front

Roof/Cover: gable / asphalt shingle

Service Access/
Overhead Doors: The building is served by -- overhead doors; -- with levelers.

INTERIOR - 3933 PERKIOMEN AVE

Interior Layout: Multi tenant; upper level 6 units; ground floor four units

Floor Cover: carpeting and commercial grade linoleum

Walls: painted dry wall

Ceilings & Ceiling
Height: Acoustic ceiling panels / 10

Lighting: A mix of fluorescent and incandescent lighting.

Restrooms: some common rest rooms and some private type

MECHANICAL SYSTEMS - 3933 PERKIOMEN AVE

Heating: a mix of common heat and individual

Cooling: a mix of common a/c and individual

Electrical: adequate

Plumbing Condition: adequate

Sprinkler: none noted

Elevators/Escalators: none noted / none noted

Security: security throughout

The original use of the building was for furniture showroom

Comments, 3933
Perkiomen Ave:

and sales. The building was essentially open span spaces.

PARKING

Parking Type and
Number of Spaces:

Type: Paved open surface parking
Spaces: 68
Condition: Average

Parking Ratio:

2.69 spaces per 1,000 square feet.

Other:

Some deterioration of the macadam.

Americans With Disabilities Act

Please reference the Limiting Conditions and Assumptions section of this report on page 9.

Hazardous Substances

Please reference the Limiting Conditions and Assumptions section of this report on page 9.

DESCRIPTION OF IMPROVEMENTS

The two-level masonry building is composed of an original section and a later addition. Assessment records indicate an original building age of 55 years and an addition age of 18 years. Gross building area on the main level is 13,640 square feet. Lower level building area is 11,660 square feet for a total of 25,300 square feet. The building exterior on the north end is entirely concrete blocks and on the south end, concrete block lower walls with vinyl-sided, wood frame upper walls. Roof coverings appear to be asphalt shingles. Showroom windows are installed along the front side at the north end. The building was originally constructed for use as a retail furniture store. Both levels were basically open space used for furniture displays.

The upper level is divided into six rental units and the ground level into four. The areas reported for each tenant space were obtained from the leases. The common hallway on the first level provides access to four of the units. The other two units have individual entrances from the outside. Men's and women's bathrooms are located in this area for use by those tenants without bathrooms. A set of stairs leads to a common area on the ground level that accesses two of the four units. The other two units are accessed from the rear side of the building at a new common entrance way that was constructed.

Suite 101, containing 4,600 square feet, is used as a chiropractic facility. The interior walls of the suite and all interior finishes were completed at the expense of the tenant, who reported an expenditure of about \$100,000. The owner provided a glass door entry system with platform and ramp, a new emergency exit door and eight windows. The suite is designed with a center core of rooms and perimeter rooms. Floor coverings vary and include wood laminate, carpet, and quarry tile. Walls are painted drywall and ceilings are suspended tiles with fluorescent and accent lighting. The unit has two powder rooms.

Suite 102, containing 2,000 square feet, is used by the owner as a travel agency facility. The space includes one open room, a storage room, and a lunch room. The main room is finished with carpeted floor, painted drywall walls, and suspended ceiling. Store windows are along the front wall. The lunch room has similar finishes, except the floor is vinyl. The unit has use of bathrooms in the common hallway.

Suite 103, containing 2,178 square feet is used as a hair salon. The space includes a front desk area, a retail room and wait area, a wash area, a station area, a powder room, and three smaller back rooms. Floor coverings include wood laminate, vinyl, and carpet depending on use of area. Walls are, generally, painted drywall with vinyl wall base. Ceilings are suspended tiles.

Suite 104, containing 1,413 square feet, is used as an outlet for dry cleaning. The suite has a corner location with door entries from two sides. Vinyl composition tiles are used at the customer floor area and carpet in the rear section where the clothing racks are located. Ceilings are suspended tiles with inlaid fluorescent lights. Walls are painted drywall. The unit has a private powder room and a back entry to the common hallway.

