

AMG

11-22-83

Preliminary Analysis of
Proposed Greenhouse Members
by AMG/Skytop

Pgs. 18

AM000098E

PRELIMINARY ANALYSIS
PROPOSED GREENWOOD MEADOWS DEVELOPMENT
J.V. OF AMG REALTY/SKYTOP LAND CORPORATION
WARREN TOWNSHIP, SOMERSET COUNTY
NEW JERSEY

KRAUSER, WELSH, SORICH & CIRZ

KRAUSER, WELSH, SORICH & CIRZ

REAL ESTATE APPRAISERS AND CONSULTANTS

BARRY J. KRAUSER, MAI
THOMAS P. WELSH, MAI
MICHAEL S. SORICH, MAI
RAYMOND T. CIRZ, MAI

ARTHUR D. KRAUSER (1912-1974)

CONSTANCE A. KETZENBERG, RM
JOSEPH M. RUSIN
BRIAN A. CHESTER
EDWARD R. LONGO
HOWARD L. BAILEY MAI, CPM
CONSULTANT TO THE FIRM
DAVID SOBINE (CONSTRUCTION ANALYST)
CONSULTANT TO THE FIRM

November 22, 1983

Mr. Richard B. Neff
AMG Realty/Skytop Land Corporation
130 Davidson Avenue
Somerset, New Jersey 08873

Re: Preliminary Analysis
Proposed Greenwood Meadows Development
J.V. of AMG Realty/Skytop Land Corp.
Warren Township, Somerset County

Dear Mr. Neff:

In regard to your request and that of Mr. Joseph Murray, Esquire, we have prepared a preliminary analysis of the captioned proposed development.

The scope of our assignment is as follows:

1. Provide supportive data with regard to the perceived market feasibility of the proposal's unit(s) preliminary pricing schedule.
2. Preliminarily offer insight as to whether the low and moderate units can be subsidized by the developer.
3. Reasonably determine the likely direct (hard) cost to construct the low and moderate priced units in Greenwood Meadows. This analysis was prepared by David Sobine of our office.

The information contained herein was prepared in summary format. Should you have any questions pertaining the information contained herein, we stand ready to assist.

Respectfully submitted,



Michael S. Sorich, MAI

THE PROPOSAL--GREENWOOD MEADOWS

Greenwood Meadows is to be a 1,850 multi-family development located in the southwest sector of Warren Township situated along Liberty Corner and Mt. Horeb Roads respectively. The proposed development will be constructed on two separate sites proximate to each other and containing a total of 310+ acres.

The "Upper Tract" (Skytop Parcel) contains approximately 220+ acres and will consist of 1,400 units. Of these 1,400 units, 370 units are scheduled to be low and moderate housing units. These units will be of a garden design (individual units on first and second floors). Unit sizes are expected to range between 600 to 950 square feet according to preliminary data offered by the developer. These units would sell (1983 dollars) in the \$44 to \$57 per square foot price range (\$26,400 to \$54,150). Preliminary site plan information indicates these units will be clustered in a section of this upper tract.

According to preliminary information, the remaining 1,030 units will be of a townhouse design and range in size between 1,200 to 2,100 square feet and in sale price between \$81,600 to \$180,600 (\$68-\$86 per square foot) based on 1983 dollars.

The "Lower Tract" (AMG Parcel) has about 90+ acres and will contain 450 townhouse units. Similar to the foregoing parcel this tract will have units ranging in size between 1,200 and 2,100 square feet, and the same pricing schedule as offered above of \$81,600 to \$180,600 according to preliminary data and based on 1983 dollars.

THE LOCALE

Prior to our preliminary summary analysis a brief discussion regarding the dynamics of the local market is deemed pertinent. The following will summarize those factors pertinent to a project like subject in the respective locale.

- * I-78 is to be completed between Berkeley Heights and Summit by 1985/86. The impact of this interstate's completion will be formidable and is already being felt in the relevant market.
- * Along the I-78 corridor and those major thoroughfares interconnecting a significant amount of new development of an office (both of a corporate owner-occupied or multi-tenant rental basis) is occurring, notwithstanding a substantial amount of multi-family development similar to that proposed at Greenwood Meadows. The one exception to the latter is all but one of these existing developments are required to offer least-cost or low/moderate housing within the respective development.

Office space in Warren Township currently stands at about 600,000 square feet of which 500,000+ square feet represents the recent completion of Chubb Insurance Company's corporate headquarters. The remaining 200,000 square feet is primarily older professional type office space serving the local area. More recently, there is a major trend in this area, along I-78 between Berkeley Heights to the east and Hunterdon County to the west, for the development of general purpose and/or corporate oriented office development. In Warren Township alone more than 3.5 million square feet of space is either proposed or is currently going before the local planning board for approvals. These proposals include the following:

