

**Appraisal Report
for the four parcels of the**

**I 579 “Cap” Urban Connector
Between Chatham St & Washington Pl
2nd Ward, City of Pittsburgh
Allegheny County, Pennsylvania**



File No. 3542-2015

Prepared for the Sports & Exhibition Authority

By Anthony C. Barna, MAI, SRA

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May 13, 2015

Mr. Thomas P. Ryser, Jr., PE
Sports & Exhibition Authority
171 10th Street, 2nd Floor
Pittsburgh, PA 15222

Dear Sir:

In fulfillment of your request, I performed an appraisal of the four parcels associated with the I-579 "Cap" Urban Connector, which are located between Chatham Street and Washington Place in the City of Pittsburgh, Allegheny County, Pennsylvania.

This report sets forth my opinion of value and is qualified by certain definitions, limiting conditions, and certifications that are detailed in the report. This appraisal is intended to conform to the Uniform Standards of Professional Appraisal Practice issued by the Appraisal Standards Board of the Appraisal Foundation.

In my opinion, the fee simple market value of these parcels totals \$6,950,000, with an allocation as follows:

1). 2-B-257	\$1,850,000
2). 2-B-104	\$1,220,000
3). 2-B-107	\$1,140,000
4). Part of 2-B-400	\$2,740,000
Total	\$6,950,000

Sincerely,

Anthony C. Barna, MAI, SRA

APPRAISER CERTIFICATION

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

- ▶ The statements of fact contained in this report are true and correct;
- ▶ The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial and unbiased professional analyses, opinions, and conclusions;
- ▶ I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved;
- ▶ I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment;
- ▶ My engagement in this assignment was not contingent upon developing or reporting predetermined results;
- ▶ My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal;
- ▶ I have not performed a previous appraisal or other real estate services with regard to the subject property within the three years prior to this assignment;
- ▶ The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute;

- ▶ The reported analyses, opinions and conclusions were developed, and this report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice;
- ▶ The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives;
- ▶ I have made a personal inspection of the property that is the subject of this report;
- ▶ No one provided significant real property appraisal assistance to the person signing this certification;
- ▶ As of this date, I have completed the continuing education program of the Appraisal Institute.

Anthony C. Barna

Anthony C. Barna, MAI, SRA
PA Certified General Real Estate Appraiser
State Certification #GA-001069-L

EXECUTIVE SUMMARY

Address	Between Chatham Street & Washington Place 2nd Ward, City of Pittsburgh Allegheny County, Pennsylvania 15222
Tax Parcels	2-B-104, 107, 257 & part of 2-B-400
Owners of Record	URA & SEA
Land Area	1.564 Acres total
Improvements	Asphalt paved parking and a small greenspace
Zoning	Golden Triangle District and SP-11 Lower Hill Planned Development District
Highest and Best Use	Commercial development with parking as an interim use
Property Rights	Fee simple
Intended User	Sports & Exhibition Authority
Intended Use	Assist with a planning decision
Client	Sports & Exhibition Authority
Date of Value	May 8, 2015
Stand Alone Value	\$6,950,000
Across the Fence Enhancement Value	Not applicable Not applicable
Opinion of Value	\$6,950,000
Breakdown by Parcel	

Tax Parcel	Opinion of Value
Part of 2-B-400	\$ 2,740,000
2-B-257	\$ 1,850,000
2-B-104	\$ 1,220,000
2-B-107	\$ 1,140,000
Total	\$ 6,950,000

SCOPE OF THE APPRAISAL

The scope of work is the amount and type of information researched and the analysis applied in an appraisal assignment. The services rendered in this assignment include a site and building inspection, field visit to the neighborhood and market area, a study of market and neighborhood trends, an analysis of comparable sale data and a review of zoning regulations. In addition to internal, confidential records maintained by Kelly|Rielly|Nell|Barna Associates, Inc., public records, property owners, developers, brokers and other appraisal firms were consulted, in order to obtain pertinent market data. The property's highest and best use was analyzed and is presented in this report. The information was prepared in professionally recognized and acceptable approaches to value, as per the Uniform Standards of Professional Appraisal Practice.

In this report, the appraisal process is applied to determine an opinion of the fee simple value of the subject, as of May 8, 2015. In developing an opinion of market value, the ultimate goal of the valuation process is a well-supported value conclusion that reflects all of the pertinent factors that influence the market value of the property being appraised. To achieve this goal, a property is studied from three different viewpoints, which are the cost, sales comparison and income approaches to value. One or more of the approaches to value may be used, depending on their applicability to the particular appraisal assignment, the nature of the property, the needs of the client, or the availability of data. Only the sales comparison approach to value is applicable and developed in this appraisal.

The subject of this assignment involves four tax parcels, which are owned by the Urban Redevelopment Authority (URA) and the Sports and Exhibition Authority (SEA). Pennsylvania Department of Transportation (PennDot) guidelines require that the appraiser consider the market value of the property as a stand-alone parcel. In addition, they require that an across the fence approach and an enhancement value method be considered.

The across the fence approach determines the value to the adjoining owner and considers property values similar to the value of the adjacent property.

The enhancement value approach also determines the value of the property to the adjoining owner. The value of the parcel into which the subject would be assembled is determined before and after the assemblage and the difference between the two values is the enhancement value.

In my opinion, the across the fence method and the enhancement value approach are not applicable to these parcels, because the properties are separated from adjacent properties by busy roads. I believe that the stand alone method provides the only reliable indication of value in this assignment.

The sales comparison approach is developed and applied in this appraisal. The cost approach is not applied, because there are no building improvements and the value of the site improvements is negligible. The income approach is not developed, because the parcels are not leased and land does not typically transfer in this market based on income producing characteristics.

STATEMENTS AND DEFINITIONS

PROPERTY IDENTIFICATION

Address	Between Chatham Street & Washington Place 2nd Ward, City of Pittsburgh Allegheny County, Pennsylvania 15222
Tax Parcels	2-B-104, 107, 257 & part of 2-B-400

DISCLAIMER

This appraisal was prepared by Anthony C. Barna, MAI, SRA for the exclusive use of the Sports & Exhibition Authority. The information and opinions contained in this assignment set forth my best judgment in light of the information available at the time of the preparation of this report. Any use of this report by any other person or entity, or any reliance or decisions based on this report are the sole responsibility and at the sole risk of the third party. Anthony C. Barna, MAI, SRA accepts no responsibility for damages suffered by any third party as a result of reliance on or decisions made or actions taken based on this report.

ENVIRONMENTAL DISCLAIMER

The market value conclusion in this report is based upon the presumption that there are no conditions of environmental concern which affect the value of the subject property, including, but not limited to hazardous or toxic wastes, wetlands, buried storage tanks, underground fires, PCB's, and radon gas.

Neither during my physical property inspection nor upon evaluation of other data relating to the property, did I observe any signs of potential problems.

However, as I have no expertise in environmental matters, I strongly recommend that any related questions or concerns be evaluated by a qualified expert prior to finalizing decisions regarding the subject property.

SUBSURFACE RIGHTS DISCLAIMER

The author has no expertise in the valuation of mineral, gas, or similar subsurface rights, and the market value conclusion expressed in this report does not consider any independent value or future income potential related to such rights.

COMPETENCY STATEMENT

I have appraised numerous properties located in the immediate and general market area. I am familiar with the sale prices for this type of property and am competent to complete this assignment.

INTENDED USE, INTENDED USER & CLIENT

The intended use of this appraisal is to provide an opinion of value that will enable the client and intended user, the Sports & Exhibition Authority, to make a well-informed decision in connection with a planning decision.

DATES OF INSPECTION, VALUE AND REPORT

The date of my inspection was May 8, 2015. The effective date of value for this appraisal is May 8, 2015 and the date of this report is May 13, 2015.

EXTRAORDINARY ASSUMPTIONS/HYPOTHETICAL CONDITIONS

An extraordinary assumption is defined as "an assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser's opinions or conclusions." A hypothetical condition is "that which is contrary to what exists, but is supposed for the purpose of analysis. Hypothetical conditions are contrary to known facts..."

Dictionary of Real Estate Appraisal, Fifth Edition

No extraordinary assumptions or hypothetical conditions are applied in this appraisal.

MARKET VALUE

Market value is defined as "the most probable price 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, 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 each acting in what he/she considered his/her best interest.
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.
5. The price represents a normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

The Appraisal of Real Estate (14th Ed.), Appraisal Institute, Chicago, IL (2013), p. 59.

