



Source Documents

“Observations and Conditions Report for Pitney Farm, Mendham, NJ”, Castle Ridge Construction, Inc., January 19, 2011

“Observation of Roof Conditions Report for Pitney Farm, Mendham, NJ”, Castle Ridge Construction, Inc., March 7, 2011

Electrical Observations, “Pitney Farm ” Letter Report, by JK Electrical Services, LLC, January 24, 2011

Plumbing Observations “Castle Ridge” Letter Report, by Andrew E. Hall & Son, Inc. January 17, 2011

Ome Caterers Marketing Proposal, Phase I for the Pitney Farm Estate, March 21, 2011

Tree-Tech Site Work Proposal, March 7, 2011

Goggin & Assoc. Estimate for Tree Work, February 19, 2011

Maser Consulting “Title of Project for Pitney Farm” Delineating Open Space, Job No. MTT-133

Memorandum from Stephen Mountain, Township Administrator, Township of Mendham. December 8, 2010, attaching valuable descriptive and interpretative information by CRCG/Cultural Resource Consulting Group, a property appraisal by Integra Realty Resources, and a letter commenting on development potential by Maser Consulting.

**Observations of Conditions Report
For
Pitney Farm, Mendham, NJ**

Prepared for:
The Township of Mendham
c/o Erik Sletteland

Prepared by:
Castle Ridge Construction Co., Inc.
364 Main St. Bedminster, NJ 07921
(908) 766-3500

January 19, 2011

Description of this Report:

This report was compiled to identify the areas of concern from a maintenance and prevention standpoint of the various structures and gardens on the property of Pitney Farm. This report will also give a priority value to each of the conditions identified and an estimated cost for budget purposes. A number 1 priority will be the highest, recommending immediate attention (in the spring/summer), a number 2 priority will indicate that the work should be done within a year or 2, and a number 3 priority means the work should be done within 5 years. Notes will also accompany these values. There are pictures also that will direct your attention to the areas of concern. Please keep in mind that many of these conditions mentioned in this report are very common existing in and on older structures, and have existed in and on the structures on Pitney Farm for quite some time. That is not to say though that they should be left without attention. Any action taken on the high priority items will *prevent* further damage and thus repairs on the property. Also, at the times the observations were made, the grounds and roof surfaces were partially snow covered. A thorough inspection of all of the roofs on the property will have to be done when the snow is gone for the season. We also recommend that all of the underground storage tanks get inspected by a licensed professional if that has not been done yet. In addition, an inspection of the septic systems should also be performed if not already.

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Greenhouse

This structure consists of a glass section and a wood framed section that has a basement along with cold frames on one side. The size of the structure is approximately 41' x 17.5'.

Exterior:

- 1) Block on side cold frame has some holes and cracks. These should be repaired. Priority 2. \$600
- 2) Wood covers for cold frame are stacked on each other. They are falling apart and exposed to the elements. Recommend rebuild and proper storage. Priority 2. \$5,000
- 3) Siding on the wood framed section is wood clapboard and needs caulking and painting. Priority 1. \$1,500
- 4) Window of framed section on garden side needs to be replaced or rebuilt. Sash and sill is rotten. Window on opposite side is missing. Priority 1 \$1,000
- 5) Chimney is leaning and missing many joints. Needs to be re-pointed or rebuilt. Priority 1. \$1,500
- 6) Two panels of the greenhouse glass need to be replaced. They are broken. Priority 2. \$700
- 7) Gutter is bent and leader pipe is disconnected. These should be repaired for proper drainage of water away from building. Priority 1. \$500
- 8) Front window sashes are rotten and need to be rebuilt or replaced. Priority 1. \$800
- 9) Shrubs and trees are very close and in contact with building and should be cut back. Priority 1. \$1,200
- 10) The roof appears to need maintenance, but was mostly snow covered for this inspection.

Interior:

- 1) In wood framed section, about 6 square feet of drywall has collapsed from ceiling. Needs to be patched. The rest of the ceiling is sagging and may fall down. Recommend removing drywall on ceiling and replacing with new. Priority 2. \$1,500
- 2) Basement windows are destroyed and are boarded up. Recommend replacement. Priority 2. \$700
- 3) Some planting boxes are falling apart. Priority 3. \$400
- 4) The boiler for the heat in the green house is located in the basement of the wood framed section. It is due for replacement. Priority 3 if heat is not being used. Priority 2 if heat is being used. \$7,000

Potting Shed:

This structure is adjacent to the greenhouse.

- 1) The roof and walls are collapsing and it is recommended that this structure be demolished. It is beyond repair. Priority 2. \$1,600

Vegetable Garden:

This garden is next to the greenhouse. It is fenced in and consists of raised planting boxes.

- 1) Debris such as some framing material and wire fencing should be removed. Priority 3. \$200
- 2) Four planting boxes are falling apart. Priority 3. \$300
- 3) Fencing around garden could be tightened up. Priority 2. \$150

Brick Walled Garden:

This garden consists of 4 brick walls surrounding formal plantings.

- 1) One gate needs new hardware. Priority 3. \$150
- 2) One gate needs a new latch. Priority 3. \$100

Gazebo:

The gazebo is an octagon, wood construction with concrete floor and an asphalt roof.

- 1) Needs new roof. It is currently tarped to prevent further water intrusion. Priority 1. \$2,000
- 2) About 25% of the tongue and groove sheathing boards need to be replaced due to water intrusion from the roof. They are rotted. Priority 1. (that would be done when roof is done) \$700
- 3) Entire structure needs to be painted. Priority 1. \$1,200
- 4) Bases of two columns need to be replaced. Priority 1. \$500

Flower Garden:

This garden is fenced in and has a gate. It also has a trellis for a vine that you can walk under.

- 1) Trellis purlins are rotted where rafters sit on them. Purlins should be repaired or replaced. Priority 2. \$1,700
- 2) Trellis needs to be repaired where tree has grown into it. Priority 2. \$1,000
- 3) Flower boxes could use some repair. Priority 3. \$400
- 4) Gate needs latch and also needs the bush next to it cut back so that it can close. Priority 3. \$350

Pool:

The pool is a concrete in-ground pool that has had a fiberglass coating applied about 15-20 years ago. The pool has a filtration system. The dimensions of the pool are approximately 58' x 24'.

- 1) Fiberglass coating needs to be redone. It is cracking and bellying. Priority 2. \$20,000
- 2) The fence around the pool has deteriorated and fallen down. Recommend installing a fence. Priority 2. \$4,000
- 3) Steps to pool are unsafe and should be redone. Priority 2. \$600
- 4) Gate does not open fully. Needs to be cut shorter. Priority 2. \$300
- 5) The pool filter condition is unknown.

Tractor and Pool Shed:

This building consist of a main center section and is flanked by a smaller section on each side. The left side has had the roof and rood sheathing replaced recently and has also had the siding partially replaced. The right side walls and roof are collapsing. The center section has a metal roof and the two side sections have asphalt roofs. Its overall dimensions are 67' x 16'.

- 1) The right side walls are sagging, roof has collapsed. Recommend either rebuilding the roof or demolishing the whole right side structure. Priority 2. \$3,500
- 2) All siding and exterior trim needs to be painted. Priority 2. \$3,500
- 3) Center section is on a stone rubble foundation. Left front corner of the foundation is missing. Recommend replacing foundation in that area and also make sure other supports have foundation under them. Priority 1. \$4,000
- 4) Siding is deteriorated on right side of center section and needs to be repaired. Priority 2. \$700
- 5) Some siding on right section deteriorated or missing and needs to be replaced. Priority 2. \$500
- 6) Some sill beams appear to be rotted. Priority 2. \$2,500
- 7) Cut back vines, bushes, and trees away from structure. Priority 1. \$1,000
- 8) The roofs appear to need maintenance, but were mostly snow covered for this inspection.

Wood Shed:

This wood framed shed has a metal roof and a stone rubble foundation. Its dimensions are 21' x 16'.

- 1) Roof has a slight sag due to the fact that the center support post in the front does not have proper support. It currently is sitting on two rocks that have shifted, thus dropping the post. Recommend installing a proper pier footing support . Priority 1. \$2,000
- 2) The roof appears to need maintenance, but were mostly snow covered for this inspection.

Watnog Garden:

This garden is between the Main House and the Wood Shed. It has a fence with gates.

- 1) The gates need repair to open and close properly. Priority 3. \$300

Main House:

The Main House has had various additions over the years. The majority of the house has metal roofs. The original wood siding has been covered by aluminum to reduce maintenance. The windows and decorative trim were not clad with aluminum in some instances. The different areas of the house include the studio addition, the garage wing, and the apartment above the garage.

Exterior:

- 1) The roof on the studio addition needs to be replaced. It currently is asphalt. Priority 2. \$4,000
- 2) The metal inborn gutters are leaking in many places. Damage from this can be seen from this such as above the garage doors. Recommend repairing or replacing the gutter system. Priority 1. Thorough estimate needed. This could cost \$50,000
- 3) It is recommended to add more and larger leader drains to the gutter system. Priority 2. \$6,000
- 4) Some leader drains are disconnected from the gutters resulting in water against the house. Recommend re- attaching. Priority 1. \$600
- 5) Some of the underground leader drains are clogged and backing up. Recommend snaking or installing new. Priority 1. Snaking required first. \$2,500-3,500
- 6) The gutters need to be cleaned. They are overflowing and allowing ice build up. Priority 1. \$1,000
- 7) The chimneys need re-pointing in some areas. Joints missing. Priority 2. \$2,500 ea.
- 8) The exposed wood trim such as on the windows and the decorative accents needs to be scraped and painted. Priority 2. \$15,000
- 9) Trees, tree limbs, vines, and shrubs are growing too close to the house. In some cases, actually causing damage. Priority 1. \$5,000
- 10) The basement window wells should be cleaned out. Priority 1. \$300
- 11) The roofs appear to need maintenance but were mostly snow covered for this inspection.

Interior:

- 1) In the basement, there are various areas of the stone foundation that need to be re-pointed. Priority 2. \$8,000
- 2) The basement needs to be cleaned of the various debris and dirt. Priority 3. \$2,500
- 3) The bilco door is leaking water and needs to be repaired or replaced. Priority 2. \$2,000
- 4) There is asbestos present on pipes in the basement. It is recommended to remove it and re-insulate the pipes. Priority 3. Thorough estimate needed.
- 5) The basement windows are leaking water. It is recommended to caulk them or replace them. Priority 1. Caulk \$600 Replace \$6,500
- 6) Plumbing and heating: see letter from Andrew E. Hall and Son, Inc. Priority 2. \$7,500
- 7) Electrical service: see letter (email) from JK Electrical Services, LLC. Priority 1. \$5,000

Cottage Garage:

This structure has a main center section with sliding barn doors, a shed roof bay to the right, and an attached shed to the left that houses a hydrant and hose. Also, adjacent to that is the well pit. The center section has a metal roof and the right side has a newly replaced asphalt roof. The structures overall dimensions are 44' x 20'.

- 1) Some of the siding is damaged and is also missing in places. Recommend repair. Priority 2. \$1,500
- 2) The window on the left side has missing glass and is boarded up. Recommend replacement. Priority 3. \$700
- 3) The window on the right side is missing and is boarded up. Recommend replacement. Priority 3. \$700
- 4) The whole building could use fresh paint. Priority 3. \$2,500
- 5) Some areas of the stone foundation need pointing. Priority 2. \$2,000
- 6) The roof appears to need maintenance, but was mostly snow covered for this inspection.

Chauffeur's Cottage:

The Chauffeur's Cottage has aluminum siding and an asphalt roof with inborn gutters.

- 1) Leader drains are clogged and need snaking/cleaning. Priority 1. \$200
- 2) Underground leader drains are backed up and need snaking or replacement. Priority 1. Snaking \$1,500
- 3) The rear inborn gutter is leaking behind the fascia and siding. Priority 1. \$1,700
- 4) Roof was mostly snow covered for this inspection, but appears to need maintenance or replacement.
- 5) The trees and plantings near the cottage should be pruned away from the building. Priority 1. \$3,000

Main Barn:

The Main Barn is in typical condition for a barn of its age and use. The roof appears to be slate but was mostly snow covered for this inspection. The siding is wood. The foundation is poured concrete and also stone.

- 1) Most window sashes are deteriorated and glass panes are either broken or missing. Recommend replacement. Priority 2. \$6,000
- 2) Gutters and leader drains are disconnected from each other and are in need of repair. Priority 1. \$3,000
- 3) All siding and exterior trim needs to be painted. Priority 1. \$20,000
- 4) Silos are deteriorating at the bases and could be a collapsing/falling hazard. Recommend repair. Priority 1. \$8,000
- 5) Many of the doors are not operating properly and should be repaired. Priority 3. \$1,500
- 6) The cupolas have some deteriorated wood trim. Some wood has fallen off the cupolas. Recommend repair. Priority 2. \$15,000
- 7) The shed in the cow pen is collapsing and is beyond repair. Recommend rebuilding roof or demolish. Priority 1. \$3,500
- 8) The stone walls of the cow pen have been compromised and pushed by trees and their roots. Recommend tree removal and rebuilding of stone walls. Priority 3. \$40,000
- 9) The roof was mostly snow covered for this inspection, but appears to need repair or replacement.
- 10) Trees, vines and shrubs are growing on and too close to the barn and should be dramatically cut back. Priority 1. \$4,000
- 11) All of the trees in the cow pen should be removed. Priority 3. Cost noted in point 8.
- 12) Some minor foundation repair is needed. Priority 2. \$2,500

Corn Crib:

The Corn Crib is wood framed and is on a pier type foundation and has a metal roof. Its dimensions are 20' x 36'.

- 1) Some slats on the sides are broken and rotten/deteriorated and should be repaired or replaced. Priority 2. \$500
- 2) The entire exterior needs painting. Priority 2. \$1,000
- 3) Some siding is rotted and in disrepair on gable ends. Recommend repair. Priority 2. \$1,500
- 4) The openings on the gable ends are boarded up. Recommend replace windows. Priority 3. \$2,000
- 5) The majority of the sill beams have rotted out and should be replaced. Priority 1. \$4,500
- 6) Three of the sliding doors on the gable ends are missing. Recommend replacement. Priority 3. \$4,500
- 7) One of the interior walls has cracked and is buckling in. Recommend repair. Priority 2. \$2,000
- 8) Vines, trees and shrubs are growing on and too close to the building. Recommend cutting back. Priority 1. \$1,000

Utility Shed:

The Utility Shed is wood framed with an asphalt roof.

- 1) The entire shed needs painting. Priority 2. \$2,000
- 2) The fascia and rake trim have holes in them from woodpeckers or bees. Recommend filling. Priority 2. \$300
- 3) The gable end windows are broken. Recommend replacing the glass. Priority 1. \$400
- 4) The windows need to be re-glazed. Priority 2. \$600
- 5) The back right section sill plate is rotted, siding is rotted, and walls look unstable. Recommend repair. Priority 1. \$4,000
- 6) Vines are growing on the building. Trees and shrubs are too close to the building. Recommend cutting back. Priority 1. \$1,000
- 7) There is a tree in the back that is growing against the building. Recommend removal. Priority 1. \$500

Ice House:

The Ice House is wood framed with an asphalt roof. It is currently occupied. It has no basement.

- 1) The entire exterior needs painting. Priority 1. \$ 1,500
- 2) The siding is in poor condition. Recommend replacement. Priority 2. \$4,000
- 3) The gutter came apart in the back of the house. Recommend repair. Priority 1. \$300
- 4) Water was noted dripping behind the gutters. Recommend repair or new roof. Priority 1. \$3,000
- 5) The whole house appears to be leaning. Recommend inspecting the foundation in the spring.
- 6) The siding has to be at least caulked where it is cracked. Priority 1. \$500

Studio:

The Studio is a wood framed structure with a stone foundation and an asphalt roof. It is currently occupied. It has no basement. The mechanical equipment is housed by a shed like closet attached to the Studio.

- 1) Water was noted dripping from behind the gutters, Recommend repair or new roof. Priority 1. \$4,000
- 2) Trees and vines are growing on and too close to the house. Some have started to grow onto the roof. Recommend severe pruning. Priority 1. \$1,000
- 3) The stone portion of the foundation needs to be pointed. Priority 2. \$1,500
- 4) The siding should be cleaned and treated. Priority 2. \$1,800
- 5) Some siding is missing in places. Recommend repair. Priority 1. \$700
- 6) The exterior trim should be painted. Priority 2. \$1,000
- 7) Door on exterior leading into the furnace room does not close and is missing glass. Recommend replacement. Priority 1. \$800
- 8) The rear entrance door is starting to rot on the bottom. Recommend replacement. Priority 2. \$800
- 9) Exterior lights have exposed wires and are not hung properly. Priority 1. \$500

Spackle Manor:

This is a wood framed house with a stone foundation. The roof is asphalt. It is currently occupied. It appears to have had aluminum siding installed over the previous siding. This house is in the most disrepair of all.

- 1) The porch roofs that are in the back of the house are rotted and collapsing and should be removed. Priority 1. \$2,500
- 2) Various windows are broken. Recommend replacing the broken glass. Priority 2. \$1,500
- 3) Water is leaking from behind the gutters. Recommend repair. Priority 1. \$3,000
- 4) Two chimneys should be re-pointed. Priority 1. \$1,500 ea.
- 5) All of the windows need to be re-glazed. Priority 2. \$4,000
- 6) Siding needs to be power washed. Priority 3. \$1,000
- 7) The stone foundation needs to be pointed. Priority 2. \$3,000
- 8) There are holes in the siding that should be repaired. Priority 1. \$800
- 9) Trees, shrubs and vines are growing too close to the house and should be cut back. Priority 1. \$1,000

**Observations of Roof Conditions Report
For
Pitney Farm, Mendham, NJ**

Prepared for:
The Township of Mendham
c/o Erik Sletteland

Prepared by:
Castle Ridge Construction Co., Inc.
364 Main St. Bedminster, NJ 07921
(908) 766-3500

March 7, 2011

Description of this Report:

This report was compiled to identify the areas of concern from a maintenance and prevention standpoint of the roofs on the various buildings at Pitney Farm. Each building is listed along with a brief description of the condition of the roof and then a recommendation of action to take, if any, to prevent further deterioration and ultimately, to prevent damage to the structure itself. The roof is the first line of defense in protecting a building from the elements, so it is very important to repair, replace, and maintain your roofs to protect your investment.

1. Green House:

The wood framed section of the Green House has an asphalt shingle roof. The shingles are in stable condition but they are nearing their life expectancy. There does not appear to be any signs of leaking. This roof should be removed and replaced no longer than 2-3 years from now. *Cost: \$1,200.00*

2. Gazebo:

The Gazebo roof shingles need to be removed and replaced immediately. Currently there is a tarp protecting the structure. See notes regarding sheathing in report dated 1/19/11. *Cost: \$1,700.00*

3. Tractor and Pool Shed:

The left side roof is a granular asphalt roll roof. It was recently redone and will probably last 10 or so years. The center section is a metal shingle that was painted. The paint is peeling/wearing off and metal is rusting. This condition appears to have existed for some time now. There does not appear to be any leaks. We recommend coating this roof with Hydrostop Premium Coat system. We recommend doing this within 1 year from now. This can be done immediately, but if it is not, the rust will get worse. The right side has collapsed and the roof is beyond repair. *Cost for Hydrostop on center section: \$9,400.00*

4. Wood Shed:

The Wood Shed has painted metal shingles. The paint is peeling/wearing off and the metal is rusting. This condition appears to have existed for some time now. There does not appear to be any leaks. We recommend coating this roof with Hydrostop Premium Coat system. We recommend doing this within 1 year from now. This can be done immediately, but if it is not, the rust will get worse. *Cost: \$3,200.00*

5. Main House:

The Main House has metal standing seam roofs and a section with an asphalt shingle roof. The asphalt shingle roof section has a lifespan of 3-5 years longer. There does not appear to be any leaking coming from this section. The remainder of the house has metal standing seam roofs with contiguous box gutters. There is noted in the report dated 1/19/11 many leaks from the box gutter system. During the inspection for this report, it was noted that there are leaks in various areas of the house from the metal roofs. The visual condition of the metal roofs is that they were painted, perhaps numerous times and the paint is wearing/peeling off. The metal is severely rusting in many areas. These roofs are in need of repair as soon as possible. We recommend the Hydrostop Premium Coat system. This system is a solution to the box gutters as well. *Cost: \$160,000 - \$180,000.*

6. Studio on Main House:

This section of the main house has a dimensional asphalt roof. There does not appear to be any leaks. The shingles on the skylight side have a lifespan of about 3 years left. The shingles on the entrance side need to be replaced immediately. *Cost for entrance side replacement: \$2,400.00*

7. Cottage Garage:

The Cottage Garage has a main section of painted metal shingles and a section on the right side with a granular asphalt roll roofing. The right side was recently redone and does not require repair or replacement at this time. The life of the new roof is about 10 years. The main section with the metal shingles is peeling/wearing and rusting. This condition appears to have existed for some time now. There does not appear to be any leaks. We recommend coating this roof with Hydrostop Premium Coat system. We recommend doing this within 1 year from now. This can be done immediately, but if it is not, the rust will get worse. *Cost: \$6,800.00*

8. Chauffeur's Cottage:

The Chauffeur's Cottage has an asphalt shingle roof with an asphalt box gutter. The gutter currently leaks and runs down the siding of the house in two spots. This would indicate that water could be getting inside the wall too. The roof shingles are starting to curl which indicates that their life expectancy is almost up. We were not able to get inside and explore for leaks. We recommend removal and replacement in approx. 3 years. *Cost: \$9,300.00.* We recommend repairing the box gutter where it is leaking immediately. *Cost: \$1,700.00*

9. Main Barn:

The Main Barn has a slate tile roof. No leaks were noticed at this time but this should be monitored monthly. The roof is old but in fair condition. We recommend a close monitoring of the condition and performance of this roof at this time.

10. Corn Crib:

The Corn Crib has a painted metal shingle roof. Some of these shingles are missing and need to be replaced. The metal shingles appear to have lost all of their paint and they are rusting. This condition appears to have existed for some time now. There does not appear to be any leaks except where the shingles are missing. We recommend coating this roof with Hydrostop Premium Coat system. We recommend doing this within 1 year from now. This can be done immediately, but if it is not, the rust will get worse. *Cost: \$8,900.*

11. Utility Shed:

The Utility Shed has an asphalt shingle roof. Some sections were repaired recently. The majority of the roof is in poor condition and needs removal and replacement immediately. We were not able to get inside and explore for leaks. *Cost: \$6,500.00*

12. Ice House:

The Ice House has an asphalt shingle roof. The shingles are starting to curl, indicating that they are starting to fail. We recommend removal and replacement of the north side in about 3 years and then the south side (which may have been replaced already) in 5-7 years. We were not able to get inside and explore for leaks. *Total Cost: \$3,600.00*

13. Studio:

The Studio has an asphalt shingle roof. The long side may have been replaced already at some point. It is in better condition than the short side. We recommend removal and replacement of the short side in 1 year, and the long side in 3-5 years. We were not able to get inside and explore for leaks. *Total Cost: \$3,100.00*

14. Spackle Manor:

The roof on Spackle Manor is an asphalt shingle roof. It is in very poor condition. We were not able to get inside and explore for leaks. We recommend removal and replacement immediately. *Cost: \$6,800.00.*

*****Notes:**

- Some of the buildings on the property that we were not able to get into may have the original wood shake roofing underneath the asphalt shingles. If this is the case, and removal and replacement of the asphalt roof was recommended, The cost would elevate by approx. 30% - 40% because additional layers would need to be removed, new plywood sheathing would be needed, and there would be extensive cleanup needed in the attics of the effected buildings. This would include: Spackle Manor, the Studio, the Ice House, the Utility Shed, the Chauffeur's Cottage, and the Green House.
- We are recommending Hydrostop Premium Coat system because it is not a typical roof coating. It is far more cost effective than removal and replacement of the metal roofs. When installed by a certified applicator, you will get a 10 year warranty. Product literature is enclosed



Matt DeCristofaro <matt@castleridgeconstruction.com>

Pitney Farm

James Krutzler - JK Electrical Services, LLC. <jim@jkelectricco.com>

Mon, Jan 24, 2011 at 9:53 PM

To: Matt DeCristofaro <matt@castleridgeconstruction.com>

I have comments from our walk through,

As you know some of the buildings were not accessible, so I'm assuming since what I could see has been serviced over the years it's likely those areas have been as well.

The main house has the a old 400 Amp service disconnect and I would recommend replacing this.

There are plumbing pipes running over the service area, they should be relocated, present code does not permit plumbing over electrical panels. (they can leak and cause a short or fire)

All of the buildings I saw had no ground rods, and poor or broken equipment grounding cables. I concenter this a major item.

I was able to find open wires, junction boxes and missing knock outs in each of the buildings we saw. This is generally typical for older homes, but should be addressed.

The 2nd building we looked at (full of plants in the garage) has an old fuse box, I would replace this with breakers. The wiring to the hot water heater (electric heater) is not protected and I would recommend replacing this with suitable cable or installing it in pipe.

As an overall, the building wiring is old and not even near present code, but to a visual inspection it did not appear to be in need of immediate replacement. If the buildings are going to be occupied I would recommend at a minimum to install GFCI outlets in the kitchens, bathrooms, and basements.

Hope this helps, feel free to give me a call if you need a better understanding when putting this all together.

Andrew E. Hall & Son, Inc.

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Lic #7601 HI#803400

January 17, 2011

Castle Ridge
364 Main Street
Bedminster NJ 07921

Re: 1 Cold Hill
Mendham NJ

Matt,

As per your request I have looked over a good portion of the Pitney Farm location. I was surprised to see that it appeared that most of the boilers and hot water heaters were relatively new (within 5 years) and have been relatively maintained. With a few exceptions, most everything was in good condition.

In the basement there is some remaining equipment that should be removed. The house has city water along with a well service which is illegal and should be addressed immediately to prevent cross contamination. The water conditioning equipment has been abandoned but is still connected to the water system. This can also cause cross contamination and should be removed.