Suite 105, containing 910 square feet, is used as an insurance office. The space is one large L-shaped area with carpet floor, painted drywall walls and suspended ceiling. Two windows were installed for this unit which previously had none. The unit has use of common bathrooms in the hallway.

Suite 106, containing 1,043 square feet, is used as a lawyer's office. The space contains a waiting room, a reception office, a private office with conference alcove, and two storage rooms. Interior finishes include carpeted floors, painted drywall walls with vinyl wall base, and suspended ceilings with inlaid fluorescent lights. Two windows were installed where there previously were none. The unit has use of the common bathrooms in the hallway.

Suite G107, containing 3,318 square feet, is used as a photographic studio. The space contains one large room with smaller work areas and a lunch area. The main room has a black painted exposed ceiling. Finishes are minimal in this suite and this is the only unit that is without air conditioning.

Suite G108, containing 7,000 square feet, is the owner's unit which is used as an office to organize group trips. The area contains two large office rooms that are divided with series of cubicles, a large L-shaped area used for storage, and a smaller room used for engraving. The office portion is finished with carpeted floor and a combination of suspended ceilings and black painted exposed ceilings. There are no bathrooms in this space.

Suite G108, containing 162 square feet, is a one-room unit, and Suite G110, containing 552 square feet, is a two-room unit. The appraiser did not have access to these suites. Interior finishes were viewed through the glass windows of the doors. Walls are painted drywall with vinyl wall base, ceilings are suspended tiles with inlaid fluorescent lights, and floors are carpeted. There are no bathrooms in these units and no windows for daylight exposure.

All of the ground floor, Suite 102 on the first floor, and the common hallway and bathrooms are heated by one oil-fired boiler. One electric heat pump services Suites 103 and 104, and another heat pump services Suites 105 and 106. All units, except

G107, are centrally cooled. The building is entirely wet sprinkled for fire protection. The units are metered individually for electric consumption.

Assessment and Taxes

REAL ESTATE ASSESSMENT AND TAXES

Taxing Authority	Exeter Township
Assessment Year	2011

ASSESSED VALUES

Tax Identification Number	43-5326-14-42-2797
Land Assessed Value	\$210,300
Building Assessed Value	\$450,500
Other Property Assessed Value	\$0
Total Assessed Value	\$660,800

