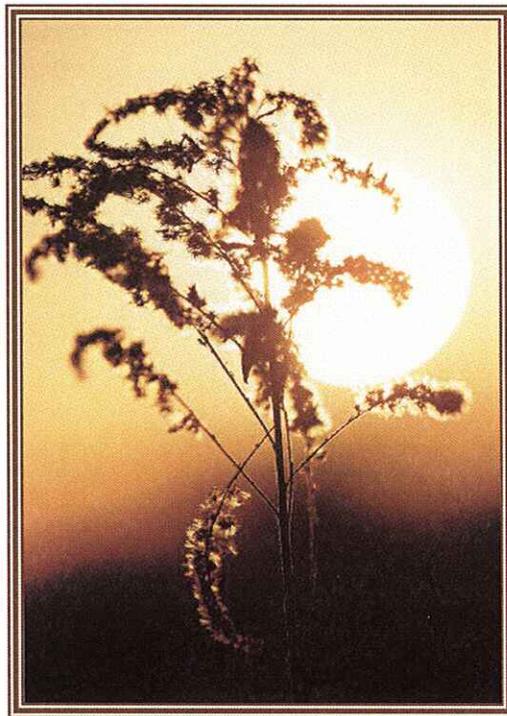


Application Packet for
Community Preservation Committee
City of Westfield



Pitoniak Farm
Northwest Road

March 9, 2011

CITY OF WESTFIELD
COMMUNITY PRESERVATION COMMITTEE
PROJECT SUBMISSION FORM

APPLICANT: John P. Pitoniak
Applicant's address 308 Northwest Rd.
Westfield, MA 01085

Submission Date: 8 March 2011
Purpose (please check all that apply):

- Open Space
- Recreation
- Historic
- Community Housing

Applicant's phone number: 413-568-7604
Applicant's email address: tpitoniak@comcast.net

Contact Person: Thomas F. Pitoniak, Jr.;413-568-3529

Name/address/phone number of current property owner (if other than applicant)

PROJECT NAME: Pitoniak Farm/CPA

Project Site Address: Northwest Road

Project Site Assessors Map/Parcel Nos.: Map 21R Lots 8, 9, and 10

Project Site Deed Book/Page No.s Book 3663 Pages 560-64; Book 527, Pages 041, 043; Book of Plans 313
Page 47

Brief Project Description (use additional sheets if necessary): See Attached Narrative

Costs:

Fiscal Year	Total Project Cost	CPC Funds Requested	Other Funding Sources (amount and source)
2011	\$ 360,000	\$ 360,000	
2012			
2013			
Total			

Signature of Applicant: *John P. Pitoniak* Date: 9 March 2011
Printed Name: John P. Pitoniak

Signature of Current Property Owner: *John P. Pitoniak*
Printed Name: John P. Pitoniak Date: 9 March 2011

Proposed here for CPA purchase for open space preservation is a portion of the Pitoniak Farm at 308 Northwest Road.

The Pitoniak Farm as a whole is one of the most significant properties in Westfield, situated on both sides of the road and along a considerable stretch of the Little River, between Western Avenue and Granville Road. The farmhouse dates to 1767. Slovak immigrants Baltazar and Elizabeth Pitoniak purchased the Northwest Road farm in 1923. It was used as a dairy farm, with the milk cows eventually sold off in 1980 for economic reasons; thereafter the raising of heifers and haying were the main agricultural activities. Son John P. Pitoniak remained on the farm his whole life and became sole owner by deed in 1972. A local horse farmer currently harvests the hay crop each year. The Pitoniaks have been responsible Westfield landowners enjoying good relations with the city (the Pitoniaks sold land to the city of Westfield for its water wells by the river) and with neighbors, including the YMCA (the Pitoniaks sold land to the YMCA to expand Camp Shepard and used to sell and deliver haybales each year to Camp Shepard for its archery targets).

John Pitoniak is 84 and has no children, and his general estate plan calls for the farm to be sold off when he is no longer resident there. That time, while undetermined, is drawing nearer due to obvious age-related factors such as convenience, comfort, safety, and health.

The Pitoniak Farm consists of four parcels totaling about 114 acres. Parcel 3, as it is referred to below, is the one being put forth for CPA purchase. But the farm's current status and changes thereto should be understood before Parcel 3 is discussed specifically.

After application was made in November 2008, three of the farm's four main parcels were considered by the state for an Agricultural Preservation Restriction purchase of development rights. The program pays farmers/landowners the difference between the "fair market value" and the "agricultural value" of their farmland. The "development rights" acquired are extinguished at the time of acquisition.

The state agreed to purchase the rights for what in the APR appraisal was called Parcel 1; no APR transaction is taking place for Parcels 2 and 3. After subtraction of the dwelling area (house, two barns, and former milk room) on Parcel 1 to be separate and of course outside the APR restrictions, which redraw was approved in late 2010 by the Planning Board, the resulting 38.01-acre tract, i.e., Parcel 1, is to be preserved under the APR for \$361,000. The value of the development rights on Parcel 1 was put at \$380,000, but according to the state Department of Agriculture field representative working on this project there will likely be no contribution from the City of Westfield to make up that \$19,000 difference. Thus the entire APR purchase, \$361,000, is being paid for by the state. Final preparations are being made in March 2011 for the closing.

Parcel 2 is 13.2 acres in size and was not put under APR, by decision of the state; in the future it would likely be sold to accompany Parcel 1 and the dwelling parcel when those

are sold, which would leave a farm/dwelling totaling approximately 52 acres as the remainder of the Pitoniak Farm.

Parcel 3, the largest, at 62.98 acres, has a single field, with the balance being woodlands. Parcel 3 is the property for which CPA purchase is being sought and is discussed in more detail below (and please see the accompanying materials). The parcel did not have enough non-woodlands to be a good candidate for APR preservation; so the state also decided not to pursue an APR purchase on Parcel 3.

Rounding out the current farm is a fourth, slightly more distant parcel/property, which was not proposed for APR. It consists of a 2-acre tract with barn diagonally across from the YMCA's Camp Shepard. John Pitoniak is donating this property to the YMCA (the YMCA has already been informed of this), which owns adjacent land as well as the camp. A historic note: This fourth parcel was long ago of the Rising family; and to this day the Pitoniak family calls it "Rising's barn." Camp Shepard is named for Minnie Shepard Rising. Thus this donation closes a nice circle to the benefit of the YMCA and the people (especially children) it serves, as well as the Mundale neighborhood.