Other problems include, approximately 15-20 small leaks on the water and heat lines, the water heaters should be bonded, and one of the waste and water connections is tied in illegally. Overall I would estimate the cost of the repairs to be in the area of \$7,500.00. We did not look at all of the faucets and smaller items but if any repairs are needed they would be minor. There is some brass pipe work that should be redone in copper in the future. Not that brass is bad but it tends to wear out much faster than copper.

I hope that you find this helpful. Should you have any questions please do not hesitate to contact me.

Thank you,



Andrew E. Hall
Andrew E. Hall & Son, Inc.

Ome Caterers Catering Marketing Proposal

Phase I

For

**The Pitney Farm Estate
1 Cold Hill Road
Mendham, New Jersey**

The following is a preliminary overview of proposed usage of The Pitney Farm Estate:

The Mansion:

Main Entrance:

Well situated for ease of Valet Parking.

Circular Driveway with and nearby Kathleen Pitney Smithsonian Formal Gardens are well suited for social, corporate and non-profit events.

The dimension of the front porch is adequate enough to accommodate registration/check-in for both corporate and fundraising events. The length should be wide enough for "Step & Repeat" photo backdrops

The Great Room

The Great Room addition is ideal space for a reception of approx. 125 Guests or Seated lunch or dinner for 80 Guests.

Recommendation:

Add a Conservatory from the Bay Window Side of the Great Room-with existing Doors on each side of the window-it allows for easy access to a Conservatory or Temporary Tented pavilion which can be rented as needed.

The Wall Garden:

This Garden would serve well for outdoor tented events. The removal of plantings and perhaps the center fountain would allow for a large tent to be placed in that area for weddings and other events. If the fountain remains-that would preclude a dance floor and formal dinner setting. However the Fountain could work well as the centerpiece of the space (similar to venues like the Garden Court at the Frick Museum-NYC)

The Kathleen Pitney Formal Smithsonian Garden:

This Garden is a lovely picturesque garden setting which will attract the attention of many brides and possibly designers for photo shoots.

Suggestion: When the gardens are returned to their original glory-designers and the HGTV network can be invited to tour gardens as possible site for shoots and special seasonal Garden Related broadcasts.

The Gazebo Garden:

The 1920's Classic Gazebo is the perfect setting for outdoor ceremonies. Adjacent to the Wall Garden this is a perfect setting for outdoor weddings.

The Outdoor Pool:

This space would be better served as suggested by Erik Slettleland to be filled in and turned into a reflecting pool with space around it for cocktail tables and bars-would be a lovely setting for receptions. However-the walking distance from this area to the Wall Garden may be less appealing, especially during inclement weather.

Summary of Preliminary Overview:

There are numerous event possibilities for this historic venue. With the current trend leaning away from hotels and glitzy catering halls this venue can be positioned to capture select corporate and social market share. It is suggested that a comp set be established immediately to guide the determination of site fees and groundskeeper/caretaker fees for use of the various spaces.

Preliminary Strategy:

- Establish a Pitney Farm Foundation Committee. This committee's first task should be the creation of an annual fundraiser for the preservation of this Historic Landmark. The event to take place on the property -Target Date September/October 2011.
- Establish a Corporate Sponsorship Program which could include sub-naming rights to the various gardens where appropriate.
- Invite representatives of the Smithsonian to the property for a tour of the current estate and have them offer suggestions for restoration of the gardens and surrounding space.
- Invite Museum Curators specifically trained with Early American History to avoid any changes that could damage value of the mansion and property.
- Invite key private local school groups for tours of the outside space and gardens-with local "docents" that can share the history of the Pitney Farm. This will help to evoke a buzz in the community. (there would be admission fees for group tours)
- Invite Key local event planners and community group representatives to an open house cocktail reception to introduce space and get feedback
- Offer to host a local high profile fundraising event -at a highly discounted rate to introduce space to variety of potential users.
- Offer Sponsorship Levels that will include use of the venue for one or two events per year-depending on the donation size.

The Upton Pyne Event Sales Model-

The Estate has a Groundskeeper, employed by the owners.

All inquiries to the estate are handled by Vivian Ahrens, friend of the owners and local resident who knows the area and property to the fullest extent. Ms. Ahrens is also able to leverage her many years of helping the many non-profit galas in our area to promote The Barns at Upton Pyne as a venue when the opportunity presents itself.

The Fee structure at Upton Pyne is two parts. There is a Site Fee-which is actually a set donation amount paid directly to the Charity earmarked by the estate owners.

In addition there is a groundskeeper fee which is made out to the LLC established for the estate. These monies are used to pay for labor and any other ensuing costs from hosting the event on site.

A similar model would serve Pitney Farm well and will get more attention to the property from both corporate and social sector.

The site fee could be paid to a Foundation established for Pitney Farm which would provide a tax write off to the renter. In addition a caretaker fee would be paid to the LLC account (or similar) which would be used for the expenses associated with the event at the venue. A portion would also be paid to whoever is designated to be the "gatekeeper" and handle appointments and site visits for inquiries at the venue.

Prepared by:

Diana Crisci,

Sr. Vice President, Catering Sales

973-560-4540 ext. 11

March 17, 2011



TREE-TECH

—when nature needs help...

Mountain Ridge Business Park
1248 Sussex Tpk., Box 158
Mt. Freedom, N.J. 07970
Phone: (973) 895-8930
Fax: (973) 895-5578
HICL# 13VH03469800

March 7, 2011

Pitney Farms
Attn: Mrs. Katie Porter
1 Cold Hill Road
Mendham, NJ 07945

Dear Mrs. Porter,

A site inspection was performed at Pitney Farms, and the following are my recommendations for the care and maintenance of the trees on the property.

Section I.

Take down the following red-tagged trees:

- 1) Uprooted spruce tree right side of drive/right side of guest house
- 2) Ash tree behind small barn left side of guest house growing into roof
- 3) Large apple tree next to shed along drive past main house

Prune the following trees:

- 1) (3) Blue-tagged trees in front and left side of main house, remove deadwood

Cost for the above work in Section I, \$1695 + tax

The above work is recommended to be done as soon as is possible

Section II.

- 1) Driveway Cold Hill entrance to main house, prune all trees removing deadwood, elevating, and reshaping. Also take down unsafe trees.

Cost \$3390 + tax

- 2) Guest House, prune all trees in front and back as described above in Item #1.

Cost \$3390 + tax

When Nature Needs Help...

- 3) Large red barn along drive across from main house, take down all trees in back and in front of barn.
Cost \$2700 + tax
- 4) Caretaker's House (white house), prune all trees in front and in back as described in Item #1.
Cost \$1895 + tax
- 5) Caretaker's House (red house) and barn next to it, take down all unsafe trees, and prune all other trees as above.
Cost \$3390 + tax
- 6) Shelton Road driveway, prune, as above, all trees from entrance to barn.
Cost \$1695 + tax
- 7) Roadway Cold Hill Road/Shelton Road: prune back all trees from wires; take down dead trees; prune all trees removing deadwood; chip brush on the ground; prune back trees from sidewalks on Shelton Road; and clean up area from road to fence.
Cost \$4900 + tax

Section III. Main House

- 1) Take down (2) maple trees left side of house
Cost \$2495 + tax
Option: Remove resulting wood
Cost \$ 600 + tax
- 2) (15) Maple trees (maple grove) left side, prune all trees removing deadwood, elevating, and reshaping.
Cost \$3390 + tax
- 3) Prune, as above, all apple, cherry, magnolia, etc. at left side of maple grove. Take down unsafe trees.
Cost \$3390 + tax
- 4) Prune, as above, all trees and shrubs in stonewall garden left side of house along Cold Hill Road inside and outside of walls.
Cost \$3390 + tax
- 5) Rear of Main House, all trees, all apple, cherry, ash, locust, pine, spruce, willow, cedars, beech, etc, take down unsafe trees and prune all other trees. Also chip any existing brush piles.
Cost \$13,560 + tax
- 6) Pool Area, prune all trees removing deadwood, elevating, and reshaping. Take down unsafe trees.
Cost \$1695 + tax

Section IV. Deep Root Fertilization

Deep root fertilize all trees on the property over a period of five years.

Cost \$5000 + tax Per year

Section V. Tree Care Program Options

Option 1. Individual Sprays

Code 02 Horticultural Oil

All evergreen trees and shrubs.

Cost \$600 + tax

Code 12 First Foliage Spray

All trees and shrubs, as needed, for control of leaf-chewing insects.

Cost \$1200 + tax

Code 05 Tent Caterpillar Spray

All trees, as needed, for control of tent caterpillars.

Cost \$600 + tax

Codes 7 and 21 Shrub Sprays (one in the Spring and one in the Summer)

Cost \$400 + tax / Spray

Code 17 Second Foliage Spray

All trees and shrubs, as needed, for control of leaf-sucking insects.

Cost \$1200 + tax

Code 28 Winter Protection Spray

All broadleaf evergreen trees and shrubs.

Cost \$500 + tax

Consumer Information Sheet Attached

Option 2. Plant Health Care

This program will consist of monthly visits in which our technician will monitor the condition of your trees and shrubs. If it is determined that disease or insects are present, the technician will apply the necessary treatment at that time. Following is the recommended schedule for the PHC visits:

- | | |
|-------------------------|-----------------------|
| (1) Visit in April | \$1200 + tax |
| (2) Visits in May | \$850 + tax per visit |
| (1) Visit in June | \$850 + tax |
| (1) Visit in July | \$600 + tax |
| (1) Visit in August | \$600 + tax |
| (1) Visit in October | \$600 + tax |
| Winter Protection Spray | \$500 + tax |

Pitney Farms / Tree-Tech, Inc
March 7, 2011
Page 4

Section VI.

Annual tree pruning to maintain the trees on the property. Cost \$3500 + tax per year

It has been my pleasure to provide you with these recommendations. If you have any questions, please contact me at (973) 895-8930. If you wish to proceed with any or all of the above work, please sign below and return one copy (a postage-paid envelope has been included for your convenience). Thank you for this opportunity.

Sincerely,

TREE-TECH, INC.



Ron Sloane
Managing Arborist

Work Authorized by:

(Date)

Terms and Conditions

Liability - Tree-Tech assumes full liability for injury to its own employees and to the public when caused by any act, conduct or default of the company or its employees. Tree-Tech cannot assume responsibility for hidden underground wires, irrigation systems, invisible fences, etc. Any and all damage claims must be submitted to the home office within 24 hours for submission to our insurance company. Tree-Tech will not be held accountable for any unauthorized repairs.

1. I do hereby state I am the legal homeowner and/or the responsible party for the property being serviced. I further state I will only request work within the boundaries of my property.
2. Schedule dates are not possible; all jobs will be performed unannounced due to weather and possible scheduling conflicts. Special requests to be home could result in the delay of scheduling tree work in a timely fashion.
3. Once tree work is authorized, failure to give 24 hours cancellation notice may result in a \$75.00 charge.
4. Any discrepancies regarding our services must be reported to the office within 15 days or Tree-Tech cannot be held responsible.
5. Prices are subject to increase if any changes are made from the original contract.
6. Any permits required are the sole responsibility of the homeowner. If permits are not obtained and work is halted as a result customer will pay for all downtime of crew.
7. If the usage of a utility company should be required, any additional charges will be the sole responsibility of the homeowner, and will be in addition to the contract price.
8. All resulting branches will be chipped and removed from site. Woodchips will be dumped upon request only. Once dumped, woodchips cannot be spread, moved or removed from site.
9. All resulting branches/wood above chipping diameter will be cut to approx. 22"-24" and stacked at each workstation.
10. Splitting and/or moving wood is not included. Wood can be removed from site for an additional charge.
11. If concrete or other objects are found in a tree, prices are subject to change for the cutting portion of our charges.
12. Lawn areas will be wire raked, some twigs and sawdust may remain. Due to heavy machinery lawn ruts may occur.
13. Stumps will be cut as low as possible by chainsaw.
14. Stumps may be ground below grade level for an additional charge, and the grindings will be raked back into a pile over the resulting hole. Spreading or removing grindings is not included. Exposed roots may remain, but can be ground for an additional cost.
15. Stump Grinding is performed and billed on a separate day.
16. All time and material prices include travel time portal-to-portal plus dumping trees.
17. All prices are subject to State Sales Tax. Failure to pay State Sales Tax could result in penalties and/or fines.
18. All invoices are net 10 days. Payments are the sole responsibility of the customer. Tree-Tech does not accept payment from insurance companies or from a third party.
19. A Certificate of Insurance is available upon request.

NOTICE TO CONSUMER:

YOU MAY CANCEL THIS CONTRACT AT ANY TIME BEFORE MIDNIGHT OF THE THIRD BUSINESS DAY AFTER RECEIVING A COPY OF THIS CONTRACT. IF YOU WISH TO CANCEL THIS CONTRACT, YOU MUST EITHER:

1. SEND A SIGNED AND DATED WRITTEN NOTICE OF CANCELLATION BY REGISTERED OR CERTIFIED MAIL, RETURN RECEIPT REQUESTED.

OR

2. PERSONALLY DELIVER A SIGNED AND DATED WRITTEN NOTICE OF CANCELLATION TO:

Tree-Tech, Inc.
1248 Sussex Tpk., Box 158
Mt. Freedom, NJ 07970
(973) 895-8930

If you cancel this contract within the three-day period, you are entitled to a full refund of your money. Refunds must be made within 30 days of the contractor's receipt of the cancellation notice.

CONSUMER INFORMATION SHEET

Pesticides are chemical substances used to control living organisms and vary in degree of toxicity. Pesticides may be part of a good pest control program. Sanitation, as well as physical and biological control measures should be considered as another part of a good pest control program.

Tree Tech973-895-8930
NJ Dept. of Health800-367-6543

NJ Poison Information800-222-1222
NJ Dept. of Environmental Protection609-292-3131

| Spray No. | Description | Time | Control | Formulations per 100 Gallons |
|-----------|----------------------------|-----------------------|--|--|
| 1. | Dormant/Deciduous Trees | April | Scales | 2 gallons Horticultural Oil |
| 2. | Dormant/Evergreens, Shrubs | April | Scales & Mites | 2 gallons Horticultural Oil |
| 3. | Dormant/Elm | April | Elm Bark Beetles | 2 qt. Astro |
| 4. | Delayed Dormant/Fruits | April (late) | Scales & Mites | 2 gallons Horticultural Oil |
| 5. | Tent Caterpillar Spray | April (late) | Tent Caterpillar | 1 oz. Tempo II |
| 6. | BT Foliage | May | Spruce Gail Aphids | 1 quart Bacillus Thuringiensis |
| 7. | Spring Shrub Spray | April/May | Sawfly, Weevil, Mites and Lacebug | 1 1/2 oz. Tempo II |
| 8. | First Disease Spray | May (early) | Anthracnose, Tip Blight & Leaf Blotch | 6 oz. Banner |
| 9. | Fruit Petal Spray | May (early) | Scab, Rust & Apple Maggots | 8 lb. Fruit Spray, 1/2 lb. Cleary 3336 |
| 10. | Spruce Spray | May (early) | Spruce Gail Aphids | 6 oz. Talstar |
| 11. | First Leafminer Spray | May | Holly & Birch Leafminers | 1/3 lb. Orthene |
| 12. | First Foliage Spray | May | Inchworm, Gypsy Moth & Lacebugs | 1 oz. Tempo II |
| 13. | Birch Borer Spray | May | Bronza Birch Borer | 2 qt. Astro |
| 14. | Second Disease Spray | May (mid) | Anthracnose, Tip Blight & Leaf Blotch | 6 oz. Banner |
| 15. | First Fruit Cover Spray | May (mid) | Scab, Rust & Leaf-eaters | 1 lb. Imidan, 2 pounds Captain |
| 16. | Third Disease Spray | June (early) | Anthracnose, Tip Blight & Leaf Blotch | 6 oz. Banner |
| 17. | Second Foliage Spray | June/July | Aphids & Scale Crawlers | 6 oz. Talstar |
| 18. | Second Fruit Cover Spray | June (3rd week) | Scab, Rust & Mites | 8 lb. Fruit Spray, 1/2 lb. Cleary 3336 |
| 19. | Second Leafminer Spray | June | Holly & Birch Leafminers | 1/3 lb. Orthene |
| 20. | Elm Leaf Beetle Spray | July (early) | Elm Leaf Beetles | 1 1/2 oz. Tempo II |
| 21. | Summer Shrub Spray | July | Mites, Whiteflies & Black Vine Weevils | 4 oz. Avid |
| 22. | Japanese Beetle Spray | July | Japanese Beetles | 4 oz. Avid |
| 23. | Tuliptree Spray | July | Aphids | 6 oz. Talstar |
| 24. | Hemlock Scale Spray | July | Hemlock & Florida Scales | 1 gallon Summer Oil |
| 25. | Fall Webworm Spray | August | Fall Webworms | 1 oz. Tempo II |
| 26. | Summer Fruit Cover Spray | August | Rust, Scab & Mites | 8 lb. Fruit Spray, 1/2 lb. Cleary 3336 |
| 27. | Woolly Aphid Spray | September | Woolly Aphids in Hemlocks | 2 gallons Horticultural Oil |
| 28. | Winter Protection Spray | November/ February | Transpiration, Drying, Scald | Winter Shield |
| 29. | Tick Guard Spray | April | Tick Breeding Areas | 1 1/2 oz. Tempo II |
| 30. | Tick Guard Spray | May | Tick Breeding Areas | 1 1/2 oz. Tempo II |
| 31. | Tick Guard Spray | June | Tick Breeding Areas | 1 1/2 oz. Tempo II |
| 32. | Tick Guard Spray | July | Tick Breeding Areas | 1 1/2 oz. Tempo II |
| 33. | Tick Guard Spray | August | Tick Breeding Areas | 1 1/2 oz. Tempo II |
| 34. | Tick Guard Spray | September | Tick Breeding Areas | 1 1/2 oz. Tempo II |
| 35. | Tick Guard Spray | October | Tick Breeding Areas | 1 1/2 oz. Tempo II |
| 36-42 | Custom Spray | April - Sept. | As needed | As needed |
| 01-20. | Plant Health Care (PHC) | March-Winter | As needed | As needed |

All formulations, with the exception of Dormant Sprays, are to include 3 ounces of Spreader-Sticker per 100 gallons.

A copy of the pesticide label is available upon client request.

CAUTION: The above materials are harmful if swallowed. Avoid breathing of spray mist or contact with skin.

Terms and Conditions:

Liability - TREE-TECH assumes full liability for injury to its own employees and to the public when caused by an act, conduct or default of the company or its employees. The company cannot assume responsibility for hidden underground wires, including but not limited to, irrigation wiring, invisible fences, etc.

- TREE-TECH, Inc. is fully insured, as required by N.J. State law.
- One (1) hour drying time is sufficient for the safety of your pets and will not require re-spraying in the event of rain.
- All crews will arrive unannounced due to weather and timing factors.
- Any discrepancies regarding our services must be reported to the main office within 10 days or TREE-TECH cannot be held responsible.
- TREE-TECH is a member of the National Arborist Association (NAA) with New Jersey Certified Tree Experts on staff.
- Payment Terms are Net 10 days. A service charge of 1 1/2% per month (18% annually) will be added to accounts over 30 days.
- All prices subject to N.J. Sales Tax.
- A \$30.00 charge will be added to your account for checks returned by the bank.

Goggin & Assos.
82 Mountain Ave.
Mendham, NJ 07945

Estimate

Name/Address

Mendham Township
Pitney Farms
Gold Hill Rd
Mendham, N.J.
07945

| Date | Estimate No. | Project |
|----------|--------------|---------|
| 02/10/11 | 51 | |

| Item | Description | Quantity | Cost | Total |
|--------------|---|----------|----------|-----------|
| Tree Pruning | On the left of the main drive formative prune the two crabapple. | | 125.00 | 125.00T |
| tree Removal | On the left side of the drive, remove the leaning white pine encroaching on the nearby plant material. | | 300.00 | 300.00T |
| tree Removal | On the right side of the drive remove the dead, leaning spruce tree. | | 250.00 | 250.00T |
| Tree Pruning | On the right side of the drive, in the front yard of the first home, prune the two large Norway maple to remove deadwood and provide roof and building clearance of 8-10'. | | 300.00 | 300.00T |
| tree Removal | Prune the maple in the rear to provide clearance as above. | | 50.00 | 50.00T |
| Tree Pruning | On the right side of the drive, prune the Norway maple over the garage to provide roof clearance, remove other small Norway maple, same area. | | 250.00 | 250.00T |
| tree Removal | Remove several Alanthus in garage/barn area. | | 500.00 | 500.00T |
| Tree Pruning | Safety prune 15 maples between main house and Gold Hill Rd, remove deadwood 3" in diameter and greater, flush cut stump in this area. Install/upgrade cable braces as necessary. | | 2,800.00 | 2,800.00T |
| Tree Pruning | Prune the locust in front of the main house to remove deadwood 3" in diameter and larger, install cable brace aloft. | | 300.00 | 300.00T |
| Tree Pruning | Prune the two sugar maple on the left side of the main house to remove deadwood 3" in diameter and larger, thin heavily to remove weight and provide building clearance. Install/upgrade cables as necessary. | | 450.00 | 450.00T |
| tree Removal | Remove the red maple rear of the main house under the wires (girdling roots). | | 350.00 | 350.00T |
| Tree Pruning | Prune the box elder in the same area away from the wires, thin and remove deadwood. | | 150.00 | 150.00T |
| | | | Total | |

Goggin & Assos.
82 Mountain Ave.
Mendham, NJ 07945

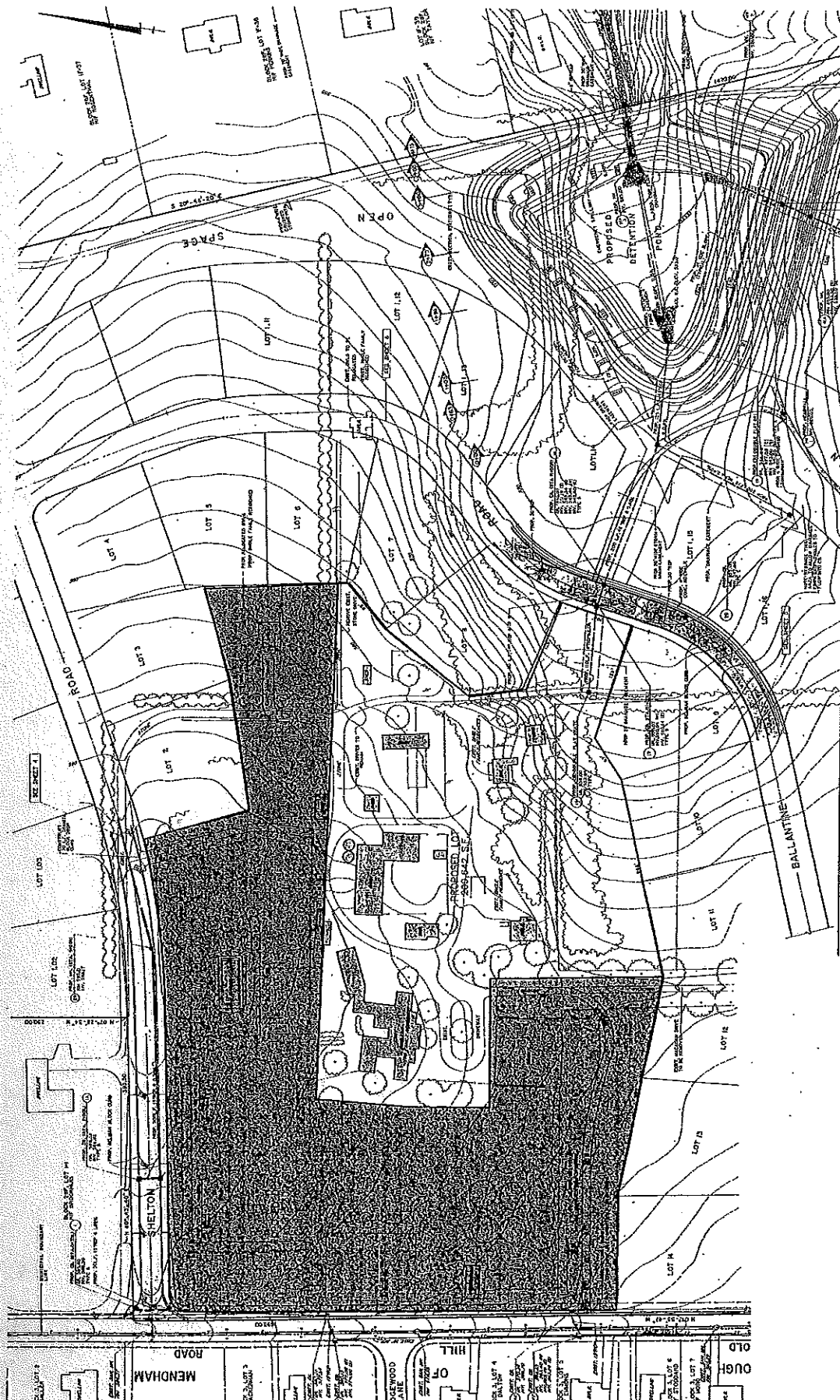
Estimate

Name/Address

Mendham Township
Pitney Farms
Cold Hill Rd
Mendham, N.J.
07945

| Date | Estimate No. | Project |
|----------|--------------|---------|
| 02/10/11 | 51 | |

| Item | Description | Quantity | Cost | Total |
|--------------|---|----------|----------|------------|
| Tree Pruning | Prune the apple orchard, both sides of the Alle leading up to the main house. | | 2,500.00 | 2,500.00T |
| | Sales Tax | | 7.00% | 582.75 |
| | | | Total | \$8,907.75 |

[illegible]

GENERAL CONSTRUCTION NOTES

1. THE SITE PLAN INFORMATION SHOWN HEREON IS BASED ON A PLAN ENTITLED, "SITE GRADING PLAN AND PROFILE," PREPARED BY MARSHALL DATTOLI ASSOCIATES OF 86 S. MAPLE AVENUE, RIDGEWOOD, N.J., SIGNED AND DATED OCTOBER 15, 1965.