PROPERTY RIGHTS APPRAISED

The subject is appraised in fee simple, which is defined as "...absolute ownership unencumbered by any other interest or estate." *The Appraisal of Real Estate*.

No personal property or trade fixtures were included in the estimated market value of the subject.

ASSESSMENT AND TAXES

The subject parcels are currently assessed at a total of \$9,270,400, but they are exempt from taxes.

Parcel	Assessment	Taxes
2-B-257	\$ 2,598,200	Exempt
2-B-104	\$ 145,900	Exempt
2-B-107	\$ 1,359,200	Exempt
2-B-400	\$ 5,167,100	Exempt
Total	\$ 9,270,400	Exempt

Allegheny County assesses properties at 100% of their January 1, 2012 market value.

EXPOSURE & MARKETING TIME

Exposure time is defined as the estimated time period that the subject property 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. In my opinion, based on comparable sales and interviews with brokers active in this market, the exposure time of this property is one year.

SALES HISTORY

Allegheny County records list the owners of these parcels as follows:

Parcel	Owner
2-B-257	Urban Redevelopment Authority of Pittsburgh
2-B-104	Urban Redevelopment Authority of Pittsburgh
2-B-107	Urban Redevelopment Authority of Pittsburgh
2-B-400	Public Auditorium Authority

To my knowledge, the parcels were not listed or available for sale at the time of this appraisal.

ZONING

The parcels under consideration are zoned Golden Triangle District B and SP-11 Lower Hill Planned Development District (Sub-district 2):

Parcel	Zoning
2-B-257	GT-B
2-B-104	GT-B
2-B-107	GT-B
2-B-400	SP-11

910.01.A Purpose

The GT, Golden Triangle District is intended to:

1. Maintain and enhance the Golden Triangle as the economic and symbolic core of the region;
2. Support and develop commercial, office and cultural uses; and
3. Develop an attractive, pedestrian-oriented physical environment with a design quality that recognizes the Golden Triangle's regional significance.

910.01.B GT Subdistricts

GT District is further divided into the four (4) following zoning subdistrict classifications:

1. GT-A, Golden Triangle Subdistrict A
2. GT-B, Golden Triangle Subdistrict B
3. GT-C, Golden Triangle Subdistrict C
4. GT-D, Golden Triangle Subdistrict D
5. GT-E, Golden Triangle Subdistrict E

The term "GT District" when used alone, without the subdistrict letter, shall be deemed to include all five (5) of the subdistricts.

910.01.C General Provisions

The provisions in this section apply to all GT Districts, unless otherwise stated.

910.01.C.1 Use Regulations

(a) Primary Uses

Primary uses shall be allowed in the GT District in accordance with the Use Table of Sec. 911.02.

(b) General Limitations

- (1) All merchandise and products shall be sold only at retail, unless otherwise stated.

(2) There may be manufacture, compounding, processing or treatment of products that is clearly incidental and essential to a retail store or business, only when the major portion of such products is to be sold at retail on the premises.

(3) Uses, operations or products shall not be noxious or offensive by reason of the emission of odor, dust, smoke, gas, vibration, noise or other similar causes. See Chapter 917 for additional regulations regarding Operational Performance Standards.

(4) Unit group development shall be permitted.

Permitted uses in the Golden Triangle district are for 2 & 3 unit residential, multi (4+) unit residential, assisted living, multi suite residential, art or music studio, public assembly, bank or financial institution, bed and breakfast, child care, club, community center, cultural service, educational classroom space, gaming enterprise, grocery store, hospital, hotel or motel, laboratory or research services, library, medical office, general office, parks and recreation, indoor or outdoor recreation and entertainment, recycling collection station, religious assembly, restaurant, retail, safety service, school, utility, or vocational school.

The current uses appear to be legal and conforming and the GT-B subdistrict is further described as follows:

- 910.01.G GT-B Subdistrict

The provisions in this section apply to lands within the GT-B Subdistrict of the GT District.

- 910.01.G.1 Purpose

The purposes of the GT-B Subdistrict area as follows:

(a) To provide a zoning classification suitable for application to that portion of the Golden Triangle Area where office-type business activity may be located so as to be readily accessible to the retail core area.

(b) To maintain and encourage the development of this area for concentration of business offices in high-density, high-rise office buildings, with related facilities.

(c) To encourage development that will enhance the natural site advantages and at the same time preserve and complement visual advantages from adjacent locations.

- 910.01.G.2 Site Development Standards

Each site in the GT-B District shall be subject to the following site development standards.

(a) Minimum Lot Area Per Dwelling Unit

No more than one (1) dwelling unit or suite shall be permitted per one hundred ten (110) square feet of lot area in the GT-B Subdistrict.

(b) Floor Area Ratio

The maximum floor area ratio in the GT-B Subdistrict shall be 13.

(c) Urban Open Space shall be provided at ground level on lots of twenty thousand (20,000) square feet or more in an amount at least equal to ten (10) percent of the lot area.

The Lower Hill Planned Development District is divided into three (3) "Sub-districts" referred to as "Sub-district 1"; "Sub-district 2" and "Sub-district 3". The property under consideration is within Sub-district 2.

909.01.R.3(b) Permitted Primary Uses Sub-districts 2 and 3.

(i) Unless otherwise modified by this Section 909.01.R.3, uses permitted in the Lower Hill Planned Development District Sub-district 2 and Sub-district 3 shall be the same as, subject to the same use review and approval processes as, and subject to the same conditions applicable to those uses permitted in the GT, Golden Triangle District, as the use regulations for the GT, Golden Triangle District are amended from time to time. The following uses, which are permitted either by right or as Administrator Exceptions in the GT, Golden Triangle District and the SP-11, Lower Hill Planned Development District, are modified as follows:

Public Assembly (Limited) and Public Assembly (General) shall specifically include conference rooms; and

Manufacturing / Assembly (Limited) shall specifically include bakeries, breweries and distilleries. Breweries and distilleries must be an accessory use as part of a restaurant or public entertainment venue; and

For purposes of this Section, Restaurant (Limited) and Restaurant (General) in Sub-district 2 or 3 may include restaurants with accessory baking, brewing or distilling facilities provided such accessory use is approved by Administrator Exception.

(ii) In addition to the foregoing, the following uses shall also be permitted in the SP-11 Lower Hill Planned Development District Sub-districts 2 and 3 by right, subject to any additional regulations set forth below:

Animal Care (Limited)

College or University Campus

Housing for the Elderly (Limited)

Housing for the Elderly (General)

Laundry Services

Parking Structure (Limited) provided any such use that has frontage along Center Avenue or Wylie Avenue is lined with an active use on the Ground Level

Parking Structure (General) provided any such use that has frontage along Center Avenue or Wylie Avenue is lined with an active use on the Ground Level
Residential, Single Family Attached
Retail Sales and Service, Residential Convenience
Sidewalk Cafe
Spa
Gallery display or museum use
Police sub-station less than 2,000 square feet

"Spa" shall mean an establishment devoted to health, fitness, beauty and relaxation, provided that any massage services are administered by a massage therapist licensed by the Pennsylvania Board of Massage Therapy.

(iii) In addition to those uses permitted by Special Exception in the GT, Golden Triangle District, the following additional uses are permitted by Special Exception in the SP-11, Sub-districts 2 and 3 in accordance with Section 922.07:

Energy Generation (Limited), subject to the use standards set forth in Section 909.01.R.3(e).
Laboratory/Research Services (Limited). Cannot house animals larger than 5 lbs.
Laboratory Research Services (General). Cannot house animals larger than 5lbs.
Outdoor Retail Sales and Service (Non-Accessory Use), subject to the use standards set forth in Section 911.04.A.91, except that the provisions of 911.04.A.91(a) shall not apply.
Personal Care Residence (Small), subject to the use standards set forth in Section 911.04.A.95B, except that the parking requirements of 911.04.A.95B(a)(vi) shall not apply.
Recycling Collection Station, provided the approving body determines that such use will not create detrimental impacts on the surrounding properties, taking into consideration generation of noise, emission of odors, and hours of operation. In addition, such use shall be subject to the use standards set forth in 911.04.A.51.