Absent purchase for conservation, it is likely that Parcel 3 would at a later date be sold off separately from all other parcels, with an eye toward maximizing value for the estate, because it is outside the APR, has notable development potential, is mostly wooded, is large, and is not essential to the core farming activity. Parcel 3 if subdivided could accommodate an estimated 16 single-family homes with a possible loop road because of the favorable frontage configuration. (Parcel 3 itself consists of three contiguous, separately assessed pieces; see application form for assessors' lot numbers.)

The landowner would be happy to sell Parcel 3 for conservation in keeping with his family's long-established care for the land and love of this unique Westfield natural area, and to complement the other outcomes for the balance of his property.

Purchase would thoroughly fulfill the *general criteria* under the CPA:

1. It would obviously preserve a large amount of open space, more than 62 acres of prime land in a desirable rural residential section of the city. The property abuts a very large parcel of existing open space as indicated in the Vacant Land Map, Map E in the Appendix to the 2010 draft Westfield Open Space and Recreation Master Plan. The plan states as Goal 4: "Large, connected blocks of open space are protected from development to ensure habitat corridors for wildlife." The Westfield Vision Report 2000 indicates "open space and resource protection" as one of the four priority concerns of residents who attended the vision forums.
2. It would have permanent benefit to Westfield residents, including because the city would save on providing increased services that come with single-family homes, besides the impact of traffic on the rural Mundale neighborhood.
3. The purchase would preserve natural resources that could see development owing to the specific family and estate situation of John Pitoniak, and to the steady development pressures as the city has grown. As the draft Open Space and Recreation

Master Plan also states, “New development has been occurring either in the more expansive lands once occupied by farms and forests, or situated over the aquifer.”

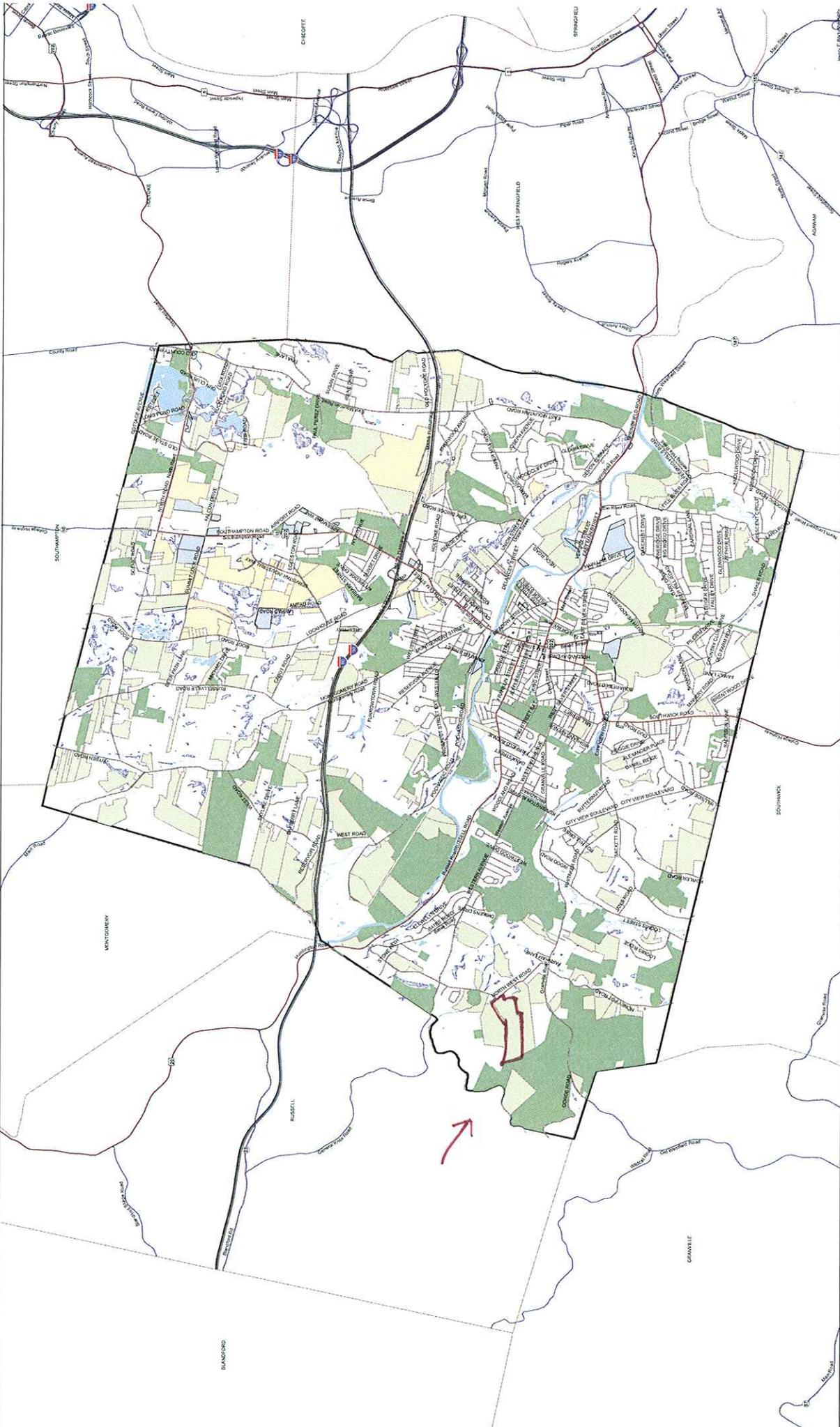
4. Purchase would be affordable, for example compared to possible higher price of land if entered in purchase and sale agreement for development. Because the property is currently low-taxed under Chapter 61(a), purchase for conservation would not entail a significant loss of property tax revenue.