TOWNSHIP OF MENDHAM

Date: December 8, 2010

To: Brian Boden, Pitney Farm Committee

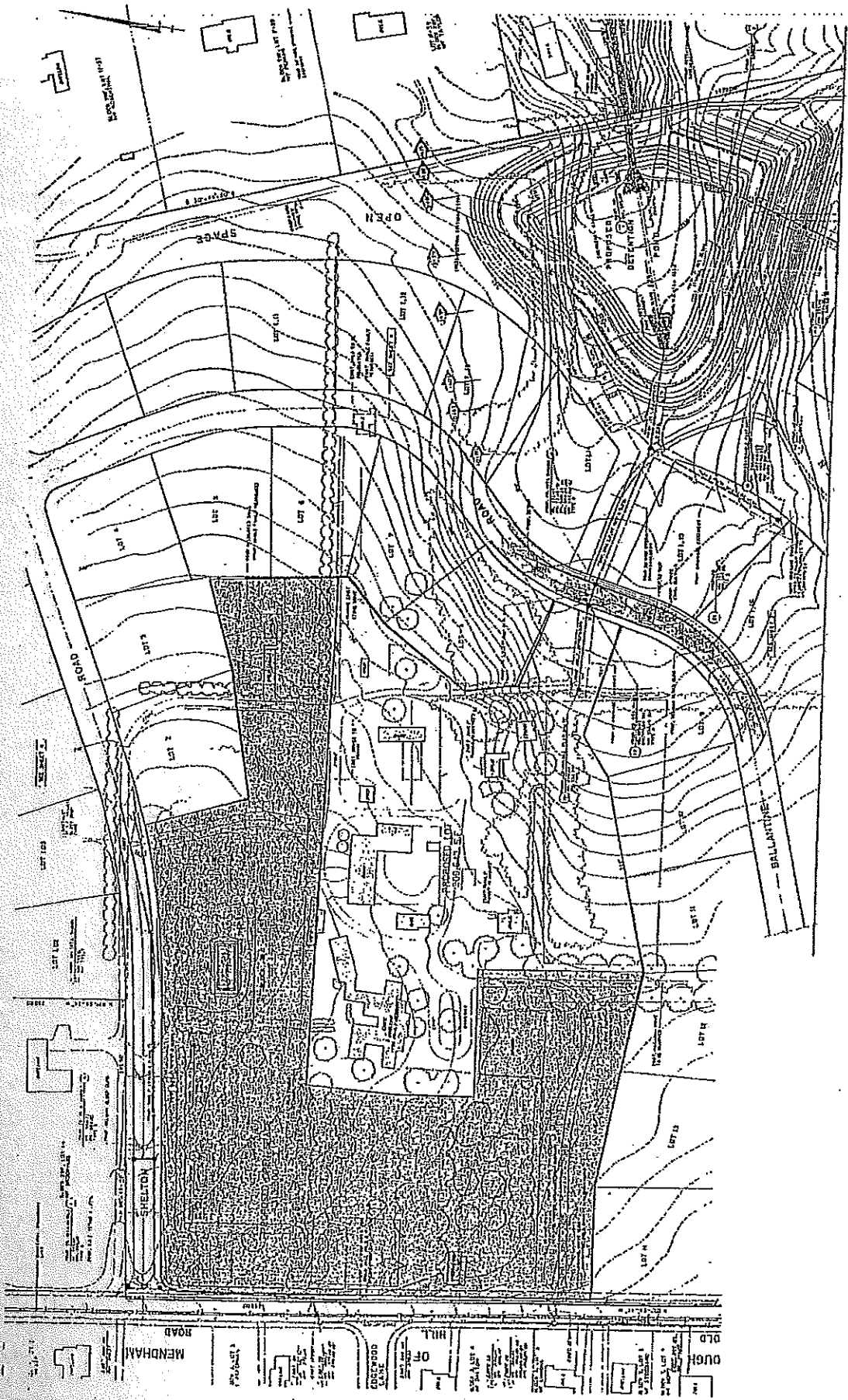
From: Stephen Mountain, Township Administrator *SM*

Re: Requested Information -- Pitney Farm

Please find the information requested pertaining to the Pitney Farm property. The attached include, the property appraisal conducted at the time of acquisition, a plot map (8 1/2 x 11 size) illustrating the open space and non-open space areas of the property) and a historic analysis of the Pitney property commissioned by the Township at the time of the purchase. We do not have any other reports on the property or its physical resources; however, there is additional information on the property in the Assessor's records. If you feel that information would be helpful, please advise and I can arrange to have photocopies made for you.

You also asked about the restrictions on the property relating to the open space preservation area. These restrictions pertain to the area denoted by the gray shading on the attached map (7 acres). The restrictions prohibit the construction of any structures or land disturbance beyond routine maintenance. We would be permitted to continue land use activities already in place within the area at the time of purchase such as the continued maintenance and use of the garden areas. Structures pre-existing within the area would also be permitted to be used as they were established at the time of acquisition (i.e. the green house). It was also established at the time of acquisition that if the access road needed to be relocated at any time in the future that such a change would be allowable even if it ran through the open space. Finally, disturbance to the open space for either storm-water management or in support of septic facilities would also be allowable.

I hope the information above, along with the attachments are of assistance. If you need anything further from me or would like me to attend a future meeting of the committee to review the open space restrictions, please advise.



GENERAL CONSTRUCTION NOTES
 1. THE SITE PLAN INFORMATION SHOWN HEREON IS BASED ON
 A. THE SITE PLAN INFORMATION SHOWN HEREON IS BASED ON
 BY MARSHALL BATTOLI ASSOCIATES, INC. 12. 1988.

| | | |
|--------------------|--|---|
| | | SITE OF PROJECT PINNEY FARM LOT 1, BLOCK 13.01 TOWNSHIP OF MENDHAM, HUNTERDON COUNTY, N.J. 07033 |
| SCALE 1" = 100' | | SHEET NO. 1 OF 1 |

| NO. | DATE | DESCRIPTION |
|-----|----------|-------------|
| 1 | 12. 1988 | PRELIMINARY |
| 2 | | |
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CRCG

CULTURAL RESOURCE
CONSULTING GROUP

Historic Preservation & Archaeology

www.crcg.net

October 15, 2008

Stephen P. Mountain, Township Administrator
Mendham Township
2 West Main Street
P.O. Box 520
Brookside, NJ 07926

RE: Analysis
Pitney Farm
Cold Hill Road
Block 131.01, Lot 1
Mendham Township, Morris County, New Jersey
CRCG #08-088-01

Dear Mr. Mountain:

Attached please find the results of CRCG's investigation of the following items:

- A review of New Jersey-Historic Preservation Office files
- A review of the Historic Preservation Plan element of Mendham Township's Master Plan
- Site specific research pertaining to the subject property and preliminary evaluation of significance
- A review of planning/feasibility studies pertaining to the Mendham Township Municipal Complex

A review of the New Jersey-Historic Preservation Office files

A review of the New Jersey-Historic Preservation Office (NJ-HPO) files for the Pitney Farm indicated that it was surveyed 1986-1987 as part of a historic sites survey of Mendham Township (Foster 1986:1419-018). According to the survey, the farmhouse was constructed in 1760, augmented by later additions, and incorporated both Federal and Victorian era detailing. Regarding the additions, the surveyor noted that in spite of the fact that the 18th century dwelling was completely "engulfed," it was still recognizable at the center of the building as evidenced by its 3-bay, side-hall plan, gambrel roof, and elliptical fanlight (Foster 1986:1419-018). The surveyor also noted the presence of a large, vertical-sided 19th-century barn complex and two frame tenant houses on the property, all of which were "well sited in a large property, still largely devoted to crops and domestic gardens" (Foster 1986:1419-018).

Corporate Office
415 Cleveland Avenue
Highland Park, NJ 08904
T. 732.247.8880
F. 732.247.2888

New York Office
P.O. Box 250881
New York, NY 10025
T. 212.807.1606
F. 212.316.2036

The subject property was found to be potentially eligible as an individual landmark for its historical associations with the Pitney family, whose multiple generations have inhabited the property since 1760, and have lived in Mendham Township since 1740. In addition to the family's long-term residency, the surveyor noted the significance of Henry Pitney, who "achieved fame" as a lawyer and as a New Jersey Supreme Court justice (Foster 1986: 1419-018). Following the survey's recommendation, there has not been any official determination by the NJ-HPO regarding the subject property's eligibility for National Register listing.

A review of the Historic Preservation Plan element of Mendham Township's Master Plan

The Historic Preservation Plan element of Mendham Township's Master Plan lists the Pitney Farm among the Township's multiple properties that have been identified by the Mendham Township Historic Preservation Committee (MT-HPC) but not formally designated (i.e., listed on the National Register of Historic Places). Although the plan does not discuss the significance of the Pitney Farm, it recommends that the MT-HPC encourage "preservation through recognition and educational efforts," adding that "[e]very effort should be made to preserve the important historic resources contained in the Listing" (Mendham Township 2001; revised 2002:7).

Another component of the plan discusses the presence of 18th- and 19th-century trees located along the thoroughfares of its historic districts, as well as in various areas outside of these districts. The plan maintains that "ancient trees often have historic significance in [and] of themselves" and "should be preserved wherever possible" (Mendham Township 2001; revised 2002:8). Beyond individual trees that are historic in nature, the plan also notes that much of the historic significance of the Township is tied to entire landscapes "that are representative of early American rural life" and urges large-scale preservation efforts that are not limited to individual sites (Mendham Township 2001; revised 2002:10). The plan concludes that acquisition of historically significant land forms the most effective means of preservation for the Township (Mendham Township 2001; revised 2002:10).

In accordance with the Master Plan, the MT-HPC should have an advisory role to the Planning Board in reviewing and approving proposed changes to any historic resources in the Township. However, in the absence of any historic preservation ordinance, this role is not substantiated by the New Jersey Municipal Land Use Law, especially with regard to the review of municipally owned properties. Nonetheless, as is customary, the MT-HPC should be given an opportunity to review and comment on any proposals for the subject property since it is within its purview to consider both the significance of the individual resources contained within the subject property and the significance of the property as a whole in order to be able to assess the effects of the proposal on them.

Site specific research pertaining to the subject property and preliminary evaluation of significance

History

Site specific research on file at the Morristown Library and the Mendham Township Municipal Offices and Library, along with an interview with Mrs. J. Duncan Pitney and her son, Erik Sletteland on June 20, 2008, yielded information about the Pitney family and the evolution of its farmstead in Mendham Township back to the mid-late eighteenth century. The first member of the Pitney family to arrive in the Mendham area was James Pitney, III (c.1692-1755), who most likely resided at "Pitney Clearing," located along a bridle path between Mendham and Morristown, as early as 1722 (Pitney 2001:1). In 1760, James's son, Jonathan (1721-1778), acquired 196 acres of farm land encompassing the subject property (Pitney c.1926:1). After selling off 54 of these acres, Jonathan lost the remaining 142 acres in a judgment against him (presumably for non-payment to the previous owner of the property) (Pitney c.1926:1). James, IV (1722-1809) (James's III's son and Jonathan's brother) subsequently purchased the judgment and received full title to his brother's land in 1771, and purchased an additional 150 acres in 1779 (Pitney c.1926:1). In 1802, James's son, Mahlon, I (1759-1834), a Revolutionary War veteran, inherited the subject property from his father. In turn, Mahlon, I, bequeathed the subject property to his son, Mahlon, II (1795-1863), in 1834 (Pitney c.1926:2). Following Mahlon, II's death in 1863, he deeded the property to his son, Henry Cooper Pitney (1827-1911) (Pitney c.1926:2). Henry increased the acreage of the farm to 200 acres during his tenure and deeded the property to his son, John O.H. Pitney (1860-1928), upon his death. In 1923, John augmented the family's holdings by acquiring 50 of the 54 acres of the original land that Jonathan Pitney had owned and sold (Pitney c.1926:3). The property was subsequently conveyed to his son, John B. Pitney, who in turn deeded it to his son, J. Duncan Pitney.

Although no documentation has been uncovered concerning the original date of construction for the farmhouse, a legal agreement between James and Jonathan Pitney dating to the mid-late eighteenth century reference a dwelling on the property from this period. In addition, the construction of the 2½-story portion of the dwelling is consistent with another dwelling in the area known as the Thompson House which was built in 1745. This evidence suggests that this portion of the house dates to c.1775 (or possibly earlier) which would have been consistent with the period in which Jonathan Pitney originally acquired the property (1760). It was also surmised that a 2-story east wing was most likely added c.1826 when Mahlon Pitney, II, lived on the farm (Pitney 1926:4). A painting of the subject property by Edward Cranach from 1854 shows the 2½-story original section and 2-story east wing fronted by a landscaped yard, driveway, and cow pasture and garden to the south, with multiple outbuildings to the east. A map from 1910 shows a host of unidentified buildings, along with a "cottage" to the east of the farm complex and "barracks" further east, all contained within a 200-acre property owned by Henry C. Pitney (Mueller 1910).

The house underwent a substantial renovation in 1925, which consisted of a rear kitchen extension with rooms above, along with the introduction of a sun porch to the west with a room above (Pitney c.1926:16). A music room was added to the rear of the original section in 1935, with additional renovations occurring during the 1960s (Interview with Erik Sletteland, 6/20/08). A separate cottage located to the east of the farmhouse was

constructed toward the end of Mahlon II's life, c.1860. The outbuildings in this portion of the property were built after a fire destroyed the former structures in 1907. A greenhouse located southwest of the farmhouse was constructed in 1924 with an addition in 1971 (Interview with Erik Sletteland, 6/20/08). Another cottage known as the Brookside Cottage was built c.1910 and a chauffeur house was built in the 1930s (Pitney c.1926:5; Interview with Erik Sletteland, 6/20/08). Other improvements during the 1930s included the introduction of a breezeway connecting the garage to the house, walled garden, swimming pool and other outbuildings (Interview with Erik Sletteland, 6/20/08). A studio was added to the rear of the house during the 1970s, while a hay barn was damaged by fire in 1982 (Anonymous 1982:n.p.).

Little information was uncovered concerning the family's farming activities during the mid to late eighteenth century, while more information was found concerning these activities later on. Starting in the early nineteenth century, the two main sources of income for the family were the production of apple brandy at a mill on the property and the sale of iron ore from a mine in Dover. Whereas Mahlon, I, was unable to keep the business financially solvent during his lifetime, his son, Mahlon, II, revived the business and assumed direct responsibility for carting and selling the ore and brandy to markets in New York and Newark (Pitney c.1926:8). Mahlon, II, also installed the first aqueduct in Mendham Village, having instigated a pumping system that enabled area farms to draw water. Unlike his father and grandfather, Henry Cooper Pitney did not farm the land himself, but instead maintained a law practice in Morristown and subsequently leased the subject property to tenant farmers between 1889 and 1907, investing profits from the farming operations back into the equipment (Anonymous 1961:n.p.). It was during this period that the farm began cultivating peaches known as "Morris Whites" which commanded high prices at the farmer's market in New York. However, the peach business was short-lived, having to compete with the farm's ongoing apple brandy operations and iron transport—in addition to cultivating grain, raising cattle, pigs, and sheep, and producing butter (Weiss 1986:51). Following Henry Pitney's death in 1911, the farm ceased apple brandy production and the mill was demolished. In the twentieth century, crops were typically rotated in a cycle of corn, oats, and wheat, with a year to regenerate. In addition, the farm continued its dairy operations which had been a long-time staple of activity. In 1960, J. Duncan Pitney ceased dairy operations, while a local dairy farmer rented the land to cultivate corn and bale hay to feed livestock. In 1989, 58 acres surrounding the subject property was sold in order to construct a single-family dwelling subdivision (Lyons 1989:n.p.).

Beyond his family farm operations, Henry Cooper Pitney distinguished himself both as a lawyer practicing in Morristown and as a Vice Chancellor of the Chancery Court. Upon graduating from Princeton in 1848, he studied under Theodore D. Little and former New Jersey Supreme Court Justice Ira C. Whitehead and established his own practice in Morristown in 1851. He and his wife, Sarah, moved to 133 Madison Avenue in Morristown in 1853, where they raised their children, Henry, Jr., Mahlon, III, John, Catherine, Mary, and Frederic, and spent weekends at the family farm (Weiss 1986:28). Henry, Jr., Mahlon, III, and John eventually became lawyers (Weiss 1986:28). Among his many titles, Henry Pitney was one of the founders and directors for the National Iron Bank of Morristown (1858), Prosecutor of the Court of Common Pleas (1862-1867), President of the Morris Aqueduct (1869), Member of the Board of Visitors Rutgers Agricultural College (1871-1879),

a founder of the Morris County Savings Bank (1874), an original trustee of the Morristown Library and Lyceum (1878), Vice Chancellor of the Chancery Court (1889-1907), and a trustee of the first Presbyterian church of Morristown (Pitney 2001:7-8).

Henry Cooper Pitney, Jr. (1856-1936) had the distinction of being one of the oldest practicing lawyers in New Jersey at the time of his death in 1936 (Anonymous 1936b:n.p.). In addition to devoting himself his family's law practice in Morristown, Henry, Jr. served as Advisory Master and a Special Master in Chancery (Anonymous 1936b:n.p.). His brother, Mahlon, III, had the distinction of being a New Jersey Supreme Court judge, New Jersey chancellor, and United Supreme Court justice. John O.H. Pitney, together with John Hardin, co-founded the esteemed Morristown firm of Pitney Hardin in 1902 (now Day Pitney LLP).

Significance

A preliminary evaluation of the Pitney Farm suggests that it has multiple layers of significance, owing to its long-standing association with the Pitney family, who were not only early inhabitants of Mendham, but also made significant contributions to the development of agriculture in the region with their production of apple brandy.

The subject property is also potentially significant for its associations with the following Pitney family members:

- Mahlon Pitney, II - Locally significant for his contributions to the development of the first aqueduct in Mendham.
- Henry Cooper Pitney - State-wide significance for his contributions to New Jersey law
- Henry Cooper Pitney, Jr. - State-wide significance for his contributions to New Jersey law
- Mahlon Pitney, III - National significance for his contributions to United States law
- John O.H. Pitney - Local significance for his contributions to Morristown law

The subject property is also potentially significant for being a distinct representation of a mid- to late-18th-century to mid-20th-century farmstead whose activities included the cultivation of crops and livestock throughout this time period, and in later years, prize-winning gardens which garnered national recognition (Interview with Erik Sletteland, 6/20/08).

A review of planning/feasibility studies pertaining to the Mendham Township Municipal Complex

Since the bulk of planning and feasibility studies addressing municipal and library services focus on current space constraints, programmatic needs, and existing building conditions, there was not a lot of relevant information to be gleaned from the majority of reports concerning the history, historical significance, and potential effects of redevelopment on the subject property. Accordingly, this section highlights the relevant data from Banisch

Associates' *Municipal Facilities Siting Analysis* (2008) since it is germane to the historical aspects of the subject property.

Regarding the Pitney Farm's significance, the report notes that the 12-acre farmstead, "demonstrates the evolution of the multi-generational homestead of an important and influential family that traces its roots to the Revolution," adding, "Walled and un-walled gardens, historic buildings and structures including barns and residences and gracious gardens retain an aura of a by-gone era features" (Banisch Associates, Inc. 2008:2).

The study recommended a two-site solution, facilitated by the retention of police, fire, and emergency services at the municipal complex and the relocation of administrative and library services to the Pitney Farm (Banisch Associates, Inc. 2008:11). Further, the report proposed an alternative in which the subject property would be subdivided into 4 lots, with 3 of the lots set aside as open space for the community and 1 of the lots (referred to as "the core of the Pitney homestead") dedicated to serving the Township's needs to provide municipal and library services (Banisch Associates, Inc. 2008:11). The report concluded that the foregoing re-use scenario was the preferred alternative, contingent upon the award of public funding to finance the acquisition of the open space components. It also noted that in the absence of such funding, the Township would have the opportunity to still move forward with its plan, albeit in a more limited capacity (Banisch Associates, Inc. 2008:12).

Conclusions and Recommendations

Despite the lack of any formal determination from the NJ-HPO, preliminary research indicates that the Pitney Farm has multi-layered significance as one of Mendham's oldest extant farmsteads and for its association with various family members who have distinguished themselves in the areas of local, state, and federal law. Further, this significance has been affirmed by the MT-HPC which has recommended that the subject property be preserved in perpetuity through acquisition by the Township, and by the 1986-1987 survey of the property which found it to be potentially eligible for National Register listing.

Potential for Regulatory Oversight

Currently there is no regulatory oversight of the subject property on the state or federal levels, thereby enabling the Township to consider a variety of re-use scenarios. As noted, the most recent planning study by Banisch Associates recommended a subdivision of the subject property into 4 zoning lots, 3 of which to be preserved as open space via county open space funding, and 1 of which to be redeveloped as administrative and library space for the Township. It is not anticipated that the application for open space funding for these zoning lots will incur oversight from the NJ-HPO.

On the other hand, there is a remote possibility that an interested individual or party may seek to get the subject property listed on the New Jersey and National Registers of Historic Places. The listing of a property on the New Jersey Register of Historic Places is a pre-cursor to National Register listing and does not require owner consent for publicly-owned properties. Listing on the state register would entail project permitting via the New Jersey

State Register Act (NJSRA) since any proposal for redevelopment of the subject property would involve municipal, county, or state funding and represent an encroachment on a New Jersey Register listed resource. Similar to the process that informed the development of the Mendham Township Firehouse, the NJSRA would incur the submission of a Project Act for Authorization Application to the NJ-HPO for a review of technical completion, and a presentation to the Historic Sites Council for authorization. Because of the multi-layered significance of the subject property, it is highly likely that any review involving the NJ-HPO and the Historic Sites Council would involve intense scrutiny by these independent entities.

Conversely, listing on the National Register of Historic Places *does* require owner consent, though the ramifications of listing can be effected simply through a finding of National Register eligibility by the NJ-HPO which has no owner consent requirement. However, in order for regulatory oversight to be incurred, there would have to be some type of federal involvement in the project via federal land ownership, permitting, and/or funding. Since no federal involvement is anticipated for the redevelopment, an eligibility determination by the NJ-HPO would most likely not result in any regulatory oversight of the project.

Recommendations


Regardless of the state's involvement, it is recommended that the Township assemble a design team that has experience in Historic Preservation since it is only through an informed process that considers historic resources that the Township's objectives will be met to maximize its assets. Incorporating historic preservation analysis into the design process is consistent with the Township, which has had a long history of making informed decisions about appropriateness when dealing with historic resources in spite of the lack of any outside regulatory controls. Additionally, a pro-active effort to understand and address the historic issues affecting the property will enable the Township to be prepared in the event any regulatory oversight is incurred through New Jersey Register listing or otherwise.

In order to address the cultural resource sensitivities of the farmstead, CRCG is recommending a Preservation Plan to be incorporated into the conceptual design process. This study will enable the Township to delineate the character-defining elements and resources of the property, as well as those areas where change can be accommodated. As part of this research, it is also recommended that the Pitney family members be interviewed so as to glean as much information as possible about interpretations and future uses of the farm. It is anticipated that following the conceptual design process the Township will want to engage an engineer to study the feasibility of the re-use scenarios emanating from this process.

As a firm that has had the opportunity to evaluate thousands of historic resources throughout New Jersey and the tri-state area, CRCG is of the opinion that the Pitney Farm is an exceptionally important resource that merits serious study before making any decisions about redevelopment. Ultimately, a process that responds to programmatic needs within the context of Historic Preservation will enable the Township to consider all potential alternatives for its redevelopment, thereby enabling it to choose the alternative that best suits its needs.

Please feel free to contact me if you have any questions or comments regarding the information and analysis contained within this letter report.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "Gregory Dietrich".

Gregory G. Dietrich
Sr. Architectural Historian
CRCH-NY

Sources:

Anonymous

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Mendham Township

2001 Historic Preservation Plan. *Mendham Township Master Plan*. Revised April 4, 2002.

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1910 Atlas of Morris County. Part of Passaic and Mendham Townships.

Pitney, John O.H.

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2001 *Henry Cooper Pitney: 1827-1911*. Philip H. Pitney, Bernardsville, N.J. On file at the Free Public Library of Morristown.

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1986 Henry Cooper Pitney. *Morris County Magazine*. Autumn.

APPRAISAL OF REAL PROPERTY

SELF-CONTAINED APPRAISAL REPORT

**PITNEY FARM
1 COLD HILL ROAD
BLOCK: 131.01 - LOT: 1
MENDHAM TOWNSHIP**

**OWNED BY:
DUNCAN J. PITNEY**

**AS OF:
DECEMBER 13, 2007**

**PREPARED BY:
INTEGRA REALTY RESOURCES-
NORTHERN NEW JERSEY
IRR FILE NO. 807678**

INTEGRA Realty Resources
NORTHERN NEW JERSEY
Local Expertise...Nationally

July 23, 2008

Mr. Stephen Mountain
Business Administrator
Township of Mendham
PO Box 520
Brookside, New Jersey 07926

RE: Self-Contained Appraisal Report
Pitney Farm
1 Cold Hill Road
Block: 131.01 – Lot: 1
Mendham Township, Morris County, NJ
Owned By: Duncan J. Pitney

Dear Mr. Mountain:

In accordance with your request, we have completed our inspection and appraisal of the above referenced property. The subject property consists of approximately 12± acres of residential land accessible by way of Cold Hill Road with additional access from Shelton Road. The property consists of an 11,800± square foot dwelling, originally constructed in the early 1700's, with numerous expansions and renovations. This dwelling, commonly referred to as the Main House, contains ten bedrooms and seven bathrooms. There are also a variety of dwellings and other improvements located on the property. The attached report provides essential data and detailed reasoning employed in formulating the final value estimate.