Totals

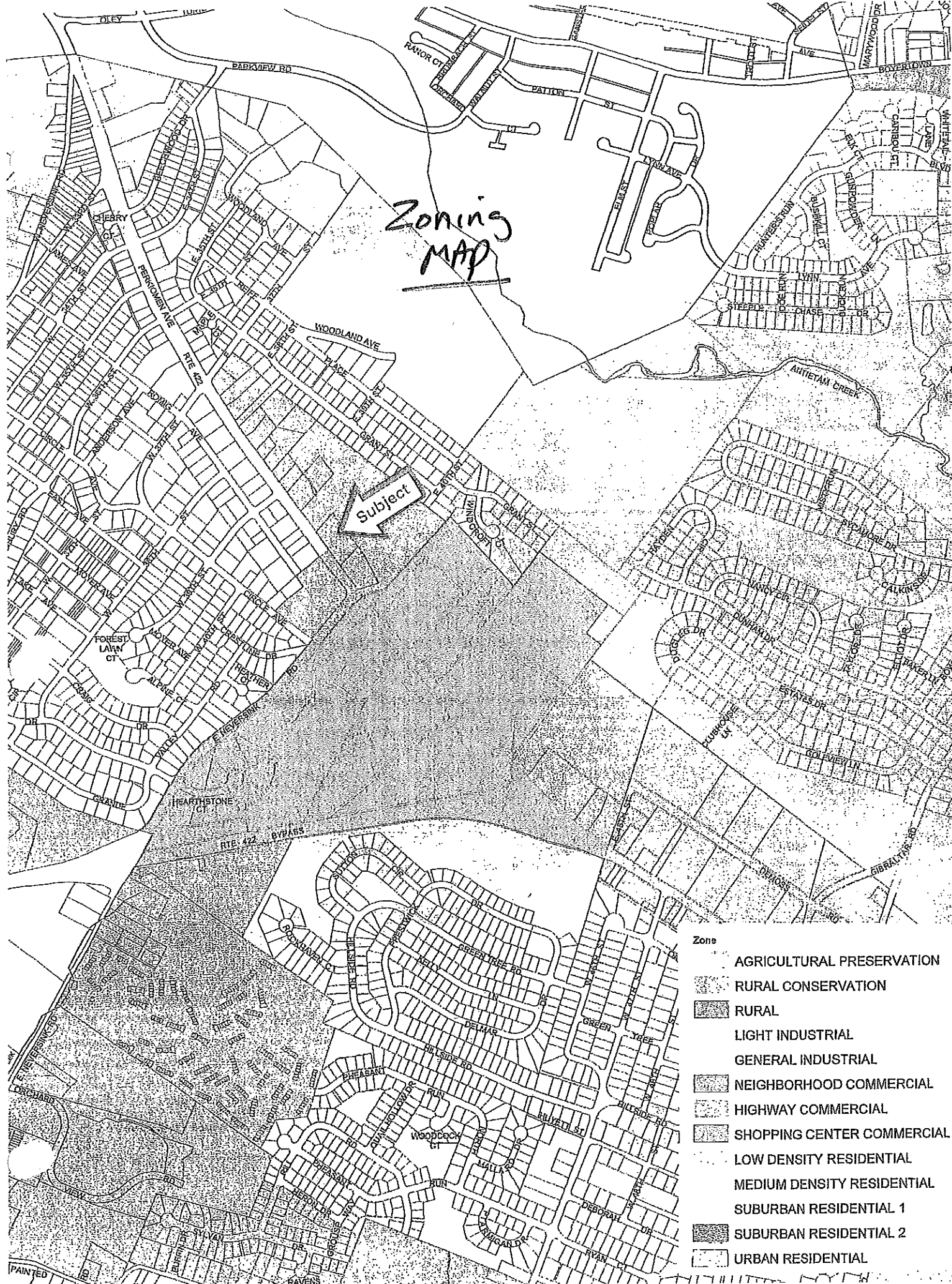
Total Land Assessed Value	\$210,300
Total Building Assessed Value	\$450,500
Total Other Assessed Value	\$0
Total Assessment	\$660,800
Total Assessment per GBA	\$26.12
Total Assessment per Land Acre	\$398,072

Rates, Taxes, More

City Tax Rate	\$2.70
County Tax Rate	\$6.94
Other Property Tax Rate	<u>\$29.62</u>
Combined Tax Rate	\$39.25
Total Tax Amount	\$25,939
Assessment Ratio	70.10%
Implied Value	\$942,653

Zoning

LAND USE CONTROLS	
Zoning Code	Highway Commercial
Zoning Description	Permitted uses in this classification are extensive.
Zoning Density/FAR	0.349884386
Actual Density of Use	Actual density of use
Current Use Legally Conforming	The subject is legal and conforming use.
Zoning Change Likely	none
Zoning Change Description	n/a
Set Back Distance	100
Side Yard Distance	50/25 feet
Zoning Comments	It appears that local zoning officials have accepted the subject's use for multi tenant commercial purposes. Pertinent zoning information is placed in the addenda.



501. HC - Highway Commercial District.

1. **Specific Intent.** It is the purpose of this District to provide an area which, in addition to providing for uses which service the day to day needs of surrounding residential areas, service other commercial uses which are advantageously located near a major highway, serve highway uses or serve greater geographical areas.