Purchase of the land would greatly satisfy the *specific criteria* for open space preservation under the CPA:

1. It would permanently protect important natural habitat. Portions of the land are indicated as Critical Natural Landscape by the state Department of Fish & Wildlife at <http://maps.massgis.state.ma.us/dfg/biomap2.htm> and as an Important Habitat by the state Department of Environmental Protection at <http://www.umass.edu/landeco/research/caps/data/dep/maps/WESTFIELD.pdf>. The 2008 edition of the Massachusetts Natural Heritage Atlas indicates a portion of the property as being within an area designated as both a Priority Habitat of Rare Plant and Animal Species and an Estimated Habitat of Rare and Endangered Wildlife.
2. It would preserve the rural and agricultural character of the area; the farm’s centrality to the Northwest Road area of Mundale is clear. The parcel is also very close to the Westfield Quarry historic landscape (see Heritage Landscapes Inventory Map, Map C in the Appendix to the 2010 draft Open Space and Recreation Master Plan).
3. The land has strong potential for recreational use such as hiking, bird-watching, and cross-country skiing. The existing field, which has been well maintained, would seem to have potential for trailhead parking as well as a picnic area if the city should see fit to pursue such sorts of adaptation later.
4. It would preserve scenic views and a scenic stretch of Northwest Road, which includes one of the finest vistas of Mount Tekoa and Russell Mountain in the city.
5. It would help protect the City of Westfield’s drinking water. Municipal wells and the Zone II Recharge area are close by at lower elevations. The 2010 draft Open Space and Recreation Master Plan states as Goal 1: “Drinking water supplies remain safe and abundant for future generations.”

Parcel 3 was appraised during the APR appraisal at \$360,000, and the landowner considers that to be a fair price for the purchase of 62 unspoiled acres to preserve wildlife habitat, further safeguard the city’s water supply, and above all to preserve a significant part of the natural and historic landscape of Westfield for present and future generations, in keeping with the core principles and purposes of the Community Preservation Act.

Narrative prepared by nephew Thomas F. Pitoniak, Jr., 172 Llewellyn Drive, Westfield, MA 01085. 413-568-3529, tpitoniak@comcast.net



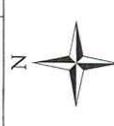
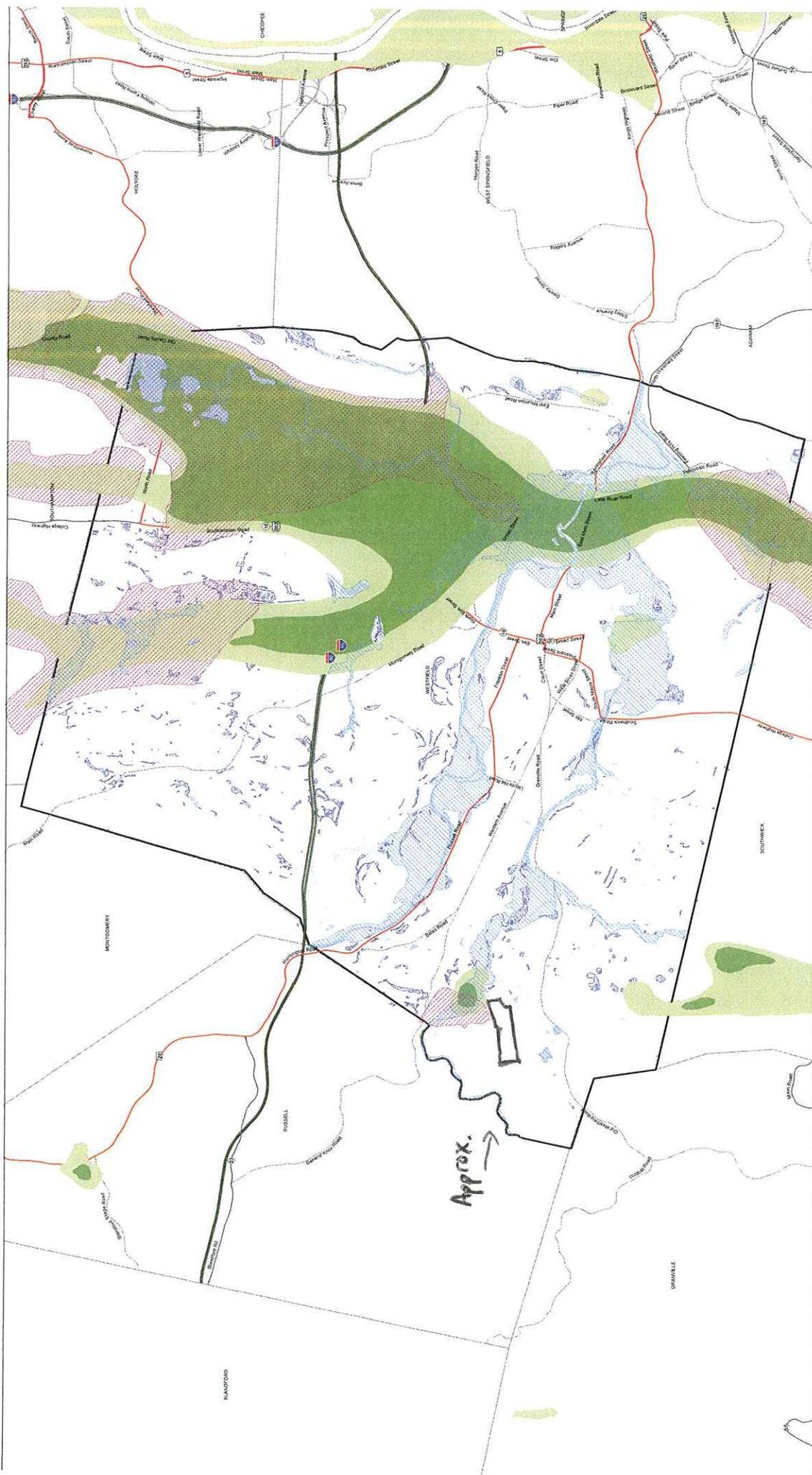
City of Westfield Vacant Land

- Vacant Industrial
- Vacant Commercial
- Vacant Land
- Open_Space

Created June 2010,
Westfield Engineering, GIS



Water Resource Map



- Legend**
- Flood Zone 100 Year
 - Zone II Aquifer Protection
 - High Yield
 - Medium Yield

Created April 22nd 2010, Westfield GIS
The City of Westfield makes no warranty, representation, or guarantee as to the content, sequence, accuracy, or completeness of any of the information provided herein.



