

Karen Edwards

From: Eric Lund <lund@atlas.sr.unh.edu>
Sent: Wednesday, February 09, 2022 9:50 AM
To: Karen Edwards
Cc: Rick Taintor
Subject: Mill Road Plaza: follow-up to my previous letter

Dear members of the Planning Board:

This letter is a follow-up to my comment of 2 February 2022 on the Mill Road Plaza. I attach scanned images of all four pages of the appraisal report with addendum that was created prior to the purchase of my house in 1998. The second page, which contains the analysis of comparable sales, is the page I submitted previously. I apologize for the quality as these are scans of a document that was faxed to me. The scans were unable to capture the following text that appears at the bottom of page 3 below the words "Final Reconciliation": "Of the three approaches, primary emphasis is given to the Sales Comparison Approach as this approach most accurately gauges the actions of market participants within the residential market. There was sufficient...."

A point I wish to emphasize is that a report similar to this one is normally commissioned for any real estate purchase that involves a mortgage. I have no reason to think that either of the two Faculty Road properties mentioned in Mr. White's appraisal report were purchased with cash. Therefore comparable sales data for these two properties should exist, and the lack of such data in Mr. White's report is notable. Contrary to the language in Mr. White's letter of 11 January, the ordinance places the burden of proof on the applicant. Without comparable or paired sales data, which have still not been placed in the record for this application, the applicant cannot demonstrate the claim that the project would have no adverse impact on the value of abutting properties. This is a basic principle of data analysis which is not restricted to appraisals (for the record, as a Ph.D. physicist I have expertise in general principles of data analysis). Therefore, the applicants have not demonstrated that they meet the sixth conditional use criterion, "The proposed use will not cause or contribute to a significant decline in property values of adjacent properties."

Eric Lund
31 Faculty Rd.

Property Address **31 Faculty Road** City **Durham** State **NH** Zip Code **03824**
 Legal Description **Book 810 Page 112 4/66** County **Strafford**

Assessor's Parcel No. **Map 6 Lot 7-52** Tax Year **97/98** R.E. Taxes \$ **4,561.79** Special Assessments \$ **None/Dacld**

Borrower **Eric Lund** Current Owner **Estate of R. Vreeland** Occupant: Owner Tenant Vacant
 Property rights appraised Fee Simple Leasehold Project Type PUD Condominium (HUDVA only) HOAS N/A No.
 Neighborhood or Project Name **Not Applicable** Map Reference **Atlas 15** Census Tract **0802 00**

Sale Price \$ **160,000** Date of Sale **P&S 8/28/98** Description and \$ amount of loan charges/concessions to be paid by seller **None Disclosed**
 Lender/Client **CHASE MANHATTAN MORTGAGE** Address **340 Commercial Street, Manchester, NH 03101-**
 Appraiser **Thomas A. Mullin** Address **37 Howard Brook Drive, Rochester, New Hampshire 03867**

Location	<input type="checkbox"/> Urban	<input checked="" type="checkbox"/> Suburban	<input type="checkbox"/> Rural	Predominant occupancy	Single family housing	Present land use %	Land use change
Built up	<input type="checkbox"/> Over 75%	<input checked="" type="checkbox"/> 25-75%	<input type="checkbox"/> Under 25%	<input checked="" type="checkbox"/> Owner 95%	PRGCE AGE 130 Low New	One family 75%	<input type="checkbox"/> Not likely <input type="checkbox"/> Likely
Growth rate	<input type="checkbox"/> Rapid	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Slow	<input type="checkbox"/> Tenant	250 High 100	2-4 family	<input checked="" type="checkbox"/> In process
Property values	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Vacant (0-9%)	Predominant	Multi-family	To: Vacant to Single
Demand/supply	<input type="checkbox"/> Shortage	<input checked="" type="checkbox"/> In balance	<input type="checkbox"/> Over supply	<input type="checkbox"/> Vacant (over 3%)	165 30	Commercial	Family Dwellings
Marketing time	<input type="checkbox"/> Under 3 mos	<input checked="" type="checkbox"/> 3-6 mos	<input type="checkbox"/> Over 6 mos			VacRes 25%	

Note: Race and the racial composition of the neighborhood are not appraisal factors.
 Neighborhood boundaries and characteristics: **Mill Pond Road to north, College Brook to east and Oyster River to south by southwest.**
 Residential area of comparable dwellings that appear to be well maintained.