The appraisal will be used by Mendham Township and their affiliates, as a basis for funding of the acquisition of the subject property. The analyses, opinions, and conclusions were prepared by the undersigned. Basic assumptions and limiting conditions of the valuation are detailed in the attached report. We note that the subject property is located in the New Jersey Highlands Planning Area, as opposed to the Preservation Area. Therefore, there are no restrictions that would limit the development or redevelopment of the subject site.

We have been requested by you to value the subject site based on our estimate of its highest and best use, which is for a the utilization of a combination of some of the existing improvements, as well as razing some of the improvements and subdividing the subject land so that a variety of new building lots can be obtained.

IRR.

Mr. Stephen Mountain
July 23, 2008
Page 2

After carefully considering supply and demand factors influencing the property and transactions of competitive properties, we estimate the market value of the 12 \pm acres and improvements, as of December 13, 2007, to be:

FOUR MILLION TWO HUNDRED THOUSAND DOLLARS
(\$4,200,000)

We note that we are not professional engineers. We have relied on guidance from the municipal engineer, Thomas R. Lemanowicz, PE, PP, CME of Maser Consulting, with regard to the subject's development potential and the costs associated with improving the property. If further engineering should be provided, our value estimate may be subject to change.

As of the date of this report, Matthew S. Krauser has complied with the applicable license and certification requirements as set forth by the State of New Jersey.

It has been a pleasure to be of service to you in formulating the value estimate and in preparing the enclosed report.

Respectfully submitted,

**INTEGRA REALTY RESOURCES -
NORTHERN NEW JERSEY**



Matthew S. Krauser, Director
SCGREa Lic. #RG 01912

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EXECUTIVE SUMMARY

Appraisal Date:

December 13, 2007

Property Identification:

Pitney Farm
1 Cold Hill Road
Block: 131.01 – Lot: 1
Mendham Township, Morris County, NJ

Interest Appraised:

Unencumbered fee simple including all known encumbrances

Land Area:

12± Acres

Property Description:

The subject property consists of 12± acres of irregularly shaped land located along the eastern side of Cold Hill Road, south side of Shelton Road, and the north and west side of Ballantine Road in Mendham Township, Morris County, New Jersey. The subject site is currently improved with an 11,800± square foot, two and one-half story single family residential dwelling, as well as several other dwellings and outbuildings.

Zoning:

R-2, One Family Residential Zone (2 acre min. lot size)

Highest and Best Use:

The highest and best use of the subject property is for the subject site to be subdivided into 4 single family residential building lots, with the "main" dwelling, as well as the "cottage" to be located on one, 5± acre lot. The remaining five acres will be used for three potential 2 to 2.7± acre building lots. Any costs associated with demolition will be offset by the ability for the improvements to generate income while the approval process is being completed. Additionally, it may be possible for some of the existing improvements to be utilized on some of the potential lots.

Nature of Acquisition:

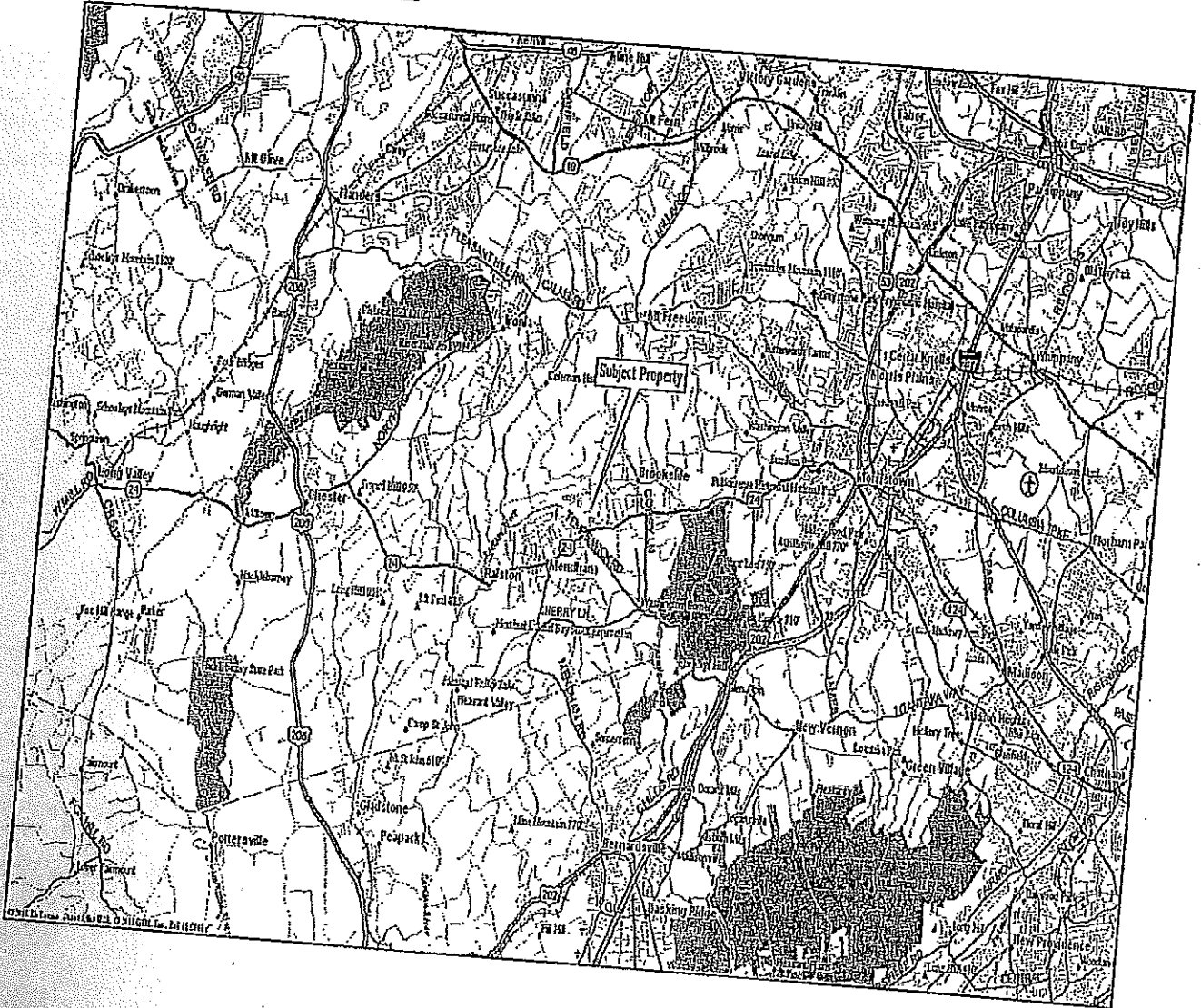
Total Acquisition of the land and improvements

Final Value Estimate:

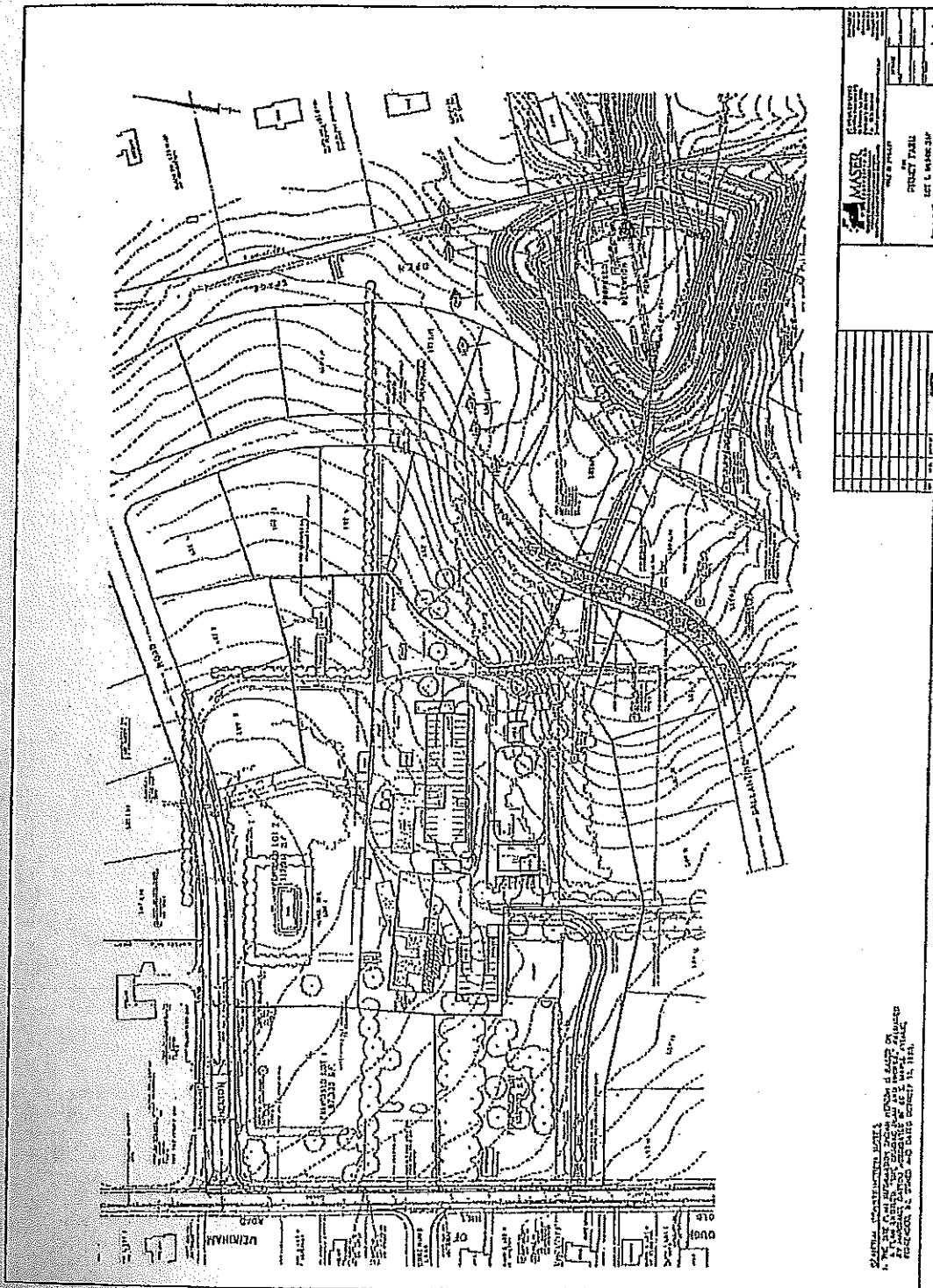
\$4,200,000

Note: All definitions used in this report have been taken from "Real Estate Appraisal Terminology," sponsored by the Appraisal Institute's 4th Edition of Real Estate.

LOCATION MAP



MASER FOUR LOT CONCEPT PLAN



BANISCH ASSOCIATES

PITNEY FARM EXISTING BUILDINGS AND POOL

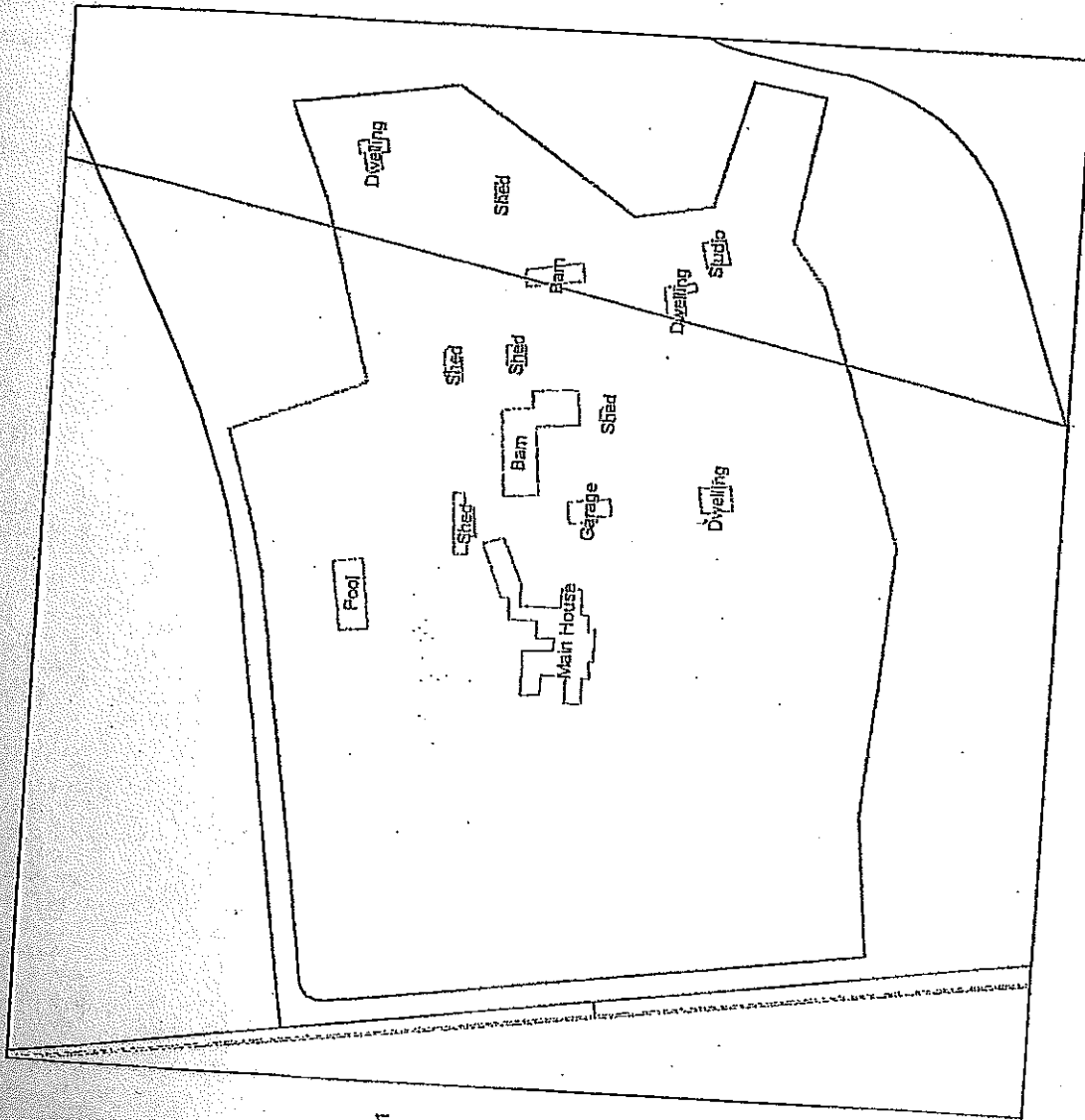


Figure 11
Pitney Farm
Existing Buildings
and Pool
Block 131.01, Lot 1
Mendham Township
Morris County, NJ

October 2007

Legend

- PitneyFarmBldgs
- Block 131.01, Lot 1
- 12 Acres



Map Location within
Mendham Township



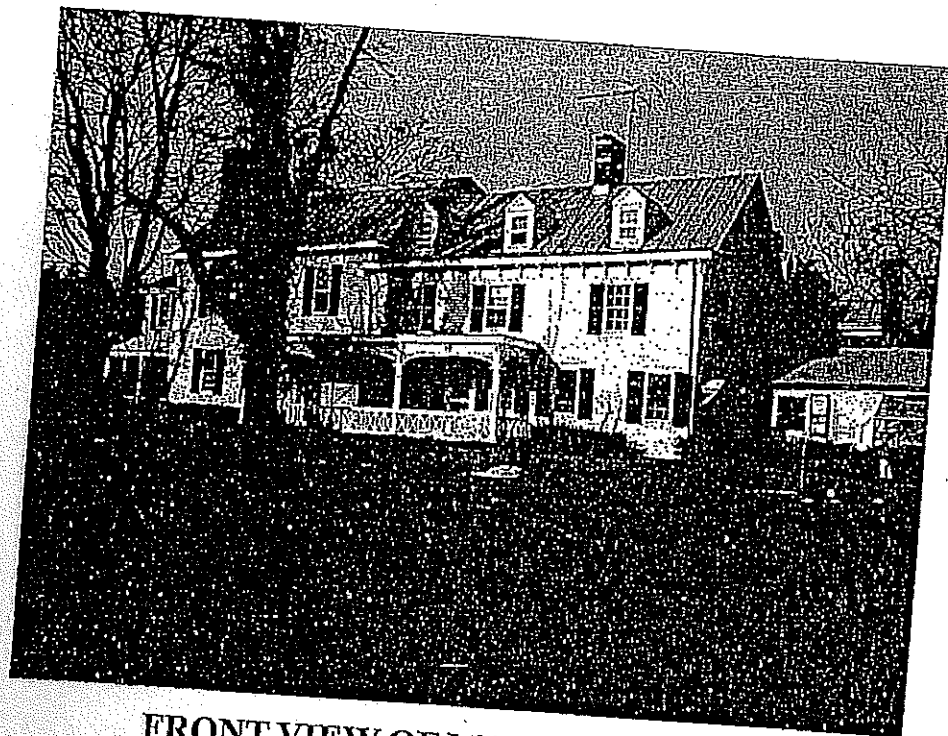
0 50 100 200
Feet

Data Sources: NDEP
New Jersey Highlands Council

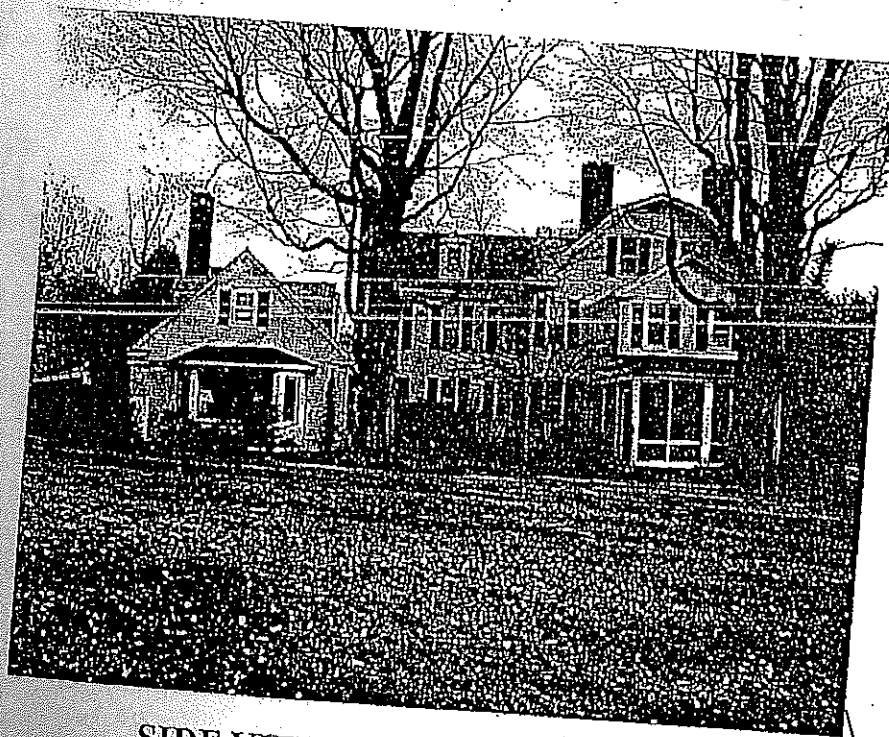
This map was prepared using best current information, and
Banisch Associates, Inc. does not warrant the accuracy or
completeness of the information. Banisch Associates, Inc.
shall not be liable for any damages or losses resulting from
the use of this information.

BANISCH
ASSOCIATES, INC.
Planning and Design

PICTORIAL SUMMARY

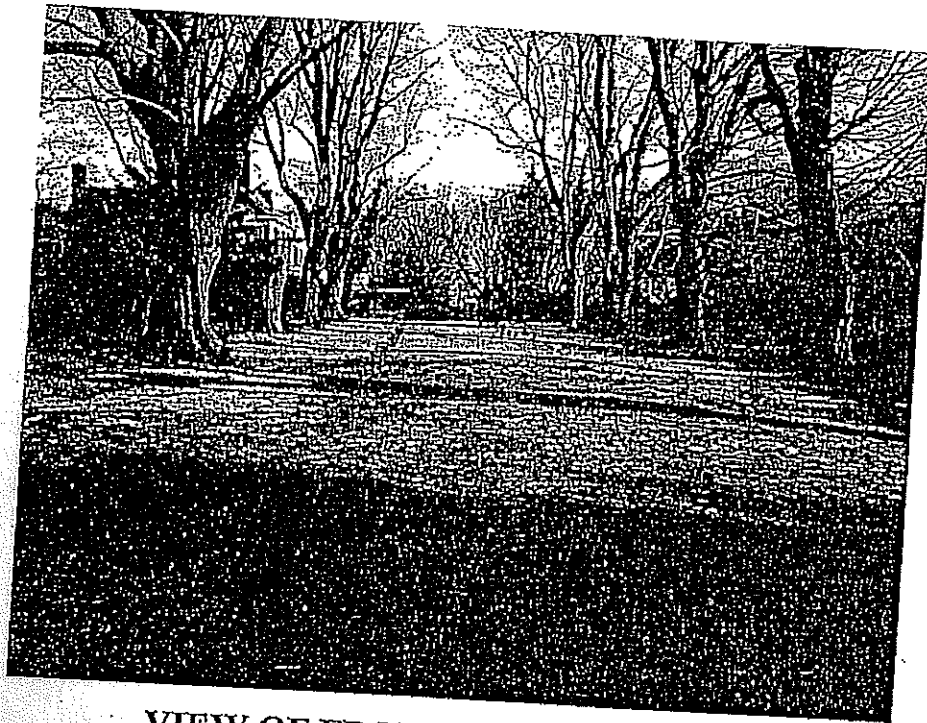


FRONT VIEW OF MAIN DWELLING

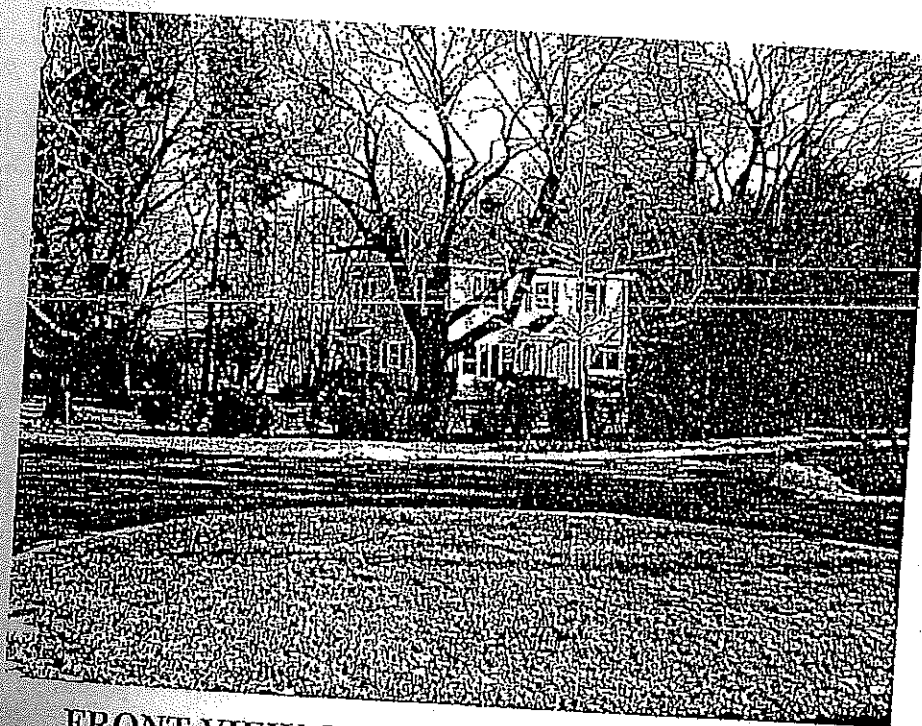


SIDE VIEW OF MAIN DWELLING

PICTORIAL SUMMARY

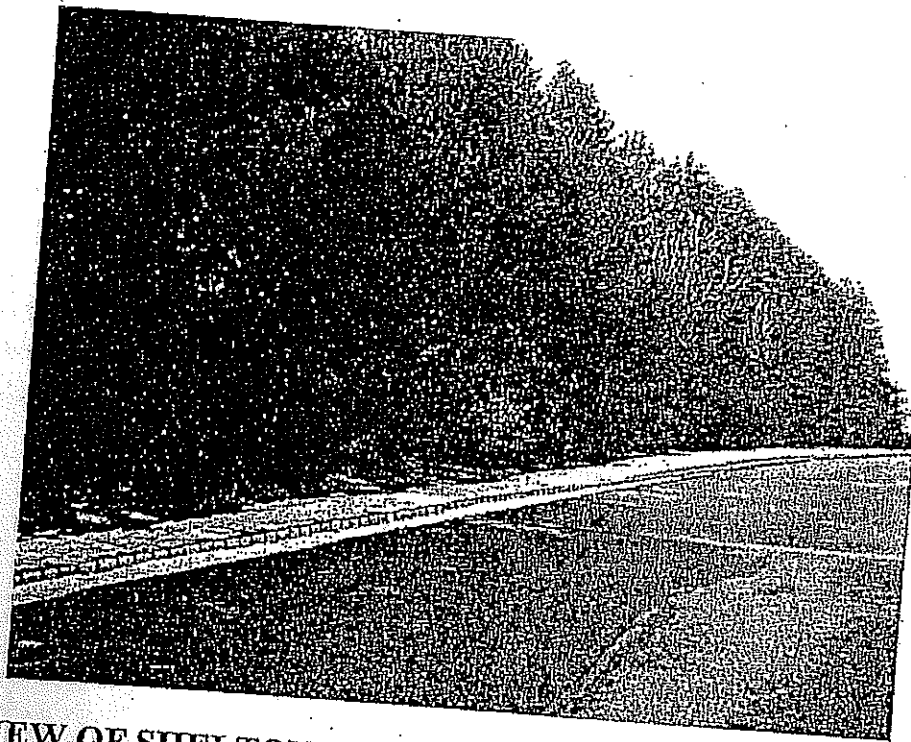


VIEW OF FRONT/SIDE GROUNDS



FRONT VIEW OF COTTAGE FACING EAST

PICTORIAL SUMMARY



VIEW OF SHELTON ROAD FRONTAGE FACING WEST



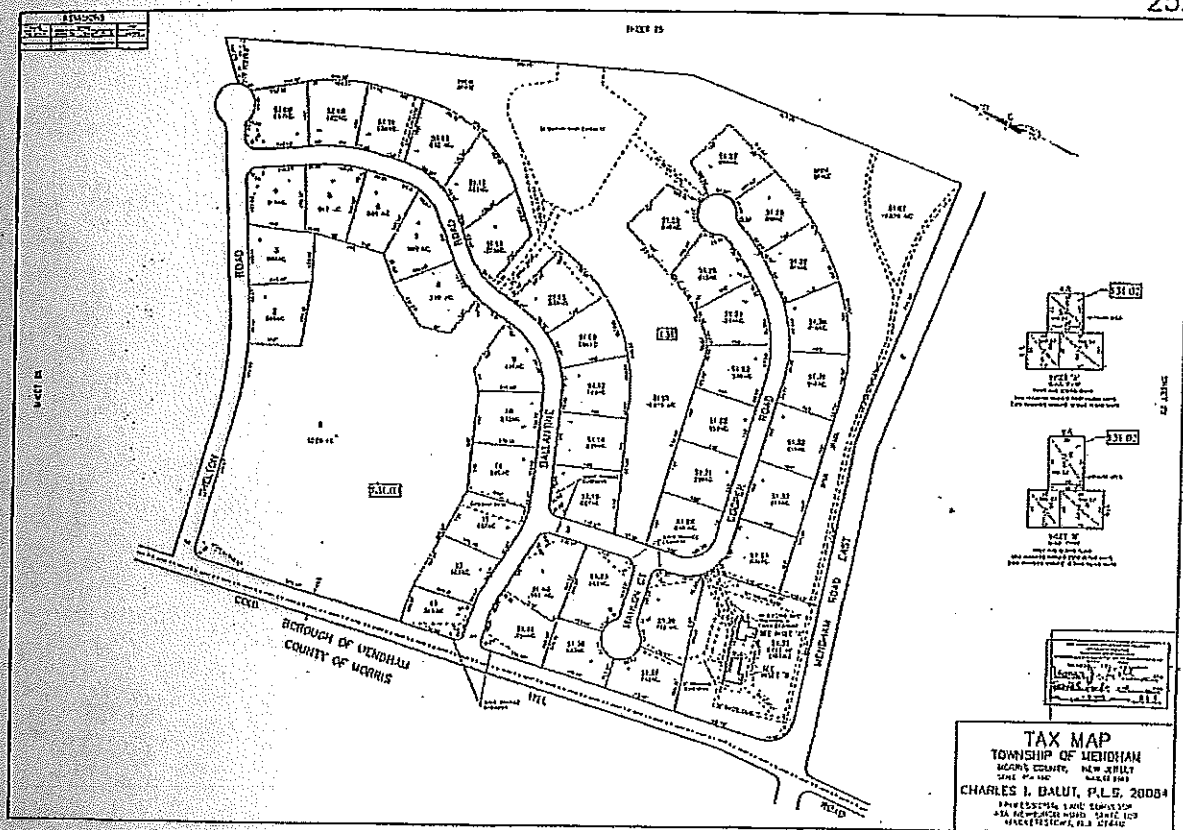
VIEW OF COLD HILL ROAD FRONTAGE FACING SOUTH