O'Connor Real Estate Associates, Inc.

Real Estate Appraisals - Consultation - Market Analysis

December 18, 2009

Ms. Michele Padula
Regional Planner
Commonwealth of Massachusetts
Department of Agricultural Resources
251 Causeway Street, Suite 500
Boston, MA 02114-2151

Dear Ms. Padula:

In accordance with our agreement, I am pleased to submit the enclosed self-contained narrative appraisal report for the property owned by John P. Pitoniak located on both sides of Northwest Road in Westfield, MA. It consists of three unimproved parcels of land containing 111.18 acres designated herein as Parcels 1, 2 and 3. The owner has proposed selling an Agricultural Preservation Restriction (APR) over all three parcels. A two acre home site containing the owner's dwelling and detached barn has been excluded from Parcel 1. Imposition of the APR on the property will have no effect on the remaining home site and therefore it has been excluded from consideration herein. Thus this appraisal concerns itself with the remaining 111.18 acres to be encumbered with the APR.

The purpose of this appraisal is to estimate the market value of the property before imposition of the proposed APR and to estimate the market value of the property after imposition of the APR as of December 14, 2009, subject to the limiting conditions and assumptions contained herein. The difference between the value estimates is representative of the price of the easement. Market value is as defined herein. The interest appraised is the surface rights including all rights, title, and interest in and on the property owned by John P. Pitoniak located on both sides of Northwest Road in Westfield, MA consisting of three parcels containing a total of 111.18 acres as encumbered in the outstanding deeds and as noted in this report. The property was inspected on November 16, 2009 in the company of Mr. Pitoniak and again on December 14, 2009.

It is understood that this report is intended to be used by the Commonwealth of Massachusetts and/or the U.S. Department of Agriculture/Natural Resources Conservation Service as the basis for possible acquisition of an Agricultural Preservation Restriction. It is not intended for any other use. The report has been prepared in accordance with the *Uniform Standards of Professional Appraisal Practice* (USPAP) and appraisal specifications described in the USDA/NRCS Conservation Programs Manual Circular Part 519, Farm and Ranch Lands Protection Program. Assumptions and limiting conditions specific to this report are as follows:

- The Agricultural Preservation Restriction is proposed and not actually in place. Therefore, estimating the value of the property after imposition of the proposed APR constitutes a hypothetical condition. If any of the assumptions regarding the APR change, the value estimates contained herein may also change.
- The actual APR document has not yet been prepared. A standard APR document has been reviewed, a copy of which is included in the addenda. For purposes of this appraisal it is assumed that the actual APR will be similar in content. This constitutes an extraordinary assumption which, if found to be untrue, may change the value estimates contained herein.
- The property has not yet been surveyed. The Property Plans contained herein are copies of the Westfield Assessor's maps which are believed to accurately represent the property bounds. They have been used herein as the basis for the location of lot lines and area measurements. If they are found to be inaccurate, the value estimates contained herein may change.
- Municipal sewers are not available and no soil percolation tests were conducted in conjunction with this appraisal. The appraiser has relied upon indications from the Soil Survey published by the USDA/NRCS regarding the permeability characteristics of the soils. This is an extraordinary assumption which, if found to be untrue, may change the value estimates contained herein.

By reason of my investigation and analysis of this property, and by virtue of my experience, I am of the opinion that the market value of the subject property, as herein described, before and after the proposed APR in favor of the Commonwealth of Massachusetts as of December 14, 2009, subject to the limiting conditions and assumptions contained herein, in terms of cash or its equivalent, is as follows:

<i>Market Value Before Imposition of APR</i>	<i>\$935,000</i>
<i>Market Value After Imposition of APR</i>	<i><u>135,000</u></i>
<i>Price of Easement</i>	<i>\$800,000</i>

Your attention is invited to the enclosed report which sets forth the details and analyses upon which my conclusions of value are predicated.

Respectfully submitted,



Robert J. O'Connor, MAI
 Massachusetts License No. 333
 Certified General Real Estate Appraiser

RJOC/bld

PART I - INTRODUCTION

TITLE PAGE

Appraisal Prepared For (Client)	Commonwealth of Massachusetts Department of Agricultural Resources
Location of Property	Both Sides Northwest Road Westfield, MA
Land Area	
Parcel 1	35 Acres ±
Parcel 2	13.2 Acres ±
Parcel 3	<u>62.98 Acres</u>
Total	111.18 Acres ±
Name and Address of Owner	John P. Pitoniak 308 Northwest Road Westfield, MA 01085
Appraisal Prepared By	Robert J. O'Connor, MAI O'Connor Real Estate Associates, Inc. 48 Franklin Street P.O. Box 1211 Westfield, MA 01086
Date of Report	December 18, 2009
Effective Date of Appraisal	December 14, 2009
Stream/River Frontage	
Parcel 1	970' ± W/S Cook Brook 2,000' ± S/S Little River
Parcel 2	400' ± S/S Little River
Parcel 3	2,600' ± both sides of two unnamed brooks

15

View looking northerly over hay field on Parcel 1
taken from point near southeast corner of property



16

View looking westerly along Northwest Road
showing frontage of Parcel 3 at left



17

View looking southerly over hay field on Parcel 3
taken from point at northwest corner of field



