

Township and Neighborhood Data (continued)

Housing

The number of building permits issued for residential units has fluctuated over recent years. Due to the current economic conditions, demand has decreased. With a change in conditions, development pressure will most certainly increase in future years.

New Privately Owned Housing Units Authorized

2005	30
2006	16
2007	26
2008	8
2009	6
2010	12

Trends

The township has been increasing slowly in development. The major assets to the neighborhood area include good road systems, with easy access to employment areas. The location, existing traffic patterns, and development opportunities tend to support continued demand for residential development for the foreseeable future.

Property Data

Site

The subject property is known as Block 1, Lots 2, 3, 6 and Block 5, Lot 4, in South Harrison Township and known more commonly as 233 Franklinville Road. The total property area contains 118.95 acres, prior to any exceptions. The owner has requested a 1.52 acre, severable exception to exclude several improvements in Block 5, Lot 4. The area is rounded to 119 acres in the Before Value. In the After Value, the area is estimated at 117 acres, which is derived by the following: 118.95 acres, less 1.52 acre exception, equals 117.43 acres, rounded to 117 acres. The site is presently used for agriculture purposes. There are no known non-agricultural uses on the property. According to the tax map, Block 1, Lot 3 has 758'± on Franklinville Road and 880' frontage on Tomlin Station Road. Block 5, Lot 4 has 1,171.55' on Franklinville Road and 1,115.1' frontage on Tomlin Station Road. Franklinville Road and Tomlin Station Road are two lanes, paved roads. The site is gently sloping and partly wooded. According to the owner, a portion of the property is reportedly contaminated with pesticides or insecticides. RT Environmental Services, Inc. completed a cost to cure estimate totaling \$301,105. This cost estimate included lots that are not included in this appraisal. It is estimated that 75% of the cost estimate is applicable to the current cost to cure. \$225,828, rounded to \$226,000.

Township and Neighborhood Data (continued)

Site (continued)

The soils have been identified, as follows:

Soil Type	Area/% of Area	Importance	Disposal Fields
CosAs, Colemantown loam, 0-2% slopes	0.57 / 0.49%	Not Prime	Very Limited
CosB, Colts Neck sandy loam, 2-5%	3.78 / 3.22%	Prime	Not Limited
CosC, Colts Neck sandy loam, 5-10%	2.72 / 2.31%	Statewide	Not Limited
FmhAt, Fluvaquents loamy, 0-3%	1.27 / 1.09%	Not Prime	Very Limited
ErFB, Freehold loamy sand, 0-5%	9.02 / 7.68%	Prime	Not Limited
ErkD, Freehold loamy sand, 10-15%	3.36 / 2.86%	Local	Not Limited
ErkE, Freehold sandy loam, 15-25%	3.38 / 2.88%	Not Prime	Not Limited
MaoB, Marlton sandy loam, 2-5% slope	27.71 / 23.59%	Prime	Very Limited
MaoC, Marlton sandy loam, 5-10%	1.60 / 1.36%	Statewide	Very Limited
MaoC2, Marlton sandy loam, 5-10%	5.02 / 4.28%	Statewide	Very Limited
WeeB, Westphalia fine sand, 2-5% slope	40.09 / 34.13%	Prime	Not Limited
WeeC, Westphalia fine sand, 5-10%	16.11 / 13.72%	Statewide	Not Limited
WokA, Woodstown-Glassboro, 0-2%	2.81 / 2.39%	Prime	Somewhat Limited

(Note: The total acreage shown above and the area shown on the tax map may vary.)

The major soils include Colts Neck soils which are well drained and moderately fertile. The Colts Neck soils are suitable for fruits and vegetables. Freehold soils are mostly gently sloping, but small areas along streams can be steeply sloping. The soils are well drained. These soils are suited to asparagus, sweet potatoes, fruit and early vegetables. Marlton soils are well to moderately well drained soils, that generally have sloping and erosion characteristics. The soils are generally suited to general farm crops and vegetables. Marlton soils are best suited to woodland, pasture or wildlife habitats. Westphalia soils are well-drained and easy to work throughout the year. The soils are suited to early vegetables, summer vegetables, fruit, nursery plants and general farm crops. Woodstown soils contain a little more organic matter than well-drained soils. Woodstown soil can be suitable for many crops and are productive, if adequately drained. This soil occurs on slightly raised borders of hollows. Copies of the soil and wetlands maps are contained in the Addendum. As shown the soil chart, the soils are generally sloping.

Based on the greenlight approval, 101± acres is cropland and 9.5± acres is woodland. There are approximately 71% "prime" soils on the subject property. Based on NJDEP data, there are 3.53± acres, 3.00%, wetlands on the property. 31% of the soils are rated "very limited" for use with disposal fields. The properties in this area are serviced by a private wells and private septic systems, if improved. There is electric and telephone service available.

Improvements

The only permanent improvement on the property is a farm labor building, which is considered near the end of its economic life. The improvement is considered to have no significant economic value to this partial acquisition and the land is considered as vacant.

Use History

The age and date of construction of the farm labor building is indeterminable.

Township and Neighborhood Data (continued)

Sales History

Title to the subject property is vested in Santo Joseph Maccherone, as shown in Deed Book 2770, Page 214, dated June 5, 1997, for a consideration of \$60,000. This deed is for Block 1, Lot 2, plus additional Blocks and Lots. The title to the remaining lots is shown in Deed Book 1727, Page 98, dated April 5, 1988, for a consideration of \$160,000. The grantors and grantee of both deeds are the same, a relative of the Grantee. The Grantors are Vita L. Maccherone, also known as Eva Maccherone and Joseph R. Maccherone, h/w. The Grantee in both deeds is Santo Joseph Maccherone. In my opinion, due to a relationship between the Sellers and the Buyer, the deeds do not represent arms-length transactions. Copies of the deeds are contained in the addendum. Research of the applicable public records and private data services revealed that the subject property is not under a current agreement or option and is not offered for sale on the open market. Additionally, according to the public records, there has not been a transfer of the title to the subject property within the past ten years. The property is also encumbered with road and access easements. Copies of the easements are contained in the Addendum.

2011 REAL ESTATE ASSESSMENT

Block 1, Lots 2, 3, 6 & Block 5, Lot 4

South Harrison Township

	<u>1/2</u>	<u>1/3</u>	<u>1/6</u>	<u>5/4</u>
Land:	\$20,800	\$35,400	\$11,300	\$31,900
Improvements:	<u>-0-</u>	<u>\$33,200</u>	<u>-0-</u>	<u>\$79,300</u>
Total:	\$20,800	\$68,600	\$11,300	\$111,200
2011 Tax Rate/\$100	\$2.232/\$100			
2011/2012 Taxes:	\$464.26	\$1,531.15	\$252.22	\$2,481.98

The above assessment is for the tax year 2011/2012. The assessment reflects a farmland assessment on the land. In New Jersey, the owner of land devoted to agriculture or horticulture may apply to have the land assessed for property tax purposes on the basis of its value for these uses, rather than on the basis of the market value of the land for any other use. It should be noted that the market value and the assessed value might vary in South Harrison Township, as well as in other municipalities throughout the State of New Jersey.

ZONING

The subject property is located in the AR, Agricultural/Residential District which permits farm and agricultural uses; sale and processing of agricultural products; municipal buildings and structures; outdoor public or nonprofit recreation; cemeteries; detached single-family dwellings; and community residences for the disabled migrant housing facilities. The base minimum lot size is one acre. A copy of the AR, Agricultural/Residential Zoning District is contained in the Addendum.

PART III – DATA ANALYSIS AND CONCLUSIONS – BEFORE ACQUISITION

ANALYSIS OF HIGHEST AND BEST USE

Highest and best use is defined as "the highest and most profitable use for which the property is adaptable and needed or likely to be needed in the reasonably near future". The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum profitability.

"An additional implication is that the determination of highest and best results from the appraiser's judgment and analytical skills, i.e., that the use determined from analysis represents an opinion, not a fact to be found. In appraisal practice, the concept of highest and best use represents the premise upon which value is based. In the context of most probable selling price (market value), another appropriate term to reflect highest and best use would be most probable use. In the context of investment value, an alternative term would be most profitable use."

In considering the highest and best use for the subject property, the test is to discover which program of future utilization is capable of developing the highest net return on the land over a substantial period of time. Highest and best use does not refer to a building of the greatest size that someone might be induced to erect, nor does net income always need to be interpreted in terms of money.

In most properties, the highest and best use is customarily the one that is permitted by zoning ordinances or private restrictions. There may, however, be cases where the land manifestly has a more valuable use than permitted by law and, if there were that strong possibility, a change in use would be permitted. Then, it would properly be considered as a factor in affecting value.

Highest and Best Use, as Vacant

Highest and best use of land or site as though vacant assumes that a parcel of land is vacant or can be made vacant by demolishing any improvements. The subject property, as previously described, is partially improved with a farm labor housing building. The building is near the end of its economic life, in my opinion. Clearly, there are signs of physical and functional depreciation, both curable and incurable. No value is attributable to the farm labor housing building. The green houses are not permanently fixed to the earth and are considered trade fixtures and could be removed. No analysis is required of Highest and Best Use, if improved. The questions to be answered in this analysis are: If the land is vacant, what use should be made of it? What type of building or other improvements, if any, should be constructed on the land and when? The neighborhood is presently stabilized with a combination of residential and agricultural uses.

Highest and Best Use (continued)

Legally Permissible

The subject property is located in the AR, Agricultural/Residential District which permits farm and agricultural uses; sale and processing of agricultural products; municipal buildings and structures; outdoor public or nonprofit recreation; cemeteries; detached single-family dwellings; and community residences for the disabled migrant housing facilities. The base minimum lot size is three acres. The property has received final approval for a residential subdivision. However, the approval includes more land than is included in the application. The appraisal is not permitted to include or consider the value of having final subdivision approval. There are no known private restrictions, zoning, building codes, and known historic district controls encumbering the property. It would appear a residential subdivision and/or continued agricultural use of the subject property is legally permissible.

Physically Possible

The subject property contains 119± acres. The size, shape, terrain and accessibility of the land affect the possible use. The property is not subject to natural disasters, such as floods or earthquakes that could affect the use of the land. The property is irregular in shape and has extensive road frontage on Franklinville Road and Tomlin Station Road. The terrain is generally level, except for small areas that can contain greater slopes, particularly in the existing wooded areas. The land is mostly cleared. There are 101± acres in cropland, 9.5 acres in woodland and 3.5± acres of wetlands. Public electric and telephone services are available to the property. There are similar properties in the neighborhood that have received approvals for residential development. The value estimated in this report is based on the fact that the property is affected negatively by the existence of hazardous substances or detrimental environmental conditions, based upon the findings of a Remedial Action Work Plan produced by RT Environmental Services, Inc., dated December 3, 2005. The report indicates there are areas of soil contamination from the prior use of pesticides and herbicides that may require a remedy prior to residential development. It is likely that tests and inspections made by a qualified hazardous substance and environmental experts would reveal the existence of hazardous materials and environmental conditions on or around the property that would negatively affect its value. RT Environmental Services, Inc. completed a cost to cure estimate totaling \$301,105. This cost estimate included lots that are not included in this appraisal. It is estimated that 75% of the cost estimate is applicable to the current cost to cure. \$225,828, rounded to \$226,000. The estimated percentage takes into account the reduced area and the estimated current cost to cure. The map shown on the opposite page indicates the mixing and excavation areas.

Highest and Best Use (continued)

Financially Feasible

Financially feasible is concerned with those uses that are already physically possible and legally permissible that would make economic sense. All uses that are expected to produce a positive return are regarded as financially feasible. The land is capable of being used for agricultural and/or residential purposes. In my opinion, the current agricultural use is not capable of providing a positive return or income equal to or greater than the amount needed to satisfy operating expenses, financial obligations and capital amortization, when compared to development of a residential subdivision. Residential development has been occurring in the township. In my opinion, it appears reasonable to conclude that the economic demand or financial feasibility of this site is for continued agricultural use, with a future change to a combination of agricultural and residential use, before easement acquisition.

Maximum Profitability

The appraiser has given consideration to the uses that meet the other three criteria and result in a maximally productive use. In my opinion, it is likely the property could be developed with a single-family residential subdivision. This is similar to current trends in the neighborhood and would insure the maximum profitability of the site. It appears the most productive and most profitable use is agriculture and residential use.

Conclusion of Highest and Best Use, As Vacant

The subject property is not currently under immediate known pressure of residential development. The property is not listed for sale; however, demand in the area will surely increase in future years. Based upon the current economic conditions and existing residential subdivisions, both in the neighborhood of the subject property and elsewhere in the area, it is likely the subject property would be used for a combination of agricultural and residential use, if a development easement were not acquired. The highest and best use, also, the most probable use, of the subject property, is agricultural and residential use, before easement acquisition.

VALUATION METHODS

A development easement purchased by the Farmland Preservation Program involves an interest in land only. As a result, it is only the land value that needs to be derived and reported. The valuation process is "a systematic procedure employed to provide the answer to a client's question about the value of real property." The three generally accepted methods include the Cost Approach, the Sales Comparison Approach and the Income Capitalization Approach.

Cost Approach

The Cost Approach is "a set of procedures through which a value indication is derived for the fee simple interest in a property by estimating the current cost to construct a reproduction of, replacement for, the existing structure; deducting accrued depreciation from the reproduction or replacement cost; and adding the estimated land value plus an entrepreneurial profit. Adjustments may be made to the indicated fee simple value of the subject property to reflect the value indication of the property interest being appraised". As previously stated, the existing farm labor housing building is in poor physical and functional condition and is given no value. The Cost Approach is not applicable in this report.

Sales Comparison Approach

The Sales Comparison Approach is "a set of procedures in which a value indication is derived by comparing the property being appraised to similar properties that have been sold recently, applying appropriate units of comparison and making adjustments to the sale prices of the comparable sales based on the elements of comparison". The Sales Comparison Approach is used in estimating the value of the land.

Income Capitalization Approach

The Income Capitalization Approach is a set of procedures through which an appraiser derives a value indication for income-producing property by converting its anticipated benefits, (cash flows and reversion), into property value. The conversion can be accomplished in two ways. One year's income expectancy can be capitalized at a market-derived capitalization rate or at a capitalization rate that reflects a specified income pattern, return on investment, and change in the value of the investment. Alternatively, the annual cash flows for the holding period and the reversion can be discounted at a specified yield rate." The Income Capitalization Approach is not considered in the value of the subject property, because the land is not capable of producing the income necessary for capitalization.

SALES COMPARISON APPROACH

In the Sales Comparison Approach, market value is estimated by comparing the subject property to similar properties that have been sold recently or for which offers to purchase have been made. One premise of the sales comparison approach is that the market will determine a price for the property being appraised in the same manner that it determines the price of comparable, competitive properties.

The Sales Comparison Approach to estimate value is a process of comparing market data, i.e., the price paid for similar properties, prices asked by owner, offers made by prospective purchasers willing to buy, rent and lease.

Market data is a good evidence of value because it represents the actions of users and investors. The Sales Comparison Approach is based upon the principle of substitution that implies that a prudent person will not pay more to buy a property than it will cost one to buy a comparable, substitute property. The Sales Comparison Approach recognizes that the typical buyer will compare asking prices and work through to the best deal available.

In the Sales Comparison Approach, the appraiser is an observer of the buyer's actions. The objective is to deduce from data on actual sales, the amount at which our subject property would bring on the market. However, it must be realized that in practice, it is rare to find other property exactly like the subject property.

Application of the Sales Comparison Approach requires the comparing and rating of the property with like properties for which market data is available. The appraiser has assembled significant and relevant facts concerning comparable sales and measured them against the corresponding facts about the subject property. The appraiser has avoided transactions that are dissimilar from the normal transaction because of high-pressure selling, lack of knowledge or competence on the part of either the buyer or seller.

Appraisers use various methods in making market price comparison between properties. The technique used here in the Sales Comparison Approach requires the establishing of a comparative unit of comparison by reducing the sales applicable to a common denominator with the subject property. The appraiser has considered as a unit of comparison the Price per Acre, which is derived by dividing the sales price by the total number of acres. The appraiser has researched the market by examining public records and deeds to find all possible sales. From the number of sales examined, the appraiser has detailed sales deemed to be the most comparable for the subject property. The following pages contain a summary of those sales.

Comparable Land Sale

Sale #1

Date: 1/14/10

Book/Page: 4737/272

Consideration: 1,250,000

Grantor: Alfio and Cathleen Previtiera

Price/Acre: \$21,891

Grantee: Russo Homes, LLC

Property Data

Location:

190 Mill Road, Woolwich Township/Block 14, Lot 12
1.5 miles Northwest of Subject Property

Lot Size/Shape:

57.10± acres/Irregular

Frontage:

2,480'

Front Feet/Acre:

43

Utilities:

Electric, Telephone, Well, Septic

Zoning:

R-2, Residential District. Minimum lot size is 1.5 acres. Permitted uses include single-family detached dwellings; farmhouses and farm buildings; community residences for the developmentally disabled; community shelters for victims of domestic violence; community residences for the terminally ill and community residences for persons with head injuries; public and nonprofit playgrounds; building structures and uses owned and operated by the Township; agriculture and horticulture, including farm markets; plus accessory uses and accessory buildings incidental to the permitted uses.

Highest & Best Use:

Residential Use

Verification:

Deed, Seller's Attorney, Seller's Affidavit, Realty Transfer Tax, Tax Records. Being the same lands and premises Alfio and Cathleen Previtiera, h/w, conveyed to Alfio and Cathleen Previtiera, as tenants in common, by deed dated December 23, 1992.

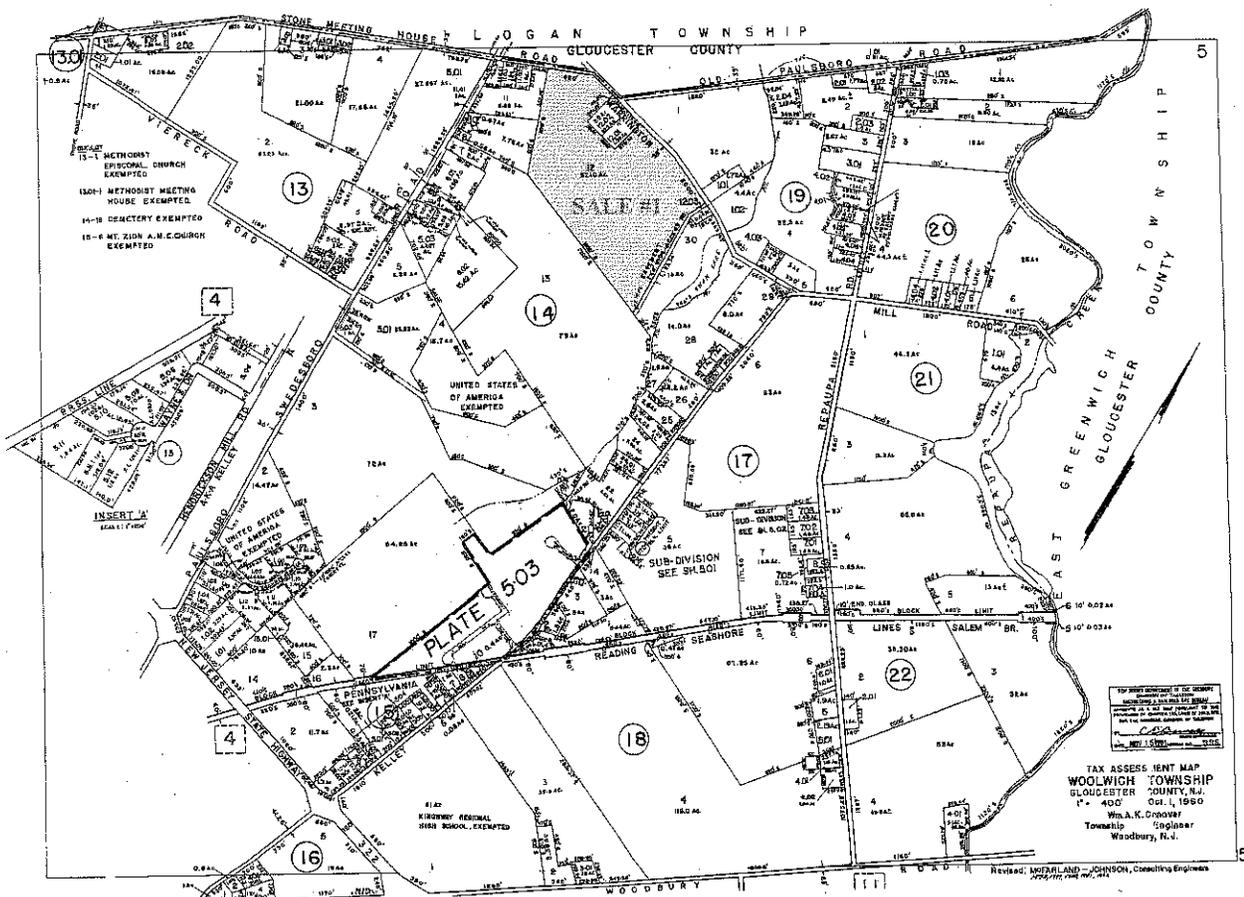
Conditions of Sale:

Arms Length

Description:

The property was sold with final approvals for a 30-lot subdivision. The approvals were received Sept. 20, 2007. The topography varies between 0% and 10% slopes. Approximately 20% of the soils are rated "very limited" for disposal fields and approximately 15% of the land is wetlands.

Soil Type	Importance	Disposal Field
BEXAS, Berryland-Mullica, 0-2%	Unique	Very Limited
FapA, Fallsington, loamy 0-2% slope	Statewide	Very Limited
FmhAt, Fluvaquents loamy 0-3%	Not Prime	Very Limited
FrfB, Freehold sandy loam, 0-5%	Prime	Not Limited
FrkB, Freehold loamy sand, 2-5%	Prime	Not Limited
KemC2, Keyport sandy loam 5-10%	Statewide	Very Limited
WokA, Woodstown-Glassboro, 0-2	Prime	Somewhat Limited



Block 14, Lot 12, Woolwich Township

Comparable Land Sale

Sale No. 2

Date: 4/22/10

Book/Page: 4787/339

Consideration: \$2,700,000

Grantor: Joseph LaPalomente

Price/Acre: \$29,589

Grantee: County of Gloucester

Property Data:

Location:

331 High Hill Road, Block 5, Lot 4, Woolwich Township,
3.5 miles Northwest of the Subject Property

Size/Shape:

91.25± acres/Irregular

Front Feet:

1,385'

Front Feet/Acre:

15

Utilities:

Electric, Telephone, Public Water, Sewer

Zoning:

R-3, Residential District: Minimum lot size is 20,000 square feet. Permitted uses include single-family detached dwellings; farmhouses and farm buildings; community residences for the developmentally disabled; community shelters for victims of domestic violence; community residences for the terminally ill and community residences for persons with head injuries; public and nonprofit playgrounds; building structures and uses owned and operated by the Township; agriculture and horticulture, including farm markets; plus accessory uses and accessory buildings incidental to the permitted uses.

Highest & Best Use:

Residential Use

Verification:

Deed; Seller's Affidavit, Realty Transfer Tax, Tax Records, Grantee. The land was owned by Antonio LaPalomente, Charles LaPalomente, and Joseph LaPalomente as recorded in Deed Book 745, Page 298. The owners passed from this life and the title became vested in their descendants, who transferred title to the County of Gloucester and the Township of Woolwich.

Condition of Sale:

Arms Length

Comparable Vacant Land Sale

Sale #3

Date: 5/26/11 Deed Book/Page: 4874/265 Consideration: \$1,343,310

Grantor: Triad III, LLC

Price/Acre: \$18,600

Grantee: Still Run Properties, LLC

Property Data

Location: Cohawkin Road, Mantua Township, Block 4, Lot 7 and Block 1, Lot 5 / 3.8 miles Northeast of the Subject Property

Lot Size/Shape: 72.221± acres/Irregular

Front Feet: 1,420'

Front Feet/Acre: 20

Utilities: Electric, Telephone, Well, Septic

Zoning: AR, Agriculture District: Minimum lot size is 3 acres. Permitted uses include farms, single-family dwellings; public playgrounds, woodland, wildlife preserve or natural resource conservation area and parks; Golf courses; and Community residences for up to 15 developmentally disabled persons, community shelters for victims of domestic violence and community residences for persons with head injuries, serving not more than 6 persons

Highest & Best Use: Residential Use

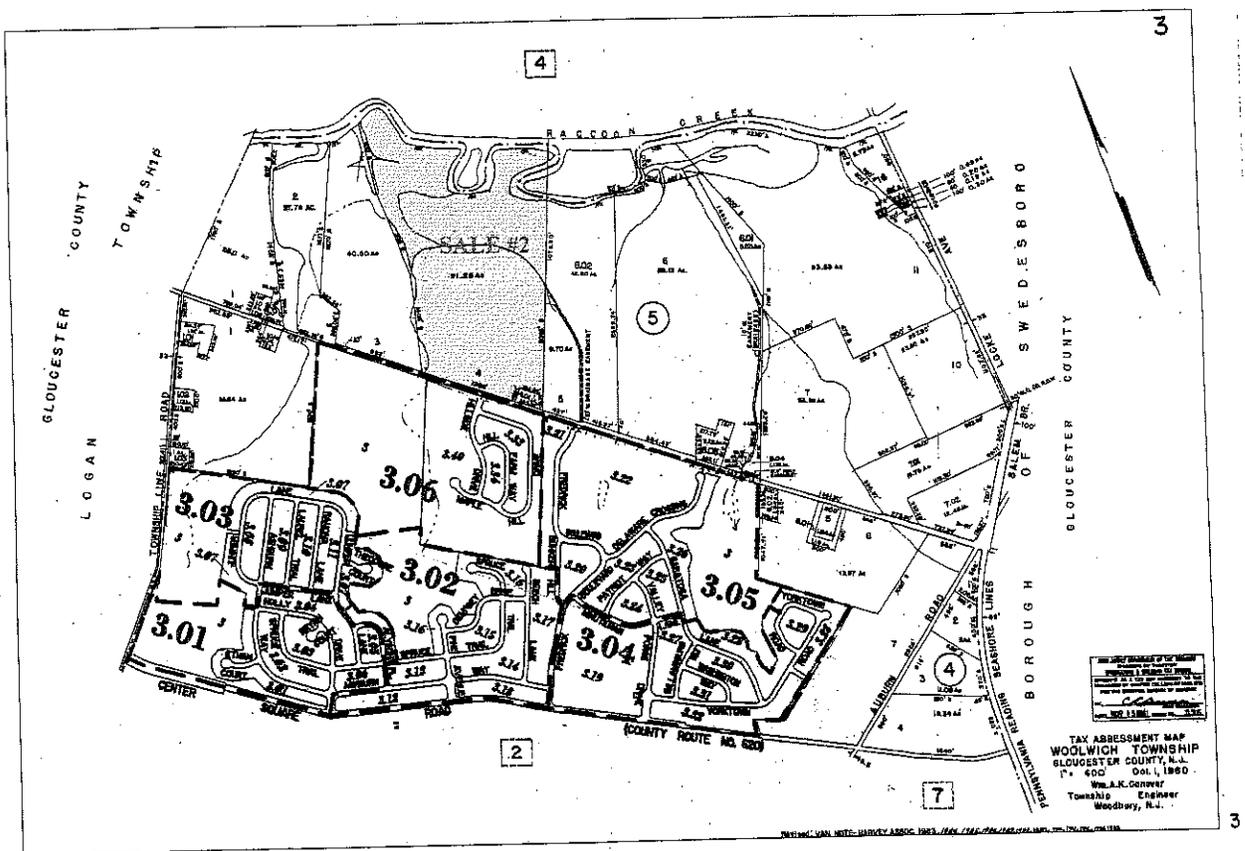
Verification: Deed, Seller's Affidavit, Realty Transfer Tax, Tax records. Triad III, LLC acquired title 8/1/2005 from Richard A. Edwards, Executor. The land was vested in Thomas R. Edwards, Sr. and Elizabeth J. Edwards, h/w, by deed dated December 7, 1960, in Deed Book 996, Page 72. The property was handed down to heirs until this transfer.

Conditions of Sale: Arms Length

Description:

This is the sale of a farm, used for the production of field crops. The property has preliminary approvals for a 52-lot residential subdivision. There is a single-family residential dwelling on the property.

Soil Type	Importance	Disposal Field
EveB, Evesboro sand 0-5% slope	Not Prime	Not Limited
FapA, Fallsington Loam, 0-2% slope	Statewide	Very Limited
FrFB, Freehold sandy loam, 0-5%	Prime	Not Limited
FrkD, Freehold loamy sand, 10-15%	Not Prime	Not Limited
MamAv, Mannington, Nanticoke 0-1	Unique	Very Limited
SabF, Sassafras loamy sand, 15-40	Not Prime	Not Limited
Water	Not Prime	Not Rated
WokA, Woodstown-Glassboro, 0-2%	Prime	Somewhat Limited



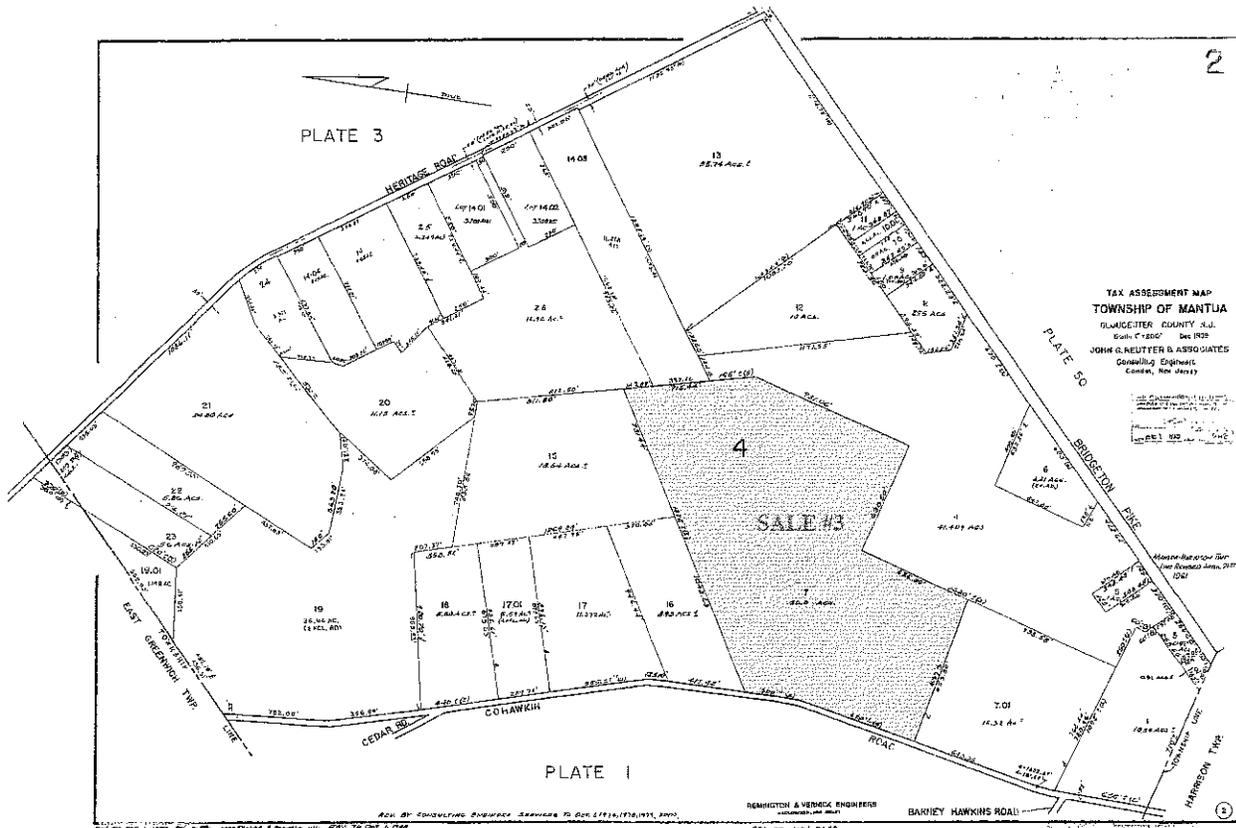
Block 5, Lot 4, Woolwich Township

Description:

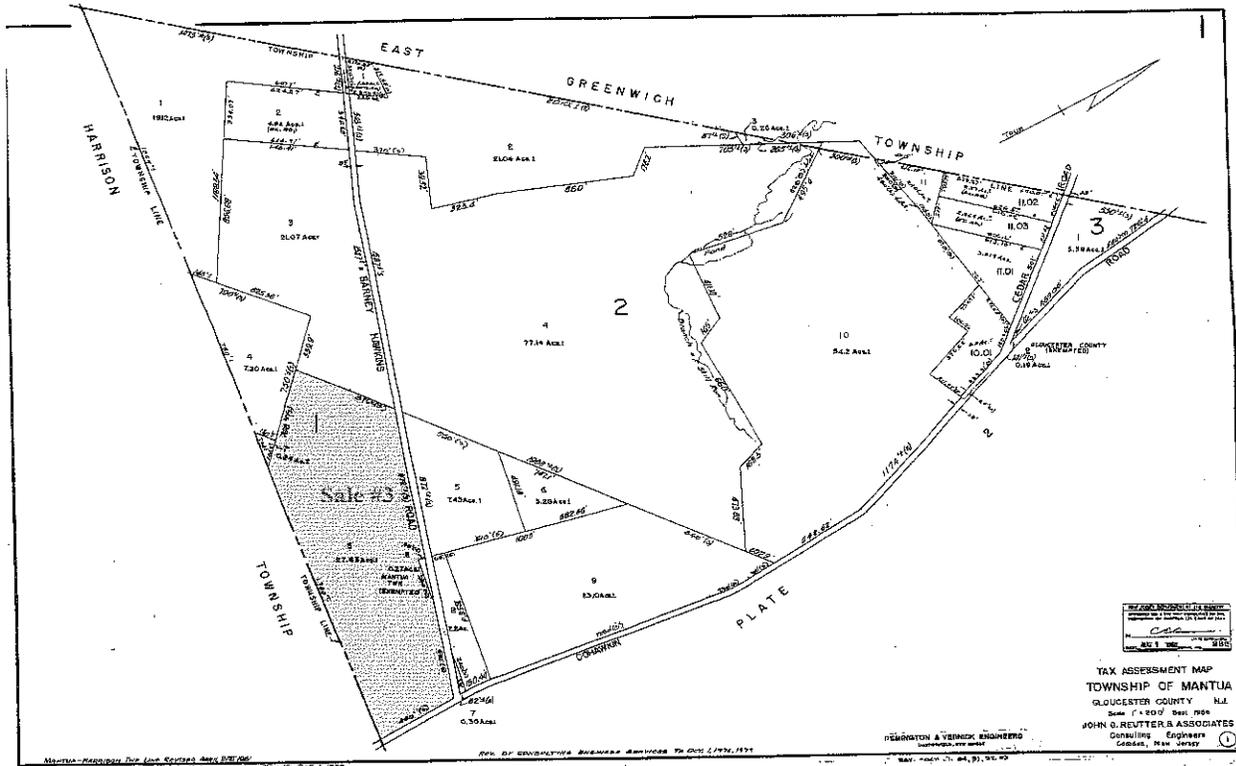
The lots are on opposite sides of Cohawkin Road. Both are vacant parcels of land, used for agricultural use. There are no pending applications for a residential subdivision. Approximately 65% of the soils are rated "prime". The property contains an estimated 5% wetlands and 10% of the soils are rated "very limited" for disposal systems.

The major soils found on the subject property are:

Soil Type	Importance	Disposal Field
BumA, Buddtown-Deptford	Prime	Somewhat Limited
CoeAs, Colemantown loam	Not Prime	Very Limited
FrfB, Freehold loamy sand	Prime	Not Limited
FrfC, Freehold loamy sand	Prime	Not Limited
FrkA, Freehold sandy loam	Statewide	Not Limited
FrkB, Freehold sandy loam	Prime	Not Limited
KemB, Keyport sandy loam	Prime	Very Limited
MaoB, Marlton sandy loam	Prime	Very Limited
WeeB, Westphalia sand loam	Prime	Not Limited
WeeC, Westphalia sand loam	Statewide	Not Limited
WokA, Woodstown-Glassboro	Prime	Somewhat Limited



Block 4, Lot 7, Mantua Township



Comparable Land Sale

Sale No. 4

Date: 1/5/07

Book/Page: 4330/192

Consideration: \$999,990

Grantor: Lepcar Corporation

Price/Acre: \$14,076.

Grantee: Main Street Development Corporation

Property Data

Location: Cedar Road, East Greenwich Township, Block 1207, Lot 10
4.1 miles Northeast of Subject Property

Size/Shape: 71.04± acres/Irregular
Front Feet: 1,460'
Front Feet/Acre: 21
Utilities: Electric, Telephone, Water, Septic

Zoning: RR, Rural Residential District, 2-acre minimum lot size; permitted uses include agricultural uses, single-family detached dwellings migrant housing facilities, and township facilities and services.

Highest & Best Use: Residential/Agricultural Use

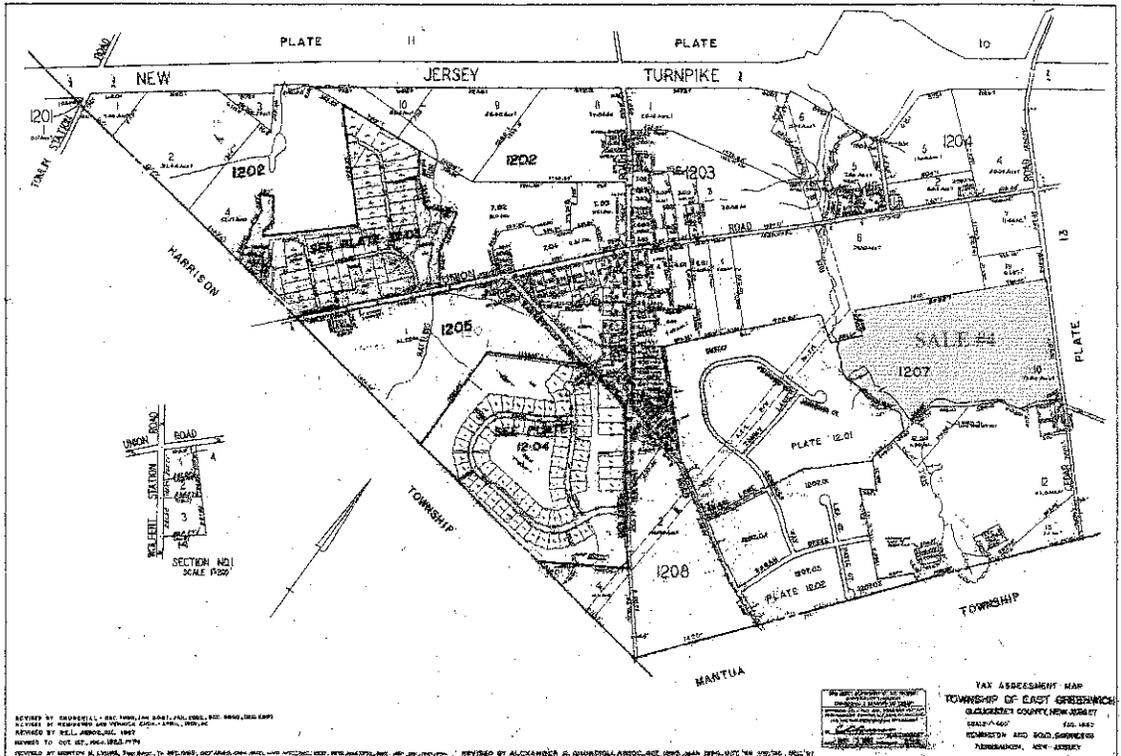
Verification: Deed, Seller's Affidavit, Realty Transfer Tax, Tax Records. Lepcar Corporation acquired title to the property by a Sheriff's Deed as shown in Deed Book 2230, Page 250, dated August 24, 1992.

Conditions of Sale: Arms-Length

Description: This sale is a vacant parcel of land. The estimated amount of soils identified as "very limited for disposal fields is 24%. The property contains 4± acres (6%) of wetlands and 66% are rated "Prime". The property is approved for 20 single-family dwellings on 40.4 acres. The remaining land is reserved for open space.

The soils include:

Soil Type	Area/Percent	Importance	Disposal Fields
FmhAt, Fluvequents loamy, 0-3% slopes Frequently flooded	12.2 / 17.4%	Not Prime	Very Limited
FrfB, Freehold loamy sand, 0-5% slopes	12.0 / 17.0%	Prime	Not Limited
FrfC, Freehold loamy sand, 5-10% slope	7.5 / 10.7%	Statewide	Not Limited
FrkA, Freehold sandy loam, 0-2% slopes	7.3 / 10.3%	Prime	Not Limited
FrkB, Freehold sandy loam, 2-5% slope	18.2 / 25.9%	Prime	Not Limited
KemB, Keyport sandy loam, 2-5% slopes	7.3 / 10.4%	Prime	Very Limited
LenA, Lenni loam, 0-2% slopes	4.0 / 5.8%	Statewide	Very Limited
WokA, Woodstown-Glassboro, 0-2% slope	1.7 / 2.5%	Prime	Somewhat Limit



Block 1207, Lot 10, East Greenwich Township

Sales Comparison Approach (continued)

Land Sales Analysis

After a careful analysis of all sales within the area of the subject property, the previous sales detailed were selected as the most comparable to the subject property. There have been relatively few sales of comparable vacant lots in both South Harrison Township and the surrounding townships. The sales used for comparison are similar in features when compared to each other and the subject property.

Property Rights: The comparable sales are equal to the subject property. The sales indicate the fee simple interest in the properties.

Conditions of Sale: The properties are arms-length transactions and do not require an adjustment.

Financing Terms: The sales were purchased with cash or typical financing.

Market Conditions: While many areas throughout the State of New Jersey have realized a decrease in property value, some areas in the southern part of the state continue to see moderately stabilized values. Based on market analysis, it is likely the prices have dropped between 2007 and 2011. Equalized value ratios indicated an increase in value from 2005 through 2006, but equalized value is an average of all categories of property and cannot be used to value vacant land. While there may have been an increase from 2006 to 2007, it is my opinion; the gain was reduced or eliminated between 2007 and 2011. Based on single-family sales, I have adjusted the properties for market conditions at -5% per year.

Location: I have made a complete investigation of recent sales in South Harrison Township and surrounding townships. I have considered the most recent sales based on date of sale, size and various other factors that affect market value. The properties are located within 4+ miles of the subject property and do not require an adjustment for location.

Size in Acres: The subject property contains approximately 119 acres, in the *Before Value*. Comparable Sales #1, #3 and #4 are among the larger sales, increasing from 57 acres to 72 acres. There are other vacant land sales, but the size varies from 5+ acres to 35+ acres and is not considered comparable. Sale #2 is a larger sale to a governmental agency. The federal government typically views such transactions as suspect. In this case, the owners initiated the purchase of the property with the Gloucester County Department of Farmland Preservation to purchase the development rights. This voluntary transaction represents a negotiated

Sales Comparison Approach (continued)

value between the Grantor and the Grantee. The purchase was made without compulsion, coercion, or threat of litigation. Gloucester County has preserved in excess of 2,000 acres. All of the purchases are made without the threat of condemnation and is 100% voluntary. In such cases, under Yellow Book Regulations, the property can be considered as a comparable sale. The Regulations state, "An exception to this rule is recognized in cases of voluntary sales or where the fact that the parties condemnor and condemnee either was not known or had no influence because the sale was not in connection with or in anticipation of condemnation proceedings". (See Uniform Appraisal Standards for Federal Land Acquisitions, Washington D.C. 2000, Page 60, B-18). Adjustments have been made to Sales #1, #3 and #4, +10% for lot size.

Front Feet/Acre:

Because the subject property consists of two parcels on opposite sides of Franklinville Road, the property has extensive frontage on both Franklinville Road and Tomlin Station Road. Block 1, Lot 3 has a total of 1,638' frontage and Block 5, Lot 4 has 2,287' frontage. Individually, the subject lots compare to the comparable sales. Three of the comparable properties range from 1,385' frontage and the 4th sale has 2,480' frontage. No adjustments are made for Front Feet/Acre.

Topography:

The topography of the subject property is level-to-sloping. All of the sales are level-to-gently sloping and do not require an adjustment. Neither the subject property nor the comparable sales have extreme relief features or adverse surface configurations, e.g., hills, valleys, rivers, or lakes.

Zoning:

The zoning of the subject property requires 1-acre zoning. The zoning of the comparable sales varies from 20,000 square feet to 3-acre zoning. Adjustments are shown on the sales grid to adjust for the differences.

Easements:

The subject property does not contain any known easements, other than typical utility easements. I am not aware of any adverse easements on any of the properties.

Wetlands:

The subject property contains 3% fresh water wetlands. Sale #1 has approximately 15% wetlands and is adjusted +5%. Sale #2 has 47% wetlands and is adjusted +10%. Sales #3 and #4 have 5-6% wetlands and do not require an adjustment.

Sales Comparison Approach (continued)

Soil Limitations: Based on the soils identified on soil maps, the sales have varying amounts of soils that are limited for use in disposal fields. The subject property contains 31% of limited soils. Sales #1 and #4 are considered comparable to the subject property. Sales #2 and #3 are adjusted -5% for soils that are classified "very limited" soils for disposal fields.

Public W/S: Public water and sewer is available to the sale #2 and is adjusted -10%. Sale #4 has public water and is adjusted -5%. The subject property and Sales #1 ad #3 are served by private wells and septic systems.

Approvals: The subject property has final approval for a major subdivision. However, the approvals include additional lots which are not being preserved. As a result, the appraisal cannot consider the property approved. Sale #1 has final approvals for a 30 lot subdivision. Sale #2 has preliminary approvals for a 20 lot subdivision and Sale #4 has preliminary approval for a 20 single-family subdivision. The three sales are adjusted for the approvals.

