UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF CONNECTICUT

In Re:	**Case No. 16-50848 (AMN)**
POST EAST, LLC **Debtor**	**Single Asset Real Estate Case**

DEBTOR'S DISCLOSURE STATEMENT DATED MARCH 31, 2017

1. INTRODUCTION

This is the disclosure statement (the "Disclosure Statement") in the single asset real estate chapter 11 case of Post East, LLC (the "Debtor"). This Disclosure Statement contains information about the Debtor and describes Debtor's Plan of Reorganization Dated March 31, 2017 (the "Plan"). A full copy of the Plan is served upon you with this Disclosure Statement. ***Your rights may be affected. You should read the Plan and this Disclosure Statement carefully and discuss them with your attorney. If you do not have an attorney you may wish to consult one.***

The proposed distributions under the Plan are discussed at pages 6-8 of this Disclosure Statement. General unsecured creditors are classified in Class 3 and shall receive payment of the full principal amount of their claims in six equal monthly payments commencing on the Effective Date of the Plan.

A. Purpose of this Document

This Disclosure Statement describes:

- The Debtor and significant events during the bankruptcy case,
- How the Plan proposes to treat claims or equity interests of the type you hold (i.e., what you will receive on your claim or equity interest if the plan is confirmed),
- Who can vote on or object to the Plan,
- What factors the Bankruptcy Court (the "Court") will consider when deciding whether to confirm the Plan,
- Why Debtor believes the Plan is feasible, and how the treatment of your claim or equity interest under the Plan compares to what you would receive on your claim or equity interest in liquidation, and
- The effect of confirmation of the Plan

Be sure to read the plan as well as the Disclosure Statement. This Disclosure Statement describes the Plan, but it is the Plan itself that will, if confirmed establish your rights.

B. Deadlines for Voting and Objecting; Date of Plan Confirmation Hearing

The Court has not yet confirmed the Plan described in this Disclosure Statement. This section describes the procedures pursuant to which the Plan will or will not be confirmed.

1. *Time and Place of the Hearing to Confirm the Plan*

The hearing at which the court will determine whether to confirm the Plan will take place on **[Insert date]**, at **[insert time]**, at the United States Bankruptcy Court for the District of Connecticut, New Haven Division, 157 Church Street, New Haven, CT 06510.

2. *Deadline for Voting to Accept or Reject the Plan*

If you are entitled to vote to accept or reject the plan, vote on the enclosed ballot and return the ballot to counsel to Debtor: Carl T. Gulliver, Coan, Lewendon, Gulliver & Miltenberger, LLC, 495 Orange Street, New Haven, CT 06511; Email Cgulliver@coanlewendon.com, or Facsimile (203) 865-3673. See Section IV.A. below for a discussion of voting eligibility requirements.

3. *Deadline for Objecting to the Confirmation of the Plan*

Objections to the confirmation of the Plan must be filed with the Court and served upon counsel to Debtor, Carl T. Gulliver (see paragraph 2 above for service address) by **[insert date]**.

4. *Identity of Person to Contact for More Information*

If you want additional information about the Plan, you should contact counsel to Debtor, Carl T. Gulliver.

C. Disclaimer

The Court has approved this Disclosure Statement as containing adequate information to enable parties affected by the Plan to make an informed judgment about its terms. The Court has not yet determined whether the Plan meets the legal requirements for confirmation, and the fact that the Court has approved this Disclosure Statement does not constitute an endorsement of the Plan by the Court, or a recommendation that it be accepted.

II. BACKGROUND

A. Description and History of the Debtor's Business

The Debtor is a Connecticut limited liability company officially registered with the Secretary of State in May 2008. The company was formed by and is owned by Michael Calise. The LLC owns the commercial real estate at 740-748 Post Road East, Westport, Connecticut (the "Property").

The Property consists of three buildings on about half an acre on the south side of Route 1, also known as Post Road East, in Westport, Connecticut. It has about 132 feet of frontage on Route 1. There is about 6151 square feet of gross rentable area. The buildings were constructed about 1900 and 1946. At the time of this statement the Property contains 7 tenants plus an office for Mr. Calise's business, Settlers and Traders Real Estate Company. Tenant gross monthly rentals total $11,575.

For many years prior to the formation of the limited liability company the Property was owned and managed directly by Michael Calise. The LLC was formed to hold the Property pursuant to the direction of Fairfield County Bank in its commitment in 2008 to refinance the Property (the "2008 Loan") under certain terms and conditions in conjunction with financing the bank was providing to complete the renovation and fit up for its own use as tenant of another property owned by Mr. Calise at 215 Post Road West, Westport, CT (the "Post West Property").