(iv) In addition to those uses permitted by Conditional Use in the Golden Triangle District, the following additional uses are permitted by Conditional Use in the SP-11, Sub-districts 2 and 3 in accordance with Section 922.06:

Dormitory. Subject to the use standards set forth in Section 911.04.A.23(b).

Energy Generation (General), subject to the use standards set forth in Section 909.01.R.3(e)

Manufacturing and Assembly (Limited), subject to the use standards set forth in Section 911.04.A.40

Manufacturing and Assembly (General), subject to the use standards set forth in Section 911.04.A.40.

Service Station, provided (a) gasoline pumps shall not be located in any front or side yard and are not visible from any primary street, (b) such use is integrated into a mixed use structure or attached to another structure, (c) such use otherwise complies with all development standards of the Preliminary Land Development Plan, and (d) such use is subject to the use standards of Section 911.04.A.65.

(v) In addition to those uses not expressly permitted in the GT Golden Triangle District and not otherwise permitted above, the following uses shall not be permitted in the SP-11 Lower Hill Planned Development District even if any such use later becomes a permitted use in the GT Golden Triangle District by right, administrator exception, special exception, conditional use approval or by any other means whatsoever:

- Adult Entertainment
- Communication Tower Class A
- Communication Tower Class B
- Communication Tower Class C
- Controlled Substance Dispensation Facility
- Correctional Facility (Limited)
- Correctional Facility (General)
- Custodial Care Facility
- Excavation/Grading/Fill, Major
- Firearms Business Establishment
- Forestry Activities
- Fraternity/Sorority
- Vehicle Equipment Repair (Limited)
- Vehicle Equipment Repair (General)
- Vehicle Equipment Sales (Limited)
- Vehicle Equipment Sales (General)

909.01.R.3(c). In the event the provisions of this Section 909.01.R.3 conflict with the uses otherwise permitted in the Golden Triangle (GT) District (whether by right, administrator exception, special exception or conditional use), the provisions of this Section 909.01.R.3 shall prevail.

MARKET AREA ANALYSIS

The properties under consideration is located in the City of Pittsburgh's Central Business District. The Pittsburgh market is comprised of five counties in southwestern Pennsylvania and the general character of this region is hilly, with deep river valleys and large amounts of forest.

The Pittsburgh market has been growing at a modest rate in recent years. Moderate improvements in the local economy are expected to continue in the near term with health care, business services and financial services providing key support. Over the long term, local efforts to attract high tech and biotech industries are directed at improving growth prospects for the region. This economy has become more diverse in recent years and has evolved from a dependence on steel production and heavy manufacturing industries to health care, education, high technology, biotech and service businesses. As a result, the regional economy is not as adversely impacted by periods of recession as in earlier decades and is relatively stable in times of expansion. For the most part, Southwestern Pennsylvania does not experience the boom and bust cycles exhibited by other, more vibrant areas in the country. The region's economic shift to service and technology, its significance and diversity as a corporate, health care and education center are all positive factors for economic stability and provide the potential for future economic growth.

Allegheny County dominates Southwestern Pennsylvania in terms of its population, employment opportunities, cultural offerings and recreational attractions. However, the county has experienced a steady decline in its population since its peak in 1950, although it has stabilized in recent years.

Demographers attribute the region's population losses and lack of significant growth to a combination of factors: local residents leaving for better economic opportunities in other parts of the country; the region's inability to attract a large number of international immigrants; a large elderly population near the end of its life span; and a low percentage of people of child bearing age.

Government and business leaders have developed numerous initiatives and worked to attract new businesses and expand the economic prospects for established and start-up companies in this region. The Pittsburgh International Airport has also become a focal point for stimulating economic development in the western section of Allegheny County.

Pillars of the local economy are two large hospital systems, UPMC and West Penn Allegheny, along with the University of Pittsburgh, Carnegie Mellon University and PNC Bank. In addition, there has been significant economic activity in this market from oil and gas exploration in the Marcellus Shale formation.

Local economists predict that, outside of the service industries, there will be little to drive growth until there is a significant population increase and a rebound in business investment provokes expansion in the high technology and manufacturing industries. Furthermore, economic growth in this region is directly tied to the improvement of the transportation infrastructure and the success in attracting high tech and biotech industries. Corporate expansions and relocations will have a major influence on future growth, as will the increased diversification in the local employment base. Data indicates that the region's housing market is balanced and is a sector expected to continue to provide support to the local economy. Still, the region's stable population and weak demographics will limit growth over the long term.

The subject's immediate neighborhood is commercial in character and is densely built up. This property is centrally located and is situated on the eastern side of what is commonly known as the Grant Street Corridor. This area is anchored by notable Pittsburgh office towers, including the U.S. Steel Building, Federal Building & Courthouse, Frick Building, Union Trust Building, Koppers Building, Citizens Bank, and BNY Mellon Buildings. Neighborhood boundaries are the Allegheny River to the north, Monongahela River to the south, Route 579 to the east and Point State Park to the west.

Pittsburgh's central business district has undergone a renaissance over the last ten years, with the development of a large number of new residential units and office properties. There has been construction of new condominium and loft apartments and several former Class B office buildings have been converted for residential living. During this same period, PNC Bank built a new, 25 story, mixed use tower at the corner of Fifth and Market, which has a Fairmont Hotel with 150 rooms, 30 condominium units, 360,000 square feet of Class A office space and ground level retail space. In addition, PNC is now constructing and will occupy a new, state of the art, office tower at Fifth Avenue and Wood Street and renovated the former Lord & Taylor Department store at Fifth and Forbes Avenues and Smithfield Street for its own occupancy.

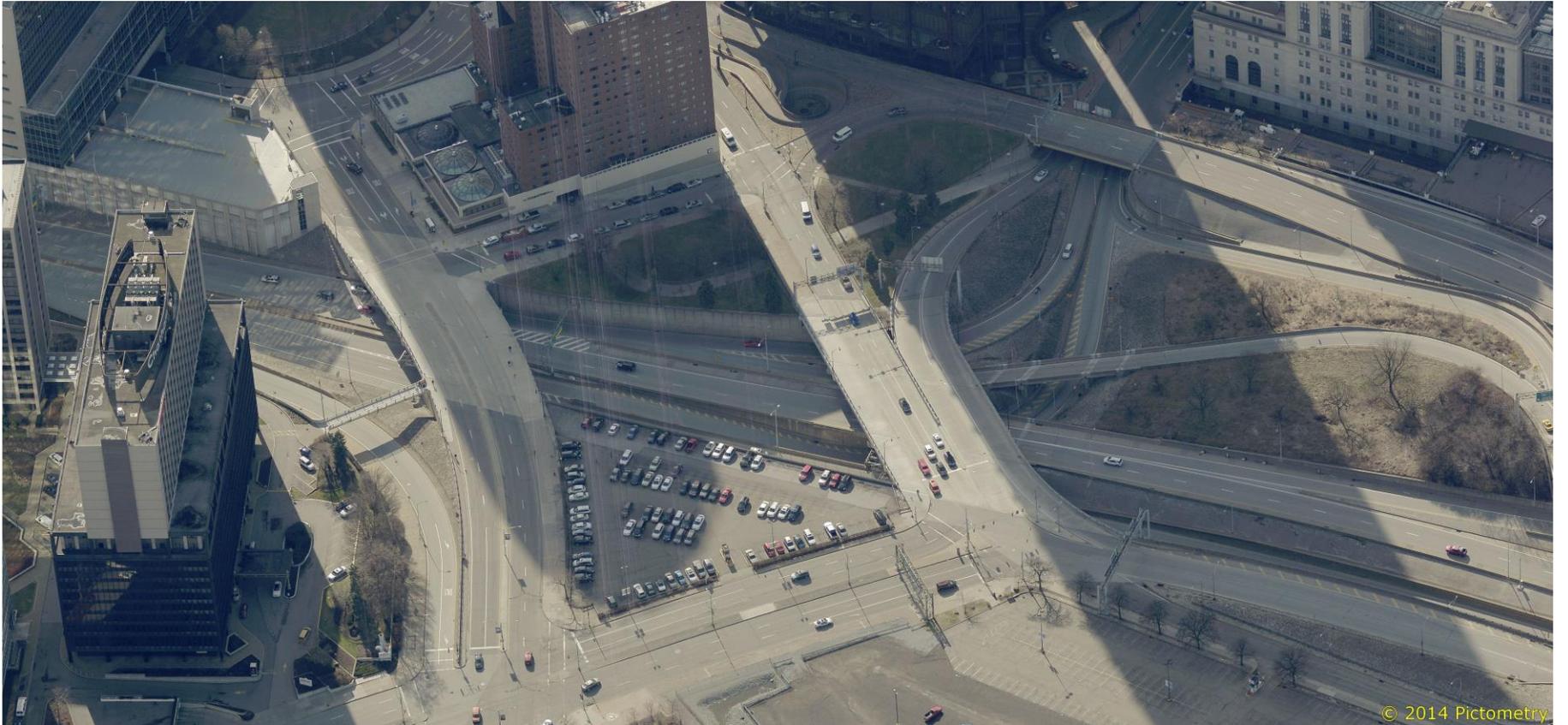
The property under consideration is located between the U.S. Steel Building and Washington Place, between Centre Avenue and Bigelow Boulevard. Overall, Pittsburgh's central business district is in a period of resurgence and rent levels and values are expected to rise at a slow, but stable rate.