I have considered current listings of vacant land in South Harrison Township and nearby townships. At the present time, there are approximately 10 vacant lots/farms listed for sale. Six of the lots are 5 acres or less. Two of the lots are restricted farms and the remaining two lots are less than 30 acres, each. No correlation or conclusions have been made.

After a careful analysis of all sales in the area of the subject property, the previously detailed comparable sales were selected as the most comparable to the subject property. Major factors affecting the value of the subject property include market conditions, front foot/acre, wetlands, soils, and approvals. If one considers the Highest and Best Use of the property, the probability of residential/agricultural use is most likely in this location, if not preserved. The estimated value, after adjustments, ranges from \$14,358 to \$19,577 per acre, for the subject property. Based upon the analysis of the neighborhood and the comparable sales, it is my opinion that an equitable market value for the subject property, by the Sales Comparison Approach, as of September 10, 2011, is \$18,000 per acre.

	<u>Per Acre</u>	<u>Total</u>
Estimate of Property Value, Before:	\$18,000	\$2,142,000

Sales Comparison Approach (continued)

Before the property could be improved with a residential subdivision, one must consider the fact the property is affected negatively by the existence of hazardous substances or detrimental environmental conditions, based upon the findings of a Remedial Action Work Plan produced by RT Environmental Services, Inc. The report indicates there are areas of soil contamination from the prior use of pesticides and herbicides that would require a remedy prior to residential development. It is likely that tests and inspections made by a qualified hazardous substance and environmental experts would reveal the existence of hazardous materials and environmental conditions on or around the property that would negatively affect its value. RT Environmental Services, Inc. completed a cost to cure estimate totaling \$301,105. This cost estimate included lots that are not included in this appraisal. It is estimated that 75% of the cost estimate is applicable to the current costs to cure. \$225,828, rounded to \$226,000. The estimated percentage takes into account the reduced area and the estimated current cost to cure. The Final Estimated Market Value of the subject property is \$2,142,000 less \$226,000.00, or

One Million Nine Hundred Sixteen Thousand Dollars
\$1,916,000.00

VALUE CONCLUSION

The subject property was appraised with consideration given to the three traditional approaches to value. The indicated values by the approaches are as follows:

Cost Approach:	Not Applicable
Sales Comparison Approach:	\$1,916,000
Income Approach:	Not Applicable

The Cost Approach was not considered applicable in the valuation.. The Sales Comparison Approach was used to determine the estimated market value of the land. This approach considered sales of vacant land, with similar characteristics and potential for development. The Income Approach was not considered, because the land is not capable of producing income necessary for the capitalization process.

The Sales Comparison Approach was considered in the valuation of the land as vacant. The comparable sales were sites with a potential for residential development. Based on these sales, the indicated value ranged from \$14,358 to \$19,677 per acre. An equitable value for the land, if vacant, in my opinion, is \$18,000 per acre or \$2,142,000, less \$226,000 for remediation costs, equals \$1,916,000 (16,100 per acre).

The Highest and Best Use of the subject property is agricultural/residential use. It is unlikely the property could be developed with any type of use other than permitted by the zoning ordinance. No changes are anticipated in the zoning of this area. After a careful analysis of all facts reported and weighing the reliability of each, it is my opinion that the **Market Value, Before Easement Acquisition**, of the described property, as of September 10, 2011, is estimated at:

	<u>Per Acre</u>	<u>Total</u>
Estimate of Property Value, Before:	\$16,101.	\$1,916,000.

PART IV: FACTUAL DATA - AFTER ACQUISITION

LEGAL DESCRIPTION

The subject property's legal description is the same as previously reported in Part II, page 14. The subject property may be encumbered by an agricultural development easement, which is basically a restrictive covenant. A restrictive covenant is an agreement or promise to restrict the use of real property that is part of a conveyance and is binding upon all subsequent purchasers.

NEIGHBORHOOD FACTORS

The County, Township and Neighborhood factors are not changed by this possible acquisition of a partial interest, the development rights of the owner.

PROPERTY DATA

Site

As previously reported, in the *After Value*, the property contains 117 acres (118.95 acres less a 1.52 acre severable exception, equals 117.43, rounded to 117 acres). The owner has requested this severable exception in order to except the permanent structures found in Block 5, Lot 4. The structures include a cold storage building, a farm market and a packing house. The remaining area of the site is presently used for agriculture purposes and remains the same. The road easements, electric company right-of-way, utility easement for ingress and egress, utilities and available access remain the same.

Improvements

The only permanent improvement on the property is a farm labor building, which is considered near the end of its economic life. The improvement is considered to have no significant economic value to this partial acquisition and the land is considered as vacant.

Use History

The age and date of construction of the farm labor building is indeterminable.

Sales History

The sales history remains the same as shown on page 22 of this report.

Assessed Value and Tax Load

The assessed value and tax load should remain the same. The land is presently assessed as farmland and receives a reduced assessment for this factor.

Zoning

The subject property is located in the AR, Agricultural/Residential District and there will be no change in the zoning.

PART V – DATA ANALYSIS AND CONCLUSIONS – AFTER ACQUISITION

Analysis of Highest and Best Use

The Highest and Best Use has been defined previously in the report. After easement acquisition, development of the land for other than agriculture use or open space and recreation would be prohibited. Thus, the Highest and Best Use of the property, after easement acquisition, is agricultural use.

VALUATION METHODS

Cost Approach

The appraisal of the site is devoted to the value of the land as vacant. The Cost Approach is not considered in this report.

Sales Comparison Approach

The Sales Comparison Approach, is an approach through which an appraiser derives a value indication by comparing the property being appraised to similar properties that have sold recently, applying appropriate units of comparison and making adjustments, based on the elements of comparison, to the sale prices of the comparable sales. The Sales Comparison Approach was used in estimating the value of the subject property.

Income Approach

As previously indicated, the Income Approach has not been used in the valuation of the subject property because farms in this area, generally, have not been purchased upon income potential.

SALES COMPARISON APPROACH

In the Sales Comparison Approach, market value is estimated by comparing the subject property to similar properties that have sold recently or for which offers to purchase have been made. One premise of the sales comparison approach is that the market will determine a price for the property being appraised in the same manner that it determines the price of comparable, competitive properties.

The valuation of the subject property, encumbered by an agricultural development easement, requires research of sales of property encumbered with similar easements. Properties restricted for agricultural use have been traditionally lower than market value, unrestricted. The area and neighborhood analysis of this report have indicated that there has been continued demand for new residential dwellings, due the location near the main arteries to Philadelphia and other surrounding cities.

The difficulty in this analysis, however, is the relative lack of recent data throughout Southern New Jersey. While development easements have been purchased in New Jersey, relatively few of these properties have been resold, which strictly limits the number of comparable sales. Many restricted agriculture sales have taken place in central and northern New Jersey, which is not considered comparable for analysis.

The appraiser has researched the market by examining public records and deeds to find all possible sales. From the number of sales examined, the appraiser has detailed sales deemed to be the most comparable for the subject property, after easement acquisition. The following pages contain a summary of those sales.

Restricted Land Sale

Sale No. 5

Date: 11/20/08

Book/Page: 4607/18

Consideration: \$239,200

Grantor: Aaron V. Butler, et al

Price/Acre: \$5,750.

Grantee: Joseph A. Leone

Property Data

Location: High Street, Harrison Township/Block 51, Lot 8

Plot Size/Shape: 41.6± acres (Deed)/Irregular

Utilities: Electric, Telephone, Well, Septic

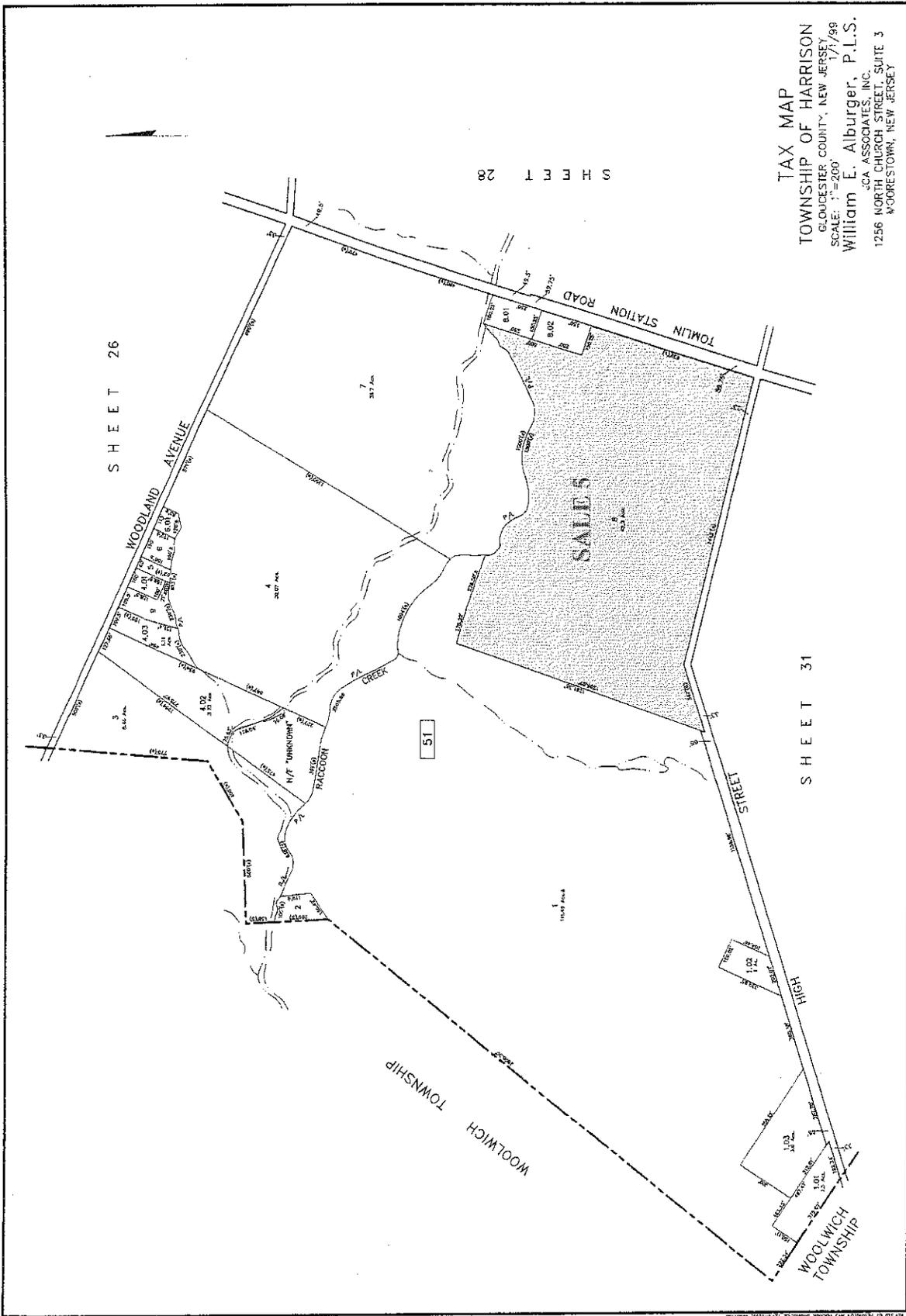
Highest & Best Use: Agricultural Use

Verification: Deed, Seller's Affidavit, Realty Transfer Tax, SADC, Appraiser's Files. The Grantors acquired title from Ruth W. Butler, their Mother, recorded in Deed Book 3304, Page 316, dated 8/21/01; deed Book 3410, Page 337, dated 4/5/02 and Deed Book 3560, Page 75, dated 3/3/03. Earl W. Butler and Ruth W. Butler, h/w, were Father and Mother of Aaron Butler and Dorothy B. Sconyers and held title to the property for many years

Conditions of Sale: Arms Length

Description: This sale is a restricted parcel of land. The soils are approximately 43% prime and 57% statewide importance or not prime. The property consists of 60%± cropland harvested and 40%± woodlands. There is an area of wetlands at the northern section of the site.

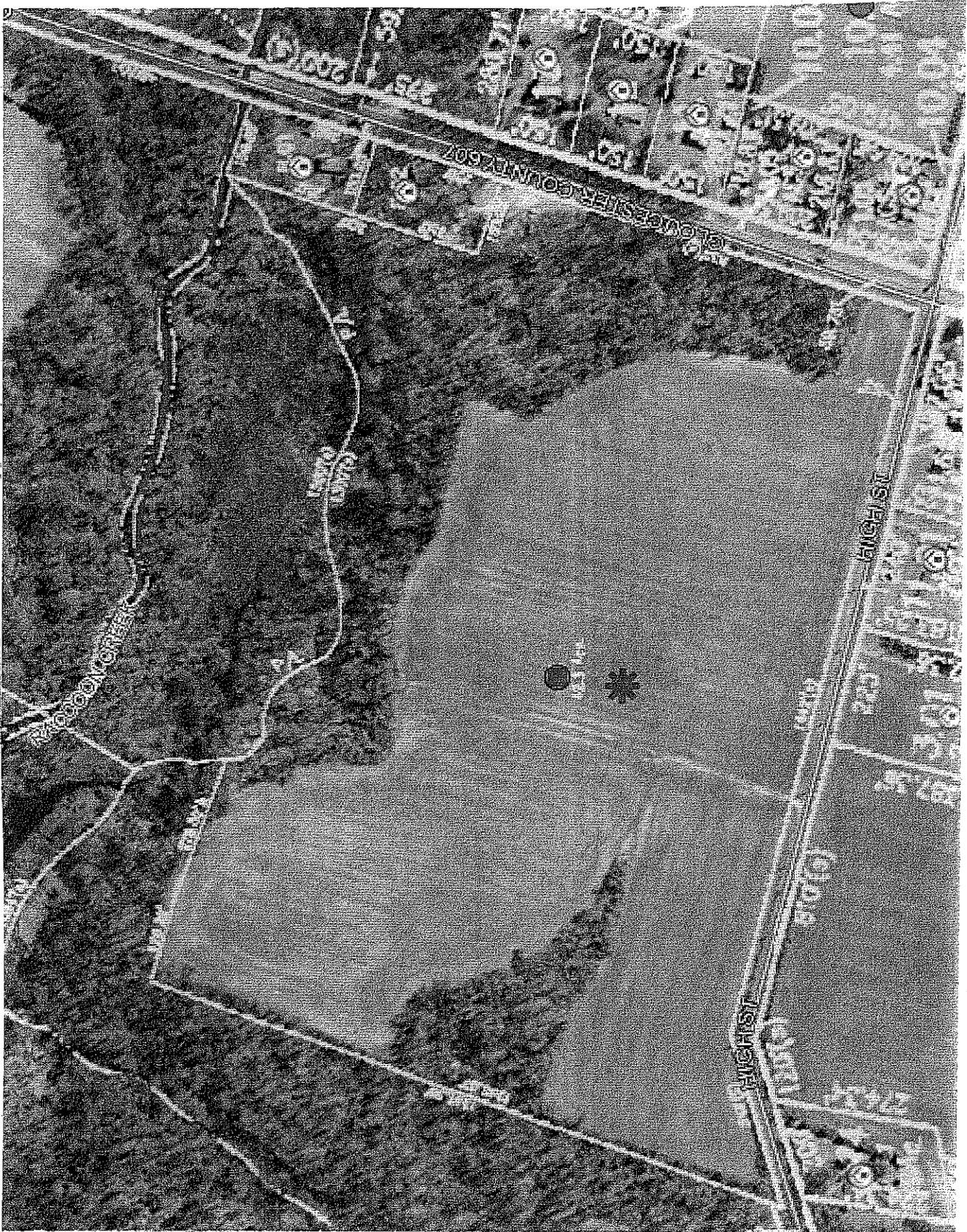
Soil Type	Importance	Disposal Field
FmhAt, Fluvaquents, 0-3% slopes	Not Prime	Very Limited
FrkB, Freehold, 2-5% slopes	Prime	Not Limited
FrkC, Freehold, 5-10% slopes	Statewide	Not Limited
FrkE, Freehold, 15-25% slopes	Not Prime	Not Limited
MaoB, Marlton, 2-5% slopes	Prime	Very Limited



TAX MAP
 TOWNSHIP OF HARRISON
 GLOUCESTER COUNTY, NEW JERSEY
 SCALE: 1"=200'
 1/1/99
 William E. Alburger, P.L.S.
 JCA ASSOCIATES, INC.
 1256 NORTH CHURCH STREET, SUITE 3
 MOORESTOWN, NEW JERSEY

Block 51, Lot 8, Harrison Township

R. W. Frankenfield Associates



Topography Map

Restricted Land Sale

Sale No. 6

Date: 1/30/09

Book/Page: 4626/337

Consideration: \$365,000

Grantor: Barbara Joan Keefer

Price/Acre: \$6,053.

Grantee: Joseph & Grace Visalli

Property Data

Location:

334 Lincoln Mill Road, South Harrison Township,
Block 14, Lot 13

Plot Size/Shape:

60.3± acres/Irregular

Utilities:

Electric, Telephone, Well, Septic

Highest & Best Use:

Agricultural Use

Verification:

Deed, Seller's Affidavit, Realty Transfer Tax, SADC. Title became vested in Barbara Joan Keefer at to a 2/3 share and Francis D. Keefer Jr. as to a 1/3 share by deed from Barbara Joan Keefer, shown in Deed Book 2190, Page 298, dated April 2, 1992. Francis Keefer became deceased 11/10/2003, wherein the full title became vested in Barbara Joan Keefer.

Conditions of Sale:

Arms Length

Description:

This sale is a restricted parcel of land, with a 1.24 acre, severable exception for a residential dwelling. The soils are 89% prime and 11% statewide importance. The property consists of 99% cropland harvested and 1% woodlands. At the time of the sale, there was a single family dwelling on the property. The grantee razed the structure, but the property still has one residential opportunity. Any additional housing is limited to AG labor building.

Soil Type	Importance	Disposal Field
KemB, Keyport 2-5% slopes	Prime	Very Limited
LenA, Lenni loam, 0-2% slopes	Statewide	Very Limited

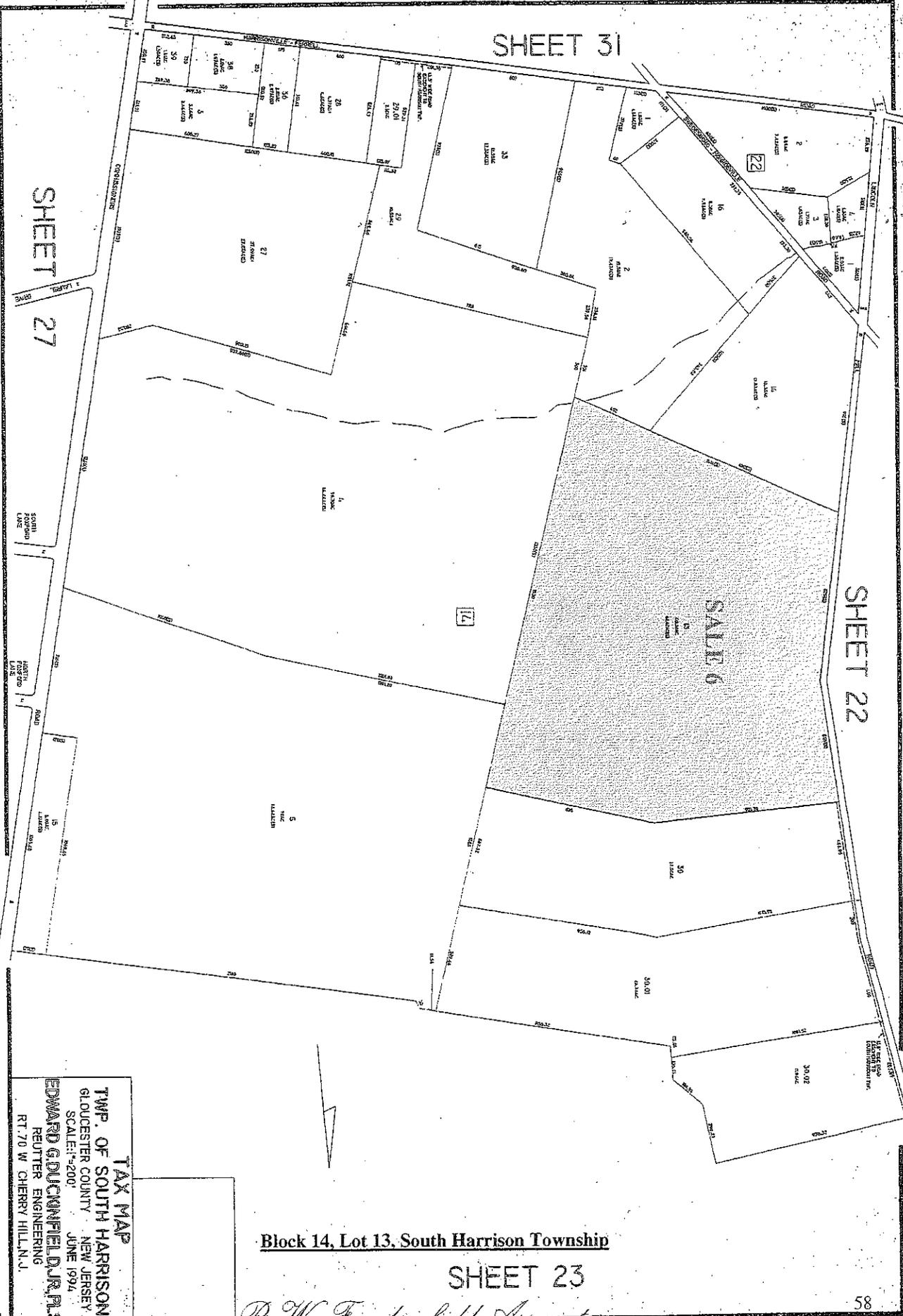
SHEET 31

SHEET 29

SHEET 27

SHEET 22

SHEET 24



TAX MAP
TWP. OF SOUTH HARRISON
 GLOUCESTER COUNTY, NEW JERSEY
 SCALE: 1"=200' JUNE 1994
EDWARD G. DUCKINFIELD, P.L.S.
 REUTER ENGINEERING
 RT. 70 W. CHERRY HILL, N.J.

Block 14, Lot 13, South Harrison Township

SHEET 23

D. W. Franklinfield Associates

58

28

28



Topography Map

Restricted Land Sale

Sale No. 7

Date: 2/5/10

Book/Page: 4750/194

Consideration: \$170,000

Grantor: Edward & Susan Eivich, h/w

Price/Acre: \$4.191

Grantee: Liberty Bell Bank, Custodian for Peter G. Buchert, IRA

Property Data

Location:

Swedesboro Road, Franklin Township, Block 2601, Lot 5

Plot Size/Shape

40.56± acres/Irregular

Utilities:

Electric, Telephone, Well, Septic

Highest & Best Use:

Agriculture Use

Verification:

Ed Madsen, SADC; Deed; Seller's Affidavit; Realty Transfer Tax. Title is vested in Liberty Bell Bank, Custodian for Peter G. Buchert, IRA, as shown in Deed Book 4750, Page 194. Title was vested in Edward & Susan Eivich, as shown in Deed Book 4626, Page 116, dated January 6, 2009, for a consideration of \$135,000. Prior to that transaction, title was vested in Douglas B. Carey from Diane E. Wagner, as shown in Deed Book 3965, Page 137, dated April 2, 2005, for a consideration of \$75,000. Diane E. Wagner acquired title to the property as shown in Deed Book 3260, Page 245, dated May 14, 2001.

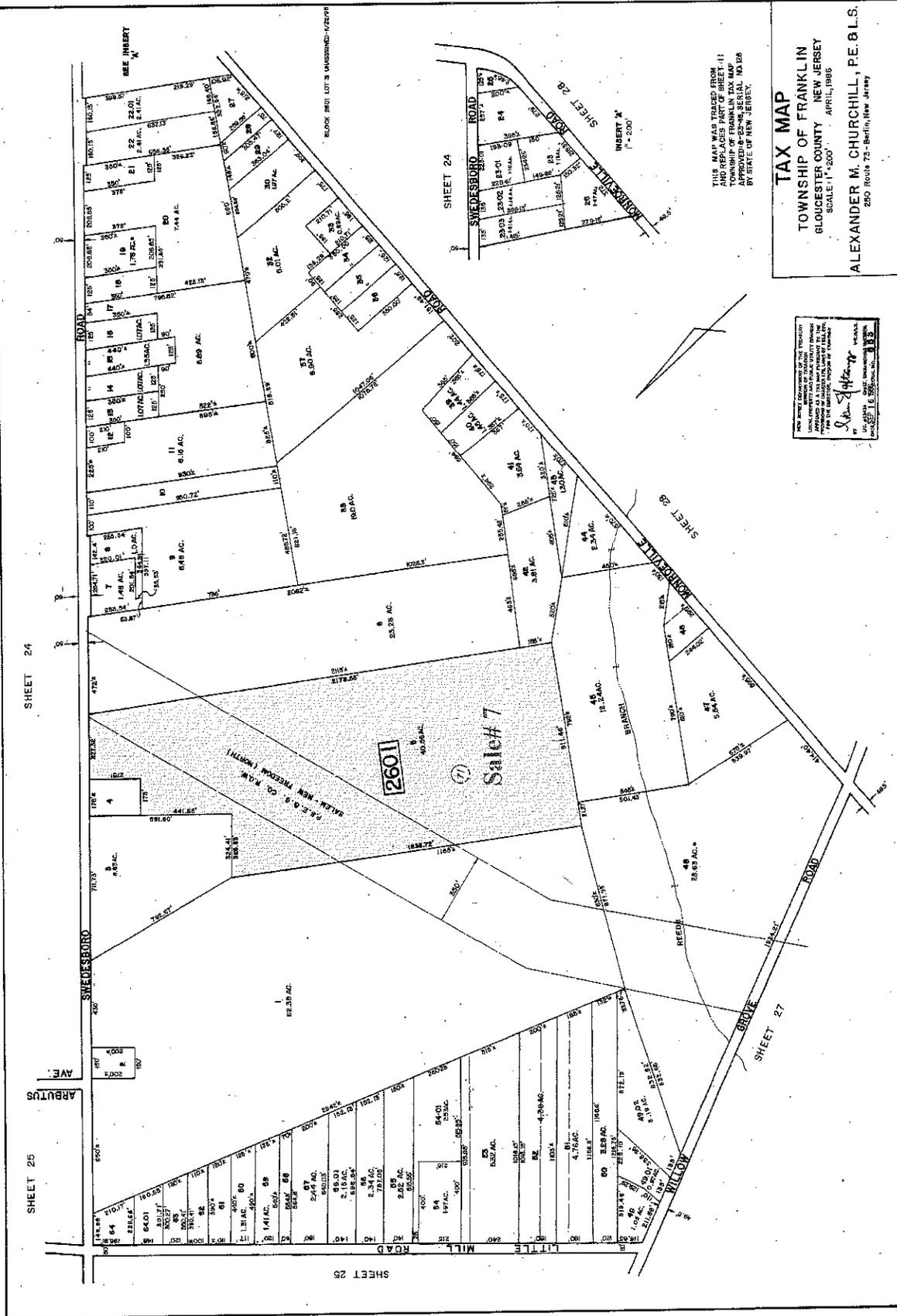
Conditions of Sale:

Arms Length

Description:

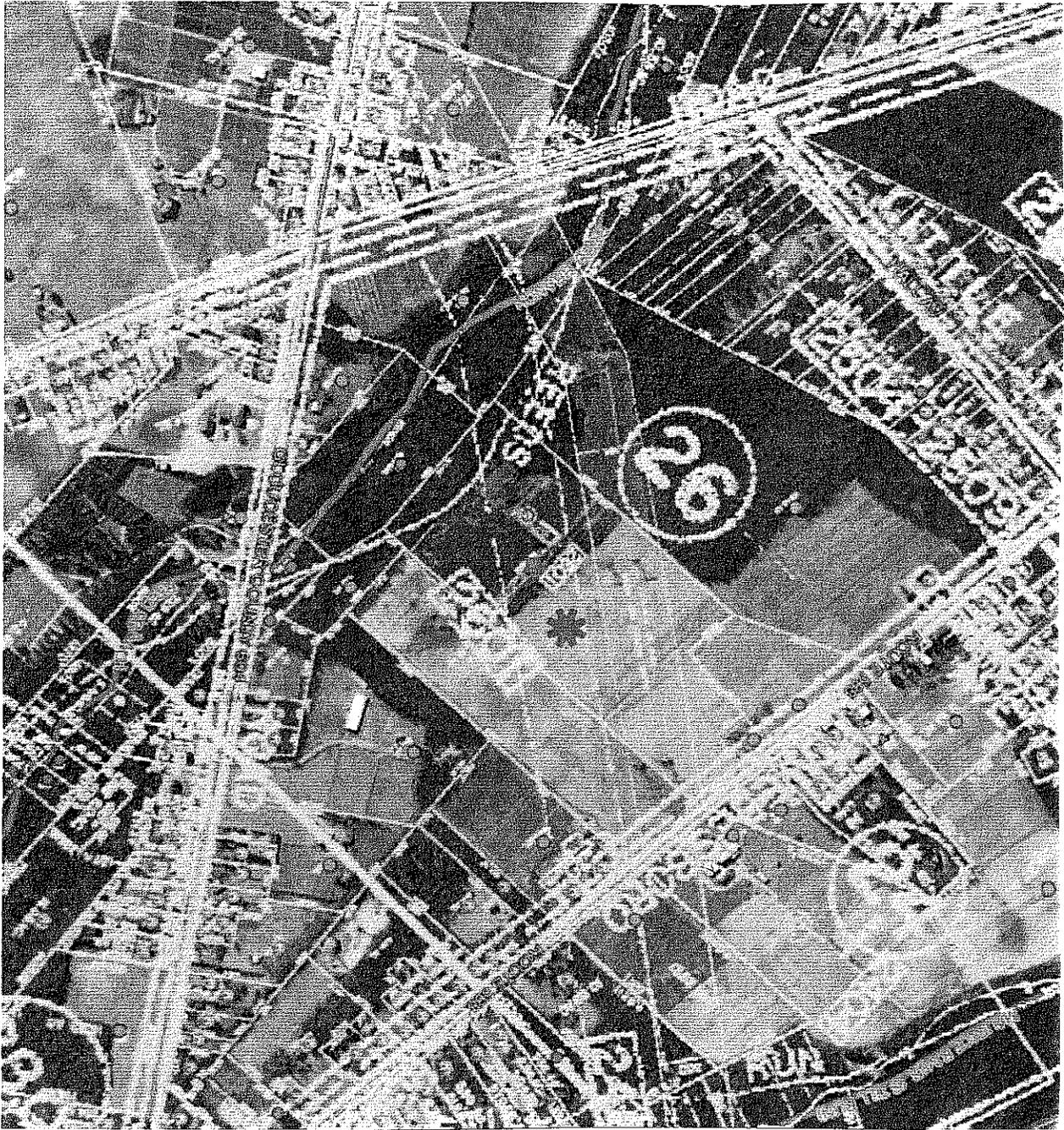
This site is a restricted parcel of land with an agricultural easement, with no residential opportunity. The soils are approximately 63% prime; 24% statewide importance; 12% other; and 1% local. 72% of the soils are rated "very limited" for use with disposal fields. Approximately 90% of the land is cropland harvested and 10% woodlands. There are no site improvements. The site is encumbered with a 350' wide electric utility easement.

Soil Type	Importance	Disposal Field
AucB, Aura Loamy sand 0-5%	Prime	Very Limited
AugB, aura sandy loam, 2-5%	Prime	Very Limited
DocB, Downer loamy sand, 0-5%	Statewide	Not Limited
HbmB, Hammonton, 0-5%	Statewide	Somewhat Limit
MakAt, Manahawkin Muck, 0-2%	Unique	Very Limited
SabB, Sassafras loamy sand, 0-5%	Statewide	Not Limited



Block 2601, Lot 5, Franklin Township

R. W. Frankentfield Associates



Topography Map
Block 2601, Lot 5

Restricted Land Sale

Sale No. 8

Date: 6/29/10

Book/Page: 4785/215

Consideration: \$705,000

Grantor: NJSADC

Price/Acre: \$5.550.

Grantee: Sabastian J. & Jacqueline M. Marino

Property Data

Location:

720 Eldridges Hill Road, South Harrison Township
Block 28, Lot 3.01

Plot Size/Shape:

127.02± acres/Irregular

Utilities:

Electric, Telephone, Well, Septic

Highest & Best Use:

Agricultural Use

Verification:

Ed Ireland, SADC, Tax Assessor. The SADC acquired title to this property as described in Deed Book 4645, Page 228, dated April 15, 2009, for a consideration of \$2,557,600. This is the same land and premises which became vested in Edward J. & Susan J. Sturgis from Edward J. & Susan J. Sturgis, dated August 11, 1995, shown in Deed Book 2575, Page 178.

Conditions of Sale:

Arms Length

Description:

This sale is a restricted parcel of land. The property has an existing single-family residence. The soils are 37% prime; 56% statewide importance; 7% other; 72% cropland harvested; 16% woodlands; 14% very limited soils; 80% not limited. Wetlands: 88.4% upland; 11.6% freshwater wetlands. The owner is restricted to one replacement/existing dwelling expansion to 3,500 square feet of heated living area.

Soil Type	Importance	Disposal Field
FrkA, Freehold sandy loam 0-2%	Prime	Not Limited
FrkB, Freehold, sandy loam, 2-5%	Prime	Not Limited
FrkC, Freehold sandy loam, 5-10%	Statewide	Not Limited
LenA, Lenni loam, 0-2% slopes	Statewide	Very Limited
SabB, Sassafras loamy sand, 0-5%	Statewide	Not Limited
SabF, Sassafras loamy sand, 15-40%	Not Prime	Not Limited
SacA, Sassafras sandy loam, 0-2%	Prime	Not Limited
SacB, Sassafras sandy loam, 2-5%	Prime	Not Limited
WeeB, Westphalia fine sandy loam	Prime	Not Limited
Woka, Woodstown-Glassboro, 0-2%	Prime	Somewhat Limit

SHEET 7

SHEET 8

SHEET 29

SHEET 30

SHEET 30.01

SHEET 5

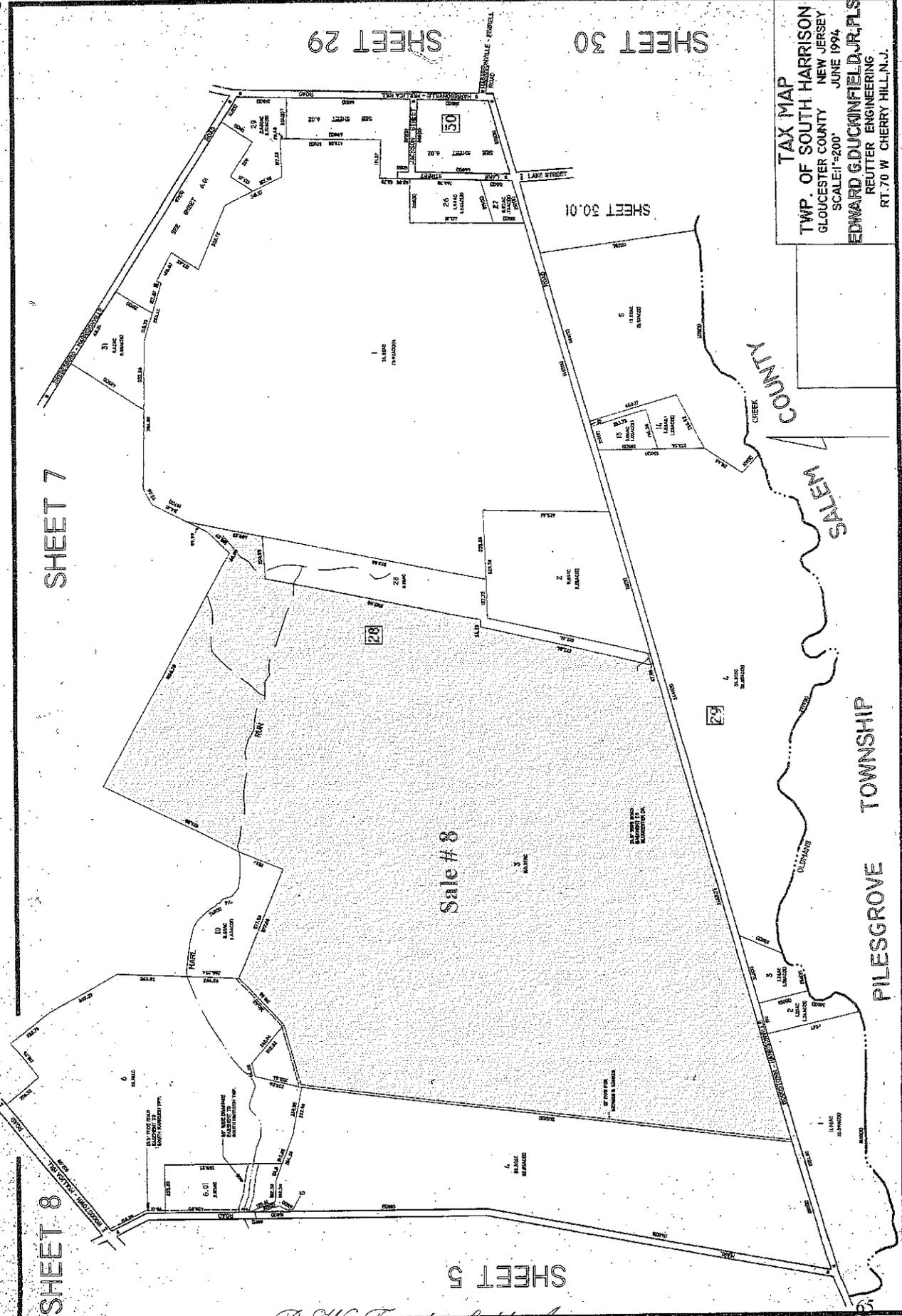
Sale # 8

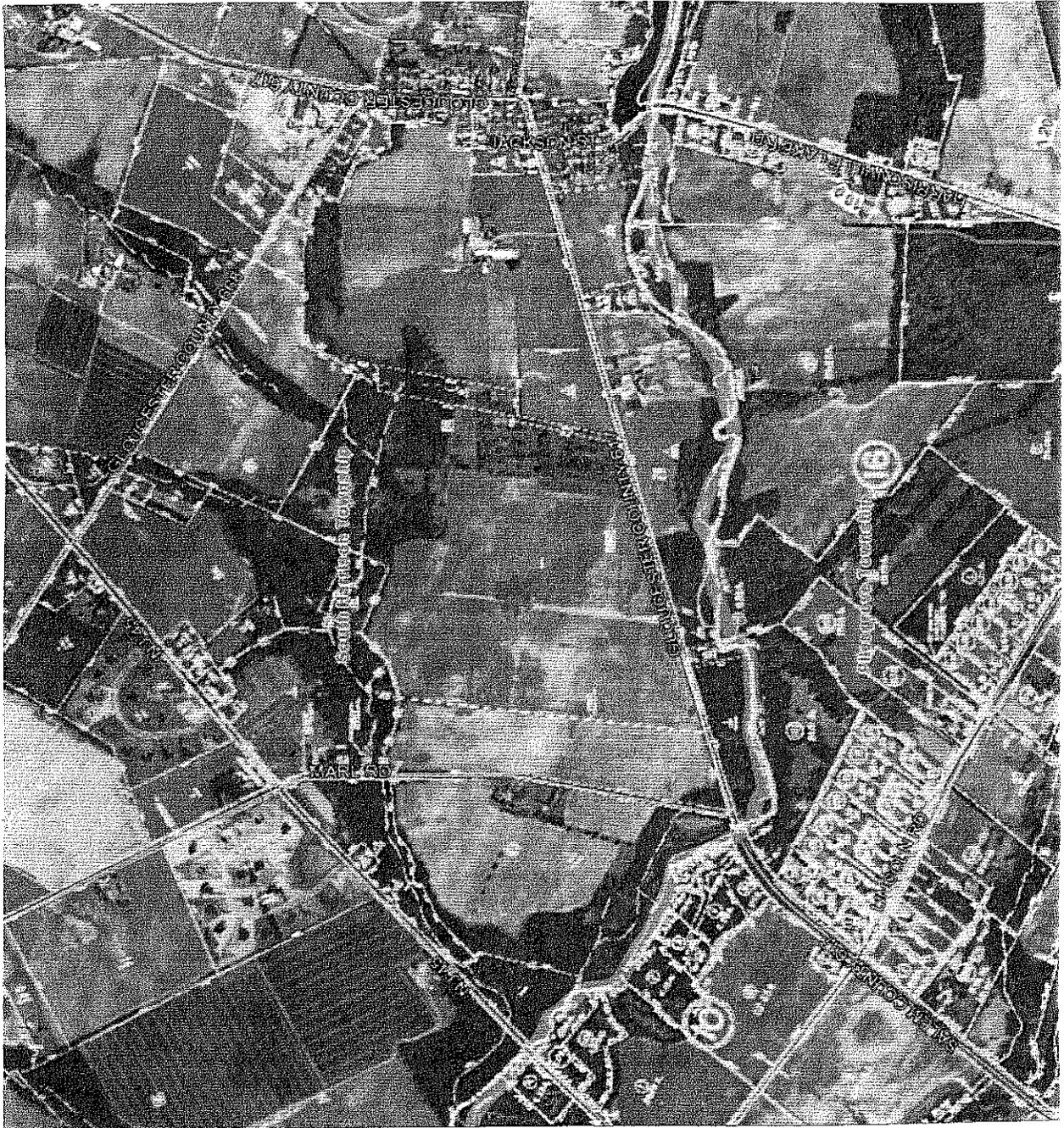
SALEM COUNTY

PILES GROVE TOWNSHIP

TAX MAP
 TWP. OF SOUTH HARRISON
 GLOUCESTER COUNTY NEW JERSEY
 SCALE 1"=200'
 JUNE 1994
 EDWARD G. DUCKINFIELD, JR., PLS.
 REUTER ENGINEERING
 RT. 70 W. CHERRY HILL, N.J.

R. W. Frankenfield Associates





Topography Map

Sales Comparison Approach (continued)

Land Sales Analysis

Research was completed to identify vacant, restricted land sales in the area. After a careful analysis of all of the sales near the subject property, the previous sales were selected as the most comparable vacant restricted sites located.

Property Rights: The comparable sales are equal to the subject property. The sales indicate restricted interest in the properties.

Conditions of Sale: The properties are arms length transactions and do not require an adjustment.

Financing Terms: The sales were purchased with typical financing, where required.

Market Conditions: Properties with a development easement or other restrictive covenants tend to appreciate at a slower rate than unrestricted properties. In my opinion, the market conditions for restricted sales were increasing in recent years, then depreciated and, recently, remained relatively stable. Sale #7 is an exception to this generalization. This property increased approximately 26% in 13 months, but this is not typical of the market. Based on current market conditions, I have not adjusted for time.

Location: The locations of the comparable sales are near the subject property and are considered similar, as restricted. All of the comparable sales are located on paved, two-lane highways, with adequate access for farm vehicles.

Size in Acres: Comparable Sales #5 through #7 are smaller than the subject property. Sale #8 is the most similar in size and does not require an adjustment for size. Larger parcels of restricted land, i.e., land that can only be used for agricultural use, will often sell for more per acre than smaller parcels. *A farmer will often pay more for a larger parcel which will have greater crop production; and is more conducive to operating large farm equipment.* Sales #5 and #7 contain 40± acres and is adjusted +10%. Sale #6 contains 60± acres and is adjusted +5%. The restricted sales represent the largest restricted farms that have sold recently.

Sales Comparison Approach (continued)

Topography:

The topography of the properties is level or gently sloping. None of the properties have extreme relief features or adverse surface configurations, e.g., hills, valleys, slopes, large lakes, or rivers. No adjustments are necessary.

Tillable Acres (%):

Based on a review of the aerial and soil maps of the subject property, the site contains approximately 86% of tillable ground. Sales #6, #7 and #8 are similar, in my opinion, and do not require an adjustment. Sale #5 has 60% tillable area and is adjusted +5%.

Soils (% Prime):

The subject property contains approximately 71% prime soils. Sales #5 and #8 contain less and are adjusted +5%. Sales #6 and #7 have a greater percentage and are adjusted -5%.

**Residential
Opportunity:**

If restricted, the subject property will have a 1.52 severable residential exception. Sales #5 and #7 do not have a residential opportunity. These sales are adjusted +10%. Sale #6 and #8 have a residential opportunity and do not require an adjustment.

Other:

None

After adjustments, the indicated value range from \$4,820 to \$7,352 per acre, for the subject property. The greatest weight is given to Sales #6 through #8. Based upon the analysis of the comparable sales, it is my opinion that an equitable market value for the subject property, by the Sales Comparison Approach, is \$5,600 per acre, restricted, or \$655,200 (117 acres x \$5,600).

	<u>Per Acre</u>	<u>Total</u>
Estimate of Property Value, After:	\$5,600	\$655,200.

VALUE CONCLUSION

The indicated Market Value of the subject property, After Easement Acquisition, developed by the Sales Comparison Approach ranged from \$4,820 to \$7,352 per acre. An equitable value for the land is estimated to be \$5,600 per acre, or \$655,200.

As described in the report, the demand for residential development has fluctuated in the past several years. The subject property is located in the AR zoning district and zoned for a variety of uses. The Highest and Best Use, After Easement Acquisition, is agricultural use. It is not necessary to adjust for remediation of any contaminated areas in the *After Value*, because the property can continue to be used for agriculture, either restricted or unrestricted.