Factors that affect the marketability of the properties in the neighborhood (proximity to employment and amenities, employment stability, appeal to market, etc.):
The Campus of the University of New Hampshire is located in the downtown area of the community. This area is within walking distance (2/10 of a mile) and it features typical services found in a college town, such as grocery stores, convenience stores, gas stations, restaurants, book stores, small retail stores and municipal services. Additional shopping and employment centers are located within a 10 to 15 minute commute in the near by communities of Portsmouth and Newington with good access via Route 4.
The regional employment appears stable and the neighborhood has average market appeal. No adverse influences were observed.
 Market conditions in the subject neighborhood (including support for the above conclusions related to the trend of property values, demand/supply, and marketing time -- such as data on competitive properties for sale in the neighborhood, description of the prevalence of sales and financing concessions, etc.):
Conventional financing is available from local lenders. Based on market data contained in this report and recent appraisals performed by this appraiser in this market segment, property values appear to be stable and marketing time is estimated to be 3 to 6 months. An analysis of recent supply and demand units revealed that this market segment appears to be in balance. Seller paid concessions up to 3% are common, but not pervasive.

Project information for PUDs (if applicable) -- Is the developer/builder in control of the Home Owners' Association (HOA)? YES NO
 Approximate total number of units in the subject project **Not Applicable** Approximate total number of units for sale in the subject project **Not Applicable**
 Describe common elements and recreational facilities: **Not Applicable**

Dimensions 132' on road / Dimensions - See attached Legal Description	Topography Relatively Level
Site area 19350 Sq. Ft. Corner Lot <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Size Typical for area
Specific zoning classification and description RA Residential Min. Req. 20,000 Sq. Ft. of area	Shape Roughly Rectangular
Zoning compliance <input type="checkbox"/> Legal <input checked="" type="checkbox"/> Legal nonconforming (Grandfathered use) <input type="checkbox"/> Illegal <input type="checkbox"/> No zoning	Drainage Appears adequate
Highest & best use as improved: <input checked="" type="checkbox"/> Present use <input type="checkbox"/> Other use (explain)	View Neighborhood
Utilities Public Other	Landscaping Typical
Electricity <input checked="" type="checkbox"/> 200 Amp C.B.	Driveway Surface Asphalt
Gas <input type="checkbox"/> None	Apparent easements See Comments
Water <input checked="" type="checkbox"/>	FEMA Special Flood Hazard Area <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Sanitary sewer <input checked="" type="checkbox"/>	FEMA Zone "X" <input type="checkbox"/> Map Date 5/3/90
Storm sewer <input checked="" type="checkbox"/>	FEMA Map No. 330146 0005B

Comments (apparent adverse easements, encroachments, special assessments, side areas, illegal or legal nonconforming zoning, use, etc.): **According to the attached legal description, the site is subject to protective covenants. A copy of these deed restrictions was not provided to the appraiser. This appraisal assumes that these covenants are not adverse to the subject's marketability.**

GENERAL DESCRIPTION		EXTERIOR DESCRIPTION		FOUNDATION		BASEMENT		INSULATION	
No. of Units	One	Foundation	Concrete	Slab	N/A	Area Sq. Ft.	1052	Roof	<input checked="" type="checkbox"/>
No. of Stories	Two	Exterior Walls	Wood Shakes	Open Space	N/A	% Finished	None	Ceiling	<input checked="" type="checkbox"/>
Type (Det./Att.)	Detached	Roof Surface	Asph. Sh.	Basement	Full	Ceiling	Floor Joists	Walls	<input checked="" type="checkbox"/>
Design (Style)	Colonial	Gutters & Downsp.	Adeq. O.H.	Sump Pump	None Observed	Walls	Concrete	Floor	<input type="checkbox"/>
Existing/Proposed	Existing	Window Type	Double Hung	Dampness	None Observed	Floor	Concrete	None	<input type="checkbox"/>
Age (Yrs.)	35 Years	Storm/Screen	Alum/Yes	Settlement	None Observed	Outside Entry	Walkout	Unknown	<input type="checkbox"/>
Effective Age (Yrs.)	15 Years	Manufactured House	No	Infiltration	None Observed				

ROOMS	Foyer	Living	Dining	Kitchen	Den	Family Rm.	Rec. Rm.	Bedrooms	# Baths	Laundry	Other	Area Sq. Ft.
Basement												
Level 1	Area	1	1	1		1			1H			
Level 2								4	1F1H			1,052
												884

