

**MARKET VALUE
APPRAISAL REPORT**

1 Robbins Parkway

Owner: CAM Trust

Block 668, Lot(s) 13

1 Robbins Parkway

Toms River Township, Ocean County, NJ

As of: May 1, 2024

HJMA File #: TR-357

Township of Toms River
c/o Gregory P. McGuckin, Esq.
Dasti, Murphy, McGuckin, Ulaky,
Koutsouris & Connors
620 Lacey Road
Forked River, NJ 08731

May 6, 2024

Henry J. Mancini, MAI, CRE®

Henry J. Mancini & Associates, Inc.

Real Estate Appraisers & Consultants

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Township of Toms River
c/o Gregory P. McGuckin, Esq.
Dasti, Murphy, McGuckin, Ulaky,
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620 Lacey Road
Forked River, NJ 08731

Re: 1 Robbins Parkway
Owner: CAM Trust
Block 668, Lot(s) 13
Toms River Township, Ocean County, NJ
HJMA File #: TR-357

Dear Mr. McGuckin:

In accordance with your request, we have inspected the above captioned property for purposes of estimating the market value of the fee simple interest as of May 1, 2024. The appraisal process and procedures undertaken to estimate the market value of the subject are described in detail within the Scope of Work section of the report.

We are herewith submitting the attached Appraisal Report which briefly describes the subject property, the methods of approach with an analysis of data, our reasoning and the conclusions derived from our investigation. It is assumed that the reader of this report has a basic understanding of appraisal methodology and real estate.

This value estimate is contingent upon the limiting conditions and assumptions stated in the following report.

The report has been completed consistent with the Uniform Standards of Professional Appraisal Practice (USPAP) and is further consistent with the Codes of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.

Based upon a personal property inspection, and unless specifically noted to the contrary, we did not observe any obvious potential environmental hazards. The value estimate is based on the assumption that no such material exists. The appraisers, however, are not experts in environmental hazards and recommend, if concerned, an environmental consultant be retained (see Item 9 of Assumptions and Limiting Conditions).

691 Mill Creek Road, Unit 11, Manahawkin, NJ 08050

Phone: (609) 978-9750 Fax: (609) 978-9180

e-mail: henry@hjmancini.com

The subject property is a dilapidated waterfront/marine commercial property located in the Toms River Township area of Ocean County. The principal appraiser who prepared this report has adequate experience with appraising similar type properties in this area.

After analysis of all data affecting the value of the property, we are of the opinion that the subject has a market value of the fee simple interest as of May 1, 2024 of:

VALUE AS-IF VACANT: \$1,750,000

VALUE AS-IS: \$1,470,000

Extraordinary Assumptions and/or Hypothetical Conditions

The property owner has provided an estimated cost for demolition and removal of all debris from the site. However, we have not been provided with a copy of the cost estimate. For purposes of this report we have assumed that the estimate is reasonably accurate. Should the actual cost of demolition and debris removal be substantively different than the estimate contained herein then this report may be subject to change. This is an extraordinary assumption of this appraisal.

Additionally, based upon available information the subject property was formerly impacted by environmental contamination which appears to have been remediated. For purposes of this report, we have assumed that all contamination has been remediated and the subject property is free and clear of any environmental and/or hazardous material contamination. This is an extraordinary assumption of this appraisal.

Respectfully submitted,

HENRY J. MANCINI & ASSOCIATES



Henry J. Mancini, MAI, CRE®
NJ State Certified General
Real Estate Appraiser RG00468

HJM/mek

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SUMMARY OF SALIENT FACTS AND CONCLUSIONS

CLIENT: Township of Toms River
c/o Gregory P. McGuckin, Esq.
Dasti, Murphy, McGuckin, Ulaky,
Koutsouris & Connors
620 Lacey Road
Forked River, NJ 08731

INTENDED USE/USERS: The intended use of this appraisal is for potential public acquisition purposes. The intended user of this report is the Township of Toms River and their duly authorized representatives.

PROPERTY: Block 668, Lot(s) 13
1 Robbins Parkway
Toms River Township, Ocean County, NJ

PURPOSE OF REPORT: Estimate Market Value

TYPE OF REPORT: Appraisal Report
(As defined by Standards Rule 2-2, USPAP)

INTEREST APPRAISED: Fee simple interest

DATE OF VALUE: May 1, 2024

TYPE OF PROPERTY: Commercial (Waterfront)

LAND: 0.664± acres or 28,933 s.f.

IMPROVEMENTS: N/A

HIGHEST AND BEST USE: Mixed Use Development

EXPOSURE TIME: Less than one year

TAXES AND ASSESSMENT DATA:

Land:	\$800,000
Improvements:	<u>125,000</u>
Total:	\$925,000

Local Tax Rate: 2023 \$1.731/\$100 assessed

Summary of Salient Facts and Conclusions (Cont'd)

ZONING: VS-Village Seaport Zone

VALUE INDICATIONS:

Cost Approach:	N/A
Sales Comparison Approach:	\$1,750,000 As-if Vacant \$1,470,000 As-is
Income Capitalization Approach:	N/A

VALUE AS-IF VACANT: \$1,750,000

VALUE AS-IS: \$1,470,000

IDENTIFICATION OF PROPERTY

The subject property is legally known as Block 668, Lot(s) 13 as shown on the official tax map of Toms River Township, Ocean County, NJ.

The property is more commonly known as: 1 Robbins Parkway
Toms River Township
Ocean County, NJ

No title search or survey, unless specified, has been provided. The legal description contained within represents the best available to the appraiser. It is assumed to be correct, however, no implied warranties or legal opinions are rendered. The property has been evaluated based upon descriptions as provided by the client and is subject to the Assumptions and Limiting Conditions contained herein.

We have reviewed an "Alta/NSPS Land Title Survey" prepared by Stonefield engineering & Design (last revised 9/20/21). This survey is the basis for the property description contained herein.