Therefore, after a careful analysis of all facts reported and weighing the reliability of each, it is my opinion that the **Estimate of Property Value, After Easement Acquisition**, of the described property, as of September 10, 2011, is estimated at:

Estimate of Property Value, After:	<u>Per Acre</u> \$5,600.	<u>Total</u> \$655,200.
---	------------------------------------	-----------------------------------

PART VI: ACQUISITION ANALYSIS

Recapitulation

The subject property was appraised with consideration given to the three traditional approaches to value. The Cost Approach was not considered, because the purpose of the appraisal is to estimate the value of the land as vacant. The Income Approach was not considered because farms in this area, generally, have not been purchased based upon income potential. The Sales Comparison Approach was used in estimating the value of the subject property, both *Before and After* Easement Acquisition.

As described in the report, there is a continued, but limited, demand for residential and/or commercial property in the township. Demand is expected to increase in future years. The subject property, which is located near other farms and residential uses, is presently used for agricultural purposes. The value of land, as vacant, before easement acquisition, is estimated at \$2,142,000, less \$226,000 equals \$1,916,000. According to the owner, a portion of the property is reportedly contaminated with pesticides or insecticides. RT Environmental Services, Inc. completed a cost to cure estimate totaling \$301,105, that included lots that are not included in this appraisal. It is estimated that 75% of the cost estimate is applicable to the current cost to cure. \$225,828, rounded to \$226,000. The Highest and Best Use, before easement acquisition, is residential and agricultural use. The Highest and Best Use, after easement acquisition, is agricultural use.

Owners of real property are considered to have a "Bundle of Rights", i.e., the right to use the real estate, to sell it, to lease it, to give it away, or to choose to exercise all or none of these rights. An easement acquisition that restricts the use of the land requires the owner to give up part of the Bundle of Rights by encumbering the land for the future use of the site. In order for real property to have value four things must exist. They are utility, scarcity, demand and transferability. By placing a restrictive easement on the land, requiring the land to be used for agricultural use, with only the possibility of development of one or two residential dwellings in the future, the utility of the land is diminished or harmed. Even though development in a given area may have been slow for many years owners anticipate a future benefit in the value of the land, when the time comes to transfer ownership. Knowledgeable buyers will consider the possible utility when purchasing land. A Buyer will pay more for a parcel of land that is unrestricted in use, than he would if the same parcel is restricted or limited in its possible use.

In the section appraising the property, in the *Before Value*, unrestricted, comparable sales of vacant land established the value of the land at \$18,000 per acre. This value represents the upper limit of value of the parcel, as it now exists. **Special Note:** If investigations, special studies including but not limited to legal, engineering, surveys, wetlands delineation, chemical or others, completed by qualified individuals should reveal that facts contained within the assumptions and limiting conditions as set forth above were not known or conveyed to the appraiser as of the date of this report, the undersigned should be appraised of such information to obtain his opinion as to the effect, if any, to his final value estimate. The indicated Market Value of the subject property, Before Easement Acquisition is \$1,916,000.

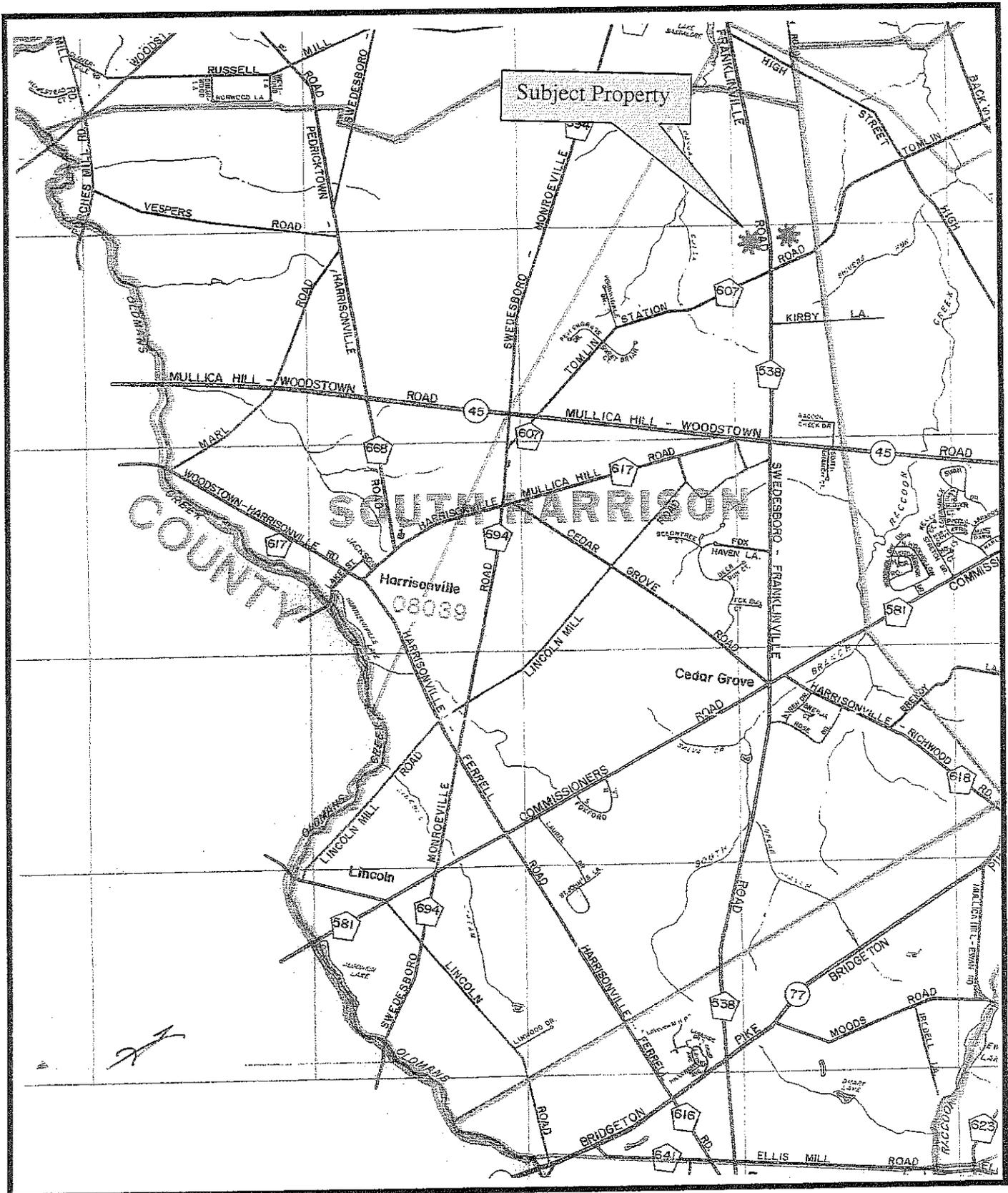
Recapitulation (continued)

In the section appraising the property in the *After Value*, restricted sales of vacant land were considered and given weight indicating the value of the land at \$5,600 per acre. The total property area contains 118.95 acres, prior to any exceptions. The owner has requested a 1.52 acre, severable exception to exclude several improvements in Block 5, Lot 4. The area is rounded to 119 acres in the Before Value. In the After Value, the area is estimated at 117 acres, which is derived by the following: 118.95 acres, less 1.52 acre exception, equals 117.43 acres, rounded to 117 acres. The indicated Market Value of the subject property, After Easement Acquisition, is \$655,200 (117 acres x \$5,600). In my opinion, there are no damages to the remainder property. The farm can continue to be used for agricultural purposes, as it now exists.

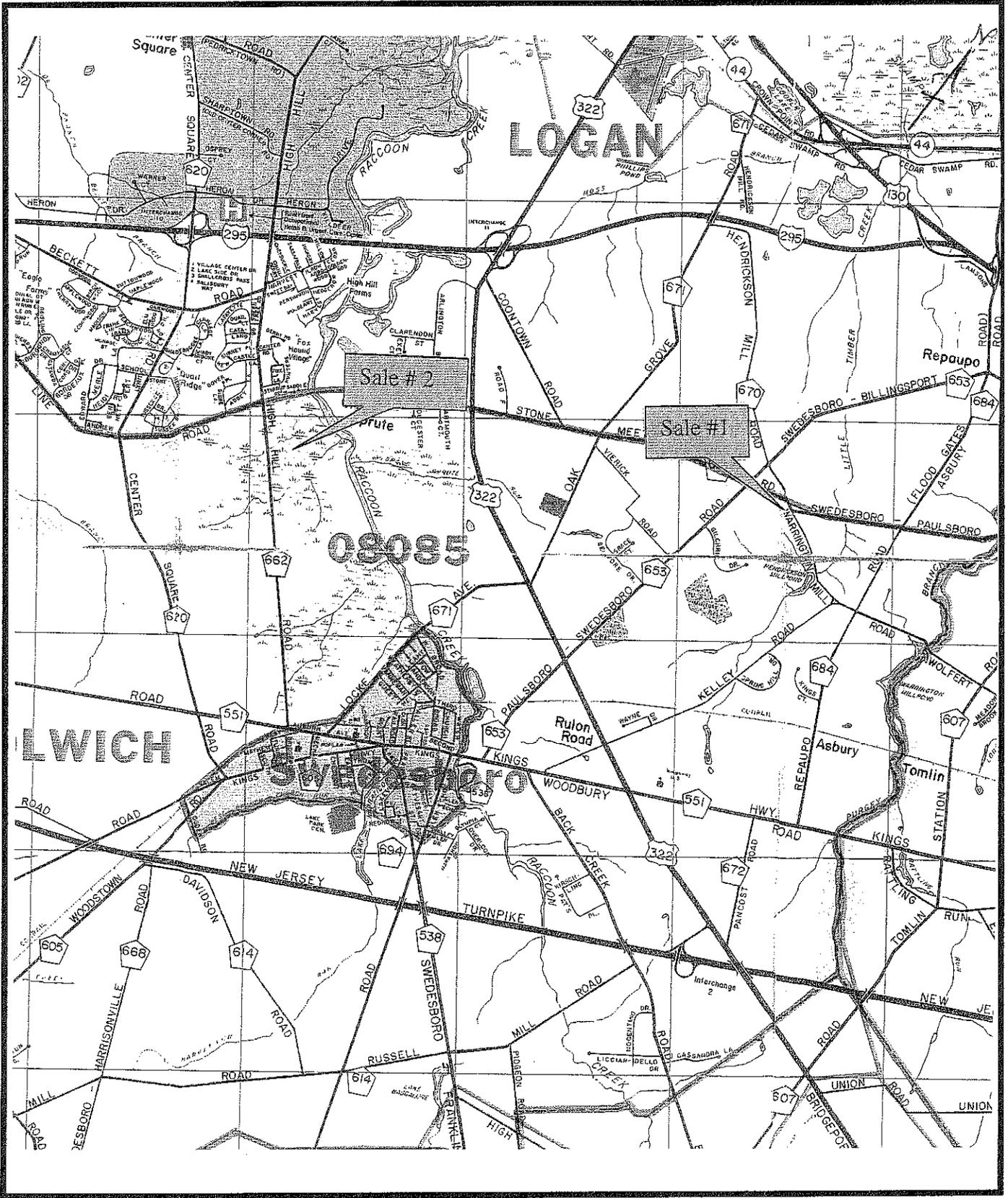
In arriving at a value conclusion, the appraiser has interviewed sellers, buyers and farmers in counties of Southern New Jersey, concerning the Market Value of farm property, both unrestricted and with a restrictive covenant permitting only agriculture use. After a careful analysis of all facts reported and weighing the reliability of each, it is my opinion that the Market Value of the subject property, as of September 10, 2011, is estimated at:

	<u>Per Acre</u>	<u>Total</u>
Estimate of Property Value, Before:	\$16,101.	\$1,916,000.
Estimate of Property Value, After:	\$ 5,600.	\$ 655,200.
Estimate of Development Easement Value:	\$10,501.	\$1,260,800.

ADDENDA

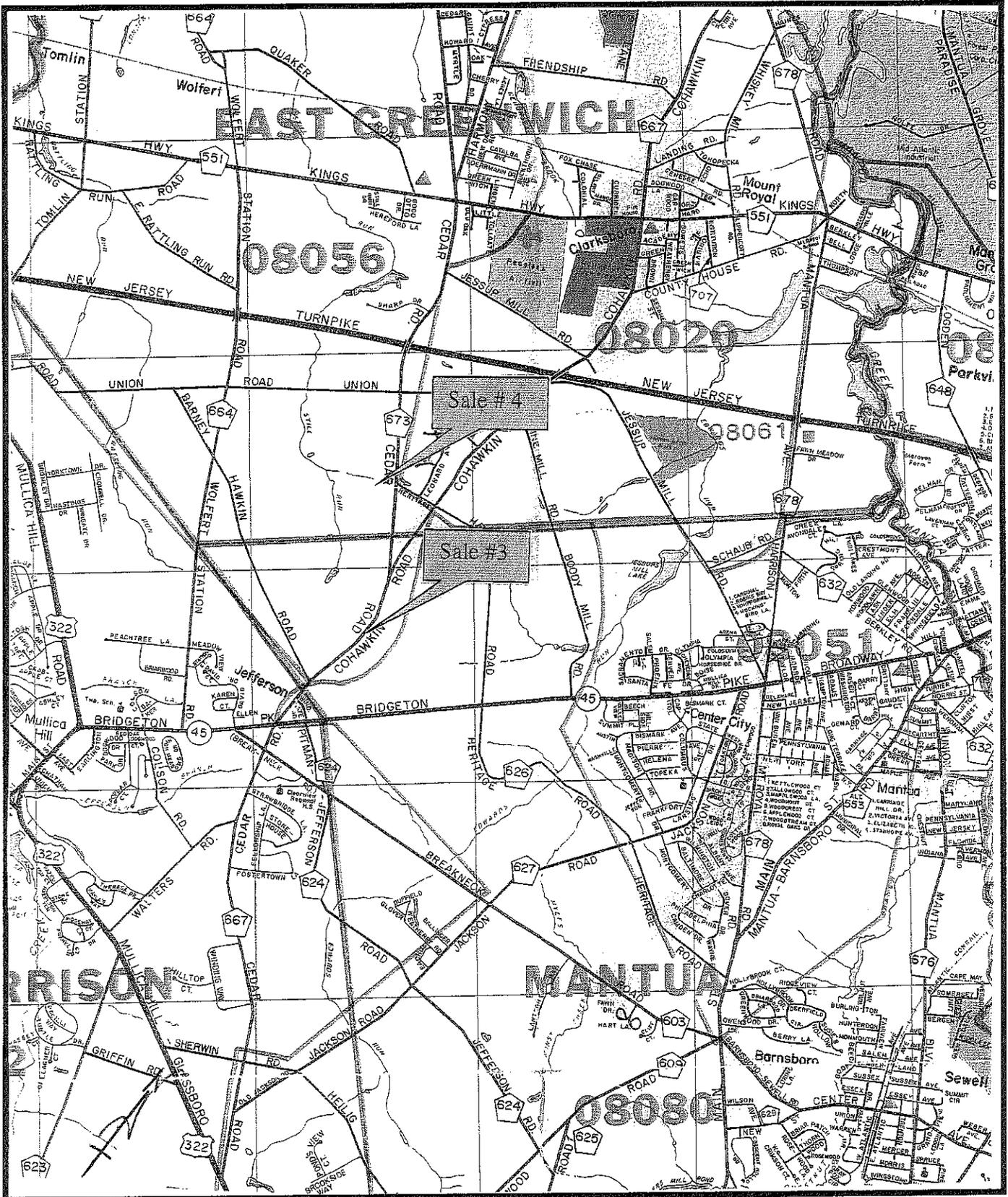


LOCATION MAP



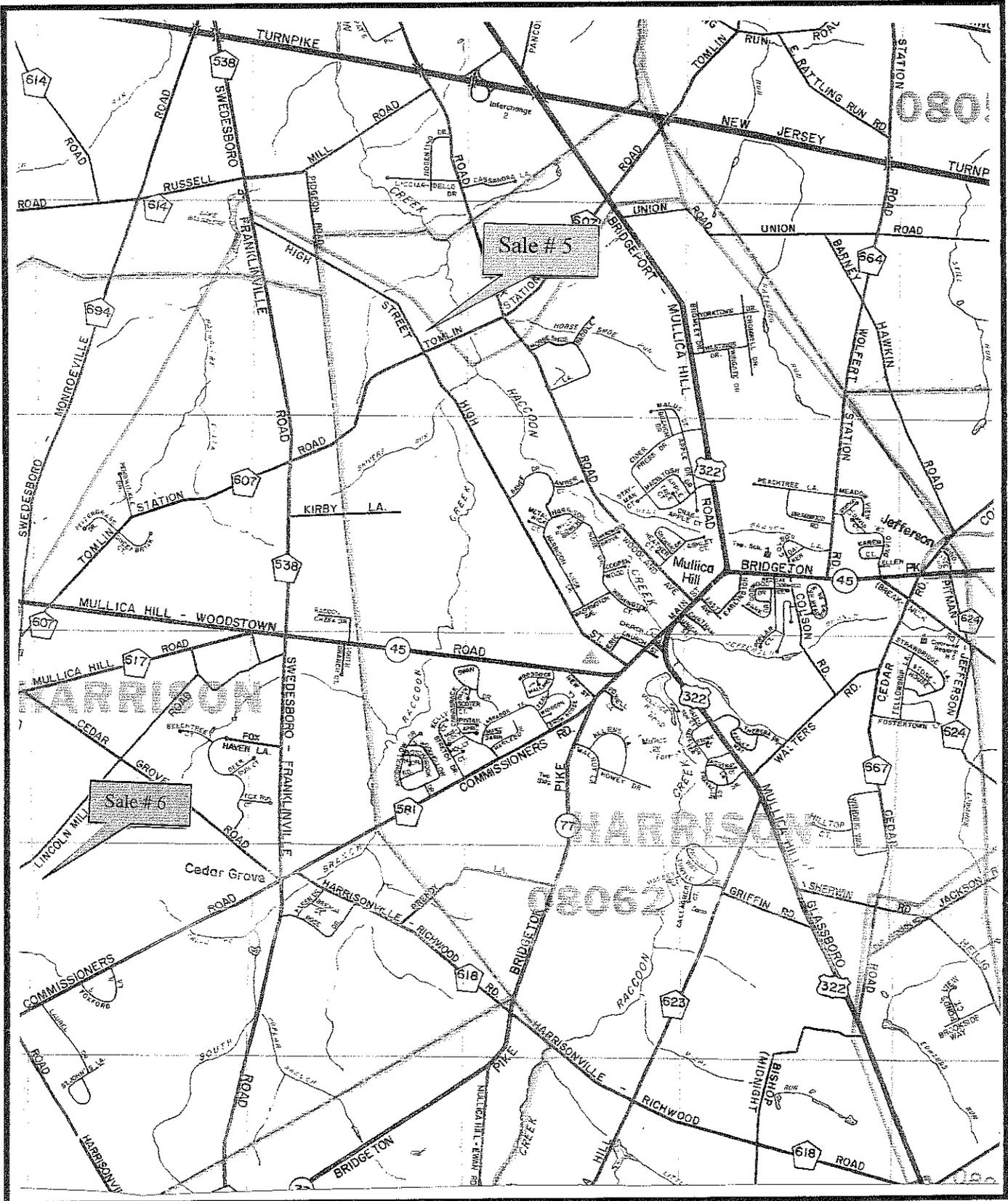
COMPARABLE SALES MAP

P. W. Frankenfield Associates



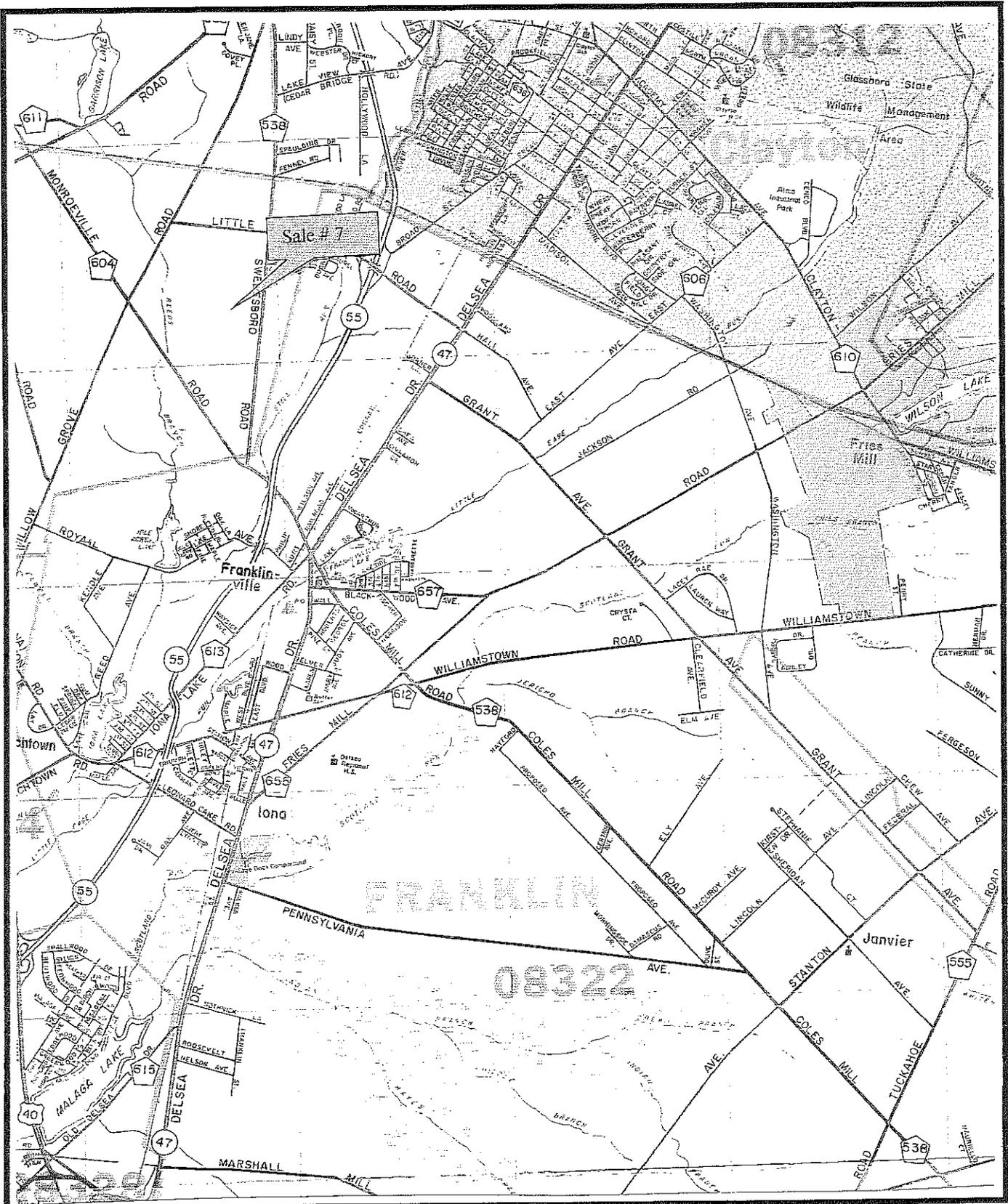
COMPARABLE SALES MAP

P. W. Frankenfield Associates

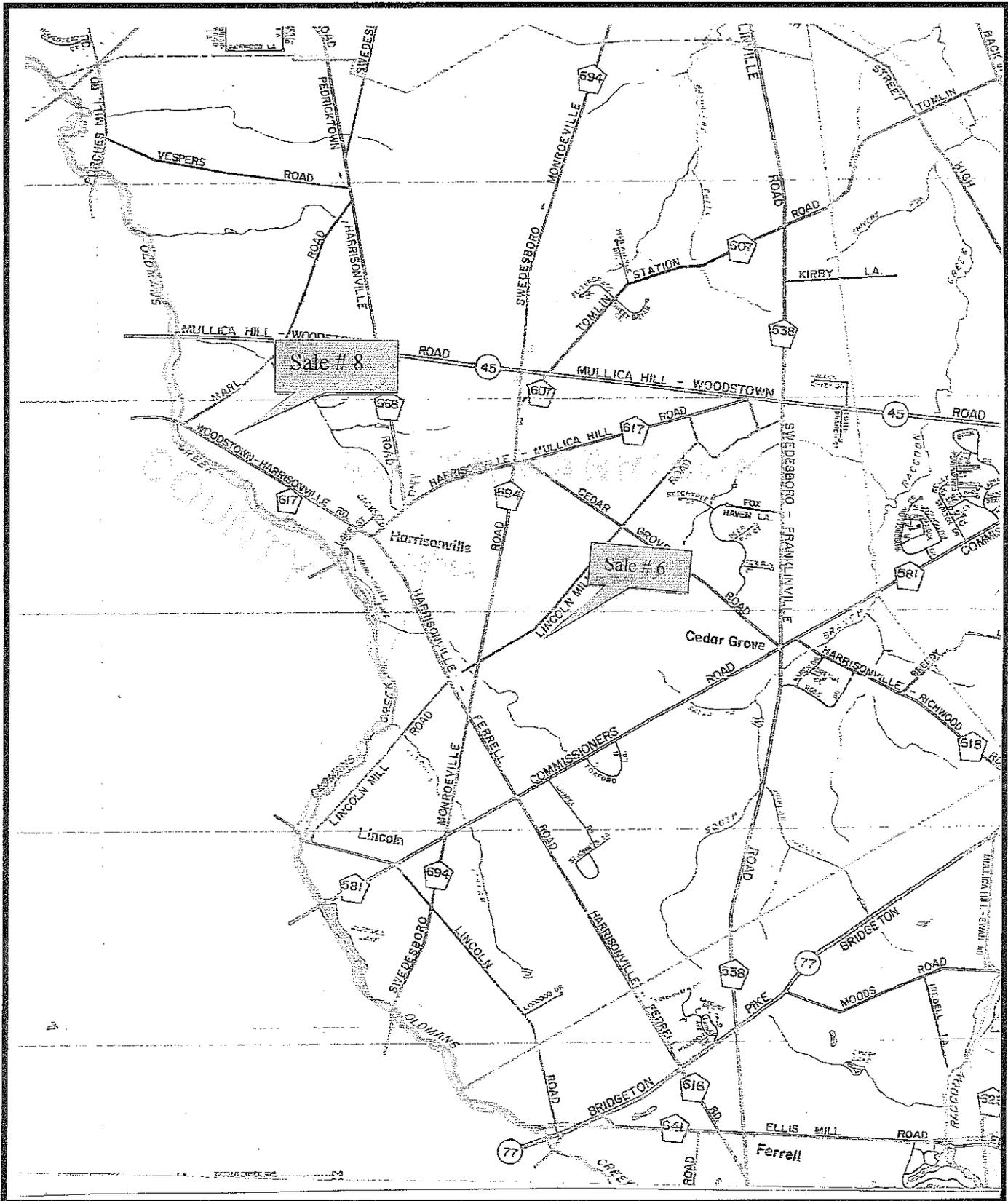


COMPARABLE SALES MAP

R. W. Frankenfield Associates



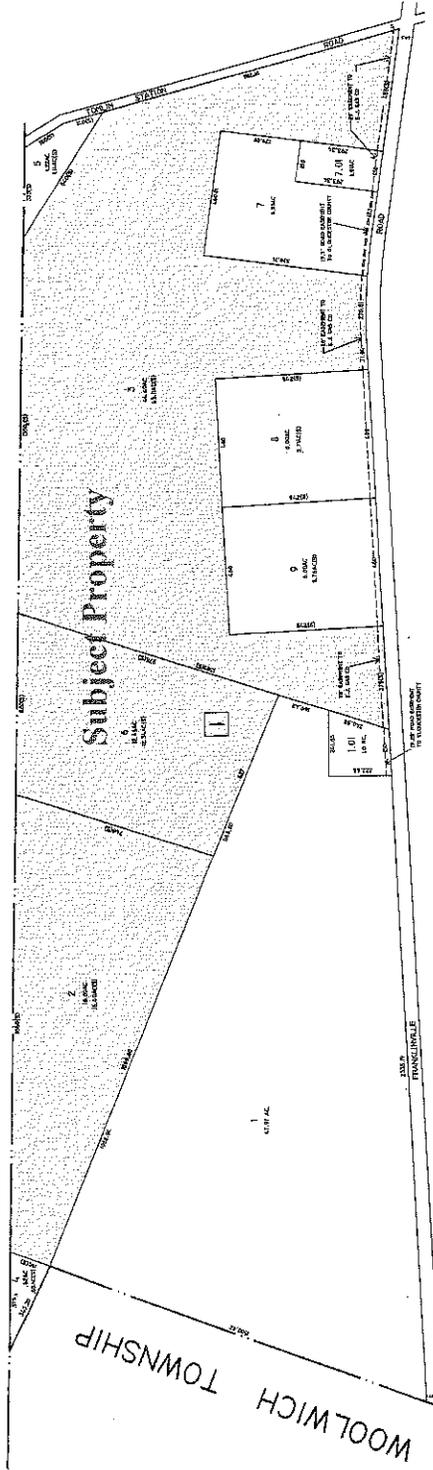
COMPARABLE SALES MAP



COMPARABLE SALES MAP

HARRISON TOWNSHIP

Subject Property



WOOLWICH TOWNSHIP

TAX MAP

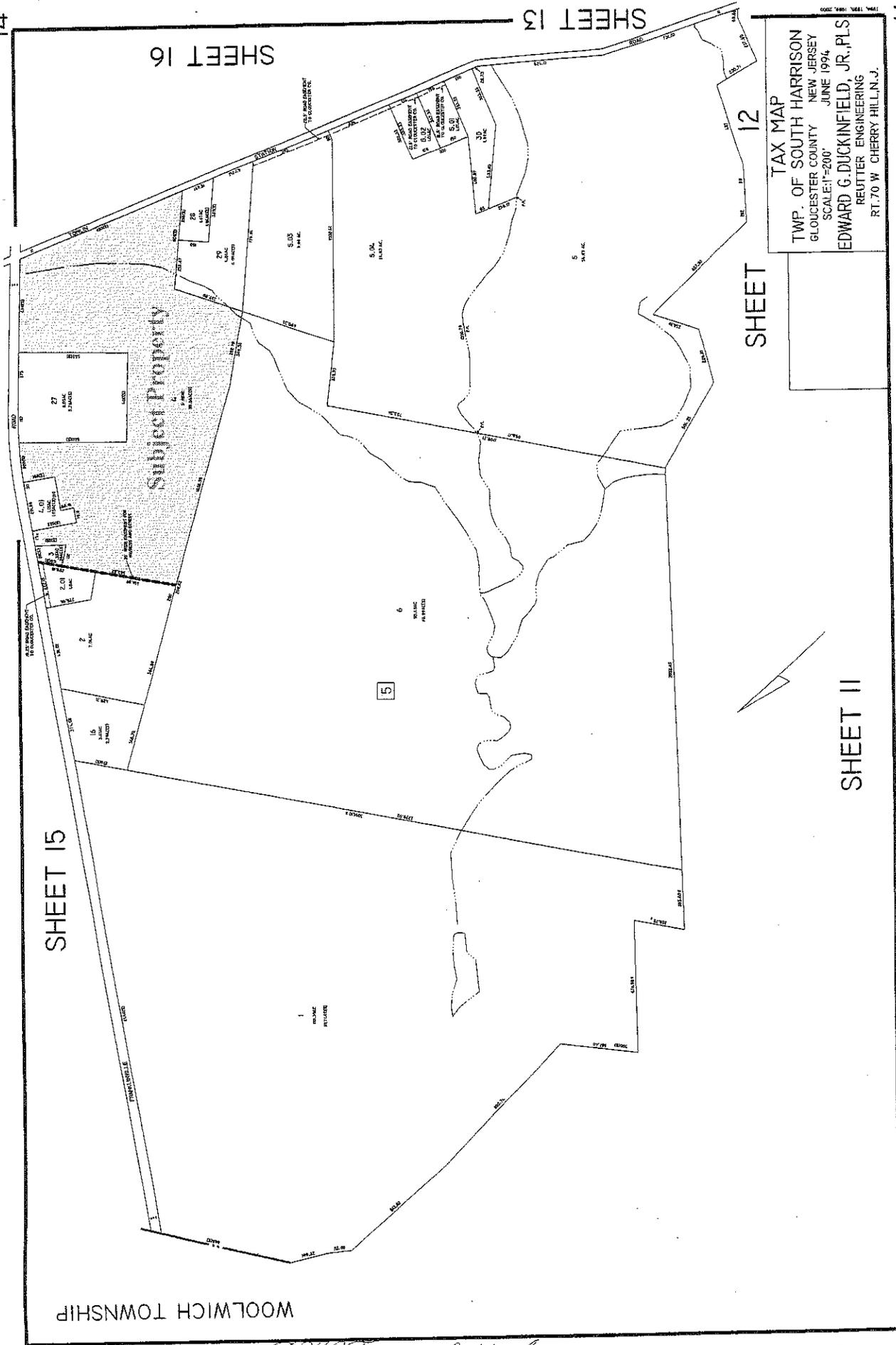
TWP. OF SOUTH HARRISON
GLOUCESTER COUNTY NEW JERSEY
SCALE: 1"=200'

JUNE 1994
EDWARD G. DUCKINFIELD, JR., PLS
REUTTER ENGINEERING
RT. 70 W. CHERRY HILL, N.J.

SHEET 14

17

17



SHEET 15

SHEET 16

SHEET 13

12

SHEET

SHEET 11

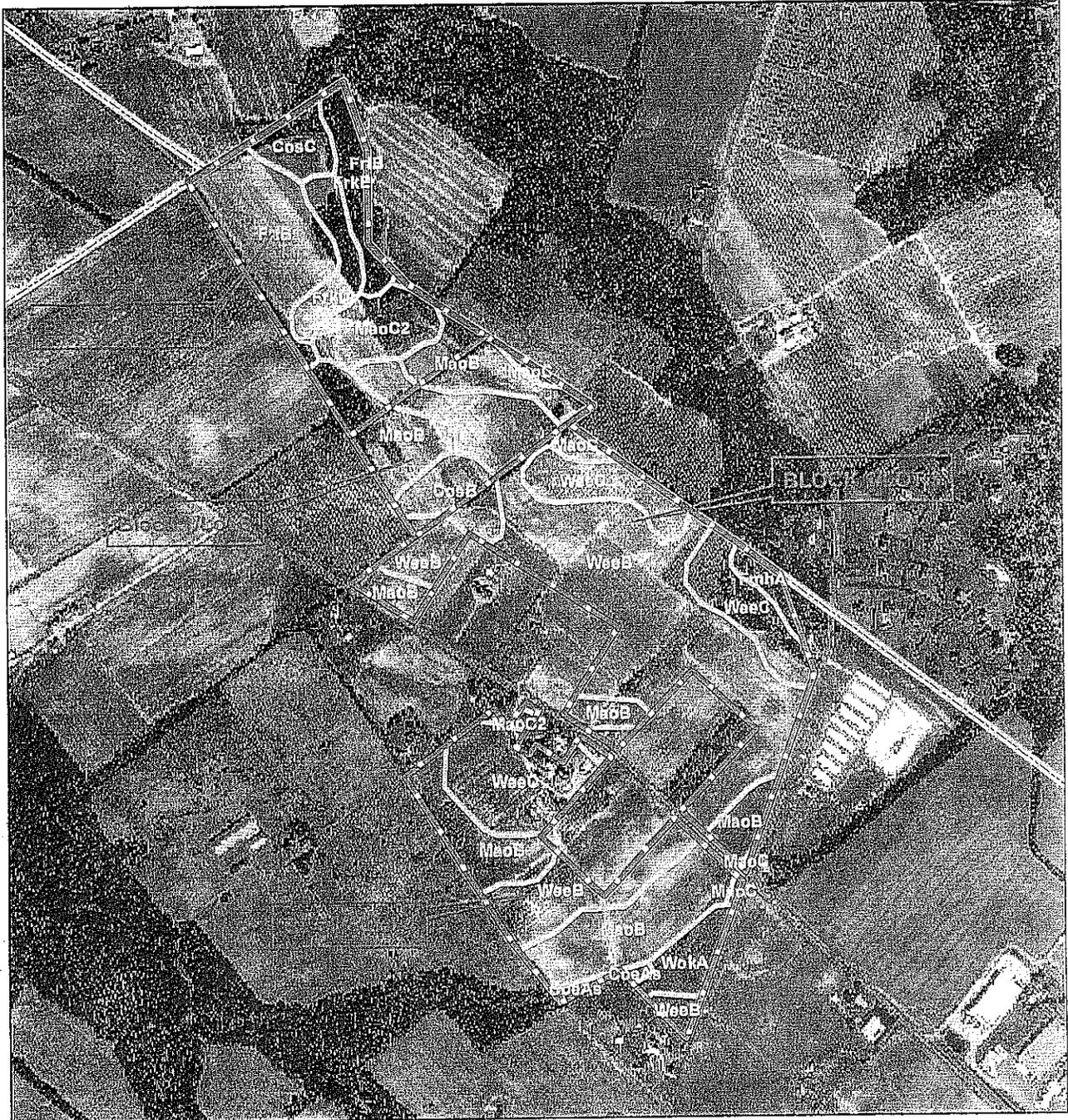
TAX MAP
 TWP. OF SOUTH HARRISON
 GLOUCESTER COUNTY NEW JERSEY
 SCALE: 1"=200' JUNE 1994
 EDWARD G. DICKINFIELD, JR., PLS
 REUTER ENGINEERING
 RT. 70 W. CHERRY HILL, N.J.

WOOLWICH TOWNSHIP

R. W. Frankensfield Associates

A-3a

Soils



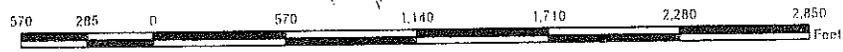
FARMLAND PRESERVATION PROGRAM
NJ State Agriculture Development Committee

MACCHERONE
 Block 1/Lots 2 (28.0 ac.), 3 (44.0 ac.), 6 (15.0 ac.)
 Block 5/Lot 4 (31.0 ac.)
 S. Harrison Twp., Gloucester County
 Total 118.0 ac.

Property in Question
 Soil Boundaries



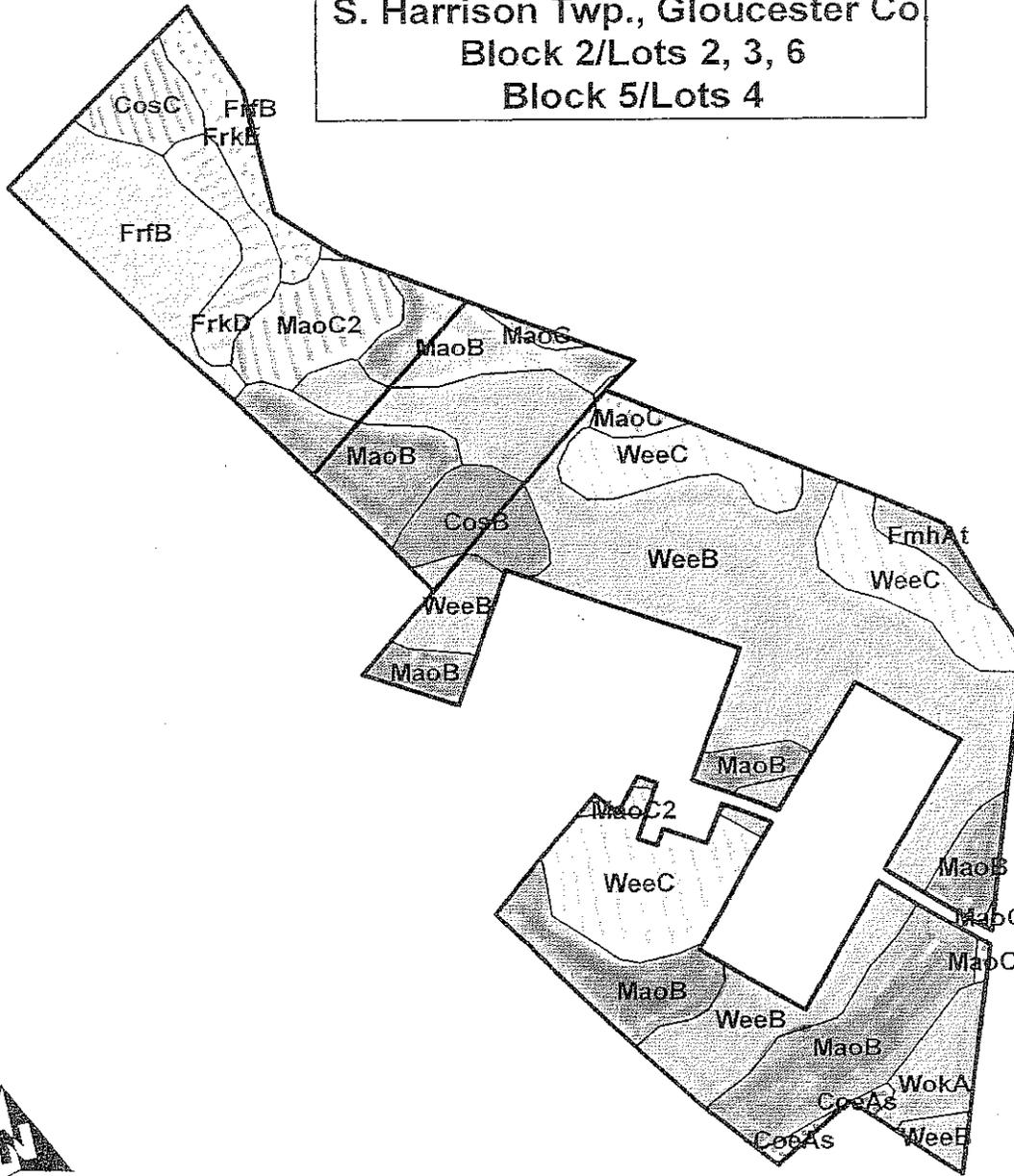
SOURCES:
 NRCS - SSURGO Soil Data
 NJOIT 2007 Digital Orthophoto



DISCLAIMER: Any use of this product with respect to accuracy and precision shall be the sole responsibility of the user. The configuration and geo-referenced location of parcel polygons in this data layer are approximate and were developed primarily for planning purposes. The geodetic accuracy and precision of the GIS data contained in this file and map shall not be, nor are intended to be, relied upon in matters requiring delineation and location of true ground horizontal and/or vertical controls as would be obtained by an actual ground survey conducted by a licensed Professional Land Surveyor.

4/15/10

MACCHERONE
S. Harrison Twp., Gloucester Co.
Block 2/Lots 2, 3, 6
Block 5/Lots 4



1 inch equals 700 feet



SSURGO SOILS

musym	Last_muname	Last_farmIndcl	Sum_Acres
CoeAs	Colemantown loam, 0 to 2 percent slopes, occasionally flo	Not prime farmland	0.5711
CosB	Colts Neck sandy loam, 2 to 5 percent slopes	All areas are prime farmland	3.7775
CosC	Colts Neck sandy loam, 5 to 10 percent slopes	Farmland of statewide importan	2.7202
FmhAt	Fluvaquents, loamy, 0 to 3 percent slopes, frequently flood	Not prime farmland	1.2776
FrkB	Freehold loamy sand, 0 to 5 percent slopes	All areas are prime farmland	9.026
FrkD	Freehold sandy loam, 10 to 15 percent slopes		3.3598
FrkE	Freehold sandy loam, 15 to 25 percent slopes	Not prime farmland	3.382
MaoB	Marlton sandy loam, 2 to 5 percent slopes	All areas are prime farmland	27.6901
MaoC	Marlton sandy loam, 5 to 10 percent slopes	Farmland of statewide importan	1.5931
MaoC2	Marlton sandy loam, 5 to 10 percent slopes, eroded	Farmland of statewide importan	5.0184
WeeB	Westphalia fine sandy loam, 2 to 5 percent slopes	All areas are prime farmland	40.1066
WeeC	Westphalia fine sandy loam, 5 to 10 percent slopes	Farmland of statewide importan	16.1122
WokA	Woodstown-Glassboro complex, 0 to 2 percent slopes	All areas are prime farmland	2.8159

NJ State Agriculture Development Committee Soils Block Lot Breakdown

MACCHERONE, SANTO J.

LOT(s)

County	Municipality	Block	Lot				
Gloucester	South Harrison Twp.	1	2	Farmland Classification	Soil Type		
				Acres	Percent		
				All areas are prime farmland	FrB	9.02	7.68%
					MaoB	3.54	3.02%
					WeeB	1.12	0.96%
				All areas are prime farmland Total		13.69	11.66%
				Farmland of local importance - GLO	FrkD	3.36	2.86%
				Farmland of local importance - GLO Total		3.36	2.86%
				Farmland of statewide importance	CosC	2.72	2.31%
					MaoC2	4.66	3.97%
				Farmland of statewide importance Total		7.38	6.28%
				Not prime farmland	FrkE	3.38	2.88%
				Not prime farmland Total		3.38	2.88%
				Total for this LOT(s)		27.81	23.68%

County	Municipality	Block	Lot				
Gloucester	South Harrison Twp.	1	3	Farmland Classification	Soil Type		
				Acres	Percent		
				All areas are prime farmland	CosB	1.37	1.16%
					MaoB	4.54	3.86%
					WeeB	27.31	23.25%
				All areas are prime farmland Total		33.21	28.28%
				Farmland of statewide importance	MaoC	0.93	0.79%
					WeeC	8.90	7.57%
				Farmland of statewide importance Total		9.83	8.37%
				Not prime farmland	FmhAt	1.27	1.09%
				Not prime farmland Total		1.27	1.09%
				Total for this LOT(s)		44.32	37.73%

NJ State Agriculture Development Committee Soil Classifications

MACCHERONE, SANTO J.