2. **Uses Permitted by Right.** Land and buildings in an HC District may be used for the following purposes and no others, unless a Special Exception as provided for in 501(3) is granted:

- A. Retail and wholesale sale of goods, prepared foods and services, except adult book stores.
- B. Business, professional or governmental office or studio.
- C. Banks, savings and loan associations, finance companies and similar types of businesses.
- D. Municipal use.
- E. Funeral Home.
- F. Commercial school for the teaching of trades, arts or skills.
- G. Personal and household service establishments such as, but not limited to barber shops, beauty shops, laundromats, laundry and dry cleaning shops, tailor and seamstress shops, and shoe and appliance repair shops.
- H. Fire Company
- I. Nursery
- J. Motels and hotels.
- K. Restaurants, taverns and similar types of establishments.
- L. Offices of plumbers, masons, carpenters, heating contractors, homebuilders and similar personnel.
- M. Club or lodge for fraternal or social purposes, provided that all activities shall be conducted within buildings or structures.
- N. Indoor theater and place of amusement or recreation.
- O. Lumber and building materials supply establishments.
- P. Golf course, driving range or miniature golf course; tennis courts.
- Q. Motor vehicle service station, subject to:
 - (1) All automobile parts, dismantled vehicles and similar articles shall be stored within a building.
 - (2) All repair activities shall be carried out within a building.

R. Repair garage, subject to:

(1) All repair activities shall be performed within a building.

(2) All outdoor storage of dismantled vehicles, automobile parts and similar items shall be screened from view in such a manner that the outdoor storage of materials is not visible from adjoining properties or public streets.

S. Car wash, subject to:

(1) No water used in the washing of cars shall be discharged onto public roads or onto other properties.

(2) Car washing activities shall be carried out within a building.

(3) An approach drive or parking area to accommodate a minimum of four (4) cars per bay shall be constructed, except that in the case of a facility where only one (1) is provided the approach drive or parking area shall be constructed to accommodate a minimum of ten (10) cars.

T. Self storage units

U. Accessory uses and structures to the above permitted uses when on the same lot as the permitted use.

3. Uses Permitted by Special Exception. The following uses are permitted when Special Exceptions are granted by the Zoning Hearing Board in accordance with of this Chapter:

A. Churches or similar places of worship.

B. Nursing home, convalescent home, personal care home or retirement home.

C. Accessory uses and structures to the above permitted uses when on the same lot as the permitted use.

4. Area, Yard and Height Regulations.

	<u>Maximum Permitted</u>
Building Height	30 Feet
Lot Coverage	40 Percent
Paved Area	50 Percent
Building Length	65 Percent of Lot Dimension the Building Faces
Floor Area Ratio	0.8

Minimum Requirements

	On-Site Sewage Disposal	Public Sewage Disposal
Lot Size		
Per Construction Site	20,000 Sq. Ft.	10,000 Sq. Ft.
Per Unit of Use	20,000 Sq. Ft.	5,000 Sq. Ft.
Building Setback	100 Feet	30 Feet
Lot Width		
At Street Line	100 Feet	100 Feet
At Building Setback Line	100 Feet	100 Feet
Open Area	25 Percent	25 Percent
Side Yard		
Total	50 Feet	40 Feet
One Side	25 Feet	20 Feet
Rear Yard	25 Feet	25 Feet
Improvement Setback	20 Feet	20 Feet
Distance Between Buildings	50 Feet	40 Feet
Distance Between Highway Access Points	150 Feet	150 Feet

5. Performance Standards. In addition to the applicable performance standards of 609 of this Chapter, the following performance standards shall apply:

A. When the side and/or rear yard of a lot adjoins land zoned other than commercial or industrial, or used for residential purposes, a twenty foot (20) buffer strip suitably landscaped to provide a screen, and in which no paved areas or structures are permitted, shall be provided within the side and/or rear yard adjoining the land not zoned commercial or industrial or used for residential purposes.