PURPOSE OF THE APPRAISAL

The purpose of the appraisal relating to the property as captioned above is to estimate the market value of the fee simple interest of the subject as of May 1, 2024.

USE OF THE APPRAISAL

"The use of an appraisal is the manner in which a client employs the information contained in an appraisal report." (Source: The Appraisal of Real Estate, Appraisal Institute, Fourteenth Edition, 2013)

The use of this appraisal is for potential public acquisition purposes.

INTENDED USERS

The intended user of this appraisal report is the client, the Township of Toms River, and their duly authorized representatives.

SCOPE OF WORK

The purpose of this section is to identify the problem to be solved, determine and perform the scope of work necessary to develop a credible appraisal assignment and disclose this information clearly for the reader of the report.

In this regard this appraisal is prepared to estimate the market value of the subject property as defined herein.

We have identified the subject property as a dilapidated waterfront/marine commercial property located at 1 Robbins Parkway and the Toms River waterfront, Block 668, Lot(s) 13, Toms River Township. A personal property inspection was conducted on May 1, 2024 (exterior only).

After the inspection of the subject property the general market area is researched for purposes of gathering data deemed necessary for the determination of "Highest and Best Use" as well as the valuation of the subject property.

The subject property is improved with multiple older/dilapidated structures which are not consistent with the highest and best use of the property. Therefore, the subject is generally considered vacant land for valuation purposes and the Sales Comparison Approach is considered most applicable.

In the application of the Sales Comparison Approach we have researched multiple sources for compiling data utilized within this approach. This would include public tax record information, multiple listing service information, contact with area real estate professionals as well as data contained within our existing database. We have located several sales which are considered reasonably comparable to form a credible opinion of the market value of the subject property. We have estimated the subject's market value as-if vacant and as-is. The as-is value has considered the potential cost of demolition of the improvements as provided by the owner (see extraordinary assumption).

This appraisal report is written in a narrative format and is consistent with the requirements of Standards Rule 2-2 of the Uniform Standards of Appraisal Practice as requested by the client. The level of detail included within the appraisal is consistent with the intended use of the report which is for potential public acquisition purposes.

Extraordinary Assumptions and/or Hypothetical Conditions

The property owner has provided an estimated cost for demolition and removal of all debris from the site. However, we have not been provided with a copy of the cost estimate. For purposes of this report we have assumed that the estimate is reasonably accurate. Should the actual cost of demolition and debris removal be substantively different than the estimate contained herein then this report may be subject to change. This is an extraordinary assumption of this appraisal.

Extraordinary Assumptions and/or Hypothetical Conditions (Cont'd)

Additionally, based upon available information the subject property was formerly impacted by environmental contamination which appears to have been remediated. For purposes of this report, we have assumed that all contamination has been remediated and the subject property is free and clear of any environmental and/or hazardous material contamination. This is an extraordinary assumption of this appraisal.

Municipal Data Summary					
Municipality:	Toms River				
County:	Ocean				
Type:	Township				
State:	NJ				
Land Area:	40.49 square miles				
Demographics					
Population:	1990:	76,371	2010	91,239	
	2000:	89,706	2020	95,453	
			2022	98,341	Est.
Median Age:	43 years		2022		
Density:	2,428.17		2022		
Average H/H Size:	2.60		2022		
H/H Income (median):	\$92,815		2022		
Per Capita Income:	\$49,572		2022		
Housing & Construction					
Total Housing Units:		46,391		2022	
Single-Family Units:		39,432		2022	
% Single Family Units:		85%		2022	
Median Value - Single Family:		\$398,900		2022	
Median Gross Rent:		\$1,488		2022	
Residential					
Building Permits:	2019	294	2021	464	
	2020	269	2022	206	
Municipal Taxes					
General Tax Rate**	2020	\$2.426	2022	\$1.622	
(per \$100 assessed):	2021	\$2.436	2023	\$1.681	
** Does not include fire district or special improvement rates, if applicable					
2023 Equalization Ratio:		93.87%			
Aggregate Assessed Valuation:		\$20,212,809,800		2022 Real Property	

Source:

U.S. Census Bureau, Ocean County Planning Board, State of NJ, Ocean County Tax Board

NEIGHBORHOOD DESCRIPTION/MARKET TREND ANALYSIS

The subject property is located in Toms River Township, Ocean County, New Jersey. Toms River Township represents the second largest municipality (2022 estimated population 98,341) within Ocean County and functions as the County Seat.

Toms River Township is located in the northeastern portions of Ocean County and is comprised within a land area of 40.5± square miles. The municipality enjoys extensive water frontage along the Toms River, Barnegat Bay and the Atlantic Ocean via the Ortley Beach section of the municipality.

The municipality is accessed via several major federal and state highways including the Garden State Parkway, Route 9, Route 37 and Route 70. Additionally, several county roadways provide additional access to surrounding municipalities as well as Highway linkages.

Major retail development is also located within the municipality. The Route 37 and Hooper Avenue corridors represent the main concentration of regional scale shopping. The Ocean County Mall is located along Hooper Avenue and represents the only enclosed regional mall complex within the county. Surrounding this complex are several regional and community scale shopping centers.

Residential development within the community primarily consists of single-family detached residential housing. The character of the housing is considered diverse ranging from seasonal older bungalow type housing to upscale, estate type housing in the northern portions of the municipality. Additionally, there is a significant presence of multifamily housing in the form of rental apartments as well as attached single-family condominium projects.

The subject property is located along Robbins Parkway and the Toms River waterfront in the “downtown” section of Toms River Township, the Ocean County Seat. The subject location is proximate to the Ocean County Government Complex as well as the Ocean County Library and the municipal complex for Toms River Township. The immediate neighborhood, known as “Robbins Seaport”, is located along the Toms River waterfront and includes Huddy Park, the Water Street Bar & Grille Restaurant and the River Lady Cruise Boat.