Soil Classification	Acres	Percentage
All areas are prime farmland	83.41	71.02%
Farmland of local importance - GLO	3.36	2.86%
Farmland of statewide importance	25.45	21.67%
Not prime farmland	5.23	4.45%
Total	117.45	100.00%

** Acres and Percentage Totals for Easement Acres only, Exception Statistics not included. **

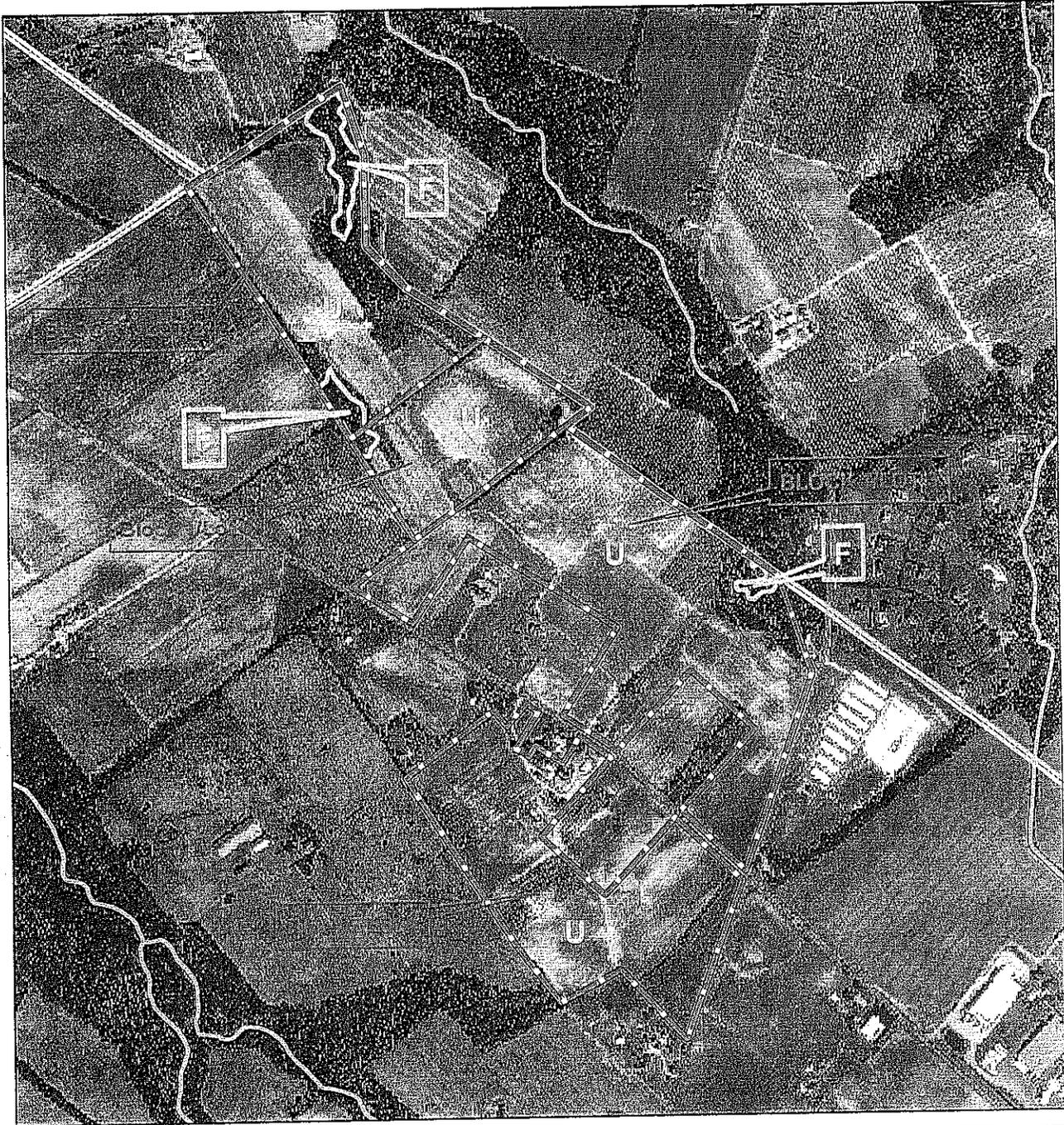
NJ State Agriculture Development Committee Septic Suitability

MACCHERONE, SANTO J.

Septic Suitability Classification	Acres	Percentage
Not limited	78.46	66.80%
Somewhat limited	2.81	2.39%
Very limited	36.18	30.80%
Total	117.45	100.00%

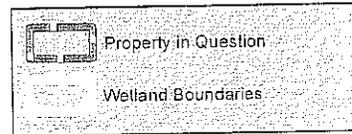
** Acres and Percentage Totals for Easement Acres only, Exception Statistics not included. **

Wetlands



FARMLAND PRESERVATION PROGRAM
NJ State Agriculture Development Committee

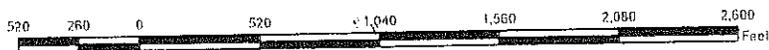
MACCHERONE
 Block 1/Lots 2 (28.0 ac.), 3 (44.0 ac.), 6 (15.0 ac.)
 Block 5/Lot 4 (31.0 ac)
 S. Harrison Twp., Gloucester County
 Total 118.0 ac.



Wetlands Legend
 F - Freshwater Wetlands
 U - Uplands

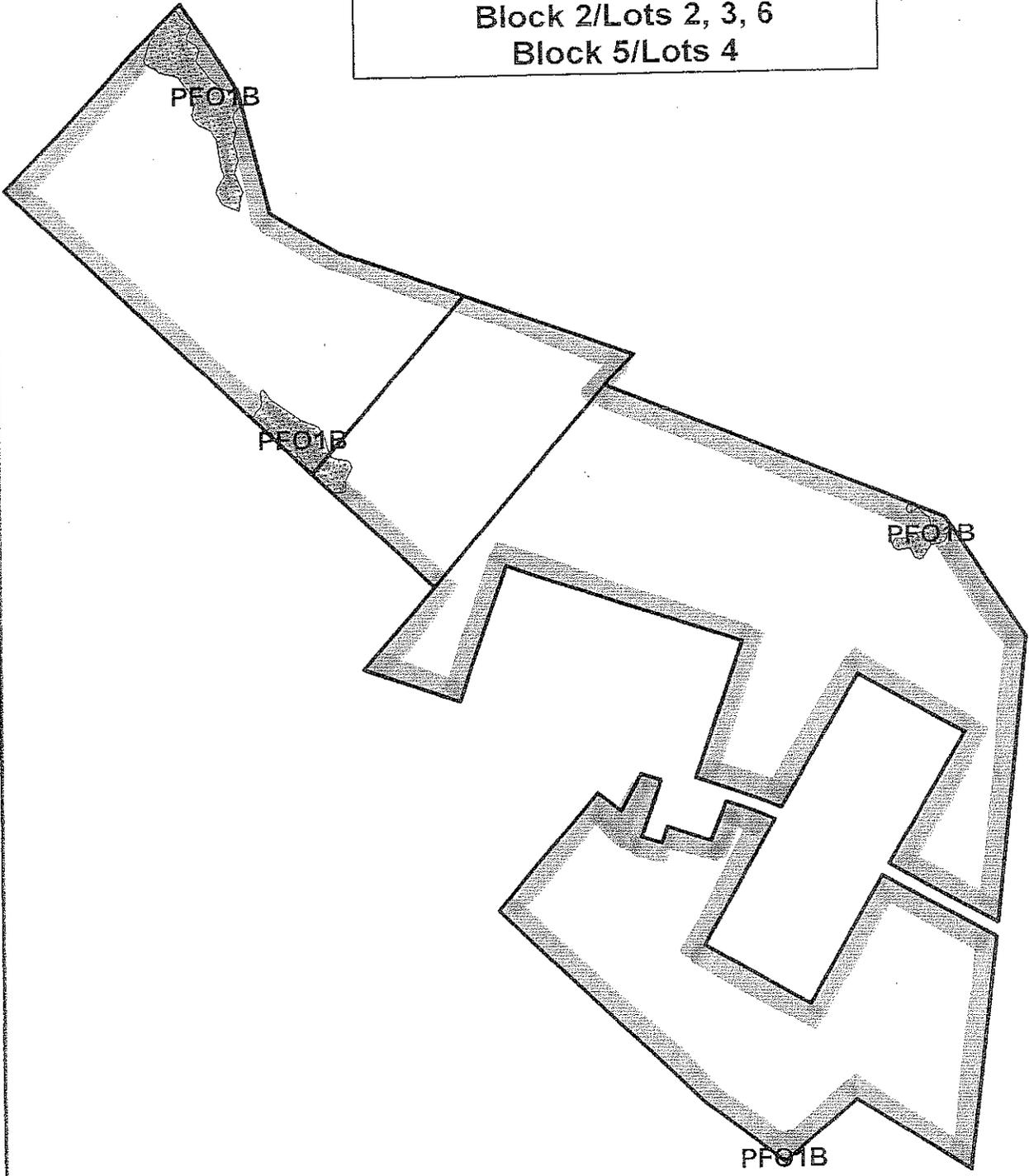
SOURCES:
 NJDEP Freshwater Wetlands Data
 NJOIT 2007 Digital Orthophoto

4/15/10



DISCLAIMER: Any use of this product with respect to accuracy and precision shall be the sole responsibility of the user. The configuration and geo-referenced location of parcel polygons in this data layer are approximate and were developed primarily for planning purposes. The geodetic accuracy and precision of the GIS data contained in this file and map shall not be, nor are intended to be, relied upon in matters requiring delineation and location of true ground horizontal and/or vertical controls as would be obtained by an actual ground survey conducted by a licensed Professional Land Surveyor.

MACCHERONE
S. Harrison Twp., Gloucester Co.
Block 2/Lots 2, 3, 6
Block 5/Lots 4



WETLANDS



1 inch equals 600 feet

CLASS	Last_COWARDIN	Last_LABEL	Sum_ACRES
16	PFO1B	DECIDUOUS WOODED WETLA	3.49



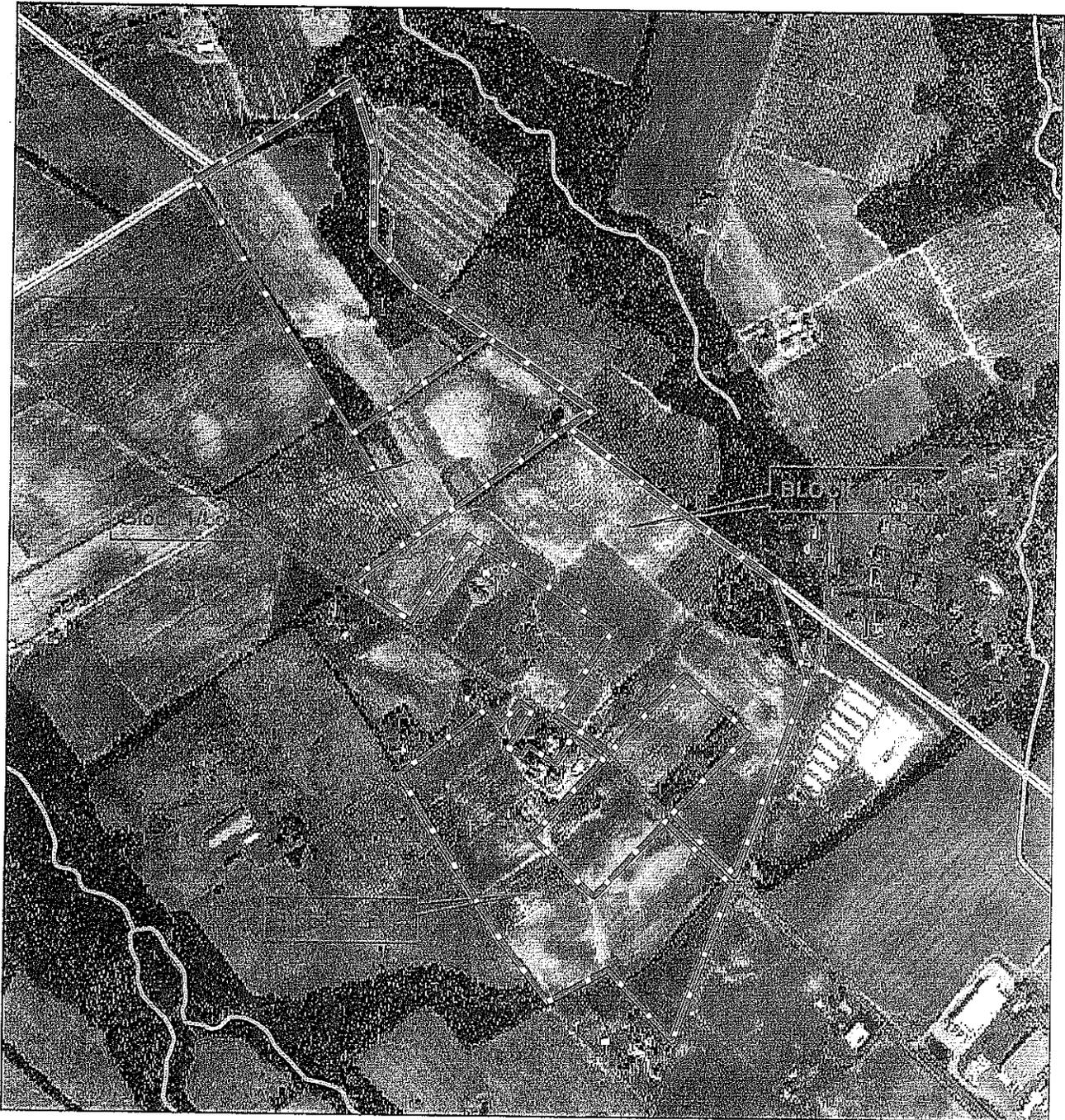
NJ State Agriculture Development Committee Wetlands Block Lot Breakdown

MACCHERONE, SANTO J.

LOT(s)

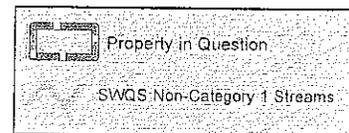
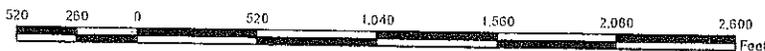
County	Municipality	Block	Lot	Wetland Classification	Acres	Percent
Gloucester	South Harrison Twp.	1	2			
				FWW	3.02	2.57%
				NON-WETLAND	24.79	21.11%
				Total for this LOT(s)	27.81	23.68%
County	Municipality	Block	Lot	Wetland Classification	Acres	Percent
Gloucester	South Harrison Twp.	1	3			
				FWW	0.43	0.37%
				NON-WETLAND	43.88	37.36%
				Total for this LOT(s)	44.32	37.73%
County	Municipality	Block	Lot	Wetland Classification	Acres	Percent
Gloucester	South Harrison Twp.	1	6			
				FWW	0.07	0.06%
				NON-WETLAND	14.51	12.35%
				Total for this LOT(s)	14.58	12.41%
County	Municipality	Block	Lot	Wetland Classification	Acres	Percent
Gloucester	South Harrison Twp.	5	4			
				FWW	0.00	0.00%
				NON-WETLAND	30.74	26.17%
				Total for this LOT(s)	30.74	26.17%
Total for all LOT(s)					117.45	100.00%

Surface Water Quality Standards



FARMLAND PRESERVATION PROGRAM
 NJ State Agriculture Development Committee

MACCHERONE
 Block 1/Lots 2 (28.0 ac.), 3 (44.0 ac.), 6 (15.0 ac.)
 Block 5/Lot 4 (31.0 ac.)
 S. Harrison Twp., Gloucester County
 Total 118.0 ac.



SOURCES:
 NJDEP Surface Water Quality Standards
 NJDEP Stormwater Rule Areas
 Affected by 300 Foot Buffers
 2007 NJOIT Digital Orthophotos

4/15/10

DISCLAIMER: Any use of this product with respect to accuracy and precision shall be the sole responsibility of the user. The configuration and geo-referenced location of parcel polygons in this data layer are approximate and were developed primarily for planning purposes. The geodetic accuracy and precision of the GIS data contained in this file and map shall not be, nor are intended to be, relied upon in matters requiring delineation and location of true ground horizontal and/or vertical controls as would be obtained by an actual ground survey conducted by a licensed Professional Land Surveyor.

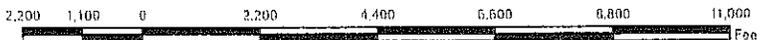
DISCLAIMER: The "Stormwater Rule Areas Affected by 300 Foot Buffers" and the "SWQS (Surface Water Quality Standards) data depicted on this map are available at www.state.nj.us/dop. Its purpose is to help determine if a property may be subject to the new Stormwater Management rules. When interpreting the SWQS, the SWQS regulations at N.J.A.C. 7:9B will always take precedence. These GIS layers are supplemental only and not legally binding. Not all tributaries of category 1 streams have been mapped. Actual stream courses may not be visible on the map due to map scale. The SWQS data is current through eKovages published August 4, 2005. The "Stormwater Rule Areas Affected by 300 Foot Buffers" data is current through the August 20, 2004 edition. The user should regularly refer to <http://www.nj.gov/de/p/gis/stateshp.html> for updated information.

Preserved Farms and Active Applications Within Two Miles



**FARMLAND PRESERVATION PROGRAM
NJ State Agriculture Development Committee**

MACCHERONE
 Block 1/Lots 2 (28.0 ac.), 3 (44.0 ac.), 6 (15.0 ac.)
 Block 5/Lot 4 (31.0 ac.)
 S. Harrison Twp., Gloucester County
 Total 118.0 ac.



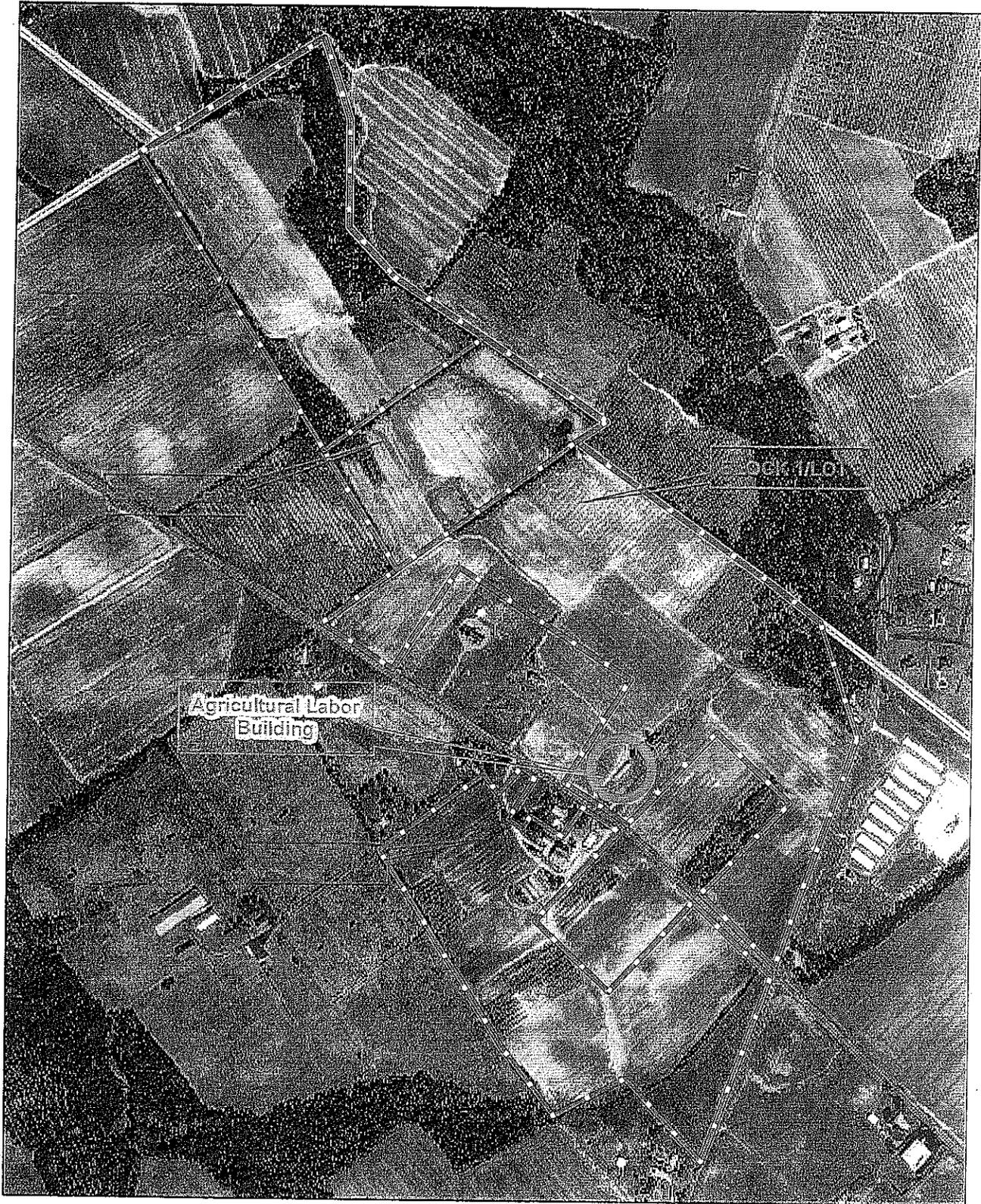
	Property in Question
	Preserved Easements
	Active Applications
	Green Acres/Federal Preserved Easements
Base Map	
	Municipal Boundary

Sources:

Gloucester Co. Land Preservation
 NJOIT 2007 Digital Orthophoto
 4/15/10

NOTE:
 The parcel boundaries shown on this map are approximate and should not be construed to be a land survey as defined by the New Jersey board of Professional Engineers and Land Surveyors

IMPROVEMENTS



MACCHERONE
Block 1/Lots 2 (28.0 ac.), 3 (44.0 ac.), 6 (15.0 ac.)
Block 5/Lot 4 (31.0 ac)
S. Harrison Twp., Gloucester County
Total 118.0 ac.

FARMLAND PRESERVATION PROGRAM
NJ State Agriculture Development Committee



4/15/10

State of New Jersey
 State Agriculture Development Committee
 Farmland Preservation Program
 GreenLight Approval and Quality Score Report

THIS APPLICATION HAS RECEIVED GREENLIGHT APPROVAL

GENERAL INFORMATION

COUNTY OF	Gloucester	South Harrison Twp. 0816
PROJECT AREA	Raccoon Creek - Gloucester County	PLAN APPROVAL DATE 03/25/2010
APPLICANT	Maccherone, Santo J.	SADC ID # 08- 0126-PG

<u>Blocks and Lots</u>		Gross Acres on Application	118.95
South Harrison Twp.	0816 Block 1	Lot 2	26.79 ACRES
South Harrison Twp.	0816 Block 1	Lot 3	45.42 ACRES
South Harrison Twp.	0816 Block 1	Lot 6	14.56 ACRES
South Harrison Twp.	0816 Block 5	Lot 4	32.18 ACRES

<u>Exceptions</u>	Exception Acres on Application	0
<u>NET ACRES</u>	Net Acres on Application	119

RESTRICTIONS NONE

APPLICATION ELIGIBILITY YES NO

MINIMUM ELIGIBILITY CRITERIA YES NO

- 85 % Tillable 101 acres Tillable YES NO
- 92.5 % Soils Supporting Ag 110 acres Supporting Ag YES NO
- Development Potential?
 - Additional Development Possible YES NO
 - Sufficient Legal Access to Property YES NO
 - Additional Development via Development Credits YES NO

SOILS:	Local	3.00%	* .05	= .15
	Other	4.00%	* 0	= 0
	Prime	71.00%	* .15	= 10.65
	Statewide	22.00%	* .1	= 2.2
				SOILS SCORE: 13

TILLABLE SOILS:	Cropland Harvested	85.00%	* .15	= 12.75
	Other	4.00%	* 0	= 0
	Wetlands	3.00%	* 0	= 0
	Woodlands	8.00%	* 0	= 0
				TILLABLE SOILS SCORE: 12.75

MINIMUM RANK SCORE YES NO

County's Average Score on Record	58.11	
70% County's Average Rank Score	40	
Rank Score of Application as determined by SADC	80.01	APPLICANTS CADE SCORE
Rank Score of Application as determined by CADE	97.93	DID NOT MATCH
		SADC CALCULATED SCORE

State of New Jersey
 State Agriculture Development Committee
 Farmland Preservation Program
 Quality Ranking Score

GENERAL INFORMATION

COUNTY OF Gloucester South Harrison Twp. 0816
 APPLICANT Maccherone, Santo J.

PRIORITIZATION SCORE

SOILS:		Local	3% *	.05	=	.15	
		Other	4% *	0	=	.00	
		Prime	71% *	.15	=	10.65	
		Statewide	22% *	.1	=	2.20	
						SOIL SCORE:	13.00
TILLABLE SOILS:		Cropland Harvested	85% *	.15	=	12.75	
		Other	4% *	0	=	.00	
		Wetlands	3% *	0	=	.00	
		Woodlands	8% *	0	=	.00	
						TILLABLE SOILS SCORE:	12.75
BOUNDARIES	Deed Restricted Farmland (Permanent)		65% *	.2	=	13.00	
AND BUFFERS:	Farmland (Unrestricted)		32% *	.06	=	1.92	
	Residential Development		3% *	0	=	.00	
						BOUNDARIES AND BUFFERS SCORE:	14.92
CONTIGUOUS	Marino	Restricted Farm or Current Application				2	
PROPERTIES	Leone	Restricted Farm or Current Application				2	
/ DENSITY:	Cain	Restricted Farm or Current Application				2	
	Constantino	Restricted Farm or Current Application				2	
	Maccherone	Restricted Farm or Current Application				2	
						DENSITY SCORE:	10.00
LOCAL COMMITMENT:			100% *	19	=	19.00	
						LOCAL COMMITMENT SCORE:	19.00
SIZE:						SIZE SCORE:	8.15
IMMIMENCE OF CHANGE:	SADC Impact factor =	.19					
	Being Subdivided =	2					
						IMMINENCE OF CHANGE SCORE:	2.19
COUNTY RANKING:	Application Received by County	Application Forward to SADC	County Rank				
						COUNTY SCORE:	.00
EXCEPTIONS:						EXCEPTION SCORE:	.00
						TOTAL SCORE:	80.01



Photo #3, Block 1, Lot 3, Tomlin Station Road, in a Westerly Direction, 10/26/11, RWF



Photo #4, Block 5, Lot 4, Tomlin Station Road, in a Westerly Direction, 10/26/11, RWF

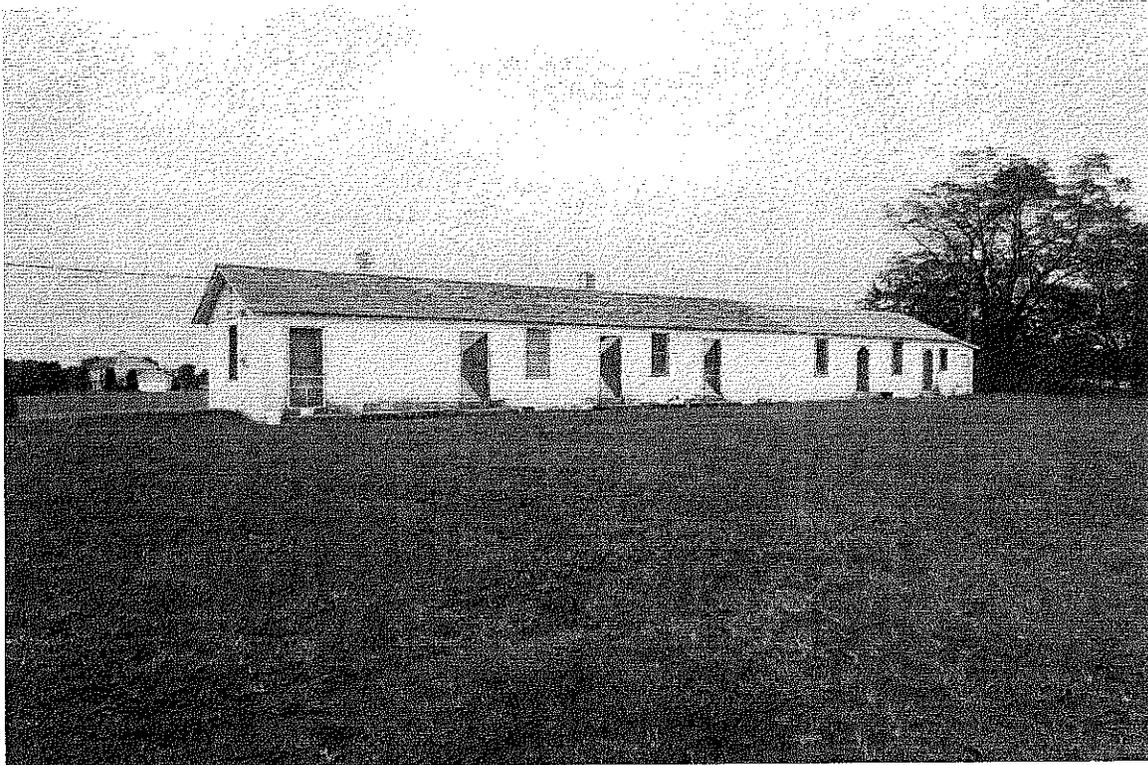


Photo #5, Farm Labor Housing, Block 1, Lot 3, 10/26/11, RWF

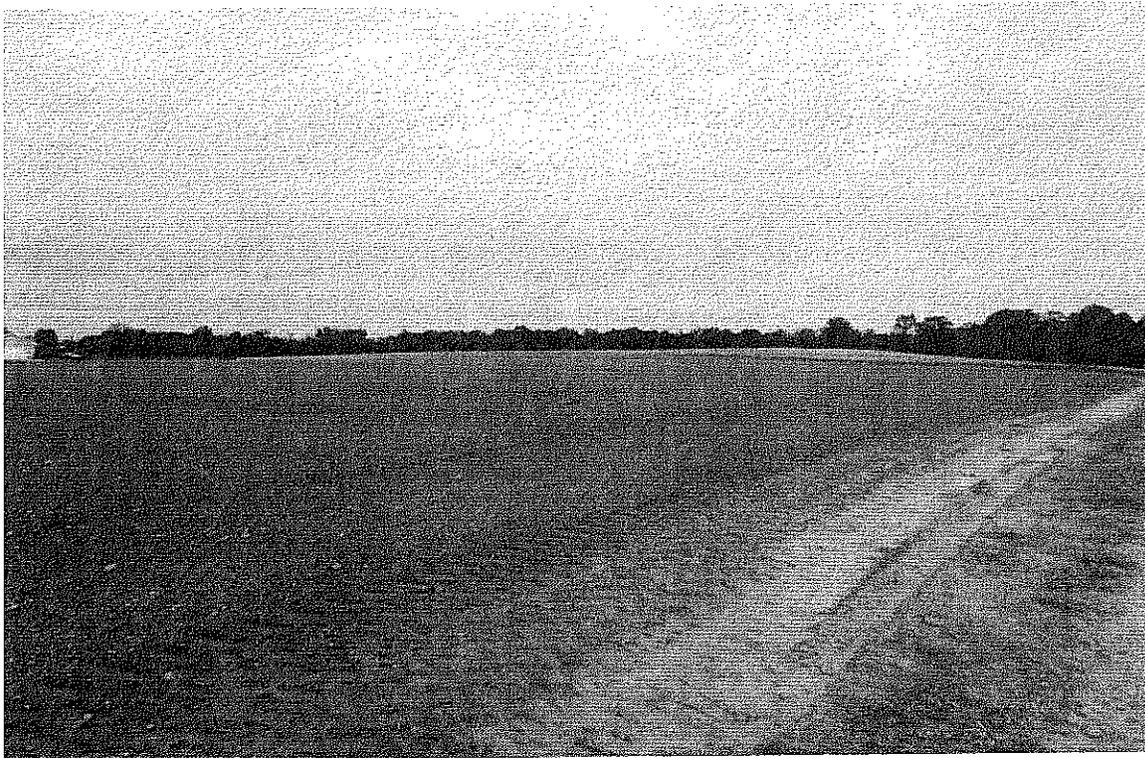


Photo #6, Block 1, Lot 3, 10/26/11, RWF



Photo #7, Block 5, Lot 4, 10/26/11, RWF



Photo #8, Block 5, Lot 4, 10/26/11, RWF

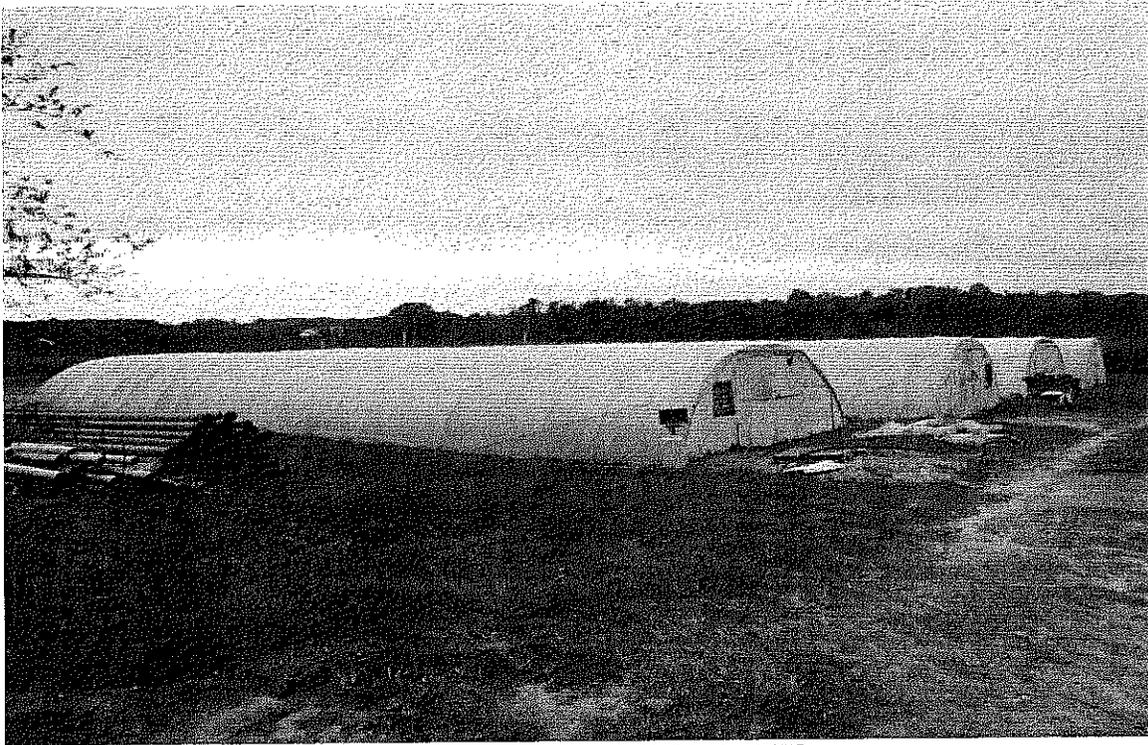


Photo #9, Block 5, Lot 4, 10/26/11, RWF



Photo #10, Block 5, Lot 4, 10/26/11, RWF

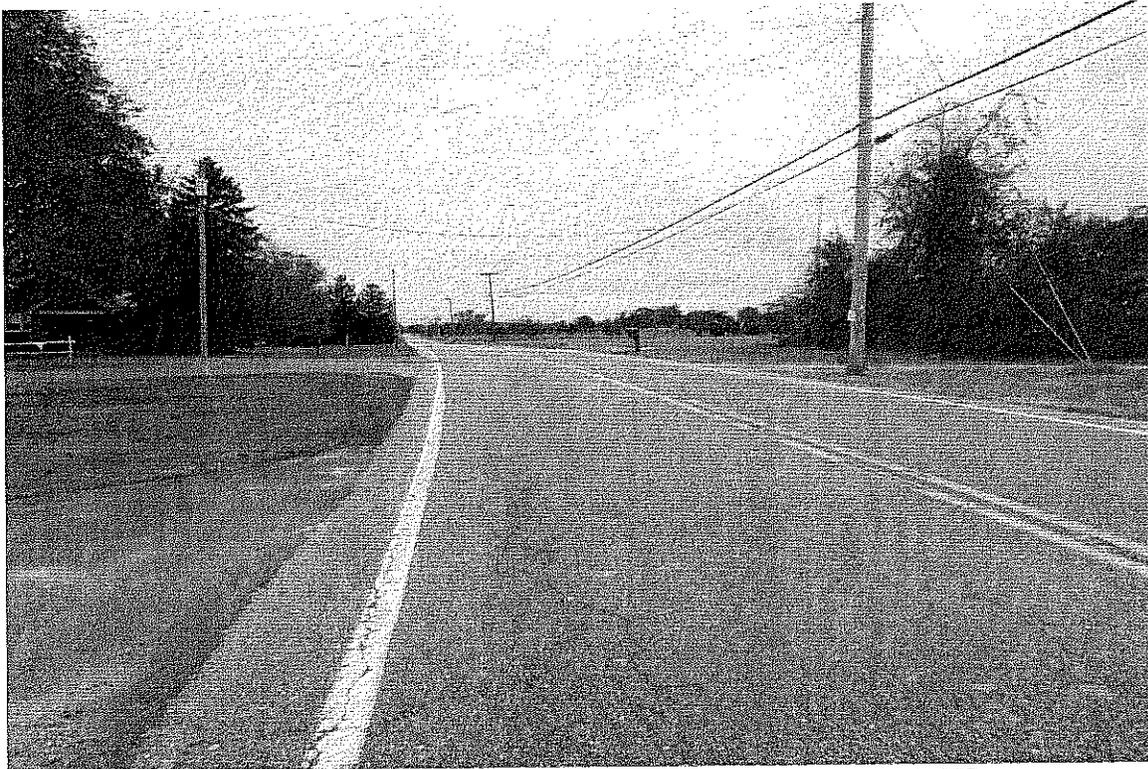


Photo #11, Franklinville Road in a Westerly Direction, 10/26/11, RWF

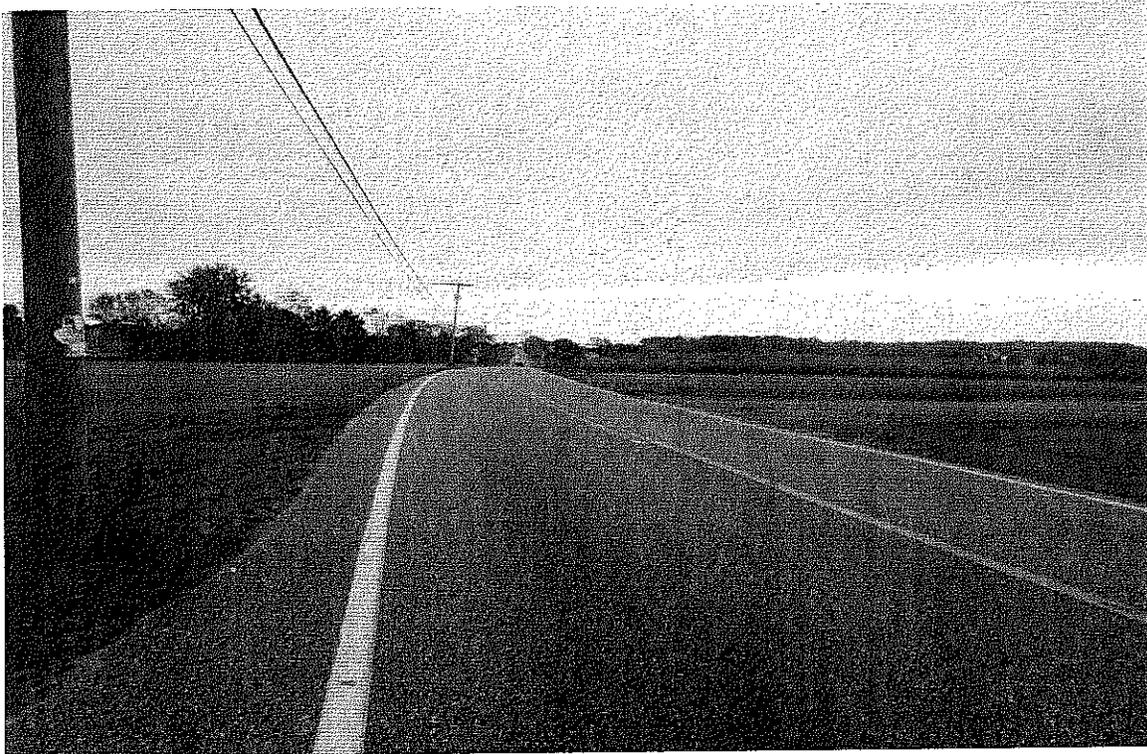


Photo #12, Franklinville Road in an Easterly Direction, 10/26/11, RWF

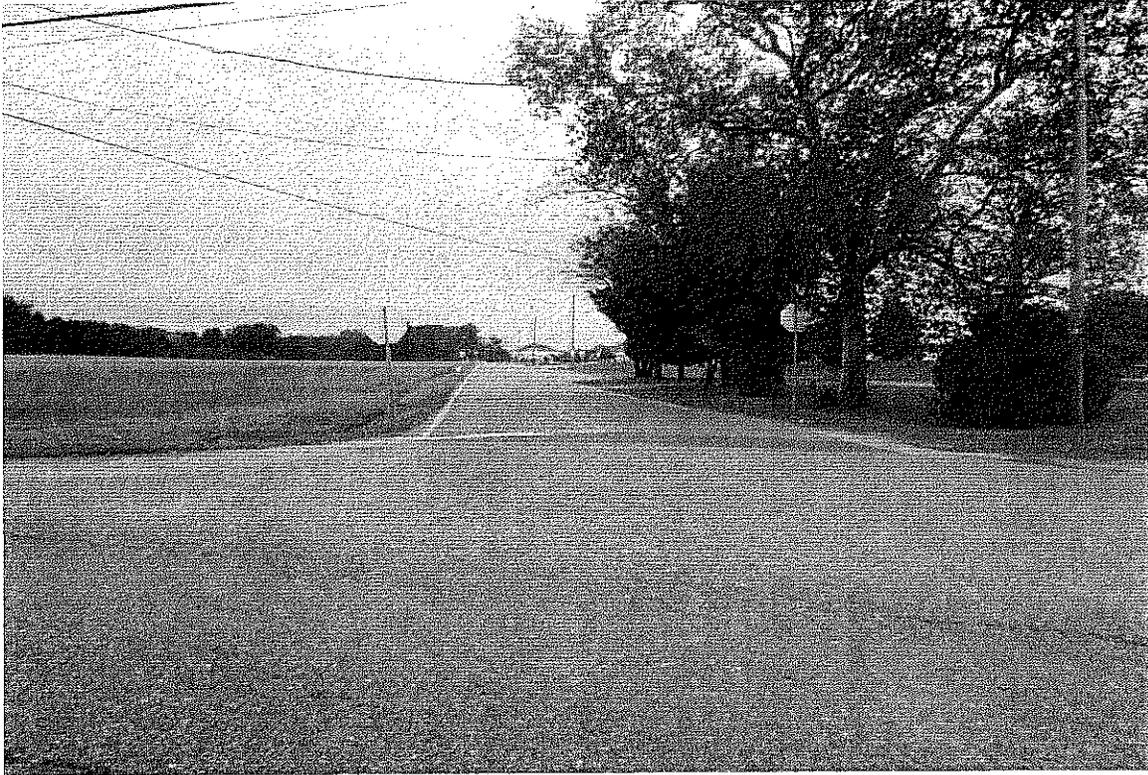


Photo #13, Tomlin Station Road in a Northerly Direction, 10/26/11, RWF



Photo #14, Tomlin Station Road in a Northerly Direction, 10/26/11, RWF

14

SHEET 13

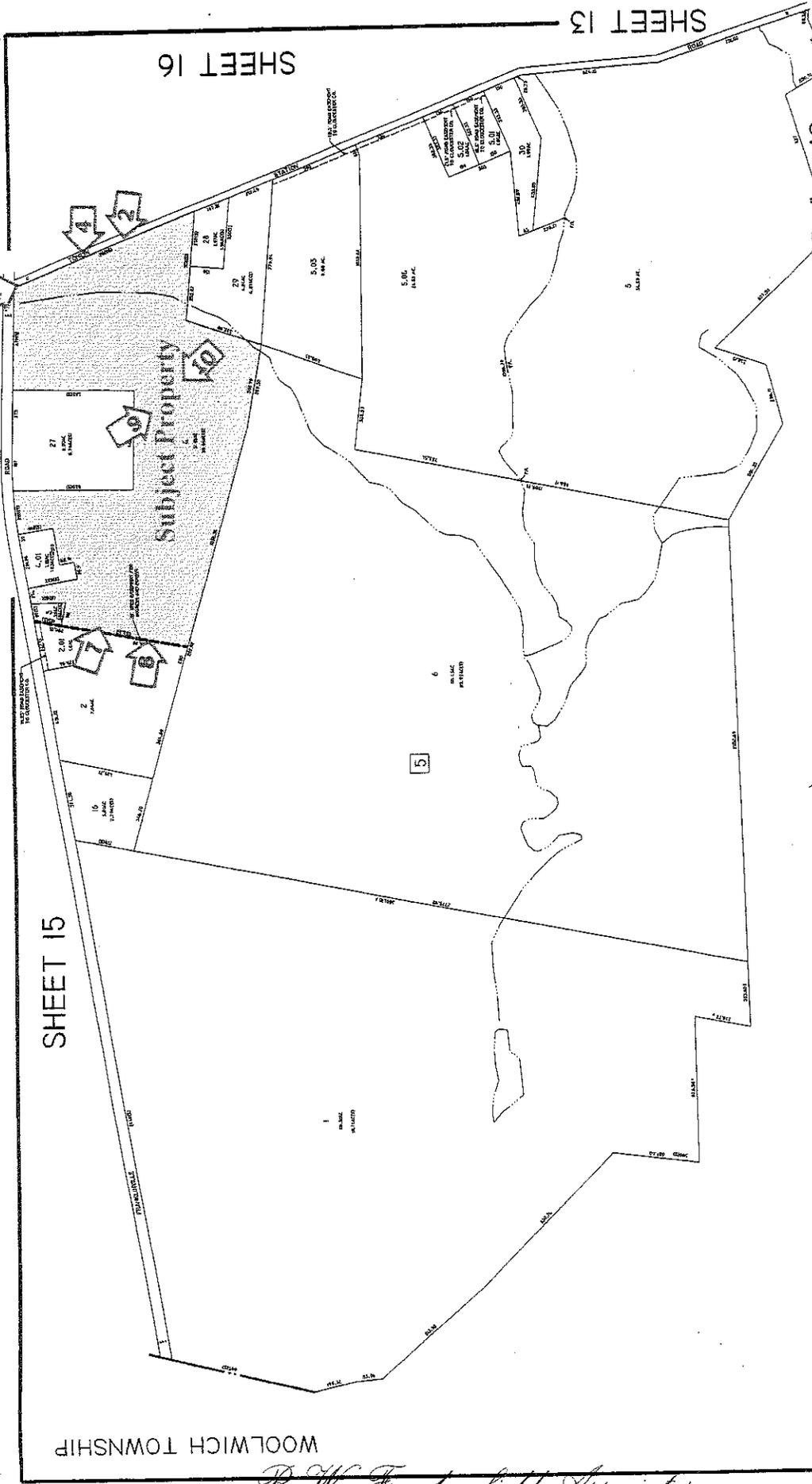
SHEET 16

12

SHEET

TAX MAP
 TWP. OF SOUTH HARRISON
 GLoucester COUNTY NEW JERSEY
 SCALE: 1"=200'
 JUNE 1994
 EDWARD G. DUCKINFIELD, JR., PLS.
 REUTER ENGINEERING
 RT. 70 W. CHERRY HILL, N.J.