B. Drive-thru service is permissible provided it can be conducted with a safe and orderly traffic pattern with sufficient waiting area for vehicles waiting to place and pick-up orders, as demonstrated by traffic plans and studies submitted by the applicant.

Subject Photographs



Subject - exterior



signage



Street view looking east along Perkiomen Ave



Street view looking west along Perkiomen Ave



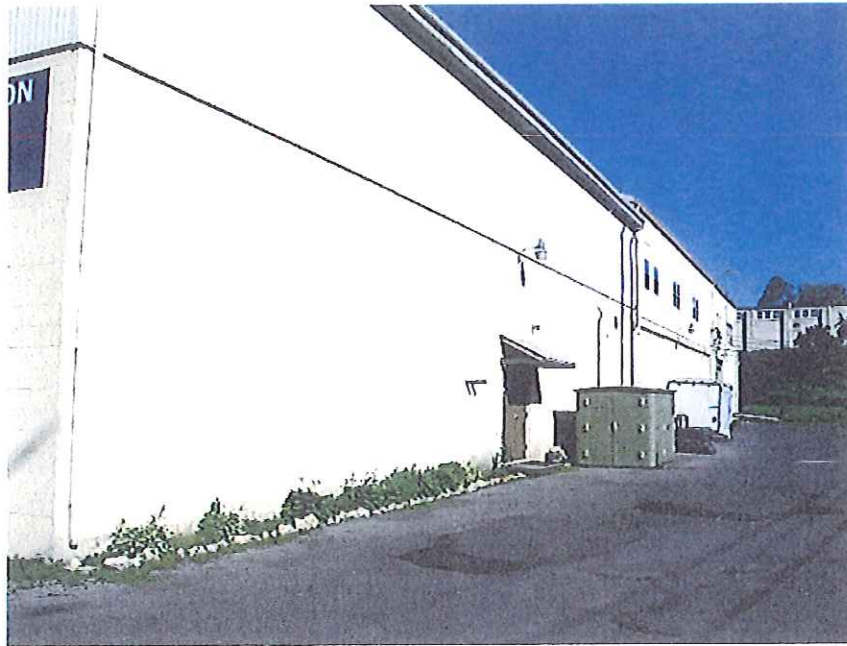
Exterior view



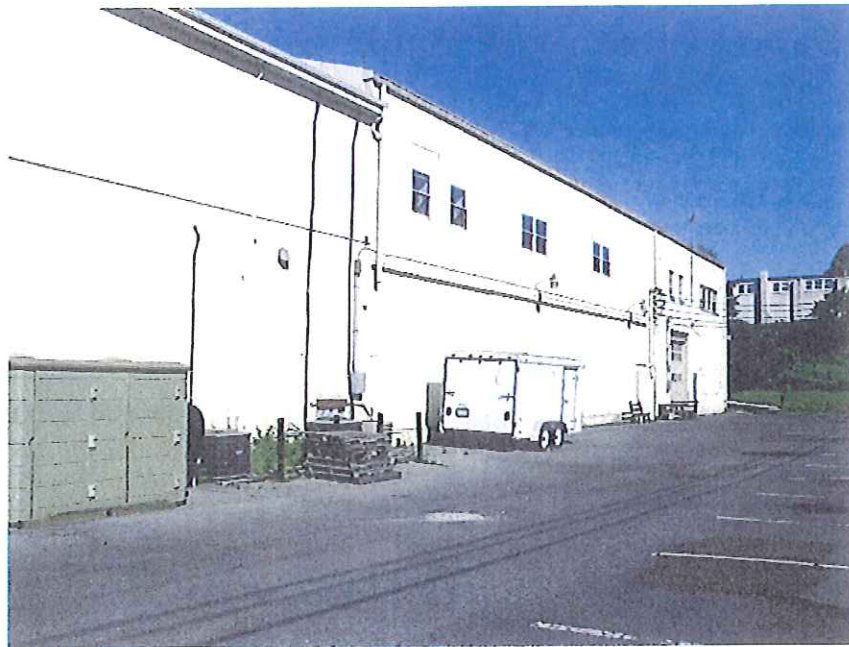
Exterior view



Rear view of parking yard area



Rear view



2nd rear view



Side view



Front view



Front view



Front parking area



Cruise One space



Cruise one space



Cruise one space



Insurance office