The 2008 Loan from Fairfield County Bank was in the sum of up to $1,127,270 of which the borrowers, Post East LLC and another entity partially owned by Mr. Calise, Uncas LLC, were required by the bank to loan back $500,000 to Mr. Calise for use in the fit up of the bank's space in the Post West Property. The loan documents show that the borrowers were further obligated to take back a note from Mr. Calise for $500,000, and a mortgage on the Post West Property and then further required to simultaneously transfer the note and mortgage to the bank as additional collateral for the 2008 Loan. The balance of the loan proceeds were used to refinance previously existing first mortgage debt on the Property. Debtor does not believe that Uncas benefited directly from the loan, but Uncas was required by the bank to execute the note and secure the note with a second mortgage on its real estate at 2A Owenoke Park, Westport.

The Uncas limited liability company was formed in December 1999 and in June 2000 received its sole asset, real estate at 2A Owenoke Park, Westport. This company is owned at this time 5% by Mr. Calise and 19% each by his five children. The 2008 Loan was executed as borrower by Post East and Uncas, and as guarantor by Mr. Calise and his daughter Sandra Cenatiempo who is one of the members holding 19% each of Uncas.

Fairfield County Bank sold the 2008 Loan, and the several mortgages securing it, along with other secured notes owed by Uncas and by Mr. Calise, to an entity that ultimately transferred the debt, at least as to the 2008 Loan, to Connect REO, LLC ("Connect REO"). (Mr. Calise has questioned whether Connect REO has received assignment of certain loans including a large first mortgage on the Post West Property.) Connect REO at first accepted payments from the several debtors on the various loans it purchased, but eventually it learned that real property taxes had gone unpaid to the Town of Westport. The inability to pay the Town arose during a period of difficulty with certain tenants which has long been resolved. Mr. Calise had reached an agreement to catch up with the Town. Nonetheless, ultimately Connect REO asserted that failure to pay taxes was a breach under the various loan documents which it claimed gave it the right to accelerate the notes. Moreover Connect REO asserted that the loan documents gave it the right to assert that default interest, in addition to the contract rate of interest that had been paid in the normal payments, was due from the first date of the first failure to pay real property taxes. Connect REO sued Post East, Uncas and the two guarantors on the 2008 Loan, and Mr. Calise on other debt it held as well. It sought to foreclose on the Property held by this Debtor, and on Owenoke Park held by Uncas and on the Post West Property and Mr. Calise's home. It filed pre-judgment remedy attachments on assets of Mr. Calise and Ms. Cenatiempo, and sought appointment of a receiver of rents on the Post East property. At that juncture Post East, and then Uncas, determined each should file for protection from its creditors and the opportunity to reorganize in chapter 11.

B. Insiders of the Debtor

"Insiders" is defined in the Bankruptcy Code at Section 101(31) to include officers and people in control of the Debtor, and their relatives. For this Debtor insider means the 100% member Michael Calise.

C. Management of the Debtor Before and During the Bankruptcy

As described above the Debtor has been managed since its formation and throughout these Chapter 11 proceedings by its member, Michael Calise.

After the Effective Date of the Plan the Debtor will continue to be managed Michael Calise, the "Post Confirmation Manager." The Post Confirmation Manager's duties and responsibilities are described in Section III.D.2. of this Disclosure Statement.

D. Significant Events During the Bankruptcy Case

The Debtor commenced the chapter 11 proceeding by the filing of a voluntary petition in the United States Bankruptcy Court for the District of Connecticut on June 27, 2016 (the "Petition Date"). The case is assigned to Bankruptcy Judge Ann M. Nevins sitting in the New Haven Division. The Debtor requested that it be authorized to retain Attorney Carl Gulliver and his firm Coan Lewendon Gulliver & Miltenberger, LLC, of New Haven, Connecticut, as Debtor's general chapter 11 counsel. The Debtor's application and counsel's statement filed herein pursuant to Rule 2016 of the Federal Rules of Bankruptcy Procedure (the "Rules") disclosed that the funds for counsel's retention were provided by Mr. Calise, the Debtor's sole member. The Court entered an order authorizing the retention on August 8, 2016.

Debtor filed a cash collateral motion August 4, 2016, seeking authorization to use the rentals to operate the Property and court approval of its monthly operating budget including adequate protection payments to its secured Creditor, Connect REO, LLC ("Connect REO"), pursuant to the formula at Section 362(d)(3)(B) of the Bankruptcy Code. Said hearings were continued throughout the proceedings. In addition Debtor filed monthly operating statements showing the results of operation of the Property.

Connect REO filed two proofs of claim in the case which appear identical, each 385 pages in length and asserting a claim totaling almost $2,030,000, almost half of which is interest, default interest, fees, and costs. Debtor filed an objection on several grounds and the amount in which the claim or claims may be allowed is still pending before the Court.

Debtor through its member considered and investigated various possible resolutions of the Connect REO loan including sale and refinancing separately and together in combination with non-debtor real estate.