14



SHEET 15

WOOLWICH TOWNSHIP

SHEET 11

D. W. Frankenfield Associates

B 8

DB 2770-P213

083400

Prepared by:

William L. Horner, Esquire
Attorney at Law of New Jersey

DEED

This Deed is made on June 5, 1997,

Between, **VITA L. MACCHERONE**, also known as Eya Maccherone, and **JOSEPH R. MACCHERONE**, her husband, whose address is Box 226, Route 538, Mullica Hill, New Jersey 08062, referred to as the Grantor.

And, **SANTO JOSEPH MACCHERONE**, married man, whose address is 334 RD#1, Swedesboro, New Jersey 08085, referred to as the Grantee. The words "Grantor" and "Grantee" shall mean all Grantors and Grantees listed above.

Transfer of Ownership. The Grantor grants and conveys (transfers ownership of) the property described below to the Grantee. This transfer is made for the sum of \$60,000.00. The Grantor acknowledges receipt of this money.

Tax Map Reference. (N.J.S.A. 46:15-1.1) South Harrison Township, Gloucester County, Sheet 2, Block 1, Lot 2; Harrison Township, Gloucester County, Sheet 31, Block 53, Lot 8; and Woolwich Township, Gloucester County, Plate 10, Block 50, Lot 3.

Property. The property consists of the land and all the buildings and structures on the land in South Harrison Township, Harrison Township and Woolwich Township, Gloucester County, New Jersey. The legal description is:

TRACT NO. 1

ALL that certain partly in the Township of Harrison and partly in the Township of South Harrison, County of Gloucester and State of New Jersey described as follows:

BEGINNING at a corner of Thomas J. Mounce's land, said corner being at a hickory tree, and runs thence bounding on John B. Batten's land, South 31 1/2 degrees East, 15 chains and 80 links; thence yet along said Batten's land, South 30 1/2 degrees East, 8 chains and 30 links to a stone at a corner of Jonathon A. Batten's land; thence along Jonathon A. Batten's land, North 55 1/2 degrees East, 12 chains and 94 links to a corner in the line of Enoch A. Jones' land; thence bounding on said Jones' land North 55 degrees West, 9 chains and 25 links to a corner of Thomas J. Mounce's land; thence bounding on said Mounce's land;

thence (1) North 18 degrees West 13 chains and 87 links;

thence (2) South 64 1/2 degrees West, 12 chains and 47 links to the place of beginning.

BEING Lot 2, Block 1, on Sheet 2 of the Township of South Harrison tax maps and Lot 8, Block 53, on Sheet 31 of the Township of Harrison tax maps.

TRACT NO. 2

ALL that certain land in the Township of Woolwich, County of Gloucester and State of New Jersey described as follows:

BEGINNING at a hickory tree in the line of Thomas J. Mounce's land and at a corner of John S. Batten's land and runs;

thence (1) bounding on the said John S. Batten's land, South 62 1/2 degrees West, 6 chains and 46 links to a corner of Edith A. Batten's land;

thence (2) along the line of Edith A. Batten's land, North 51 1/2 degrees West, 12 chains and 14 links to the line of Tract No. 1 of I. Merritt Frederick;

thence (3) along said line North 45 degrees 35 minutes East, 8 chains and 58 links to the line of Thomas J. Mounce's land;

thence (4) along the said Mounce's land South 40 1/2 degrees East, 13 chains 93 links to the place of beginning.

BEING Lot 3, Block 50, on Plate 10 of the Township of Woolwich tax maps.

ALSO BEING the same land conveyed to Alfio Sorbello, by Deed from I. Merritt Frederick, single, dated September 20, 1943 and recorded September 21, 1943 in Deed Book 500, page 89.

SAID Alfio Sorbello also known as Fred Sorbello died December 26, 1976 leaving a Will dated December 23, 1953, probated January 6, 1977 before the Surrogate of Gloucester County and recorded in Will Book 12, page 371, wherein he did give, devise and bequeath all of his estate to his beloved wife Rosaria Sorbello.

Consideration : \$ 60000.00 Exempt Code: E

County	State	E.P.M.R.F	Total
0.00	0.00	0.00	0.00
Date: 06/05/1997			

R. W. Frankensfield Associates

DB1727-P100

to a point corner,

thence (3), North 54 degrees, 42 minutes West, 460 feet to a point

corner,

thence (4), South 35 degrees, 18 minutes West, 568.17 feet to the

point and place of beginning.

FURTHER EXCEPTING THEREOUT AND THEREFROM all that certain land conveyed by Deed from Joseph Maccherone and Eva Maccherone, his wife, to Joseph R. Maccherone, Jr., dated September 9, 1980, recorded September 26, 1980 in Deed Book 1413, page 1169, described as follows:

BEGINNING at a point along the Swedesboro-Franklinville Road, at the center line, at Lot 1, lands now or formerly of Alfred Marino, and Lot 16, lands now or formerly of Charles and Joyce Dennis, being the center line of Swedesboro-Franklinville Road, and also the beginning point of Plate 2, Block 1, Lot 3 of lands of Joseph and Eva Maccherone, and extending

thence South 54 degrees, 42 minutes East, 848.53 feet along the center line of Swedesboro-Franklinville Road, to the beginning point of a parcel consisting of 6 acres;

thence (1) South 54 degrees, 42 minutes East, 460 feet to a point along the center line of Swedesboro-Franklinville Road;

thence (2) North 35 degrees, 18 minutes East, 568.17 feet to a point corner;

thence (3) North 54 degrees, 42 minutes West, 460 feet to a point corner;

thence (4) South 35 degrees, 18 minutes West, 568.17 feet to the point and place of beginning.

FURTHER EXCEPTING THEREOUT AND THEREFROM all that certain land conveyed by Deed from Joseph Maccherone and Eva Maccherone, his wife, to Fred M. Maccherone, a singleman, dated September 9, 1980, recorded September 26, 1980 in Deed Book 1413, page 1174, described as follows:

BEGINNING at a point in the center line of the Swedesboro-Franklinville Road said point being North 43 degrees 46 minutes 41 seconds West, 483.07 feet from the intersection of the Harrisonville-Mickleton Road, thence (1) along the remaining lands of Joseph and Eva Maccherone North 46 degrees 13 minutes 19 seconds East, five hundred sixty seven and eighteen hundreds feet (567.18 feet) to a point; thence (2) along lands of the same North 43 degrees 46 minutes 41 seconds West, four hundred sixty (460.00 feet) to a point; thence (3) along lands of the same South 46 degrees 13 minutes 25 seconds West, five hundred seventy four and sixty eight hundrede feet (574.68 feet) to a point in the centerline of the Swedesboro-Franklinville Road; thence (4) along the centerline of the aforesaid Road on a curve to the right with a radius of 2400 feet and arc length of one hundred eighty seven and no hundreds feet (187.00 feet) to a point of tangency; thence (5) continuing along the aforesaid center line South 43 degrees 46 minutes 41 seconds East, two hundred seventy three and no hundreds feet (273.00 feet) to the point of beginning.

CONTAINING 6.00 acres more or less.

FURTHER EXCEPTING THEREOUT AND THEREFROM all that certain land conveyed by Deed from Joseph Maccherone and Eva Maccherone, his wife, to Santo Joseph Maccherone, a singleman, dated September 9, 1980, recorded September 26, 1980 in Deed Book 1413, page 1179, described as follows:

R. W. Frankemfield Associates

DB1727-P102

thence (1) South 54 degrees 42 minutes East along the center line of the Swedesboro-Franklinville Road 201.86 feet to a point of curve;

thence (2) Southeastwardly, along the curved center line of the Swedesboro-Franklinville Road, curving to the right on a radius of 2400 feet, an arc distance of 50.00 feet to a point;

thence (3) South 36 degrees 29 minutes 37 seconds West 180.00 feet to a point;

thence (4) North 54 degrees 42 minutes West 170.00 feet to a point;

thence (5) South 35 degrees 18 minutes West 68.91 feet to a point;

thence (6) North 54 degrees 42 minutes West 78.11 feet to a point;

thence (7) North 35 degrees 18 minutes East 249.39 feet to the point and place of Beginning.

BEING part of Lot 4, Block 5, on Plate 2 of the Township of South Harrison tax maps.

TITLE RECITAL:

TRACT NO. 1 BEING the remaining of the same property that Alfio Sorbello and Rosaria Sorbello, his wife, conveyed to Joseph R. Maccherone and Eva Maccherone, his wife, by deed dated September 19, 1953 and recorded in Gloucester County Clerk's Office in Book 75 1 of Deeds, Page 440, in fee.

TRACT NO. 2&3 BEING the same property that Alfio Sorbello and Rosaria, his wife, conveyed to Eva Maccherone by deed dated January 17, 1961 and recorded in Gloucester County Clerk's Office in Deed Book 999, Page 372, in fee.

(15)

A.C.E. 10-69

DEED OF EASEMENT

THIS DEED OF EASEMENT, made this 16 day of April, 2003, between

Santo Joseph Maccherone + Lorraine S. Maccherone - Hw
("GRANTOR") and ATLANTIC CITY ELECTRIC COMPANY, a New Jersey Corporation with an office located at 5100 Harding Highway, Mays Landing, New Jersey 08330, hereinafter referred to as "GRANTEE."

WITNESSETH:

That for and in the consideration of ONE (\$1.00) DOLLAR, the receipt of which is hereby acknowledged, GRANTOR hereby grants and conveys unto ATLANTIC CITY ELECTRIC COMPANY, its successors and assigns the right and easement to install, operate, maintain, add to, extend, relocate and remove a line or lines for the transmission of electric energy, together with communications, cable television and for any and all purposes for which electric energy is now or may hereafter be used, with all necessary poles, wires, cables, fibre optic cables, fixtures and appliances, including guy wires, stubs, anchors, and brace poles, through, over, upon GRANTOR'S land and along the public highways or streets on which the land abuts or adjoins, described as follows:

Situate in the Township of South Harrison, County of Gloucester, and State of New Jersey, being also known as Block 1, Lot 3, as shown on the Municipal Tax Map and bounded:

- On the North by the lands of: Township Line
- On the East by the lands of: Tomlin Station Road
- On the South by the lands of: Franklinville Road
- On the West by the lands of: Other Land of Grantor

Together with the right to fell or trim any trees along said line or lines, wherever the same may be necessary in order to erect, construct, operate or maintain said line or lines free and clear from obstructions, or which may endanger the safety or interfere with the use of said poles, wires, cables or fixtures. It is further understood that Grantee shall at all times use reasonable care in the removal and/or replacement of shrubs, lawns, and improvements in connection with the rights herein granted, however, Grantee shall not be held liable for any damages to shrubs, lawns, and improvements provided that reasonable care has been exercised in the replacement thereof. With the privilege to add to, or take from, line or lines, poles, wires, cables or fixtures, from time to time. Together with the right of ingress and egress to and over the said lands of the Grantor at any and all times for the purposes aforesaid.

Grantor hereby warrants that it is the owner in fee simple, of the lands and premises herein, as of the date of this Deed of Easement, and has complete right and power to execute this deed, and as such will indemnify, defend and hold harmless GRANTEE, or its successors or assigns, from any and all loss, costs, damages, claims, actions or liability on account of any and all defects in or lack of title, and disputes arising out of the grant herein.

Prepared By:

Michael M. Powers III
MICHAEL M. POWERS III

PREPARED BY:


Harold L. Crass, Esquire

ROAD EASEMENT

KNOW ALL MEN BY THESE PRESENTS that the undersigned

SANTO JOSEPH MACCHERONE
Swedesboro-Franklinville Road
Mullica Hill, NJ 08062
hereinafter called "*Grantor*",



Docket# 56980 Type: EAS Pages: 3
James N. Hosann, Gloucester County Clerk
Receipt#: 47209 11:29:51 A.M. 08/21/2006
Recording Fee: \$1.00 DB 4262 285

is the owner in fee simple of certain lands and premises, more particularly described and covered by this Easement; and, in consideration of the sum of *ONE DOLLAR (\$1.00)*, the receipt of which is hereby acknowledged, does hereby grant and dedicate unto the County of Gloucester, referred to as *Grantee*, a political subdivision of the State of New Jersey, whose mailing address is 1 North Broad Street, Woodbury, NJ 08096, it's successors, assigns and designees, a *perpetual easement across the grantor's lands*. The *Grantee* does not intend to assume the maintenance of said lands, which shall remain the responsibility of the *Grantor*; however, *Grantee* may in its discretion desire to enter said premises for purposes to include but not be limited to the construction, special maintenance or to keep in good condition, installation, repair, alteration or widening of a public road, and/or make any other changes and/or access or uses as determined by the County, including any and all appurtenances necessary and incidental thereto as determined by the County. Said easement and the rights hereunder shall run with the land and shall be binding upon *Grantor*, it's successors, successors in title, assigns and designees, and shall inure to the benefit of the *Grantee*, it's successors, successors in title and assigns. Said easement being in the Township of South Harrison, County of Gloucester, State of New Jersey, and described as follows:

ALL THAT CERTAIN parcel of land within lands of Lot 3, Block 1 South Harrison Township, Gloucester County, designated as a proposed Road Easement varying in width from 19.25 feet wide to 20.50 feet wide on a plan entitled Preliminary Subdivision Plan for Whispering Meadows, Sheet 2 of 41, prepared by G.S. Winters & Associates, Inc., dated August 23, 2004, last revised April 13, 2005, located in the Township of South Harrison, County of Gloucester, and State of New Jersey, and being more particularly described as follows:

BEGINNING at the point of intersection of the existing westerly right-of-way line of Tomlin Station Road, a.k.a. County Route 607 (35.00' wide per Road Return A-99) with the existing northerly right-of-way line of Swedesboro-Franklinville Road, a.k.a. County Route 538 (49.50 feet wide existing), said point also being the southeasterly property corner of Lot 3, Block 1; thence

1. Along said existing northerly right-of-way line of County Route 538, N46°56'18"W a distance of 448.28 feet to a point common to lands of Lot 7.01, Block 1; thence
2. Leaving the existing northerly right-of-way line of County Route 538, along lands of Lot 7.01, Block 1, N43°03'42"E a distance of 19.25 feet to a point in the proposed northerly easement line of County Route 538, as measured 44.00 feet from legal centerline; thence
3. Leaving lands of Lot 7.01, Block 1, through lands of Lot 3, Block 1 and along the proposed northerly easement line and parallel with the existing northerly right-of-way line of County Route 538, S46°56'18"E a distance of 379.55 feet to a point of curvature; thence
4. Still within lands of Lot 3, Block 1, in a general northeasterly direction along a curve to the left having a radius of 25.00 feet for an arc distance of 49.48 feet to a point of tangency in the proposed westerly easement line of County Route 607 as measured 38.00 feet from legal centerline; thence
5. Continuing through lands of Lot 3, Block 1, and along the proposed westerly easement line of County Route 607, N19°39'19"E a distance of 1,045.31 feet to a point common to lands of Lot 5, Block 1; thence

R. W. Frankerfield Associates



Docket# 56959 Type: EAS Pages: 2 PREPARED BY:
 James M. Hagan, Gloucester County Clerk
 Receipt#: 47190 11:19:16 A.M. 08/21/2006
 Recording Fee: \$4.00 DB 4262 266

Handwritten signature
 Harold L. Crass, Esquire

ROAD EASEMENT

KNOW ALL MEN BY THESE PRESENTS that the undersigned

SANTO JOSEPH MACCHERONE
 Swedesboro-Franklinville Road
 Mullica Hill, NJ 08062
 hereinafter called "*Grantor*",

is the owner in fee simple of certain lands and premises, more particularly described and covered by this Easement; and, in consideration of the sum of *ONE DOLLAR (\$1.00)*, the receipt of which is hereby acknowledged, does hereby grant and dedicate unto the County of Gloucester, referred to as *Grantee*, a political subdivision of the State of New Jersey, whose mailing address is 1 North Broad Street, Woodbury, NJ 08096, it's successors, assigns and designees, a *perpetual easement across the grantor's lands*. The *Grantee* does not intend to assume the maintenance of said lands, which shall remain the responsibility of the *Grantor*; however, *Grantee* may in its discretion desire to enter said premises for purposes to include but not be limited to the construction, special maintenance or to keep in good condition, installation, repair, alteration or widening of a public road, and/or make any other changes and/or access or uses as determined by the County, including any and all appurtenances necessary and incidental thereto as determined by the County. Said easement and the rights hereunder shall run with the land and shall be binding upon *Grantor*, it's successors, successors in title, assigns and designees, and shall inure to the benefit of the *Grantee*, it's successors, successors in title and assigns. Said easement being in the Township of South Harrison, County of Gloucester, State of New Jersey, and described as follows:

ALL THAT CERTAIN parcel of land designated as a 19.25 feet wide road easement on a plan entitled Preliminary Subdivision Plan for Whispering Meadows, Sheet 2 of 41, prepared by G.S. Winters & Associates, Inc., dated August 23, 2004, last revised April 13, 2005, located in the Township of South Harrison, County of Gloucester, and State of New Jersey, and being more particularly described as follows:

BEGINNING at the point in the existing southerly right-of-way line of Swedesboro-Franklinville Road, a.k.a. County Route 538 (49.50 feet wide), said point being common to lands of Lots 3 and 4, Block 5; thence

1. Leaving lands of Lot 3, Block 5, along lands of Lot 4, Block 5 and also along the existing southerly right-of-way line of County Route 538, S57°41'33"E a distance of 78.47 feet to a point common to lands of Lot 4.01, Block 5; thence
2. Leaving the existing southerly right-of-way line of County Route 538 along lands of Lot 4.01, Block 5, S32°29'22"W a distance of 19.25 feet to a point in the proposed southerly right-of-way line of County Route 538 as measured 44.00 feet from legal centerline; thence
3. Leaving lands of Lot 4.01, Block 5, through lands of Lot 4, Block 5 and along the proposed southerly right-of-way line of County Route 538, N57°41'33"W a distance of 80.94 feet to a point common to lands of Lot 3, Block 5; thence
4. Leaving the proposed southerly right-of-way line of County Route 538 along lands of Lot 3, Block 5, N39°47'42"E a distance of 19.42 feet to a point in the existing southerly right-of-way line of County Route 538 and first mentioned point and place of BEGINNING.

CONTAINING 1,534 square feet of land, more or less.

Additional right-of-way being granted to the County of Gloucester shall be in the form of a road easement only. Property owners and their successors will retain all other rights and responsibilities to lands contained within the area of the road easement.

P. W. Frankenfield Associates

PREPARED BY: Harold L. Crass
Harold L. Crass, Esquire

ROAD EASEMENT

KNOW ALL MEN BY THESE PRESENTS that the undersigned

SANTO JOSEPH MACCHERONE
Swedesboro-Franklinville Road
Mullica Hill, NJ 08062
hereinafter called "*Grantor*",



Docket# 56981 Type: EAS Pages: 3
James H. Moran: Gloucester County Clerk
Receipt#: 47209 11:30:22 A.M. 08/21/2006
Recording Fee: \$1.00 DB 4262 288

is the owner in fee simple of certain lands and premises, more particularly described and covered by this Easement; and, in consideration of the sum of *ONE DOLLAR (\$1.00)*, the receipt of which is hereby acknowledged, does hereby grant and dedicate unto the County of Gloucester, referred to as *Grantee*, a political subdivision of the State of New Jersey, whose mailing address is 1 North Broad Street, Woodbury, NJ 08096, its successors, assigns and designees, a perpetual easement across the grantor's lands. The Grantee does not intend to assume the maintenance of said lands, which shall remain the responsibility of the Grantor; however, Grantee may in its discretion desire to enter said premises for purposes to include but not be limited to the construction, special maintenance or to keep in good condition, installation, repair, alteration or widening of a public road, and/or make any other changes and/or access or uses as determined by the County, including any and all appurtenances necessary and incidental thereto as determined by the County. Said easement and the rights hereunder shall run with the land and shall be binding upon Grantor, its successors, successors in title, assigns and designees, and shall inure to the benefit of the Grantee, its successors, successors in title and assigns. Said easement being in the Township of South Harrison, County of Gloucester, State of New Jersey, and described as follows:

ALL THAT CERTAIN parcel of land within lands of Lot 4 and 27, Block 5 South Harrison Township designated as a proposed road easement varying in width from 19.25 feet to 20.50 feet on a plan entitled Preliminary Subdivision Plan for Whispering Meadows, Sheet 2 or 41, prepared by G.S. Winters & Associates, Inc., dated August 23, 2004, last revised April 13, 2005, located in the Township of South Harrison, County of Gloucester, and State of New Jersey, and being more particularly described as follows:

BEGINNING at the point in the existing westerly right-of-way line of Tomlin Station Road, a.k.a. County Route 607 (35.00' wide per Road Return A-99), said point being common to lands of Lots 4 and 28, Block 5; Thence

1. Leaving said existing westerly right-of-way line of County Route 607, along lands of Lot 28, Block 5, N43°15'42"W a distance of 23.02 feet to a point in the proposed westerly easement line of County Route 607, as measured 38.00 feet from legal centerline; thence
2. Along said proposed westerly easement line of County Route 607, and through lands of Lot 4, Block 5, N19°39'19"E a distance of 850.61 feet to the point of curvature of a curve connecting said proposed westerly easement line of County Route 607 with the proposed southerly easement line of Swedesboro-Franklinville Road, a.k.a. County Route 538; thence
3. Still through lands of Lot 4, Block 5 and leaving the proposed westerly easement line of County Route 607, in a general northwesterly direction along a curve to the left having a radius of 25.00 feet for an arc distance of 29.06 feet to a point of tangency in the proposed southerly right-of-way line of County Route 538 as measured 44.0 feet from legal centerline; thence
4. Along the southerly easement line of County Route 538, through lands of Lots 4 & 27, Block 5 N46°56'18"W a distance of 749.35 feet to a point of curvature; thence
5. Along same on a curve to the left having a radius of 2,356.00 for an arc distance of 364.01 feet to a point common to lands of Lot 4.01, Block 5; thence
6. Leaving the proposed southerly easement line of County Route 538, along lands of Lot 4.01, Block 5, N33°40'59"E

R.W. Frankemfield Associates

DB2950-P1124

ST29006

ST29006

X INGRESS/EGRESS AND UTILITY EASEMENT AGREEMENT

015835

This Ingress/Egress And Utility Easement Agreement ("Agreement") is made on this 27th day of November, 1998, between SANTO J. MACCHERONE, with a mailing address of 334 RT. 538, Swedesboro, NJ. 08085, and PHILLIP T. WILLIAMSON and VIRGINIA L. WILLIAMSON, with a mailing address of 419A Franklinville Rd Mullica Hill N.J., (hereinafter referred to as the "Grantors"), and ANN McALPIN CAIN, with a mailing address of 469-B Franklinville Road, Mullica Hill, New Jersey 08062 (hereinafter referred to as the "Grantee").

W I T N E S S E T H:

WHEREAS, the Grantors are the owners of properties known as Lots, 2, 3, 4 and 17, Block 5 on the Tax Map of the Township of South Harrison, County of Gloucester, State of New Jersey, more fully described on the attached Exhibit "A"; and

WHEREAS, the Grantee is the owner of property known as Lot 6, Block 5 on the Tax Map of the Township of South Harrison, County of Gloucester and State of New Jersey; and

WHEREAS, both Grantors and Grantee desire to enter into an agreement between and among themselves for the purpose of creating an Ingress/Egress and Utility Easement upon the terms and conditions described herein.

NOW, THEREFORE, the parties hereto, for One (\$1.00) Dollar and other good and valuable consideration, hereby agree as follows:

1. Grant of Ingress/Egress Easement.

Grantors hereby grant to Grantee, its invitees, successors and assigns, a non-exclusive ingress/egress easement from Swedesboro-Franklinville Road to and from Lot 6, Block 5 and over Lots 2, 3, 4 and 17, Block 5 which are owned by the Grantors and are more fully described in attached Exhibit "A". This grant of easement shall extend to Grantee, its invitees, successors and/or assigns. This easement shall be non-exclusive in nature and the easement area shall be for the joint use and benefit of the Grantors and Grantee. The Grantors and Grantee shall not use the easement for

EXHIBIT "A"



FEDERICI & AKIN, P.A.
CONSULTING ENGINEERS

Joseph P. Federici, Jr. P.E., P.P.
Douglas E. Akin, P.L.S., P.P.

Joseph W. Maxcy, P.L.S., P.P.
Edward F. Kuhn, Jr. P.L.S.

307 Greentree Road
Sewell, New Jersey 08080
609-589-1400
Fax 609-582-7976

November 13, 1998
Our File No. 95179

Deed Description
for
A Proposed 10' Wide Access Easement
across Lots 2, 3, 4 & 17, Block 5
South Harrison Township, Gloucester County, NJ

All that certain lot tract or parcel of land situate in the Township of South Harrison, County of Gloucester, State of New Jersey and being a strip of land 10 feet wide the centerline of which is described as follows:

Beginning at a point in the southwesterly line of Swedesboro Franklinville Road (County Rt. No. 538; 49.50 feet wide) and in the division line of Lots 2 and 3, Block 5; said beginning point being the following two courses from a pk nail found in the center line of said road and in the division line of Lots 1 & 16, Block 5.

- A. S 57° 44' 24" E, along the centerline of Swedesboro-Franklinville Road, a distance of 1,027.78 feet to a point; thence
- B. S 53° 05' 06" W, a distance of 26.48 feet to the actual point of beginning; thence
- 1. S 53° 05' 06" W, along the common lines of lots 2, 3, 4 & 17, Block 5, a distance of 707.29 feet to a point in the northeasterly line of Lot 6, Block 5. The side lines of said strip to be shortened or lengthened to terminate at the northeasterly line of Block 6, Lot 5 and the southwesterly line of Swedesboro-Franklinville Road.

Subject to any easement and/or restrictions of record.

Joseph W. Maxcy
Joseph W. Maxcy, P.L.S., P.P.
License No. 32652

11/13/98
Date

FWD/cw
Revised 95179 B38 L23 417

ENGINEERING SURVEYING PLANNING

PREPARED BY: Harold L. Crass
Harold L. Crass, Esquire

ROAD EASEMENT

KNOW ALL MEN BY THESE PRESENTS that the undersigned

SANTO JOSEPH MACCHERONE
Swedesboro-Franklinville Road
Mullica Hill, NJ 08062

FRED MACCHERONE and
DONNA MACCHERONE, h/w

JOSEPH R. MACCHERONE, JR.

ANTHONY J. PICCIANO and
SARA ANNE PICCIANO, h/w



Docket# 60161 Type: EAS Pages: 4
James N. Hogan, Gloucester County Clerk
Receipt#: 49938 09:24:11 A.M. 09/05/2006
Recording Fee: \$00 DB 4269 207

hereinafter called "*Grantor*",

is the owner in fee simple of certain lands and premises, more particularly described and covered by this Easement; and, in consideration of the sum of ONE DOLLAR (\$1.00), the receipt of which is hereby acknowledged, does hereby grant and dedicate unto the County of Gloucester, referred to as Grantee, a political subdivision of the State of New Jersey, whose mailing address is 1 North Broad Street, Woodbury, NJ 08096, it's successors, assigns and designees, a perpetual easement across the grantor's lands. The Grantee does not intend to assume the maintenance of said lands, which shall remain the responsibility of the Grantor; however, Grantee may in its discretion desire to enter said premises for purposes to include but not be limited to the construction, special maintenance or to keep in good condition, installation, repair, alteration or widening of a public road, and/or make any other changes and/or access or uses as determined by the County, including any and all appurtenances necessary and incidental thereto as determined by the County. Said easement and the rights hereunder shall run with the land and shall be binding upon Grantor, it's successors, successors in title, assigns and designees, and shall inure to the benefit of the Grantee, it's successors, successors in title and assigns. Said easement being in the Township of South Harrison, County of Gloucester, State of New Jersey, and described as follows:

ALL THAT CERTAIN parcel of land within lands of Lots 3, 7, 8 & 9, Block 1, South Harrison Township designated as a 19.25 feet wide road easement on a plan entitled Preliminary Subdivision Plan for Whispering Meadows, Sheets 2 and 3 of 41, prepared by G.S. Winters & Associates, Inc., dated August 23, 2004, last revised April 13, 2005, located in the Township of South Harrison, County of Gloucester, and State of New Jersey, and being more particularly described as follows:

BEGINNING at the point in the existing northerly right-of-way line of Swedesboro-Franklinville Road, a.k.a. County Route 538 (49.50 feet wide), said point being common to lands of Lots 3 and 1.01, Block 1; thence

1. Leaving said existing northerly right-of-way line of County Route 538 along lands of Lot 1.01, Block 1, N55°04'57"E a distance of 20.88 feet to a point in the proposed northerly easement line of County Route 538, as measured 44.00 feet from legal centerline; thence
2. Leaving lands of Lot 1.01, Block 1, through lands of Lots 3, 9 and 8, Block 1 and along the proposed northerly easement line of County Route 538, S57°41'33"E a distance of 1,332.04 feet to a point of curvature common to Lot 8, Block 1; thence
3. Through lands of Lots 8, 3 and 7, Block 1 and along the proposed northerly easement of County Route 538, along a curve to the right having a radius of 2,444.0 feet for an

R. W. Frankenfield Associates

In Witness Whereof, the Grantor hereunto set his/her hand and seal on this 3RD day of AUGUST, 2006. If the Grantor is a corporation, the proper corporate officer has signed herein and has caused its proper corporate seal to be affixed.

Witness:

Stephen H Joseph
Santo Joseph Maccherone, Grantor

STATE OF NEW JERSEY

:ss

COUNTY OF GLOUCESTER

BE IT REMEMBERED, that on this 3RD day of AUGUST, 2006, personally came before me, the Grantor, Santo Joseph Maccherone, and I am satisfied that she is the person who signed the within instrument, that she acknowledged that she signed, sealed and delivered the same as her voluntary act and deed for the purposes expressed herein.

Kyle A O'Hara
KYLE A. O'HARA Notary
NOTARY PUBLIC OF NEW JERSEY
MY COMMISSION EXPIRES SEPT 2, 2010

Witness:

Stephen H Joseph
STEPHEN H. JOSEPH
NOTARY PUBLIC OF NEW JERSEY
MY COMMISSION EXPIRES SEPTEMBER 2, 2010

Fred Maccherone
FRED MACCERONE
Donna Maccherone
DONNA MACCERONE

STATE OF NEW JERSEY

:ssCOUNTY OF GLOUCESTER

BE IT REMEMBERED, that on this 3RD day of AUGUST, 2006, personally came before me, the Grantors, Fred Maccherone and Donna Maccherone, and I am satisfied that they are the persons who signed the within instrument, that they acknowledged that they signed, sealed and delivered the same as their voluntary act and deed for the purposes expressed herein.

Kyle A O'Hara
KYLE A. O'HARA Notary
NOTARY PUBLIC OF NEW JERSEY
MY COMMISSION EXPIRES SEPT 2, 2010

WITNESS:

Stephen H Joseph

Joe Maccherone
JOSEPH R. MACCERONE, JR.

STATE OF NEW JERSEY

:ss

GLOUNTY OF GLOUCESTER

BE IT REMEMBERED, that on this 3RD day of AUGUST, 2006, personally came before me, the Grantor, Joseph R. Maccherone, Jr. and I am satisfied that he is the person who signed the within instrument, that he acknowledged that he signed, sealed and delivered the same as his voluntary act and deed for the purposes expressed herein.

Kyle A O'Hara
KYLE A. O'HARA Notary
NOTARY PUBLIC OF NEW JERSEY
MY COMMISSION EXPIRES SEPT 2, 2010

ZONING

The subject property is located in the AR, Agricultural Residential Zoning District.
[Amended 7-9-2008 by Ord. No. 0-08-15]

A. Purposes. The overall purpose of the AR Zoning District is to provide for a residential district that respects and promotes the rural character of the Township, consistent with the Township's history as a farming community and its location within the Rural Planning Area on the State Plan Policy Map (PA-4). As outlined in the 2008 Master Plan, the AR Zone is intended to encourage the continuation of commercial agricultural operations and, in the alternative, provide opportunities for the development of residential housing in a manner that reflects the environmental attributes of a the site and considers the broader local context, while avoiding some of the inefficiencies and undesirable impacts of what is referred to as "suburban sprawl." The use of conservation subdivision design techniques are intended to provide well designed, quality neighborhoods with equal attention given to the home sites and the open space associated with a subdivision. Specific purposes are:

- (1) To provide a flexible subdivision design approach that first considers the environmental and physical attributes of a site, its relationship to the surrounding area, and the most desirable and appropriate locations for home sites and then draws subdivision lines to implement the proposed layout.
- (2) To protect environmentally sensitive lands, such as stream corridors, woodlands, steep slopes and other special features and natural resources, by requiring that the most fragile areas of the site remain as open space.
- (3) To allow residential developments to be constructed at a lower cost per dwelling for streets, utilities and other site improvements.
- (4) To provide recreational opportunities that are appropriate to the needs of and convenient to the residents of the Township.
- (5) To reduce the amount of clearing, grading, and construction disturbance resulting from subdivisions and to increase the quantity and quality of open spaces.
- (6) To provide a desirable visual environment through creative development techniques and design arrangements that relate to the particular site and to the vision for the Township.
- (7) To provide clear requirements and a clear process so that the intended results can be realized, while allowing flexibility in the design process.

B. Permitted principal uses. Within the AR Zoning District the following uses are permitted.

- (1) Farm and agricultural uses of land subject to the regulations in §§ 90-5.23F and 90-5.36 of this chapter.
- (2) The sale and processing of agricultural products, subject to the requirements of § 90-5.23F, on a seasonal basis.
- (3) Municipal buildings, structures and uses owned or operated by South Harrison Township.
- (4) Outdoor public or nonprofit recreation, athletic fields, conservation areas and parks.
- (5) Cemeteries on lots a minimum of three acres and with twenty-five-foot buffers along the perimeter.
- (6) Detached single-family dwelling units.

Zoning (continued)

(b) No building, parking area, loading area or accessory structure may be located nearer than 50 feet to any property line or right-of-way line.

(3) Public libraries and museums operated by a public or nonprofit entity, subject to the following:

(a) The location of access driveways, landscaping and site plan design shall be designed with consideration for and compatible with the neighborhood in which it is to be located.

(b) No building, parking area, loading area or accessory structure may be located nearer than 50 feet to any property line or right-of-way line.

(c) The minimum lot area is three acres.

(4) Electric and gas substation and service facilities, and all other public utilities no greater than 400 square feet in gross floor area, subject to the following requirements:

(a) The project must be designed to be structurally and architecturally compatible with the neighborhood.

(b) The project conforms to the required setbacks.

(c) Adequate landscaping is provided in conformance with the requirements of §§ 90-5.25 and 90-5.24.

(d) The project is needed to serve the public interest or a permitted use within the neighborhood.

(5) Church or other place of worship, or religious school building, subject to the following:

(a) The location of access driveways, landscaping and site plan design shall be designed with consideration for and compatible with the neighborhood in which it is to be located.

(b) No building, parking area, loading area or accessory structure may be located nearer than 50 feet to any property line or right-of-way line.

(c) The minimum lot area is three acres and the minimum setbacks shall be provided.

(d) Adequate off-street parking shall be provided in accordance with ordinance requirements and the applicant must provide a written statement indicating that all parking will be accommodated on the site.

(e) No parking shall be located closer than 50 feet to any property line.

(f) Impervious coverage shall not exceed 60%.

(6) Planned age-restricted housing in accordance with the Township's 2006 Fair Share Plan and the following:

(a) The minimum tract size is 50 acres.

(b) The maximum density is three units per acre.

(c) A feasible water supply and on-site wastewater disposal plan must be provided. The proposed community wastewater system should be proposed for review by the Planning Board engineer and the Township Engineer. A maintenance plan must also be submitted.

(d) The minimum affordable housing set aside is 25% of the total number of units.

(e) Affordable units must be made affordable in accordance with the New Jersey Council on Affordable Housing's regional income limits and the Uniform Affordability Controls at N.J.A.C. 5:80-26.1 et seq. regarding affordability, occupant eligibility, bedroom distribution, price and rent restrictions and affirmative marketing.

Zoning (continued)

Table of Performance Regulations			
	Requirement	Major Subdivision	Minor Subdivision
	Maximum density	.25 units per gross acre	n/a
	Minimum lot average	3 acres	3 acres
	Minimum lot size using lot averaging	n/a	1.5 acres
	Minimum lot size using conservation design	1 acre	n/a
	Minimum open space area using conservation design	40% of gross tract area	n/a
	Minimum lot width	100 feet	150 feet
	Minimum lot depth	200 feet	200 feet
	Minimum front yard setback*		
	Local roads	50 feet	50 feet
	State or county road	50 feet	50 feet
	Minimum side yard setback	Aggregate 40 feet, 20 feet each 10 feet one side if side loaded garage is on the opposite side	Aggregate 50, 25 each side
	Minimum rear yard setback	50 feet	50 feet
	Maximum impervious coverage	.25	.15
	Maximum height	2 1/2 stories or 35 feet	2 1/2 stories or 35 feet
NOTES: * See also § 90-5.24B for additional rural vista setback.			

Zoning (continued)

G. Design standards.

- (1) Conservation or open space lands on one developed parcel should adjoin the conservation and open space lands on the adjoining parcels to realize an interconnected network of open spaces and greenways over time.
- (2) Side entry garages are encouraged where the lot geometry permits. When this is not possible, garages must be set back a minimum of 10 feet from the principal facade plane.
- (3) The architecture of dwellings with frontage on two streets shall respond to both streets, with architectural details, windows and other elements that respond to the street frontage.
- (4) In order to ensure variety among residential dwellings, houses on the same side of the street must be substantially different in appearance than other dwellings within two lots from it. On a cul-de-sac, any lot on the cul-de-sac is considered to be on the same side of the street. All major subdivisions must provide a minimum of three basic house designs with exterior variations possible for each one.
- (5) Paved driveways are required for all houses on lots under four acres.
- (6) Except for lighting that may be required at intersections with county roads and at the end of cul-de-sac, street lighting should be of a traditional residential character (lamp post style) and no more than 12 feet in height.

H. Exceptions for existing nonconforming lots.

- (1) Lots that have been previously subdivided (via a minor subdivision, farm subdivision or final major subdivision) and that have been filed and recorded at the County Clerk's office prior to the effective date of this section, and that are a minimum of one acre in area, and were compliant with the AR zoning requirements prior to July 9, 2008, may continue to exist as conforming lots.
- (2) Lots that meet the requirements of Subsection H(1) above shall be subject to the former AR Zoning District requirements for area, yard and bulk requirements as they are provided below. These requirements do not apply to any new subdivision, only to existing lots as defined in Subsection H(1). [Added 8-13-2008 by Ord. No. 0-08-19]
 - (a) Minimum lot area is one acre.
 - (b) Minimum lot width is 150 feet.
 - (c) Minimum lot depth is 200 feet.
 - (d) Minimum front yard setback is 75 feet from a local road and 100 feet from a state or county road.
 - (e) Rear yard setback is 50 feet.
 - (f) Side yard setbacks are 20 feet each side.
 - (g) Maximum building coverage is 10%.
 - (h) Maximum building height is 2 1/2 stories or 35 feet, whichever is less.

R. W. Frankenfield Associates

Real Estate Appraisers and Consultants

521 Middle Road

Hammonton, NJ 08037

Phone: (609) 457-9570

Fax: (609) 704-8665

August 31, 2011

Mr. Santo J. Maccherone
233 Franklinville Road
Woolwich Township, NJ 08085

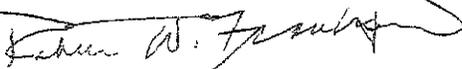
Re: Block 1, Lots 2, 3, 6 and Block 5 Lot 4
South Harrison Township,
Gloucester County, New Jersey

Dear Mr. Maccherone:

This firm has been instructed to appraise the above-referenced property for the purpose of estimating the current market value, in fee simple, for possible acquisition. The appraisal will be completed for the use of the County of Gloucester and the New Jersey State Agricultural Development Committee, per restrictions of the New Jersey Agriculture Retention Program.

I will inspect the property, prior to completing the appraisal. If you or your agent wishes to be present during the inspection of the property, please contact me to make an appointment at your convenience, at 609-457-9570. If you have any questions or wish to make me aware of any additional facts, concerning the property, please do not hesitate to contact me. Thanking you for your time and consideration, I remain,

Very truly yours,



Robert W. Frankenfield
NJ Certified General Real Estate Appraiser

COUNTY Gloucester
MUNICIPALITY South Harrison
APPLICANT LAST NAME Maccherone
APPLICANT FIRST NAME Santo



STATE AGRICULTURE DEVELOPMENT COMMITTEE

2011

Farmland Preservation Program

**County PLANNING INCENTIVE GRANT
Easement Purchase Application
For An Individual Farm**

For SADC use only

SADC ID# _____

Date Received _____

Staff Reviewer _____

F-1

II. CADB ADMINISTRATIVE VERIFICATION:

**** To avoid amending applications subsequent to SADC approval, which can delay the evaluation process, the CADB should verify that:**

- The application is accurate, complete and final; Required documentation has been provided.
- Onsite inspection of premises has been completed.
- Restrictions including severable and non-severable exceptions have been thoroughly explained to the applicant.

Prepared by: Ken Atkinson
CADB staff

III. APPLICATION ELIGIBILITY for County Planning Incentive Grant Program

- A. No application will be reviewed by the SADC for permanent farmland preservation in more than one program at a time. Is the Board aware of this application being considered in any other farmland preservation program at this time? YES NO
- B. If the Board and/or County pre-acquired the land in fee simple title for farmland preservation purposes, have either three consecutive funding rounds or three years passed since the date of acquisition? YES NO
- C. If a landowner rejects an offer for an amount equal to or greater than the certified market value, the Committee shall not accept an application for two years from the date that the application for a sale of the development easement was originally submitted to the Committee. This provision applies only to an application from the same landowner for the same farm property. Is the Board aware of this landowner's application conflicting with the above? YES NO

(If the answer is "YES" to A, B, or C, then the application shall not be eligible for submittal to the Committee for consideration at this time.)

- D. Is the application located within an adopted Agricultural Development Area? YES NO
- E. Is the application identified on the County's approved Planning Incentive Grant application as a targeted farm? YES NO
- F. Does the application meet the Minimum Eligibility Criteria (N.J.A.C. 2:76-6.20) as demonstrated at Section IV below? YES NO

(If the answer is "NO" to D, E, or F, then the application shall not be eligible for submittal to the Committee for consideration.)

- G. Does the application meet the definition of an eligible farm (N.J.A.C. 2:76-17.2) as identified in the Minimum Rank Score section (section V) below? YES NO

(If the answer is "NO" to G, then the application shall not be eligible for submittal to the Committee for consideration unless a waiver to Minimum Rank Score (section VI) is requested and approved.)

engineer or qualified wetlands consultant and/or a letter of interpretation issued by the NJDEP may be secured.

- _____ % soils classified as freshwater or modified agricultural wetlands.
- Supporting documentation provided (wetlands map and/or NJDEP Letter of Interpretation).

(4) The land shall not contain more than 80% soils with slopes in excess of 15% as identified on a USDA NRCS SSURGO version 2.2 or newer soils map.

- _____ % soils with slopes in excess of 15%.
- Supporting documentation provided (GIS soils map).

1. v. The land is eligible for allocation of development credits pursuant to a transfer of development potential program authorized and duly adopted by law.

- YES NO
- Supporting documentation provided.

For lands greater than 10 acres, the land must meet the criteria in (a)2i, ii, and iii or 2iv to be eligible for preservation with SADC funding:

2. i. At least 50% of the land or a minimum of 25 acres, whichever is less, is tillable.

- 85 % of the land is tillable
- 101 tillable acres
- Supporting documentation provided (GIS wetland and soils maps, farm tax assessment form.).

2. ii. At least 50% of the land or a minimum of 25 acres, whichever is less, consists of soils that are capable of supporting agricultural or horticultural production.

- 92.5 % of the land with soils capable of supporting agricultural or horticultural production
- 110 acres supporting agricultural or horticultural production
- Supporting documentation provided (GIS soils map).

2. iii. The land must exhibit development potential based on a finding that all of the following standards are met:

(1) The municipal zoning ordinance for the land as it is being appraised must allow additional development, and in the case of residential zoning, at least one additional residential site beyond that which will potentially exist on the premises.

Municipal zoning supports additional development potential.

YES NO

Supporting documentation provided (copy of current zoning map, regulations and subdivision ordinance excerpts).