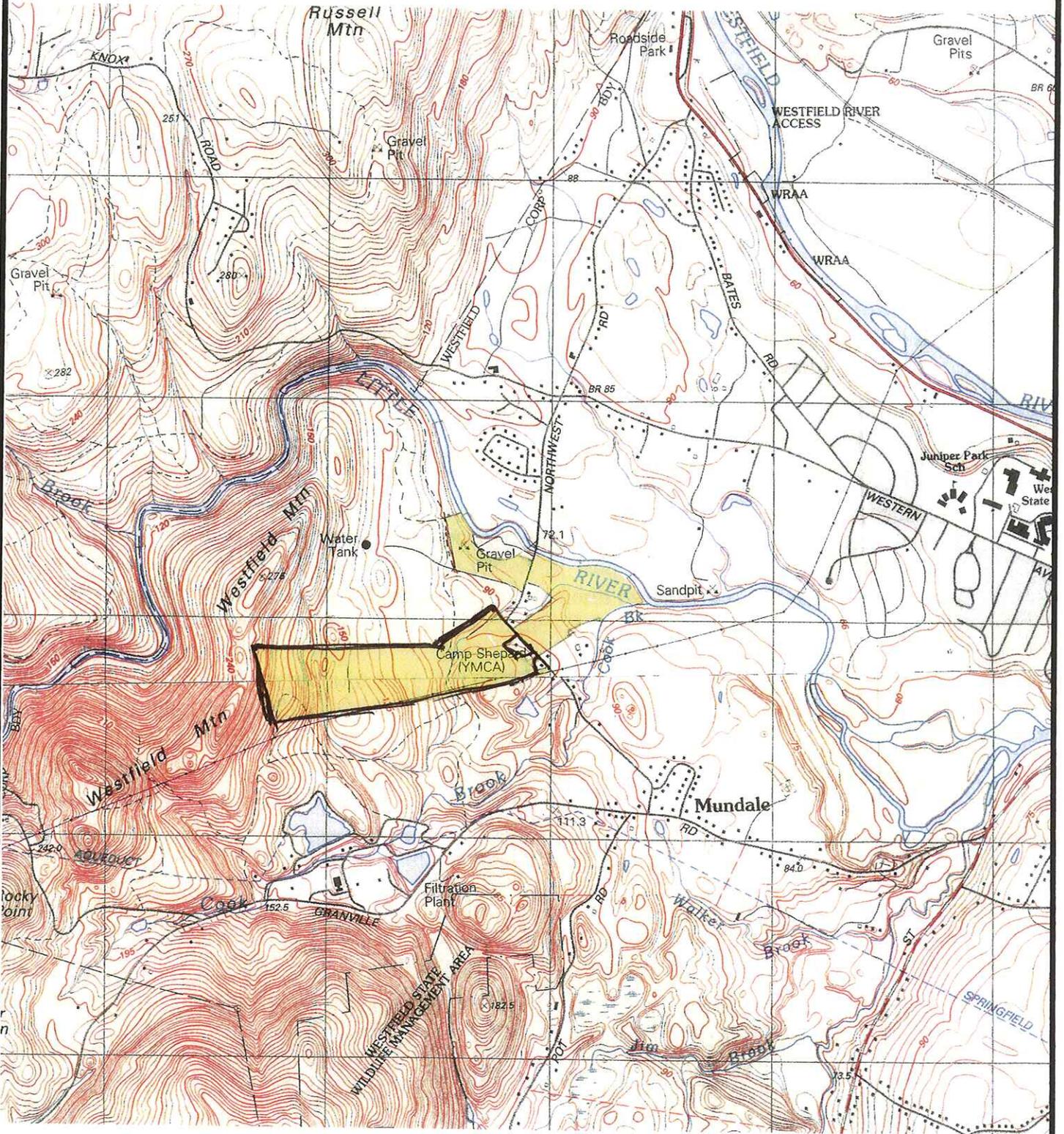
18

View looking northerly over hay field on Parcel 3
taken from south edge of field

View looking southerly over utility easement
which forms east bound of Parcel 3



LOCATION MAP

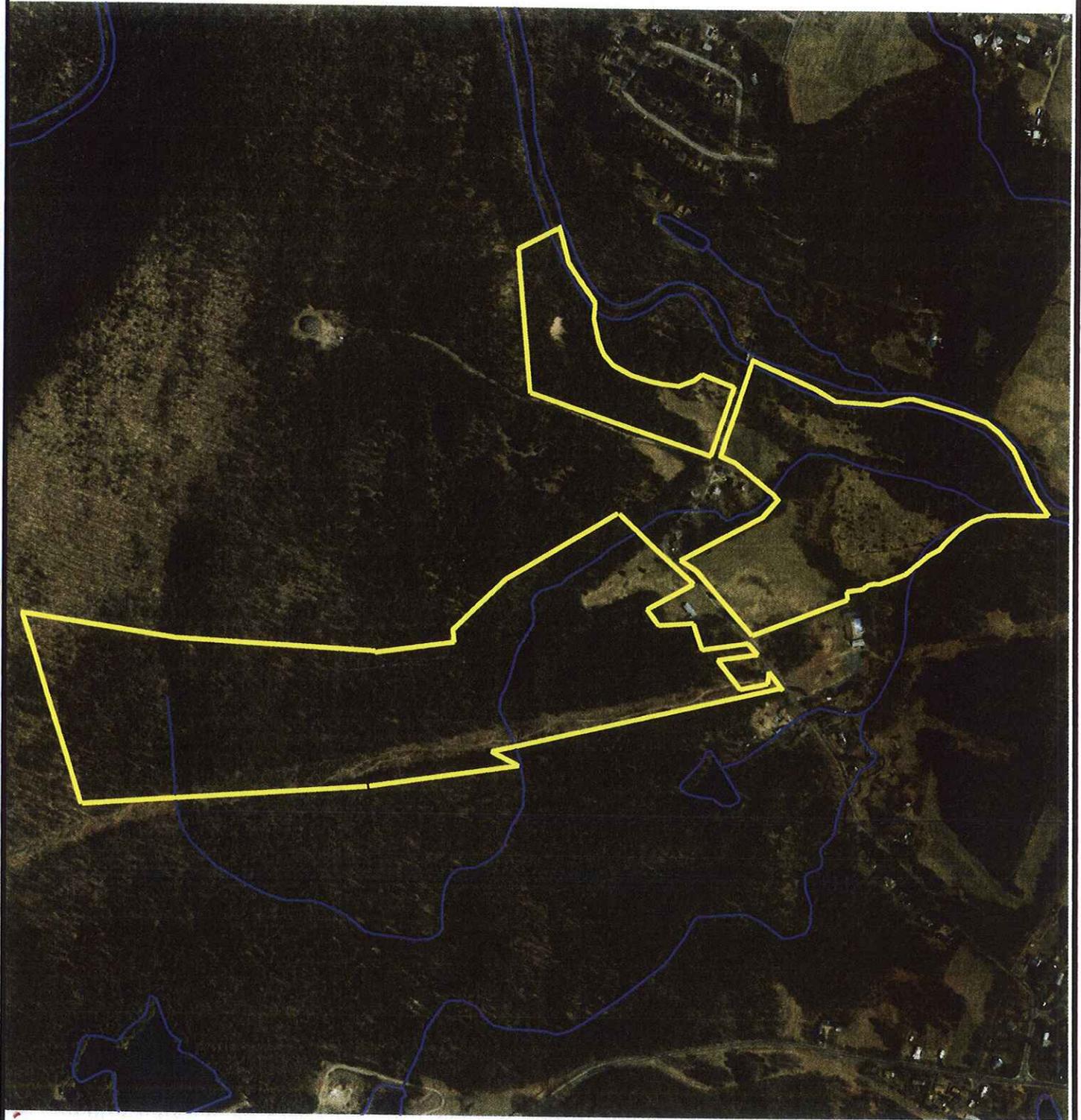


Source: U.S.G.S. Topographic Maps
Blandford - 1998, Southwick - 1997
1:25,000

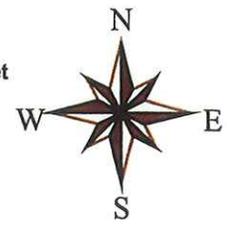
Prepared By: O'Connor Real Estate Associates, Inc.



AERIAL PHOTO



Parcel
3
↓



-  Rivers & Streams
-  Lakes & Ponds
-  MA Town Boundaries

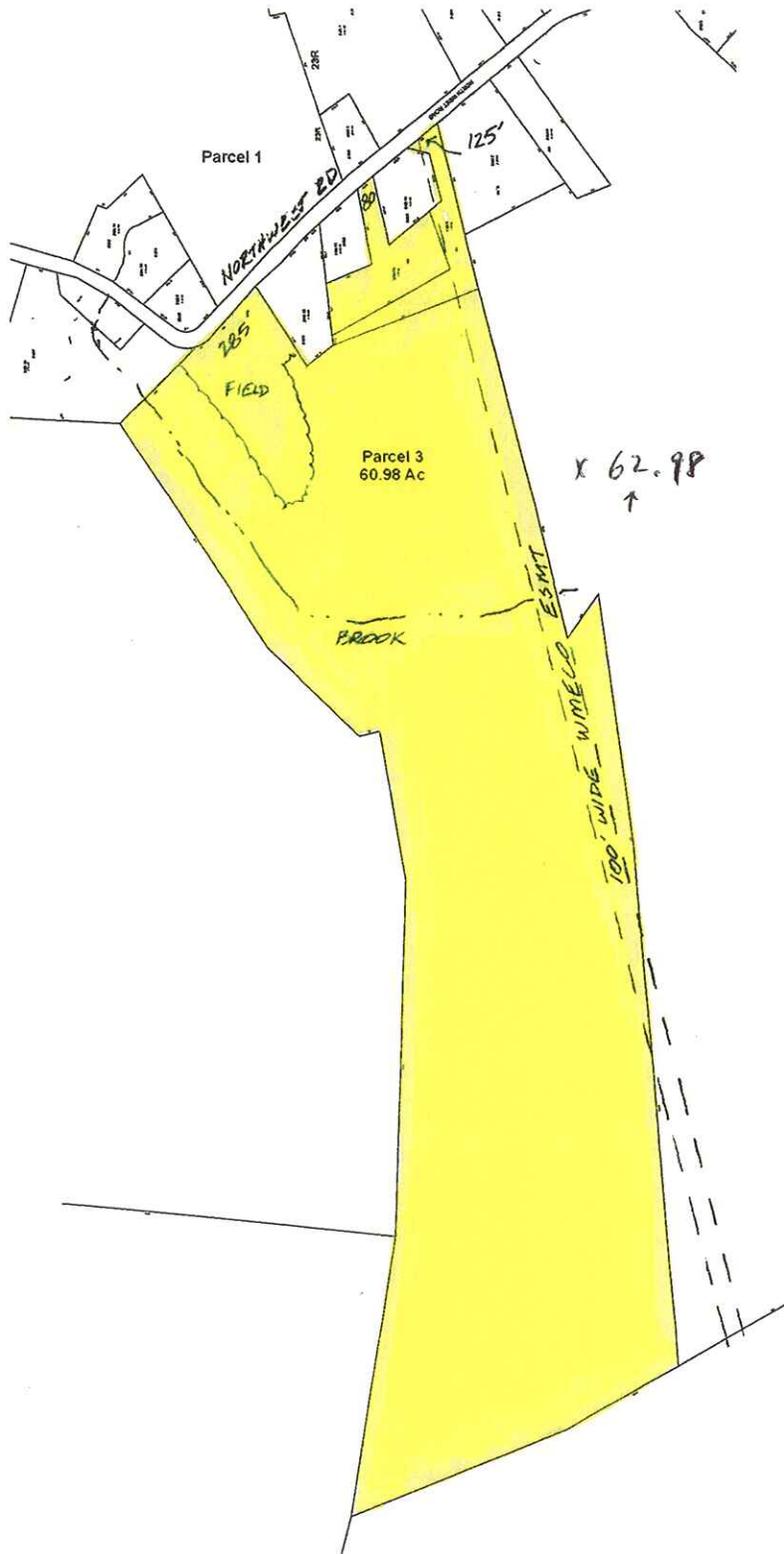
Source: MassGIS 2005 Color Ortho Photo
Prepared By: O'Connor Real Estate Associates, Inc.

Parcel 2 is located on the westerly side of Northwest Road diagonally opposite the owner's dwelling. This parcel contains approximately 425 feet of frontage as measured from the approximate bounds as indicated by the owner. There is a cleared area near the road now used for growing hay which contains approximately one acre. Westerly of that the property becomes wooded. It remains generally level back to a former gravel pit. This area has been excavated in the past for personal use, but is no longer used. Westerly of that the land begins to slope up steeply toward the west bound. This entire parcel has been used in the past as pasture. The abutting land to the north is owned by the City of Westfield and contains two municipal drinking water wells.