<u>Location</u>	<u>Status</u>	<u>Square Feet</u>	<u>Office Space</u>
Mt. Bethel Rd.	Proposed	48,000	General Purpose
Mt. Bethel Rd.	Proposed	88,000	General Purpose
Mountain Ave.	Under Constr.	60,000	General Purpose
Liberty Corner Rd./I-78	Planning Bd.	1,000,000	General Purpose
Liberty Corner Rd./I-78	Planning Bd.	370,000	General Purpose
King George Rd./I-78	Proposed	1,500,000	Corp.(A.T.& T.)
King George Rd./I-78	Proposed	300,000	General Purpose
Total Proposed		3,366,000+ sf	
Add: Existing Space		<u>600,000</u>	
TOTAL WARREN TOWNSHIP		3,966,000+ sf	

In addition to the foregoing, there is a substantial amount of new office space proposed in other surrounding communities. Considering Warren Township alone this proposed/existing 3.9+ million office inventory can be translated into 17,600 to 22,600 additional employed people assuming a typical ratio of 175 to 225 square feet of office space per person.

All of the above shall place continued demand for new housing of both a conventional and subsidy nature. The completion of I-78 will open the western sectors of New Jersey to new development. This perceived development would be considered analogous to the magnitude experienced along I-287 in the past 15 years. Attached to this report is additional data supplied by the Somerset County Planning Board regarding potential multi-family and office/retail development in the county.

PRELIMINARY UNIT PRICE FEASIBILITY

Our initial feasibility analysis relative to pricing of the units begins with the test of plausibility of the market oriented units when compared to the proposed pricing schedule at Greenwood Meadows. Below is the preliminary pricing schedule of the townhouse units in 1983 dollars as offered by the developer.

GREENWOOD MEADOWS PRELIMINARY PRICING SCHEDULE
TOWNHOUSE UNITS
(1983 DOLLARS)

<u>Unit Type</u>	<u>No. Units</u>	<u>SF Size</u>	<u>Selling Price/SF</u>	<u>Preliminary Selling Price/Unit</u>
"UPPER TRACT"				
TH A	125	1,200 sf	\$68/sf	\$ 81,600/unit
TH B	150	1,350	\$73	\$ 98,550
TH C	175	1,350	\$73	\$ 98,550
TH D	200	1,600	\$79	\$126,400
TH E	200	1,650	\$79	\$130,350
TH F	100	1,900	\$86	\$163,400
TH G	<u>80</u>	<u>2,100</u>	<u>\$86</u>	<u>\$180,600</u>
Subtotal/Avg.	1,030	1,550	\$77.89/sf	\$120,744/unit
"LOWER TRACT"				
TH A	50	1,200 sf	\$68/sf	\$ 81,600/unit
TH B	50	1,350	\$73	\$ 98,550
TH C	50	1,350	\$73	\$ 98,550
TH D	75	1,600	\$79	\$126,400
TH E	75	1,650	\$79	\$130,350
TH F	75	1,900	\$86	\$163,400
TH G	<u>75</u>	<u>2,100</u>	<u>\$86</u>	<u>\$180,600</u>
Subtotal/Avg.	450	1,642	\$79.85/sf	\$131,092/unit
TOTAL/AVG.	1,480	1,578	\$78.51/sf	\$123,890/unit

It became obvious that subject's proposed pricing schedule will have to meet the price levels in the local market to compete effectively. We have tested the plausibility of this preliminary price schedule with those developments considered competitive to subject (see facing page) and find the proposed pricing schedule of Greenwood Meadow to be market oriented. The comparative data presented on the facing page suggests a reasonable market price range for townhouse units would be between \$65 and \$95 per square foot of living area. The foregoing equates to a general market sale price range of \$90,000 to \$190,000 for units having 1,400 to 2,000+ square feet. Accordingly, Greenwood Meadows (in 1983 dollars) is priced in the \$81,600 to \$180,600 price range. This would reflect a square foot price range of \$68 to \$86 which is within the square foot market parameter offered above. The overall average sale price for these townhouse units would be equal to \$123,890, or \$78.51 per square foot based on an overall average unit size of 1,578 square feet.

Turning to the scheduled 370 low and moderate units (20% of the total 1,850 units proposed), we have considered the Mount Laurel II decision for the criteria in the pricing of these units. The underlying premise is the HUD guidelines relative to income levels. Thus the pricing schedule of these units are basically pre-established based on the income levels presented below.

Low and Moderate Income Ceilings for Newark SMSA

<u>Family Size</u>	<u>Low Income</u>	<u>Moderate Income</u>
1	\$11,450	\$17,650
2	13,100	20,150
3	14,700	22,700
4	16,350	25,200
5	17,650	26,750
6	18,950	28,350

SOURCE: Newark Area Office HUD.

Note: Somerset County has recently been placed in a different, newly created SMSA (or its new equivalent, PMSA) by the Census Bureau. HUD will revise these figures at some time in the future. The above figures will continue to be used for this project until new figures for the PMSA are promulgated by HUD.

By definition "moderate income families" are those whose incomes are no greater than 80% and not less than 50% of the median income of the area, with adjustments for smaller and larger families. "Low income families" are those whose incomes do not exceed 50% of the median income of the area, with adjustments for smaller and larger families.

Based on the above, the following preliminary pricing schedule is offered for these low and moderate housing units. All of these units will be located in the "Upper Parcel."