(2) Where the purported development value of the land depends on the potential to provide access for additional development, the municipal zoning ordinances allowing further subdivision of the land must be verified. If access is only available pursuant to an easement, the easement must specify that further subdivision of the land is possible. To the extent that this potential access is subject to ordinances such as those governing

Does the County wish to request a waiver to the Minimum Quality Score?

YES

NO

If YES, the Committee may grant a waiver of the minimum score criteria upon finding that any of the following apply (please check all that apply and provide justification below):

- The conversion of the farm to non-agricultural use will likely cause a substantial negative impact on the public investment made in farmland preservation within the project area.

Explain: _____

- The subject property is of exceptionally high agricultural resource value based on soil characteristics.

Explain: _____

- The subject property represents a unique and valuable agricultural resource to the surrounding community, and the Committee finds that it has a reasonable opportunity to remain agriculturally viable.

Explain: _____

APPLICATION SUMMARY INFORMATION:

Santo Joseph
Maccherone

South Harris
Twp

Block and Lot Information

S.H. Twp

Please list all Blocks and Lots included within the application; See Appendix B for municipal codes

Municipal Code: 0816 Block: 1 Lot: 2 Acres: 26.79

Municipal Code: " Block: Lot: 3 Acres: 45.42

Municipal Code: " Block: Lot: 6 Acres: 14.86

Municipal Code: 0816 Block: 5 Lot: 4 Acres: 32.18

Municipal Code: Block: Lot: Acres:

B. **Total Gross Acreage:** 118.95 acres

C. Existing dwelling units

- # of existing dwelling units within portion of the property to be deed restricted. 1
- # of existing dwelling units located within exceptions areas

D. Exceptions (Please insure consistency with tax map).

- Non Severable Exceptions
 - # of non severable exceptions: 0
 - Total acreage of non severable exceptions: acres
- Severable Exceptions
 - # of severable exceptions: 01
 - Total acreage of severable exceptions: 1.52 acres

E. **Net Acreage of Preserved Premises:** 119 acres

(Total Gross Acreage - Exception Area Acreage = Net Acreage)

F. Residual Dwelling Site Opportunities (RDSO's)

- Number of eligible RDSOs (Overall gross density must not exceed one RDSO per 100 acres): 0
- Number of RDSOs approved by the CADB: 0

G. Agricultural Production:

(Please describe all agricultural production currently taking place on the property using the appropriate Standard Industrial Code (SIC) found in Appendix A)

SIC # 0111 Agricultural Production Type wheat Approximate Acreage 84

SIC # 0161 Agricultural Production Type vegetables Approximate Acreage 30

SIC # 0171 Agricultural Production Type tree fruits Approximate Acreage 5

SIC # Agricultural Production Type Approximate Acreage

IX. BLOCK, LOT & ACREAGE

Lot 2 of 4

Duplicate and complete Section IX (pages J through O) as necessary for each individual lot.

Municipal Code: 0816 Block: 1 Lot: 3 Acres: 45

A. EXCEPTIONS

(Specific to above lot only)

1. Acreage of exception:

N/A acres

2. Site specific local zoning including minimum lot size requirements:

A/R - 3 Lot size

3. Applicant's reason for exception:

4. Justification provided by the CADB:

5. Specific location of exception as depicted on attached tax map:

6. Is the exception for county and/or municipal farmland preservation and/or open space programs?

YES NO

7. Can the exception be severed from the premises?

YES NO

8. Does the size of the individual exception exceed local zoning requirements to construct one single family residential dwelling?

YES NO

* If YES, how many building lots are possible in excess of the local zoning requirements for one single family residential dwelling? _____

9. Is the landowner willing to restrict the exception to only one existing or future residential unit?

YES NO

10. Is Right To Farm language required on the deed of easement?
(If yes, please attach a copy of the required Right To Farm language)

YES NO

11. Is the CADB placing other requirements on the exception?
(If yes, please explain)

YES NO

12. Does the exception have a significant negative impact to the agricultural operation?

YES NO

(If yes, please explain)

R. W. Frankenfield Associates

IX. BLOCK, LOT & ACREAGE

Lot 4 of 4

Duplicate and complete Section IX (pages J through O) as necessary for each individual lot.

Municipal Code: 0816 Block: 5 Lot: 4 Acres: 32

A. EXCEPTIONS

(Specific to above lot only)

1. Acreage of exception: _____ acres

N/A

2. Site specific local zoning including minimum lot size requirements: _____

3. Applicant's reason for exception: _____

4. Justification provided by the CADB: _____

5. Specific location of exception as depicted on attached tax map: _____

6. Is the exception for county and/or municipal farmland preservation and/or open space programs? YES NO

7. Can the exception be severed from the premises? YES NO

8. Does the size of the individual exception exceed local zoning requirements to construct one single family residential dwelling? YES NO

* If YES, how many building lots are possible in excess of the local zoning requirements for one single family residential dwelling? _____

9. Is the landowner willing to restrict the exception to only one existing or future residential unit? YES NO

10. Is Right To Farm language required on the deed of easement? YES NO
(If yes, please attach a copy of the required Right To Farm language)

11. Is the CADB placing other requirements on the exception? YES NO
(If yes, please explain)

12. Does the exception have a significant negative impact to the agricultural operation? YES NO

(If yes, please explain)

Duplicate this page as necessary.

D. EASEMENTS AND RIGHTS OF WAY

Are there Easements/Rights of Way identified with the parcel to be preserved? YES NO
If YES, please describe each easement individually below and enclose a copy of each easement.)

EASEMENT A: (CHECK ONE ONLY)

- Power Lines
- Water Lines
- Sewer
- Other

- Road Rights of Way = 4
- Telephone Lines
- Gas Lines
- Conservation Easement (e.g., steep slopes, critical areas, critical habitat, wetlands, drainage, no further subdivisions, etc.)

Effect of Easement:

NONE

Description of Easement:

4 - Road Easements
see attached deeds

EASEMENT B: (CHECK ONE ONLY)

- Power Lines
- Water Lines
- Sewer
- Other

AC Right way

- Road Rights of Way
- Telephone Lines
- Gas Lines
- Conservation Easement (e.g., steep slopes, critical areas, critical habitat, wetlands, drainage, no further subdivisions, etc.)

Effect of Easement:

NONE

Description of Easement:

ONLY AC For Right way
see attached deed

EASEMENT C: (CHECK ONE ONLY)

- Power Lines
- Water Lines
- Sewer
- Other

Ingress / Egress Utility

- Road Rights of Way
- Telephone Lines
- Gas Lines
- Conservation Easement (e.g., steep slopes, critical areas, critical habitat, wetlands, drainage, no further subdivisions, etc.)

Effect of Easement:

NONE

Description of Easement:

see attached deed
Block 5 Lot 4 see attached
tax map for location
of easement.

Duplicate this page as necessary.

E. EXISTING NON-AGRICULTURAL USES **

Duplicate this sheet as necessary to describe each non-agricultural use separately.

Will non-agricultural use(s) occur within the exception area(s)?
Are there non-agricultural uses on the premises to be preserved?

YES NO
 YES NO

List the type and frequency or intensity of any existing non-agricultural uses on the parcel to be preserved at the time the applicant submitted to the Board:

Note the approximate dimensions and location of any structures and/or areas utilized for a non-agricultural use: _____

In the event the non-agricultural use involves a lease with another party, identify the individual or entity leasing the structure and type of business or operation:

If non-agricultural events are held on the parcel, identify for what purpose and the frequency or intensity of the activity:

Describe how the non-agricultural use will be accessed on the parcel.

****NOTE:** Appraisers must be aware of non-agricultural uses and determine their impact on the development easement value in their reports pursuant to the SADC Appraiser's Handbook. If you have any questions regarding potential non-agricultural use, please address them with the SADC prior to submission of the application.

An identified non-agricultural use can NOT be expanded or intensified after the premises is preserved if located on the preserved farmland outside of an exception area.

X. Ranking Sheets

Please complete the questions below and refer to SADC Policy P-14-E (<http://www.nj.gov/agriculture/sadc/poll14e.pdf>) to calculate the application individual rank score.

A. SOILS

Soil calculations provided by the CADB should be based on the latest SSURGO data available on the following website: <http://soildatamart.nrcs.usda.gov/>. This is the same data the SADC will use to evaluate the accuracy of the soil data submission.

Exception acres should not be included or used to calculate soil score.

Indicate the percentage of the following types of classification of important farmlands as shown on attached calculations of acres/soil unit.)

Prime	<u>84</u> acres =	<u>70.5%</u>
Statewide	<u>26</u> acres =	<u>22%</u>
Local	_____ acres =	_____ %
Unique (of value)	_____ acres =	_____ %

List crop(s) grown on unique soil. _____

Please identify unique soils. _____

Other (of no value) CoeAs; Fm1A+; FrkD; FrkE; 9 acres = 7.5%

TOTAL NET ACRES 119 acres = 100%

B. TILLABLE ACRES

(Verified by current Farm Tax Assessment Form, aerial photography interpretation and site visit.)

Indicate the percentage of the premises that is classified under the following categories.

Cropland Harvested	<u>101</u> acres =	<u>85%</u>
Cropland Pastured	_____ acres =	_____ %
Permanent Pasture	_____ acres =	_____ %
Woodlands	<u>10</u> acres =	<u>8.5%</u>
Wetlands	<u>3</u> acres =	<u>2.5%</u>
Other <u>picking house, cold storage, farm market, Ag. Labor</u>	<u>5</u> acres =	<u>4%</u>
TOTAL NET ACRES	<u>119</u> acres =	100%

Duplicate this page as necessary.

D. **EXCEPTIONS** (Bring forward scoring calculations from Section IX.A)

1. Are there severable exceptions requested? YES NO

If Yes:

- How many are requested? 1
- Total exception acreage 1.57 acres
- Does the total acreage for all of the exception(s) exceed 10% of the total acreage? YES NO

If multiple severable exceptions are requested, duplicate this sheet as needed for each separate severable exception.

2. Is the exception for municipal farmland preservation and / or open space purposes? YES NO

3. Does the size of the individual exception exceed local zoning requirements to construct one single family residential dwelling? YES NO

a) If yes, how many building lots or portions thereof are there in excess of the local zoning requirements for one single family residential dwelling? _____

b) Is the landowner willing to restrict the exception to only one (1) residential unit? YES NO

4. Will there be any right to farm language required on the deed of the exception? YES NO

5. Does the location and / or use of the exception have a significant negative impact on the premises? YES NO

prospective purchasers through their agent, of the existence of the "Right To Farm" ordinance and the protection it grants to agricultural operations? (This notification is included in the deed of record.) YES NO

11. Community Financial Support

Please list the locally committed funds for farmland preservation since January 1980. This figure should represent the amount committed or spent by the municipality for the preservation of farmland. If a municipality has an Open Space Tax, only the amount specifically designated for farmland preservation can be included.

- Budget \$ N/A
 - Referendum \$ _____
 - Trust Funds \$ _____
 - Bonds \$ _____
 - Other \$ _____
- Total Municipally Committed Funds:** \$ _____

Municipal Equalized Assessed Valuation \$ _____

Equalized valuations for 2007 can be found online at:
<http://www.state.nj.us/treasury/taxation/index.html?ip/lptvalue.htm-mainFrame>

F. DENSITY OR CONTIGUOUS PROPERTIES

List, by name and round (e.g. 2004A EP), lands that are reasonably contiguous (within 1/2 mile linear distance) to the subject application which are comprised of: development easement purchase applications approved by the CADB and received by the SADC during the current round, applications with final approval, lands where development easements have already been purchased, and other permanently deed restricted active farmlands. Include subject application if not an isolated parcel.

- Rita Marino - 2008 EP
- Henry McCann - 2010 County Buy Pending
- Cain Farm - 2001 EP
- Santa Maccharone - 2001 County P/G
- Constantian Farm - 2002 EP

List, by name, lands that are reasonably contiguous (within 1/2 mile linear distance) to the subject application and currently enrolled in an 8 Year Farmland Preservation Program.

**Affidavit of County Agriculture Development Board
Verification**

County of _____)
State of NEW JERSEY) SS

West J. Kandle III
Name of Affiant

Being duly sworn according to law, upon his/her oath, disposes and says:

1. I am the Chairperson of the Gloucester County Agriculture Development Board (hereinafter "Board") and am fully aware of all the actions the Board has taken.
2. The Board has completed, reviewed and approved the subject farm application pursuant to SADC regulations and policies including N.J.A.C.2:76-17.3 "Prerequisites for grant eligibility" and N.J.A.C.2:76-17.9 "Committee review of an application for the sale of a development easement from an eligible farm".
3. Staff of the Board has performed a site inspection of this property on 8/10/10.
4. A copy of the landowner's application will be provided to two SADC certified appraisers hired to evaluate the development easement on this property.
5. All information contained in the attached application for an easement purchase cost share grant is complete and accurate.

[Signature]
Chairperson, Gloucester CADB

Sworn and Subscribed before me
this 24 day of September, 20010.

[Signature]
Notary Public

KENNETH P. ATKINSON
NOTARY PUBLIC OF NEW JERSEY
MY COMMISSION EXPIRES MAY 20, 2013

ADDENDUM B:

(Provide additional information as needed regarding exceptions, residences, structures, non agricultural uses, additional restrictions, etc.)

Date:

8/10/10

County:

Gloucester

Municipality:

South Harrison

Applicant(s):

Santo J. Mecciarone

Land Owner/s of Record (as per recorded deed):

Same as above.

Property received a preliminary & final approval for subdivision (residential) on Oct. 6 24, 2005, however the landowner is not including all the lots that were part of the approvals in this application.
SADC - Discretion

* Please read SADC letter (GLA) dated Feb 7, 2011. Regarding approvals & Contamination.

* Also see attached e-mail dated 7/16/11 regarding approvals & Contamination.

* Also GLA revised to include easements see e-mail date 7-21-11.

Qualifications of Robert W. Frankenfield
Appraiser/Consultant

General

Owner: Robert W. Frankenfield
R. W. Frankenfield Associates
521 Middle Road, Hammonton, New Jersey 08037
State Certified General Real Estate Appraiser, SCGRE.A 42RG00061300

Professional Education

Graduate Stockton State College, with Honors, Pomona, New Jersey, 1977. Degree: Bachelor of Arts in Business, Real Estate and Insurance Major
Instructor, Real Estate Sales Course, Wildwood Evening Activities Program, Wildwood High School, Wildwood, New Jersey
Adjunct Instructor of Real Estate Sales Course, Atlantic Community College, Mays Landing, New Jersey
Instructor, New Jersey Real Estate Commission
New Jersey Licensed Real Estate Broker, 1978-1990
New Jersey Licensed Real Estate Salesperson, 1976-1978
American Institute of Real Estate Appraisers
Courses Attended
Residential Valuation, Course 8-2
Valuation Analysis and Report Writing, Course, 2-2
Standards of Professional Practice, Course, 8-3
Capitalization Theory and Techniques, Part A
Capitalization Theory and Techniques, Part B
Case Studies in Real Estate Valuation
Subdivision Analysis
Society of Real Estate Appraisers
Courses Attended
An Introduction to Appraising Real Property, Course 101
Principles of Income Property Appraising, Course 201
Narrative Report Seminar, Case Study Examination, R-2
Standards of Professional Practice
National Association of Independent Fee Appraisers
Course Attended
Residential Real Estate Appraiser Course
Numerous lectures, workshops and conferences sponsored by:
Appraisal Institute
American Institute of Real Estate Appraisers
Society of Real Estate Appraisers
National Association of Independent Fee Appraisers
New Jersey Association of Realtors
New Jersey Department of Transportation

Background

Actively engaged in the real estate business since 1976, Mr. Frankenfield is the owner of R. W. Frankenfield Associates, a real estate appraisal firm located in Hammonton, New Jersey.

Mr. Frankenfield has provided unbiased appraisal and advisory service related to financing; acquisition and sales; condemnation; leasing and investment analysis. He also provides counseling service with unbiased advice, guidance and judgment including highest and best use analysis, property conversion, feasibility analysis, market and cash flow analysis and special purpose appraising.

He has appraised properties for use in transfer of ownership, financing and credit, just compensation in condemnation proceedings, fee takings and partial takings or road easements, tax matters to facilitate corporation or third-party company purchases of homes of transferred employees, insurance needs, to estimate liquidation value for forced sale or auction proceedings, to arbitrate between adversaries, riparian claims and zoning.

Reason for Instruction:

- Applicant owned the property as of 8/10/04:
- Applicant is an immediate family member of the owner that owned the property as of 8/10/04: _____
- Applicant is a farmer as defined by the SADC:
 - (See Attachment A)
- Applicant is a governmental unit that acquired the property from a
 - a. farmer: _____
 - b. original owner of property as of 8/10/04: _____
 - c. immediate family member of the owner as of 8/10/04: _____
- Applicant is a nonprofit organization that acquired the property from a
 - a. farmer: _____
 - b. original owner of property as of 8/10/04: _____
 - c. immediate family member of the owner as of 8/10/04: _____
- Property is located within 300 feet of a Category 1 stream or river: NO
If yes,
 - Property is within _____ feet of a Category 1 stream or river: _____
 - or
 - Property has a category 1 stream or river within its boundaries: _____
 - o (See Attachment A)

Other:

major subdivision was approved; however the landowner is not including all the lots that made up the approval in this Application

The appraiser shall consider the impact of all exceptions, non-agricultural uses and effect of improvements as listed in the attached subject application in conformance with the SADC Appraisal Handbook.

Signed,

Erica Caputo
(Program Administrator)

7-26-11
Date

*This form shall be completed by the contracting agency and shall be contained as an addendum in the appraisal report.

Enclosure:

Attachment A – Definition of a farmer
– Surface Water Quality Standards for New Jersey Guidelines

63

THE HANSON ORGANIZATION

REAL ESTATE CONSULTING
809 SECOND STREET
OCEAN CITY, NEW JERSEY 08226
609-398-3189
609-398-6218 (Facsimile)

Email: mark.hanson17@comcast.net

MARK J. HANSON, MAI, SRA, CTA, ESQ*
*Member, Appraisal Institute
Certified Tax Assessor - NJ
Certified General Appraiser - NJ
Admitted NJ Bar

October 31, 2011

Office of Land Preservation
County of Gloucester
1200 North Delsea Drive
Clayton, New Jersey 08312
Attention: Maryann

RE: Farmland Preservation Appraisal of the Santo Maccherone Farm, South Harrison Township
Appraisal Invoice 2011032

Invoice No. 1
Federal Tax # 150-48-9338

FINAL BILLING:

Professional fees and out-of-pocket expenses incurred relative to the preparation of real estate appraisal services for the above captioned assignment.

\$3,000.00

Received Payment

THE HANSON ORGANIZATION

By: _____

Date: _____

Amount: _____

*paid
11-2-2011*

A SELF CONTAINED APPRAISAL REPORT

OF THE MACCHERONE FARM

Property Address: North & South Sides of Franklinville Road, just west of Tomlin Station Road

Legal Description: Block 5 Lot 4 & Block 1 Lots 2, 3 & 6

South Harrison Township, Gloucester County, NJ 08062

Property Owner: Santo Joseph Maccherone

Size: 117 acres with 1 severable exception

PREPARED FOR

Gloucester County Office of Land Preservation

1200 North Delsea Drive

Clayton, NJ 08312

Ken Atkinson, Director

Date of Inspection: September 13, 2011

Date of Valuation: September 13, 2011

Date of Report: October 31, 2011

PREPARED BY

The Hanson Organization, P.C.

Mark J. Hanson, MAI, SRA, SCGRE

809 Second Street

Ocean City, NJ 08226-4117

(609) 398-3189 (Office) - (609) 398-6218 (Facsimile)

mhanson@hansonpc.us

THE HANSON ORGANIZATION
A Professional Corporation

809 Second Street, Ocean City, NJ 08226-4117
(609) 398-3189 ~ Fax (609) 398-6218

MARK J. HANSON, MAI, SRA, CTA, ESQ, LL.M (Tax)
MAI, SRA Member Appraisal Institute
NJ Certified General Real Estate Appraiser #42RG00012000

email: mhanson@hansonpc.us
web page: www.hansonpc.us

October 31, 2011

Ken Atkinson, Director
Office of Land Preservation
County of Gloucester
1200 North Delsea Drive
Clayton, New Jersey 08312

Re: Appraisal of the Maccherone Farm
Block 5 Lot 4 & Block 1 Lots 2, 3 & 6, South Harrison Township, NJ

Dear Mr. Atkinson:

At your request, I have prepared a self contained appraisal of the Maccherone Farm located at 477 Franklinville Road, South Harrison Township, Gloucester County, New Jersey for farmland preservation purposes based on market conditions prevailing on September 13, 2011.

This report is intended for use only by Cumberland County, the New Jersey State Agricultural Development Committee (SADC) and the United States Department of Agriculture, National Resource and Conservation Service (USDA-NRCS) for farmland preservation use. This report is not intended for any other use.

I have made a personal inspection of the site, the neighborhood and its surrounding land uses and I have completed a study of those factors that influence value. To the best of my knowledge and belief, the statements contained in this report are correct and subject to the assumptions and limiting conditions which may be found herein. This is to certify that I have carefully examined the above property, that I have no financial or other interest in the property and that my employment is in no way contingent upon the amount of the valuation.

This appraisal report is intended to comply with the reporting requirements set forth under Standards Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice (USPAP), the 2011 appraisal handbook regulations of the SADC and the appraisal specifications of the USDA-NRCS.

Based on my analysis, along with the assumptions and limiting conditions contained herein, it is my opinion that the market value of the development easement of the Maccherone Farm, as described herein, as of September 13, 2011, was as follows:

	<u>Value Per Acre</u>	<u>Total Value</u>
<u>UNRESTRICTED MARKET VALUE BEFORE EASEMENT</u>	\$18,000	\$2,100,000
<u>RESTRICTED MARKET VALUE AFTER EASEMENT</u>	\$2,800	\$328,000
<u>VALUE OF DEVELOPMENT EASEMENT</u>	\$15,200	\$1,772,000

Respectfully Submitted,
THE HANSON ORGANIZATION, P.C.

Mark Hanson

Mark J. Hanson, MAI, SRA, SCGREA - #42RG00012000
Enclosure: appraisal report

CERTIFICATION OF APPRAISAL

I, Mark J. Hanson, hereby certify to Gloucester County, the State Agriculture Development Committee and the United States Department of Agriculture, National Resource and Conservation Service that the market value of the development easement for the Maccherone Farm, as described herein, as of September 13, 2011, was:

	<u>Value Per Acre</u>	<u>Total Value</u>
<u>UNRESTRICTED MARKET VALUE BEFORE EASEMENT</u>	\$18,000	\$2,100,000
<u>RESTRICTED MARKET VALUE AFTER EASEMENT</u>	\$2,800	\$328,000
<u>VALUE OF DEVELOPMENT EASEMENT</u>	\$15,200	\$1,772,000

I further certify that to the best of my knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and is my personal, unbiased professional analyses, opinions, and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report. I have no personal interest or bias with respect to the parties involved.
4. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
5. My compensation for this appraisal is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event. The appraisal was not based on a requested minimum valuation, a specific valuation, or the approval of a loan. The engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) promulgated by the Appraisal Foundation and regulated by New Jersey State Board of Real Estate Appraisers for possible use in the Farm and Ranch Lands Protection Program (FRPP) administered by United States Department of Agriculture, National Resource and Conservation Service. I have performed within the context of the competency provision of the Uniform Standards of Professional Appraisal Practice.
7. I have made a personal inspection of the appraised property which is the subject of this report and all comparable sales used in developing the opinion of value. The date of the inspection was September 13, 2011. A complete physical inspection of the subject property was made. I also made a physical inspection of the comparable sales from the public street.
8. No one provided significant professional assistance to the person signing this report, unless set forth and specified herein.
9. This report has been prepared in accordance with the requirements of the Code of Professional Ethics and the Standards of Professional Appraiser Practice of the Appraisal Institute.
10. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
11. As of this date, I have completed the requirements of the continuing education program of the Appraisal Institute and the New Jersey State Board of Real Estate Appraisers.
12. This appraisal conforms to the Standards for Appraisals in N.J.A.C. 2:76-10.

CERTIFICATION OF APPRAISAL

In my opinion, as of September 13, 2011, the market value of the proposed easement parcel before conveyance of the partial interest is Two Million One Hundred Thousand (\$2,100,000) Dollars or \$18,000 per acre, and the market value of the proposed easement parcel after conveyance of the partial interest is Three Hundred and Twenty Eight Thousand (\$328,000) Dollars or \$2,800 per acre. Therefore, the market value of the development easement is One Million Seven Hundred Seventy Two Thousand (\$1,772,000) Dollars or \$15,200 per acre,

Mark Hanson

Mark J. Hanson, MAI, SRA
SCGRE #42RG00012000

October 31, 2011

Date

EXECUTIVE SUMMARY

Property Owner: Santo Joseph Maccherone

Property Type: Maccherone Farm

Interest to be Acquired: Development Easement

Appraisal Purpose: Farmland Preservation

Property Location: 477 Franklinville Road, South Harrison Township, Gloucester County, a/k/a Block 5 Lot 4 & Block 1 Lots 2, 3 & 6 on the South Harrison Township Tax Map

Land Size: Total Size: 117 acres

Improvement Description: Farm Market Building, Barn, Cold Storage Building & Agriculture Lablr Building

Zoning: AR, Agriculture Residential District (1 unit/3 acres)

Highest and Best Use:
BEFORE Easement Continued agricultural use with future residential subdivision when the market correction ends.

AFTER Easement Permanently restricted existing residential use

Existing Dwellings: One Agricultural Labor Building

Exceptions After Easement: One Severable Exception of 1.52 acres

RDSO After Easement: None

Housing Opportunities After Easement: One

Date of Valuation: September 13, 2011

Date of Inspection: September 13, 2011

	<u>Value Per Acre</u>	<u>Total Value</u>
<u>UNRESTRICTED MARKET VALUE BEFORE EASEMENT</u>	\$18,000	\$2,100,000
<u>RESTRICTED MARKET VALUE AFTER EASEMENT</u>	\$2,800	\$328,000
<u>VALUE OF DEVELOPMENT EASEMENT</u>	\$15,200	\$1,772,000

TABLE OF CONTENTS

Title Page 1

Letter of Transmittal 2

Certification of Appraisal 4

Executive Summary 5

Table of Contents 5

GENERAL INFORMATION 6

Appraisal Purpose & Scope of Appraisal 9

Estate Appraised 11

Definitions 12

General Underlying Assumptions and Limiting Conditions 15

History of Title 15

General Property Identification & Description 16

Zoning & Tax Assessment 17

Regional and Neighborhood Analysis 17

PROPERTY VALUATION, BEFORE DEVELOPMENT EASEMENT ACQUISITION 26

Subject Property Description and Adaptability for Development Use 30

Improvements 34

Highest and Best Use of the Unrestricted Market Value 38

Market Analysis 45

Appraisal Process: Sales Comparison Approach 85

Sales Grid 86

Value Conclusion 86

PROPERTY VALUATION, AFTER DEVELOPMENT EASEMENT ACQUISITION 86

Subject Property Description and Adaptability for Agricultural Use 88

Highest and Best Use of the Restricted Market Value 88

Sales Comparison Approach 128

Sales Grid 130

Final Reconciliation and Value Conclusion 130

ADDENDUM 132

Comparable Sales Location Map 134

Subject Property Municipal Tax Map 136

Aerial Map 137

Preserved Farms Map 138

Soils Map and Data 145

Topographic Map 146

Wetlands Map and Data 150

Flood Map 151

Municipal Zoning Data 152

Property Photographs 157

Subject Property Deed 167

Environment Report Excerpt 172

Market Demographic Data 173

Application for Easement Purchase 187

Appraiser Order Checklist 190

Improvements 192

Appraiser License & Qualifications 192

APPRAISAL PURPOSE AND SCOPE OF THE APPRAISAL

I. PROBLEM IDENTIFICATION

A. NATURE OF THE VALUATION PROBLEM TO BE SOLVED.

My research indicates that Block 5 Lot 4 & Block 1 Lots 2, 3 & 6 are property situated in South Harrison Township. It is known as the Maccherone Farm.

The assignment requires an estimate of the Unrestricted Market Value and Restricted Market Value of the fee simple interest of the subject property as of the effective date of the appraisal in order to estimate the Market Value of the Development Easement. This is a partial acquisition appraisal. The application of the *before and after* method of valuation, in which the appraiser estimates both the market value of the whole property before the government's acquisition of the development easement and the market value of the remainder property after the government's acquisition of the development easement is the methodology employed in this appraisal.

The principal difference between the before and after values is that in the after value, there will be land use restrictions limiting the use to agricultural uses as defined in the deed of easement. There will be no physical differences to the subject property between the before and after appraisal methodologies.

The purpose of this appraisal is to provide an independent opinion of the market value of a development easement on the subject property in accordance with the restrictions of the New Jersey Agriculture Retention and Development Program Farm and Ranch Lands Protection Program (FRPP) administered by United States Department of Agriculture, National Resource and Conservation Service. The effective date of valuation is September 13, 2011.

B. IDENTIFICATION OF THE CLIENT AND ALL INTENDED USERS.

The intended users of this report are Gloucester County, the New Jersey State Agriculture Development Committee and United States Department of Agriculture, National Resource and Conservation Service. This appraiser is not responsible for use of this report by any other user.

C. THE INTENDED USE OF THE APPRAISER'S OPINIONS AND CONCLUSIONS.

The intended use of the report is for farmland preservation purposes. This report should not be used for any other purpose.

D. SUBJECT OF THE ASSIGNMENT AND ITS RELEVANT CHARACTERISTICS.

The subject of this assignment is the Maccherone Farm and further identified as Block 5 Lot 4 & Block 1 Lots 2, 3 & 6 are property situated in South Harrison Township Tax Maps.

There are four tax parcels on the north and south sides of Franklinville Road just west of Tomlin Station Road. The sites feature an agricultural land use. The sites are level, irregular shaped parcels containing 117 acres with 1,929.55 linear feet of frontage on Franklinville Road and 1,992.10 linear feet of frontage on Tomlin Station Road. The site has access to electric, cable and

telephone. I am aware of physical characteristics (wetlands) that would impede development to its highest and best use. The site is zoned for low density residential and agricultural use in the AR district featuring 1 unit per 3 acres. The highest and best use of the Unrestricted Market Value of the subject property is for agriculture as an interim use with residential development as a long term use. The highest and best use of the Restricted Market Value of the subject property is for agricultural. This assignment only considers the land. The price per acre is the most relevant economic unit of comparison in the marketplace for the property.

E. TYPE AND DEFINITION OF VALUE.

This assignment estimates the Unrestricted Market Value and Restricted Market Value based on the definitions contained in the New Jersey Farmland Preservation Program Appraiser Handbook dated May 2011 as of the effective date of the appraisal. This report also contains a Definition section that defines relevant terms used in this report that impact upon market value.

The definition of market value under the specifications of the Ranch Lands Protection Program (FRPP) administered by United States Department of Agriculture, National Resource and Conservation Service, has been applied in this appraisal.

G. EFFECTIVE DATE OF APPRAISER'S OPINIONS AND CONCLUSIONS

The effective date of the report is the date at which the analyses, opinions, and advice in an appraisal service apply. The effective date of this report is September 13, 2011.

The date of the transmittal letter of a written report ... prepared by the appraiser is the date it is communicated to the client. The date of the report may or may not be the same as the effective date of the appraisal. The date of the report is October 31, 2011.

H. ASSIGNMENT CONDITIONS

Assignment conditions are extraordinary assumptions or hypothetical conditions that the client requires for the purpose of analysis. There are two assignment conditions in this assignment. **Assignment Condition #1:** This is a current "as is" estimate of the Unrestricted Market Value and Restricted Market Value of the fee simple interest of the subject property. There is one assignment condition in the valuation of the subject property pertaining to Exposure Time. I am invoking the Jurisdictional Exception Rule pursuant to USPAP standards. This report also contains basic assumptions and limiting conditions in the body of this report.

Invocation of the Jurisdictional Exception Rule: Under the operative definition of market value for this assignment, a reasonable exposure time is required and applied in this appraisal conclusion. Under USPAP standards, a specific exposure time is required. Therefore, the USPAP exposure time standard has been replaced with the Farm and Ranch Lands Protection Program federal standard of reasonable exposure time.

Assignment Condition #2: The second assignment condition is a hypothetical condition. The subject property has received entitlements for a residential subdivision known as Whispering Meadows. The SADC has given specific instructions not to consider the entitlements in this assignment.

II. RESEARCH PROGRAM

I. EXTENT OF THE INSPECTION.

The property was inspected on September 13, 2011 with Santo Maccherone present. I discussed the appraisal assignment with Mr. Maccherone and indicated that if he wished to provide me with any information about the assignment, he was free to do so. I also inspected the neighborhood on September 13, 2011. The comparable market data was inspected in October 2011. I walked the accessible exterior areas of the subject property. During the inspection, I took digital photos of the exterior of the property. The photographs of the subject property are presented in the Addenda. The photographs of the comparable market data are presented in the body of the report. An exterior inspection of the comparable market data was made by this appraiser. Each comparable market data was verified through public records and other reliable sources to insure the market data was genuine and reliable for quality control purposes.

J. TYPE AND EXTENT OF THE DATA RESEARCHED.

I reviewed various maps of the subject property and neighborhood including tax maps, general area maps, zoning maps and flood maps.

I reviewed the zoning ordinance and map of South Harrison Township.

The Client provided information from their files including: (1) Appraisal Order Checklist; (2) Application for Development Easement Purchase; and (3) various land use maps.

I visited the municipal offices to perform the following due diligence tasks: (1) the tax assessor's office to obtain tax assessment information on the property under appraisal; (2) Clerk's Office to research the land use ordinance, zoning map and current development projects.

After identifying the nature of the appraisal problem through application of the seven steps in the problem identification section of this scope of work, I conducted real estate research to identify units of comparison used by market participants when acquiring properties with similar physical, legal and economic characteristics as the subject property.

After completing the highest and best use analysis, as if vacant and improved, I conclude that the highest and best use of the subject property in the Unrestricted Market Value estimate, as of the effective date of the appraisal, was for agriculture use as an interim use with residential use as a longer term potential use. I also conclude that the highest and best use of the subject property in the Restricted Market Value estimate, as of the effective date of the appraisal, was for agricultural use. My research program then focused on market data consistent with my highest and best use conclusions.

K. TYPE AND EXTENT OF ANALYSES APPLIED TO REACH THE VALUATION CONCLUSIONS.

After collecting, verifying and inspecting the most relevant market data, I concluded that the most relevant approach to market value for the subject property was the Direct Sales Comparison Approach. The Direct Sales Comparison Approach utilizes a comparative technique by which recent sales of similar land are related to the subject property's physical, legal and economic characteristics. Market adjustments are considered for such characteristics as time of sale, location, physical condition and other relevant market differences. Relevant units of comparison are extracted from the market data and are applied to the subject property under appraisal to estimate a value conclusion. The most relevant unit of comparison for the appraisal purpose is the sales price per acre.

After establishing the range of the relevant units of comparison from the market data, I then reconciled the market data into a value conclusion for the subject property. The conclusion of the appraisal process is this appraisal report.

No other value approaches were applied in this report.

ESTATE APPRAISED

The property rights appraised in this report include the unencumbered, or unrestricted, rights of the Fee Simple Estate in the Unrestricted Market Value conclusion.

The property rights appraised in this report also include the encumbered, or restricted from non-agriculture development rights of the Fee Simple Estate in the Restricted Market Value conclusion.

The property rights appraised in this report, and the rights to be acquired, include the unencumbered, or unrestricted, rights of the Fee Simple Estate. Fee Simple Estate is defined in The Dictionary of Real Estate Appraisal, Fourth Edition, Appraisal Institute, as follows:

"Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat."

The property rights appraised are the surface rights including improvements such as homes, barns, hay sheds and fencing, timber, orchards or other permanent plantings and any irrigation water rights. There are no irrigation water rights, marketable standing timber, permanent plantings or irrigation equipment considered in this appraisal.

KEY DEFINITIONS

DEFINITION OF MARKET VALUE

The type of value, stated as an opinion, that presumes the transfer of a property, (i.e., a right of ownership or a bundle of such rights), as of a certain date, under specific conditions set forth in the definition of the term identified by the appraiser as applicable in an appraisal. USPAP Definitions Section, Current Edition, 2011.

The definition of market value under the specifications of the Ranch Lands Protection Program (FRPP) administered by United States Department of Agriculture, National Resource and Conservation Service, has been applied in this appraisal and is presented below.

“Market value means 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 to 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 considerations for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

This appraiser has reviewed the market value definitions of the SADC and United States Department of Agriculture, National Resource and Conservation Service. I consider both definitions of market value to be consistent with each other and to the extent an inconsistency is argued, the federal definition shall apply.

For purposes of this appraisal, September 13, 2011 is considered the date of valuation.

BUNDLE OF RIGHTS THEORY

The concept that compares property ownership to a bundle of sticks with each stick representing a distinct and separate right of the property owner, eg., the right to use real estate, to sell it, to lease it, to give it away, or to choose to exercise all or none of these rights. The Dictionary of Real Estate Appraisal, Fourth Edition, Appraisal Institute, page 37.

The fee simple interest represents ownership of the most comprehensive real property rights a person holds when acquiring title to a parcel of real property. The appraisal estimates value based upon this real property interest.

EASEMENT

An interest in real property that conveys use, but not ownership, of a portion of an owner's property. Access or right-of-way easements may be acquired by private parties or public utilities. Governments dedicate conservation, open space, and preservation easements. The Dictionary of Real Estate Appraisal, Fourth Edition, Appraisal Institute, page 90.

The interest being acquired by the Client is a development easement. Deed restrictions are placed on the title to the property that is established in N.J.A.C. 2:76-6. This type of real property interest acquires a limited number of real property rights (less than a fee simple interest) at the time title transfers. A development easement is an interest in land only.

The following definitions were taken from the New Jersey Farmland Preservation Program Appraiser Handbook, 2011 Edition.

MARKET VALUE (UNRESTRICTED):

Market Value Unrestricted means the market value that the property will bring in the open market under all conditions requisite for a fair sale and which includes all rights of fee simple ownership.

MARKET VALUE (RESTRICTED):

Market Value Restricted is the market value of property subject to the deed restrictions placed on the title of a property as set forth in N.J.A.C. 2:76-6.15. This term may be synonymous with agricultural market value although in areas under heavy development pressure or in more exclusive gentrified areas an increment of value may be inherent for residential and/or recreational uses with agricultural use being secondary. The restrictions placed on the premises run with the land forever.

AGRICULTURAL MARKET VALUE:

Agricultural Market Value can be defined as the market value of property with a present and future highest and best use for agricultural production. This includes consideration of exposure on the market and competition for agricultural property among farmers.

AGRICULTURAL VALUE:

Agricultural Value is a value in use. It can be defined as the value of property based solely on its agricultural productivity. This value does not take into account alternative uses for the property.

RESIDENTIAL OPPORTUNITIES

This term encompasses exceptions which permit a residence, existing residential units and residential dwelling opportunities (RDSOs) which are further defined as follows: generally, the ability to reside on the property provides an increment of value attributed to the land, which is independent of the actual value of the physical structure. This ability may exist through a Residential Dwelling Site Opportunity, existing residential unit or an exception, which is not encumbered by the general deed restrictions as contained in the Deed of Easement (see N.J.A.C. 2:76-6).

RESIDENTIAL OPPORTUNITIES (continued)**EXCEPTIONS**

An exception may be one of the following: (i) Severable Exception; or a (ii) Non-Severable Exception.

Severable Exception: is an area which is part of an existing Block and Lot owned by the applicant which will be excluded from the restrictions of the Deed of Easement and may be sold as a separate lot in the future;

Non-severable Exception: is an area which is part of an existing Block and Lot owned by the applicant that will not be subject to the restrictions of the Deed of Easement but cannot be sold separately from the remaining premises unless it is part of a larger area which is deemed to be agriculturally viable.

Residential Units: These consist of existing residential single family or multi-family units for residential purposes. The occupant does not have to be involved in the agricultural operation once the premises are permanently restricted.

Residential Dwelling Site Opportunities (RDSOs): An "RDSO" means the potential to construct a residential unit and other appurtenant structures on the premises according to N.J.A.C. 2:76-6.17. The residential building must be used for single family residential housing and its appurtenant uses. The construction and use of the residential unit shall be for agricultural purposes.

GENERAL ASSUMPTIONS AND LIMITING CONDITIONS

This appraisal report and resulting estimate of value, is subject to the following assumptions and limiting conditions:

1. The forecasts, projections, or estimates contained herein are based upon current market conditions, anticipated short-term supply and demand factors, and a continued stable economy. Therefore, these forecasts are subject to changes in future conditions. Value estimates in this appraisal report are stated in United States currency as of the date of appraisal.
2. No responsibility is assumed for the legal description or for matters including legal or title considerations.

The legal description used in this report is assumed to be correct, but it may not necessarily have been confirmed by survey. No responsibility is assumed in connection with a survey or for encroachments or overlapping or other discrepancies that might be revealed thereby. Any sketches included in the report are only for the purpose of aiding the reader in visualizing the property and are not necessarily a result of a survey.

No responsibility is assumed for an opinion of legal nature, such as to ownership of the property or condition of title.

Title to the property is assumed to be good and marketable. The appraiser assumes no responsibility for matters legal in nature, nor renders any opinion as to title.

Confidential Information - information that is either: identified by the client as confidential when providing it to an appraiser and that is not available from any other source; or classified as confidential or private by applicable law or regulation. For example, pursuant to the passage of the Gramm-Leach-Bliley Act in November 1999, some public agencies have adopted privacy regulations that affect appraisers. As a result, the Federal Trade Commission issued a rule focused on the protection of "non-public personal information" provided by consumers to those involved in financial activities "found to be closely related to banking or usual in connection with the transaction of banking." These activities have been deemed to include "appraising real or personal property. Federal Trade Commission, Privacy of Consumer Financial Information, Final Rule, 16 CFR Part 313. I have not been notified of or provided with confidential information during this assignment unless otherwise noted herein.

3. This appraisal report, when submitted to the USDA-NRCS, becomes the property of the United States and may be used for any legal and proper purpose.
4. Information furnished by others is believed to be true, correct, and reliable. A reasonable effort has been made to verify such information; however, the appraiser assumes no responsibility for its accuracy.
5. Gloucester County provided copies of several documents such as deeds, easements, tax maps and general property parcel maps of the subject property. These documents were relied upon in this report and are assumed to be accurate. The appraiser assumes no responsibility for the accuracy of the documents. Maps, plats, and exhibits included in this appraisal report are for illustration only, as an aid in visualizing matters discussed within the report. They should not be considered as surveys or relied upon for any other purpose. The appraiser has not made a survey of the property, and no responsibility is assumed in connection with such matters.
6. Appraiser assumes that no hidden or unapparent conditions of the property, subsoil, or structures exist, which would render the property more or less valuable. The appraiser(s) assumes no responsibility for such conditions, or for engineering that might be required to discover such factors. The appraiser recommends that, if necessary, the client obtain an opinion from a competent engineering firm.
7. It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless noncompliance is stated, defined, and considered in this appraisal report.
8. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless nonconformity has been stated, defined, and considered in this appraisal report.

9. It is assumed that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report.

10. It is assumed that the utilization of the land and improvements is within the boundaries or property lines of the property described and that no encroachment or trespass exists, unless noted in this appraisal report.

11. Value estimates in this appraisal report apply only to the entire property, and cannot be prorated to individual portions or fractional interests. Any proration or division of interest will invalidate the value estimate(s), unless such proration or division of interests is set forth in this appraisal report.

12. The appraiser is not required to give testimony or attendance in court by reason of this appraisal, with reference to the property in question, unless arrangements have been previously made. The fee charged for this appraisal does not include payment for court testimony or for further consultation.

13. I did not observe the existence of hazardous material during my inspection. However, environmental contamination was identified on site. The environmental report is contained in my work file. The Addenda presents excerpts from the report. I have considered the contamination in my final value conclusion based upon the engineer's cost to cure. I am not qualified to detect such substances and so I have relied upon the environmental report. The presence of hazardous substances other than the current contaminants such as radon, asbestos, urea-formaldehyde foam insulation or other potentially hazardous materials may affect the value of the property. Value estimates within this appraisal report are predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any expertise or engineering knowledge required to discover them. The appraiser recommends that appropriate experts be retained to investigate and determine to what extent, if any, such substances are present and what risks, if any, are involved.

14. Unless otherwise noted in this appraisal report, no consideration in the valuation process has been given to sub-surface rights (minerals, oil, water, et cetera) that may be found on the subject property.

15. The appraiser reserves the right to alter opinions of value contained in this appraisal report on the basis of information withheld or not discovered in the normal course of a diligent investigation.

Possession of this report, or a copy thereof, does not carry with it the right of publication. Any person other than the intended users may not use this report for any purpose.

16. Disclosure of the contents of this appraisal report is governed by the Bylaws and Regulations of the Appraisal Institute and the State Board of Real Estate Appraisers of the State of New Jersey.

17. Neither all nor part of the contents of this report (especially any conclusions as to value, the identity of the appraisers or the firm with which they are connected, or any reference to the Appraisal Institute or to the MAI designation) shall be disseminated to the public through advertising media, news media, sales media, or any public means of communication without the prior written consent and approval of The Hanson Organization, P.C.

18. The Appraisal Institute conducts a program of continuing education for its members. Designated members who meet the minimum standards of this program are awarded periodic educational certification. Mark J. Hanson, MAI is currently certified under this program.

HISTORY OF TITLE

The owner of record to the subject property from two deeds indicates Santo Maccherone received title from: (1) Vita L. Maccherone and Joseph R. Maccherone, h/w, dated June 5, 1997, recorded June 6, 1997 in Deed Book 2770 page 213; and (2) Vita L. Maccherone and Joseph R. Maccherone, h/w, dated April 5, 1988, recorded April 12, 1988 in Deed Book 1727 page 98. I did not conduct a title search. A copy of the deeds is included in the Addenda of this report. I have assumed that there are no title issues that would affect the market value. To the best of my knowledge title to this property has not changed since this transaction. The property has not transferred during the past three years. There have been no contracts for sale executed during the past three years to the best of my knowledge.