Insurance office



Office space



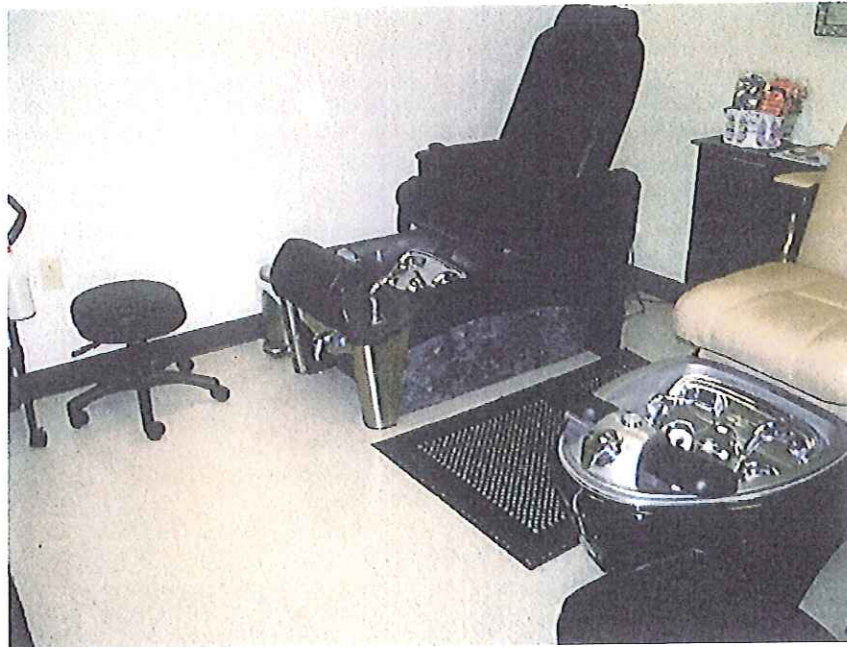
Common Hall



Hair salon



Hair salon



Hair salon



Suite 104



Suite 104



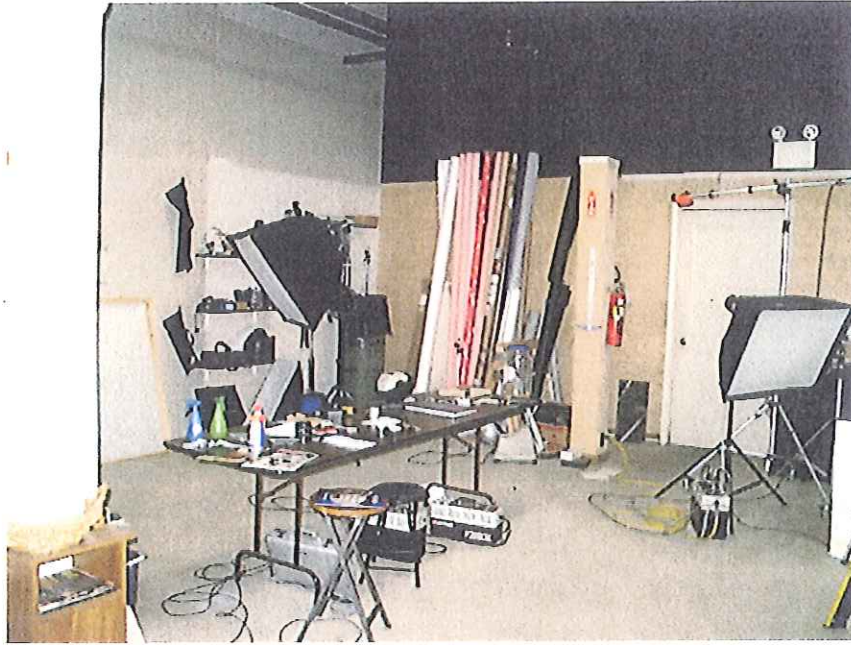
Music Tours Unlimited space



Music Tours Unlimited space



Music Tours Unlimited space



Lower level tenant - Photography studio



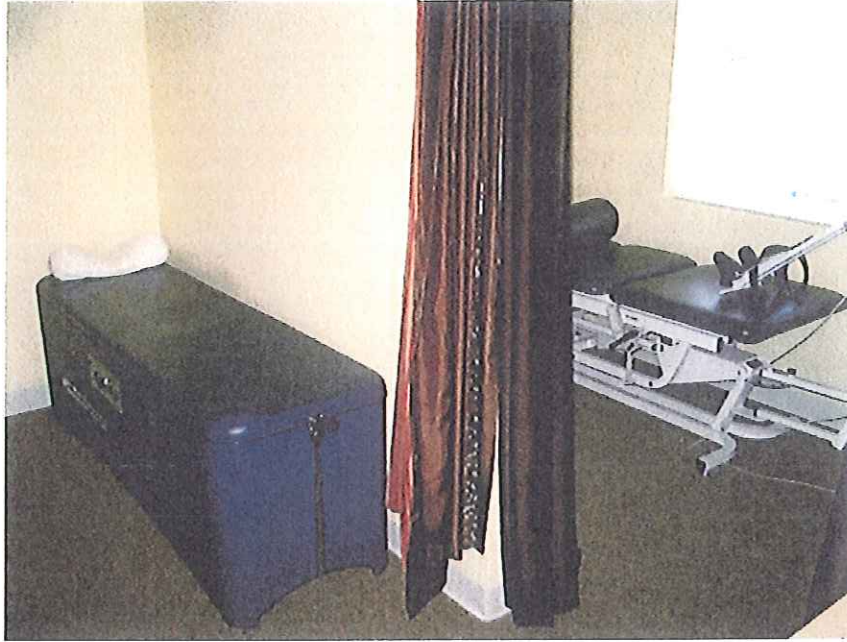