GREENWOOD MEADOWS PRELIMINARY PRICE SCHEDULE
LOW-MODERATE UNITS

<u>Unit Type</u>	<u>No. Units</u>	<u>SF Size</u>	<u>Selling Price/SF</u>	<u>Preliminary Selling Price/Unit</u>
C1	50	600	\$44/sf	\$26,400/unit
C2	80	700	\$47	\$32,900
C3	110	850	\$57	\$48,450
C4	130	950	\$57	\$54,150
Total/Avg.	370	819	\$53.86/sf	\$44,111/unit

The schedule above reveals an average unit price of \$44,111 which is equal to an average price of \$53.86 per square foot.

The foregoing supports the perceived sale prices of Greenwood Meadow's townhouse market units, and mindful that the low and moderate priced units will have pre-determined sale prices based on the income levels established for this area, these units prices are also at acceptable levels.

DEVELOPER'S SUBSIDY

The developer of Greenwood Meadows is placed in the rather fortunate position that should approvals be granted for development as contemplated herein, the entrepreneurial effort will reflect a marked enhancement in value of the land based on the original acquisition price of about \$700 per unit (based on 1,850 units) for both parcels combined. On the facing page is a summary of multi-family land sales in the relevant market that reflect purchases subject to preliminary site plan approval. These transactions tend to support a current value range, after rezoning for Greenwood Meadows, of between \$10,000 to \$11,000 per unit, or 9% to 10% of the average preliminarily perceived unit sale price.

The foregoing suggests a current value nearly 19 times the actual acquisition cost for both parcels. It becomes obvious that this initial low land element when compared to the value enhancement created upon approval as contemplated permits the developer to provide the following.

1. Deliver townhouse (market oriented) units at a competitive price.
2. Provide an adequate cushion to subsidize the low and moderate priced units.

LOW/MODERATE UNITS HARD COST ANALYSIS

The hard construction cost deals specifically with the labor and material required for the installation of the proposed multi-occupancy condominium buildings. The following is information gathered from comparable type projects.

COST SUMMARY - FLAT (GARDEN) TYPE CONDOMINIUMS

<u>Project</u>	<u>Information Source</u>	<u>Construction Cost/Sq.Ft.</u>	<u>Comments</u>
GREENWOOD MEADOWS	KWS&C	\$30-\$32	Plus site improvements; based on Marshall Valuation Service and in-house cost information.
Fieldstone Hills Development Co.	Hills Development Co. William Orłowski	\$29-\$32	Plus site improvements; preliminary cost; not all contracts let.
Chatham Glen Condominiums	Baker-Firestone Co.	\$34.05	Plus site improvements; based on contracts let; construction in progress.
Hunters Crossing	Lanid Corporation Robert McNally	\$36.62	1980 cost; includes some site work.
Oak Knoll	Lanid Corporation Robert McNally	\$34.00	Plus site improvements.

The foregoing comparative data demonstrates a range between \$29 and \$36.62 per square foot. The low end of this range is based on proposed estimated costs without actual finished costs in hand. The upper end of the range is for a unit in the higher end of the market and includes some site work.

The most reasonable hard cost for the proposed project appears to be in the range of from \$30 to \$32 based upon review of comparable projects and published cost information, as well as in consideration of the likely economy of scales typically accorded larger scale projects like that proposed at Greenwood Meadows.

CONTINGENT AND LIMITING CONDITIONS

We assume no responsibility for matters legal in character. Any sketches, maps, and visual interpretations in this report are included to only assist the reader.

We believe to be reliable any information in this report furnished to us by others, but we assume no material responsibility for its accuracy.

The opinions and conclusions offered in the analysis are premised on limited data secured from a variety of sources, and therein any conclusions offered do not represent a full and complete analysis.