GENERAL INFORMATION

IDENTIFICATION OF PROPERTY

The subject property is located on the east side of Cold Hill Road, south side of Shelton Road and north and west side of Ballantine Road in Mendham Township, Morris County, New Jersey. The municipal tax records indicate that the subject property is known as Block: 131.01 – Lots: 1 in Mendham Township. The subject property is commonly referred to as Pitney Farm located at 1 Cold Hill Road.

The following is the tax map of the subject property and surrounding area.



PURPOSE AND SCOPE OF THE APPRAISAL

Integra Realty Resources-Northern New Jersey has been requested by Mendham Township and their affiliates to conduct a valuation analysis of the entire property hereinafter described, as of December 13, 2007. The appraisal is in conjunction with the Uniform Standards for Professional Appraisal Practice.

The valuation process will consider all of the approaches to value; namely, the Cost Approach, Sales Comparison Approach, and Income Approach. However, since the subject property consists of vacant land in one of the scenarios, only the Sales Comparison Approach will be applied as it relates to the subject property's highest and best use scenario. Additionally, we will value the subject property with some of the existing improvements to remain. Therefore, a Cost Approach for the existing "shell" of the improvements will be valued.

HISTORY OF THE SUBJECT PROPERTY

The subject property is currently has been in the Pitney family for numerous generations and therefore, has not sold within the past five years and is not currently for sale. However, there is currently negotiations between the Pitney family and Mendham Township to sell the property to the municipality.

DEFINITION OF MARKET VALUE

The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under undue duress.

Fundamental assumptions and conditions presumed in this definition are:

1. buyer and seller are motivated by self-interest.
2. buyer and seller are well informed and are acting prudently.
3. the property is exposed for a reasonable time on the open market.
4. payment is made in cash, its equivalent, or in specified financing terms.
5. specified financing, if any, may be the financing actually in place or on terms generally available for the property type in its locale on the effective appraisal date.
6. the effect, if any, on the amount of market value of atypical financing, services, or fees shall be clearly and precisely revealed in the appraisal report.

Source: Appraisal Institute, "The Appraisal of Real Estate," 12th Edition (Chicago: Appraisal Institute. 2001).

PROPERTY RIGHTS APPRAISED

The property has been appraised in the "fee simple estate", free and clear of all encumbrances. The analysis and conclusions submitted in this report reflect market conditions prevailing as of December 13, 2007.

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: *Appraisal Institute, The Dictionary of Real Estate Appraisal, Third Edition (Chicago: Appraisal Institute, 1993), p. 204.*

EXPOSURE TIME

According to the Appraisal Standards Board of The Appraisal Foundation, the estimated exposure time may be defined as the estimated length of time the property interest being appraised would have been exposed to the market prior to the hypothetical consummation of a sale at the estimated market value on the effective date of the appraisal; a retrospective estimate based upon an analysis of past events assuming a competitive and open market.

Exposure time is a function of price, time and use, not an isolated estimate of time alone. The reasonable exposure time inherent in a market value concept is always presumed to precede the effective date of the appraisal. The fact that exposure time is always presumed to occur prior to the effective date of the appraisal is substantiated by related facts in the appraisal process: the use of current cost information and supply/demand conditions as of the effective date of the appraisal; the analysis of historical sales information (sold after exposure and after completion of negotiations between the seller and buyer); and the analysis of future income expectancy estimated from the effective date of the appraisal.

Exposure time is different for various types of real estate and under various market conditions. Based on our valuation conclusion and considering current marketing conditions, we estimate a reasonable exposure time of approximately six to nine months for the subject. Our estimate considers the analysis presented herein, the current supply of directly and indirectly competitive properties available in the market, and the demand from typical buyers for this property type. The exposure time estimate does not anticipate any dramatic changes from the micro or macro economic conditions presented in this report.

CLIENT, INTENDED USER AND INTENDED USE

The client and intended user is Stephen Mountain on behalf of Mendham Township. The intended use is to establish the market value of the subject property for potential acquisition. The appraisal is not intended for any other use or user, other than Mendham Township and their affiliates.

APPLICABLE REQUIREMENTS

This appraisal is intended to conform to the requirements of the following:

- *Uniform Standards of Professional Appraisal Practice (USPAP)*
- *Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute*
- *New Jersey Department of Environmental Green Acres Program Requirements*

SCOPE OF WORK

To determine the appropriate scope of work for the assignment, we considered the intended use of the appraisal, the needs of the user, the complexity of the property, and other pertinent factors. Our concluded scope of work is described below.

Valuation Methodology

Appraisers usually consider the use of three approaches to value when developing a market value opinion for real property. These are the cost approach, sales comparison approach, and income capitalization approach. Use of the approaches in this assignment is summarized as follows:

| APPROACHES TO VALUE | | |
|--------------------------------|--------------------------|-------------------|
| Approach | Applicability to Subject | Use in Assignment |
| Cost Approach | Applicable | Utilized |
| Sales Comparison Approach | Most applicable | Utilized |
| Income Capitalization Approach | Not applicable | Utilized |

Because the subject is improved with several residential improvements, only the Cost Approach and the Sales comparison approach are considered applicable in developing an opinion of value for the subject. Additionally, we will consider the Sales Comparison Approach when valuing the site based on a four lot potential residential subdivision.

Property Inspection

Matthew S. Krauser conducted an on-site inspection of the property on several occasions.

Report Format

This report is prepared under the self-contained report option of Standards Rule 2-2 (a) of USPAP. Accordingly, the report contains all information significant to the solution of the appraisal problem.

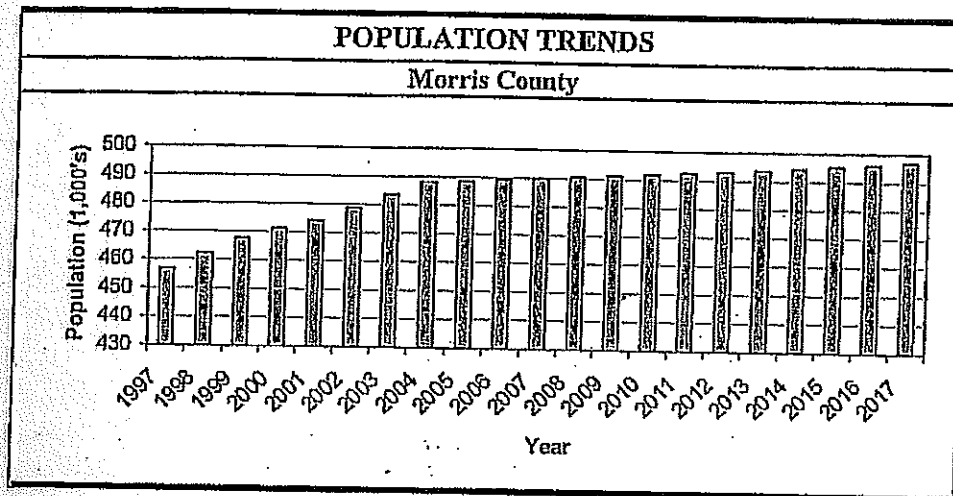
ECONOMIC ANALYSIS

MORRIS COUNTY AREA ANALYSIS

An analysis of population, employment, and income trends for Morris County and the State of New Jersey is performed using data provided by NPA Data Services, a recognized source.

POPULATION

Historical and projected population trends for Morris County are charted below:



The population of Morris County increased at a compounded annual rate of 0.46% from 2002 to 2007. For the same time period, the State of New Jersey grew at a compounded annual rate of approximately 0.38%. Over the last ten years Morris County's average annual compound change was 0.70%, compared to 0.61% for the State of New Jersey.

Looking ahead, both Morris County and the State of New Jersey are anticipated to experience continued growth, with future population estimates reflecting growth rates less than those experienced in the past. For the period 2007 to 2017, the populations of Morris County and the State of New Jersey are expected to increase by an average annual compound rate of 0.14% and 0.15%, respectively. For the next five years, the population of Morris County should grow at a similar rate as the ten year average.

| POPULATION TRENDS COMPARISON | | | | | |
|-----------------------------------|------|--------------------|---------------|--------------------|-------------|
| State of New Jersey | | | Morris County | | |
| | Year | Population (000's) | % Change | Population (000's) | % Change |
| Historical | 1997 | 8,218.8 | | 457.0 | |
| | 2002 | 8,576.1 | 4.3% | 478.8 | 4.8% |
| | 2003 | 8,640.0 | 0.7% | 483.5 | 1.0% |
| | 2004 | 8,685.2 | 0.5% | 488.2 | 1.0% |
| | 2005 | 8,717.9 | 0.4% | 488.6 | 0.1% |
| | 2006 | 8,732.7 | 0.2% | 489.2 | 0.1% |
| Current | 2007 | 8,738.2 | 0.1% | 489.9 | 0.1% |
| | 2008 | 8,745.2 | 0.1% | 490.6 | 0.1% |
| | 2009 | 8,753.8 | 0.1% | 491.3 | 0.1% |
| Projected | 2010 | 8,762.3 | 0.1% | 491.9 | 0.1% |
| | 2011 | 8,772.7 | 0.1% | 492.5 | 0.1% |
| | 2012 | 8,784.8 | 0.1% | 493.1 | 0.1% |
| | 2017 | 8,865.8 | 0.9% | 497.0 | 0.8% |
| Average Annual Compound Change | | Historical | | | |
| | | Past 5 years | | 0.38% | |
| | | Past 10 years | | 0.61% | |
| | | Projected | | | |
| | | Next 5 years | | 0.11% | |
| | | Next 10 years | | 0.15% | |

Source: NPA Data Services, Inc.; compiled by IRR.

EMPLOYMENT

Employment trends for both Morris County and the State of New Jersey should follow a pattern similar to the population trends for these areas, although at higher rates of increase. From 2002 to 2007, Morris County's employment grew at an average annual compound rate of 2.10% compared to 1.17% for the State of New Jersey. These figures indicate that Morris County surpassed the State of New Jersey in employment growth over the last five years. Looking back ten years, Morris County's employment grew at an average annual compound rate of 2.24%, compared to the State of New Jersey's growth rate of 1.33%.

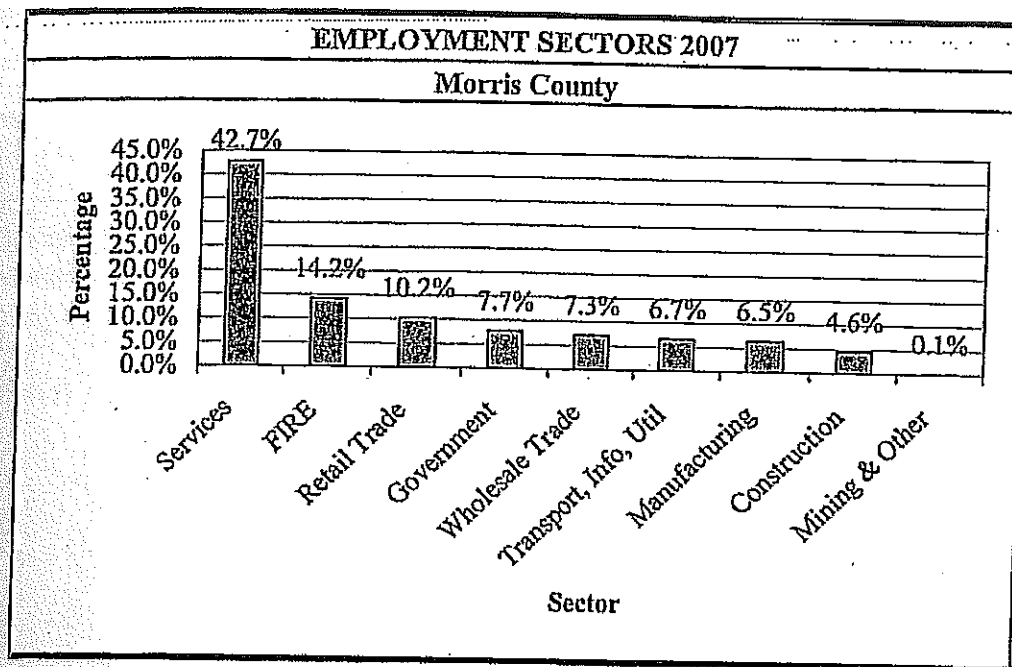
Over the next five and ten years Morris County employment growth should exceed the State of New Jersey growth rate. From 2007 to 2012, Morris County should grow by a 1.99% average annual growth rate, while the long term projection, 2007 to 2017, is for a 1.64% increase. For the same periods, employment in the State of New Jersey is expected to grow at average annual compound rates of 1.21% and 0.94%, respectively. Employment gains are a strong indicator of economic health and generally correlate with real estate demand. Historically, Morris County has exceeded the State of New Jersey's growth rate, suggesting that Morris County's relative position is strengthening.

Employment trends for Morris County and the State of New Jersey are presented in the following chart.

| NON-FARM EMPLOYMENT TRENDS COMPARISON | | | | | |
|--|------|--------------------|---------------|--------------------|----------|
| State of New Jersey | | | Morris County | | |
| | Year | Employment (000's) | % Change | Employment (000's) | % Change |
| Historical | 1997 | 4,441.8 | | 321.0 | |
| | 2002 | 4,785.2 | 7.7% | 361.1 | 12.5% |
| | 2003 | 4,816.8 | 0.7% | 360.8 | -0.1% |
| | 2004 | 4,873.2 | 1.2% | 370.2 | 2.6% |
| | 2005 | 4,931.2 | 1.2% | 379.9 | 2.6% |
| Current | 2006 | 5,007.7 | 1.6% | 390.0 | 2.7% |
| | 2007 | 5,070.7 | 1.3% | 400.7 | 2.7% |
| | 2008 | 5,128.8 | 1.1% | 410.5 | 2.5% |
| Projected | 2009 | 5,193.7 | 1.3% | 419.8 | 2.3% |
| | 2010 | 5,260.0 | 1.3% | 428.5 | 2.1% |
| | 2011 | 5,324.4 | 1.2% | 435.7 | 1.7% |
| | 2012 | 5,384.7 | 1.1% | 442.2 | 1.5% |
| | 2017 | 5,568.1 | 3.4% | 471.4 | 6.6% |
| Average Annual | | Historical | | | |
| Compound Change | | Past 5 years | 1.17% | | 2.10% |
| | | Past 10 years | 1.33% | | 2.24% |
| | | Projected | | | |
| | | Next 5 years | 1.21% | | 1.99% |
| | | Next 10 years | 0.94% | | 1.64% |
| Source: NPA Data Services, Inc.; compiled by IRR | | | | | |

The following chart depicts the current distribution of employment by industry. In 2007, the largest employment sectors in Morris County are:

- Services (42.7%)
- FIRE (14.2%)
- Retail Trade (10.2%)
- Government (7.7%)



By comparison, the State of New Jersey's largest employment sectors are Services (42.2%), Government (13.4%), Retail Trade (11.2%), and FIRE (10.1%).

Over the past five years, the largest meaningful percentage gains in employment within Morris County occurred within the Wholesale Trade and FIRE sectors with annual average compound growth rates of 4.29% and 4.03%, respectively.

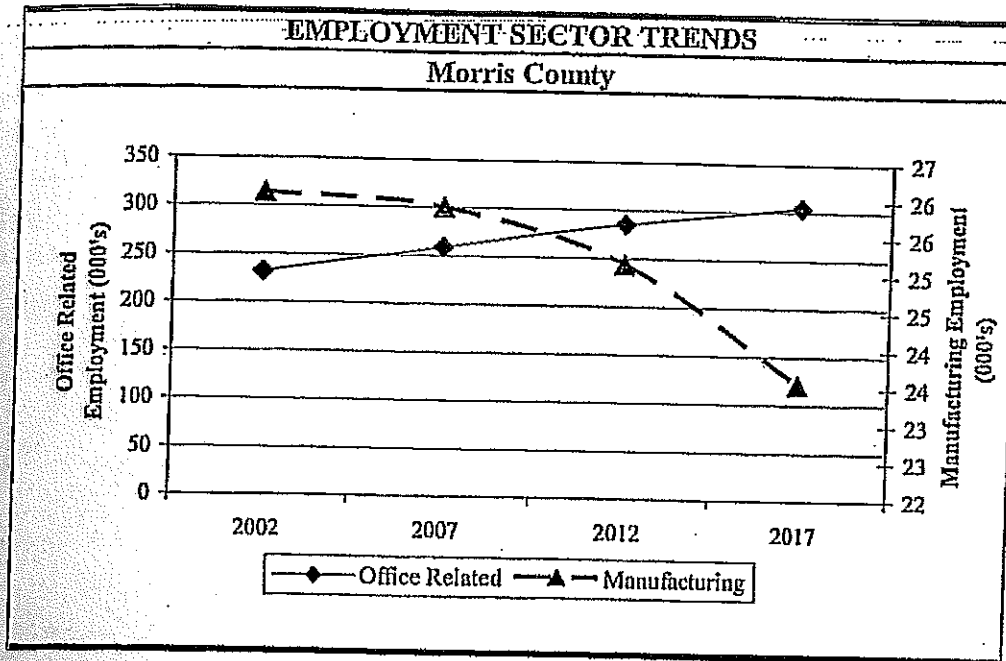
For the State of New Jersey, the largest meaningful gains in employment over the past five years occurred within the FIRE and Government sectors with annual average compound growth rates of 2.39% and 1.69%, respectively.

Ten year projections for Morris County show Wholesale Trade related employment leading all other sectors with FIRE second. The forecast for the State of New Jersey has Wholesale Trade related employment leading all other sectors with FIRE second.

| EMPLOYMENT SECTOR TRENDS | | | | | | | | |
|---|-------|-------|---------------|-------|-------|-------------|---------|---------|
| Morris County | | | | | | | | |
| | 2002 | 2007 | % of Total | 2012 | 2017 | Change Rate | | |
| | | | | | | '02-'07 | '07-'12 | '07-'17 |
| Total Employment | 361.1 | 400.7 | 100% | 442.2 | 471.4 | 2.10% | 1.99% | 1.64% |
| Services | 154.2 | 171.2 | 42.7% | 186.4 | 196.1 | 2.12% | 1.72% | 1.37% |
| FIRE | 46.6 | 56.8 | 14.2% | 67.7 | 76.6 | 4.03% | 3.57% | 3.04% |
| Retail Trade | 36.9 | 41.1 | 10.2% | 44.8 | 47.1 | 2.15% | 1.75% | 1.38% |
| Government | 30.8 | 31.0 | 7.7% | 31.7 | 32.5 | 0.13% | 0.44% | 0.47% |
| Wholesale Trade | 23.7 | 29.2 | 7.3% | 36.5 | 42.7 | 4.29% | 4.57% | 3.87% |
| Transport, Info, Util | 25.0 | 26.7 | 6.7% | 30.7 | 33.5 | 1.34% | 2.77% | 2.29% |
| Manufacturing | 26.0 | 25.9 | 6.5% | 25.1 | 23.6 | -0.13% | -0.58% | -0.93% |
| Construction | 17.4 | 18.5 | 4.6% | 19.1 | 19.1 | 1.19% | 0.70% | 0.34% |
| Mining & Other | 0.4 | 0.4 | 0.1% | 0.3 | 0.3 | -2.89% | -3.38% | -3.01% |
| Ttl Non-Mfg. | 335.0 | 374.8 | 93.5% | 417.1 | 447.8 | 2.27% | 2.16% | 1.80% |
| Ttl Office-Related* | 231.5 | 258.9 | 64.6% | 285.7 | 305.2 | 2.26% | 1.99% | 1.66% |
| *Includes FIRE, Services and Government | | | | | | | | |
| (Numbers in thousands (000's)) | | | | | | | | |

| EMPLOYMENT SECTOR TRENDS | | | | | | | | |
|---|---------|---------|---------------|---------|---------|-------------|---------|---------|
| State of New Jersey | | | | | | | | |
| | 2002 | 2007 | % of Total | 2012 | 2017 | Change Rate | | |
| | | | | | | '02-'07 | '07-'12 | '07-'17 |
| Total Employment | 4,785.2 | 5,070.7 | 100% | 5,384.7 | 5,568.1 | 1.17% | 1.21% | 0.94% |
| FIRE | 453.9 | 510.7 | 10.1% | 563.3 | 600.8 | 2.39% | 1.98% | 1.64% |
| Construction | 228.3 | 238.2 | 4.7% | 236.6 | 229.3 | 0.86% | -0.13% | -0.38% |
| Government | 623.8 | 678.3 | 13.4% | 728.0 | 762.2 | 1.69% | 1.43% | 1.17% |
| Manufacturing | 378.5 | 333.5 | 6.6% | 306.8 | 274.9 | -2.50% | -1.65% | -1.91% |
| Mining & Other | 9.5 | 9.2 | 0.2% | 9.0 | 8.8 | -0.56% | -0.37% | -0.50% |
| Retail Trade | 538.0 | 566.8 | 11.2% | 595.6 | 609.1 | 1.05% | 0.99% | 0.72% |
| Services | 1,972.0 | 2,141.6 | 42.2% | 2,310.2 | 2,422.1 | 1.66% | 1.53% | 1.24% |
| Transport, Info, Util | 331.6 | 326.0 | 6.4% | 340.5 | 346.2 | -0.34% | 0.87% | 0.60% |
| Wholesale Trade | 249.7 | 266.4 | 5.3% | 294.6 | 314.8 | 1.30% | 2.03% | 1.68% |
| Ttl Non-Mfg. | 4,406.7 | 4,737.2 | 93.4% | 5,077.8 | 5,293.2 | 1.46% | 1.40% | 1.12% |
| Ttl Office-Related* | 3,049.6 | 3,330.5 | 65.7% | 3,601.5 | 3,785.1 | 1.78% | 1.58% | 1.29% |
| *Includes FIRE, Services and Government | | | | | | | | |
| (Numbers in thousands (000's)) | | | | | | | | |

In the following chart, we focus on trends in two broad employment sectors: office-related and manufacturing employment. For purposes of this analysis, we define office-related employment as the total number of jobs in the FIRE, Services and Government sectors. While not all employment in these sectors is office-related, office employment trends tend to mirror the trends in these three categories combined. In Morris County, office-related employment is growing while manufacturing employment is declining. This indicates a shift toward a more service-based economy, which is consistent with the national trend.



