



Looking out from the subject at the rear of 362-364
and 378 Main Street



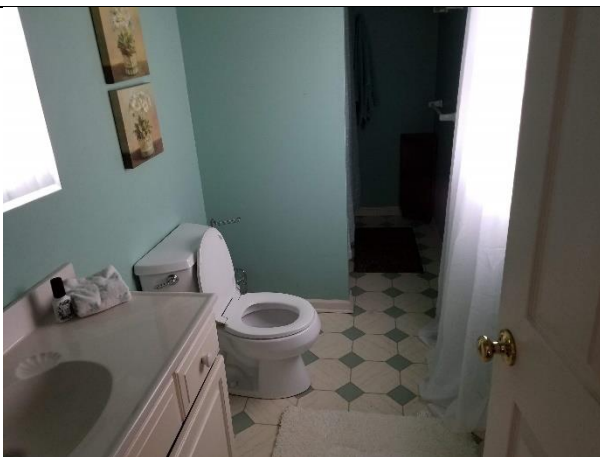
First Floor Kitchen



First floor sitting room



Second floor office



Bathroom



Interior of detached garage adjacent to pool



Bathroom



Pool – not in use

EXECUTIVE SUMMARY

PROPERTY LOCATION: Postal Address: 382 W. Main Street
 Trappe, PA 19462
 Municipality: Borough of Trappe
 County/State: Montgomery/Pennsylvania

PROPERTY TYPE: Two-story, office building

OWNER OF RECORD: Four Winds Holdings, LLC

LAND AREA: 25,698 sf

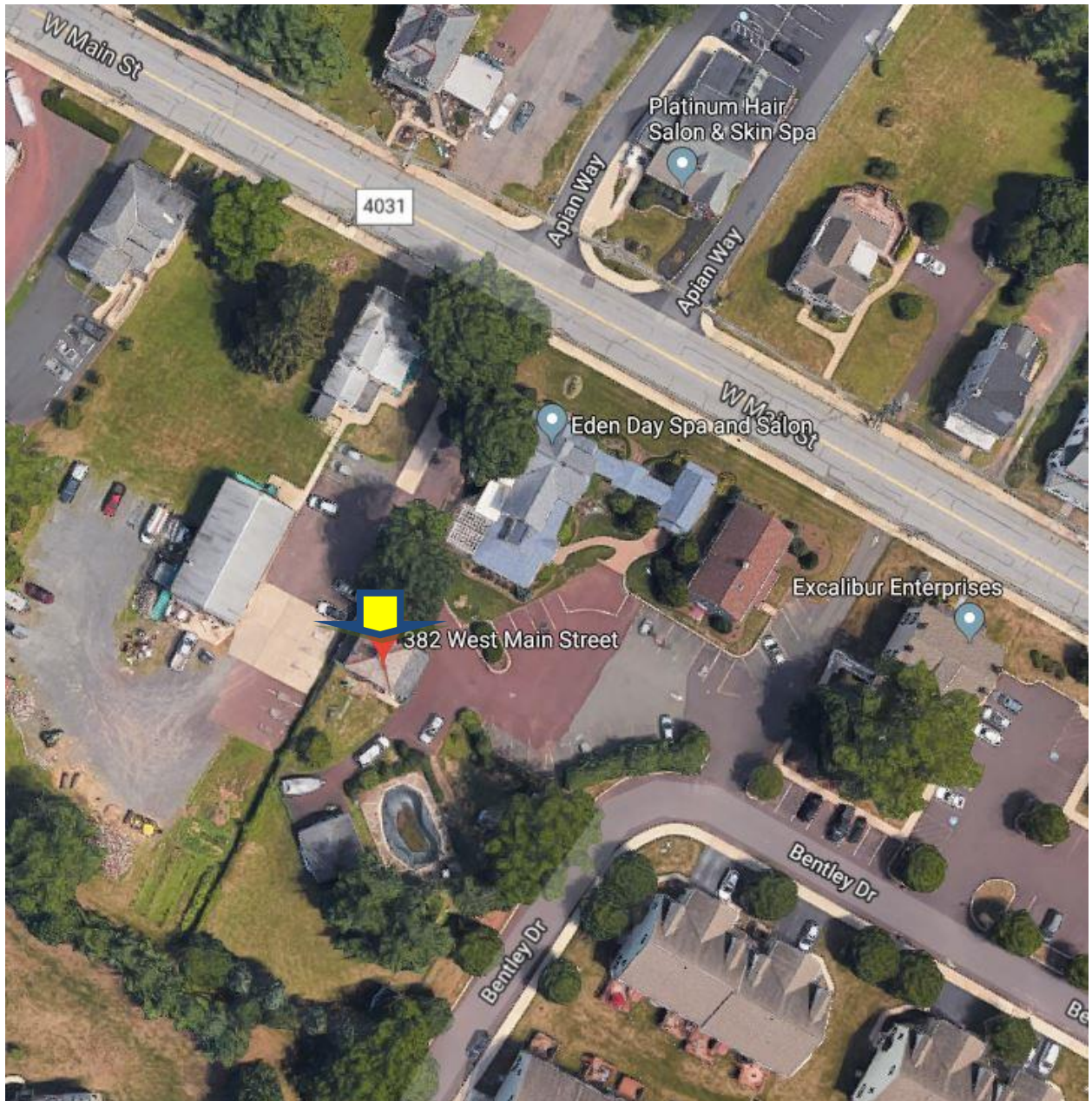
BUILDING/OCCUPANCY:

ALLOCATION OF SPACE/SIZE	
382 W. Main Street, Trappe, PA 19462	
TOTAL S.F. (NRA)	1,848
Percent Vacant	0%
Percent Owner - Occupied	100%

ZONING: VC – Village Commercial

REAL ESTATE TAXES:

REAL ESTATE TAXES & ASSESSMENT			
Tax ID	23-00-00642-00-1		
Address	382 W. Main St., Trappe, PA 19462		
Real Estate Assessment	2019-20		
Land	\$57,310	32%	
Improvement	<u>\$123,550</u>	68%	
TOTALS	\$180,860		
Real Estate Taxes	2019-20		
Real Estate Taxes	\$180,860		
	x		<u>0.038039</u>
	=		\$6,880
Total Assessment	\$180,860		
Equalization Ratio	x		<u>2.03</u>
Fair Market Value	=		\$367,146



PROPERTY INFORMATION

Neither a site plan nor a survey was provided for review. The information provided for this section is assumed to be accurate and correct and taken from information provided by the owner/purchaser and online data services both private and governmental.

Land

Size: 25,698 SF
Shape: Slightly Irregular
Location: Interior Parcel
Frontage: Landlocked parcel – no frontage on W. Main Street

Topography, Drainage, and Soil Conditions

Slightly sloping north to south. Drainage from roof to street.

Utilities

Electricity	-	PECO Energy	Gas	-	PECO Energy
Water	-	Municipal	Sewer	-	Municipal

All utilities are connected to the site.

Access/Visibility

Access:	Pedestrian and vehicular access from the west side of W. Main Street across adjacent parcel	Average
Visibility:	West side of W. Main Street.	Fair

Easements and Restrictions

A title report was not provided for review. It is unknown as to whether there are easements encumbering the subject site.

Hazardous Substances

No hazardous substances were apparent upon inspection. Employees of Quest Realty Advisors, LLC are not experts in the environmental field. For purposes of this appraisal, the site and improvements are assumed to be “clean.” *Quest Realty Advisors, LLC reserves the right to amend the value conclusion(s) presented in this report should further information be made available at a later date regarding the environmental condition of the property or surrounding subject property.*

Flood Hazard

Community Panel No.

42091C0228G

Date

03/02/2016

Zone

Zone X, an area with no flooding potential.

See Yellow arrow

IMPROVEMENTS

The subject property is a single suburban office. Building plans were not provided for review. The allocation of space found on the following chart was taken from lease documents and records of Montgomery County, PA.

The chart on the following page provides a summary description of the improvements.

SUMMARY OF IMPROVEMENTS	
Building Size/Year Built	1,848 SF office building. The subject was originally built as a single-family home in 1970 and was at some point in time was converted for use to an office building. If desired the owners could return it to use as single-family home. The appraiser did not <u>measure</u> the subject building on the date of inspection. Measurements were taken from Montgomery County records. There is a detached two car garage building on site that is partially converted and finished for a storage use. There are plans for the second garage space to be converted for use as a workshop and finished.
Layout /Site	First floor in has an open floorplan with former living and dining area and separate kitchen with stainless steel sink, wood cabinets, refrigerator, four burner range/oven and dishwasher. The upper floor is accessed via a set of wood stairs with handrail. Separate two car garage in use as storage. On-site swimming pool.
Roof	Pitched asphalt shingle. The roof appeared to be in average/good condition.
Floors/Frame	Interior wood construction over wood frame. Painted wood exterior.
Foundation/ Basement	Slab on grade, no basement.
Windows/Access/ Stairs/Elevator	Glass in vinyl or aluminum or wood frame windows. Access to the is taken via two entrances one in rear and front from the parking lot. There is no elevator in use at the subject.
Interior Walls/Ceilings	Painted drywall as is common for buildings of the subject's vintage.
Flooring	Wood base floors covered with carpet and/or vinyl in bathroom areas.
Electric	Not inspected but assumed to be adequate.
HVAC	Not inspected but assumed adequate.
Plumbing/ Sprinklered	Copper intake lines with PVC outflow lines as is assumed and common for buildings of the subject's vintage.
Site	28 on-site parking spaces that are asphalt paved and are located at the west side or rear of the subject serving three properties. Access to the site is taken from one of two drives located on the west side of W. Main Street.