GENERAL PROPERTY IDENTIFICATION AND DESCRIPTION

The property, (postal address of the property owner: 233 Franklinville Road, Woolwich Township, N.J. 08085-3434) is located on both the north and south sides of Franklinville Road in South Harrison Township, Gloucester County. The parcels are identified as Block 5 Lot 4 & Block 1 Lots 2, 3 & 6 on the South Harrison Township Tax Maps. The parcel has 3,921.65 linear feet of frontage on Franklinville Road and Tomlin Station Road. According to the Application, the total land area is 117 acres with one severable exception containing 1.52 acres. The land is 85% cropland harvested, 8.5% woodland, 2.5% wetlands and 4% buildings. There is one existing agricultural labor residence on the property to be preserved. The severable exception containing 1.52 acres is excepted from the easement and contains a barn, cold storage building and farm market.

ZONING

As of the effective date of this appraisal, Block 5 Lot 4 & Block 1 Lots 2, 3 & 6 are located in the AR, Agriculture Residence District of South Harrison Township. The principal permitted uses in the AR District are farm and agricultural uses, the sale and processing of agricultural products uses, municipal buildings, structures and uses, outdoor public or nonprofit recreation, athletic fields, conservation areas and parks, cemeteries, detached single-family dwelling units and community residences for the disabled.

The minimum bulk requirements area in the AR District is as follows:

	<u>AR District</u>
Maximum Density/AC	1 unit per 3 acres
Minimum Lot Area	1 acre
Minimum Lot Width	100 feet
Minimum Lot Depth	200 feet
Maximum Building Height	35 feet
Maximum Impervious Coverage	0.25

I have reviewed the zoning requirements as of the effective date of the appraisal. Based upon my review of the zoning information from South Harrison Township, the subject property conforms to the use requirements of the AR zoning district.

The subject property has received entitlements for a residential subdivision known as "Whispering Meadows" under South Harrison Township Planning Board Resolutions # R-05-12 dated April 7, 2005 and R-05-38 dated October 6, 2005. A total of 67 single family lots were approved in varying sizes between approximately 1 acre and 2 acres. These approvals remain in effect until December 31, 2012 under the Permit Extension Act. My work file contains a set of subdivision engineering drawings and a copy of the Resolutions from the South Harrison Township Planning Board. The SADC has given specific instructions not to consider the entitlements in this assignment. This is considered a hypothetical condition in this assignment.

LOCAL PROPERTY TAX ASSESSMENT

<u>Block/ Lot</u>	<u>Land</u>	<u>Improvements</u>	<u>Total</u>	<u>Class</u>
1/2	\$20,800	-0-	\$20,800	3B
1/3	-0-	\$33,200	\$33,200	3A
1/3	\$35,400	-0-	\$35,400	3B
1/6	\$11,300	-0-	\$11,300	3B
5/4	-0-	\$79,300	\$79,300	3A
5/4	\$31,900	-0-	\$31,900	3B

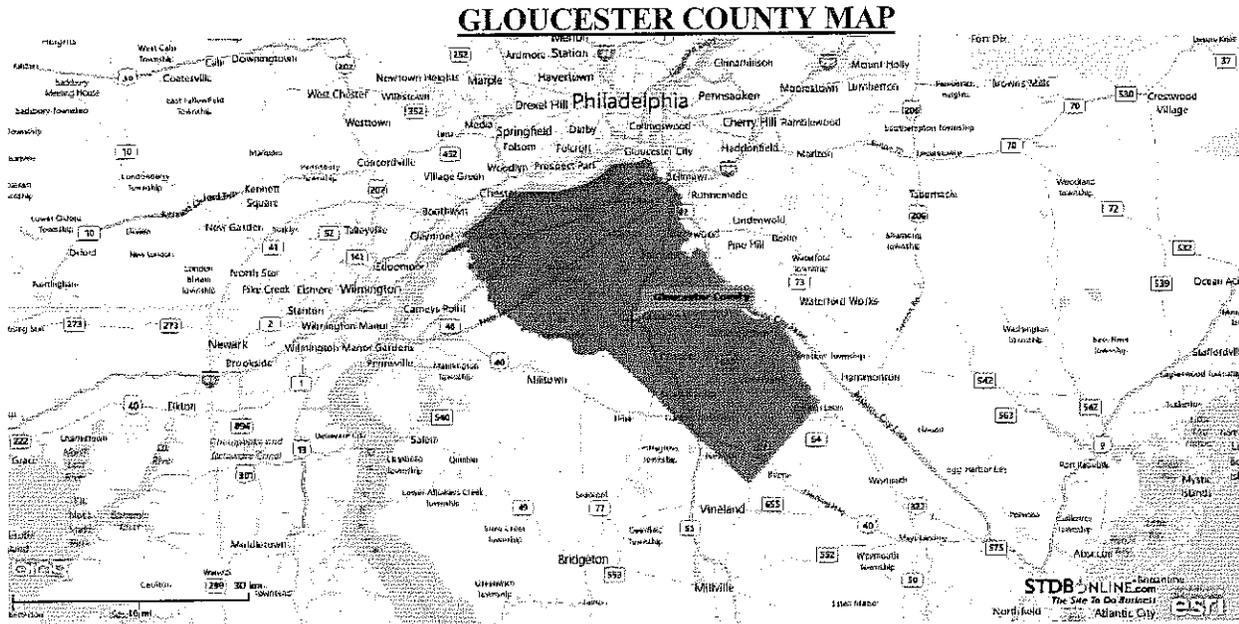
The 2011 tax rate for South Harrison Township is \$2.232 per \$100 of assessed value. The 2010 equalization ratio is 105.34%. The current annual real estate taxes for the subject property are \$4,729.61.

REGIONAL AND NEIGHBORHOOD DATA**REGIONAL COMMENTS**

Philadelphia, the focal point of the region, is located at the confluence of the Delaware and Schuylkill Rivers, which is the hub of the Delaware Valley. It is an eight-county region consisting of Philadelphia, Bucks, Chester, Delaware, and Montgomery Counties in southeastern Pennsylvania and Camden, Burlington, and Gloucester Counties in New Jersey.

The Delaware Valley is part of the eastern megalopolis and is well placed for regional economic growth since it is situated within some 100 miles of New York. Baltimore, Washington, D.C.; Atlantic City, New Jersey; Dover, Delaware; Harrisburg, Pennsylvania; and Annapolis, Maryland, are all within that radius. The city is located within one of the nation's largest markets and has national recognition for its diversity in its economic base and for consumer and industrial goods. The region's diversified economic base cuts across a variety of commercial activity.

The region is served by all forms of modern transportation including Philadelphia International Airport which is in reasonable proximity to South Harrison Township. It is also served by major railroad, bus, and shipping lines. The commuter transportation network involves a rail system which extends to virtually all points of the Delaware Valley providing rapid transit to the center of Philadelphia. The rail system has improved even further resulting from full operation of the Center commuter rail tunnel. Southern New Jersey and Central Philadelphia are connected via the Lindenwold High Speed Line and Transport of New Jersey bus service. The region is served by ConRail, Amtrak (Metroliner Service to Washington and New York), Amtrak (Metroliner Service to Washington and New York), and rail freight carrier. Rail transit to the airport is a major convenience factor to Southern New Jersey residents. Philadelphia International Airport is located approximately 30 minutes from South Harrison Township. All major airlines, with few exceptions, provide domestic and international passenger service. Smaller airports in North Philadelphia, Wilmington, Delaware and Mercer County, New Jersey provide shuttle service to Philadelphia International Airport and some additional flight service to major cities.



GLOUCESTER COUNTY

Gloucester County encompasses an area of approximately 325 square miles in the southwestern portion of New Jersey. Camden County borders it to the north, Atlantic and Cumberland Counties to the southeast, Salem County to the south, and the Delaware River forms the western border. The County is situated midway between New York City and Washington, DC and is included within the Philadelphia Metropolitan Area of southeastern Pennsylvania and southern New Jersey. Philadelphia; Wilmington, Delaware; and Atlantic City are within commuting distance of Gloucester County.

Although situated within a highly urbanized metropolitan area, the County is generally suburban in its northern and eastern areas, and rural in the other areas. Approximately 25% of the County's land area is developed, including 25,000 acres in residential use, 5,200 acres in industrial use and 2,600 acres in commercial use. Agriculture is an important aspect of the County's southern region, with nearly one-third of the land area (62,000 acres) actively engaged in agricultural production. As of August 2006, Gloucester County had over 10,188 acres of farmland permanently preserved through the Farmland Preservation Program and over 2,368 acres permanently preserved for Open Space.

Gloucester County has more than 1,400 miles of state, county and municipal roads. Interstate Highway Route 295, State Highways 40, 41, 42, 47, 49, 55, 77, 130 and 322 and the New Jersey Turnpike make up an extensive highway system within the county. The Commodore Barry Bridge crosses the Delaware River connecting Route 322 and the eastern portion of Gloucester County with the City of Chester in Pennsylvania. The Walt Whitman Bridge connects Route 42, just north of the county, with the City of Philadelphia and The Delaware Memorial Bridge connects the Turnpike and 295 with Wilmington, Delaware less than 10 miles southwest of Gloucester County.

Industry & Employment

Gloucester County is home to five major industrial parks known as the "Commodore Corridor": Pureland, Mid Atlantic, Forest Park, Northeast Business Center, and Commodore Corporate Center. These parks are situated along Interstate Route 295 on over 5,000 acres of land and are designed to accommodate over 30 million square feet of space. The strategic location, affordable housing and available labor force has attracted many businesses to relocate to these Gloucester County industrial parks.

Retail centers are interspersed throughout the county. The largest concentration of retail space is in Deptford and Washington Townships. The Deptford Mall is a regional shopping mall with 4 major anchors. Surrounding the mall are several retail centers with small, mid size, and large retailers. The Black Horse Pike in Washington Township also has numerous retail centers.

The service industry is also well represented throughout the county. There are many service type businesses catering to neighborhoods and regional users. Woodbury, the County Seat, has the most professional office space in the County. Medical office centers are located in proximity to Underwood Hospital in Woodbury and Kennedy Hospital in Washington Township.

Unemployment in Gloucester County has typically been at or slightly below the state average.

2000 TO 2010 COUNTY UNEMPLOYMENT RATE HISTORY

COUNTY	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
ATLANTIC	5.7	5.4	6.1	6.9	6.1	5.2	5.8	5.9	7.0	12.1	12.5
BERGEN	3.1	3.6	4.7	4.9	4.0	3.7	4.0	3.5	4.5	7.9	8.2
BURLINGTON	2.9	3.2	4.3	4.6	4.2	3.7	4.1	3.7	5.0	8.5	9.0
CAMDEN	3.9	4.1	5.4	6.1	5.4	4.7	5.2	4.7	6.0	10.0	10.6
CAPE MAY	8.6	8.2	8.8	9.9	6.8	4.3	7.1	6.7	8.3	11.4	11.8
CUMBERLAND	7.2	7.5	8.0	8.6	6.7	6.2	7.0	6.5	8.1	12.7	13.3
ESSEX	4.7	5.4	6.9	7.3	5.9	5.6	6.1	5.4	6.7	10.5	11.0
GLOUCESTER	3.8	3.9	4.9	5.5	4.9	4.3	4.7	4.3	5.5	9.4	10.1
HUDSON	5.7	6.2	7.6	8.0	5.9	5.4	5.8	5.1	6.5	10.7	10.9
HUNTERDON	1.7	2.1	3.1	3.9	3.2	3.0	3.3	2.9	3.8	6.8	7.1
MERCER	3.0	3.4	4.7	4.8	4.2	3.8	4.3	3.8	5.0	7.8	8.0
MIDDLESEX	3.1	3.7	4.9	5.4	4.5	4.1	4.4	3.9	5.1	8.7	8.8
MONMOUTH	3.2	3.6	4.8	5.3	4.4	4.0	4.2	3.8	4.9	8.5	8.7
MORRIS	2.3	2.9	4.0	4.4	3.5	3.2	3.5	3.1	4.1	7.2	7.3
OCEAN	3.9	4.1	5.1	5.7	4.9	4.5	5.0	4.6	6.1	9.7	10.3
PASSAIC	5.0	5.7	6.9	7.7	5.9	5.4	5.9	5.4	6.9	11.2	11.4
SALEM	4.4	4.6	5.8	6.9	5.5	4.8	5.1	5.0	6.3	10.7	11.2
SOMERSET	2.1	2.7	4.0	4.3	3.7	3.3	3.5	3.1	4.1	7.4	7.5
SUSSEX	2.9	3.6	4.6	5.5	4.1	3.8	4.2	4.0	5.1	8.7	9.4
UNION	4.0	4.5	6.0	6.3	5.1	4.7	5.1	4.6	5.8	9.5	9.7
WARREN	3.1	3.6	5.0	5.7	4.3	3.8	4.0	3.7	5.0	8.8	9.1
STATEWIDE	3.8	4.2	5.4	6.1	4.9	4.4	4.8	4.3	5.5	9.2	9.5

I note that 2008, 2009 and 2010 has seen an increase in the unemployment rate across the state due to deteriorating economic conditions. For residents who work out of the county, Routes 42, 47, 55, and 295 provide direct access to Philadelphia and employment centers in the Mt.

Laurel/Cherry Hill area.

Population

In 1970 Gloucester County had a population of 172,681 persons. Population increased by 15.8% to 199,917 in 1980 and 15.1% to 230,082 in 1990. Population increased to 254,673 in 2000, a 10.7% increase since 1990. This growth trend is impressive when compared with the State growth of 2.7% in 1970 to 1980, 5.0% in 1980 to 1990, 8.9% in 1990 to 2000 and 13.03% in 2000 to 2008. Gloucester County's strong growth reflects a transformation of the county from a rural to a suburban region.

The fastest growing municipality over the past decade in Gloucester County was Woolwich Township. Woolwich had the 2nd highest percent increase of all municipalities in the state and is one of only two municipalities that more than doubled their population over the past decade. Only 11 municipalities in the entire state had an increase of more than 50% and two are located in Gloucester County: Woolwich Township at 107.8% and Harrison Township at 86.4%.

Gloucester County has had a steady increase in population, particularly in the northern and eastern portions of the county. The chart on the following page identifies the municipalities within Gloucester County with their population and growth trends.

	POPULATION		% POPULATION	
	YR: 2000	YR:2008	CHANGE	CHANGE
Gloucester County	254,673	287,860	33,187	13.03%
Clayton borough	7,139	7,553	414	5.80%
Deptford township	26,763	30,632	3,869	14.46%
East Greenwich township	5,430	7,788	2,358	43.43%
Elk township	3,514	3,906	392	11.16%
Franklin township	15,466	17,287	1,821	11.77%
Glassboro borough	19,068	19,751	683	3.58%
Greenwich township	4,879	4,984	105	2.15%
Harrison township	8,788	12,436	3,648	41.51%
Logan township	6,032	6,245	213	3.53%
Mantua township	14,217	15,177	960	6.75%
Monroe township	28,967	32,949	3,982	13.75%
National Park borough	3,205	3,227	22	0.69%
Newfield borough	1,616	1,669	53	3.28%
Paulsboro borough	6,160	6,075	-85	-1.38%
Pitman borough	9,331	9,206	-125	-1.34%
South Harrison township	2,417	3,134	717	29.66%
Swedesboro borough	2,055	2,250	195	9.49%
Washington township	47,114	52,037	4,923	10.45%
Wenonah borough	2,317	2,355	38	1.64%
West Deptford township	19,366	22,013	2,647	13.67%
Westville borough	4,500	4,467	-33	-0.73%
Woodbury city	10,309	10,450	141	1.37%
Woodbury Heights borough	2,988	3,052	64	2.14%
Woolwich township	3,032	9,174	6,142	202.57%

Housing

Along with the increase in population the number of dwelling units authorized by building permit in Gloucester County has also increased significantly in recent years. The building permit data indicates 2004 and 2005 were the peak periods of time for housing demand. 2006 represents a year of housing demand decline due to the market price correction now occurring.

The chart on the following page shows building permits issued in each municipality from 2007 through 2011.

BUILDING PERMITS FROM 2007 TO AUGUST 2011

	2011 Total	2010 Total	2009 Total	2008 Total	2007 Total
	<u>Units</u>	<u>Units</u>	<u>Units</u>	<u>Units</u>	<u>Units</u>
Clayton borough	7	21	4	12	19
Deptford township	40	51	203	45	53
East Greenwich township	47	91	175	219	206
Elk township	6	12	11	16	19
Franklin township	10	19	19	25	59
Glassboro borough	16	113	29	38	71
Greenwich township	7	7	7	6	8
Harrison township	20	42	50	62	69
Logan township	27	6	6	12	19
Mantua township	0	0	13	22	2
Monroe township	69	208	89	104	151
National Park borough	69	2	0	2	1
Newfield borough	0	0	0	0	2
Paulsboro borough	0	3	4	4	3
Pitman borough	0	1	0	2	0
South Harrison township	3	12	6	20	26
Swedesboro borough	26	52	67	54	77
Washington township	29	1	2	7	18
Wenonah borough	0	2	0	1	7
West Deptford township	1	8	2	13	13
Westville borough	1	0	0	0	1
Woodbury	1	2	1	0	5
Woodbury Heights borough	0	0	0	0	5
Woolwich township	1	63	180	124	86
Gloucester County	393	716	868	788	920

For the year 2007, the number of dwelling units authorized by building permits in Gloucester County was 920. The county issued 788 building permits in 2008, a 14.3% annual decline from 2007; 868 permits in 2009, a 10.2% annual increase from 2008; 716 in 2010, a 17.5% annual decline from 2009; and 393 in 2011, a 17.6% annual decline from 2010 if the present 2011 pace is annualized. Monroe Township, East Greenwich Township and National Park were the leaders in the

county in issuing building permits in 2011. The building permit data in the county indicate declining demand for housing in the marketplace from 2007 to the present except for a rebound in 2009.

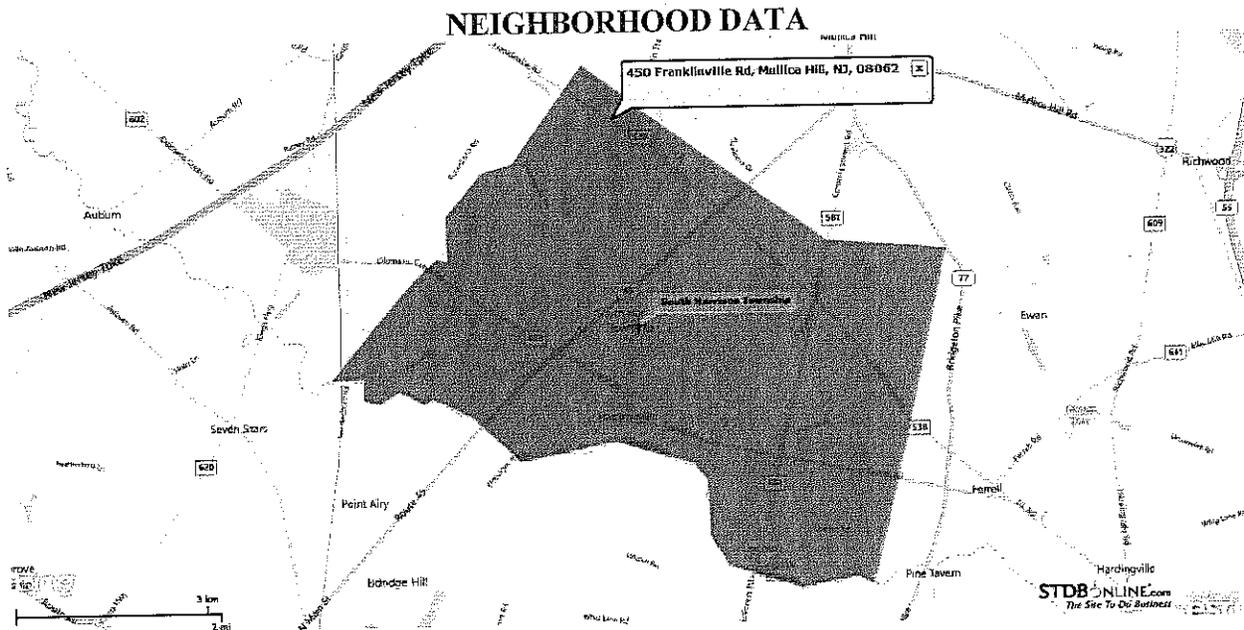
MULTIPLE LISTING DATA FROM 2003 TO 2010

<u>YEAR</u>	<u>TOTAL UNITS LISTED</u>	<u>TOTAL UNITS SOLD</u>	<u>AVERAGE SOLD PRICE</u>	<u>TOTAL % INCREASE/YR</u>	<u>AVERAGE DAYS ON MARKET</u>
2010	5,536	2,053	\$212,806	-1.9%	103
2009	5,602	2,386	\$217,016	-8.1%	104
2008	6,453	2,441	\$236,094	-4.2%	93
2007	7,111	3,203	\$246,341	2.2%	75
2006	7,078	3,666	\$241,068	8.1%	62
2005	6,108	4,023	\$222,925	14.0%	52
2004	5,260	3,855	\$195,472	17.3%	53
2003	4,715	3,570	\$166,664	N/A	51

The Multiple Listing Service reports housing sales activity Gloucester County. The chart above demonstrates a consistent trend of increased sales activity, rising prices and generally shorter marketing periods between 2003 and 2005. Beginning in 2006 through the effective date of the appraisal, market demand has declined (see units sold column). Market prices began to decline in 2008 and marketing times increased beginning in 2006. This trend is consistent with the regional market. Until price levels fall in line with income affordability levels, market prices can be expected to continue their decline.

County Conclusion

Gloucester County has grown rapidly in recent years when compared to state and national trends. The county has plenty to offer for residents and business. The county is conveniently located with easy access to employment, recreational and cultural centers. The favorable demographic data indicates positive trends in recent years. I anticipate negative economic indicators through the balance of 2011 and into 2012.



A. CONCLUSIONS

Key economic indicators show that the economy of South Harrison Township is similar to the county trend. The traditional economic base of the neighborhood has been agriculture. Concurrent with national trends, the local economy is now shifting toward a service-oriented base with existing agriculture uses beginning to co-exist with low density residential uses. The Township's population has experienced limited growth from 2000 to 2008. The subject property is located in an agriculture and low density residential area. The surrounding principal land uses are agricultural and residential uses.

B. OVERVIEW OF SOUTH HARRISON TOWNSHIP

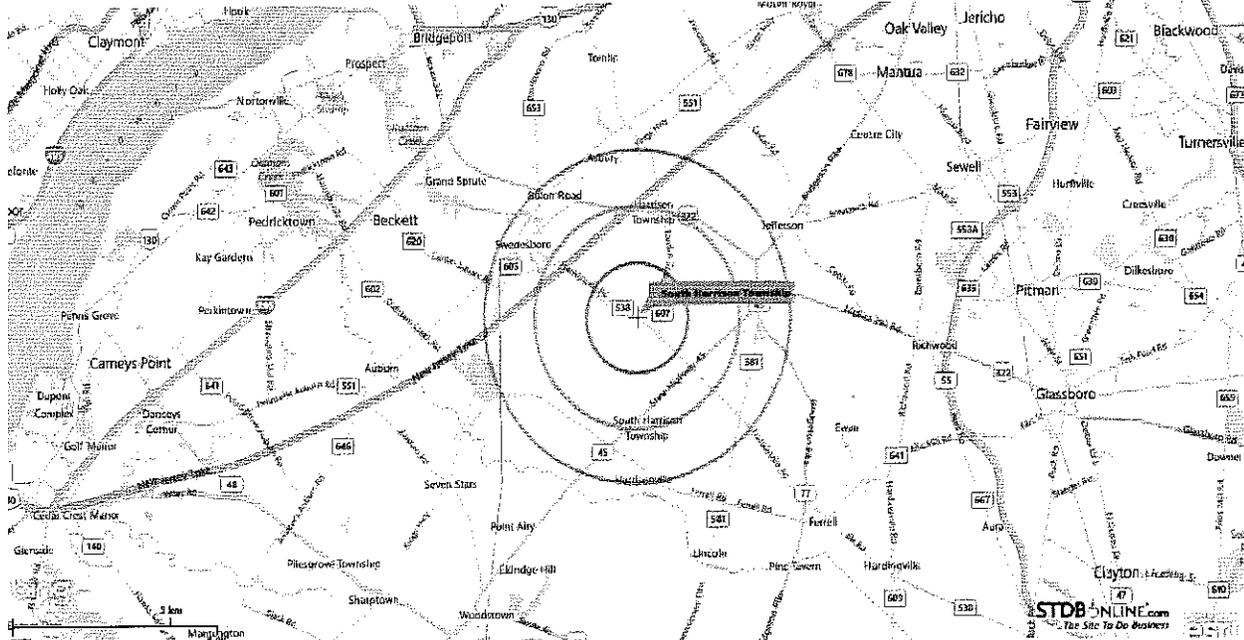
South Harrison Township is one of twenty four municipalities in Gloucester County, New Jersey. It occupies a portion of the southern section of the county bordered by Woolwich Township, Harrison Township, Elk Township, Upper Pittsgrove Township and Pilesgrove Township. South Harrison Township is linked to Philadelphia via Routes 45, 55, 77, I-295 and the New Jersey Turnpike at Exit 2.

South Harrison Township is approximately a 45 minute drive west to Philadelphia, Pennsylvania and approximately two hours south of midtown New York City via The New Jersey Turnpike and Route I-295. Route I-295 is a major north-south artery that lies approximately 5 miles west of South Harrison Township. The New Jersey Turnpike terminates in New York City, providing access to urban centers from Boston to Washington, D.C.

C. POPULATION

South Harrison Township experienced stagnant growth during the period 1990 to 2000. During 2000 to 2008, the population increased 29.66%. This is consistent with the nationwide trend of population growth in suburban areas. The population in the Township increased from 2,417 in 2000 to 3,134 in 2008. South Harrison Township and Gloucester County's population growth is a positive economic indicator.

IMMEDIATE NEIGHBORHOOD



Blue Ring: 1 mile radius; Green Ring: 2 mile radius; Red Ring: 3 mile radius.

The subject property site has frontage on Franklinville Road and Tomlin Station Road and is in close proximity to Swedesboro and Mullica Hill. The neighborhood is considered semi-rural. The immediate neighborhood is comprised primarily of a combination of agriculture and residential land uses. The surrounding properties are agricultural and single family residential in nature and this enhances the subject property's marketing appeal. To the north is the City of Woodbury, the county seat. In conclusion, the immediate neighborhood offers a quality semi-rural location. The neighborhood boundaries are Route 322 to the north, Route 45 to the east and south and the New Jersey Turnpike to the west.

Within the stated neighborhood boundaries, agriculture and low density residential land uses are the primary land uses. The general boundaries of the surrounding area are not clearly defined in terms of land use. The neighborhood is anchored by County Route 538 (Franklinville Road) and Route 45.

Type of Development

The neighborhood is developed with low density residential and agriculture land uses along the road frontage. Agriculture and low density residential uses are the predominant land uses in the neighborhood.

General Price Trends

Sale prices for residential and agricultural vacant land in the market have varied considerably due to various atypical physical characteristics that result in price premiums or discounts in the market. Sale prices for land in the market have been more consistent falling within a range of \$2,500 to \$5,000 per acre for restricted agricultural land without development rights and \$10,000

to \$20,000 per acre for agricultural land with development rights. Residential single family sites typically sell based on a site value plus surplus land supporting the residential use in the range of \$60,000 per site to \$75,000 per site.

It is clear that residential property values in South Harrison Township trended substantially higher in 2003 and 2004. In the fourth quarter of 2005, the residential market began a price correction and this correction continues today.

Locational Trends

South Harrison Township is a quality location in Gloucester County. The subject site is located equidistant from Swedesboro and Mullica Hill on County Route 538. The Township is primarily low density residential with agricultural land uses dispersed throughout northern part of the Township. The residential market in general has experienced weak demand since 2007.

Accessibility of South Harrison Township

South Harrison Township is located south of Woodbury, the county seat. The major road arteries serving the neighborhood are State Route 45 and County Routes 538 and 607. The county routes are two-way, two-lane roads that provide adequate car and truck access to the neighborhood. State Route 45 is a two way, two lane commercial artery serving South Harrison and Harrison Townships in Gloucester County.

Planning and Zoning Restrictions

Within the subject property's market, the major zoning classifications are residential and agriculture. The current uses within the neighborhood are compatible with the zoning plan. The current zoning section covering the AR district has been the subject of recent amendments increasing the density requirements for residential development according to the planning board secretary of South Harrison Township. The current zoning at AR is 1 unit per 3 acres. The zoning district change represents a significant reduction in lot yield which results in a lower value when compared to the prior density.

Utilities Adequacy

The neighborhood is serviced by electric, telephone and cable. Public Service Gas and Electric is the main electric supplier. The electric supply has not been interrupted within the recent past and is not expected to be interrupted in the near future.

Telephone service is provided by Verizon and other carriers and is typical of most well-run telephone systems throughout the country.

Cable television and Internet service is provided by Comcast and Verizon and other carriers with reliable access and few interruptions.

Detrimental Influences

There are no detrimental influences within the immediate area. There are no traffic problems, pollution or noise hazards which would make this area unattractive to residential or agricultural users.

Conclusion

The neighborhood is a suburban mix of agriculture and low density residential uses. It is known as a year round community. The immediate neighborhood offers limited but adequate utilities to serve its consumers. There is no public water and sewer in the neighborhood. The area offers excellent access to the interstate road network. Significant residential growth is not expected during the short term due to the economic problems facing the housing industry today. At present, the subject property's neighborhood is in the developing period of its life cycle.

PROPERTY VALUATION, BEFORE DEVELOPMENT EASEMENT ACQUISITION

PROPERTY DESCRIPTION AND ADAPTABILITY FOR RESIDENTIAL USE

SITE DESCRIPTION

I inspected the property on September 13, 2011. The following descriptions are based on my inspection of the property, discussion with the property owner, various public documents (such as the municipal tax map and Gloucester County supplied data.

1. Location

The subject site has frontage on both Franklinville Road and Tomlin Station Road, approximately two miles southeast of Exit 2 of the New Jersey Turnpike. At the subject's location, Franklinville Road is 49.5 feet wide and Tomlin Station Road is 33 foot wide each with bituminous paving, two lane roads with no curbing or sidewalk. The subject is located in a semi-rural area in transition to a residential area of the Township.

2. Physical Characteristics

The subject property features two parcels of land. Block 5 Lot 4 (hereinafter identified as Parcel #1 purely for description purposes in this report) is an irregular parcel containing 31.88 acres located on the south side of Franklinville Road. Parcel #1 has 758 linear feet of frontage on Franklinville Road and 880 linear feet of frontage on Tomlin Station Road. Block 1 Lots 2, 3 and 6 (hereinafter identified as Parcel #2 purely for description purposes in this report) is an irregular parcel containing 91.94 acres located on the north side of Franklinville Road. Parcel #2 has 1,171.55 linear feet of frontage on Franklinville Road and 1,112 linear feet of frontage on Tomlin Station Road. Both Parcel #1 and #2 are considered level (see the topographic map in the Addenda). There are physical characteristics (wetlands) that would limit residential development on site. The soils are compatible for residential development.

3. Subject Property Soils

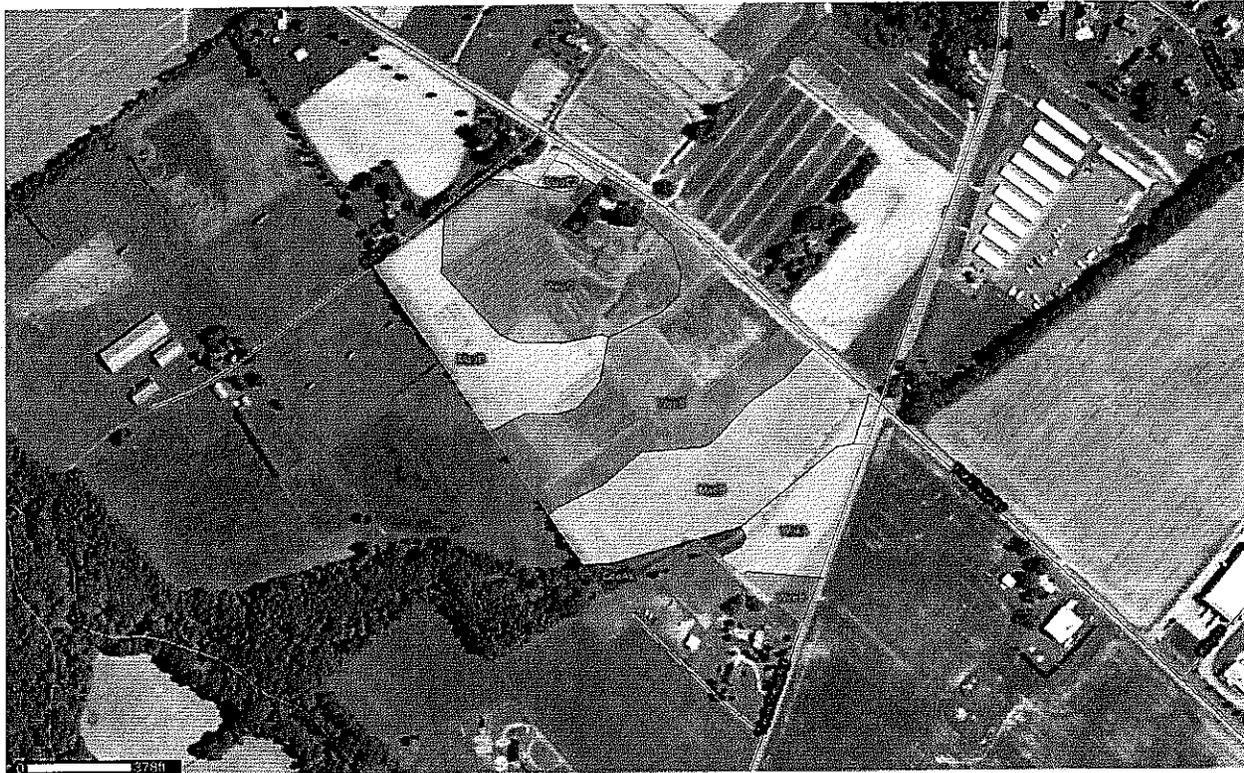
The Soil Data for Gloucester County provided by the Gloucester County Office of Land Preservation is based on data compiled by the United States Department of Agriculture. I have also reviewed data online from New Jersey Department of Environmental Protection (DEP) Geoweb Map.

A review of the soil data indicates that WeeB, MaoB, WeeC and MaoC2 are the dominant soils on this property. These soils are sandy type soils. The Soils Map below shows the areas in green where the soils are “not limited” for residential use. They are adequate for septic capability and are adequate for the highest and best use before the development easement acquisition. The soils map indicates about 67% of the site is “not limited” for development. The areas in red are less suitable for development and represent about 31% of the site.



Source: U.S. Department of Agriculture NCRS Web Soil Survey

The report reader will note that the areas in red are located near or on the site's border. The red areas are small and do not limit the site's functional utility or its highest and best use. My interpretation of the soils maps indicates the SADC's conclusion that 31% of the site has "very limited" soils appears to be questionable after examining the red areas size. For purposes of this appraisal, I accept the SADC's conclusion with reservation.



Source: U.S. Department of Agriculture NCRS Web Soil Survey

Soils in Community Development¹

The ratings are based on the soil properties that affect the capacity of the soil to support a load without movement and on the properties that affect excavation and construction costs. The properties that affect the load-supporting capacity include depth to a water table, ponding, flooding, subsidence, linear extensibility (shrink-swell potential), and compressibility. Compressibility is inferred from the Unified classification of the soil. The properties that affect the ease and amount of excavation include depth to a water table, ponding, flooding, slope, depth to bedrock or a cemented pan, hardness of bedrock or a cemented pan, and the amount and size of rock fragments.

The ratings are both verbal and numerical. Rating class terms indicate the extent to which the soils are limited by all of the soil features that affect the specified use. "Not limited" indicates that the soil has features that are very favorable for the specified use. Good performance and very low maintenance can be expected. "Somewhat limited" indicates that the soil has features that are moderately favorable for the specified use. The limitations can be overcome or minimized by special planning, design, or installation. Fair performance and moderate maintenance can be expected. "Very limited" indicates that the soil has one or more features that are unfavorable for the specified use. The limitations generally cannot be overcome without major soil reclamation, special design, or expensive installation procedures. Poor performance and high maintenance can be expected.

¹ Information on soils taken from the Web Soil Survey, NCRS, U.S. Dept. of Agriculture

Soil properties are important because they affect construction and maintenance. These properties include: permeability to water, compaction characteristics, soil drainage, shrink-swell characteristics, grain size and plasticity. The depth to the water table and the topography are also important.

Overall, 67% of the site has soils that are adequate for residential development.

Wetlands/Hydrology

A wetlands map for the subject property prepared by the New Jersey Department of Environmental Protection Agency based upon aerial photos in 2002 was reviewed. According to the wetlands map and my review of the Soil Data, there are deciduous wetlands and agricultural wetlands on site. The Gloucester County Land Use Map indicates there are a total of 3.49 acres of wetlands on site (3% of the total acreage). The intended users of this report are hereby advised that the appraiser is not a wetlands or soils expert. I have relied upon the data provided by government resources and my inspection of the subject property. I recommend that my soil and wetland conclusions be confirmed by survey or wetlands delineation methodology.

On the issue of road width, Lamson Lane is presently

4. Utilities

An inspection of the site indicates electric, cable and telephone are available to the site. Public water and sewer is not available to the site.

5. Easements

Based on my physical inspection of the site and a review of the legal description, there are several easements on the subject site. There is a utility and ingress/egress easement located on Block 5 Lots 2, 3, 4, 6 and 17 and is reported in Deed Book 2950 page 124. There are four road easements that widen Franklinville Road reported in Deed Book 4262 pages, 207, 266, 285 and 288. The road easements encumber Block 5 Lot 4 and Block 1 Lot 3 along the road frontage. The tax maps show the location of the easements. These easements are legal characteristics that limit residential development on site within the area of the easements. There are a total of 2.66 acres encumbered by the easements.

6. Access

Gloucester County shares a well-developed transportation system within the Philadelphia area and the northeastern region of the United States. Transportation, combined with a stable year round environment, has been a key factor contributing to the growth of South Harrison Township. The subject property is an accessible location by motor vehicle from various county and local roads into County Routes 583 and 607.

7. Site Improvements

The subject site has no site improvements other than the agricultural labor building. All site improvements are located on the severable exception site.

8. Functional Utility of the Site

The physical site characteristics support the highest and best use of the subject property. The site offers adequate width and depth for residential development and agricultural use. Support services such as utilities, police and fire protection are adequate.

9. Environmental Issues

The site is not within a designated flood zone indicating an area of potential flooding. Please refer to the assumptions and limiting conditions contained within the report. There are wetlands on site (3.49 acres – 3%) that will limit to a minor extent residential development. The subject site is part of a 122 acre site owned by Santo Maccherone that is environmentally contaminated with pesticides. A total of 34 acres out of 122 acres is contaminated or 28% of the 122 acre site. The total cost of clean up is \$301,105. I have allocated 28% of the \$301,105 or \$84,309 as a loss in value allocation based upon the information contained in the environmental report excerpts of which appear in the Addenda of this report. Therefore, there are environmental issues that would negatively impact on value.

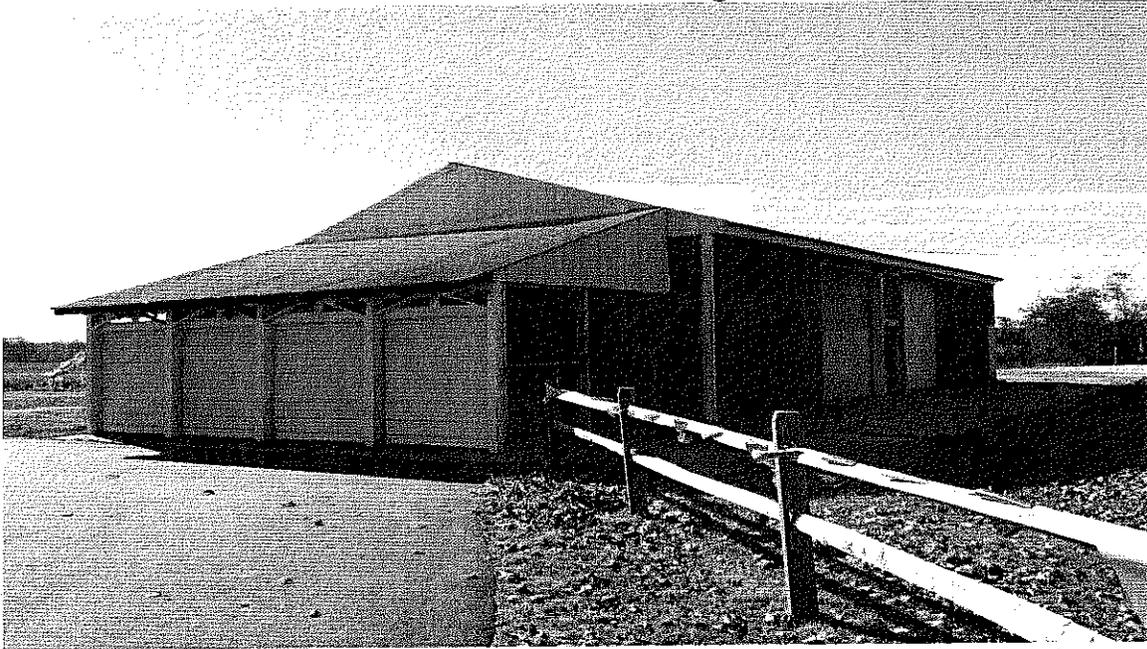
I am not aware of any deed restrictions or special assessments which would have a detrimental influence on the marketability of the site. Overall, the site offers adequate functional utility for residential and agricultural use.

IMPROVEMENT DESCRIPTION

There are several buildings on the farm. There is one barn, one cold storage building, one farm market building and one agricultural building all in average condition. Each building has electricity. The agriculture labor building is located on Block 1 Lot 3 (north side of Franklinville Road) between Lots 1.01 and 9. The remaining buildings are located on Block 5 Lot 4 (south side of Franklinville Road) on the Severable Exception parcel containing 1.52 acres between Lots 4.01 and 27.

There is approximately 6,000 square feet of concrete slab and 10,000 square feet of bituminous paving on the Severable Exception parcel in below average condition.

IMPROVEMENT DESCRIPTION
Farm Market Building

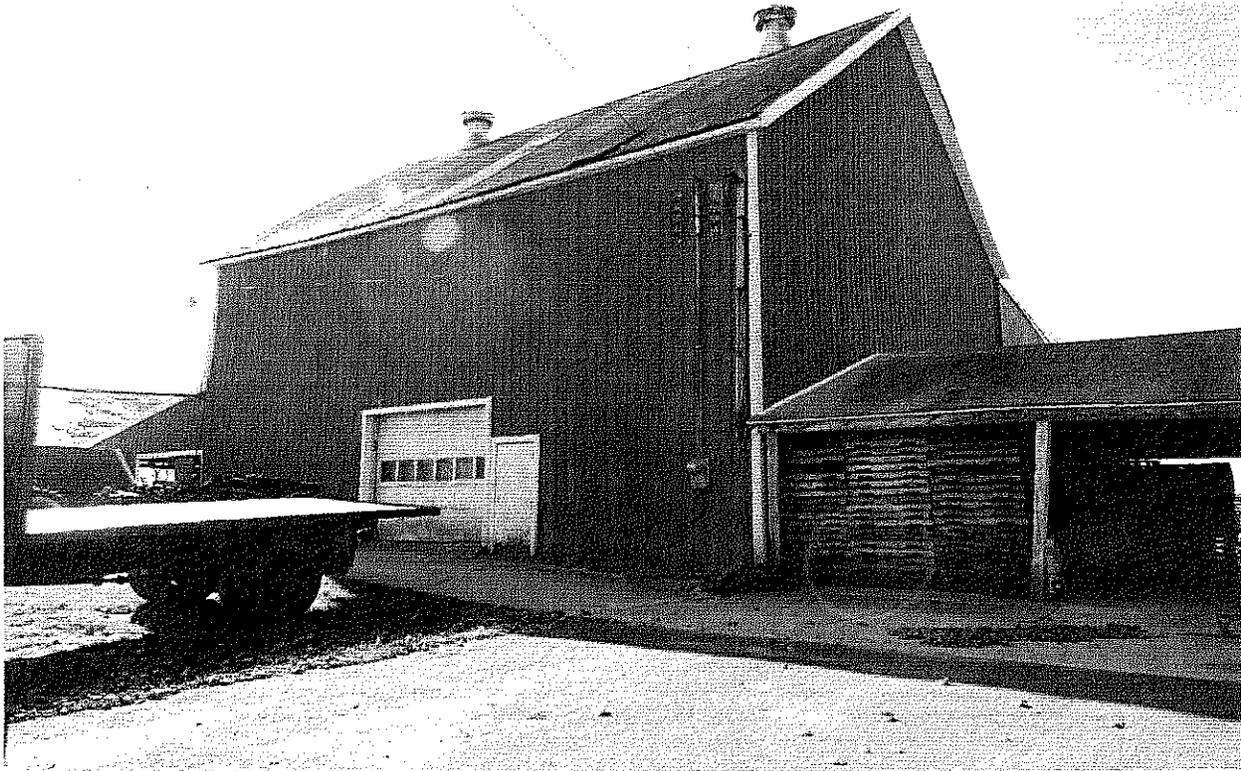


This is a one story metal panel building with a gable metal roof, 6 overhead doors and two metal pedestrian doors. It has an unfinished interior with a concrete slab floor. It contains 2,769 square feet of gross building area. It has electric. This building is located on the Severable Exception.