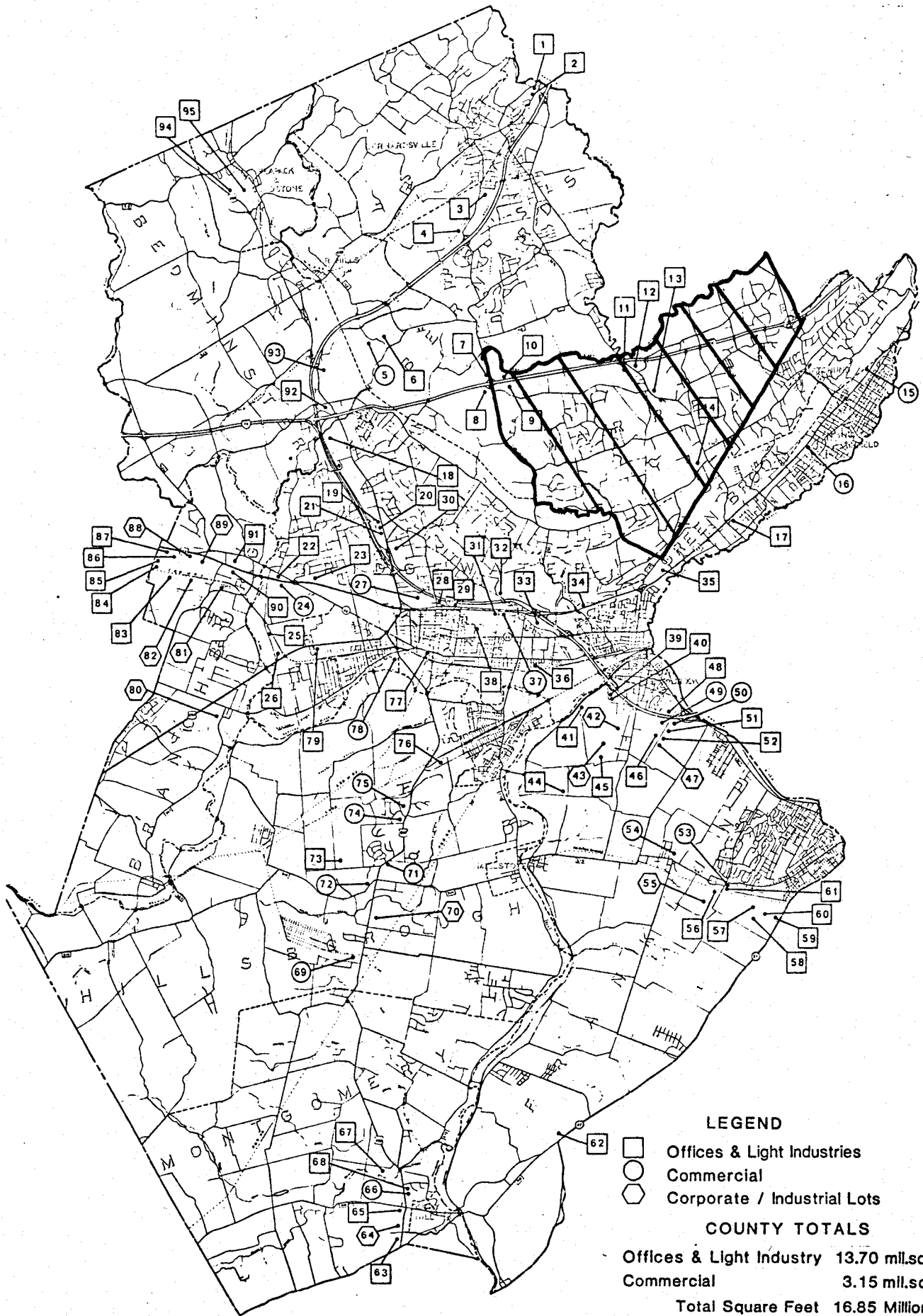
We are not required to give testimony or to appear in court by reason of this appraisal, with reference to the property in question, unless arrangements have been previously made therefor.

Neither all nor any part of the contents of this report shall be conveyed to the public through advertising, public relations, news, sales, or other media, without the written consent and approval of the appraiser, particularly as to valuation conclusions, or to the identity of the appraiser or appraisal firm represented, or any reference to an appraisal organization or an appraisal designation.

Information regarding this report is valid as of conditions prevailing on November 23, 1983, unless otherwise indicated.

A D D E N D A

MAJOR COMMERCIAL, OFFICE & INDUSTRIAL ACTIVITY 20,000 SQ. FT. / 10 LOTS OR GREATER IN SIZE (Proposed or Under Construction)



LEGEND

- Offices & Light Industries
- Commercial
- ⬡ Corporate / Industrial Lots

COUNTY TOTALS

Offices & Light Industry 13.70 mil.sq.ft
 Commercial 3.15 mil.sq.ft

Total Square Feet 16.85 Million

KRAUSER, WELSH, SORICH & CIRZ

APPRAISERS • CONSULTANTS

LISTING OF MAJOR COMMERCIAL, OFFICE & INDUSTRIAL PROJECTS

Bernards Township - 2,332,874 sq.ft.

1. Basking Ridge Office Building - 38,000 sq. ft. offices
2. Basking Ridge Corp. Plaza - 212,000 sq.ft. offices
3. Summit at Mt. Airy - 71,874 sq.ft. offices
4. Mt. Airy Corners - Up to 335,000 sq.ft. offices
5. Allen-Deane - 50,000 sq.ft. commercial/offices
6. U. S. Golf Association - 40,000 sq.ft. admin. offices
7. 3 S Plus L - 86,000 sq. ft. offices
8. Future A T & T Offices (1.5 million sq.ft.)

Warren Township - 2,953,000 sq.ft.

9. Chubb Headquarters - 500,000 sq.ft.
10. Ferber - 400,000 sq.ft. office complex
11. Future A T & T Offices (1.5 million sq.ft.)
12. Future Mack Offices (200,000-400,000 sq.ft.)
13. Mohawk Industrial Building - 131,000 sq.ft.
14. Office Building - 22,000 sq.ft.

North Plainfield - 398,630 sq.ft.

15. Route 22 Plaza - 141,630 sq.ft.
16. LEVCO Shopping Center & Offices - 257,000 sq.ft.

Green Brook - 50,000 sq.ft.