Morris County accounted for approximately 7.23% of the State of New Jersey's employment in 1997. In 2007, the ratio is 7.90% and it is projected at 8.47% through 2017. This is an indication that Morris County is growing at a rate above that of the State of New Jersey.

Morris County's economy is not dependent on a particular sector. The employment base is varied, as are the major employers. Therefore, Morris County should be less susceptible to cyclical fluctuations that have occurred in other areas dominated by a single industry. The area's major employers are listed below.

MAJOR EMPLOYERS

| Employer | # of Employees |
|-------------------------|----------------|
| Novartis Pharmaceutical | 7,186 |
| Picatinny Arsenal | 3,939 |
| Atlantic Health | 3,667 |
| Cendant | 3,006 |
| Lucent Technologies | 2,539 |
| County of Morris | 2,313 |
| Pfizer | 2,250 |
| St. Clare's | 2,128 |
| ADP | 1,950 |
| Greystone | 1,212 |

Source: Morris County Chamber of Commerce 2006

INCOME

Personal income is a significant factor in determining the real estate demand in a given market. From 2002 to 2007, Morris County's income grew at an average annual compound rate of 3.34%, compared to the State of New Jersey's average annual compound growth rate of 1.66%. The two market areas displayed a similar pattern in per capita income growth over the last ten years. Morris County's average annual compound growth rate was 3.13% as compared to 2.21% for the State of New Jersey. Projections for the next five and ten year periods reflect growth rates for Morris County that are greater than the anticipated gains for the State of New Jersey. For the two time frames, 2007 to 2012 and 2007 to 2017, Morris County is anticipated to experience 3.20% and 2.78% average annual growth rates, respectively, compared to the projected growth rates for the State of New Jersey of 2.83% and 2.42%.

An examination of income per household reveals that, historically, Morris County has experienced a growth rate above that of the State of New Jersey. Future projections predict faster growth for Morris County compared to the State of New Jersey. In absolute dollars, Morris County's personal income historically has been well above that of the State of New Jersey, both on per capita and per household basis.

| INCOME PER HOUSEHOLD COMPARISON | | | | | |
|---------------------------------|---------------------|-------------------------------|----------|-------------------------------|----------|
| | State of New Jersey | | | Morris County | |
| | Year | Income/Household ¹ | % Change | Income/Household ¹ | % Change |
| Current | 1997 | \$91,369 | | \$128,896 | |
| | 2002 | \$103,984 | 13.8% | \$147,053 | 14.1% |
| | 2003 | \$103,299 | -0.7% | \$146,464 | -0.4% |
| | 2004 | \$104,530 | 1.2% | \$147,007 | 0.4% |
| | 2005 | \$106,061 | 1.5% | \$154,959 | 5.4% |
| | 2006 | \$108,372 | 2.2% | \$163,097 | 5.3% |
| | 2007 | \$111,763 | 3.1% | \$171,605 | 5.2% |
| | 2008 | \$114,818 | 2.7% | \$177,813 | 3.6% |
| | 2009 | \$118,165 | 2.9% | \$183,748 | 3.3% |
| | 2010 | \$121,252 | 2.6% | \$189,412 | 3.1% |
| Projected | 2011 | \$124,456 | 2.6% | \$194,416 | 2.6% |
| | 2012 | \$127,231 | 2.2% | \$198,994 | 2.4% |
| | 2017 | \$139,154 | 9.4% | \$221,410 | 11.3% |
| Average Annual Compound Growth | Historical | | | | |
| | | Past 5 years | 1.45% | | 3.14% |
| | | Past 10 years | 2.04% | | 2.90% |
| | Projected | | | | |
| | | Next 5 years | 2.63% | | 3.01% |
| | | Next 10 years | 2.22% | | 2.58% |

¹ Income figures are stated in year 2000 constant dollars.

Source: NPA Data Services, Inc.; compiled by IRR

CONCLUSION

Overall, the economic outlook for Morris County is positive. Total population is projected to increase slightly. More importantly, the area is projected to experience increasing employment and income growth. Based on this analysis, it is anticipated that Morris County will continue to grow and prosper in the future. The expected growth should provide an economic base that supports demand for real estate in the subject neighborhood and for the subject property. These conditions should stimulate increases in general property values within the foreseeable future.

MENDHAM TOWNSHIP

Mendham Township is located in southern Morris County south and west of the Town of Morristown. It covers an area of 17.86 \pm square miles.

The Township is bordered by Morris Township to the north and east, Harding Township and Bernardsville Borough in Somerset County to the east and southeast, Chester Township to the southwest and Randolph Township to the north and west.

Mendham Township surrounds Mendham Borough on three sides. State Highway Route 124 bisects the Township and the Borough in a northeast/ southwest direction and provides a location for several commercial establishments, primarily retail, that serve both of these municipalities and some of the surrounding area. Route 124 also provides access to the Town of Morristown and Route 206. County roads and local roads are used to access the network of regional highways, Route 10, Route 202 and Route 287.

The Township has its own elementary and middle schools however; it shares a high school with Mendham Borough. There is a municipal police and fire department. Overall, we are of the opinion that Mendham Township is both a stable and desirable residential community that will continue to attract residents who seek a rural/ suburban life style.

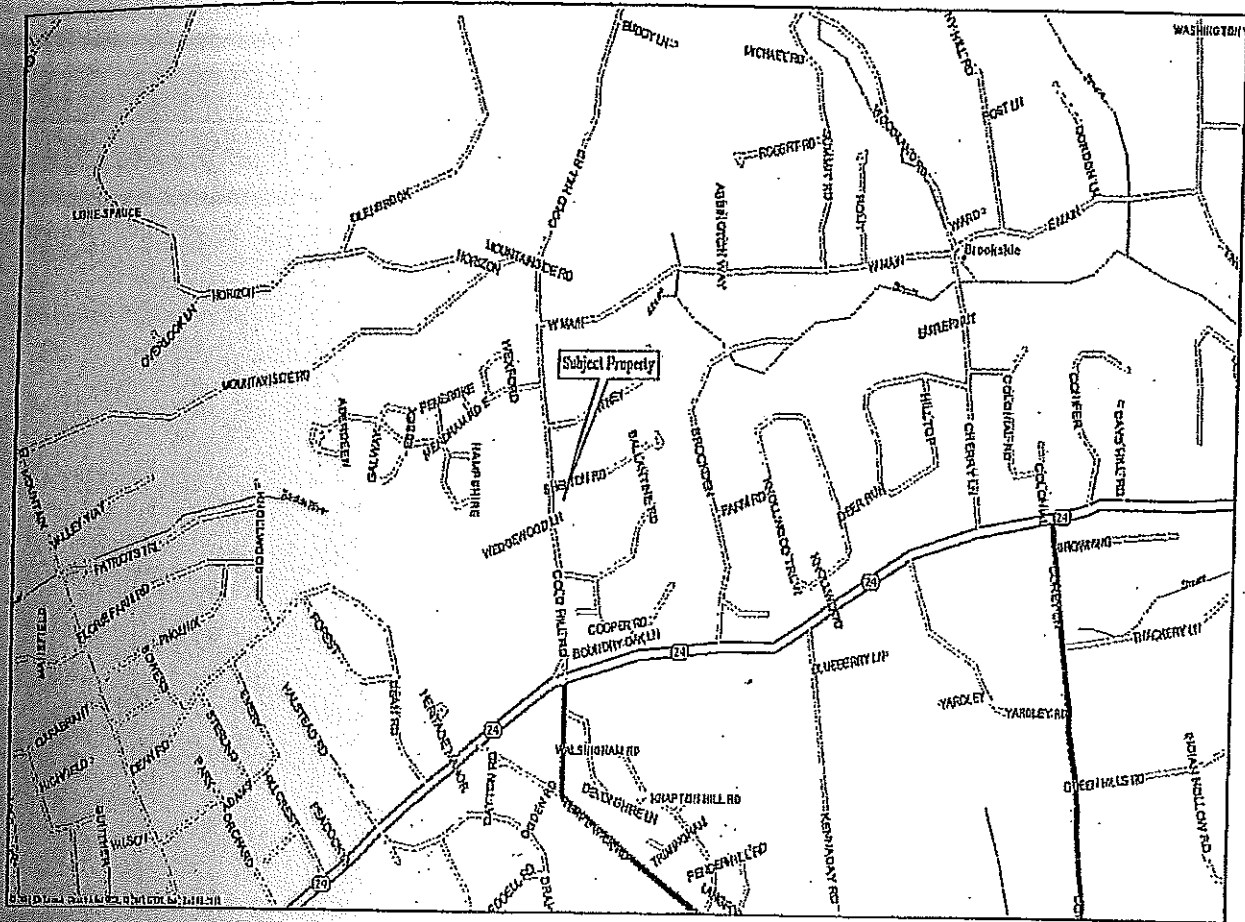
NEIGHBORHOOD DESCRIPTION

The subject neighborhood is located northwest of Mendham Road (Route 124), approximately one mile northeast of the center of Mendham Borough. The subject neighborhood is mostly residential in character, with subject area being conveniently located with respect to schools, recreation, shopping, and houses of worship. There is a residential development which was constructed to the rear of the subject property in the early 1990's on much smaller building lots, with current sales in the \$990,000 to \$1,250,000 range and current asking prices of \$885,000 to \$1,100,000. A map of the subject neighborhood is located on the following page.

SERVICE FACILITIES

Public sewer is not available to the subject site. As a result, potential development would need to be improved with on-site septic systems for sewerage. However, the subject property currently has accessibility to public water, electricity and cable.

NEIGHBORHOOD MAP



ZONING

The subject property is located in the R-2, One Family Residential District per the Land Development Ordinance of Mendham Township.

Mendham Township – According to the Mendham Township Zoning Ordinance, the permitted principal uses include single detached houses used as a residence by not more than one family with a minimum floor area of not less than 800 square feet, horticultural or agricultural uses as a livelihood provided that commodities offered for sale upon the premises are grown on the premises, and parks and playgrounds not associated with any building. Accessory uses include: private garage, non-commercial greenhouse, professional practice, home occupation, family swimming pool and/or tennis court, detached dwelling for guests or employees, sale of farm or garden products, barn, stables and sheds. Conditional uses include: scientific breeding farm for dogs, community residence for more than 6 developmentally disabled persons and community shelters for more than 6 victims of domestic violence, equestrian farms and water storage facilities.

The Area, Yard and Bulk requirements are as follows:

| <u>R-2 Development Standards</u> | <u>Mendham Township</u> |
|----------------------------------|-------------------------|
| Minimum Lot Size | 2 acres |
| Minimum Net Bldg. Area | 25,000 SF |
| Minimum Lot Frontage | 100 feet |
| Minimum Front Yard | 60 feet |
| Minimum Side Yard | 40 feet |
| Minimum Rear Yard | 50 feet |
| Maximum Height | 35 feet |

REAL ESTATE TAXES

Real estate tax assessments are administered by Township of Mendham and are estimated by jurisdiction on a municipal basis for the subject. The property is located in Morris County. Real estate taxes in this state and this jurisdiction represent ad valorem taxes, meaning a tax applied in proportion to value. The real estate taxes for an individual property may be determined by dividing the assessed value for a property by 100, then multiplying the estimate by the composite rate. The composite rate is based on a consistent state tax rate throughout this state, in addition to one or more local taxing district rates.

The assessed values are based upon the current conversion assessment ratio of 99.72% of Assessor's market value. The composite tax rate for the subject is \$1.53 per \$100 of assessed valuation.

The current assessment, assessor's market value and real estate taxes for the tax year 2007 are as follows. For reference purposes, the subject has been assigned a property tax identification number(s) of Block 131.01, Lots 1.

Real estate taxes and assessments for the current tax year are shown in the following table.

2007 Assessment

| | | | |
|-------------------------------|-------------|------------------|--------------|
| Aggregate Assessment: | | | \$3,325,100 |
| <u>Block: 131.01 – Lot: 1</u> | | 2007 Tax Rate: | \$1.53/\$100 |
| Land: | \$1,670,000 | 2007 Ratio: | 99.72% |
| Improvements: | \$1,655,100 | 2007 Taxes: | \$50,874.03 |
| Total: | \$3,325,100 | Equalized Value: | \$3,334,436 |

PROPERTY ANALYSIS

DESCRIPTION OF SUBJECT PROPERTY

SITE DESCRIPTION

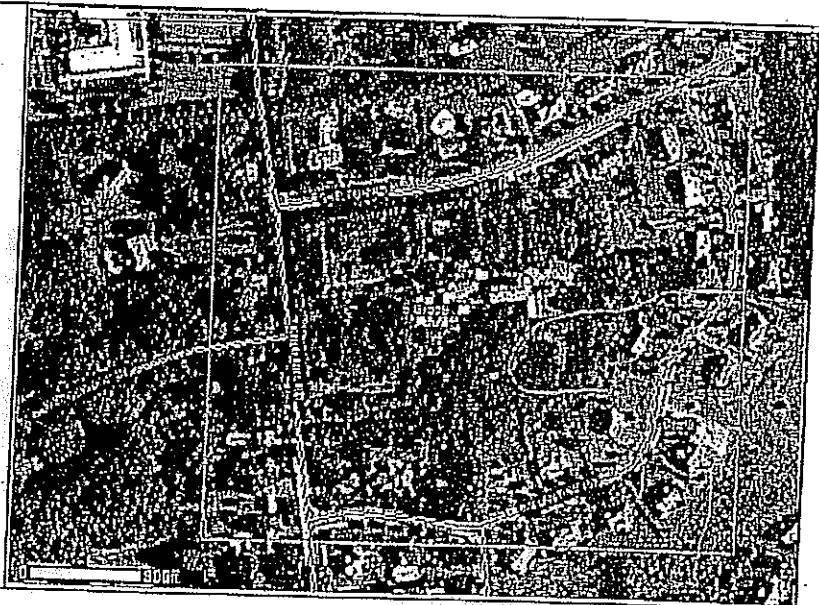
The subject property consists of approximately 12.00± acres of irregularly shaped land that is mostly lightly wooded, located on the east side of Cold Hill Road, the north side of Ballantine Road, and the south side of Shelton Road. The subject property has approximately 690± feet of road frontage along Cold Hill Road and 650± feet of road frontage along Shelton Road. Primary access to the site is from Cold Hill Road; however there is a secondary access way along the northeastern portion of the subject site from Shelton Road. With regard to topography, the subject site is generally level to the central and western portion of the site with some areas of gentle slopes located along the easternmost portion of the property.

IMPROVEMENT DESCRIPTION

The subject site contains a variety of dwellings and improvements. According to an October 2007 map prepared by Banisch Associates, the site contains a total of four single family dwellings, two barns, a garage, a studio and five sheds. The main dwelling, which is located on the central portion of the site, contains approximately 11,800± square feet, along with 10 bedrooms, 7 full baths and two powder rooms. The dwelling was originally constructed in the 1700's with various upgrades and additions. Although this home is a charming dwelling, there are numerous upgrades and renovations that would be required in order for the dwelling to be competitive in the market. Additionally, the layout is not functional for a typical user. Although we do not feel that the dwelling would be a "tear down," the main value of the dwelling is in the land and the "shell." Additionally, there is a two-story colonial dwelling consists of approximately 1,700± square feet, with three bedrooms and one fully bathroom. As we will discuss in the "Development Potential" section of this report and further discuss within our "Highest and Best Use" section, these two dwellings are the only improvements that we will consider in our valuation section of the report. The other barns/dwellings/sheds are assumed to be razed for further subdivision of the site.

SOIL CHARACTERISTICS AND WETLANDS

| Map Unit Symbol | Map Unit Name | Acres in AOI | Percent of AOI |
|-----------------------------------|--|--------------|----------------|
| Captu | Calton variant loam, 3 to 8 percent slopes | 5.4 | 13.3% |
| Gkard | Gladstone gravelly loam, 3 to 8 percent slopes | 34.7 | 85.3% |
| Gkard | Gladstone gravelly loam, 15 to 25 percent slopes | 0.6 | 1.5% |
| Totals for Area of Interest (AOI) | | 40.7 | 100.0% |



A review of the Web Soil Survey, available online at <http://websoilsurvey.nrcs.usda.gov> and accessed 03/17/08, indicates that the subject property is predominantly underlain by soil type: GkaoB Gladstone gravelly loam, 3%-8% slopes with a minor portion that borders Ballantine Road underlain by soil type CapfB Califon variant loam, 3 to 8 percent slopes. The GkaoB soil poses a slight to moderate constraint to development, though rated "not-limited", for both the construction of dwellings with and without basements. The portion of the subject property within the CapfB soil poses greater limitations with a rating of "very limited", requiring more expensive procedures to remedy land prior to improvement. Both soils are rated "very limited" for septic tank absorption fields. However, the subject's soil characteristics are typical of adjacent parcels which have successfully been developed within the region.

FLOOD ZONE

The National Flood Insurance Rate Map #340511 0004B, for Mendham Township, effective date July 5, 1982, published by the Federal Emergency Management Agency, indicates that the subject property is in Zone C which is the areas determined to be of minimal flooding.

POTENTIAL DEVELOPMENT UTILITY/APPROVALS

The subject property currently contains no governmental approvals for further subdivision; however, we have been provided with a preliminary concept plan prepared by Thomas R. Lemanowicz, PE, PP, CME, Township Engineering Consultant, showing a potential four lot residential subdivision, with one of the potential lots to incorporate the main dwelling and the adjacent cottage. The remaining three potential residential lots can all be accessed without constructing an interior road network. For analytical purposes, we assume the existing improvements to remain are located on a 5+ acre lot, with the three additional potential lots being 2+ to 2.7+ acres in size. Based on our review, this potential subdivision appears reasonable and is assumed to fully conform to the municipal regulations. We note that Potential Lot 4 would have an access easement located on the site in order to obtain access to Potential Lot 3, which is the 5 acre lot which contains the existing improvements which will remain. Potential Lot 3 also contain road frontage along Ballantine Road. Potential Lot 2, which fronts on Shelton Road, will also contain an access easement leading to the current improvements.

HIGHEST AND BEST USE

Highest and best use is defined as, "That reasonable and probable use that supports the highest present value, as defined, as of the effective date of the appraisal.

Alternatively, that use, from among reasonably probable and legal alternative uses, found to be physically possible, appropriately supported, financially feasible, and which results in highest land value.

The definition immediately above applies specifically to the highest and best use of land. It is to be recognized that in cases where a site has existing improvements on it, the highest and best use may very well be determined to be different from the existing use. The existing use will continue, however, unless and until land value in its highest and best use exceeds the total value of the property in its existing use.

Implied within these definitions is recognition of the contribution of that specific use to community environment or to community development goals in addition to wealth maximization of individual property owners. Also implied is that the determination of highest and best use results from the appraiser's judgment and analytical skill, i.e., that the use determined from analysis represents an opinion, not a fact to be found. In appraisal practice, the concept of highest and best use represents the premise upon which value is based. In the context of most probable selling price (market value) another appropriate term to reflect highest and best use would be most probable use. In the context of investment value an alternative term would be most profitable use."

In order to reasonably evaluate the highest and best use of any property, four criteria must be considered:

- 1) Physically possible
- 2) Legally permissible
- 3) Financially feasible
- 4) Maximally productive

Source: "Appraisal of Real Estate's 12th Edition", sponsored jointly by the Appraisal Institute.

As Vacant

With regard to the subject property being "physically possible" and "legally permissible" to develop, the subject site contains a total of 12± acres of vacant residential land located in the R-2 Residential District. The site has adequate access from various roadways, but in order to maximize the site's development potential with a multi-lot residential subdivision, we have been advised by Thomas R. Lemanowicz, PE, PP, MCE, Township Engineer, that the most feasible location would be for a cul-de-sac to be constructed off the Cold Hill Road frontage. Furthermore, Mr. Lemanowicz has advised us that based on a preliminary concept plan, that 5 potential 2± acre building lots can potentially be constructed on the subject site. As a result, the subject property is physically possible and legally permissible to be developed.

With regard to criteria 3 and 4, consideration of the local market conditions are generally of major importance and demand for residential development on the subject site would be crucial for economic viability if developed as zoned. Additionally, the marketing period is a determining factor relating to financial feasibility of any development project.

There are new single-family dwellings located in the subject neighborhood, as well as newer single family dwellings in the region. This section of Mendham Township is considered to be a desirable and prestigious residential neighborhood. This area has also remained in strong demand regardless of the current economic climate with regard to single family housing. As a result, it is our opinion that a multi-lot residential development on the subject's 12+ acres would be both financially feasible and maximally productive.

Therefore, we are of the opinion that the highest and best use, as vacant, is for the subdivision of five building lots to be developed along a newly constructed interior road network off Cold Hill Road.

As Improved

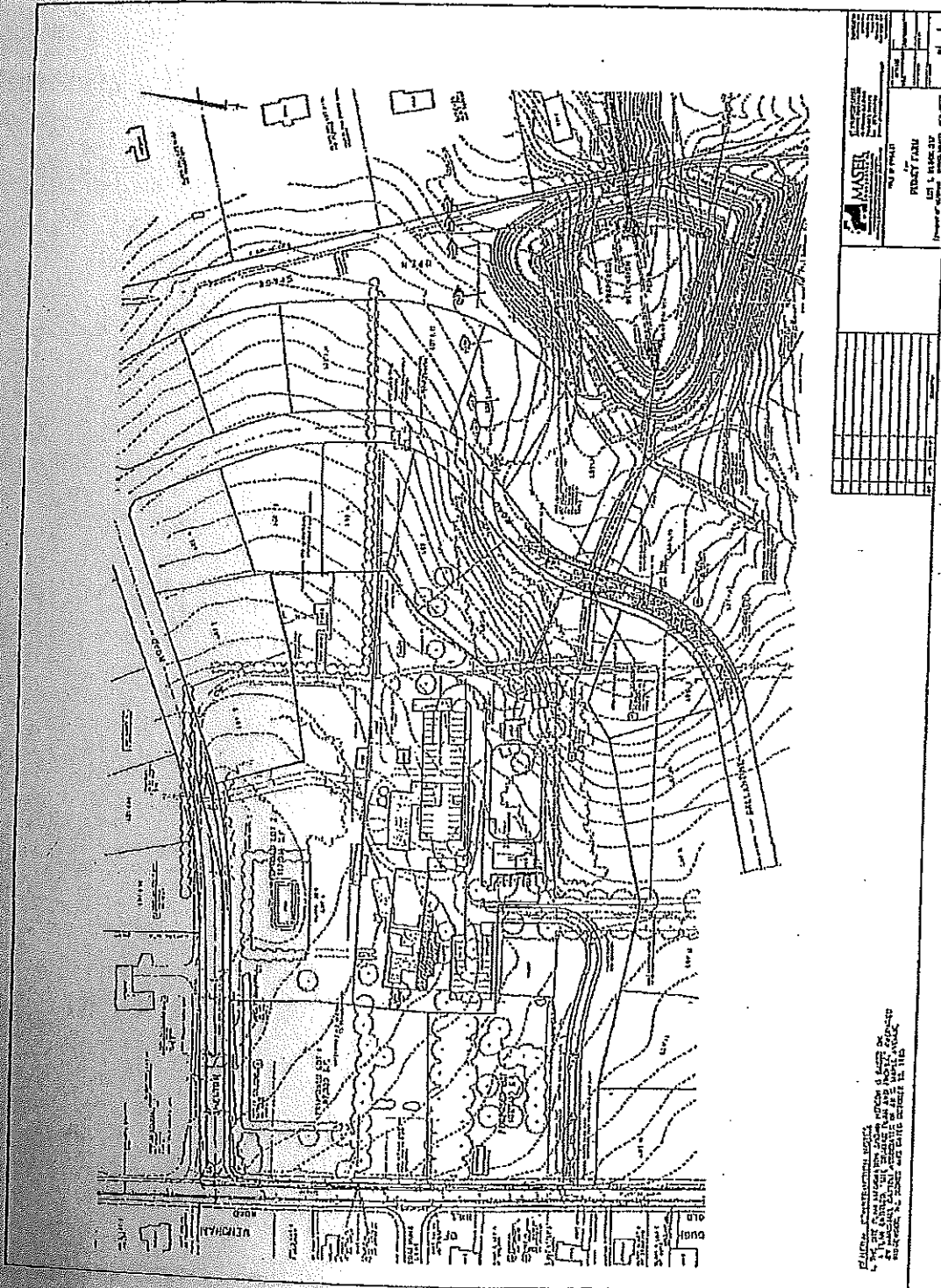
With regard to the subject property being "physically possible" and "legally permissible" to develop, the subject site contains a 12+ acre site located in the R-2 Residential District, currently improved with a variety of improvements, including a substantial sized single-family dwelling. The site has adequate access from various roadways, but in order to maximize the site's development potential with a multi-lot residential subdivision, we have been advised by Thomas R. Lemanowicz, PE, PP, MCE, Township Engineer, that the most feasible location would be for a cul-de-sac to be constructed off the Cold Hill Road frontage. Furthermore, Mr. Lemanowicz has advised us that based on a preliminary concept plan, that 5 potential 2+ acre building lots can potentially be constructed on the subject site, if the current improvements are razed. As a result, the subject property is physically possible and legally permissible to be developed.

With regard to criteria 3 and 4, consideration of the local market conditions are generally of major importance and demand for residential development on the subject site would be crucial for economic viability if developed as zoned. Additionally, the marketing period is a determining factor relating to financial feasibility of any development project.

There are new single-family dwellings located in the subject neighborhood, as well as newer single family dwellings in the region. This section of Mendham Township is considered to be a desirable and prestigious residential neighborhood. This area has also remained in strong demand regardless of the current economic climate with regard to single family housing. However, the main dwelling, which is a little less than 12,000+ square feet, as well as the "cottage," which is located adjacent to the main dwelling, are marketable and should remain on an oversized building lot. The remaining improvements should be razed in order for three additional building lots to be created. According to Mr. Lemanowicz, these lots would not require an interior road network and can be accessed directly from the existing roadways surrounding the subject property. As a result, it is our opinion that the highest and best use of the subject property is for the subject property to be subdivided into a four-lot residential development. This would permit the existing main dwelling and adjacent three bedroom cottage to remain on one oversized lot, with three additional building lots to be able to be sold to users/developers. This would be both financially feasible and maximally productive.