→ Parcel 3 is located on the southerly side of Northwest Road opposite the southeast corner of Parcel 1. It is comprised of three assessed parcels containing a total of 62.98 acres. It has split frontage totaling approximately 490 feet as measured along the south side of Northwest Road. There is a gate which leads into a cleared area, estimated to contain approximately four acres according to the owner. It is a hay field located near the north end of the frontage. Westerly of the field the property begins to slope up moderately before leveling off. There are two other strips of frontage located near the south end of the property. The southernmost frontage contains 125 feet and is encumbered by a 100 foot wide utility easement in favor of Western Massachusetts Electric Company improved with overhead poles and high tension wires. The utility easement extends in a westerly direction along or close to the south bound. The property slopes up gradually to moderately from this area to a distance of about 1,000-1,200 feet from the roadway. At that point it slopes down steeply into a gully through an unnamed brook flows. Westerly of that it begins to rise again moderately to steeply toward the west bound. The extreme west bound is located near the upper slopes of Westfield Mountain according to the owner. The wooded area just west of the hay field slopes up moderately and provides long-range views of the mountain ranges to the northeast.

Soils on the property, as shown on the maps contained in the Soil Survey of Hampden County, MA, published by the U.S. Department of Agriculture through its Soil Conservation Service, are varied. Following is a copy of the map with the subject property superimposed:

PROPERTY PLAN - PARCEL 3



Source: Westfield Assessor's Map 21R

Westfield GIS

Scale: 1 Inch = 600 Feet

Prepared By: O'Connor Real Estate Associates, Inc.

N



NHESP MAP



800 0 800 1600 2400 3200 Feet

-  Priority HabitatPrihab2008_poly.shp
-  Estimated HabitatEsthab2008_poly.shp
-  Rivers & Streams
-  Lakes & Ponds
-  MA Town Boundaries



Source: MassGIS 2005 Color Ortho Photo
Prepared By: O'Connor Real Estate Associates, Inc.

Massachusetts Endangered Species Act 7

The Massachusetts Endangered Species Act was enacted in December 1990, with regulations promulgated in January 1992. These regulations prohibit the "taking" of any rare plants or animals listed as endangered, threatened, or of special concern by the Division of Fisheries and Wildlife. A "take" as defined in the statute for animals means to harass, harm, pursue, hunt, shoot, hound, kill, trap, capture, collect, process, disrupt the nesting, breeding, feeding, or migratory activity.

The Massachusetts Natural Heritage Atlas contains maps showing estimated habitats of rare wildlife and priority habitats of rare plant and animal species intended for use in general land use project planning. These maps are prepared by the Natural Heritage and Endangered Species Program which is part of the Massachusetts Division of Fisheries, Wildlife and Environmental Law Enforcement. According to the Massachusetts Natural Heritage Atlas 2008 edition, the lower rear portion of Parcel 1 near the northeast corner and that portion of Parcel 3 within about 1,000 feet of the frontage, with the exception of the cleared field, are located within an area designated as both a Priority Habitat of Rare Plant and Animal Species and an Estimated Habitat of Rare and Endangered Wildlife. It is unknown exactly what this area is designated for, but it appears to constitute the northerly fringe centered around an area to the south. ←

When work is proposed in a Rare Species Habitat, the owner or developer shall have the burden of demonstrating to the issuing authority that the alteration will not adversely affect the habitat of the local population of that species. In order to meet this burden the owner/developer shall be required to identify the relevant habitat requirements of the rare species in question; identify the habitat characteristics of the resource areas and the important wildlife functions provided for that rare species; and demonstrate that the proposed work will not alter any habitat characteristics which are providing important wildlife functions for the rare species. The designated area on Parcel 1 involves only the low-lying area near the southeast corner. One of the potential dwellings would likely be located in this area which is outside the Flood Hazard Zone. The potential dwelling on Parcel 3 could be located in the field or more likely in the wooded area just west of it. As such, it would likely be outside any designated area or barely within it. Given the fact that it is on the fringe of this polygon and only involves a small portion of the property, it is entirely reasonable to conclude that the property could be developed as envisioned herein in accordance with these regulations. ✓

State Sanitary Code (Title 5)/Board of Health Regulations

Since no municipal sewer service is available to the subject, design and installation of individual sewage disposal systems would be subject to provisions of the Massachusetts Environmental Code under Title 5. Under regulations as of the effective valuation date, soils exhibiting a percolation rate exceeding 60 minutes per inch are considered

Parcel 3 contains a more limited amount of frontage. The westerly end of the frontage contains 285 feet which is sufficient for only one lot. The remaining two sections of frontage contain 80 feet and 125 feet which are not sufficient for use as additional home sites. Therefore, as it exists, the property can only be used as a single acreage home site. Alternatively, it could be developed into multiple home sites utilizing an interior roadway or roadways. The property appears developable back to a point about 1,000-1,200 feet from the road frontage where the brook passes in a ravine. A loop road could be extended from one end of the frontage to the other end yielding approximately 16 lots. The appraiser has considered development in this manner, but when combined with Parcel 1, there would be a total of 21 lots. Based on the current market conditions, a 7-10 year absorption rate would likely be required to sell all of the home sites. Development of Parcel 3 utilizing an interior roadway at present appears highly speculative. As a test the appraiser has combined the two parcels together and analyzed the income and expenses. The overall value arrived at through this analysis is almost identical to that arrived at through simple development of Parcel 1 into frontage lots and use of Parcel 3 as a single acreage home site. Given the risks involved with the current market conditions, and the fact that the value arrived at for Parcel 3 through use as a single home site, is nearly identical to that arrived at through the development approach. The highest and best use of Parcel 3 is concluded to be for use as a single acreage home site at present, with the potential for future residential development when market conditions improved. Development in this manner results in the highest return to this parcel and the highest overall return to the property at present. As such, use of Parcel 3 as a single acreage home site with future development potential is concluded to represent its highest and best use at present. Such use is physically possible, legally permissible, financially feasible, and results in the highest return to this parcel at present.

VALUATION BEFORE IMPOSITION OF APR

Cost Approach

Since the property is unimproved this approach to value is considered inapplicable.