Aerial photographs and a map showing the location of the subject are displayed on the following pages.

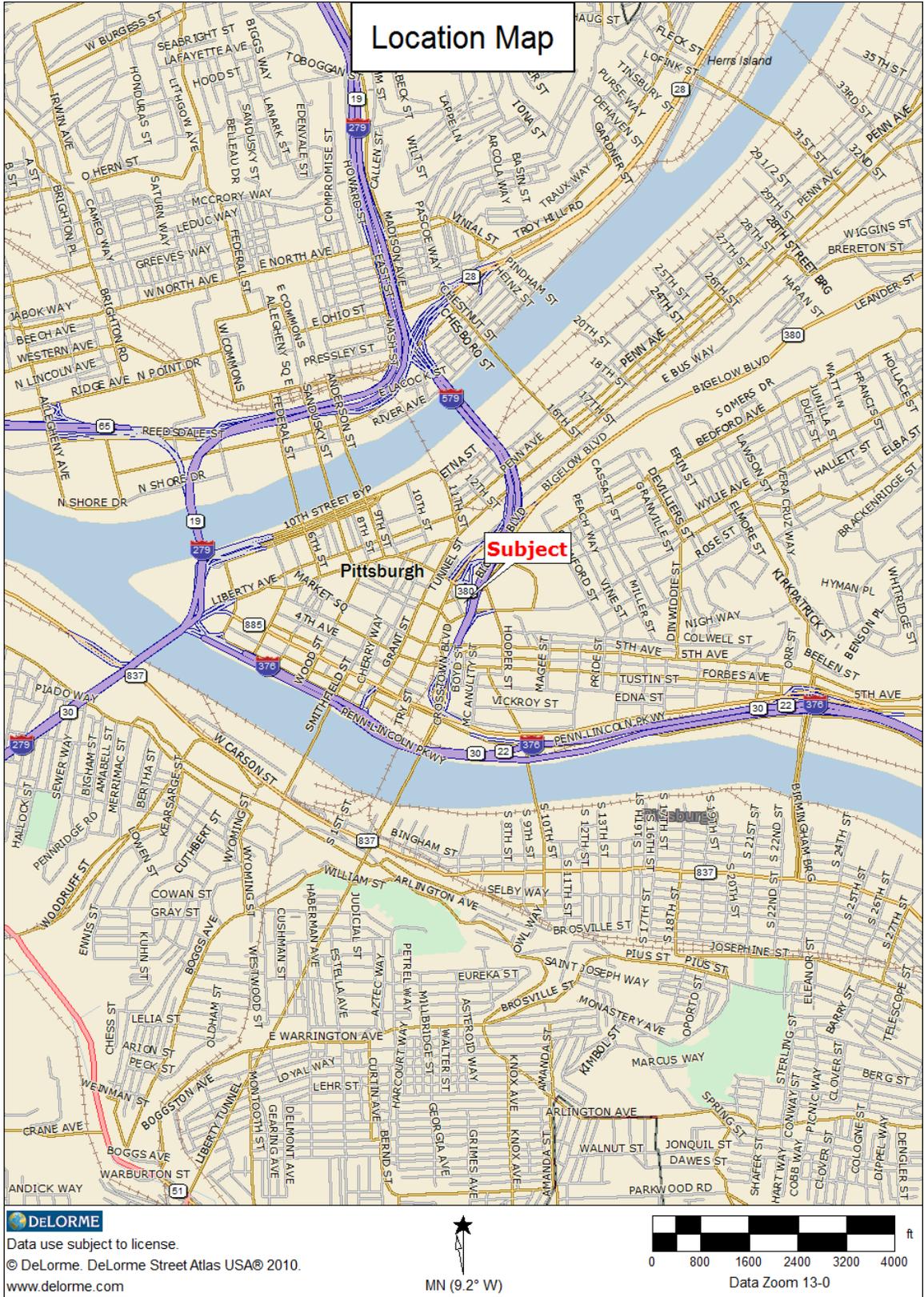




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PROPERTY DESCRIPTION

The subject property consists of four tax parcels with a total land area of 1.56 acres or 68,126 square feet:

<u>Parcel</u>	<u>Area (SF)</u>
2-B-257	18,468
2-B-104	12,160
2-B-107	11,362
Part 2-B-400	26,136
Total SF	68,126
Acres	1.56

The reader will note that parcel 2-B-400 contains a total land area of 43,056 square feet, but only 26,136 are used for the purposes of this appraisal. A description of each parcel under consideration follows.

Part of Parcel 2-B-400

Land area	26,136 square feet
Shape	Irregular, but generally four sided
Frontage	Centre Avenue, Washington Place, Bigelow Boulevard and Interstate 579
Topography	Relatively level
Access	From Centre Avenue and Washington Place
Utilities	All public available
Easements	Subject to easements of record, but no adverse easements noted
Flood Hazard	This property does not appear to be located in a flood hazard area.
Site Improvements	Asphalt pavement for parking

Parcel 2-B-257

Land area	18,468 square feet
Shape	Triangular
Frontage	Chatham Street, Bigelow Boulevard and Interstate 579
Topography	Level to gentle slope
Access	From Chatham Street
Utilities	All public available
Easements	Subject to easements of record, but no adverse easements noted
Flood Hazard	This property does not appear to be located in a flood hazard area.
Site Improvements	Landscaping, lighting and concrete walkway

Parcel 2-B-104

Land area	12,160 square feet
Shape	Triangular
Frontage	Bigelow Boulevard and Chatham Street
Topography	Level to gentle slope
Access	From Chatham Street
Utilities	All public available
Easements	Subject to easements of record, but no adverse easements noted
Flood Hazard	This property does not appear to be located in a flood hazard area.
Site Improvements	Landscaping, lighting and concrete walkway