We note that the subject property is located within the Downtown Core Rehabilitation Area as per the Redevelopment Plan adopted February 26, 2019 (last amendment 12/14/2021). The purpose of the plan is to revitalize the Toms River downtown area by promoting the development of new mixed-use projects and encouraging the rehabilitation of existing properties. There are currently plans for the redevelopment of portions of this area with residential apartments and mixed-use retail. According to the Redevelopment Plan, the subject is designated as part of the Robbins Parkway Redevelopment Area which is currently identified as the Robbins Seaport.

Neighborhood Description/Market Trend Analysis (Cont'd)

In regard to market trends we note strong demand and price appreciation for most classes of residential real estate since the mid to late 2020 timeframe. This market uptick coincided with the COVID-19 pandemic which prompted a general migration from the more urbanized locations to areas such as Ocean County including Toms River Township. More recently we have seen some price stabilization with overall sales volume down from the peak of the market. Contributory factors to this current trend include significant inflation levels not experienced for more than 40 years. In addition, substantial increases in mortgage rates have had some negative impact on the real estate market. Regardless, the residential market still indicates reasonably strong demand with some upward pricing movement albeit significantly less than past trends.

As it pertains to the commercial market demand and price appreciation has not been at the same levels of the residential market. However reasonable demand and new development is evident within the market.

DESCRIPTION OF APPRAISED PROPERTY

Site

Address: 1 Robbins Parkway

Tax Block/Lot: Block 668, Lot(s) 13

Municipality: Toms River Township, Ocean County, NJ

Size/Shape: According to an "Alta/NSPS Land Title Survey" prepared by Stonefield Engineering & Design (last revised 9/20/21) the subject contains 0.664 acres or 28,933± s.f./The shape is irregular

Frontage/Depth: 217± f.f. along Robbins Parkway and 314± f.f. along the Toms River waterfront/Irregular depth

Topography/Physical: Generally level at grade/Partially improved waterfront parcel with bulkhead, docks and pilings. All improvements, including site improvements, are in poor condition.

Restrictions/Easements: None noted
No title policy was made available

Environmental Hazards/Conditions: Based upon available information the subject property was formerly impacted by environmental contamination which appears to have been remediated. For purposes of this report, we have assumed that all contamination has been remediated and the subject property is free and clear of any environmental and/or hazardous material contamination. (see extraordinary assumption).

Additionally, we note that the subject property is located along the Toms River waterway.
(See Assumptions and Limiting Conditions Item 9)

Road Improvements: Robbins Parkway is a municipal roadway.

Utilities: Electric: Yes
Telephone: Yes
Gas: Yes
Water: Yes
Sewer: Yes

Description of Appraised Property (Cont'd)

Local Zoning: VS-Village Seaport Zone
We note the subject is also located in the Downtown Core Rehabilitation Area for Toms River Township. *(see summary in Addenda)*

Zoning Compliance: The subject property complies with the bulk requirements of the zone.

US Census Tract Number: 7236

Other Environmental Considerations:

CAFRA: Yes

Pinelands: No

Wetlands: No

Flood Hazard Designation: Zone AE

Flood Hazard Panel Number: 34029C 0304F, 9/29/06

State Planning District: Suburban Planning Area

Sewer Service Area: Yes

Owner of Record: CAM Trust
704 Howe Street
Point Pleasant, NJ 08742

Recent Transactional History:

There have been no recorded transactions within the past five years.

We have reviewed a copy of a listing agreement for the subject property provided by the property owner with a listing price of \$2.0 million for the term of January 30, 2024 through September 30, 2024. We are not aware of any current contracts of sale or pending offers for the subject property.

However, we have reviewed a prior agreement of sale for the subject property dated December 4, 2019. The purchase price is \$1,900,000 subject to multiple contingencies including approval of a mixed-use project (commercial & residential). The contract never closed with contingencies never met. It is not considered within the Sales Comparison Approach.

Description of Appraised Property (Cont'd)

2023 REAL ESTATE ASSESSMENT AND TAX DATA:

Land:	\$800,000
Improvements:	<u>125,000</u>
Total:	\$925,000
2023 Tax Rate*:	\$1.731/\$100 assessed
2023 Taxes:	\$16,012±
County Equalization Ratio*:	93.87% (Applicable to 2023 assessment)

**The 2024 tax rate is not available as of the writing of this report.
The 2024 Equalization Ratio is 85.07%*

Additional Information:

The subject property represents a 0.664± acre (28,933 s.f.) site located along Robbins Parkway in the downtown section of Toms River Township. The site has frontage (314± f.f.) along the Toms River waterfront. The property is situated within the VS-Village Seaport Zone and the Downtown Core Rehabilitation Area for Toms River Township. According to the Redevelopment Plan the site is part of the Robbins Parkway Redevelopment Area which is currently identified as the Robbins Seaport.

The subject is improved with two separate buildings in generally poor/dilapidated condition. The larger building contains 10,004± s.f. within a one and two-story masonry and frame structure. The first floor consists of office units and the second-story contains apartment units. The smaller building contains 1,376± s.f. within a two-story structure. We note that the description is based upon tax assessor records as an interior inspection was not conducted.

Site improvements include bulkhead, docks and pilings in poor condition. The water frontage has contained approximately 17 to 18 boat slips historically based on available information. All site improvements are considered to be in poor condition and in need of replacement.

As previously noted, the improvements are in poor/dilapidated condition. The property owner has provided an estimated cost for demolition and removal of all debris from the site and we have assumed that the estimate is reasonably accurate (see extraordinary condition).

Lastly, we note that the subject property was formerly impacted by environmental contamination. For purposes of this report, we have assumed that the subject property is free and clear of any environmental and/or hazardous material contamination (see extraordinary assumption).