17. Greenbrook Office Plaza - 50,000 sq. ft. offices

Bridgewater - 5,422,000 sq.ft.

18. Future Pfizer Development (1.5 mil. sq.ft.) offices
19. Claremont Office Building - 57,000 sq. ft.
20. New Squires Office Building - 168,000 sq. ft.
21. Future Mack Office Center (sq.ft.N/A)
22. Bridgewater Plaza - 40,000 sq.ft. office space remaining
23. Park Plaza 22 - 301,000 sq.ft. office space
24. Millbridge Village - 25,000 sq.ft. commercial
25. Daniell - 20,000 sq.ft. Industrial expansion
26. Corporate Place - 300,000 sq.ft. office/warehouse
27. Bridgewater Commons Mall - 1.6 mil. sq.ft.
28. Schenkman Office Building - 60,000 sq.ft.
29. Future Pizzo & Pizzo Office (30,000 sq.ft.)
30. Bridgewater Office Center - 72,000 sq.ft.
31. Cedarbrook - 336,000 sq.ft. offices
32. 287 Corporate Center - 660,000 sq.ft. offices
33. Halls Warehouse - 67,000 sq.ft.
34. Donahue Office Center - 27,000 sq.ft.
35. Molyneux Office Building - 30,000 sq.ft.
36. Adamsville Associates - 30,000 sq. ft. warehouse/office
37. Holiday Inn Conference Center - 72,000 sq.ft.
38. Doswald & Erico - 27,000 sq.ft. medical office complex

Franklin Township - 3,589,950 sq.ft./123 lots

39. Zirinsky, - 90,000 sq. ft. offices
40. J. B. Williams - 160,000 sq.ft. offices
41. O & P - 80,000 sq.ft. proposal
42. Williams - Franklin Industrial Park - 9 lots (250,000 sq.ft. proposed to date)
43. Mack Midway - 17 Industrial lots
44. Future Research Center (80,000 sq.ft.)
45. Future Office Park (200,000 sq.ft.)
46. Mahoney Troast - 219,152 sq.ft. offices
47. World's Fair - 77 Industrial lots (303,000 sq.ft. proposed to date)
48. Somerset Executive Square - 160,000 sq. ft. office building
49. Holiday Inn - 258 rooms
50. Hilton Hotel - 350 rooms (Atrium)
51. Atrium of Somerset Office Bldg. - 175,000 sq.ft. (1.2 mil. sq.ft. remaining)
52. Future Office Building - 60,000 sq.ft.
53. Proposed Shopping Center - 24,000 sq.ft.
54. Proposed Shopping Center and Office 191,798 sq.ft.
55. Murray Industrial Park - 10 lots
56. Murray Construction - 59,000 sq.ft. warehouse
57. Englert Metals - 92,000 sq.ft. Industrial
58. Veronica Industrial Plaza - 130,000 sq.ft.
59. Lowe Company - 33,000 sq.ft. offices
60. Crystal Food - 20,000 sq.ft. Industrial
61. Garden State Brickface - 63,000 sq. ft. warehouse
62. Green Glen Office Center - 10 lots

Montgomery Township - 508,000 sq.ft./5 lots

63. Princeton Airport Building - 59,000 sq.ft. office/research
64. Princeton Corp. Airport Park - 5 lots (120,000 sq.ft. hotel & office proposed to date)
65. Princeton Gamma Tech - 59,000 sq.ft. office expansion
66. Montgomery Shopping Center - 128,000 sq. ft. expansion
67. The Pavilion - 65,000 sq. ft. offices
68. Montgomery Knoll - 77,000 sq.ft. office condominiums

Hillsborough Township - 1,014,200 sq.ft./29 lots

69. Taverner Shopping Center - 20,000 sq.ft. retail
70. Hillsborough Industrial Park - 29 lots (762,500 sq.ft.)
71. Woods Tavern - 20,000 sq.ft. commercial expansion
72. Lombardi - 45,200 sq.ft. commercial
73. Lubusco - 22,500 sq.ft. offices
74. Triangle Center - 60,000 sq.ft.
75. K Mart - 64,000 sq.ft.
76. PNJ Enterprises - 20,000 sq.ft. offices

Somerville - 60,000 sq.ft.

77. Landmark Office Building 60,000 sq.ft.

Raritan - 317,000 sq.ft.