As noted above, Uncas, LLC, has an obvious connection to this Debtor in that its property is additional collateral for the Connect REO loan in this case. Uncas commenced a Chapter 11 case in this Court the day after Post East. That case is designated 16-50849. Mr. Calise individually also filed chapter 11 in this court, Case No. 16-51070, on August 5, 2016. Thus the Post West property, the Owenoke Park property, and the property of this Debtor, Post East, which all secured the repayment of the 2008 Loan, are assets of three different chapter 11 Debtors. In each of these cases the Court has entered a scheduling order requiring the respective debtors to file a plan and disclosure statement no later than March 31, 2017. These debtors have sought to coordinate their plans in certain respects.

Debtor hired a mortgage broker, Chappo, LLC, along with the associated Chapter 11 Debtors, Mr. Calise and Uncas, pursuant to Court Order in November 2016. The principal of Chappo, LLC, Richard Chappo, obtained an offer from Patriot Bank to refinance Debtor's Property along with that of Uncas, the Post West Property, and a fourth piece owned by Westport Fish and Poultry Market LLC located at 732 Post Road East (the "Fish and Poultry Property"). The offer (the "Proposed Patriot Refinance") is set forth in a letter to Mr. Calise of March 2, 2017 and is appended hereto as Exhibit A. The letter required a $10,000 good faith deposit which has been paid by Mr. Calise's company, Settlers and Traders Real Estate Company.

In each of the three proposed plans the respective debtors submit for refinance, or if necessary for sale, the collateral of each Debtor that secures the 2008 Loan. The Proposed Patriot Refinance is not expected to pay the Connect REO claims in full and, therefore, if the holder of these claims refuses to settle this and the other liabilities in full for the net proceeds, or if the proposed refinance with Patriot Bank fails to close for some other reason, each proposed plan provides either for a sale of its real estate that collateralizes the loan or an opportunity for an alternative refinance prior to marketing the real estate for a sale. In the case of the Post West Property the proposed plan starts its marketing period 60 days after the Effective Date. In this case and in the Uncas proceeding, the proposed plan provides a period for obtaining an alternative refinance of the respective debtor's property alone, or with each other, and ultimately if necessary a sale of each of the properties with marketing periods to commence after one year.

While the gross proceeds offered in the Proposed Patriot Refinance are $3.6 Million, approximately $950,000 of mortgages to third parties on the Fish and Poultry Property may have to be paid, plus costs and adjustments estimated at $100,000, leaving an estimated $2,550,000 for settlement of loans upon which Connect REO claims far more. Mr. Calise may be able to get the second mortgage holder on the Fish and Poultry Property to subordinate to the new financing, which could increase the amount available to $2,850,000. Also Mr. Calise may obtain a new tenant in empty space in the Post West Property which could increase the amount Patriot is willing to lend.

Thus the refinance with Patriot Bank is offered as the initial possible settlement with Connect REO, likely to be ready to close in the very near term; however, the plan is drafted so as to recognize that Connect REO may decide to reject the offered refinance, or some other problem could develop in the ability to close the loan. Thus, if the Patriot refinance fails to close within 60 days of the Effective Date, the plan provides alternatives for payment of the claim of Connect REO, and also provides for payment of other creditors, taxes and holders of administrative expenses as described in detail below.

E. Avoidable Transfers

Debtor believes, after review of its records, that there are no avoidable transfers.

F. Claims Objections

Except to the extent that a claim is already allowed pursuant to a final non-appealable order, the Debtor reserves the right to object to claims. Therefore, even if your claim is allowed for voting purposes, you may not be entitled to a distribution if an objection to your claim is later upheld. The procedures for resolving disputed claims are set forth in Article V of the Plan. Any objection to claims shall be filed not later than fourteen (14) days after approval of this Disclosure Statement.

G. Financial Information

The assets of this estate consist of the Property and any rentals generated by management of the Property.

The Property presently generates gross rentals of $11,575. A copy of the Debtor's projected operating budget, which is based on long experience with operation of the Property, and which Debtor has shown over the months of post-petition operation to be substantially accurate, is appended hereto as Exhibit B. Debtor has increased the maintenance figure slightly from that reflected in the Debtor's monthly operating statements to reflect required items that require attention such as exterior painting and minor repairs, as well as other charges appropriate for longer term property maintenance.

The latest appraisals available to the Debtor are an appraisal obtained by the Debtor setting the value as of November 4, 2014 at $1,400,000, which is appended to this statement as Exhibit C (the "Debtor's Appraisal") and an appraisal obtained by the secured creditor setting the value as of March 22, 2016 at $1,250,000 which is part of the docket of this proceeding as an exhibit to Docket No. 77 (the "Creditor's Appraisal"). Debtor's appraisal included the statement that "No alternative legal use could economically justify demolition of the existing improvements…. Based on present demand and commercial land values in Westport, razing the improvements for a more intensive use is not economically justifiable as a stand-alone parcel comprised of .50 acre." *Debtor's Appraisal*, p. 17. The creditor's appraisal discounts the value of the current improvements. Both appraisals use the sales comparison approach to reach their conclusions. On consideration of exposure to the market, the creditor's appraiser writes, "The subject property is an average quality asset. This analysis projects an exposure time and marketing period of twelve to eighteen (12-18) months." *Creditor's Appraisal*, p. 44 The Debtor's appraisal used a marketing period of "within twelve months." *Debtor's Appraisal,* p. 4.