HIGHEST AND BEST USE ANALYSIS

Whenever a market value opinion is developed, highest and best use analysis is necessary. Through highest and best use analysis, the appraiser interprets the market forces that affect the subject property and identifies the use or uses on which the final opinion of value is based. It may be defined as follows:

“The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.” (Source: *The Dictionary of Real Estate Appraisal*, 7th Edition, 2022)

AS IF VACANT

Legally Permitted

The subject property is located in the VS Village Seaport Zone for Toms River Township which generally permits a variety of commercial and residential uses on minimum lots of 7,500 s.f. The subject property is also located in the Downtown Core Rehabilitation Area as defined in the Redevelopment Plan adopted February 26, 2019 (last amendment 12/14/2021). The Redevelopment Plan provides for uses which are generally similar to the underlying VS Zone with some expansion and primarily promotes mixed use development (residential and commercial). The Redevelopment Plan supersedes the underlying zone where conflicts exist. The subject generally complies with the requirements of the Redevelopment Plan and zone. Therefore, we would consider development consistent with the Redevelopment Plan and zone to be legally permissible.

Physically Possible

The subject site appears capable of physically accommodating a variety of permitted uses as per the Redevelopment Plan and zoning including mixed use (residential and commercial) development.

Financially Feasible

We consider sufficient demand within the market to warrant development generally consistent with the Redevelopment Plan and the underlying zone. We would anticipate some form of mixed-use development (i.e. commercial lower level with multifamily residential above) to represent the most financially feasible utilization of the site. We note the predominate market demand is for the multifamily residential component. The Redevelopment Plan and Zone requires a commercial component.

Maximally Productive

Mixed use (residential and commercial) development consistent with the Redevelopment Plan and underlying zone is considered to be the most maximally productive use for the site. We recognize the potential residential component to be the predominate use within any development scenario. We consider the use of the waterfront area as an enhancement to the developed components (residential and commercial).

Highest & Best Use (Cont'd)

Conclusion

Therefore, considering all factors relevant to the concepts of highest and best use, we consider mixed use development (multifamily residential and commercial) consistent with the Redevelopment Plan and underlying zone to be the highest and best use of the subject property.

AS IMPROVED

In estimating the Highest and Best Use of the subject property as improved, it is generally recognized that most improvements should not be demolished and replaced, even though they may not be the highest and best use of the site as though vacant.

The subject property, as currently improved, represents an underutilization of the tract and is not consistent with market demand. The improvements are also in poor condition. We consider reasonable demand for mixed use development, generally consistent with the as-if vacant conclusion. Therefore, demolition of the existing improvements is necessary to achieve the Highest and Best Use of the subject property.

Therefore, based upon all relevant factors, it is our opinion that demolition of the existing improvements and mixed-use development (multifamily residential and commercial) consistent with the Redevelopment Plan and underlying zone is the highest and best use of the subject property.

APPRAISAL PROCESS

In order to estimate market value, we have given consideration to the three generally accepted approaches to value which include the Cost Approach, Sales Comparison Approach, and Income Capitalization Approach.

Cost Approach

The Cost Approach is a set of procedures in which an appraiser derives a value indication by estimating the current cost to reproduce the existing structure, deducting for all accrued depreciation in the property, and adding the estimated land value.

Sales Comparison Approach

The Sales Comparison Approach is a set of procedures in which an appraiser derives a value indication by comparing the property being appraised to similar properties that have been sold recently, applying appropriate units of comparison, and making adjustments, based on the elements of comparison, to the sale prices of comparables.

Income Capitalization Approach

The Income Capitalization Approach is a set of procedures in which an appraiser derives a value indication of income-producing property by converting anticipated benefits into property value. This conversion is accomplished either by 1) capitalizing a single year's income expectancy or an annual average of several years' income expectancy or an annual market-derived capitalization rate or a capitalization rate that reflects a specified income pattern, return on investment, and change in the value of the investment; or 2) discounting the annual cash flows for the holding period and the reversion at a specified yield rate.

Applicable Approaches

The Sales Comparison Approach is considered to be the most relevant approach to value recognizing that the subject property represents vacant land.

SALES COMPARISON APPROACH

In the Sales Comparison Approach, market value is estimated by comparing the subject property to similar properties that have recently sold, are listed for sale, or are under contract (i.e., recently drawn up purchase offers accompanied by a cash or equivalent deposit). A major premise of the Sales Comparison Approach is that the market value of a property is directly related to the prices of comparable, competitive properties.

The comparative analysis performed in this approach focuses on similarities and differences among properties and transactions that affect value. These may include differences in the property rights appraised, the motivations of buyers and sellers, financing terms, market conditions at the time of sale, size, location, physical features, and, if the properties produce income, economic characteristics.

SALES ANALYSIS

As previously discussed, the highest and best use of the property is for demolition of the existing improvements and redevelopment of the site. Therefore, the site is analyzed as-if vacant with later consideration to the potential cost of demolition.

An extensive search was conducted in and around the subject market area in an attempt to locate and verify sales of properties similar to that of the subject. The sales selected in the valuation of the subject are summarized within the grid on the following page with a more detailed description being found in the Addenda of this report.

The sales utilized represent the most relevant comparable sales available for the valuation of the subject property. The adjustment grid on the following page identifies areas of comparison and adjustment with a brief explanation.

The five (5) sales utilized for purposes of this appraisal occurred from March 2021 to November 2023 with unit value ranges of \$24.57/s.f. to \$127.33/s.f. An analysis of the sales, along with comments regarding applicable adjustments, is presented as follows:

SALES ADJUSTMENTS

We note adjustments for the following categories for the subject property:

Market Conditions

All sales were adjusted upward recognizing improving market conditions. We note Sales #1 and 5 had extended contract timeframes.

Location

Sales #1, 2 and 5 were adjusted downward recognizing the sales superior location compared to the subject property. This recognizes the superior Red Bank location of these sales compared to the subject's Toms River location.