Lower level tenant - Photography studio



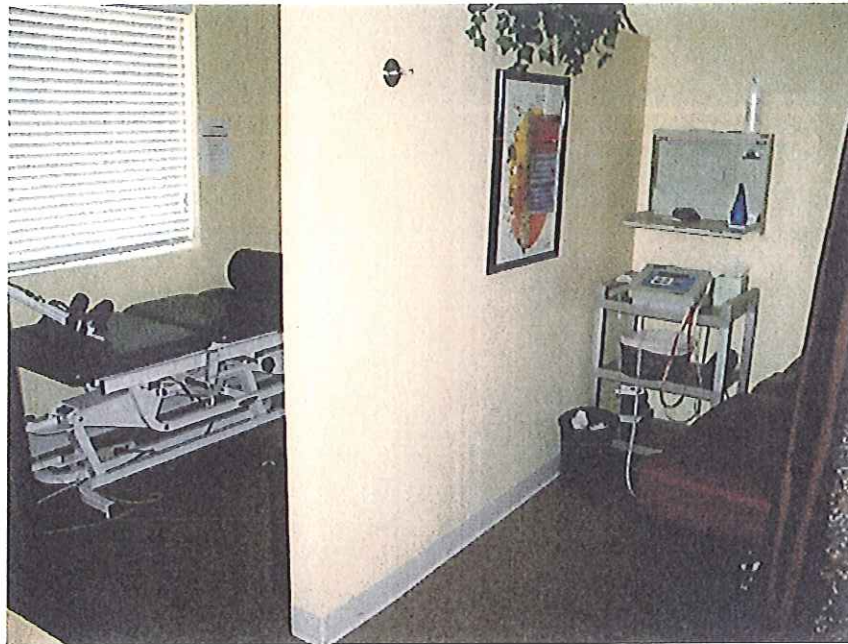
Suite 101



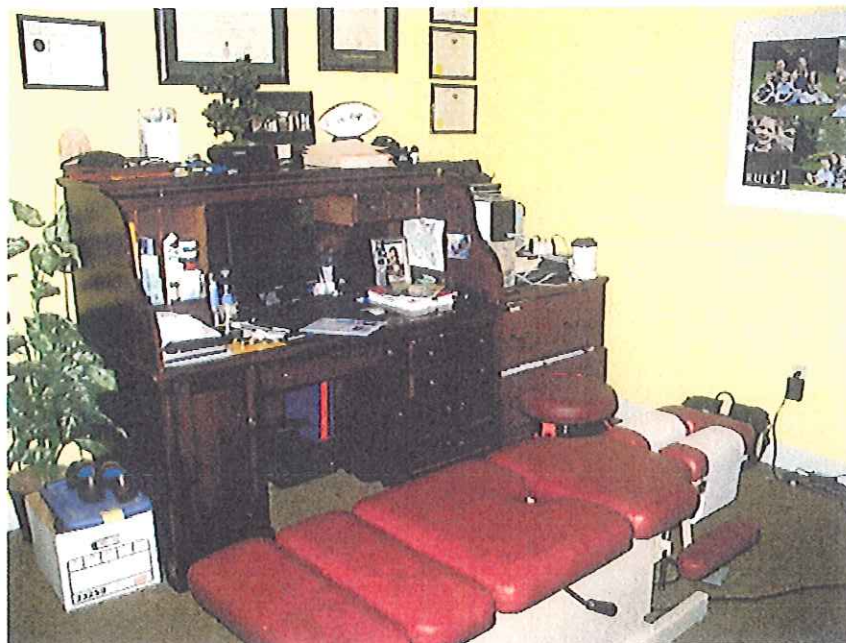
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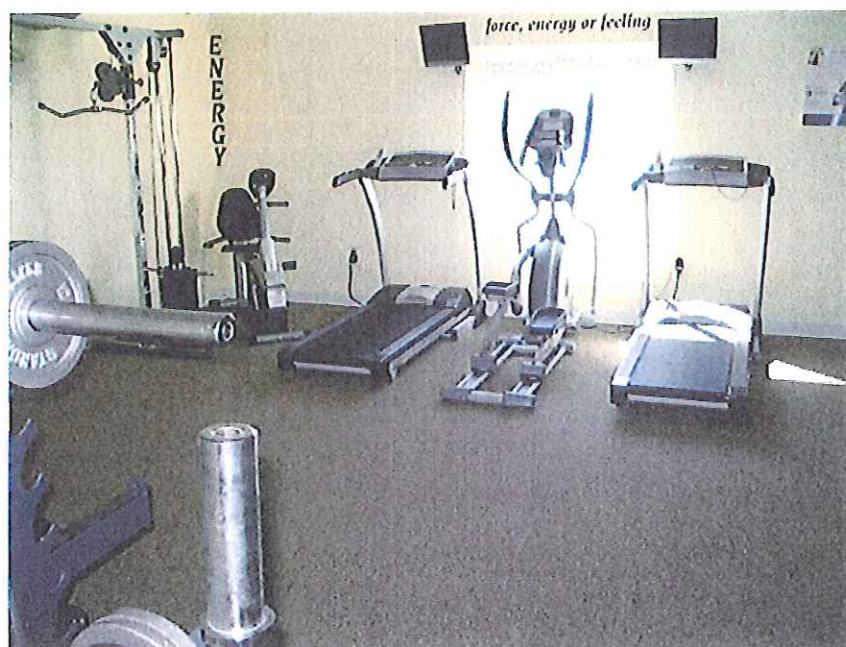
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Suite 101



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Suite 101



Suite 101