78. Future Pillon Shopping Mall 100,000 sq.ft.
79. Ortho Office Expansion - 217,000 sq.ft.

Branchburg - 580,000 sq.ft./72 lots

80. Branchburg Corporate Center - 19 lots
81. Chambers Brook Industrial Park - 21 lots
82. Medway Industrial Park - 15 lots
83. Haarman & Reimer - 168,000 sq.ft. Industrial bldg.
84. Greene - 89,000 sq.ft. Industrial bldg.
85. Warehouse - 160,000 sq.ft.
86. Schlenker - 50,000 sq.ft. Industrial
87. Zimmer - 71,000 sq.ft. Industrial
88. Suthio Industrial Park - 8 lots
89. Pfauth Industrial Park - 9 lots
90. Sconda Canvas - 20,000 sq.ft. warehouse
91. The Campus - 22,000 sq.ft. offices

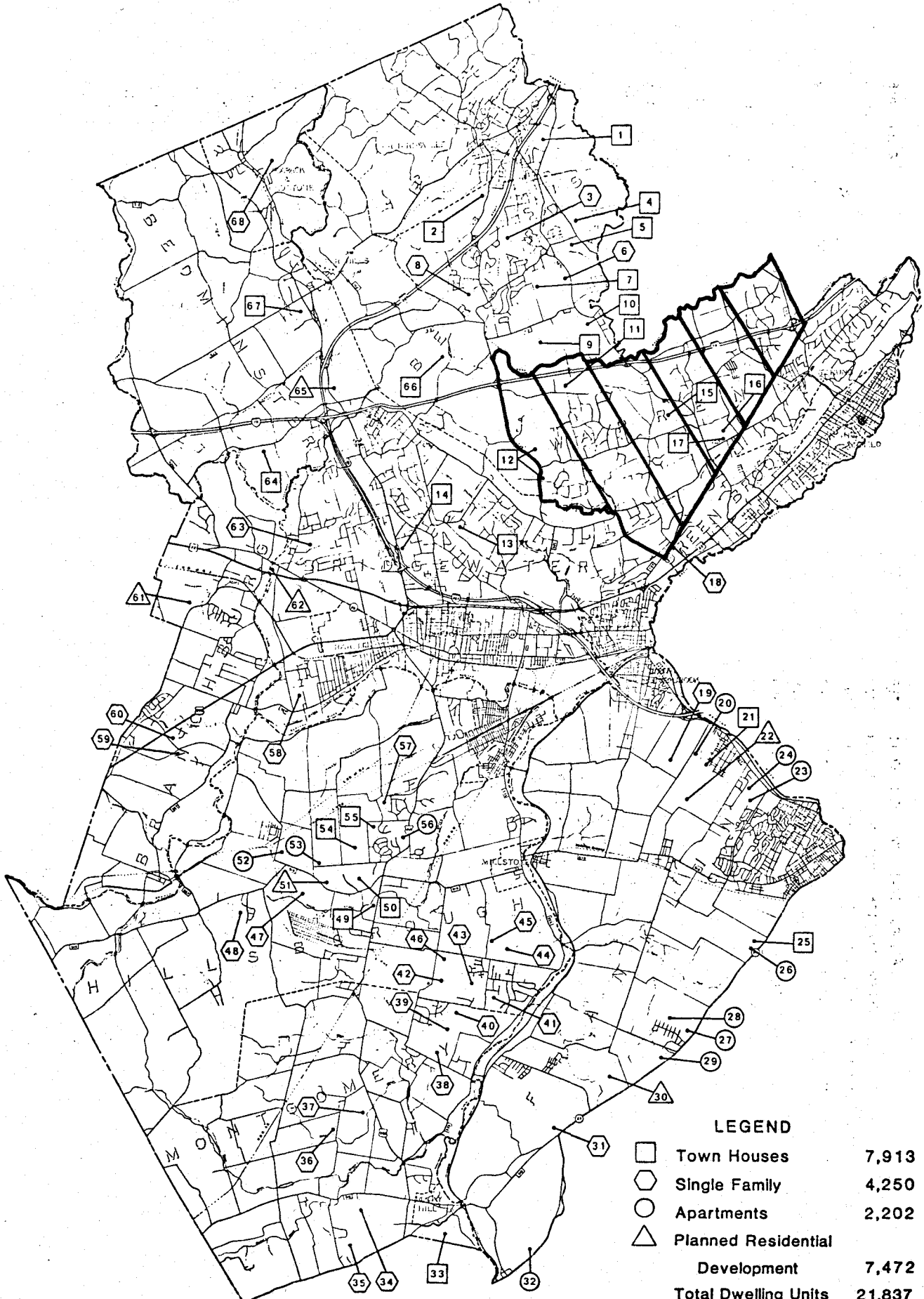
Bedminster - 528,000 sq.ft.

92. City Federal Savings Headquarters - 178,000 sq.ft.
93. Allen-Deane - 350,000 sq.ft. commercial/offices

Peapack & Gladstone - 533,000 sq.ft.

94. Beneficial Corp. Office Conversion - 33,000 sq.ft.
95. Beneficial Management Corp. HQ - 500,000 sq.ft.

MAJOR RESIDENTIAL DEVELOPMENT (50 units or more) PROPOSED & UNDER CONSTRUCTION



LEGEND	
□	Town Houses 7,913
⬡	Single Family 4,250
○	Apartments 2,202
△	Planned Residential Development 7,472
	Total Dwelling Units 21,837
KRAUSER, WELSH, SORICH & CIRZ	
APPRAISERS • CONSULTANTS	