Sales Comparison Approach (Cont'd)

Physical Characteristics

All sales were adjusted upward recognizing the subject's superior water frontage. Sale #1 was tempered due to the sale having water views and proximity to the Navesink River. Sale #4 was tempered due to the sales water frontage albeit inferior to the subject.

Zoning/Use Potential

Sales #1, 2 and 5 were adjusted downward recognizing the sales did not require a commercial component for multifamily development as ultimately approved. The current Redevelopment Plan and Zone requires this type of commercial component. As noted the predominate demand in the market is for residential housing. The adjustment recognizes greater potential to meet predominate market demand within this location.

Approvals

Sales #1 and 5 were adjusted downward recognizing the sales sold subject to approvals. The subject property has no approvals.

CONCLUSION

After giving consideration to all factors depicted on the attached grid, it is our opinion that firm and persuasive support exists for estimating a unit value of \$60/s.f. for the subject property. This unit value reflects a value indication by the Sales Comparison Approach of \$1,750,000 (R), as-if vacant, as shown below:

$$28,933 \text{ s.f. @ } \$60/\text{s.f.} = \$1,735,980$$

SAY \$1,750,000 (R) AS-IF VACANT

LAND SALE ADJUSTMENT GRID

Sales Comparison Analysis: \$ Per S.F. of Land
 HJMA File#: TR-357
 Valuation Date: 5/1/2024
 Interest Appraised: Fee Simple
 No. Of Sales: 5

VALUATION

RELEVANT UNIT OF COMPARISON: \$ PER S.F. OF LAND

IDENTIFICATION	SALE 1 Comp #: 001	SALE 2 Comp #: 002	SALE 3 Comp #: 003	SALE 4 Comp #: 004	SALE 5 Comp #: 005
Grantor:	K. Hovnanian at the Monarch LLC	Berkeley Plaza Holdings LLC, et als.	Township of Toms River Parking Authority	Jon-Dar Associates LLC	B-Four Enterprises LLC
Grantee:	Boat Club Court LLC	Mielli Riverside RB LLC	Township of Toms River	Harborview Investments LLC	One Globe Court Apartments LLC
Block/Lot:	9.01/8.01	6/7,8,02,8,03,9	569/3 & 10	669/46	28/4
Address:	16 West Front Street	Riverside Avenue	40 & 48 W. Water Street	57 E Water Street	19 Mechanic Street
Municipality:	Red Bank Borough/Monmouth County/NJ	Red Bank Borough/Monmouth County/NJ	Toms River Twp/Ocean County/NJ	Toms River Twp/Ocean County/NJ	Red Bank Borough/Monmouth County/NJ
Deed Book/Page:	9496/8601	Multiple	19273/1058	19308/371	9671/5984
Sale Price:	\$1,170,880	\$2,575,000	\$700,000	\$391,200	\$3,750,000
Sale Date:	Mar-21	Jun-22	Dec-22	Jan-23	Nov-23
# of Units:	20,194 s.f.	26,745 s.f.	28,488 s.f.	13,500 s.f.	29,450 s.f.
Unit Price Unadjusted:	\$57.98/s.f.	\$96.28/s.f.	\$24.57/s.f.	\$28.98/s.f.	\$127.33/s.f.
ELEMENTS OF COMPARISON					
Property Rights Conveyed	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Adjustment	0%	0%	0%	0%	0%
Adjusted Unit Price	\$57.98/s.f.	\$96.28/s.f.	\$24.57/s.f.	\$28.98/s.f.	\$127.33/s.f.
Financing Terms	Type Mrkt	Type Mrkt	Type Mrkt	Type Mrkt	Type Mrkt
Adjustment	0%	0%	0%	0%	0%
Adjusted Unit Price	\$57.98/s.f.	\$96.28/s.f.	\$24.57/s.f.	\$28.98/s.f.	\$127.33/s.f.
Conditions of Sale	Arms-Length	Arms-Length	Arms-Length	Arms-Length	Arms-Length
Adjustment	0%	0%	0%	0%	0%
Adjusted Unit Price	\$57.98/s.f.	\$96.28/s.f.	\$24.57/s.f.	\$28.98/s.f.	\$127.33/s.f.
Market Conditions	Inferior	Inferior	Inferior	Inferior	Inferior
Adjustment	30% (1)	15% (1)	10% (1)	10% (1)	10% (1)
Balanced Unit Price	\$75.38/s.f.	\$110.72/s.f.	\$27.03/s.f.	\$31.88/s.f.	\$140.07/s.f.
Location	-30% (2)	-30% (2)	0%	0%	-30% (2)
Physical Characteristics	10% (3)	20% (3)	20% (3)	10% (3)	20% (3)
Zoning/Use Potential	-10% (4)	-10% (4)	0%	0%	-10% (4)
Approvals	-10% (5)	0%	0%	0%	-10% (5)
Total Adjustment	-40%	-20%	20%	10%	-30%
Adjusted Unit Price	\$45.23/s.f.	\$88.58/s.f.	\$32.43/s.f.	\$35.06/s.f.	\$98.05/s.f.

Adjustment Comments

- (1) Recognizes improving market conditions. Sale #1 and 5 had extended contract timeframes.
- (2) Adjusts for sales superior location
- (3) Recognizes the subject's superior water frontage. Sale #1 was tempered due to water views. Sale #4 tempered due to the sales inferior water frontage.
- (4) Adjusts for sales superior use potential
- (5) Sales sold subject to approvals

	Range	Median	Average
Unadjusted Unit Price	\$24.57/s.f. - \$127.33/s.f.	\$57.98/s.f.	\$67.03/s.f.
Balanced Unit Price	\$27.03/s.f. - \$140.07/s.f.	\$75.38/s.f.	\$77.01/s.f.
Overall Adjusted Unit Price	\$32.43/s.f. - \$98.05/s.f.	\$45.23/s.f.	\$59.87/s.f.
FINAL UNIT VALUE INDICATED			\$60.00/s.f.