III. SUMMARY OF THE DEBTOR'S CHAPTER 11 PLAN AND TREATMENT OF CLAIMS AND EQUITY INTERESTS

A. What is the Purpose of the Plan of Reorganization?

As required by the Code, the Plan places claims and equity interests in various classes and describes the treatment each class will receive. The Plan also states whether each class of claims or equity interests is impaired or unimpaired. If the Plan is confirmed, your recovery will be limited to the amount provided by the Plan.

B. Unclassified Claims

Certain types of claims are automatically entitled to specific treatment under the Code. They are not considered impaired, and holders of such claims do not vote on the Plan. They may, however, object if, in their view, their treatment under the Plan does not comply with that required by the Code. As such, the Plan Proponent has *not* placed the following claims in any class:

1. *Administrative Expenses*

Administrative expenses are costs or expenses of administering the Debtor's chapter 11 case which are allowed under § 507(a)(2) of the Code. Administrative expenses also include the value of any goods sold to the Debtor in the ordinary course of business and received within 20 days before the date of the bankruptcy petition. The Code requires that all administrative expenses be paid on the Effective Date of the Plan, unless a particular claimant agrees to a different treatment.

The largest component of the Administrative Expenses in this case is the fees owed to the Debtor's chapter 11 counsel, Coan Lewendon Gulliver & Miltenberger, LLC. Said counsel received from the personal funds of the Debtor's principal a retainer for costs and fees of $15,500 prior to the filing of the petition commencing this case and at that date held the balance of $12,383. Counsel estimates that total fees and costs from June 2016 through the Confirmation might be about $45,000 leaving an estimated balance due and owing of about $33,000.

Note that amounts of Administrative Expenses of Debtor's chapter 11 professional set forth herein are estimated for convenience only. Amounts of such Administrative Expenses set forth herein are projected and estimated, based on a relatively straightforward path to confirmation, and ultimately are fully subject to review and approval of the Bankruptcy Court. Actual amounts through Confirmation may be more or less. Administrative Expenses in connection with confirmation, particularly if disputed, can be significant and any estimate would be speculative and could be misleading.

The following Chart lists the Debtor's estimated administrative expenses and their proposed treatment under the Plan:

Type	Estimated Amount	Proposed Treatment
Expenses Arising in the Ordinary Course of Business After the Petition Date	$0	Paid in full on the Effective Date of the Plan, or According to terms of obligation if later
Professional fees, subject to approval by the Court, estimated as of Effective Date, after application of retainer	$33,000	Paid after Allowance, on or after the Effective Date of the Plan, in accordance with agreement that maybe reached between Debtor's principal and counsel
Clerk's Office fees	$0	Paid in full on the Effective Date of the Plan
Other Administrative expenses	$0	Paid in full on the Effective Date of the Plan or According to separate written agreement
Chapter 11 Quarterly Fees	$650	Paid in full on the Effective Date of the Plan
Total	$33,650	

2. *Priority Tax Claims*

Priority tax claims are unsecured income, employment, and other taxes described by § 507(a)(8) of the Code. Unless the holder of such a § 507(a)(8) priority claim agrees otherwise, it must receive the present value of such claim, in regular installments paid over a period not exceeding five (5) years from the order of relief. In this case no priority claims have been filed.

C. Classes of Claims and Equity Interests

The following are the classes set forth in the Plan, and the proposed treatment that they will receive under the Plan:

1. *Classes of Secured Claims*

Allowed Secured Claims are claims secured by property of the Debtor's bankruptcy estate (or that are subject to setoff) to the extent allowed as secured claims under § 506 of the Code. If the value of the collateral or setoffs securing the creditor's claim is less than the amount of the creditor's allowed claim, the deficiency will be classified as a general unsecured claim. In this case the collateral for secured Classes 1 is Debtors' real property and rentals therefrom. As indicated above, Debtor has objected to the secured claim of Connect REO.

Class #	Description	Impairment	Treatment
1	Connect REO, LLC	Impaired	Class 1 shall be paid the monthly sum of $5679 of principal and interest as described in Subsection D below until settled or paid, and shall receive cash at the closing of the Proposed Patriot Refinance equal to the Debtor's Share of Net Refinance Proceeds in full settlement of the Class 1 claim, or, should such closing not occur, then cash at closing upon an Alternative Refinance within one year of the Effective Date, or should such closing not occur, then cash at closing upon a sale of the Property in accordance with provisions set forth in Subsection D. From the Alternative Refinance or sale the holder of the Class 1 claim shall receive full payment of its Class 1 claim, to the extent Allowed, with any outstanding interest to date of payment at the applicable rate under the contract without application of the default provisions. The Class 1 claim shall retain its lien upon the assets of the Debtor until paid.