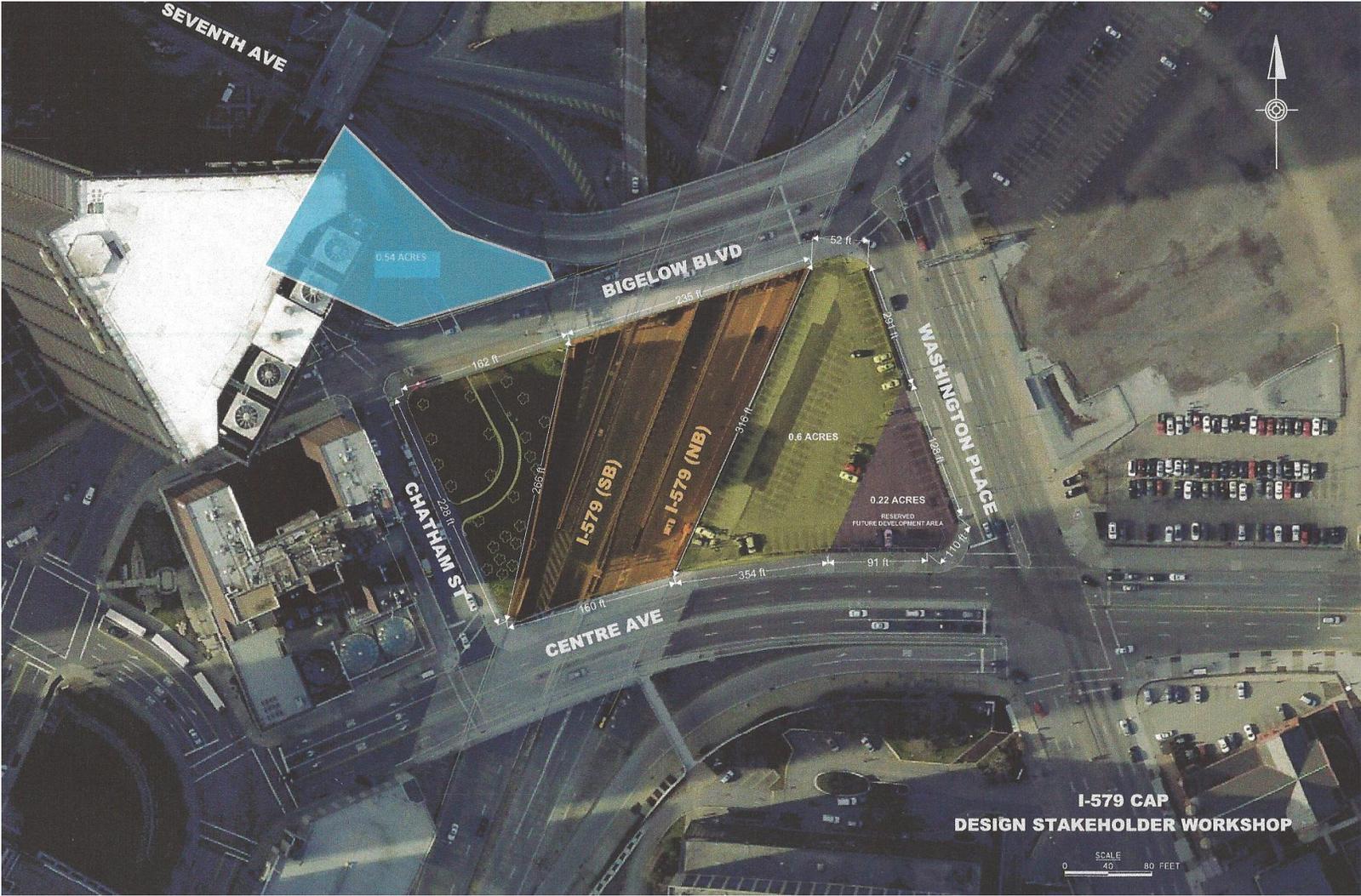
Parcel 2-B-107

Land area	11,362 square feet
Shape	Four sided
Frontage	Bigelow Boulevard, Chatham Street, Bedford Avenue
Topography	Level to gentle slope
Access	From Chatham Street
Utilities	All public available
Easements	Subject to easements of record, but no adverse easements noted
Flood Hazard	This property does not appear to be located in a flood hazard area.
Site Improvements	Landscaping, lighting and concrete walkway

Parcels 2-B-104 & 107 are contiguous and are connected to parcel 2-B-257 by a tunnel beneath Bigelow Boulevard. This tunnel is wide enough to accommodate vehicular traffic.

Parcel 2-B-400 is situated on the eastern side of I-579 (Crosstown Boulevard), while the other parcels are on the western side.

An aerial plan is shown on the next page.



HIGHEST AND BEST USE

Highest and best use is an economic concept describing that use which maximizes financial utility. It is defined in *The Appraisal of Real Estate, 14th Edition*, as "the reasonably probable and legal use of vacant land or an improved property that is physically possible, appropriately supported and financially feasible and that results in the highest value."

Property value is determined by the market at large and by the potential purchaser who, by putting the land to its best possible use, will be able to offer the greatest amount for its purchase. So, highest and best use analysis is a process for predicting the probable use upon which a market value opinion should be based. This use must also be legal, physically possible and financially feasible.

The first test in this process is for legal permissibility, which addresses the uses permitted by zoning and private restrictions on the site. This test is applied first because it eliminates the largest number of alternative uses. The subject parcels are zoned Golden Triangle, SP-11, and the immediate neighborhood is densely built-up with commercial, hotel, institutional and public properties. There is a wide range of permitted commercial uses in this district, as previously discussed.

The four parcels under consideration range in size from 0.26 acre to 0.60 acre and all necessary municipal public utilities are available. The parcels have frontage and access from multiple streets. At the time of this writing, three of the parcels (2-B-257, 104 & 107) are used for a greenspace and one (2-B-400) is used for parking. The land areas are shown in this table:

Parcel	Area (Ac)
2-B-257	0.42
2-B-104	0.28
2-B-107	0.26
Part 2-B-400	0.60

Parcels 2-B-257 and 2-B-400 are free-standing and parcels 2-B-104 & 107 are contiguous and free-standing as a pair. Market conditions would support commercial development by an investor or an owner occupant and parking is justified as an interim use. Hence, my opinion is that the highest and best use of these parcels is for a permitted commercial development and the timing would be within one year.

VALUATION OF THE PROPERTY

An appraisal is composed of a number of integrated, interrelated and inseparable procedures that have the common objective of deriving a convincing, reliable opinion of value.

The cost and income approaches are not appropriate in this assignment, because the subject has no building improvements and it is not rented. The sales comparison approach is developed in this assignment and produces a trustworthy indication of the subject's value. In the sales comparison approach, an opinion of value is developed by comparing the subject to similar properties that have recently sold. The main premise in this approach is that the market value of the subject is directly related to the prices of comparable, competitive properties.

Four sales of similar properties, which are all located in the City of Pittsburgh, are analyzed for comparison with the subject. These sales are summarized in the following table and are detailed at the end of this discussion:

	Comparable Sale	Sale Date	Land Area	Price/SF
1	Boulevard of the Allies 1 st Ward, Pittsburgh	12/2008	0.277 Acre	\$124.32
2	Bates Street 4 th Ward, Pittsburgh	2/2014	0.425 Acre	\$127.99
3	4506 Centre Avenue 4 th Ward, Pittsburgh	11/2013	0.396 Acre	\$104.10
4	1046 Fifth Avenue 1 st Ward, Pittsburgh	10/2010	0.132 Acre	\$97.83

The sales are reduced to a price per square foot of land area, which is a widely recognized metric and a typical unit of comparison for land in the Pittsburgh market. A comparison of the sales is made based on various factors which affect price.

The same four sales will be used in the valuation of the four parcels at issue in this appraisal assignment.

In the valuation of the 0.6 acre or 26,136 square feet belonging to tax parcel 2-B-400, the four comparables are adjusted for the differences that impact value.

Sale two is situated in Pittsburgh,s South Oakland neighborhood and consists of an assemblage of twelve parcels for re-development with an apartment complex. The process required significant time and the broker reported that higher prices were paid for the same type row-house at the end than at the beginning. A downward adjustment of 18% is supported, based on pairing this sale with comparable three. Sale three, which is located in North Oakland and also consisted of an assemblage, involved only four parcels involved and there was no significant premium paid.

Comparable one is located Downtown and is adjusted upward by 10% for improved market conditions from 2008, based on the appreciation rate observed. This sale was purchased for parking and is also adjusted downward for its superior location, which is nearer to the center of the business district.

No adjustments were indicated for comparable sale three. This property was purchased for re-development with apartments.

Sale four is situated on Fifth Avenue in Uptown. It is used as a parking lot and was acquired for future development. This location is inferior to the subject and it is adjusted upward for this factor and downward for size, because smaller properties typically sell for a higher unit price.

The adjusted unit prices are tightly grouped between \$102.72/SF and \$105.67/SF. A unit value of \$105.00/SF is supported for the subject and produces a value of \$2,740,000 for the 0.6 acre of .parcel 2-B-400 A sales adjustment grid is shown on the following page.