Income Approach

Although the tillable portions of the property do generate some income through rental, it is minimal and not of a type which would attract investment capital. Therefore, this approach to value is also considered inapplicable.

After only minor adjustment these sales reflect a range of indicated unit values for Parcel 1 on an overall basis between \$8,219 per acre and \$14,249 per acre. Greatest weight is given to the indications provided by Sales 7 and 8 which are the most recent. In addition they are both close in size to the land area of Parcel 1. Considering all indications, and giving greatest weight to the indications provided by these two sales, a rounded unit value of \$12,000 per acre is considered best representative of the market value of Parcel 1 before imposition of the proposed APR. Use of this unit value results in the following overall estimate of market value:

Parcel 1 - 35 Acres @ \$12,000/Acre = \$420,000

Indicated Value of Parcel 1 by Sales Comparison Technique Before APR - \$420,000

Value of Parcel 2

The highest and best use of Parcel 2 was concluded to be for use as a single acreage home site. The same base price of \$120,000 concluded applicable to Parcel 1 would be applicable to the base 2.5 acre home site from within this site. A size adjustment at the rate of \$3,000 per acre is then applied as explained earlier, resulting in the following indication of value:

Base 2.5 Acre Home Site	\$120,000
10.7 Acres Excess Land @ \$3,000/Acre =	<u>32,100</u>
Indicated Property Value	\$152,100 Rounded @ \$150,000

Indicated Value of Parcel 2 Before APR - \$150,000

→ Value of Parcel 3

The highest and best use of Parcel 3 was concluded to be for use as a single acreage home site with the potential for future residential development. As explained earlier, the upper elevations near the rear of the hay field provide a long-range view of the mountains to the northeast. The base price of \$120,000 concluded applicable earlier would also apply to this site, except that it also provides a long-range view. In estimating the premium applicable for the view, a comparison has been made of several view lots and non-view lots known to have taken place throughout western Massachusetts. Following is a summary of these view and non-view lots:

1)	<u>Location</u>	<u>Land Area</u>	<u>Sale Date</u>	<u>Sale Price</u>
	Lot 2, Dry Hill Road Montague (View Lot)	15.549 Acres	12/16/2003	\$120,000
	Lot 1, Dry Hill Road Montague (Non-View Lot)	4.141 Acres	11/21/2003	\$60,000

Indicated View Adjustment: +100%

2)	<u>Location</u>	<u>Land Area</u>	<u>Sale Date</u>	<u>Sale Price</u>
	Lot 1, North Road Westfield (View Lot)	6.43 Acres	08/02/2002	\$135,000
	Lot 2, North Road Westfield (Non-View Lot)	5.61 Acres	10/17/2002	\$90,000

Indicated View Adjustment: +50%

3)	<u>Location</u>	<u>Land Area</u>	<u>Sale Date</u>	<u>Sale Price</u>
	Lot 58, SanSouci Drive South Hadley (View lot)	31,350 SF	06/08/2008	\$190,000
	Lot 22, SanSouci Drive South Hadley (Non-View Lot)	39,700 SF	05/07/2008	\$125,000

Indicated View Adjustment: +52%

Although it appears that a size adjustment would be applicable in comparison one above, the buildable area with Lot 2 is approximately 3-4 acres, with the remaining land steeply sloping and not usable. Overall it is considered similar in terms of usable area and thus no size adjustment is applicable. Based on these three indications an upward adjustment of 50% is concluded applicable to the subject site to reflect the view. The view is most similar to those provided in comparisons 2 and 3. Use of this adjustment results in an estimated base price of \$180,000 for the subject site.

The remaining 60.48 acres is considered excess land with the home site, but has the potential for future residential development. A size adjustment of \$3,000 per acre was concluded applicable earlier based upon several indications throughout the local area. The first comparison involves two parcels located on Crooked Ledge Road in Southampton. That comparison indicated a value of \$2,373 per acre for the excess land. It is similar to the subject property in that it, too, had potential for future residential development. It is somewhat more outlying than the subject property and therefore the size adjustment of \$3,000 per acre concluded applicable earlier is also considered applicable to Parcel 3 which has future residential potential. Use of the foregoing unit values results in the following overall estimate of market value for Parcel 3:

Base Lot - \$120,000 + 50% =	\$180,000
Excess Land - 60.48 Acres @ \$3,000/Acre =	<u>181,440</u>
Total Indicated Property Value	\$361,440 Rounded @ \$360,000

→ *Indicated Value of Parcel 3 Before APR - \$360,000*

CORRELATION AND FINAL VALUE ESTIMATE BEFORE APR

Of the three traditional approaches to value the Sales Comparison Approach was considered the most meaningful method of estimating the value of the subject parcels as explained earlier. It best reflects its unique physical and locational characteristics and is the common method by which typical purchasers would analyze it. There are two variations of the Sales Comparison Approach as explained earlier. One involves the Sales Comparison Technique while the other involves the Cost of Development Technique, or Analysis of Development Potential. In the case of Parcel 1 the Analysis of Development Potential is considered the most reliable indicator of value. The only available acreage sales are somewhat older, requiring judgmental factors in estimating the adjustments. A value of \$425,000 was concluded applicable based upon the Analysis of Development Potential, while a slightly lower unit value of \$420,000 was concluded applicable based upon the Sales Comparison Technique. These approaches closely support one another and a final value estimate in the amount of \$425,000 is concluded applicable to Parcel 1 before imposition of the APR.

The highest and best use of Parcels 2 and 3 was concluded to be for use as single home sites at present. The value of these parcels was estimated at \$150,000 and \$360,000 respectively. Combining these values, results in a total estimated market value in the amount of \$935,000. Consideration was given to whether a discount is applicable. In this case all three parcels could be sold separately and developed independently. Therefore, no discount is considered applicable and a final value estimate in the amount of \$935,000 is considered best representative of the market value of the subject property before imposition of the APR.

In summary, it is my considered opinion that the market value of the herein described property owned by John P. Pitoniak, located on both sides of Northwest Road in Westfield, MA, as of December 14, 2009, subject to the limiting conditions and assumptions contained herein, prior to imposition of the proposed APR in cash or its equivalent, is

NINE HUNDRED THIRTY-FIVE THOUSAND DOLLARS

(\$935,000.00)