2. *Class of General Unsecured Claims*

General unsecured claims are not secured by property of the estate and are not entitled to priority under § 507(a) of the Code.

The following chart identifies the Plan's proposed treatment of Class 2 which contains general unsecured claims against the Debtor. At the date of this Disclosure Statement claims included in classes 2, subject to objection and Allowance, are listed in Exhibit D appended hereto.

2	General Unsecured Claims	Impaired	100% without interest payable in cash in six monthly payments commencing on the Effective Date and the same date of the five succeeding calendar months each equal to one-sixth (1/6) of the Allowed Claim.

3. *Class of Equity Interest Holders*

Class 3 Equity interest holders are parties who hold an ownership interest (i.e., equity interest) in the Debtor. In a corporation, entities holding preferred or common stock are equity interest holders. In a partnership, equity interest holders include both general and limited partners. In a limited liability company ("LLC"), the equity interest holders are the members. Finally, with respect to an individual who is a debtor, the Debtor is the equity interest holder.

In this case 100% of the membership interest is held by Michael Calise. The following chart sets forth the Plan's proposed treatment of the class of equity interest holder:

3	Equity Interests	Impaired	Member shall maintain his Equity Interest but subject to management obligations under the Plan and compliance with the Plan.

D. Means of Implementing the Plan and Feasibility of the Plan

The plan proposes closing within 60 days of the Effective Date a new loan with Patriot Bank (the "Proposed Patriot Refinance") upon which Michael Calise, Uncas, LLC, Post East, LLC, (together the "Debtor Obligors) and Westport Fish & Poultry Market, LLC shall be obligors, and which shall be secured by 1st mortgage liens on the following properties:

- 740-748 Post Road East, Westport, owned by Post East, LLC
- 2A Owenoke Park, Westport, owned by Uncas, LLC, which entity is managed by and is owned 5% by Michael Calise.
- 215 Post Road West, Westport, owned by Michael Calise
- 732 Post Road East, Westport, owned by Westport Fish & Poultry Market, LLC, which entity is managed by and is owned 50% by Michael Calise.

The net proceeds of the loan available for disbursement to Connect REO (the "Net Refinance Proceeds") are the remaining proceeds after paying all loan costs and adjustments at closing, bank and broker fees and commissions of the loan, and the payoff balance of the first mortgage held by third parties (creditors other than Connect REO) on the property owned by Westport Fish & Poultry Market, LLC. With the Net Refinance Proceeds the Debtor Obligors on the proposed loan seek to settle four Connect Reo liabilities (the "Included Loans") and five Connect Reo mortgages as follows:

- the loan in the principal amount as of August 2016 of about $2,230,643 secured by a first mortgage on the property at 215 Post Road West,

- the loan in the principal amount as of August 2016 of about $500,000 secured by a second mortgage on 215 Post Road West (which amount is included in the principal amount of the mortgage on 740-748 Post Road East),

- the loan in the principal amount as of August 2016 of about $1,043,016 secured by a first mortgage on 740-748 Post Road East and also secured by a second mortgage on 2A Owenoke Park, and

- the loan in the principal amount as of August 2016 of about $247,950 secured by a first mortgage on 2A Owenoke Park.

The Proposed Patriot Refinance is contingent on achieving certain agreements including the following:

- Agreement with Connect REO to accept Net Refinance Proceeds amount in full settlement on each of the Included Loans

- Westport Fish & Poultry Market LLC agreeing that it releases any claim to proceeds but for payoff of its first mortgage

- Agreement of Patriot Bank to leave the four properties comprising its proposed collateral with current owners

Mr. Calise will seek agreement with the holder of the second mortgage on the property owned by Westport Fish & Poultry Market, LLC to subordinate to the replacement first mortgage of Patriot Bank which would provide higher recovery for Connect REO.

In the alternative, should Debtor fail to satisfy a contingency set forth in the foregoing discussion, or for some other reason become unable to close on the Proposed Patriot Refinance, Debtor shall seek to refinance (the "Alternative Refinance") the Property by itself or in conjunction with Uncas, LLC, in an amount sufficient to net adequate funds to pay the Allowed Class 1 claim of Connect REO with interest at the rate of 5.125%, the applicable contract rate without application of default provisions, to date of payment. If any claim dispute is yet to be resolved, Debtor shall escrow the disputed portion consistent with the terms of Article V of the Plan.

If no such Alternative Refinance is achieved within one year of the Effective Date, Debtor shall, within thirty (30) days of the one-year anniversary of the Effective Date obtain an appraisal of the Property for determination of a listing price to be set at the appraisal value plus 15%, and then to proceed to market the Property for sale at fair market value. Class 1 shall be paid the Allowed amount of its secured claim, with interest at the rate of 5.125% through the date of the closing of the Alternative Refinance or the date of the closing of the sale, whichever is earlier. If a portion of the claim remains disputed at that time, the Reorganized Debtor shall escrow the disputed portion consistent with the terms of the Plan.