Land Sales Adjustment Grid

	Subject Part 2-B-400 Arena Allegheny	Sale 1 Blvd Allies Golden Triangle Allegheny	Sale 2 Bates St Oakland Allegheny	Sale 3 4506-12 Centre Oakland Allegheny	Sale 4 1045 5th Uptown Allegheny
Sale Price		\$ 1,500,000	\$ 2,370,000	\$ 1,796,000	\$ 562,500
Total Consideration		\$ 1,500,000	\$ 2,370,000	\$ 1,796,000	\$ 562,500
Sale Date		December-08	February-14	November-13	October-10
Land Area (SF)	26,136	12,066	18,517	17,252	5,750
Price/SF		\$ 124.32	\$ 127.99	\$ 104.10	\$ 97.83
Adjustments					
Conditions of Sale	Typical	Similar	Superior	Similar	Similar
Market Conditions	Current	Inferior	Similar	Similar	Similar
Location	Good	Similar	Similar	Similar	Inferior
Topography	Level	Level	Level	Level	Level
Zoning	GT-E	GT-C	OPR-D	SP7	LNC
Access & Visibility	Average	Similar	Similar	Similar	Similar
Land Area (SF)	26,136	12,066	18,517	17,252	5,750
Functional Utility	Average	Similar	Similar	Similar	Similar
Net Adjustments		-15%	-18%	0%	5%
Adjusted Price/SF Land		\$ 105.67	\$ 104.95	\$ 104.10	\$ 102.72
Indicated Value/SF Land		\$ 105.00			
Land Area (SF)	X	26,136			
Indicated Value		\$ 2,744,280			
	Rounded	\$ 2,740,000			

A similar analysis is crafted for parcels 2-B-257, 2-B-104 and 2-B-107. However, an additional adjustment to the comparables is necessary in the valuation of these properties due to the differences in topography. All of the comparables used in this appraisal are level sites, whereas these three subject parcels have gentle slopes and landscaping. A 4% adjustment is based on an estimated \$5.00/SF cost to clear and level the subject parcels.

The adjusted unit prices of the comparables support a value conclusion of \$100.00/SF. The resulting values are \$1,850,000 for parcel 2-B-257; \$1,220,000 for parcel 2-B-104 and \$1,140,000 for parcel 2-B-107:

2-B-257	18,468 SF	x	\$100.00/SF	=	\$1,850,000 rounded
2-B-104	12,160 SF	x	\$100.00/SF	=	\$1,220,000 rounded
2-B-107	11,362 SF	x	\$100.00/SF	=	\$1,140,000 rounded

Sales adjustment grids for each parcel are shown on the following pages.

Land Sales Adjustment Grid

City Neighborhood County	Subject 2-B-257 Arena Allegheny	Sale 1 Blvd Allies Golden Triangle Allegheny	Sale 2 Bates St Oakland Allegheny	Sale 3 4506-12 Centre Oakland Allegheny	Sale 4 1045 5th Uptown Allegheny
Sale Price		\$ 1,500,000	\$ 2,370,000	\$ 1,796,000	\$ 562,500
Total Consideration		\$ 1,500,000	\$ 2,370,000	\$ 1,796,000	\$ 562,500
Sale Date		December-08	February-14	November-13	October-10
Land Area (SF)	18,468	12,066	18,517	17,252	5,750
Price/SF		\$ 124.32	\$ 127.99	\$ 104.10	\$ 97.83
Adjustments					
Conditions of Sale	Typical	Similar	Similar	Similar	Similar
Market Conditions	Current	Inferior 10%	Similar	Similar	Similar
Location	Good	Similar	Similar	Similar	Inferior 15%
Topography	Level/Gentle Slope	Level -4%	Level -4%	Level -4%	Level -4%
Zoning	GT-E	GT-C	OPR-D	SP7	LNC
Access & Visibility	Average	Similar	Similar	Similar	Similar
Land Area (SF)	18,468	12,066	18,517	17,252	5,750 -10%
Functional Utility	Average	Similar	Similar	Similar	Similar
Net Adjustments		-19%	-22%	-4%	1%
Adjusted Price/SF Land		\$ 100.70	\$ 99.83	\$ 99.94	\$ 98.80
Indicated Value/SF Land		\$ 100.00			
Land Area (SF)	X	18,468			
Indicated Value		\$ 1,846,800			
	Rounded	\$ 1,850,000			

Land Sales Adjustment Grid

City Neighborhood County	Subject 2-B-104 Arena Allegheny	Sale 1 Blvd Allies Golden Triangle Allegheny	Sale 2 Bates St Oakland Allegheny	Sale 3 4506-12 Centre Oakland Allegheny	Sale 4 1045 5th Uptown Allegheny
Sale Price		\$ 1,500,000	\$ 2,370,000	\$ 1,796,000	\$ 562,500
Total Consideration		\$ 1,500,000	\$ 2,370,000	\$ 1,796,000	\$ 562,500
Sale Date		December-08	February-14	November-13	October-10
Land Area (SF)	12,160	12,066	18,517	17,252	5,750
Price/SF		\$ 124.32	\$ 127.99	\$ 104.10	\$ 97.83
Adjustments					
Conditions of Sale	Typical	Similar	Similar	Similar	Similar
Market Conditions	Current	Inferior 10%	Similar	Similar	Similar
Location	Good	Similar	Similar	Similar	Inferior 15%
Topography	Level/Gentle Slope	Level -4%	Level	Level -4%	Level -4%
Zoning	GT-E	GT-C	OPR-D	SP7	LNC
Access & Visibility	Average	Similar	Similar	Similar	Similar
Land Area (SF)	12,160	12,066	18,517	17,252	5,750 -10%
Functional Utility	Average	Similar	Similar	Similar	Similar
Net Adjustments		-19%	-23%	-4%	1%
Adjusted Price/SF Land		\$ 100.70	\$ 98.55	\$ 99.94	\$ 98.80
Indicated Value/SF Land		\$ 100.00			
Land Area (SF)	X	12,160			
Indicated Value		\$ 1,216,000			
	Rounded	\$ 1,220,000			

Land Sales Adjustment Grid

City Neighborhood County	Subject 2-B-107 Arena Allegheny	Sale 1 Blvd Allies Golden Triangle Allegheny	Sale 2 Bates St Oakland Allegheny	Sale 3 4506-12 Centre Oakland Allegheny	Sale 4 1045 5th Uptown Allegheny
Sale Price		\$ 1,500,000	\$ 2,370,000	\$ 1,796,000	\$ 562,500
Total Consideration		\$ 1,500,000	\$ 2,370,000	\$ 1,796,000	\$ 562,500
Sale Date		December-08	February-14	November-13	October-10
Land Area (SF)	11,362	12,066	18,517	17,252	5,750
Price/SF		\$ 124.32	\$ 127.99	\$ 104.10	\$ 97.83
Adjustments					
Conditions of Sale	Typical	Similar	Similar -18%	Similar	Similar
Market Conditions	Current	Inferior 10%	Similar	Similar	Similar
Location	Good	Similar -25%	Similar	Similar	Inferior 15%
Topography	Level/Gentle Slope	Level -4%	Level -4%	Level -4%	Level -4%
Zoning	GT-E	GT-C	OPR-D	SP7	LNC
Access & Visibility	Average	Similar	Similar	Similar	Similar
Land Area (SF)	11,362	12,066	18,517	17,252	5,750 -10%
Functional Utility	Average	Similar	Similar	Similar	Similar
Net Adjustments		-19%	-22%	-4%	1%
Adjusted Price/SF Land		\$ 100.70	\$ 99.83	\$ 99.94	\$ 98.80
Indicated Value/SF Land		\$ 100.00			
Land Area (SF)	X	11,362			
Indicated Value		\$ 1,136,200			
	Rounded	\$ 1,140,000			

Land Sale No. 1**Property Identification**

Record ID 2057
Property Type Land
Address Boulevard of the Allies (Adjacent to YMCA), Pittsburgh, Allegheny County, Pennsylvania 15219
Location 1st Ward, Central Business District
Tax ID 1-M-128

Sale Data

Grantor Edward A. & Christina M. Early
Grantee Point Park University
Sale Date December 01, 2008
Property Rights Fee simple
Financing Cash
Verification Grantor

Sale Price \$1,500,000

Land Data

Zoning GTC, Golden Triangle District
Topography Level
Utilities All public utilities connected
Shape Generally four sided

Land Size Information

Gross Land Size 0.277 Acres or 12,066 SF
Actual Units 50
Front Footage 74 ft Boulevard of the Allies (front); 79 ft First Avenue (resr)

Indicators

Sale Price/Gross SF \$124.32

Remarks

This property consists of a level, asphalt paved parking lot, which is adjacent to the YMCA. It was acquired by Point Park University who recently acquired the YMCA.