Finished area above grade contains: **B Rooms: 4 Bedroom(s) 1F2H Bath(s) 1,936 Square Feet of Gross Living Area**

INTERIOR	Materials/Condition	HEATING	KITCHEN EQUIP.	ATTIC	AMENITIES	CAR STORAGE:
Floors	Hdwd/Crpt/Vinyl/Avg	Type FHW	Refrigerator <input checked="" type="checkbox"/>	None <input type="checkbox"/>	Fireplace(s) One <input checked="" type="checkbox"/>	None <input type="checkbox"/>
Walls	Sheetrock/Avg	Fuel Oil	Range/Oven <input checked="" type="checkbox"/>	Stairs <input type="checkbox"/>	Patio <input type="checkbox"/>	Garage <input type="checkbox"/>
Trim/Finish	Typical/Average	Condition Avg.	Disposal <input type="checkbox"/>	Drop Stair <input type="checkbox"/>	Deck <input type="checkbox"/>	Attached One
Bath Floor	Vinyl/Average	COOLING	Dishwasher <input checked="" type="checkbox"/>	Scuttle <input checked="" type="checkbox"/>	Porch <input type="checkbox"/>	Detached <input type="checkbox"/>
Bath Wainscot	Fiberglass/Avg	Central None	Fan/Hood <input checked="" type="checkbox"/>	Floor <input type="checkbox"/>	Fence <input type="checkbox"/>	Built-in <input type="checkbox"/>
Doors	Wood Panel/Avg	Other 1 Well Unit	Microwave <input type="checkbox"/>	Heated <input type="checkbox"/>	Pool <input type="checkbox"/>	Carport <input type="checkbox"/>
		Condition Avg	Washer/Dryer <input checked="" type="checkbox"/>	Finished <input type="checkbox"/>		Driveway 2+.

Additional features (special energy efficient items, etc.): **Other than previously mentioned items, no additional features were observed. The wall unit air conditioner is located in the family room. This item enhances the subject's appeal, but adds only nominal market value.**

Condition of the improvements, depreciation (physical, functional, and external), repairs needed, quality of construction, remodeling/additions, etc.: **See Attached Addendum.**

Adverse environmental conditions (such as, but not limited to, hazardous wastes, toxic substances, etc.) present in the improvements, on the site, or in the immediate vicinity of the subject property: **There were no detrimental environmental conditions observed or known to appraiser. See item #6 of the attached Statement of Limiting Conditions. Fuel storage tank located in basement.**

ESTIMATED SITE VALUE = \$ 40,000

ESTIMATED REPRODUCTION COST-NEW OF IMPROVEMENTS:

Dwelling Sq. Ft. @ \$ = \$

..... Sq. Ft. @ \$ = \$

..... = \$

Garage/Carport Sq. Ft. @ \$ = \$

Total Estimated Cost New = \$

Leas Physical Functional External

Depreciation = \$

Depreciated Value of Improvements = \$

As-is Value of Site Improvements = \$

INDICATED VALUE BY COST APPROACH = \$ Excluded

Comments on Cost Approach (such as, source of cost estimate, site value, square foot calculation and for HUD, VA and FmHA, the estimated remaining economic life of the property):

Cost Approach has been excluded. Given the difficulty in accurately measuring all forms of accrued depreciation in a dwelling of this chronological age, the Cost Approach is not considered to be a reliable indicator of value. Site value based on recent land sales per MLS and RETD. See attached sketch page for building dimension.