Pending refinance or sale, Debtor shall make monthly installment payments to Connect REO upon its Class 1 claim of $5,679 commencing on the fifteenth (15th) day of the next full calendar month after the Effective Date representing principal and interest amortizing upon a thirty (30) year term with interest calculated per the note term at the rate of 5.125% without application of default provisions, upon the outstanding principal as of the Effective Date calculated after application of principal repayment, if any, by Adequate Protection Payments made during the Chapter 11 proceeding. Said post-confirmation payments shall continue until a refinance or sale of the Property.

The Class 1 claim in favor of Connect REO and secured by a first mortgage on the Property is also secured by a second mortgage on property owned by Uncas, LLC (the "Post East Property"). This Class 1 claim may be treated, in the alternative, by payment from proceeds of refinance or sale of the Uncas Property but shall receive payments, pending refinance or sale, from Post East, LLC.

In addition, a portion of the Class 1 claim in the principal amount of $500,000 is secured by a second mortgage on property known as 215 Post Road West, owned by Michael Calise (the "Post West Property"). This portion of the Class 1 claim may be treated in the alternative by payment from proceeds of refinance or sale of the Post West Property.

Pursuant to Section 1146(a) of the Bankruptcy Code, the sale of any assets contemplated herein in furtherance of or in connection with the Plan shall not be subject to any stamp, real estate transfer, conveyance, or other similar tax. All transactions contemplated herein shall be exempt from any such tax.

The Plan Administrator shall be Michael Calise.

Through or under the direction of the Plan Administrator, from cash on hand at the Effective Date and future proceeds of its operations, or any combination thereof, Reorganized Debtor shall disburse funds as provided herein to Allowed Priority Tax Claims, and to professionals holding Allowed Administrative Expenses.

The company assumes and shall pay its normal operating costs and business expenses, whether pending at confirmation or arising thereafter, as and when due. The Reorganized Debtor will pay its post- confirmation legal fees and costs when billed without the necessity of further Court authority.

Secured Creditors whose claims are fully paid shall provide to the closing attorney, upon request, at said claimant's expense, a recordable originally executed release of mortgage.

If all of the applicable requirements of Bankruptcy Code § 1129(a), other than § 1129(a)(8) thereof, are met with respect to the Plan, the Debtor requests that the Bankruptcy Court, pursuant to § 1129(b), confirm the Plan notwithstanding the requirements of § 1129(a)(8) if the Plan does not discriminate unfairly and is fair and equitable with respect to each rejecting class.

The Reorganized Debtor may file an application to the Court for entry of a final decree at any time after substantial consummation.

The Post-Confirmation Manager of the Debtor, who also serves as Plan Administrator, shall be as follows:

Name	Affiliation	Insider (Y or N?)	Position	Compensation
Michael Calise	Member	Yes	Manager	Mr. Calise or an entity in which he has a partial or 100% ownership interest may receive a management fee of up to 5% of rent receipts.

Mr. Calise shall be fully responsible for management including rental collection, leasing, eviction, all disbursements, maintenance and improvements, and for causing the Debtor to close on the refinance or sale contemplated herein.

E. Risk Factors

The proposed Plan has the following risks:

- As in any rental property, the stability of tenants is critical. Risks include tenants vacating the Property or tenants failing to pay rent.
- To the extent success of the Plan requires a timely refinance, whether the Proposed Patriot Refinance, the Debtor's property alone, or together with Uncas, it is possible the Debtor will be unable to close a loan in the sum required or within the required time;

however if the refinance fails, ultimately the Debtor's plan provides for a sale of the Property.

F. Executory Contracts and Unexpired Leases

The Plan, in Section 6, describes executory contracts and unexpired leases. The Debtor anticipates assuming each tenant's lease under the Plan. Assumption means that the Debtor elects to continue to perform the obligations under such contracts and unexpired leases, and to cure defaults of the type that must be cured under the Code, if any. The Debtor believes that no such default on landlord's part exists. Schedule 6.01 to the Plan lists each contract or lease to be assumed. Others, if any, are rejected.

If you object to the assumption of your unexpired lease or executory contract, the proposed cure of any defaults, or the adequacy of assurance of performance, you must file and serve your objection to the Plan within the deadline for objecting to the confirmation of the Plan, unless the Court has set an earlier time.

All executory contracts and unexpired leases that are not listed in Schedule 6.01 to the Plan will be rejected under the Plan. Consult your adviser or attorney for more specific information about particular contracts or leases.

If you object to the rejection of your contract or lease, you must file and serve y our objection to the Plan within the deadline for objecting to the confirmation of the plan.

The Deadline for Filing a Proof of Claim on a Claim Arising from the Rejection of a Lease or Contract is shall be thirty days after the Confirmation Date. Any claim based on the rejection of a contract or lease will be barred if the proof of claim is not timely filed, unless the Court orders otherwise.