Age and Condition

The following chart describes the age, condition, physical life, effective age and useful life of the improvements.

Date Built	Condition	Physical Life	Effective Age	Useful Life
1970	Average	55 yrs.	20	35

Functional Obsolescence: Incurable – The property suffers from limited incurable functional obsolescence. There is no elevator in place. Modern multi-floor office buildings are equipped with elevators between floors. Nonetheless, it appears as if the subject improvements are functional for their current use as a suburban office building having been converted from a single-family home use.

Functional Obsolescence: Curable – There did not appear to be any deferred maintenance observed. The roof appears to be in average condition. Older buildings are in need of continual upkeep and maintenance.

External Obsolescence: The subject does not suffer from external obsolescence. The subject has been a commercial neighborhood for over 35 years.

Conclusion: The subject is considered to be a Class B – office building (non-institutional investment.) The subject is believed to be functional for its current use. The subject is not considered to be large enough in size to be an institutional investment. The subject is believed to be in average+ condition.

Occupancy

100% owner occupied.

Zoning

According to the Trappe Zoning Code, the property is zoned VC – Village Commercial District. The intent of this classification is to provide areas for mixed land uses including retail, office and residential land uses. A summary of the subject's zoning is provided on the following chart.

Municipality Governing Zoning:	
Current Zoning:	VC – Village Commercial
Current Use:	Office
Is current use permitted:	Yes
Development Requirements	Min. Lot – 10,000 SF (25,698 SF -Subject) Min. Width – varies by use Max. Bldg. Coverage – varies by use Max. Height – 30' / 2 ½ stories

There are no known deed restrictions, private or public, that further limit the subject property's use. The research required to determine whether or not such restrictions exist is beyond the scope of this appraisal assignment. Deed restrictions are a legal matter and only a title examination by an attorney or a title company can usually uncover such restrictive covenants. A title examination is recommended to determine if any such restrictions exist.



Conclusion

An analysis of the zoning requirements has been completed for the subject property, and the conformance of the existing use was considered. There is no "specific" mention of a salon and day spa use as a permitted use. In conclusion, the subject property appears to be a **legal conforming use**.

Real Estate Assessment and Taxes

The subject property is located in the taxing jurisdiction of Montgomery County, Trappe Borough and the Perkiomen Valley School District.

Each county in Pennsylvania has a predetermined ratio that equates the assessed value to its corresponding initial "base year" market value (generally the date of the last re-assessment.) Additionally, the State Tax Equalization Board (STEB)/Tax Equalization Division (TED) assigns each county in the Commonwealth an annual common level ratio. This is the ratio between the assessment and the current implied market value (based on previous year sales activity.) Both of these rates are used to equate an assessment to market value.

The assessment and taxes for the property as well as the fair market value are presented below and were provided by Montgomery County Tax Assessor's office:

REAL ESTATE TAXES & ASSESSMENT			
Tax ID	23-00-00642-00-1		
Address	382 W. Main St., Trappe, PA 19462		
Real Estate Assessment	2019-20		
Land		\$57,310	32%
Improvement		<u>\$123,550</u>	68%
TOTALS		\$180,860	
Real Estate Taxes	2019-20		
Real Estate Taxes		\$180,860	
	x	<u>0.038039</u>	
	=	\$6,880	
Total Assessment		\$180,860	
Equalization Ratio	x	<u>2.03</u>	
Fair Market Value	=	\$367,146	

It is important to note that if the implied market value is higher than the opinion of appraised value, a tax assessment appeal should be investigated. Conversely, if the implied market value is lower than the opinion of appraised value, there is a risk that the assessment could be challenged and taxes increased.