Demolition of Existing Improvements

The previous value conclusion is for a vacant site which is ready for approval and development consistent with the highest and best use of the property. As the subject property is improved with somewhat substantial improvements, demolition of the improvements is needed to achieve highest and best use and ultimate development of the site. This cost must be deducted from the previous value conclusion to reflect an "as is" market value estimate for the subject property in its current condition.

Based upon information provided by the property owner the cost of demolition and debris removal is \$283,000 (see extraordinary assumption). When this is deducted from the prior value conclusion the as-is market value estimate for the subject property is reflected at \$1,470,000 as follows:

Land Value Conclusion (As-if Vacant):	\$1,750,000
Less Cost of Demolition:	<u>\$ 283,000</u>
Final Market Value Estimate (As-Is):	\$1,467,000
	Say, \$1,470,000 (R)

FINAL RECONCILIATION AND CONCLUSION

In estimating the value for the subject, the Sales Comparison Approach to value has been applied indicating values as follows:

COST APPROACH	N/A
SALES COMPARISON APPROACH.....	\$1,750,000 As-if Vacant \$1,470,000 As-is
INCOME CAPITALIZATION APPROACH	N/A

The Sales Comparison Approach utilized the most relevant market data available. All adjustments were thoroughly analyzed and carefully applied. The approach is considered a strong indicator of value and is well supported.

As previously noted the cost of demolition was considered within the conclusion for the market value of the subject property as-is based upon highest and best use. This cost was provided by the property owner and is subject to the extraordinary assumption identified herein.

We further note that the comparable sales utilized are considered to be the most relevant available. We do recognize that there was limited data within the immediate market area particularly for waterfront properties similar to the subject. For additional support we have reviewed sales of existing marina facilities which have occurred in the northern Ocean County area. The sales have been summarized on a following page based upon the price per upland area. As can be seen, without adjustment, the average price range is generally in line with our value conclusion. We note our concluded unit value estimate is slightly higher but is based on the primary comparable sales. The summary of these sales is considered secondary in nature but indicates the pricing level reflected for marine commercial properties within the general location. It is utilized as additional support only.

Therefore, based upon all relevant factors, it is my opinion that the subject property has a market value, of the fee simple interest, as of May 1, 2024, estimated as follows.

VALUE AS-IF VACANT: \$1,750,000
VALUE AS-IS: \$1,470,000

Extraordinary Assumptions and/or Hypothetical Conditions

The property owner has provided an estimated cost for demolition and removal of all debris from the site. However, we have not been provided with a copy of the cost estimate. For purposes of this report we have assumed that the estimate is reasonably accurate. Should the actual cost of demolition and debris removal be substantively different than the estimate contained herein then this report may be subject to change. This is an extraordinary assumption of this appraisal.

Extraordinary Assumptions and/or Hypothetical Conditions (Cont'd)

Additionally, based upon available information the subject property was formerly impacted by environmental contamination which appears to have been remediated. For purposes of this report, we have assumed that all contamination has been remediated and the subject property is free and clear of any environmental and/or hazardous material contamination. This is an extraordinary assumption of this appraisal.

Marina Sales Summary (Secondary Analysis)

Address	Municipality	Property Name	Sale Date	Sale Price	Upland Land Area	Price/Acre	Grantor	Grantee
417-421 Bayside Terrace	Seaside Heights	Cranberry Inlet Marina	May-21	\$2,495,000	1.290 acres	\$1,934,109	Andrew & Jacqueline Healey	Mel's Seaside Marina LLC
801 Route 70	Brick Twp	Lightning Jacks Marina	Feb-22	\$3,400,000	1.270 acres	\$2,677,165	Lightning Jacks Foundation Inc.	Coastal Boat Sales Properties LLC
10 Lake Drive	Island Heights	Cozy Cove Marina	Nov-22	\$2,000,000	1.050 acres	\$1,904,762	Linda Tavares	Cozy Cove Marina Company Inc
1427 Bay Avenue	Toms River Twp	Hobby Lobby Marina	Jun-23	\$2,100,000	1.090 acres	\$1,926,606	Hobby Lobby Marine LLC	TR Marina LLC

AVERAGE: \$2,110,660 or \$48.45/s.f.

Note: The data is primarily from Deed and/or MLS. Data is for secondary analysis only

EXPOSURE TIME

For purposes of this analysis, exposure time is defined as follows:

“An opinion, based on supporting market data, of the estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal.”

(Source: Uniform Standards of Professional Appraisal Practice (USPAP), 2020-2021 Edition)

In identifying and quantifying a reasonable exposure time for the subject property, consideration must be given to the historical market conditions which have impacted the local market. Based on review of sales activity within the subject market area, as well as discussions with area real estate professionals, an exposure time of less than one year was fairly typical for similar class properties, assuming reasonable pricing and marketing.

GENERAL DEFINITIONS

Definition of Market Value:

Market value is defined as "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 best interests;
3. A reasonable time is allowed for exposure in 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 consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale."