Land Sale No. 2**Property Identification**

Record ID 3082
 Property Type Land
 Address Bates Street Assemblage, Pittsburgh, Allegheny County, Pennsylvania 15213
 Location 4th Ward
 Tax ID 28-R-353/354/355/356/357/358/359/360/361/362 & 28-L-5,7

Sale Data

Grantor Multiple Grantors
 Grantee Oakland Gateway
 Sale Date February 14, 2014 - 03/26/2014
 Deed Book/Page Multiple
 Property Rights Fee Simple
 Financing Cash
 Verification Agent for Grantee

Sale Price \$2,220,000
 Upward Adjustment \$150,000 demolition
 Adjusted Price \$2,370,000

Land Data

Zoning OpR-D, Oakland Public Realm
 Topography Level
 Utilities All public utilities available
 Shape Four sided

Land Size Information

Gross Land Size 0.425 Acres or 18,517 SF
 Front Footage Bates Street;Boulevard of the Allies;Zulema Street

Indicators

Sale Price/Gross SF \$127.99 Adjusted

Remarks

This transaction represents an assemblage of multiple parcels that are improved with row houses and are situated along Bates Street between the Boulevard of the Allies and Zulema Street. The property is being purchased for re-development with a large apartment project.

Land Sale No. 3**Property Identification**

Record ID 3226
Property Type Residential
Address 4506-4512 Centre Ave, 4th Ward, Pittsburgh, Allegheny County, Pennsylvania 15213
Tax ID 27-D-51, 52, 53, 54

Sale Data

Grantor Multiple Grantors
Grantee CD/Park 7 Pittsburgh Owner LLC
Sale Date November 22, 2013 - 12/27/2013
Deed Book/Page 15475-25, 15442-311
Property Rights Fee Simple
Verification Public Records

Sale Price \$1,676,000 Recorded
Upward Adjustment \$120,000 Demolition
Adjusted Price \$1,796,000

Land Data

Zoning SP7, Specially Planned District
Topography Gently sloping
Utilities All public utilities connected
Shape Rectangular

Land Size Information

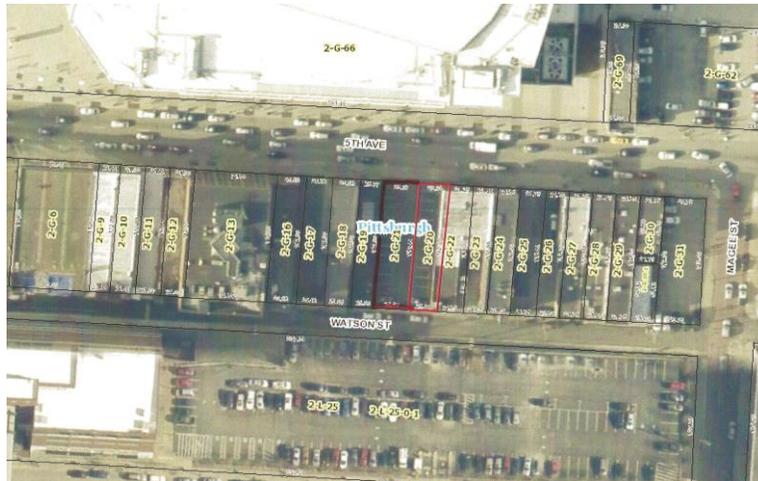
Gross Land Size 0.396 Acres or 17,252 SF
Front Footage 120 ft Total Frontage: 120 ft Centre

Indicators

Sale Price/Gross SF \$97.15 Actual or \$104.10 Adjusted

Remarks

Assemblage of four contiguous parcels along Centre Avenue near Craig Street. The buyer intends to acquire additional surrounding parcels and develop the land with apartments.

Land Sale No. 4**Property Identification**

Record ID	2444
Property Type	Land, Commercial
Address	1046-1048 Fifth Avenue, Pittsburgh, Allegheny County, Pennsylvania 15219
Location	1st Ward, Pittsburgh
Tax ID	2-G-20 & 21

Sale Data

Grantor	Sal Williams
Grantee	Collier Development LP
Sale Date	October 14, 2010
Deed Book/Page	14407/575
Property Rights	Fee simple
Financing	Conventional
Verification	Grantor

Sale Price	\$562,500
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Land Data

Zoning	LNC, Commercial
Topography	Level
Utilities	All public utilities available
Dimensions	52.25' x 112'
Shape	Rectangular
Parking	26 spaces
Depth	112

Land Size Information

Gross Land Size	0.132 Acres or 5,750 SF
Actual Units	26
Front Footage	51 ft Total Frontage: 51 ft Fifth Avenue

Indicators

Sale Price/Gross SF	\$97.83
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Remarks

This is a level site that fronts on the southern side of Fifth Avenue and has asphalt paving for 26 parking spaces and a concrete retaining wall.

RECONCILIATION

The final step in the appraisal process is to reconcile the body of data and analysis into an opinion of value. The purpose of this appraisal is to provide an opinion of the fee simple market value of the subject parcels, as of May 8, 2015, in order to assist with a planning decision.

The parcels under consideration are situated between Chatham Street and Washington Place in the City of Pittsburgh. Three of the sites are part of a small greenspace and the fourth is used as a parking lot. My opinion is that the highest and best use of these properties is for commercial development with a use or uses permitted by the Golden Triangle zoning.

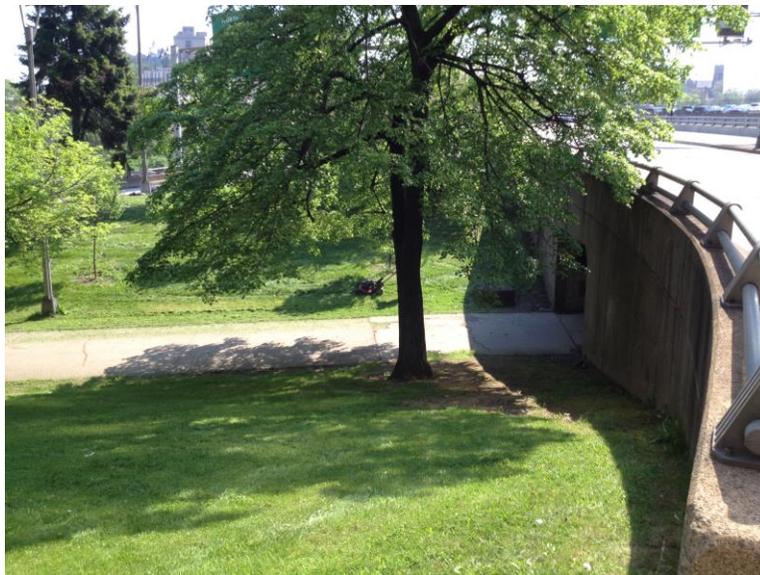
In my opinion, the across the fence method and the enhancement value approach are not applicable to these parcels, because the properties are separated from their adjacent properties by busy roads. I believe that the stand alone method provides the only reliable indication of value in this assignment.

The sales comparison approach was developed. The income and cost approaches were considered, but they are not appropriate for what is essentially a land valuation. The fundamental principle in the sales comparison approach, substitution, suggests that property values are set by the cost of acquiring an equally desirable substitute property. These equally desirable properties are used as the comparable sales and adjustments are made to reflect differences between the subject and the comparables. When a sufficient number of good sales are available, the sales comparison approach often provides the best indication of the actions of buyers and sellers in the relevant market.

In this appraisal, four sales of similar properties in the City of Pittsburgh were examined on a price per square foot of land area. In my opinion, the fee simple market value of this property totals \$6,950,000, as of May 8, 2015 and the allocation by parcel is shown here:

Tax Parcel	Opinion of Value
Part of 2-B-400	\$ 2,740,000
2-B-257	\$ 1,850,000
2-B-104	\$ 1,220,000
2-B-107	\$ 1,140,000
Total	\$ 6,950,000

VIEWS OF PARCELS 2-B-104 & 107



VIEWS OF PARCEL 2-B-257



VIEWS ALONG CENTRE AVENUE



VIEWS OF PARCEL 2-B-400



CERTIFICATION STATEMENTS

One (or more) of the signatories of this appraisal report is a member (or candidate) of the Appraisal Institute. The bylaws and regulations of the institute require each member and candidate to control the use and distribution of each appraisal report signed by such member or candidate, therefore, except as herein after provided, the party for whom this appraisal report was prepared may distribute copies of this appraisal report, in its entirety, to such third parties as may be selected by the party for whom this appraisal report was prepared; however, selected portions of this appraisal report shall not be given to third parties without the prior written consent of the signatories of this appraisal report. Further, neither all nor any part of this appraisal report shall be disseminated to the general public by the use of advertising media, public relations media, news media, sales media or other media for public communication without the prior written consent of the signatories of this appraisal report.