G. Tax Consequences of Plan

Creditors and Equity Interest Holders Concerned with How the Plan May Affect Their Tax Liability Should consult with Their Own Accountants, Attorneys, And/Or Advisors.

The Debtor has no opinion of tax counsel or accounting professional, and no rulings of any federal, state, or local taxing authority has been or will be requested in connection with this Plan. The Debtor does not believe the plan would cause tax consequences to the Debtor as its financial results are reported on Mr. Calise's personal return.

Implementation of the contemplated Plan may result in federal and state tax consequences to creditors and equity holders. The tax consequences may vary depending on the particular circumstances or facts regarding the claim and claimant or equity holder. Consequently, creditors and holders of equity securities are urged to consult with their own tax professionals in order to determine the tax implications of the Plan under applicable law.

IV. CONFIRMATION REQUIREMENTS AND PROCEDURES

To be confirmable, the Plan must meet the requirements listed in §§ 1129(a) or (b) of the Code. These include the requirements that: the Plan must be proposed in good faith; at least one impaired class of claims must accept the plan, without counting votes of insiders; the Plan must distribute to each creditor and equity interest holder at least as much as the creditor or equity interest holder would receive in a chapter 7 liquidation case, unless the creditor or equity interest holder votes to accept the Plan; and the Plan must be feasible. These requirements are <u>not</u> the only requirements listed in § 1129, and they are not the only requirements for confirmation.

A. Who May Vote or Object

Any party in interest may object to the confirmation of the Plan if the party believes that the requirements for confirmation are not met.

Many parties in interest, however, are not entitled to vote to accept or reject the Plan. A creditor or equity interest holder has a right t vote for or against the Plan only if that creditor or equity interest holder has a claim or equity interest that is both (1) allowed or allowed for voting purposes and (2) impaired.

In this case, the Plan Proponent believes that all classes are impaired and that holders of claims in each of these classes are therefore entitled to vote to accept or reject the Plan. Classes 6 and 7 are composed entirely of insiders.

1. *What is an Allowed Claim or an Allowed Equity Interest?*

Only a creditor or equity interest holder with an allowed claim or an allowed equity interest has the right to vote on the Plan. Generally, a claim or equity interest is allowed if either (1) the Debtor has scheduled the claim on the Debtor's schedules, unless the claim has been scheduled as disputed, contingent, or unliquidated, or (2) the creditor has filed a proof of claim or equity interest, unless an objection has been filed to such proof of claim or equity interest. When a claim or equity interest is not allowed, the creditor or equity interest holder holding the claim or equity interest cannot vote unless the Court, after notice and hearing, either overrules the objection or allows the claim or equity interest for voting purposes pursuant to Rule 3018(a) of the federal Rules of Bankruptcy Procedure.

The deadline for all creditors except governmental units to file a proof of claim in these cases was October 24, 2016.

2. What is an Impaired Claim or Impaired Equity Interest?

As noted above, the holder of an allowed claim or equity interest has the right to vote only if it is in a class that is impaired under the Plan. As provided in § 1124 of the Code, a class is considered impaired if the Plan alters the legal, equitable, or contractual rights of the members of that class.

3. Who is ***Not*** *Entitled to Vote*

The holders of the following five types of claims and equity interests are *not* entitled to vote:

- holders of claims and equity interests that have been disallowed by an order of the Court;

- holders of other claims or equity interests that are not "allowed claims" or "allowed equity interests" (as discussed above), unless they have been "allowed" for voting purposes
- holders of claims or equity interests in unimpaired classes;
- holders of claims entitled to priority pursuant to §§ 507(a)(2), (a)(3), and (a)(8) of the Code; and
- holders of claims or equity interests in classes that do not receive or retain any value under the Plan;
- administrative expenses.

Even if you are not entitled to vote on the Plan, you have a right to object to the confirmation of the Plan.

4. *Who Can Vote in More than One Class*

A creditor whose claim has been allowed in part as a secured claim and in part as an unsecured claim, or who otherwise hold claims in multiple classes, is entitled to accept or reject a Plan in each capacity, and should cast one ballot for each claim.

B. **Votes Necessary to Confirm the Plan**

If impaired classes exist, the Court cannot confirm the Plan unless (1) at least one impaired class of creditors has accepted the Plan without counting the votes of any insiders within that class, and (2) all impaired classes have voted to accept the Plan, unless the Plan is eligible to be confirmed by "cram down" on non-accepting classes, as discussed below in Section B.2.

1. *Votes Necessary for a Class to accept the Plan*

A class of claims accepts the Plan if both of the following occur: (1) the holders of more than one-half (1/2) of the allowed claims in the class, who vote, cast their votes to accept the Plan, and (2) the holders of at least two-thirds (2/3) in dollar amount of the allowed claims in the class, who vote, cast their votes to accept the Plan.

A class of equity interests accepts the Plan if the holders of at least two-thirds (2/3) in amount of the allowed equity interests in the class, who vote, cast their votes to accept the Plan.