Therefore, we are of the opinion that the highest and best use is of the subject property is as partially improved, with the majority of the improvements to be razed, and the main dwelling and cottage to remain on one oversized 5 \pm acre building lot, with three additional 2 \pm to 2.7 \pm acre building lots to be able to be sold to users/developers.

SITE PLAN



VALUATION ANALYSIS

The appraisal process is generally looked upon as an orderly procedure involving various steps in order to arrive at a value conclusion. It specifically deals with first identifying the type of appraisal problem that the appraiser is faced with, and then gathering available pertinent data. Once the data is obtained and properly analyzed, it is utilized as the basic ingredient for estimating value from each of the three approaches to value; namely, the Cost Approach, the Sales Comparison (Market Data) Approach, and the Income Approach. The appraiser reconciles the value estimates from each of the three approaches. After careful examination, emphasis is placed on the approach(es), which appears most reliable, and a final value estimate is concluded.

The Cost Approach is defined as, "That approach in appraisal analysis which is based on the proposition that the informed purchaser would pay no more than the cost of producing a substitute property with the same utility as the subject property. It is particularly applicable when the property being appraised involves relatively new improvements which represent the highest and best use of the land or when relatively unique or specialized improvements are located on the site and for which there exist no comparable properties on the market."

The Sales Comparison Approach (a/k/a Market Data Approach) is defined as, "An appraisal procedure in which the market value estimate is predicated upon prices paid in actual market transactions and current listings, the former fixing the lower limit of value in a static or advancing market (price wise), and fixing the higher limit of value in a declining market; the latter fixing the higher limit in any market. It is a process of analyzing sales of similar recently sold properties in order to derive an indication of the most probable sales prices of the property being appraised. The reliability of this technique is dependent upon (a) the availability of comparable sales data, (b) the verification of the sales data, (c) the degree of comparability or extent of adjustment necessary for time differences, and (d) the absence of non-typical conditions affecting the sales price."

The Income Approach is defined as, "That procedure in appraisal analysis which converts anticipated benefits (dollar income or amenities) to be derived from the ownership of property into a value estimate. The income approach is widely applied in appraising income-producing properties. Anticipated future income and/or reversions are discounted to a present worth figure through the capitalization process."

In essence, all approaches to value (particularly when the purpose of the appraisal is to establish market value) are market data approaches since the data inputs are presumably market derived.

Because the subject property contains vacant land, the only approach to value applied herein is the Sales Comparison Approach. Land such as the subject has no improvements so that the cost approach is meaningless and it is rarely leased as income producing property so that a typical income and expense analysis via the income approach is also inapplicable. Due to the lack of comparable subdivisions of land in such as high priced area and the ease of extending an interior road network, we will apply a subdivision analysis in order to estimate the "as is" market value of the subject land.

THE SALES COMPARISON APPROACH

(Market Data Approach)

The Sales Comparison Approach (a/k/a Market Data Approach) is defined as, "An appraisal procedure in which the market value estimate is predicated upon prices paid in actual market transactions and current listings, the former fixing the lower limit of value in a static or advancing market (price wise), and fixing the higher limit of value in a declining market; the latter fixing the higher limit in any market. It is a process of analyzing sales of similar recently sold properties in order to derive an indication of the most probable sales prices of the property being appraised. The reliability of this technique is dependent upon (a) the availability of comparable sales data, (b) the verification of the sales data, (c) the degree of comparability or extent of adjustment necessary for time differences, and (d) the absence of non-typical conditions affecting the sales price."

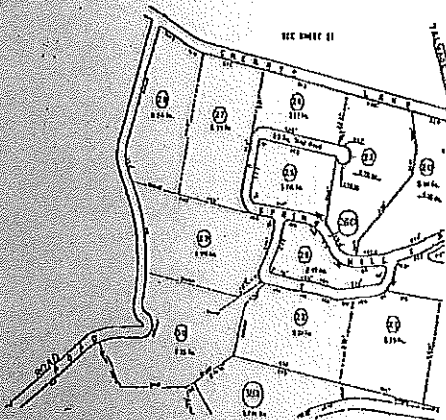
In essence, all approaches to value (particularly when the purpose of the appraisal is to establish market value) are market data approaches since the data inputs are presumably market derived.

The unit of comparison most utilized to analyze the development potential of vacant land such as this subject property is "price per building lot" for the four potential building lots which can be constructed without the need for an interior road network. This method most accurately mirrors the market for parcels of land of this size and configuration and therefore yields the most relevant analyses. Adjustments must be made for the costs associated with constructing this potential subdivision. Our concluded value will be the "as is" value that a potential purchaser would pay for the potential to construct nine residential building lots. We will then add back the improvements which we feel can be redeveloped on the site, namely the main dwelling and the cottage.

We have thoroughly researched the Mendham Township/Mendham Borough real estate market and surrounding areas for single family residential building lot sales. The more pertinent sales are noted as follows.

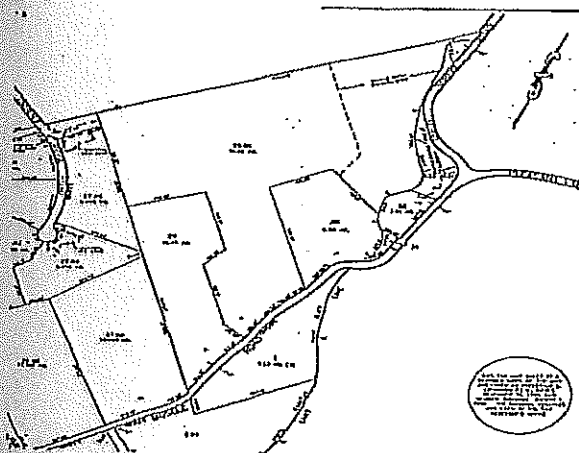
COMPARABLE LAND SALES (BUILDING LOTS)**LAND SALE 1**

| | |
|----------------|---|
| Date of Sale: | March 15, 2007 |
| Location: | 70 Spring Hill Road, Mendham Borough Morris County, NJ |
| Block/Lot: | 2401/27 |
| Grantor: | Johnson, Daniel |
| Grantee: | Deskovick, Kim |
| Book/Page: | 20782/1875 |
| Site Size: | 5.75± acres |
| Consideration: | \$1,600,000 +10,000 demolition |
| Unit Value: | \$1,610,000 per lot (adjusted) |
| Zone: | Residential Single-Family |
| Comments: | This is the sale of a 1955 cape cod/expanded ranch located on a 5.75± acre lot which was purchased for the land. The improvements were razed after the property was purchased. The lot is located on a cul-de-sac and has private road access. The site contains public water but a private-on site septic system for sewerage. |



LAND SALE 2

| | |
|----------------|---|
| Date of Sale: | January 1, 2006 |
| Location: | 137 Mosle Road, Mendham Township Morris County, NJ |
| Block/Lot: | 100/30 |
| Grantor: | MacKay, Susan M |
| Grantee: | Finlay, Matthew & Teresa |
| Book/Page: | 20668/690 |
| Site Size: | 6.86± acres |
| Consideration: | \$1,237,500 + \$10,000 demolition |
| Unit Value: | \$1,247,500 per lot (adjusted) |
| Zone: | Residential Single-Family |
| Comments: | This is the sale of a single family residential dwelling which was purchased to be razed for the construction of a new dwelling. The land has portions of steep topography and borders a brook. The site contained an on-site well for water and an on-site septic system for sewerage; however, the dwelling required a new septic system. |



Date of Sale:

April 19, 2007

Location:

20 Horseshoe Bend Road, Mendham Boro.
Morris County, NJ

Block/Lot:

2401/5.01

Grantor:

Stack, William Stuart & Donna K.

Grantee:

Micea, Monica & John

Book/Page:

20799/1339

Site Size:

6.029 \pm acres

Consideration:

\$1,425,000 + \$10,000 demolition

Unit Value:

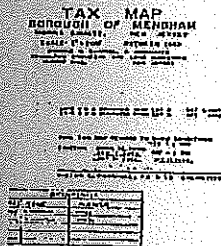
\$1,435,000 per lot (adjusted)

Zone:

Residential Single-Family

Comments:

This is the sale of a single family residential dwelling which was purchased to be razed for the construction of a new dwelling. The land contains mature trees and pastures. The site contained an on-site septic system for sewerage; however, the "site" contains access to public water.

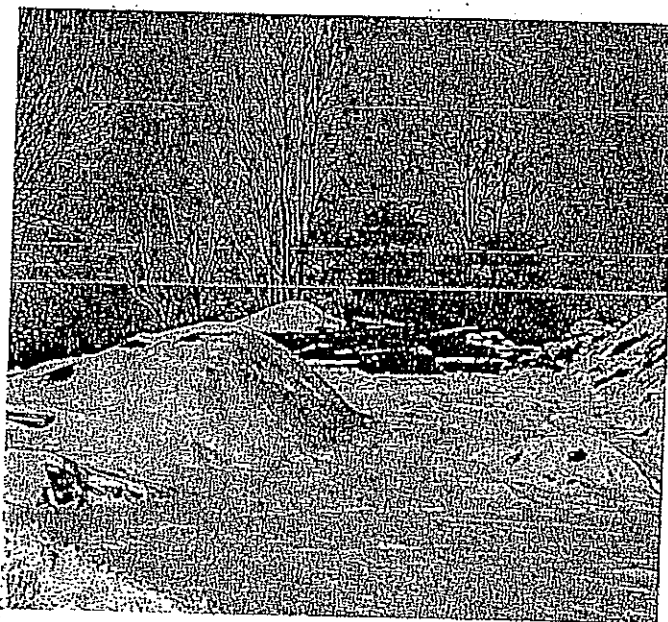
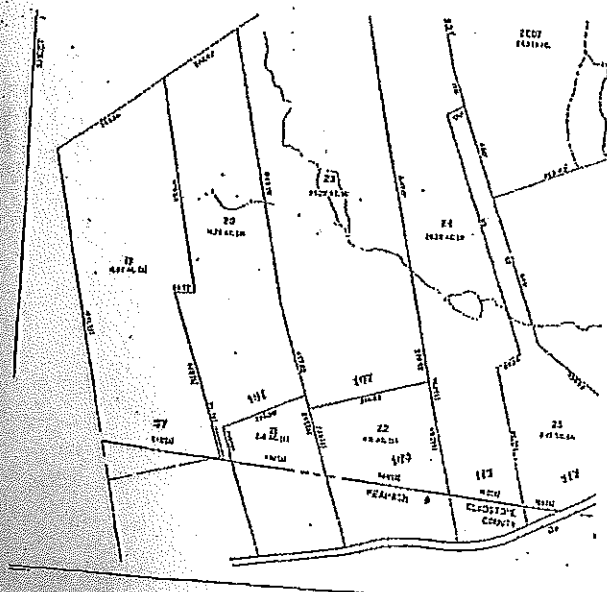


*Picture taken prior to tear down and sale. Photo taken from Multiple Listings Service (MLS).

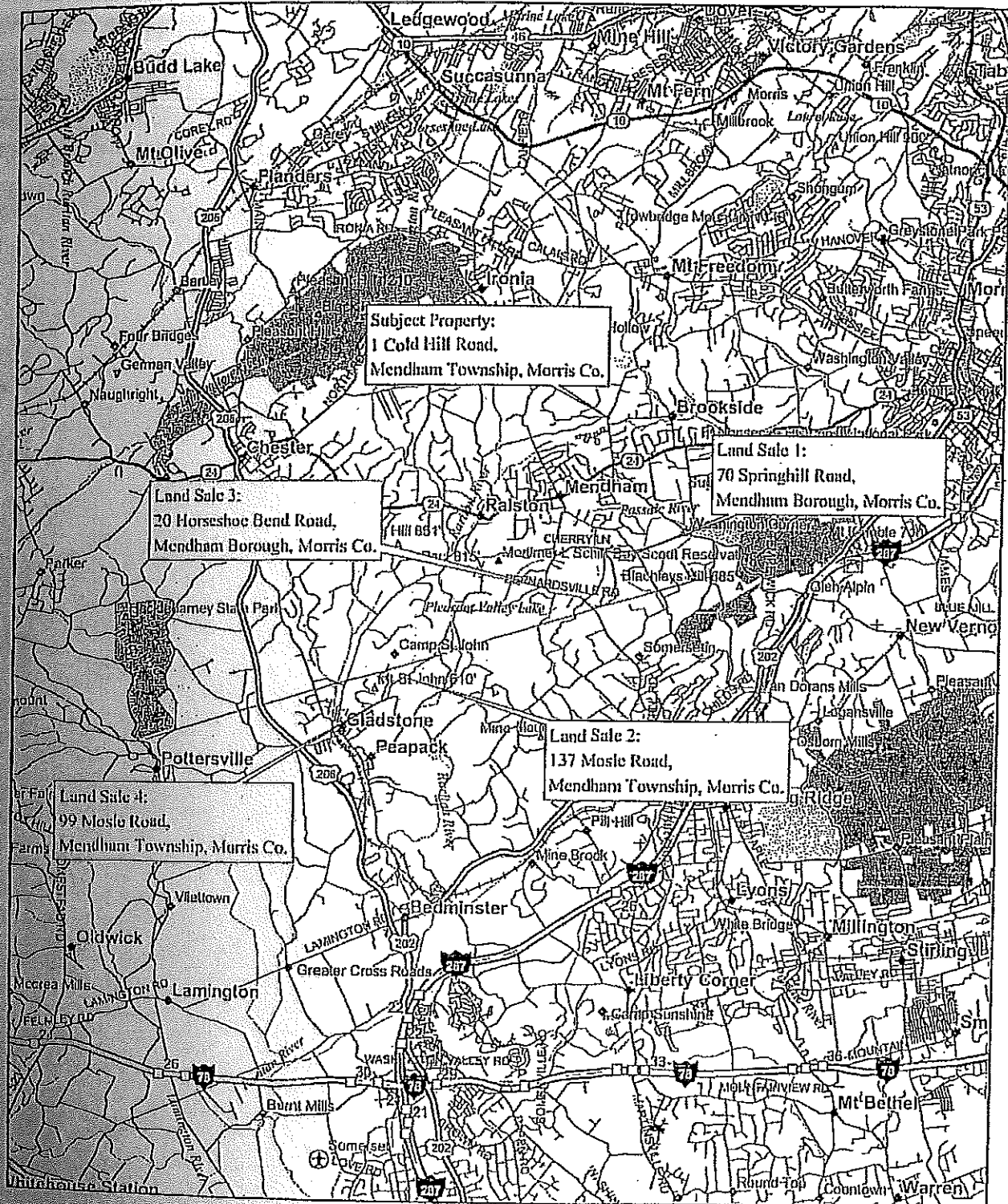
LAND SALE 4

Date of Sale: October 20, 2005
Location: 99 Mosle Road, Mendham Twp., Morris County, NJ
Block/Lot: 100/19
Grantor: Punji, Leigh
Grantee: Werner, Frederick & Cindy
Book/Page: 6473/91
Site Size: 15.67± Acres
Consideration: \$1,400,000 (\$1,400,000 + \$15,000± demolition)
Unit Value: \$1,415,000 Per Lot (adjusted)
Zone: R-10 - Residential Zone
Comments:

This is October 2005 sale of a residential lot located on Mosle Road in Mendham Township. The property was sold with some small improvements, which have been demolished. The site contains no public sewer or water with and on site well and septic system, are necessary for development. The property sold for an adjusted consideration of \$1,415,000.



COMPARABLE LAND SALES MAP



LAND SALES ADJUSTMENT ANALYSIS (6± ACRE LOT)

LAND SALE 1 is the March 2007 sale of a 5.75 acre building lot located on Spring Hill Road in Mendham Borough. The lot sold for a consideration of \$1,610,000.

With regard to time, an adjustment of +2% is applied, reflecting changing market conditions between this sale and the value date of this report.

A -5% approval adjustment is applied, for the risk of obtaining approvals for the entire site to be subdivided.

With regard to other adjustments

A -15% adjustment is applied for location, since we view the subject location to be inferior to the comparable sale.

No adjustment is applied for access/frontage.

No potential lot size adjustment is necessary to be applied.

No adjustment for topography is applied.

No adjustment for zoning is applied.

No sewer/water adjustment is necessary to be applied.

On balance, -15% net adjustment is applied, indicating an adjusted unit value of \$1,325,000 per potential lot to the subject property's potential six acre building lot.

LAND SALE 2 is the January 2006 sale of a 6.86 acre building lot located on Mosle Road in Mendham Township. The property sold for consideration of \$1,247,500.

With regard to time, an adjustment of +5% is applied, reflecting changing market conditions between this sale and the value date of this report.

A -5% approval adjustment is applied, for the risk of obtaining approvals for the entire site to be subdivided.

With regard to other adjustments

A -15% adjustment is applied for location, since we view the subject location to be inferior to the comparable sale.

No adjustment is applied for access/frontage.

No potential lot size adjustment is necessary to be applied.

No adjustment for topography is applied.

No adjustment for zoning is applied.

No sewer/water adjustment is necessary to be applied.

On balance, -15% net adjustment is applied, indicating an adjusted unit value of \$1,050,000 per potential lot to the subject property's potential building six acre lot.

LAND SALE 3 is the April 2007 sale of a 6.029 acre site situated on 20 Horseshoe Bend Road in Mendham Borough. The property sold for consideration of \$1,435,000.

With regard to time, an adjustment of +1% is applied, reflecting changing market conditions between this sale and the value date of this report.

A -5% approval adjustment is applied, for the risk of obtaining approvals for the entire site to be subdivided.

With regard to other adjustments

A -15% adjustment is applied for location, since we view the subject location to be inferior to the comparable sale.

No adjustment is applied for access/frontage.

No potential lot size adjustment is necessary to be applied.

No adjustment for topography is applied.

No adjustment for zoning is applied.

No sewer/water adjustment is necessary to be applied.

On balance, -15% net adjustment is applied, indicating an adjusted unit value of \$1,175,000 per potential lot to the subject property's potential building six acre lot.

LAND SALE 4 is the October 2005 sale of a 15.67 acre building lot located on Mosle Road in Mendham Township. The property sold for consideration of \$1,415,000.

With regard to time, an adjustment of +7% is applied, reflecting changing market conditions between this sale and the value date of this report.

A -5% approval adjustment is applied, for the risk of obtaining approvals for the entire site to be subdivided.

With regard to other adjustments

A -15% adjustment is applied for location, since we view the subject location to be inferior to the comparable sale.

No adjustment is applied for access/frontage.

A -10% potential lot size adjustment is necessary to be applied, since larger lots are more desirable in the marketplace and the subject's potential lot is smaller.

No adjustment for topography is applied.

No adjustment for zoning is applied.

No sewer/water adjustment is necessary to be applied.

On balance, -25% net adjustment is applied, indicating an adjusted unit value of \$1,075,000 per potential lot to the subject property's potential building six acre lot.

LAND SALES ADJUSTMENT GRID (FIVE ACRE BUILDING LOT)

| | SUBJECT | SALE 1 | SALE 2 | SALE 3 | SALE 4 |
|----------------------|-----------------------------|------------------------------------|------------------------------------|--------------------------------------|-----------------------------------|
| Date | December 13, 2007 | March 15, 2007 | January 1, 2006 | April 19, 2007 | October 20, 2005 |
| Location | Pitney Farm Mendham Twp. | 70 Spring Hill Rd Mendham Boro. | 137 Mosle Road Mendham Township | 20 Horseshoe Bend Mendham Borough | 99 Mosle Road Mendham Township |
| Site Size | 5± AC lot | 5.75± AC | 6.86 ± AC | 6.029± AC | 15.67± AC . |
| Physical Char. | Good | Good | Good | Good | Good |
| Access | Good | Good | Good | Good | Good |
| Overall Utility | Good | Good | Good | Good | Good |
| Zoning | Residential | Residential | Residential | Residential | Residential |
| Approvals | No | Yes | Yes | Yes | Yes |
| Sale Price | N/A | \$1,610,000 | \$1,247,500 | \$1,435,000 | \$1,415,000 |
| Unit Value | N/A | \$1,610,000/lot | \$1,247,500/lot | \$1,435,000/lot | \$1,415,000/lot |
| Adjustments | | | | | |
| Time Adjustment | | +2% | +5% | +1% | +7% |
| Approvals | | -5% | -5% | -5% | -5% |
| Net Adjustment | | -3% | 0% | -4% | +2% |
| | | \$1,610,000/lot x .97 | \$1,247,500/lot x 1.00 | \$1,435,000/lot x .96 | \$1,415,000/lot x 1.02 |
| Adjusted Price | | \$1,561,700/lot | \$1,247,500/lot | \$1,377,600/lot | \$1,443,300/lot |
| Other Adjustments | | | | | |
| Location | | -15% | -15% | -15% | -15% |
| Access/Frontage | | No adj. | No adj. | No adj. | No adj. |
| Size | | No adj. | No adj. | No adj. | -10% |
| Topography | | No adj. | No adj. | No adj. | No adj. |
| Zoning | | No adj. | No adj. | No adj. | No adj. |
| Sewer/Water | | No adj. | No adj. | No adj. | No adj. |
| Net Overall Adj. | | -15% | -15% | -15% | -25% |
| | | \$1,561,700/lot x .85 | \$1,247,500/lot x .85 | \$1,377,600/lot x .85 | \$1,443,300/lot x .75 |
| Indicated Adj. Value | | \$1,327,445/lot | \$1,060,375/lot | \$1,170,960/lot | \$1,082,475/lot |
| | Say | \$1,325,000/lot | \$1,050,000/lot | \$1,175,000/lot | \$1,075,000/lot |

Time Adjustments: +3% per year average (considering no time adjustment for second half 2007)

We have evaluated the four comparable lot sales. Before adjustments, a unit value range of \$1,247,500 to \$1,610,000 per building lot has been indicated. After adjustments, a unit value range of \$1,050,000 to \$1,350,000 per building lot has been illustrated. There are two potential lots for sale on Cold Hill Road in Mendham Township. One is a 3.11 acre lot located at 25 Cold Hill Road currently improved with a stone residence and outbuildings, with an asking price of \$650,000 and the second is a 4.5 acre lot located at 26 Cold Hill Road with an asking price of \$1,089,000. As a result, \$1,100,000 per lot is a reasonable unit value for the potential 5± acre lots, where the existing main dwelling and cottage are located.

LAND SALES ADJUSTMENT ANALYSIS (2-2.7 ACRE POTENTIAL LOTS)

Land Sale 1 is the March 2007 sale of a 5.75 acre building lot located on Spring Hill Road in Mendham Borough. The lot sold for a consideration of \$1,610,000.

With regard to time, an adjustment of +2% is applied, reflecting changing market conditions between this sale and the value date of this report.

A -5% approval adjustment is applied, for the risk of obtaining approvals for the entire site to be subdivided.

With regard to other adjustments

A -15% adjustment is applied for location, since we view the subject location to be inferior to the comparable sale.

No adjustment is applied for access/frontage.

No potential lot size adjustment is necessary to be applied.

No adjustment for topography is applied.

No adjustment for zoning is applied.

No sewer/water adjustment is necessary to be applied.

On balance, -15% net adjustment is applied, indicating an adjusted unit value of \$1,325,000 per potential lot to the subject property's potential six acre building lot.

LAND SALE 2 is the January 2006 sale of a 6.86 acre building lot located on Mosle Road in Mendham Township. The property sold for consideration of \$1,247,500.

With regard to time, an adjustment of +5% is applied, reflecting changing market conditions between this sale and the value date of this report.

A -5% approval adjustment is applied, for the risk of obtaining approvals for the entire site to be subdivided.

With regard to other adjustments

A -15% adjustment is applied for location, since we view the subject location to be inferior to the comparable sale.

No adjustment is applied for access/frontage.

No potential lot size adjustment is necessary to be applied.

No adjustment for topography is applied.

No adjustment for zoning is applied.

No sewer/water adjustment is necessary to be applied.

On balance, -15% net adjustment is applied, indicating an adjusted unit value of \$1,050,000 per potential lot to the subject property's potential building six acre lot.

LAND SALE 3 is the April 2007 sale of a 6.029 acre site situated on 20 Horseshoe Bend Road in Mendham Borough. The property sold for consideration of \$1,435,000.

With regard to time, an adjustment of +1% is applied, reflecting changing market conditions between this sale and the value date of this report.

A -5% approval adjustment is applied, for the risk of obtaining approvals for the entire site to be subdivided.

With regard to other adjustments

A -15% adjustment is applied for location, since we view the subject location to be inferior to the comparable sale.

No adjustment is applied for access/frontage.

No potential lot size adjustment is necessary to be applied.

No adjustment for topography is applied.

No adjustment for zoning is applied.

No sewer/water adjustment is necessary to be applied.

On balance, -15% net adjustment is applied, indicating an adjusted unit value of \$1,175,000 per potential lot to the subject property's potential building six acre lot.

LAND SALE 4 is the October 2005 sale of a 15.67 acre building lot located on Mosle Road in Mendham Township. The property sold for consideration of \$1,415,000.

With regard to time, an adjustment of +7% is applied, reflecting changing market conditions between this sale and the value date of this report.

A -5% approval adjustment is applied, for the risk of obtaining approvals for the entire site to be subdivided.

With regard to other adjustments

A -15% adjustment is applied for location, since we view the subject location to be inferior to the comparable sale.

No adjustment is applied for access/frontage.

A -10% potential lot size adjustment is necessary to be applied, since larger lots are more desirable in the marketplace and the subject's potential lot is smaller.

No adjustment for topography is applied.

No adjustment for zoning is applied.

No sewer/water adjustment is necessary to be applied.

On balance, -25% net adjustment is applied, indicating an adjusted unit value of \$1,075,000 per potential lot to the subject property's potential building six acre lot.