"I, do hereby certify that: I have inspected the subject property; I have no present or contemplated future interest in the property and no personal interest or bias with respect to the subject matter of the report or the parties involved; the fee is not contingent upon reporting a predetermined value; that to the best of my knowledge and belief, the statements of fact contained in this report, upon which the analyses, opinions and conclusions expressed herein are based, are true and correct; that this report sets forth all of the assumptions and limiting conditions affecting the analyses, opinions, and conclusions contained in this report; and that this report has been made in conformity with and is subject to the requirements of the code of ethics and standards of professional practice of the Appraisal Institute."

Re-certification statement
(Anthony C. Barna, MAI, SRA)

"The appraisal institute conducts a voluntary program of continuing education for its designated members. MAI's and SRA's who meet the minimum standards of this program are awarded periodic educational certification. As of the date of this report, I, Anthony C. Barna, have completed the requirements under the continuing education program of the Appraisal Institute".

LIMITING CONDITIONS

The Appraisal Report and the value conclusions contained therein are predicated upon and subject to the following limiting conditions:

1. Title to the property is assumed to be good and marketable, free and clear of liens, restrictions and encumbrances, except as specifically described in the Appraisal Report.
2. By reason of this report, we cannot be required to give testimony with reference to the property appraised, unless arrangements have been previously made.
3. Unless stated in the report to the contrary, the value estimate is of real estate only and excluded personal property, machinery and equipment, business value, and other non-realty items.
4. No responsibility is accepted by us for matters of a legal nature (such as validity and enforce-ability of leases and other rights; compliance with zoning and other laws) nor is any opinion on the title rendered. Management is presumed to be competent and the ownership to be in responsible hands. We presume that none of the property is in wetlands, flood plains or other restricted areas, unless specifically mentioned and described in the Appraisal Report. Furthermore, we presume that there are no hidden or unapparent conditions of the property, subsoil, or structures which would render it more or less valuable. We accept no responsibility for such conditions or for engineering which might be required to discover such factors.
5. The physical condition of any buildings, structures and other improvements described herein is based on visual inspection. Electrical, heating, cooling, plumbing, sewer and/or septic system, mechanical equipment and water supply were not specifically tested, but are presumed to be in good working order and adequate unless otherwise specified. No liability is accepted for the soundness of structural members since no engineering tests were made of same. If the client has any concern regarding the structural, mechanical or protective components of the improvement described herein, or the adequacy or quality of sewer, water or other utilities, it is suggested that independent contractors or experts in these disciplines be retained.

6. Unless otherwise specifically stated in this report, the presence of hazardous materials was not observed by the Appraiser and such materials may or may not be present on, in or under the property or improvements thereon. The Appraiser has no knowledge of the existence of such materials on or under the property. However, please note that the Appraiser is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials may affect the value of the property. Accordingly, and without first having made any specific inquiry or investigation, the value estimate is predicated on the supposition that there is no such material on, in or under the property or any improvements that would cause a loss in value. No responsibility is accepted for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field.
7. Without first having made any specific inquiry or investigation, the property is presumed to be free of pollution and contamination by substances which are, or may be considered hazardous or potentially hazardous by any governmental agency.
8. Exhibits such as plot or floor plans if any, are included to assist the reader in visualizing the property, and we accept no responsibility for their accuracy. We did not make a survey of the property.
9. Portions of the property not inspected, if any, are presumed to be as reported or similar to comparable portions which were inspected.
10. Economic conditions are generally presumed to be consistent with the current state of the economy, including interest rates on mortgages that were available as of the date of the appraisal. We accept no responsibility for changes in market conditions or for the inability of the client or any other party to achieve their desired results based upon the appraised value. Further, some of the projections made can be subject to variation depending upon evolving future events. Therefore, actual results achieved during the projection period may vary from those in our report.

11. All information has been furnished by sources which we deem to be reliable (including information received from our client and/or the fee owner or lessee of the premises, all of which we accepted to be true, correct and complete), but no warranty or representation is made as to the accuracy or completeness thereof and is subject to corrections, errors, omissions, and withdrawal without notice.
12. A signatory of this Appraisal Report is a member of the Appraisal Institute. The Bylaws and Regulations of this organization required each member and candidate to control the use and distribution of each appraisal report signed by such member or candidate. This study is not to be used in conjunction with any other appraisal or study. The study is prepared solely for the use and benefit of the party so identified in the letter of transmittal. The Appraisal Report and the findings contained therein may not be disclosed to, used or relied upon by third parties, without our express prior written consent. No third party may inspect or rely on the Appraisal Report without first receiving, directly from us, an acknowledgment that we have given our written consent.

Further, no part of the Appraisal Report or the identity of the Appraiser shall be disseminated to the general public by the use of advertising, public relations media, news media, sales media or any other media for public communication including public and private offering memorandum and prospectus, without the prior written consent of the signatories of this report. This restriction applied particularly as to the conclusions, the identity of the analysis, or any reference to the Appraisal Institute or to the MAI designation.

Disclosure of the contents of this report is governed by the Bylaws and Regulations of the Appraisal Institute.

Professional Qualifications
of

Anthony C. Barna, MAI, SRA



Anthony Barna is a principal of Kelly-Rielly-Nell-Barna Associates, Inc., which is a real estate appraisal and consulting firm in Pittsburgh, Pennsylvania. Since 1962, this firm has provided objective and unbiased counsel to a wide range of clients engaged in evaluating, buying, selling, leasing, litigating, financing or developing real estate.

Mr Barna has been actively engaged in real estate appraisal and consulting since 1991 and his practice specializes in assignments for litigation support, eminent domain, tax assessment, and financing. He has been qualified to provide expert witness testimony before courts throughout the Commonwealth of Pennsylvania.

Anthony Barna holds the internationally recognized MAI and SRA professional designations from the Appraisal Institute and is a certified, general real estate appraiser in Pennsylvania (GA-001069-L). He received the MAI professional designation in 1999; it is held by appraisers who are experienced in the valuation of commercial, industrial, residential, and other types of properties, and who advise clients on real estate investment decisions. He earned the SRA professional designation in 1995, which is held by real estate solutions providers who are experienced in the analysis and valuation of residential real property.

Mr. Barna was trained as a biomedical engineer at Boston University (B.S. 1984) and has a graduate degree in finance from Duquesne University (M.B.A. 1988). While practicing as an appraiser, he taught as an Adjunct Professor of real estate topics at Duquesne University (1996-2000). Mr. Barna currently serves on the Appraisal Journal Review Panel.

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Commonwealth of Pennsylvania
Department of State
Bureau of Professional and Occupational Affairs
PO Box 2649 Harrisburg PA 17105-2649

Certificate Type
Certified General Appraiser

Certificate Status
Active

Initial Certification Date
06/30/1993

Expiration Date
06/30/2015

ANTHONY CAMILLO BARNA
3535 BOULEVARD OF THE ALLIES
PITTSBURGH PA 15213

Certificate Number
GA001069L

Katie True
Commissioner of Professional and Occupational Affairs

Anthony Barna
Signature

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We are, by design, a small practice that is responsive and uniquely dedicated to the highest degree of professionalism through training, experience and independence. We perform real estate valuations and provide a wide range of related services including appraisals, investment advice, litigation support, expert witness testimony, market analysis, feasibility studies, eminent domain valuations, market rent studies, and tax assessment consulting.

Our four principals hold the coveted MAI and SRA designations from the Appraisal Institute, which identifies them as the most accomplished professionals in the valuation industry. These designations recognize their knowledge, experience and adherence to a strictly enforced Code of Professional Ethics and Standards of Professional Practice.

The importance of high standards and technical efficiency is obvious, but even more important is our sense of professionalism, which is derived from prolonged training and a belief in corporate and personal responsibility. We have experience as both advisors and investors, providing clients with a deep understanding of both opportunity and risk. For clients, this exceptional preparation and continuity of experience results in a highly sophisticated offering of services.

We promote a collaborative culture at our firm and we are comprised of a thoughtful and responsible group of professionals, with the expertise and courage to provide clear and unbiased solutions. We focus on assignment quality rather than quantity and are selective in the number of engagements we take, which allows us to concentrate on each project. Paying careful attention to the client is essential to our philosophy and approach.

We are grateful for the trust and confidence clients have placed in us for more than 50 years and look forward to continuing our service.

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