(Source: Code of Federal Regulations, Title 12, Chapter 1, Section 34.42, 2019)

Definition of Fee Simple Estate: "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." (Source: The Dictionary of Real Estate Appraisal, 7th Edition, 2022)

Definition of Leased Fee Interest: "The ownership interest held by the lessor, which includes the right to receive the contract rent specified in the lease plus the reversionary right when the lease expires." (Source: The Dictionary of Real Estate Appraisal, 7th Edition, 2022)

Definition of an Easement: "The right to use another's land for a stated purpose. Access or right-of-way easements may be acquired by private parties or public utilities. Governments may be the beneficiaries of easements placed on privately owned land that is dedicated to conservation, open space, or preservation." (Source: The Appraisal of Real Estate, 14th Edition, 2013)

Definition of Extraordinary Assumption: "An assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions." (Source: Uniform Standards of Professional Appraisal Practice (USPAP), 2024 Edition)

Definition of Hypothetical Condition: "A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis." (Source: Uniform Standards of Professional Appraisal Practice (USPAP), 2024 Edition)

ASSUMPTIONS AND LIMITING CONDITIONS

UNLESS OTHERWISE STATED, this report and/or appraisal is subject to the following assumptions and limiting conditions:

1. The appraiser has not examined into and does not pass upon the title to the property, nor is it to be construed or implied that this report in any manner passed upon, counsels or advises in matters legal in character.
2. The description of the premises as reported herein is in accordance with information furnished by the client and accepted as correctly designating the boundary lines, but no investigations or survey has been made of the same.
3. The property is appraised as a whole in fee simple, free of liens, mortgages, restrictions of use or other encumbrances, leases, easements or other contracts running in favor or against the property except as may be specified herein.
4. Information pertaining to data from which computations are based, including but not limited to operating expenses, income and/or existing contracts, zoning regulations or other use restrictions, boundary lines, engineering surveys and conditions not evident upon surface inspection of the property, have been obtained from sources considered reliable, accepted and reported herein as correct and authentic but not guaranteed.
5. The value herein applies only to the premises described. It is not to be employed in making summation appraisals of said land and building or buildings which may be placed thereon; nor is said value or any analysis thereof or any unit values thereby derived to be construed as applicable to any other property, however similar.

The division of land and improvement values as reported herein is applicable only under the program of utilization as discussed within the context of the report.

6. This appraisal report is prepared for the sole and exclusive use of the appraiser's client and the intended users as identified within the body of the report. It may not be used or relied upon by any other party without our written consent. We are not responsible for any unauthorized use of this report.
7. Possession of this report or any copy thereof does not carry with it the right of publication, nor may it be used for any purpose other than as indicated in the appraisal.

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 author. The restrictions on publication include but are not limited to: valuation, conclusions, identity of the appraiser or firm with which he is connected, or any reference to the Appraisal Institute.

Assumption and Limiting Conditions (Cont'd)

8. The appraiser is not to be required, by reason of this appraisal, to give testimony or attendance in court in reference to the property appraised.
9. This report assumes that the property is free of all hazardous materials or toxic wastes. The presence of hazardous materials or toxic wastes on the property can substantially impact the value of the property. A variety of materials, including chemicals, metals and minerals have been determined to be hazardous or toxic under local, state and/or federal laws and regulations and can be required to be specially handled and removed from the property at the expense of the property owner.

If applicable, certain materials which may have been used in the construction of the premises or in building components may be hazardous. Asbestos, for example can be hazardous and has been included in a number of building components such as fireproofing, insulation, linoleum, floor tiles, ceiling panels and acoustical ceiling coatings.

The appraiser is not experienced in identifying potential toxic waste and hazardous material problems nor estimating the cost of resolving such problems. In order to identify the nature and extent, if any, of the toxic waste and hazardous material problems on the property, an appropriate expert should be selected and retained.

10. The opinions expressed herein are subject to and contingent upon compliance of the property to environmental laws and regulations, where applicable, that may be within the jurisdiction of any federal state, county or municipal authorities, agencies or sub-divisions therein.
11. The valuation discussed herein are subject to and contingent upon any claims or rights of the United States of America or the jurisdictional state as it would relate to lands flowed by tides, tributary rivers or other water bodies therein.
12. The property is appraised and value conclusions are set forth under the assumption that the land utilization or opinions of the Highest and Best Use comply with all laws, regulations and statues that would affect the utilization of said property including but not limited to zoning, licensing, permitting and environmental, whether within the jurisdiction of federal, state, county or municipal authority.

Assumptions and Limiting Conditions (Cont'd)

13. This appraisal is made with the understanding that the subject can obtain, if applicable, a negative declaration from the New Jersey Department of Environmental Protection (NJDEP) pursuant to the regulations and requirements of the Environmental Cleanup Responsibility Act of 1983 (ECRA), as amended including the Industrial Site Recovery Act (ISRA) amendments of June 16, 1993. These Acts require as a pre-condition of any cessation of operation or the transfer of real property, which used or stored regulated hazardous substances, the testing, cleanup and disposal of any such material. The appraiser is not qualified to determine the existence of any such hazardous material and therefore, has expressed a value of the subject property as if free and clear of any such substances.
14. The appraiser has not been apprised nor is qualified to ascertain the existence of radon, a radioactive gas which occurs naturally in the soil of certain identified areas. This gas in concentrated form has been shown to be detrimental and its existence could create a negative impact on value. The value estimate assumes the subject is free and clear of radon gas.
15. The Americans with Disabilities Act (ADA), relating to public accommodations and commercial facilities, became effective 1/26/96. The appraiser has not made a specific compliance survey and analysis to determine whether or not any improvements are in conformity with the various detailed analyses of the requirements of the ADA. It is possible that a compliance survey, together with a detailed analysis of the requirements of the ADA, could reveal non-compliance with one or more of the requirements of the Act. If so, this fact could have a negative effect upon value. Since the appraiser has no direct evidence relating to this issue, he did not consider possible non-compliance with the requirements of ADA in his estimation of value.
16. **The reader is cautioned and reminded that the conclusions presented in this appraisal report apply only as of the effective date(s) indicated. The appraiser makes no representation as to the effect on the subject property of any unforeseen event, subsequent to the effective date of the appraisal.**

SPECIAL NOTE:

If investigations or special studies (including but not limited to legal, engineering, chemical or others) are completed by qualified individuals and reveal facts contrary to the assumptions and limiting conditions as set forth above that were not known or conveyed to the appraiser as of the date of this report, the appraiser should be apprised of such information to obtain an opinion as to the effect, if any, on the value estimate.

Other assignment specific assumptions may be described within the body of this report which impact on the value conclusion.