LISTING OF MAJOR RESIDENTIAL PROJECTS

1. MALLOR, 64 Townhouses
2. LORD STIRLING VILLAGE, 150 Townhouses
3. SAKELE, 129 Single Family
4. LORD STIRLING VILLAGE, 175 Single Family & Townhouses
5. BARONS AT BASKING RIDGE, 132 Townhouses
6. SHERBROOK, 134 Single Family
7. THE RIDGE, 104 Townhouses
8. JOHNSON, 92 Single Family
9. SUTTON, 900 Single Family & Townhouses
10. COMMONWEALTH, 1,220 Single Family & Townhouses
11. TIMBER PROPERTIES, 250 Townhouses
12. AMG REALTY, 614 Townhouses
13. LOGAN RUN, 72 Single Family
14. DOWNEY TRACT, 401 Townhouse and Single Family
15. STEINBAUM PROPOSAL, 335 Townhouses
16. F & W ASSOCIATES, 125 Townhouses
17. ESPOSITO, 181 Townhouses
18. LANDMARK DEVELOPMENT CO., 55 Single Family
19. WORLDS FAIR, 96 Single Family
20. UKRANIAN CHURCH, 60 Apartments
21. LAKEWOOD, 280 Townhouses
22. BONNER, 2,400 Planned Residential Development
23. QUAIL CREST, 206 Apartments
24. MOREHOUSE ESTATES, 118 Apartments
25. KINGSBERRY ACRES, 272 Townhouses
26. MINAC, 300 Apartments
27. CARRIAGE RUN, 160 Apartments
28. RELER/SOMERSET MEWS, 508 Apartments
29. QUEEN SQUARE, 100 Apartments
30. FIELD PROPOSAL, 2,600 + Planned Residential Development
31. GREEN GLEN ESTATES, 213 Single Family
32. NASSAU WOODS, 668 Apartments
33. GARDNER, 106 Townhouses
34. GREEN, 97 Single Family
35. MONTGOMERY ASSOCIATES, 97 Single Family
36. WESTWIND FARMS, 61 Single Family
37. BELLE MEAD FARMS, 183 Single Family
38. STRYKER FARMS, 59 Single Family
39. RIVERSIDE FARMS, 104 Single Family
40. DEERHAVEN I & II, 127 Single Family
41. RUDDER EAST, 56 Single Family
42. WALNUT GROVE, 101 Single Family
43. NEW CENTER VILLAGE, 92 Single Family
44. VAN CLEEF TRACT, 800 Single Family
45. NORTH RIDGE POND, 82 Single Family
46. BENSON & PERSHYN, 87 Single Family
47. KINGSBRIDGE, 362 Single Family
48. FRANKFORT POINT HEIGHTS/DAVEL ESTATES, 57 Single Family
49. HUNTINGTON PARK, 329 Townhouses
50. MEADOWS, 239 Townhouses remaining
51. SOMERSET PARK, 82 Apartments & Townhouses
52. CONTEMPO WEST, 81 Single Family
53. ROHILL, 560 Single Family
54. SPRINGBROOK, 134 Townhouses
55. HILLSBOROUGH VILLAGE, 136 Townhouses Remaining
56. TOWN CENTER ESTATES, 51 Single Family
57. DIRON, 72 Single Family
58. COUNTRY WOODS, 92 Single Family
59. COLONIAL HEIGHTS, 55 Single Family
60. OAK RISE, 75 Single Family
61. OLD TOWNE, 710 Planned Residential Development
62. MILLBRIDGE VILLAGE, 475 Planned Residential Development
63. VAN HOLTEN ESTATES, 70 Single Family
64. FOUR FURLING, 90 Townhouses
65. HILLS DEVELOPMENT, 1,287 Planned Residential Development
66. HILLS DEVELOPMENT, 1,275 Single Family & Townhouses
67. BEDMINSTER RIDING, 401 Townhouses
68. TIGER HILL, 63 Single Family

PROFESSIONAL QUALIFICATIONS

OF

MICHAEL S. SORICH, MAI

EXPERIENCE:

Partner in the firm of KRAUSER, WELSH, SORICH & CIRZ, South & Elm Plaza, 182 South Street, Morristown, New Jersey. Actively engaged in real estate consulting and appraising, including portfolio valuation, financial analyses, market and feasibility studies, property tax consulting, and other advisory services throughout the United States.

MICHAEL S. SORICH ASSOCIATES, INC., Flemington, New Jersey, President. General real estate consulting with emphasis on the valuation and market/feasibility studies of major commercial properties, as well as servicing local clients. The firm was national in scope. (1977-1980)

MILLER & KAFES ASSOCIATES, INC., Fort Lee, New Jersey. Senior Consultant. Real estate consulting with emphasis on valuation analyses and market/feasibility studies of major urban and suburban properties throughout the United States and the Caribbean. (1971-1977)

NEW YORK LIFE INSURANCE COMPANY, New York, New York. Staff Consultant in the real estate mortgage department for northeastern United States and Puerto Rico. Involved in valuation, portfolio management and presentation of loan requests of major commercial property. (1970-1971)

COURT TESTIMONY - Qualified as expert witness in Superior Court of New Jersey, New Jersey State Tax Court, Federal Bankruptcy Court, County Boards of Taxation, and local Boards of Adjustment.