ITEM	SUBJECT	COMPARABLE NO. 1	COMPARABLE NO. 2	COMPARABLE NO. 3
31 Faculty Road Address Durham		49 Oyster River Road Durham	18 Davis Street Durham	3 Amber Way Durham
Proximity to Subject		0.26 Miles South	0.95 Miles Northwest	1.46 Miles Northeast
Sales Price	\$ 160,000	\$ 177,000	\$ 157,900	\$ 164,000
Price/Gross Liv. Area	\$ 82.64 / sq ft	\$ 69.21 / sq ft	\$ 105.27 / sq ft	\$ 83.00 / sq ft
Data and/or Verification Sources	Insp. 11 Sep 1998 Municipal Record	Selling Agent/MLS Municipal Records	Selling Agent/MLS Municipal Records	Selling Agent/MLS Municipal Records
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	DESCRIPTION	DESCRIPTION
Sales or Financing Concessions		Conventional Fin. No Conc. Disc'd	Conventional Fin. No Conc. Disc'd	Conventional Fin. No Conc. Disc'd
Date of Sale/Time		Closed 8/7/98	Closed 6/18/98	Closed 6/29/98
Location	Average	Similar	Similar	Similar
Leasehold/Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Site	19350 Sq. Ft.	11325 Sq. Ft. Nominal	15000 Sq. Ft. Nominal	40991 Sq. Ft. Nominal
View	Neighborhood	Similar	Similar	Similar
Design and Appeal	Colonial/Average	Garrison/Average	Garrison/Average	Gambrel/Average
Quality of Construction	Average	Superior \$5/SF -9,900	Similar	Similar
Age	35 Years	46 Years	34 Years	24 Years
Condition	Average	Similar	Similar	Similar
Above Grade Room Count	Total: 8; 4: 1F2H	Total: 7; 4: 2F1H -1,500	Total: 6; 3: 1F1H +1,500	Total: 8; 4: 2F1H -1,500
Gross Living Area	1,938 Sq. Ft.	1,984 Sq. Ft. Nominal	1,500 Sq. Ft. +6,500	1,976 Sq. Ft. Nominal
Basement & Finished Rooms Below Grade	Full Basement Unfinished	Full Basement Family room -1,500	Full Basement Unfinished	Full Basement Family room -1,500
Functional Utility	Average	Similar	Similar	Similar
Heating/Cooling	FHW/Nominal	FHW/No A.C.	FHW/No A.C.	FHW/No A.C.
Energy Efficient Items	Typical	Typical	Typical	Typical
Garage/Carport	1 Car Attached	1 Car Attached	1 Car Att&1 CarPort -1,500	2 Car Basement +500
Porch, Patio, Deck, Fireplace(s), etc.	None Fireplace	None Fireplace	Patio -500 Fireplace	Deck -500 No Fireplace +2,000
Fence, Pool, etc.	None of Value	None of Value	None of Value	None of Value
Other	None	None	None	None
Net Adj. (total)		\$ 12,900	\$ 6,000	\$ 1,000
Adjusted Sales Price of Comparable		\$ 164,100	\$ 163,900	\$ 163,000

Comments on Sales Comparison (including the subject property's compatibility to the neighborhood, etc.): See Attached Addendum.

ITEM	SUBJECT	COMPARABLE NO. 1	COMPARABLE NO. 2	COMPARABLE NO. 3
Date, Price and Data Source for prior sales within year of appraisal	No sold in past year per Municipal Record	No other sales in past year per municipal records	No other sales in past year per municipal records	No other sales in past year per municipal records

Analysis of any current agreement of sale, option, or listing of the subject property and analysis of any prior sales of subject and comparables within one year of the date of appraisal. See Attached Addendum.

INDICATED VALUE BY SALES COMPARISON APPROACH = \$ 164,000

INDICATED VALUE BY INCOME APPROACH (if Applicable) Estimated Market Rent \$ N/A (No. x Gross Rent Multiplier) N/A = \$ Excluded

This appraisal is made "as is" subject to the repairs, alterations, inspections or conditions listed below subject to completion per plans and specifications.

Conditions of Appraisal: No conditions or repairs required, appraisal is made based on the "As is" condition of the property as of the date of valuation.

Final Reconciliation: See Attached Addendum. The attached addendum is an integral part of this appraisal report. Based on the comparable sales utilized and current market data, a reasonable marketing period for the subject is considered to be 3 to 6 months. The final value estimate contains no contributory value for personal property.

The purpose of this appraisal is to estimate the market value of the real property that is the subject of this report, based on the above conditions and the certification, contingent and limiting conditions, and market value definition that are stated in the attached Freddie Mac Form 496/Fannie Mae Form 1004B (Revised 8/93).

I (WE) ESTIMATE THE MARKET VALUE, AS DEFINED, OF THE REAL PROPERTY THAT IS THE SUBJECT OF THIS REPORT, AS OF 09/11/1998 (WHICH IS THE DATE OF INSPECTION AND THE EFFECTIVE DATE OF THIS REPORT) TO BE \$ 164,000

APPRAISER: Signature: Name: Thomas A. Mullin Date Report Signed: 09/23/1998 State Certification #: NHCR-429 State: NH Or State License #: State

SUPERVISORY APPRAISER (ONLY IF REQUIRED): Signature: _____ Name: _____ Date Report Signed: _____ State Certification #: _____ State: _____ Or State License #: _____

Did Did Not Inspect Property

RECORDATION

Appraisal Development and Reporting Process:

This is a Summary Appraisal Report, which is intended to comply with the reporting requirements, set forth under Standards Rule 2-2(b) of the Uniform Standards of Professional Appraisal Practice for a Summary Appraisal Report. As such, it presents only summary discussions of the data, reasoning and analysis that were used in the appraisal process to develop the appraiser's opinion of value. Supporting documentation that is not provided with the report concerning data, reasoning and analysis is retained in the appraiser's file. The depth of the discussion contained in this report is specific to the needs of the client and for the intended use stated in the report. The appraiser is not responsible for the unauthorized use of this report.