CERTIFICATION OF APPRAISAL ASSIGNMENTS

The subject property of this appraisal report is known as Block 668, Lot(s) 13 as shown on the official tax map of Toms River Township, Ocean County, NJ.

I certify that, to the best of my knowledge and belief,...

- a) The statements of fact contained in this report are true and correct to the best of the appraiser's knowledge and are not misrepresented in any way.
- b) The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, unbiased professional analyses, opinions and conclusions.
- c) I have no present or prospective interest in the property that is the subject of this report and I have no personal interest or bias with the respect to the parties involved. I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- d) My compensation 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 assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.
- e) My analyses, opinion, and conclusions were developed and this report has been prepared in conformity with the requirements of the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation and consistent with the Code of Professional Ethics and Standards of Professional Appraisal Practice or the Appraisal Institute.
- f) The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- g) As of the date of this report, I, Henry J. Mancini, MAI, CRE® have completed the continuing education program for designated members of the Appraisal Institute.
- h) I have made a personal inspection of the property that is the subject of this report on May 1, 2024. (If more than one person signs this report, the certifications clearly specify which individuals did and which individuals did not make a personal inspection of the appraised property.)

Certification of Appraisal Assignments (Cont'd)

- i) Mary Ellen Keefe and James Mancini have provided research assistance under the direct supervision of the person signing this certification.

- j) No one other than the person or persons signing this report prepared the analyses, conclusions and opinions concerning real estate that are set forth in this appraisal.

The conclusions as contained in this report express my opinion of the market value of the fee simple interest in the above captioned property as of May 1, 2024 is as follows:

VALUE AS-IF VACANT: \$1,750,000

VALUE AS-IS: \$1,470,000



Henry J. Mancini, MAI, CRE®
NJ State Certified General Real
Estate Appraiser RG00468

HENRY J. MANCINI, MAI, CRE®
QUALIFICATIONS

Experience:

President – Henry J. Mancini & Associates, Inc. A real estate appraisal and consulting firm providing real estate advisory services throughout New Jersey for a wide variety of property classes with a special emphasis on eminent domain/condemnation, ad valorem tax valuation and open space/preservation valuation. Henry J. Mancini, MAI, CRE® has over 35 years of experience in the real estate valuation business.

Prior to the formation of Henry J. Mancini & Associates, Inc., Mr. Mancini was a Partner in Integra Realty Resources, Inc./Atlantic Coast Realty Advisory Group and most recently Director of Government Services. With a tenure of 15 years (1987-2002) at IRR/ACRAG he provided real estate appraisal and consulting services for a broad range of property classes with extensive experience with eminent domain/condemnation, ad valorem tax valuation and open space/preservation valuation.

His position as Director of Government Services included the management, valuation and follow up support, including expert testimony, on multi-parcel condemnation projects throughout central and southern New Jersey. Prior to his employment with IRR/ACRAG he was with the firm of Mancini and Montague, a real estate appraisal and consulting firm, from April, 1986 through October, 1987 as an Associate Appraiser. In addition to his appraisal experience, he also has been involved in real estate sales and leasing, of both residential and commercial properties.

As of this date, Henry J. Mancini, MAI, CRE® has completed the requirements of the continuing education program of the Appraisal Institute and the New Jersey Real Estate Appraisal Board.

Professional Activities:

Member: Appraisal Institute (formerly American Institute of Real Estate Appraisers)
Member: The Counselors of Real Estate
Member: International Right-of-Way Association
Realtor Associate: National Association of Realtors & Ocean County Board of Realtors

State Licenses:

Certified General Real Estate Appraiser #RG00468, New Jersey (Expires 12/31/25)
NJ Certified Tax Assessor, 2584, Expires June 30, 2027
Licensed Real Estate Salesperson, State of New Jersey since 1987

Professional Education:

Glassboro State College, Glassboro, NJ 1984-1985
Ocean County College, Toms River, NJ 1985-1987
Stockton State College, Pomona, NJ 1989-1990

Completed Real Estate Appraisal Courses sponsored by the:

American Institute of Real Estate Appraisers (AIREA)
Standards of professional Practice (SPP)
Real Estate Appraisal Principle (Course 1A1-Challenge)
Capitalization Theory and Techniques (Course 1 B-A & 1 B-B)
Appraisal Institute (1991+)
Case Studies in Real Estate Valuation (Course 2-1)
Report Writing and Valuation Analysis (Course 2-2)

Numerous additional Real Estate Appraisal Courses, Lectures, Seminars and Workshops sponsored by: Appraisal Institute; Society of Real Estate Appraisers, National Association of Independent Fee Appraisers; New Jersey Association of Realtors, and state and local agencies.

Qualified Before Courts and Administrative Bodies:

United States Bankruptcy Court; Superior Court of the State of New Jersey; Tax Court of the State of New Jersey; Commission Level Condemnation Hearings; County Tax and Municipal Zoning Boards.

ADDENDA

<u>Section</u>	<u># of Sheets</u>
I. PROPERTY MAPS AND PROPERTY DATA	3
II. ZONING AND REGULATORY REQUIREMENTS	11
III. COST DATA	N/A
IV. LAND SALES	11
V. IMPROVED SALES	N/A
VI. LEASES	N/A
VII. SUBJECT PHOTOGRAPHS	6
VIII. ADDITIONAL RELEVANT DATA AND SUMMARIES	N/A

SPECIAL CONDITIONS

Supplemental information and relevant data are included in this Addenda as deemed appropriate by the appraiser. The listed sectionalization is provided for the reader's convenience. Sections noted as "N/A" are deemed not relevant to the appraisal opinions expressed or have been included within the narrative portions of this report.

At the appraiser's discretion or based upon practical consideration, additional information may be contained within his business files or computer system relating to this report.

I. PROPERTY MAPS
AND PROPERTY DATA