PROFESSIONAL
ACTIVITIES:

MAI: Member, American Institute of Real Estate Appraisers

Member: New Jersey Chapter No. 1, AIREA

Member: Morris County Board of Realtors

Member: Mortgage Bankers Association, New Jersey

Licensed: Real Estate Broker - Salesman of New Jersey

Qualified
Instructor: American Institute of Real Estate Appraisers

Lecturer: To various professional groups on market trends, development, real estate investment, tax valuation matters, and general real estate principles.

EDUCATION: B.S. Business Marketing - Arizona State University, Tempe, Arizona. (1969)

Attended New York University's Real Estate Institute, S.C.E., New York, New York. (1973-1975)

Successfully completed numerous real estate and related courses and seminars sponsored by the American Institute of Real Estate Appraisers, Society of Real Estate Appraisers, accredited universities and others.

CERTIFICATION: Certified through December 31, 1986, in the American Institute of Real Estate Appraisers' voluntary program of continuing education for its designated members (MAI's and RM's who meet the minimum standards of this program are awarded periodic education certification).

QUALIFICATIONS

OF

DAVID SOBINE

EXPERIENCE:

President of SOBINE CONSTRUCTION COMPANY, INC., Morris Plains, New Jersey. A firm actively engaged in building construction and development since 1910. Personally engaged in the construction and rehabilitation of commercial, residential, and industrial buildings for 20 years.

Consultant to the firm of KRAUSER, WELSH, SORICH & CIRZ, Morristown, New Jersey. A firm actively engaged in real estate appraisal and counseling.

Construction and consulting experience has included overall responsibility of construction and rehabilitation of commercial, residential, industrial, and institutional buildings; construction management of condominiums, single-family and multi-family residential, office, commercial, and institutional projects.

Consulting assignments including feasibility studies, physical cost and schedule analysis, reproduction and replacement cost analysis, budget preparation and analysis; institution and monitoring of construction lending processes.

Court Testimony - Qualified as expert witness in New Jersey Superior Court; Boards of Condemnation; American Arbitration Association.

PROFESSIONAL ACTIVITIES:

Member: Arbitrator
American Arbitration Association

Member: New Jersey Mortgage Bankers Association

Associate Member: American Society of Appraisers

Lecturer: Society of Real Estate Appraisers
Independent Association of Fee Appraisers
Mortgage Bankers Association
Upsala College
Rutgers University

EDUCATION:

Attended Fairleigh Dickinson University
New Jersey Institute of Technology
New York University

Recent courses completed: Construction Law and Building Codes, Quantity Surveys and Estimates, Construction Project Scheduling and Control, Machinery and Equipment Appraisal.

A PARTIAL LIST OF APPRAISAL CLIENTS

Aetna Life Insurance Company
Airco, Inc.
Allied Chemical Corporation
American Nat'l Bank & Trust of NJ
American Telephone & Telegraph Co.

Bankers Trust Company
BASF Wyandotte Corporation
Bell Laboratories
Borough of Florham Park
Borough of Lincoln Park
Borough of Victory Gardens
Bernards Township

Charter Savings & Loan Association
Chase Manhattan Bank
City Federal Savings & Loan
Chemical Bank
Chrysler Corporation
Connecticut General Life Insurance
Clinton Township

Eli Lilly Company
Employee Transfer Corporation
Equitable Relocation Corporation
European American Bank
Executrans

FDIC
Fidelity Union Trust Company
First Nat'l Bank of Bartlesville
First National State Bank
Ford Motor Corporation

General Motors Corporation
Gibraltar Savings & Loan

Hartford Insurance
Heritage Bank - North
Homequity/Homerica
Houdaille Construction Materials Inc.

IBM, Inc.
Interpace Corporation
International Paper

Manufacturers Hanover Trust
McDonald Corporation
Mepco Electric, Inc.

Merrill Lynch Relocation
Merrill Lynch Hubbard, Inc.
Midlantic National Bank
Morgan Guarantee & Trust Company
Morris County Park Commission
Morristown Dept. of Education
Morristown Housing Authority
Morristown Parking Authority
Morristown Urban Renewal Authority

National State Bank
New Jersey Bell Telephone Company
New Jersey Green Acres Program
New Jersey Dept. of Transportation
New Jersey Div. of Purchase & Property
New Jersey Conservation Foundation

Phillips Petroleum Corporation
Prudential Insurance Co. of North America
Public Service Electric & Gas Company

Relocation Associates
Relocation Realty
Rockaway Regional Sewerage Authority

Saint Claire's Hospital
Shimano of America Company
Summit & Elizabeth Trust Company

Town and Country Bank
Town of Dover Urban Renewal
Town of Morristown
Township of Jefferson
Township of Mendham
Township of Pequannock
Township of Rockaway
Transamerica Relocation Service, Inc.

United States Department of Interior
United States Internal Revenue Service
United States Postal Service
United States Small Business Adm.

Warner Lambert Company
Western Electric
Westinghouse Electric Corporation

PLUS various attorneys, individuals
and companies