LAND SALES ADJUSTMENT GRID (2-2.7 ACRE POTENTIAL BUILDING LOTS)

| | SUBJECT | SALE 1 | SALE 2 | SALE 3 | SALE 4 |
|----------------------|-----------------------------|---|---|---|---|
| Date | December 13, 2007 | March 15, 2007 | January 1, 2006 | April 19, 2007 | October 20, 2005 |
| Location | Pitney Farm Mendham Twp. | 70 Spring Hill Rd Mendham Boro. | 137 Mosle Road Mendham Township | 20 Horseshoe Bend Mendham Borough | 99 Mosle Road Mendham Township |
| Site Size | 2±-2.7± AC lots | 5.75± AC | 6.86 ± AC | 6.029± AC | 15.67± AC |
| Physical Char. | Good | Good | Good | Good | Good |
| Access | Good | Good | Good | Good | Good |
| Overall Utility | Good | Good | Good | Good | Good |
| Zoning | Residential | Residential | Residential | Residential | Residential |
| Approvals | No | Yes | Yes | Yes | Yes |
| Sale Price | N/A | \$1,610,000 | \$1,247,500 | \$1,435,000 | \$1,415,000 |
| Unit Value | N/A | \$1,610,000/lot | \$1,247,500/lot | \$1,435,000/lot | \$1,415,000/lot |
| Adjustments | | | | | |
| Time Adjustment | | +2% | +5% | +1% | +7% |
| Approvals | | -5% | -5% | -5% | -5% |
| Net Adjustment | | -3% | 0% | -4% | +2% |
| Adjusted Price | | \$1,610,000/lot $\times .97$ \$1,561,700/lot | \$1,247,500/lot $\times 1.00$ \$1,247,500/lot | \$1,435,000/lot $\times .96$ \$1,377,600/lot | \$1,415,000/lot $\times 1.02$ \$1,443,300/lot |
| Other Adjustments | | | | | |
| Location | | -15% | -15% | -15% | -15% |
| Access/Frontage | | No adj. | No adj. | No adj. | No adj. |
| Size | | -10% | -10% | No adj. | -10% |
| Topography | | No adj. | No adj. | No adj. | No adj. |
| Zoning | | No adj. | No adj. | No adj. | No adj. |
| Sewer/Water | | No adj. | No adj. | No adj. | No adj. |
| Net Overall Adj. | | -25% | -25% | -15% | -25% |
| Indicated Adj. Value | Say | \$1,561,700/lot $\times .75$ \$1,171,275/lot \$1,175,000/lot | \$1,247,500/lot $\times .75$ \$935,625/lot \$925,000/lot | \$1,377,600/lot $\times .85$ \$1,170,960/lot \$1,175,000/lot | \$1,443,300/lot $\times .75$ \$1,082,475/lot \$1,075,000/lot |

Time Adjustments: +3% per year average (considering no time adjustment for second half 2007)

We have evaluated the four comparable lot sales. Before adjustments, a unit value range of \$1,247,500 to \$1,610,000 per building lot has been indicated. After adjustments, a unit value range of \$1,050,000 to \$1,350,000 per building lot has been illustrated. One is a 3.11 acre lot located at 25 Cold Hill Road currently improved with a stone residence and outbuildings, with an asking price of \$650,000 and the second is a 4.5 acre lot located at 26 Cold Hill Road with an asking price of \$1,089,000. As a result of both the four sales utilized and the two lots that are for sale, we estimate that \$875,000 per lot (considers the asking price 25 Cold Hill Road) is a reasonable unit value for the three potential 2± acre lots.

Therefore: One, 5± Acre Lot @ \$1,100,000= \$1,100,000
 Three, 2±-2.7± Acre Lots @ \$875,000/potential lot= \$2,625,000
 Total Gross Land Value: \$3,725,000

EXPENSES

The value of \$3,725,000 value of the land is the Gross the value of the property. However, in order to achieve that price, a potential developer/investor would have to incur certain expenses such as commissions and marketing/miscellaneous costs. Additionally, there is a deduction for entrepreneurial profit for the developer/investor taking their time and effort to go through the approval process and sell off the potential lots. As previously noted, no interior road network is necessary to construct obtain these potential lots.

ENTREPRENEURIAL PROFIT

According to local and regional developers building homes in the region, currently require an entrepreneurial profit between 12% and 20%. For analysis purposes, the developer's profit is taken on the basis of 15%, which we believe is reasonable to encourage a prospective developer to invest in a project such as the subject.

SALES COST

A sales commission of 5% per lot is presumed reasonable. Marketing budget is estimated at 1% of gross revenue and 1% contingency cost is estimated for unforeseen expenses.

| | |
|----------------------------------|-----------------|
| Gross Value | \$3,725,000 |
| Less: 15% Entrepreneurial Profit | \$558,750 |
| Less: 5% commissions | \$186,250 |
| Less: 2% marketing/commissions | <u>\$74,500</u> |
| | \$2,905,500 |
| Rounded to: | \$2,900,000 |

*We note that no interior road network is necessary to be constructed

VALUE OF EXISTING DWELLINGS

COST APPROACH

The Cost Approach is defined as, "A set of procedures through which a value indication is derived for the fee simple interest in a property by estimating the current cost to construct a reproduction of, or replacement for, the existing structure; deducting accrued depreciation from the reproduction or replacement cost; and adding the estimated land value plus an entrepreneurial profit. Adjustments may then be made to the indicated fee simple value of the subject property to reflect the value of the property interest being appraised."

In this approach, the appraiser first estimates land value, assuming the land to be vacant, based upon the analysis of comparable land sales in similar locations to the subject property. The appraiser then adds to the land value the replacement cost less depreciation of a building which is the functional equivalent of the subject property at current construction prices. The replacement cost is based upon the use of a recognized national cost service. These construction costs can also be cross-checked by inquiries made of local construction companies actively engaged in the construction of similar properties. The depreciation estimate considers such items as deferred maintenance, functional obsolescence from poor layout and design if applicable, and environmental obsolescence from uses and/or conditions which may be present in the vicinity of the subject property that would detract from its desirability and value. Environmental obsolescence is also known as economic obsolescence, which is defined as "impairment of desirability or useful life arising from factors external to the property, such as economic forces or environmental changes which affect supply-demand relationships in the market."

In our judgment, recent sales that are generally located in the subject area with similar physical character and zoning are good value indicators, if adjusted reasonably. Adjustments should be reflective of market variations, and are not considered exact. The appraiser's judgment is relied upon.

The following pages contain summaries of several sales used to obtain a market oriented indication of the subject lot's land value. The individual sales prices are adjusted on the sales comparison grid following the sales summaries. We then analyze the adjusted unit values to arrive at a market value indication for the subject's land. We then calculate the subject building's replacement cost using the Marshall Valuation Service, a historically reliable source of cost data. The land value indication is then added to the depreciated replacement cost of the building to arrive at a value indication for the entire property (land & building) via the cost approach.

COST APPROACH SUMMARYSite Value

12 acres of land

\$2,900,000

Basic Structure Cost

11,800± SF @ \$180.00/SF =

\$2,124,000

Less: Depreciation (all causes) 55%

-\$1,168,200

\$955,800

Basement Cost

2,500± SF @ \$28.00/SF =

\$70,000

Less: Depreciation (all causes) 40%

-\$28,000

\$42,000

Cottage

1,700± SF @ \$151.00/SF =

\$256,700

Less: Depreciation (all causes) 35%

-\$89,845

\$166,855

Basement Cost

900± SF @ \$27.50/SF =

\$24,750

Less: Depreciation (all causes) 35%

-\$8,663

\$16,087

Plus Extras (Depreciated)

Site Improvements, Garages, fireplace etc.

+ \$100,000

Total Value Improvements by Cost Approach

+ \$1,280,742

Total Value by Cost Approach

\$4,180,742

\$4,200,000

Cost Basis - Marshall Valuation Service

August 2006 - Sec. 12, Pg. 20,

Single-Family Residential, Very Good, - Class D (Main Dwelling)

Cottage: Good-Glass D

| | | <u>Basement</u> | | <u>Basement</u> |
|--------------------------|-------------|-----------------|----------|-----------------|
| Base Cost | \$110.86 | \$17.13 | \$93.98 | \$17.13 |
| Shape Mult. | x 0.950 | x .950 | x 0.939 | x 0.939 |
| | \$105.32 | \$16.27 | \$88.25 | \$16.09 |
| Current Cost Mult. | x 1.07 | x 1.07 | x 1.07 | x 1.07 |
| | \$112.69 | \$17.41 | \$94.43 | \$17.16 |
| Local Mult. | x 1.28 | x 1.28 | x 1.28 | x 1.28 |
| | \$144.24 | \$22.29 | \$120.87 | \$21.96 |
| Soft Cost/Entrep. Profit | x 1.25 | x 1.25 | x 1.25 | x 1.25 |
| | \$180.30/SF | \$27.86/SF | \$151.09 | \$27.45 |
| Say: | \$180.00/SF | \$28.00/SF | \$151.00 | \$27.50 |

Age-Life Depreciation

Under the age-life method, depreciation is estimated by dividing the effective age of the improvements by their total economic life. This method results in an overall depreciation estimate in one lump-sum amount, including loss in value from physical deterioration, functional obsolescence and external obsolescence.

Main Dwelling-Having estimated a 30-year effective age for the subject building improvements and a 55-year economic life, accrued depreciation of 55% is indicated. (i.e. $30 \div 55 = 54.55\%$, rounded to 55%)

Cottage-Having estimated a 20-year effective age for the subject building improvements and a 55-year economic life, accrued depreciation of 35% is indicated. (i.e. $20 \div 55 = 36.36\%$, rounded to 35%)

RECONCILIATION AND FINAL ESTIMATE

Final reconciliation is the application of the process of evaluation. Choice and selection of the indications of value derived from each of the approaches are utilized in the appraisal problem at hand, to arrive at the final estimate of value. Its essence is to develop one defensible, rational conclusion, which approximates the one value as defined in the appraisal, whose existence is known, but whose quantity is being sought.

After consideration of all pertinent data, the results of the three approaches to value are as follows:

COST APPROACH:

N/A

SALES COMPARISON APPROACH:

\$4,200,000

INCOME APPROACH:

N/A

Exclusive use of the Sales Comparison Approach has led us to a market value indication as shown above. Since the subject property is vacant land, this is a reliable approach to value for the type of property analyzed in this report. As a result, we are of the opinion that a reasonable value for the subject property as of December 13, 2007 is \$4,200,000.

ASSUMPTIONS AND LIMITING CONDITIONS

In conducting this appraisal, we have assumed, except as otherwise noted in our report, as follows:

1. The title is marketable and free and clear of all liens, encumbrances, encroachments, easements and restrictions. The property is under responsible ownership and competent management and is available for its highest and best use.
2. There are no existing judgments or pending or threatened litigation that could affect the value of the property.
3. There are no hidden or undisclosed conditions of the land or of the improvements that would render the property more or less valuable. Furthermore, there is no asbestos in the property.
4. The revenue stamps placed on any deed referenced herein to indicate the sale price are in correct relation to the actual dollar amount of the transaction.
5. The property is in compliance with all applicable building, environmental, zoning, and other federal, state and local laws, regulations and codes.

Our appraisal report is subject to the following limiting conditions, except as otherwise noted in our report.

1. An appraisal is inherently subjective and represents our opinion as to the value of the property appraised.
2. The conclusions stated in our appraisal apply only as of the effective date of the appraisal, and no representation is made as to the affect of subsequent events.
3. No changes in any federal, state or local laws, regulations or codes (including, without limitation, the Internal Revenue Code) are anticipated.
4. No environmental impact studies were either requested or made in conjunction with this appraisal, and we reserve the right to revise or rescind any of the value opinions based upon any subsequent environmental impact studies. If any environmental impact statement is required by law, the appraisal assumes that such statement will be favorable and will be approved by the appropriate regulatory bodies.
5. We are not required to give testimony or to be in attendance in court or any government or other hearing with reference to the property without written contractual arrangements having been made relative to such additional employment.
6. We have made no survey of the property and assume no responsibility in connection with such matters. Any sketch or survey of the property included in this report is for illustrative purposes only and should not be considered to be scaled accurately for size. The appraisal covers the property as described in this report, and the areas and dimensions set forth are assumed to be correct.
7. No opinion is expressed as to the value of subsurface oil, gas or mineral rights, if any, and we have assumed that the property is not subject to surface entry for the exploration or removal of such materials, unless otherwise noted in our appraisal.

8. We accept no responsibility for considerations requiring expertise in other fields. Such considerations include, but are not limited to, legal descriptions and other legal matters, geologic considerations, such as soils and seismic stability, and civil, mechanical, electrical, structural and other engineering and environmental matters.
9. The distribution of the total valuation in this report between land and improvements applies only under the reported highest and best use of the property. The allocations of value for land and improvements must not be used in conjunction with any other appraisal and are invalid if so used. This appraisal report shall be considered only in its entirety. No part of this appraisal report shall be utilized separately or out of context.
10. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraisers, or any reference to the Appraisal Institute) shall be disseminated through advertising media, public relations media, news media or any other means of communication (including without limitation prospectuses, private offering memoranda and other offering material provided to prospective investors) without the prior written consent of the appraisers.
11. Information, estimates and opinions contained in this report, obtained from sources outside of the office of the undersigned, are assumed to be reliable and have not been independently verified.
12. Any income and expense estimates contained in this appraisal report are used only for the purpose of estimating value and do not constitute predictions of future operating results.
13. No assurance is provided that the methodology and/or results of the appraisal will not be successfully challenged by the Internal Revenue Service. In particular, the methodology for appraising certain types of properties, including without limitation, government subsidized housing, which has been the subject of debate.
14. If the property is subject to one or more leases, any estimate of residual value contained in the appraisal may be particularly affected by significant changes in the condition of the economy, of the real estate industry, or of the appraised property at the time these leases expire or otherwise terminate.
15. No consideration has been given to personal property located on the premises or to the cost of moving or relocating such personal property; only the real property has been considered.
16. The current purchasing power of the dollar is the basis for the value stated in our appraisal; we have assumed that no extreme fluctuations in economic cycles will occur.
17. The value found herein is subject to these and to any other assumptions or conditions set forth in the body of this report but which may have been omitted from this list of Assumptions and Limiting Conditions.
18. The analyses contained in this report necessarily incorporate numerous estimates and assumptions regarding property performance, general and local business and economic conditions, the absence of material changes in the competitive environment and other matters. Some estimates or assumptions, however, inevitably will not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved during the period covered by our analysis will vary from our estimates, and the variations may be material.

19. The Americans with Disabilities Act (ADA) became effective January 26, 1992. We have not made a specific survey or analysis of this property to determine whether the physical aspects of the improvements meet the ADA accessibility guidelines. In as much as compliance matches each owner's financial ability with the cost to cure the non-conforming physical characteristics of a property, we cannot comment on compliance to ADA. Given that compliance can change with each owner's financial ability to cure non-accessibility, the value of the subject does not consider possible non-compliance. Specific study of both the owner's financial ability and the cost to cure any deficiencies would be needed for the Department of Justice to determine compliance.
20. This appraisal report has been prepared for the exclusive benefit of Mendham Township and affiliates, for the potential acquisition of all or part of the subject property. It may not be used or relied upon by any other party. All parties who use or rely upon any information in this report without our written consent do so at their own risk.
21. No studies have been provided to us indicating the presence or absence of hazardous materials on the site or in the improvements, and our valuation is predicated upon the property being free and clear of any environment hazards.
22. We have not been provided with any evidence or documentation as to the presence or location of any flood plain areas and/or wetlands. Wetlands generally include swamps, marshes, bogs, and similar areas. We are not qualified to detect such areas. The presence of flood plain areas and/or wetlands may affect the value of the property, and the value conclusion is predicated on the assumption that wetlands are non-existent or minimal.

CERTIFICATE OF VALUE

We certify that, to the best of our knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. We have no present or prospective interest in the property that is the subject of this report, and we have no personal interest with respect to the parties involved.
4. We have no bias with respect to the property that is the subject of this report or the parties involved with this assignment.
5. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. Our 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.
7. Our analyses, opinions, and conclusions have been developed, and this report has been prepared, in compliance with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) as promulgated by the Appraisal Standards Board of The Appraisal Foundation.
8. Matthew Krauser made a personal inspection of the property that is the subject of this report.
9. No one provided significant professional assistance to the persons signing this report.
10. This appraisal is not based on a requested minimum valuation, a specific valuation, or the approval of a loan.
11. We have not relied on unsupported conclusions relating to characteristics such as race, color, religion, national origin, gender, marital status, familial status, age, receipt of public assistance income, handicap, or an unsupported conclusion that homogeneity of such characteristics is necessary to maximize value.
12. It is our opinion that the subject does not include any enhancement in value as a result of any natural, cultural, recreational or scientific influences retrospective or prospective.
13. We have extensive experience in appraising properties similar to the subject and are in compliance with the Competency Rule of USPAP.

14. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
15. As of the date of this appraisal, Matthew S. Krauser, SCGREA has completed the requirements of the continuing education program for the State of New Jersey.

After carefully considering supply and demand factors influencing the property and transactions of competitive properties, we estimate the market value of the 12 \pm acres and improvements, as of December 13, 2007, to be:

FOUR MILLION TWO HUNDRED THOUSAND DOLLARS
(\$4,200,000)

We note that we are not professional engineers. We have relied on guidance from the municipal engineer, Thomas R. Lemanowicz, PE, PP, CME of Maser Consulting, with regard to the subject's development potential and the costs associated with improving the property. If further engineering should be provided, our value estimate may be subject to change.

**INTEGRA REALTY RESOURCES -
NORTHERN NEW JERSEY**



Matthew S. Krauser, Director
SCGRBA Lic. #RG 01912

ADDENDUM A

APPRAISER'S QUALIFICATIONS/PARTIAL LIST OF CLIENTELE

**PROFESSIONAL QUALIFICATIONS OF
MATTHEW S. KRAUSER**

| | |
|---------------------------------|--|
| EXPERIENCE: | Director in the firm of INTEGRA REALTY RESOURCES-NORTHERN NEW JERSEY , 110 S. Jefferson Road, 2 nd Floor, Whippany, New Jersey, actively engaged in a wide range of commercial, industrial, and vacant land assignments. Specializes in tax appeal, condemnation, and litigation oriented appraisals, as well as open space/land preservation. |
| PROFESSIONAL ACTIVITIES: | <p>Associate Member - The Appraisal Institute</p> <p>Licensed: New Jersey Real Estate Salesperson.</p> <p>Licensed: New Jersey State Certified General Real Estate Appraiser Lic. #RG01912</p> <p>Member: Morris County Assessors Association</p> <p>Morris County Chamber of Commerce - Leadership Program, Class of 1998</p> <p>Board of Directors - Metro Chapter-The Appraisal Institute</p> <p>Metro Chapter-Princeton Conference-Co Chairman-2001</p> <p>Metro Chapter-Program Chair-2003</p> |
| EDUCATION: | <p>Masters of Science - Real Estate, New York University, NY (1999)</p> <p>B.A. Degree, Speech Communication, Ithaca College, NY (1994)</p> <p>Appraisal Institute courses:</p> <ul style="list-style-type: none"> - Principles of Real Estate Appraisal - Procedures of Real Estate Appraisal - Uniform Standards of Professional Appraisal Practice - Ethics of Real Estate Appraisal - Basic Income Capitalization - Report Writing <p>As well as continually attending seminars, lectures and classes related to the appraisal field and real estate industry, in general.</p> |

PARTIAL LIST OF CLIENTSFinancial Institutions/Lenders

Aevis
American General Realty Advisors
Amresco
Bank Leumi
Bankers Trust Company
Bank of New York
Bank of Boston
Banque Nationale De Paris
Citibank
CIBC
Citigroup
Credit Lyonnais
Crum & Forster
Dynex
First Chicago
First Union
First Boston
GAIAC
Industrial Bank of Japan
Key Bank
Korea Bank
M & T Bank
Munich Miffland
Mellon Bank
Morgan Guaranty & Trust Co.
Paralle Capital
PNC Bancorp
Sovereign Bank
Sunamr Bank
US Trust Company
Valley National Bank

Life Insurance Companies

Aegon USA
Allstate Insurance
Aetna Life Insurance Company
CIGNA Insurance Company
Equitable Life Assurance Society
Hartford Insurance Company
MBL
MetLife
New York Life
Principal Financial Group
Prudential Insurance Company of America
SunLife
Teachers Insurance & Annuity Association

Investment Groups/Advisors

Alleris
Cadillac Fairview
CS First Boston
Gale & Wamsworth
G.E. Capital
Goldman Sachs & Company
Heinzman/D.B.
Hines Development
Investment
J.P. Morgan Investment Management
Latham Brothers
Lend Lease
Merrill Lynch
SEI Realty Advisors
TA Associates

Land Conservation Organizations

Morris Land Conservancy
New Jersey Conservation Foundation
Ridge & Valley Conservancy
Tewksbury Land Trust
The Nature Conservancy
The Trust for Public Land
Upper Merion Watershed Association

Corporations

AT&T
BASF Corporation
Bell Atlantic
Bellcore
Brinco-Myers Squibb
Chrysler Corporation
Columbia Gas Transmission Corporation
Exxon Corporation
Hoffman-La Roche
IBM Corporation
Lucent Technologies
McDonald Corporation
Phillips Petroleum Corporation
Public Service Electric & Gas Company
Warner-Lambert Company
Williams Companies

Law Firms

Brach Eibler Rosenberg Silver Bernstein Hammer & Gladstone
Broderick Newman & Grady
Cornell Foley & Galar
Coutter Robert Laufer & Cohen
Cooper Rose & English
Dillon Blair & Lushar
Dollinger & Dollinger
Dorsey & Fisher
Dukin & Hoggia
Mistron Edelman Borman & Brand
McCarver & English
McElroy Deutsch & Mulvaney
McKinley & Ricketts
Finney Eardley Kipp & Smith
Fortis Rosenberg & Newman
Riker Duzig Scherer Hyland & Pererenti
Scanzarella Feeney & Dixon

Gebhardt & Keiffer
Gibbons DelDeo Dolan Giffinger & Vecchiarelli
Greenbaum Rowe Smith Rapon Davis & Elmswell
Harwood, Lloyd
Harold & Haines
Lasser & Hochman

Schanck Price Smith & Kling
Shanley & Fisher
Shearman & Sterling
Skoloff & Wolfe
Stryker Tams & Dill
Vogel Chalk Schwartz & Collins
Wiley Molehorn & Sitona

Government Organizations

County of Morris
Dakota County, MN
FDIC
Hudson County Park Commission
Internal Revenue Service
Morris County Agriculture Development Board
Morris County Park Commission
NJ Department of Environmental Protection

NJ Department of Transportation
NJ Transit
NJ Turnpike Authority
Peguesnock River Basin Sewer Auth.
Rackaway Valley Regional Sewer Auth.
United States Department of the Interior
United States Forest Service
United States Small Business Admin.

Municipalities

Allamuchy Township
Alpha Borough
Barnards Township
Bloomfield Township
Bosonton (Town of)
Chester Borough
Clinton (Town of)
Denville Township
Dover (Town of)
East Amwell Township
Franklin Township (Somerset City)
Fredon Township
Greensbrook Township
Hackensack (Town of)
Hopatcong Borough

Jefferson Township
Lincoln Park Borough
Mahwah Township
Morris Plains Borough
Morristown (Town of)
Morris Township
Mt. Arlington Borough
Mt. Olive Township
Peguesnock Township
Randolph Township
Ridgely Park Borough
Roxbury Township
Walbridge Township
Wayne Township

ADDENDUM B
MASER CONSULTING LETTER



200 Valley Road, Suite 400
Mt. Arlington, NJ 07856
Tel: 973.398.3110 • Fax: 973.398.3199
www.maserconsulting.com

July 24, 2008

VIA EMAIL: mkrauser@irr.com

Matthew S. Krauser, SCGREA
Integra Realty Resources-Northern New Jersey
110 South Jefferson Road, Second Floor
Whippany, New Jersey 07981

Re: Development Potential
Pitney Farm
Block 131.01, Lot 1
Township of Mendham
MC Project No. MTT-133

Dear Mr. Krauser:

Pursuant to your request, this office has reviewed the development potential of the above referenced property. Based upon that review, the following is offered for your consideration:

The subject parcel is bounded by Cold Hill Road to the west, Shelton Road to the north, and abuts the rear lot lines of properties fronting on Ballantine Road to the south and east. There is a small appendage to the parcel that extends to Ballantine Road, providing about 100 feet of additional frontage. The parcel is located in the R-2 Residential Zone, and has no significant environmental constraints (wetlands, flood areas, steep slopes, etc.). The current Highlands regulations impose no restrictions on the property.

The zone requirements set forth a minimum lot size of two acres, among other developmental restrictions. Based upon the zoning restrictions, the 12 acre the property can be subdivided into four (4) lots that generally meet the zoning requirements without the need to create a new public roadway. Under this scenario, there is one lot that will require variances for the Lot Development Circle and for the Building Envelope Circle as the lot will be accessed through the 100 foot wide appendage to Ballantine Road. Although not fully explored, the creation of a short length of new public or private roadway may increase the lot count to five.

The parcel has access to, and can be serviced by a public water, electric, and natural gas. Sanitary service for the lots would be provided by individual subsurface sewage disposal systems (septic systems).

CLINTON, NJ • HAMILTON, NJ • LOGAN, NJ • RED BANK, NJ • NEWBURGH, NY • WEST NYACK, NY • BETHLEHEM, PA




To: Matthew S. Krauser
Re: Development Potential
Pitney Farm
Block 131.01, Lot 1
Township of Mendham
MC Project No. MTT-133

July 24, 2008
Page 2

I trust that this information satisfies your needs. Should there be any additional information required, please do not hesitate to call.

Very truly yours:

MASER CONSULTING, P.A.


Thomas R. Lemnawicz, P.E., P.P., C.M.E.
Mendham Township Engineer

TRL/1

Cc: Steve Mountain (via email: smountain@mendhamtownship.org)

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