Cold Storage Building



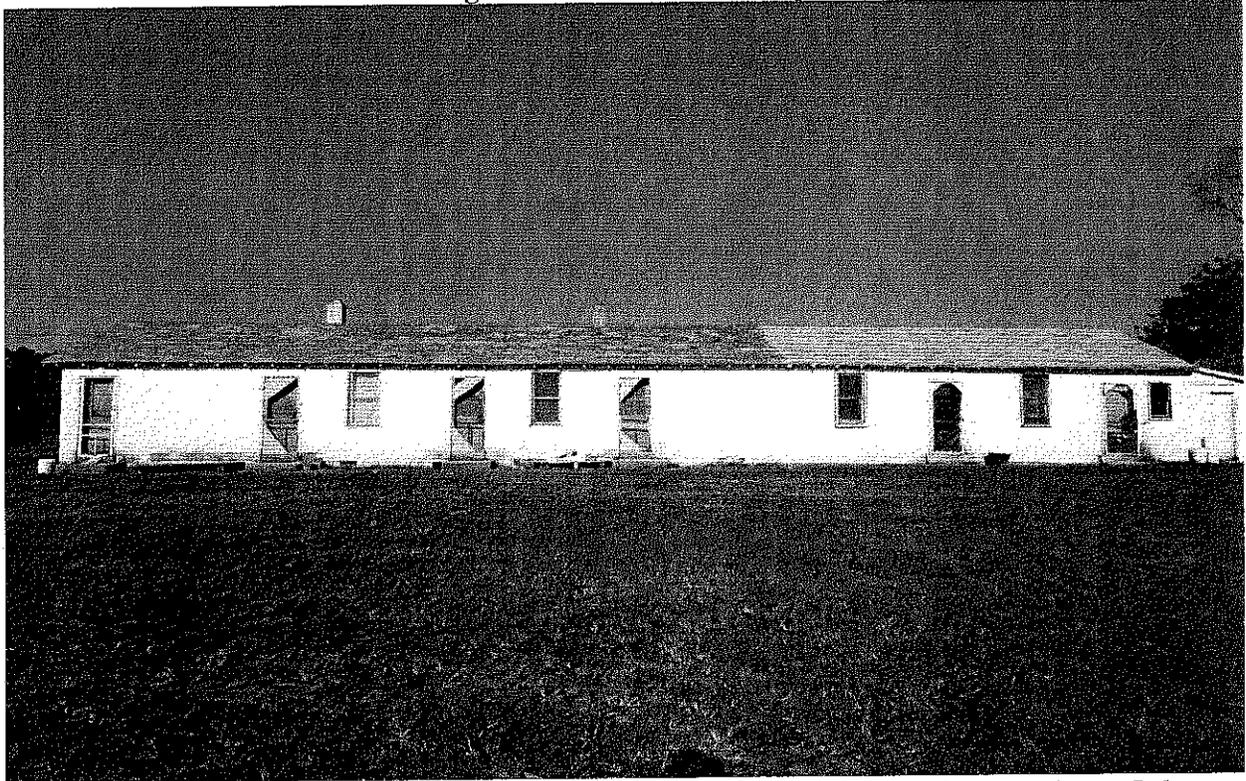
This is a one story block building with a gable metal roof and one wood door. It has an unfinished interior with a concrete slab floor. It contains 1,500 square feet of gross building area. It has electric. This building is located on the Severable Exception.

Barn

This is a one story metal panel building with a gable metal roof, 2 overhead doors and one wood pedestrian door. It has an unfinished interior with a concrete slab floor. It contains 6,000 square feet of gross building area with an 810 square foot storage area under roof but without walls. It has electric. This building is located on the Severable Exception.

Block Garage & Water Tower

See the structures adjacent to the telephone pole. Both are concrete unfinished structures.

Agriculture Labor Building

This is a one story block building with a gable shingle roof, 6 wood pedestrian doors. It has an unfinished interior with a concrete slab floor. It contains 1,600 square feet of gross building area. It has electric. There is a kitchen with range, refrigerator, cabinets and sink. The bathroom has two stalls with water closets, one sink, one laundry tub and two stall showers. This building is located on Block 1 Lot 3. The agriculture labor building will be encumbered by the development easement.

IMPERVIOUS SITE COVERAGE

Impervious surfaces are created by buildings and pavements primarily for roads, walkways and parking lots. It is the amount of soil surface that does not allow for the passage of water, air, or plant roots. Site and building footprint improvements normally prevent the passage of water, air, or plant roots. Impervious site coverage is also important for storm water runoff management and control. The subject site contains a barn, cold storage building, storage area without walls, block garage, agriculture labor building, farm market and concrete/bituminous paving which nominally impact impervious site coverage. The total area of the building footprints and paving equal 28,867 square feet or .66 acres. The site has less than 1% impervious coverage.

HIGHEST AND BEST USE BEFORE DEVELOPMENT EASEMENT ACQUISITION

The determination of the highest and best use of a property is a critical process in the valuation of real estate. Highest and Best Use is defined in The Dictionary of Real Estate Appraisal, Fourth Edition, by Appraisal Institute, 2002, page 135, as:

“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.

The estimation of highest and best use results from judgment and analytical skill, i.e., that the use concluded from analysis represents an opinion, not a fact to be found. In appraisal practice, the concept of highest and best use represents the foundation on which market value rests. In the context of most probable selling price (market value), another appropriate term to reflect highest and best use would be most probable use. In the context of investment value, an alternative term would be most profitable use.

The highest and best use of both land as though vacant and property as improved must meet four criteria. The highest and best use must be 1) physically possible, 2) legally permissible, 3) financially feasible, and 4) maximally productive. These criteria are usually considered sequentially; a use may be physically possible, but this is irrelevant if it is feasibly impossible or legally prohibited. Only when there is a reasonable possibility that one of the prior, unacceptable conditions can be changed is it appropriate to proceed with the analysis. If, for example, current zoning does not permit a potential highest and best use, but there is a reasonable possibility that the zoning can be changed, the proposed use can be considered on that basis. A full analysis may be included in the report when the conclusions are based on techniques applied to identify the highest and best use among two or more potential uses. (For full discussion refer to The Appraisal of Real Estate, Twelfth Edition by Appraisal Institute, 2001, pages 305-319.)

There are two types of highest and best use: first, is the highest and best use of land/site as if vacant and, second, is as currently improved. Each requires a separate analysis.

The following criteria must be met in estimating the highest and best use. The use must be legal and probable, not speculative or conjectural. There must be a profitable demand for such use and it must return to the land the highest net return. In appraisal practice, the concept of highest and best use represents the premise upon which value is based.

1. Procedure. The highest and best use analysis involves a four-part procedure for both the land as if vacant and as improved. The analysis is as follows:

1. Possible Use:

What uses are physically possible on the subject site with the improvements?

2. Permissible Use:

What uses are legally permitted by zoning or any other land use regulations or restrictions?

3. Feasible Use:

What uses, determined to be physically possible and legally permissible, are the most appropriate considering all data gathered? The use should produce a net return to the owner.

4. Maximally Productive Use:

Of the appropriate or feasible uses chosen, which specific use will produce the most profitable land value of the subject property as of the effective date of the appraisal?

2. Highest and Best Use As If Vacant

Among all reasonable, alternative uses, the use that yields the highest present land value, after payments are made for labor, capital, and coordination. The use of a property based on the assumption that the parcel of land is vacant or can be made vacant by demolishing any improvements.

a. Existing Land-Use Regulations

The existing land use regulations are embodied in the local zoning ordinance. The subject site (Parcel #1 & #2) is zoned AR, Residence. A review of the principal permitted uses and site requirements indicates that the current use is a legal conforming use of the AR zone. Any development scenario must comply with the current zoning district regulations. Therefore, only low density residential sites can be developed on the subject site based on a density of 1 dwelling unit per 3 acres. The site has entitlements for 67 lots on 122 acres which indicates 1 unit per 1.82 acres.

b. Probable Modification to Land-Use Regulations

There are no plans to change the zoning district requirements. The surrounding land uses are low density residential and agriculture in nature. There are no potential other land uses that are compatible. The subject site's present use is agriculture in nature.

c. Economic Demand

Economic demand for the use of the subject site is created by its frontage on Franklinville Road and Tomlin Station Road and proximity to the New Jersey Turnpike and County Route 583. The greatest demand for the subject site would be for use that could take advantage of this location, as discussed in the following:

(1) Residential development is consistent with the surrounding environment. It is permissible with the zoning ordinance.

(2) Office development is not consistent with the subject's surrounding environment and market trends. The office market has developed along Route 45 in the Woodbury area. The surrounding land uses along Route 45 support office use and create a more suitable environment for office development. There is no office development in the neighborhood and it is not likely to change.

(3) Industrial development is not consistent with the surrounding environment. The immediate area of the subject site is residential and agriculture. There is industrial development in the southern section of the township known as Pureland Industrial area. Industrial demand is met by this location.

(4) Commercial development requires sites that can accommodate retail traffic. Site visibility and ease of access are also key factors for retail use. Commercial development is not consistent with the subject's surrounding environment and market trends. The commercial market developed along

State Routes 45 and 322 plus in Swedesboro. There is no commercial development along County Route 583 in the immediate area of the subject site and it is not likely to change.

Due to the site's close proximity to Swedesboro and Mullica Hill and County Route 583 and adequate site access, this site is a viable residential site when the market correction ends. Residential development is a viable use for the subject site due to the surrounding uses and stable residential land prices. Residential use offers the higher return to the land of all alternatives other than agriculture at the present time. Although residential demand is temporarily weak due to the market correction that began in the fourth quarter of 2005, residential use offers the highest return when compared with other legal uses over the long term.

In conclusion, there is a justifiable economic demand for the subject site as of the date of appraisal; therefore, the most probable use is for residential development if the subject site were vacant as of the appraisal date.

d. Physical Adaptability of the Property

The use of the subject site is dictated by the physical aspects of the site itself. The size, shape, accessibility, and location are determinants of value. The size of the site has considerable influence on its development. The key determinant to development of the site is the permitted size of the project. The subject site is approximately 117 acres of land area with adequate frontage onto Franklinville Road and Tomlin Station Road. The size and shape will allow for flexibility of numerous uses including residential, commercial, industrial and agriculture. By virtue of its size and shape, the site lends itself primarily to residential and agricultural use. The physical aspects of the site do impose constraints on development to its highest and best use.

e. Neighborhood Trends

The neighborhood surrounding the subject site is dominated by agricultural use and spot residential development. Development of new residential uses supporting the subject land use is generally on a location sensitive basis with residential development actively temporarily on hiatus due to the market correction and weakening economic conditions. There is an adequate supply of available vacant land within the county for residential development. Development of properties in the area has stalled and this lack of demand is expected to continue into the short term foreseeable future. The subject's current use is not expected to change due to current development conditions.

f. Optimal Use of the Property

Residential use of the site is considered reasonable based on the price levels of residential land and surrounding land uses. Industrial use is a not viable alternative since the subject's zoning land uses are incompatible with industrial use. Commercial use is a not viable alternative since the subject's surrounding land uses are residential and agricultural which limits the economic demand for commercial use. The immediate area is presently developed with agricultural and residential uses. In conclusion, there is a long term justifiable economic demand for the subject site as of the date of appraisal but short term demand is weak. This results in development projects being placed on hold until economic conditions improve; therefore, the most probable use is for a short term interim hold until residential development becomes viable if the subject site were vacant as of the appraisal date. The optimal use of the subject site, as if vacant and available for development, would be for short term hold until residential use is warranted by market conditions.

g. Financial Feasibility

Financial feasibility is one of the four criteria the highest and best use of a property must meet. It is the ability of a property to generate sufficient income to support the use for which it was designed. It is the ability of a project or an enterprise to meet defined investment objectives; an investment's ability to produce sufficient revenue to pay all expenses and charges and to provide a reasonable return on and recapture of the money invested. In reference to a service or residential property where revenue is not a fundamental consideration, economic soundness is based on the need for and desirability of the property for a particular purpose. An investment property is economically feasible if its prospective earning power is sufficient to pay a fair rate of return on its complete cost (including indirect costs), i.e., the estimated value at completion equals or exceeds the estimated cost. Financially feasible considers those uses that are physically possible and legally permissible that would make economic or financial sense.

The current effective economic demand for this site is agricultural use with the long term probability of low density residential development as residential demand increases in Gloucester County. Residential low density demand began in the late 1990's in certain parts of Gloucester County and is now beginning to expand as residential developers seek more affordable land. The subject site has been used on an interim basis as agriculture. This use does not represent an ultimate highest and best use but on an interim basis is a reasonable one and financially reasonable in that it produces some revenue on a parcel of vacant land that would otherwise be a non-revenue producing asset. Ultimate financial feasibility of the site revolves around development with a more intensive use than agriculture such as low density residential development that does not require public water and sewer and other housing infrastructure. As housing demand increases within Gloucester County, land values supporting agricultural uses will give way to land values supporting low density housing. Investors anticipating long term residential trends are paying price premiums in the current market above agricultural values. These premiums reflect the present value expectations of investors who are prepared to continue agricultural use as an interim use until population and other demographics fuel economic demand for residential houses in the current market. Although residential low density use may be a long term future use, investor expectations in the form of upward price trends in the present market have been documented over time indicating financial feasibility for this type of investment motivation.

h. Maximum Productivity

One of the four criteria the highest and best use of a property must meet. The selected land use must be financially feasible and yield the highest value of the possible uses. There is only one maximally productive use, i.e., the highest and best use. I have given serious consideration to which uses meet the other three criteria and result in a maximally productive (most productive land use alternative). The most productive alternative is to maintain the current agricultural use until the subject site can be developed with a low density residential. This use (low density residential) is not currently the maximally productive use due to limited economic demand resulting from demographics not ripe for residential development and current market conditions. The subject site's interim use as agriculture is reasonable since it produces some revenue for a property that would otherwise be a non-income producing property.

MARKET ANALYSIS

A.MARKET AREA

The first step in conducting a market analysis is to delineate the primary market area. I have concluded the market area is Gloucester County. Within the primary market area, the principal developing communities are Mantua Township, East Greenwich Township, Harrison Township, Deptford Township and Woolwich Township.

I identified areas with low density residential projects, and then selected geographical areas with household incomes that are similar to the subject location. Next, I identified new low density projects under construction and planned in surrounding areas. The final step was to consider successful recent low density developments with attributes comparable to the subject site in similar socioeconomic areas.

In terms of buyer profile, my research indicates that the primary demand for low density units in the subject's market area can be found in two market segments, or age and income groups.

These are the age groups 25 to 65 with household incomes over \$100,000 per year. These two groups are comprised of one person households, the married couple without children household, the adult child with one parent household, the two or more siblings together household, and the adult living with another adult relative household. Please refer to the Household By Type Demographic Data in the Addenda.

Population and household trends indicate that the market area has experienced solid growth since 2000. However, this growth is expected to slow down during the period 2010 through 2015 when compared with the period 2000 through 2010. Table 1 presents total population and household figures for the market area. The market area experienced growth numbers from 90,717 households in 2000 to 105,932 households in 2010 and is projected to grow to 112,739 households in 2015. As presented, the total number of households is anticipated to increase at a rate of 6.43% from 2010 to 2015. Total population is expected to increase at a rate of 6.16%, from 2010 to 2015. Although solid growth is projected in population and households from 2010 through 2015 in the market area, the increases are lower when compared with the population and household growth rates between 2000 and 2010.

Table 1
Population and Household Growth
For the Market Area from 2000 to 2015

CATEGORY			% CHANGE TOTAL		% CHANGE TOTAL		
	2000	2010	2000-2010	CHANGE	2015	2010-2015	CHANGE
POPULATION	254,673	294,832	15.77%	40,159	312,981	6.16%	18,149
# OF HOUSEHOLDS	90,717	105,932	16.77%	15,215	112,739	6.43%	6,807
AVERAGE HOUSEHOLD SIZE	2.75	2.73	-0.73%	-0.02	2.72	-0.37%	-0.01

Source: Site To Do Business
 Compiled by: The Hanson Organization, P.C.

Both the growth in total population and number of households are projected to be lower during the period 2010 through 2015 when compared to the period 2000 to 2010. This lower growth translates into reduced housing demand in the Gloucester County residential market over the long term.

Table 2 provides a summary of the income growth in households for annual income levels above \$75,000 within the market area. This data is also presented in the Addenda. The market area experienced growth from 28,499 households with income levels over \$75,000 in 2000 to 50,617 households with income levels over \$75,000 in 2010 and is projected to grow to 63,878 households with income levels over \$75,000 in 2015. Table 2 indicates the demand for housing units is projected to increase by 26.2 percent during the period 2010 to 2015 with the best demand generators in the over \$100,000 annual income category

Table 2
 Projected Growth in Households with
 Incomes over \$75,000 in the Market Area
 2000 - 2015

<u>YEAR</u>	<u>INCOME</u>	<u>INCOME</u>	<u>INCOME</u>	<u>INCOME</u>
	<u>\$75,000-\$99,999</u>	<u>\$100,000-\$149,999</u>	<u>\$150,000-\$199,999</u>	<u>\$200,000+</u>
2000	14,417	10,500	2,169	1,413
2010	20,959	20,191	6,171	3,296
2000-2010 # CHANGE	6,542	9,691	4,002	1,883
2000-2010% CHANGE	45.38%	92.30%	184.51%	133.26%
2015	20,956	30,362	7,796	4,764
2010-2015 # CHANGE	-3	10,171	1,625	1,468
2010-2015 % CHANGE	-0.01%	50.37%	26.33%	44.54%
2000-2015 # CHANGE	6,539	19,862	5,627	3,351
2000-2015 % CHANGE	45.36%	189.16%	259.43%	237.15%

Source: Site To Do Business
 Compiled by: The Hanson Organization, P.C.

Table 2 indicates the demand for housing units over the long term in the market is expected to be significant despite the housing market correction currently being experienced in today's market area. Table 2 shows a substantial increase in household growth for incomes over \$75,000 per year. This growth will create demand for residential housing units once the market correction ends.

B. HOUSING TRENDS

The housing market has remained stable in the market area since 2000. During the period 2003 through 2005, single family development surged in various municipalities in the market area as a result of cheap land, dramatic appreciation and significant housing demand. Table 3 below shows a comparison of housing data between Gloucester County and New Jersey.

Table 3
 General Housing Demographic Data Comparison
 Between Gloucester County and New Jersey

<u>HOUSING DEMOGRAPHIC DATA</u>	<u>GLOUCESTER COUNTY</u>	<u>NEW JERSEY</u>
Housing units, 2005 estimate	103,137	3,443,981
Homeownership rate (%), 2000 Census	79.9%	65.6%
Single family homes (number), 2000 Census	76,360	2,080,235
Households, 2000 Census	90,717	3,064,645
Persons per household, 2000 Census	2.75	2.68

The most recent residential building permits issued for the market area were presented in the Regional Data section of the report. In that section of the report, a history of building permit data between 2007 and 2011 is presented that documents the housing demand activity during the relevant time period. These figures do not indicate actual construction activity since all permits issued do not result in completed units, but they do indicate the level of proposed development. Prior to 2007, the overall trend in housing development in the local market showed a general increase in building activity from 2001 to 2005. In the fourth quarter of 2005, the market began a correction which continues today. The market correction is documented by the historical building permit data from 2007 to August 2011 found in the Regional Data section of the report. There is a clear lack of demand in the residential market.

C. ECONOMIC GROWTH

The economic outlook is not favorable based upon rising unemployment data and declining GDP. Real GDP (inflation-adjusted Gross Domestic Product) has been volatile over the past several years and has declined recently. Real GDP is expected to remain weak in 2011 as economic data including consumer confidence impact performance. A second recession risk appears to be a possibility. Interest rates are at sustainable economic levels. Real or inflation-adjusted interest rates remain well below levels that have induced sharp economic slowdowns or recessions in the past.

Sustained economic expansion and the Federal Reserve's promise to make no radical shifts in economic policies mean that the Federal Reserve would act on short-term interest rates only to keep inflation contained. The federal funds rate is now below 1%. Economic prospects are not favorable based upon the recent economic crisis requiring a massive federal bailout. Listed below in Table 4 are economic indicators relevant to the national and local economy.

Table 4
Market Yield Rates

	1	2	3	4	5	6	7	8	9	10	11	12	13
<u>Market Yield Rates (%)</u>	<u>Jun-11</u>	<u>May-11</u>	<u>Apr-11</u>	<u>Mar-11</u>	<u>Feb-11</u>	<u>Jan-11</u>	<u>Dec-10</u>	<u>Nov-10</u>	<u>Oct-10</u>	<u>Sep-10</u>	<u>Aug-10</u>	<u>Jul-10</u>	<u>Jun-10</u>
Prime Rate	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25
Federal Funds Rate	0.09	0.09	0.10	0.14	0.16	0.17	0.18	0.19	0.19	0.19	0.19	0.18	0.18
3-Month Treasury Bills	0.04	0.04	0.06	0.10	0.13	0.15	0.14	0.14	0.13	0.15	0.16	0.16	0.12
3-Month Certificates of Deposit	0.22	0.21	0.23	0.16	0.28	0.29	0.30	0.27	0.27	0.28	0.32	0.41	0.52
LIBOR-3 month rate	0.36	0.38	0.40	0.42	0.41	0.39	0.39	0.40	0.40	0.42	0.52	0.61	0.61
U.S. 5-Year Bond	1.58	1.84	2.17	2.11	2.26	1.99	1.93	1.35	1.18	1.41	1.47	1.76	2.00
U.S. 10-Year Bond	3.00	3.17	3.46	3.51	3.58	3.29	3.29	2.76	2.54	2.65	2.70	3.01	3.20
U.S. 20+ Year Bond	4.23	4.29	4.50	4.51	4.65	4.52	4.42	4.19	3.87	3.77	3.80	3.99	4.13
Municipal Tax Exempts (Aaa)	N/A	4.32	4.93	N/A	4.79	4.86	4.67	4.00	3.83	3.63	3.44	3.69	3.75
Municipal Tax Exempts (A)	N/A	5.26	5.52	N/A	5.67	5.71	5.57	4.86	4.57	4.57	4.14	4.39	4.49
Corporate Bonds (Aaa)	4.99	4.96	5.16	5.13	5.22	5.04	5.02	4.87	4.68	4.53	4.49	4.72	4.88
Corporate Bonds (A)	N/A	5.29	5.52	N/A	5.64	5.53	5.52	5.33	5.09	5.01	5.00	5.25	5.44
Corporate Bonds (Baa)	5.75	5.78	6.02	6.03	6.15	6.09	6.10	5.92	5.72	5.66	5.66	6.01	6.23
Common Stocks—500	2.04	1.95	1.92	1.90	1.80	1.84	1.90	1.94	1.97	2.06	2.10	2.10	2.09
New House Loans—U.S. Averages Interest rate (%)	4.61	4.86	4.91	4.98	4.94	4.75	4.26	4.26	4.40	4.52	4.67	4.87	5.00
Used House Loans—U.S. Averages Interest rate (%)	4.75	4.87	4.93	4.98	4.91	4.82	4.54	4.54	4.62	4.68	4.76	4.90	5.02
Conv. Home Mortgage Rates in Phila. Metro Area	4.91	4.79	4.79	4.79	4.49	4.49	4.49	4.71	4.71	4.71	5.08	5.08	5.08

Economic and market conditions have been weak for the past several years. In response to the financial turmoil, households and businesses have curbed spending in order to conserve cash. The result is that economic conditions have continued to remain weak. The National Bureau of Economic Research (NBER) declared that a recession started sometime around December 2007 and ended during the summer of 2009. Economic forecasters are now concerned about a second recession in 2011.

Real interest rates have declined to levels that ended recessions and bear markets in the past. Absent the credit crisis, low real interest rates plus declining real property values would be expected to provide an economic rebound. The economic crisis has created great uncertainty in the marketplace leading to difficulty in the national economic conditions.

Economic growth is impacted by inflation as well as other factors in the market place. Recent inflation data suggests that it is a non-factor in this economy. From 1993 through 2003, inflation remained below 3%. Beginning in 2004 through to the present, inflation has risen to approximately 3%-4% per year. Despite the recent rise in inflation, the Federal Reserve has maintained a stable interest rate policy. The policy makers are less concerned about inflation at this point in time.

Demand for new homes was down in 2010 and in 2011 for several reasons. Lenders have toughened their requirements in the wake of rising defaults on sub-prime mortgages and this has made it more difficult for people with spotty credit histories, small down-payments, or undocumented income to qualify for home loans and thus reduced the number of buyers who can secure mortgages. Mortgage interest rates have declined and represent the most affordable in decades. Additionally, buyers have become more reluctant to complete deals because home prices have declined over the year in many areas of the nation. Although prices are declining in

southern New Jersey, consumers are holding back because of the fear that they may be buying property for more than what it can be sold for in the future.

Employment is expected to continue to remain in the 9% unemployment level for the remainder of 2011. The largest losses are likely to be in manufacturing.

D. BUYER PROFILE

On the basis of our analysis of current residential demand and demographic trends in the market area, I am of the opinion that the subject property will appeal to new households with an average income of \$100,000 and over.

E. PROJECTED RESIDENTIAL DEMAND

The following discussion presents my analysis of projected demand for low density single family units in the market area. I believe that demand for these products is an indirect, although accurate, reflection of demand for individual single family sites.

Demand for new housing in the primary market area is generated by the formation of new households. This demand comes from various sources: new households formed out of existing households in the market area via marriages and divorced and widowed persons. Another source is families and individuals who move into the area for the first time, a situation termed in-migration. Another source of demand for new housing is created by households that are "downsizing" or as their families shrink in size, they buy a residence that requires less effort to maintain.

In general, new households will grow in relation to the forecasted growth in overall economic activity and population for a given market. Using population forecasts and reviewing trends in the area's household size, total projected housing needs can be estimated. On the basis of population and housing research conducted by Site To Do Business, I estimate that the number of households will increase by approximately 13,261 or 27.1% from 2010 through 2015. I believe this is a reasonable estimate considering that the number of households grew by 14.76% from 2000 to 2008. Assuming that the increase in households is distributed evenly over the next five years, Site To Do Business projects an increase of 2,652 new households per year in the market area (13,261 households over the five-year period). This increase in households is further analyzed with respect to household income and the ability to afford a unit at the subject property.

F. AFFORDABILITY

To project absorption, I reviewed projected demographic trends. I first analyzed the households by income group to determine the number of new households in each income group over the next five years. The household income groups with annual incomes exceeding \$75,000 are estimated to meet the minimum mortgage qualification standards for a low density residential unit in the market area. My mortgage qualification evaluation assumes a fixed 30-year mortgage at a rate that would be fixed at 5% for the term of the mortgage; I also assumed that the down payment would not exceed 10 percent of the sale price and that the closing costs would not exceed \$4,000 to the buyer.

In order to fully understand the implications of the average single family unit price in the Gloucester County, I looked at the household income in the area. Gloucester County has typically been recognized as a stable county for economic growth in New Jersey with a median household effective income in 2010 of \$71,570.

Based on current lending terms, I determined the household income level was an important criterion in order to afford a single-family home comparable to those for sale in the subject property. Using the lending requirement in which no more than 28 percent of the gross household income can be allotted to housing expenses, I determined that the current market prices require household income necessary to afford such units must exceed \$75,000. This level is approximately equal to the median household income in the county.

G. END LOAN FINANCING

Part of my market analysis included interviews with residential lenders and the Federal National Mortgage Association (Fannie Mae). Fannie Mae approval gives the first residential mortgage lender of the property some reassurance that the mortgage will be marketable on the secondary mortgage market. Thus, the first mortgage lender can replenish the supply of mortgage money available for the first mortgages upon selling Fannie Mae-approved mortgages for par or close to par. The Federal Home Loan Mortgage Corporation (Freddie Mac) approval operates in much the same way as Fannie Mae approval.

Based on our interviews with residential mortgage lenders, I learned that Fannie Mae or Freddie Mac approval will increase the marketability of a site. Some key income guidelines required by Fannie Mae include:

- a maximum of 28 percent of the gross income of the borrower can be applied toward all housing expenses.
- a maximum of 36 percent of the gross income of the borrower can be applied toward all housing expenses plus all installment debt.

According to the residential lenders, a residential mortgage requires a minimum of a 10 percent down payment. Recent fixed-rate quotes on a 30-year first mortgage range from 5.0 to 5.25 percent.

H. HISTORICAL MARKET ABSORPTION

I reviewed the historical absorption trends of low density single-family projects in the market area. Current residential projects in the market area reported lower sales activity in 2006 to the present due to the market correction. Realtors and developers consider this a serious market condition due to a perceived consumer confidence problem and the more conservative underwriting existing among traditional sources of end loan financing.

Any acceleration in the absorption of residential units would necessarily have to be predicated on a significant shift in marketing and pricing policy and a consequent favorable market reaction to it. Absorption rates in terms of 3-5 units per month per project occurred during 2003 through 2005 for many quality low density projects. In 2010 and 2011, absorption for new residential product has been less than one unit per month for every project surveyed. Absorption estimates can sometimes be misleading because of the widely varying sizes of competitive projects. Low absorption rates for the balance of 2011 can be expected but once the credit problem is sorted out, residential demand is expected to increase absorption of units in the market area.

I. CONCLUSION

Based on the demographic data presented herein, the projected total number of new households with annual incomes over \$75,000 is estimated to 13,261. According to the 2000 census, approximately 80 percent of the housing in the market area was owner-occupied indicating the market area has the potential for generating approximately 10,609 new residential unit sales. If West Deptford Township captures 2% of the new households forming in the market area, the total number of new unit sales would be 212. At a 3% market capture rate, the total number of new unit sales would be 318. At a 5% market capture rate, the total number of new unit sales would be 530. During the next five years, significant residential demand in the market area is projected to occur after the market correction ends.

HIGHEST AND BEST USE CONCLUSION

Based upon the above analysis, the subject site's interim highest and best use is agriculture. Immediate development of low density residential use is not the maximally productive use. An interim use as agriculture is the interim highest and best use of the subject site until the residential market completes its correction.

APPRAISAL PROCESS – BEFORE DEVELOPMENT EASEMENT ACQUISITION

The appraisal process is the systematic procedure employed to provide the answer to a client's question about the value of real property. There are three traditional valuation methodologies identified as the Cost, Income, and Direct Sales Comparison Approaches to value. Within this appraisal assignment, the Sales Comparison Approach is the only applicable approach to estimate the value of the subject property.

The Cost Approach is based on the economic principle that a prudent buyer would not pay more for a property than the cost to reproduce it, assuming it could be done within an acceptable time frame. In this approach the land value is estimated as if vacant and the cost new of all improvements is estimated less the estimated accrued depreciation. The depreciated cost of the improvements plus the land value indicates the property value by the Cost Approach. The Cost Approach is inapplicable in this appraisal.

The Income Approach, in simple terms, estimates the present worth of future benefits. This approach is applicable for income producing properties when income and expense data is readily available in the local market. The subject property is agricultural in nature and is not an income producing property. Therefore, the Income Approach is not applicable in this appraisal.

The Sales Comparison Approach is the most often used and generally the most reliable approach. This approach is based on the concept of value in exchange and involves researching comparable sales data in the subjects market. The comparable sales presented in this report were compared directly to the subject and adjusted for their differences. The adjusted sales price per acre is a reliable estimate of the subject's market value.

DIRECT SALES COMPARISON APPROACH

The direct sales comparison approach is essential in almost every appraisal of the value of real estate. The value estimated by this valuation analysis can be defined as "the price at which a willing seller would sell and a willing buyer would buy, neither being under abnormal pressure." This definition assumes that both buyer and seller are fully informed about the property, and both have general knowledge of the market for that type of property and assumes that the property has been exposed in the open market for a reasonable time.

The direct sales comparison approach to value is based on the principle of substitution, which states that "when a property is replaceable in the market, its value tends to be set by the cost of acquiring an equally desirable substitute assuming no costly delay in making the substitution." Sales in the open market of real estate with generally similar characteristics and utility are usually good indications of value for appraised real estate. The comparable market data which are submitted in this report, in our opinion, suggests that the best unit of comparison for the subject property is the sales price per acre.

The direct sales comparison method examines, compares, and relates sales of similar sites to the subject site. Adjustments for all significant market differences between the comparable sales and the subject site are weighed for the purpose of estimating the subject site's value. This approach is the most preferred method of estimating site value.

The most applicable and relevant economic unit of comparison used by brokers, buyers and sellers when purchasing land in the Southern New Jersey residential market is the price per acre. The price per acre is the most reliable measurement because it accurately depicts the thinking of participants in the market.

In utilizing the Direct Sales Comparison Approach to value, the unit of comparison should be explained as it relates to the sales price of the comparable property. In this report, the unit of comparison is the price per acre of each sale property and its relationship with the sales price of the specific comparable sale. An acre is the measured area within the comparable property or subject property and includes all site improvements within the legal description of the property. Site improvements may be included in the adjustment process if it contributes to the market/amenity price value relationship. This means that the land, land improvements and buildings are merged into a composite unit of measurement for uniform comparison purposes.

Example

If an agricultural site has 500 acres of land and sold for \$1,000,000, the indicated price per acre is \$2,000 per acre, i.e., \$1,000,000 divided by 500 acres. The unit of comparison for the adjustment process would be \$2,000 per acre in this example.

This process represents a merger of all elements and segments of the price/value relationship of the sale property into a single value unit for comparison purposes. This permits an orderly adjustment process to be implemented using a comparison grid process. The single unit of comparison merges the undivided interest in the land, land improvements and building improvements. After the base unit of comparison is determined for each of the comparable sale properties, then adjustments for

market variables, differences, or dissimilarities between the sales and the subject property under appraisal may be implemented.

The adjustment process adjusts the known property value, i.e., the comparable sale property's known sales price, to the unknown price or value of the subject property under appraisal.

Based upon this explanation, adjustments are made to the known comparable sales price. If the comparable sale is superior to the subject property, then a negative (-) adjustment is made to the known comparable sale price in the grid. This decreases the indicated price/value relationship of the comparable sale in relationship to the subject property under appraisal. As an example, if the comparable sale site was 100% upland and the subject property under appraisal was 100% wetlands (this assumes wetlands has a positive price relationship in the market), then the comparable sale is superior to the subject property. In the adjustment process, the comparable sale would require a negative (-) adjustment to equalize this variable with the subject property under appraisal. This indicates a property with 100% uplands will sell for more than a property with 100% wetlands.

The reverse would be appropriate if the comparable sale had 100% wetlands and the subject had 100% uplands. In this case, the known comparable sale is inferior to the unknown subject property under appraisal and would require a positive (+) adjustment to indicate the comparable sale's price value relationship should be increased since it is inferior to the subject property under appraisal. This adjustment equalizes the relationship of the comparable property with the subject under appraisal.

Adjustments for variables or differences tend to equalize the dissimilar elements between the known sales price of the comparable and the unknown price/value relationship of the subject property under appraisal. This adjustment process indicates on an objective basis a reasonable guideline for a market value range of the subject property under appraisal.

This adjustment process is utilized for as many variables as may be appropriate or that are recognized in the marketplace with a reasonable or significant impact on value. When elements are equal there is no necessity to allude to this in the grid adjustments. If you have elements that are present in all of the comparables and in the subject, then this indicates the elements are equal and equal elements should be addressed in the narrative and not in the comparison adjustment grid. These elements have been reflected in the base unit of comparison.

The application of the sales price per acre produces an estimate of value for a property by comparing it with the most similar properties that have sold recently in the same or competing areas. The analytical processes, utilized in determining the degree of comparability between two properties, involves judgment as to their similarity with respect to many value factors such as location, date of sales, physical characteristics, and terms of sale. The sale price of the properties deemed most comparable tends to set the value range for the subject property. The data involved in the application of this process concerns these comparable properties as well as the subject property, and this data will vary with the type of property. Four categories of data, however, are basic and apply regardless of the type of property. They are: (1) sales prices of comparable properties; (2) conditions influencing each sale; (3) location of each property; and (4) description of land and improvements of each comparable property.

The sales presented on the following pages are the best indicators of the subjects' market value. They are the most similar to the subject of recent sales in this market. They are representative of the typical sales in this market, they have the same or similar highest and best use as the subject, and they meet the definition of market value. Specific details of the following comparable sales were verified with the Grantor, Grantee, their Attorney, or real estate agent. I reviewed the deed for each sale, personally inspected each sale location, and personally reviewed zoning requirements, tax map, soil map and wetlands maps for each sale.

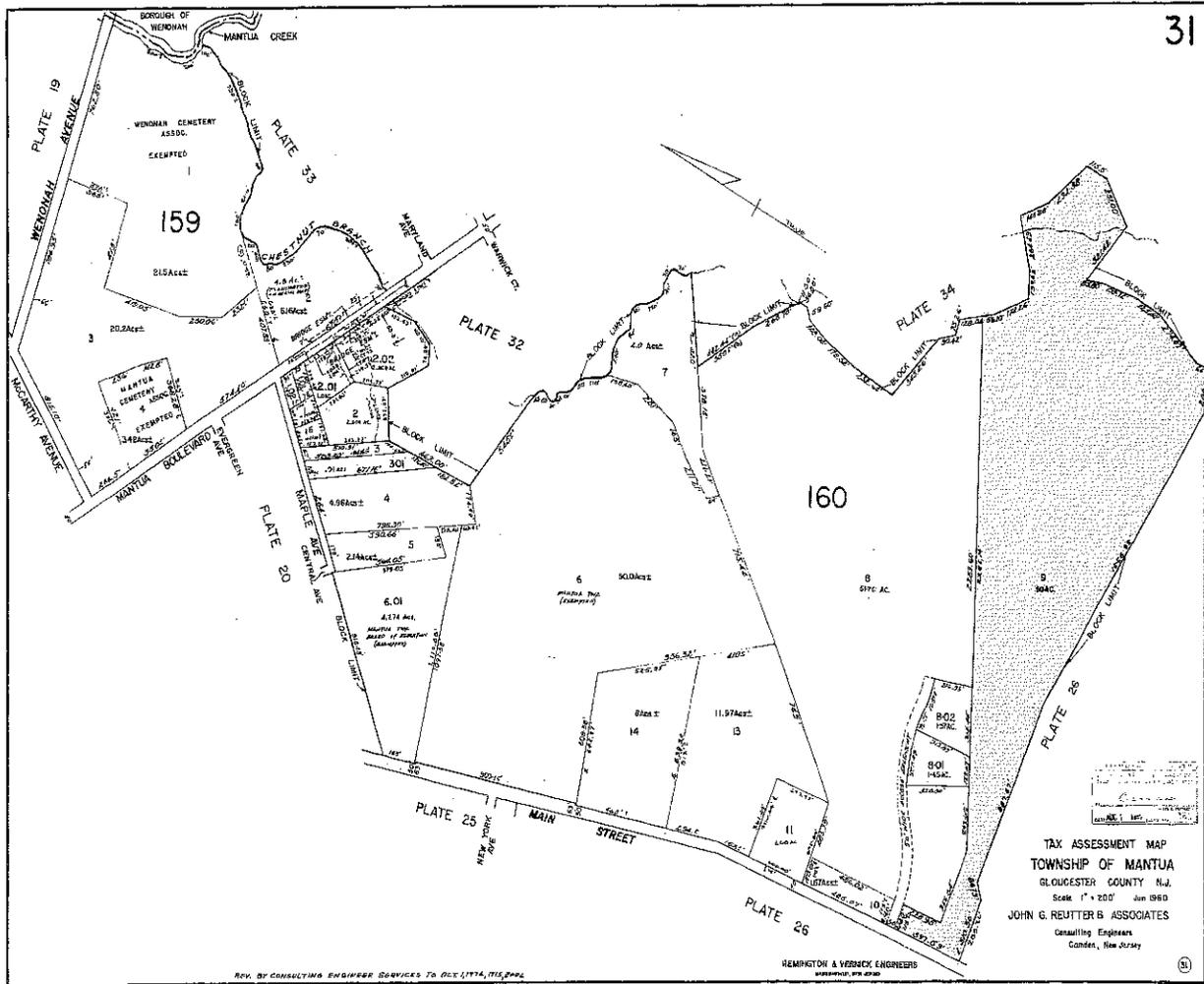
COMPARABLE UNRESTRICTED LAND SALE NO. 1



Location	501 Main Street, Mantua Township, NJ
Tax Map Designation	Block 160 Lot 9
Grantor	Mipro Homes LLC
Grantee	Township of Mantua
Consideration	\$2,465,000
Financing	No favorable financing noted
Settlement Date	1/8/09
Deed Book/Page	4621/16
Zoning	R-40, Residential District
Size	50.15 acres
Highest and Best use:	Residential Development
Verification	Deed, Grantor
Price Per Acre	\$49,153 per acre
Public Utilities	Electric, telephone, public water & public sewer

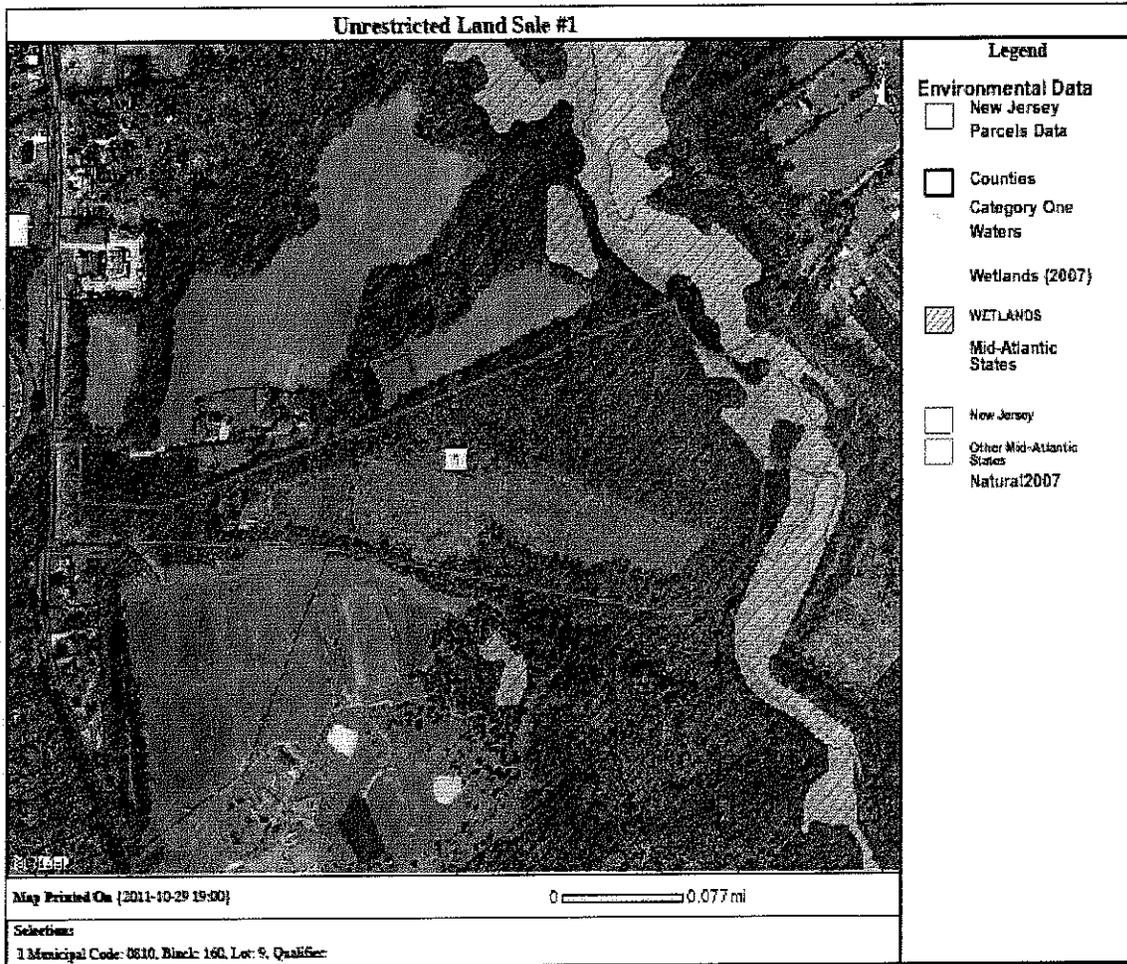
Comments: The parcel is located on the east side of Main Street in Mantua Township. The parcel has 398 linear feet of frontage on Main Street. The parcel is primarily vacant, rolling, partially wooded land with an irregular shape. There is a two story dwelling that is vacant, deteriorating and currently not habitable. It has 4.49 acres of wetlands located at the rear of the site. The site received preliminary approvals to develop 29 residential single family sites from the Mantua Township Planning Board. It is in an excellent Mantua Township location just south of the Municipal Center and adjacent to the recreation complex. In May 2006, Mipro Homes purchased the property for \$1,200,000 plus Mipro paid for the cost of obtaining approvals for 29 bulk lots. There were two additional lots used for a pump station and open space. The grantee was required to install a pump station at a cost estimated to be \$400,000. The grantee paid an additional \$125,000 in engineering costs at the time of purchase.

COMPARABLE UNRESTRICTED LAND SALE NO. 1- continued



COMPARABLE UNRESTRICTED LAND SALE NO.1 MAP – continued

AERIAL MAP



Map Source is NJDEP Geoweb 2011.

There are 4.49 acres (9% of the site) of wetlands located on Sale #1. Wetlands are located to the rear of the sale.

**COMPARABLE UNRESTRICTED LAND SALE NO.1 MAP – continued
SOILS MAP**

Map Source is USDA NCRS Web Soil Survey 2011.

Soil Discussion

About 63% of the soil or 34 acres on this sale is "not limited" which indicates that the soil has features that are very favorable for the specified use, i.e., residential use with basements would be recommended on this portion of the site. This is a positive physical characteristic that is considered in the grid because it impacts the site yield for residential development. The entire site is acceptable for low density development. About 52% of the site is considered prime soils.