To develop the opinion of value, the appraiser performed a complete appraisal process, as defined by the Uniform Standards of Professional Appraisal Practice. This means that no departures from Standard 1 were invoked.

Purpose and Function of Appraisal:

The purpose of the appraisal is to estimate the market value of the subject property as defined herein. The function of the appraisal is to assist the client in evaluating the subject property for lending purposes. This is a federally related transaction.

Zoning classification and description

Due to insufficient area, the site is considered a legal, non-conforming lot by the municipality. Based on a review of municipal tax maps, legal non-conforming sites are common in this neighborhood and the subject's status as a legal, non-conforming lot is not considered adverse to its marketability. Based on a brief review of municipal ordinances, it appears that if the structure is destroyed it may be replaced with a structure of identical foot print within one year. If the client requires a more definitive determination, a thorough review of the municipal ordinances by an attorney is recommended.

Condition of Improvements

The subject is a Colonial style dwelling of average quality construction. According to municipal records, the structure was built in 1963. The improvements appear to be well maintained and in average condition with no evidence of deferred maintenance or advanced physical deterioration. Functional utility is average with adequate size rooms and an operative floor plan. The property does not suffer from external obsolescence and no functional obsolescence was observed.

Comments on Sales Comparison

The selection of the comparable sales utilized is based on the appeal and marketability of homes offering similar size and utility in this area.

Due to the lack of recent comparable sales it was necessary to utilize a sale that is located in excess of one mile from the subject. There were other recent sales within a one mile radius of the subject, but the comparables utilized more accurately reflect the appeal and marketability of the subject property.

The comparables utilized differ slightly in style, but offer a similar utility, appeal and marketability.

The sites of the subject and comparables differ in size, but, based on a visual inspection of these properties, these sites offer similar privacy and utility. Hence, no adjustments to value have been made for these differences.

Based on municipal records and the selling agent, Comparable Sale One is a custom built dwelling with kitchen cabinets of cherry wood, numerous built-ins and custom interior moldings. Hence, this sale is considered to have superior overall quality and a \$5 per square foot quality adjustment has been made.

Differences in gross living area that exceed 100 square feet have been adjusted at \$15 per square foot, half baths at \$1,500, basement finished rooms at \$1,500, basement garages at \$1,500 per bay, attached garages at \$3,500 per bay, carports at \$1,500, fireplaces at \$2,000 and decks or patios at \$500.

The adjustments utilized in this appraisal are market derived. They are supported by the market data contained in this report and/or by appraisals previously performed by this appraiser. No adjustments for differences in room count or bedrooms have been made as the gross living area adjustment is considered sufficient compensation. All adjustments have been rounded to the nearest \$100 and all conclusions have been rounded to the nearest \$1,000. These comparable sales are considered the best available at the time of the appraisal and have been weighted equally in the final estimation of market. Current competing listings in the local Multiple Listing Service had also been reviewed and appear to be supportive of the final estimation of market value.

Analysis of Current Agreement

According to the listing agent and the local Multiple Listing Service, the subject property was offered for sale within the past 30 days for \$164,900.

The attached Purchase and Sale Agreement was reviewed by the appraiser. This agreement indicated that personal property was included. See attached P&S for a list of these items. The estimated contributory value of these items is considered to be nominal. The value of this personal property was not included in the final value estimate.

Final Reconciliation

comparative data available within the market to develop a well supported value estimate. The range of adjusted values established by the comparable sales is narrow and allows for a reasonable conclusion to be drawn. Cost Approach has been excluded. Given the difficulty in accurately measuring all forms of accrued depreciation in a dwelling of this chronological age, the Cost Approach is not considered to be a reliable indicator of value. Income approach was excluded due to the lack of reliable rental data to derive a gross rental multiplier, this type of property is not typically purchased for income potential.