2. *Treatment of Nonaccepting Classes*

Even if one or more impaired classes reject the Plan, the court may nonetheless confirm the Plan if the nonaccepting classes are treated in the manner prescribed by § 1129(b) of the Code. A plan that binds nonaccepting classes is commonly referred to as a "cram down" plan. The Code allows the Plan to bind nonaccepting classes of claims or equity interests if it meets all the requirements for consensual conformation except the voting requirements of § 1129(a)(8) of the Code, does not "discriminate unfairly," and is "fair and equitable" toward each impaired class that has not voted to accept the Plan.

You should consult your own attorney if a "cramdown" confirmation will affect your claim or equity interest, as the variations on this general rule are numerous and complex.

C. Liquidation Analysis

To confirm the Plan, the Court must find that all creditors and equity interest holders who do not accept the Plan will receive at least as much under the Plan as such claimants and equity interest holders would receive in a chapter 7 liquidation. A liquidation analysis is attached to this Disclosure Statement as Exhibit E. The liquidation analysis uses a valuation for the Property of 75% of the lower appraisal valuation. Debtor submits such an estimate is reasonable for a prompt forced sale without an appropriate marketing period. As indicated only Class 1 receives partial recovery under liquidation. Other creditors and equity security holders would receive nothing, and Debtor believes all creditors would receive less in Chapter 7 than under the Debtor's proposed plan.

V. EFFECT OF CONFIRMATION OF PLAN

A. Discharge of Debtor

Discharge. On the Effective Date of the Plan, the Debtor shall be discharged from any debt that arose before confirmation of the Plan, subject to the occurrence of the Effective Date, to the extent specified in § 1141(d)(1(A) of the Code, except that the Debtor shall not be discharged of any debt (i) imposed by the Plan, (ii) of a kind specified in §1141(d)(6)(A) if a timely complaint was filed in accordance with Rule 4007(c) if the Federal Rules of Bankruptcy Procedure, or (iii) of a kind specified in § 1141(d)(6)(B). After the Effective Date of the Plan your claims against the Debtor will be limited to the debts described in clauses (i) through (iii) of the preceding sentence.

B. Modification of Plan

The Plan Proponent may modify the Plan at any time before confirmation of the Plan. However, the Court may require a new disclosure statement and/or re-voting on the Plan. The Plan Proponent may also seek to modify the Plan at any time after confirmation if (1) the Plan has not been substantially consummated and (2) the Court authorizes the proposed modifications after notice and a hearing.

C. Final Decree

Once the estate has been fully administered, as provide in Rule 3022 of the Federal Rules of Bankruptcy Procedure, the Plan Proponent, or such other party as the Court shall designate in the Plan Confirmation Order, shall file a motion with the Court to obtain a final decree to close the case. Alternatively, the Court may enter such a final decree on its own motion

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Dated this 31st day of March 2017.

Respectfully submitted,

POST EAST, LLC

By: /s/ Michael Calise
Michael Calise, Member
Duly Authorized

Counsel to POST EAST, LLC

/s/Carl T. Gulliver
Carl T. Gulliver, Esquire
Coan, Lewendon, Gulliver & Miltenberger, LLC
495 Orange Street
New Haven, CT 06511
Telephone: (203) 624-4756
Facsimile: (203) 865-3673
cgulliver@coanlewendon.com

Exhibits

A. Patriot Bank Term Sheet

B. Projected Budget

C. Debtor's Appraisal

D. List of Unsecured Claims

E. Liquidation Analysis

Patriot Bank℠

EXHIBIT A

Tripp Moore
Vice President

March 2, 2017

Michael Calise
Settlers and Traders Real Estate Co.
215 Post Road West
Westport, CT 06880

RE: *Commercial Mortgage Loan – 215 Post Road West, Westport, CT, 740-48 Post Road East, Westport, CT, 732 Post Road East, Westport, CT & Owenoke Island parcel, Westport, CT*

Dear Mr. Calise:

We are pleased to provide the proposed terms and conditions for a Commercial Mortgage Loan ("the Loan") to an LLC to be formed ("the Borrower") with Patriot Bank N.A. (the "Bank") as follows:

Borrower(s):	An LLC to be formed
Guarantor(s):	Michael Calise Settlers and Traders Real Estate Company
Loan Type:	Commercial Mortgage Loan
Amount:	$3,600,000
Use of Proceeds:	Refinance
Collateral:	First position mortgage lien securing properties and improvements known as 215 Post Road West, Westport, CT, 740-48 Post Road East, Westport, CT, 732 Post Road East, Westport, CT and Owenoke Island land parcel, Westport, CT; assignment of leases and rents.
Fee:	1.00%
Interest Rate:	5.50% fixed for 5 years. Interest rate to reset at the 5-year anniversary of the loan to the FHLBB 5-year/20-year Amortizing Advance Rate plus 2.75%. Floor rate of 5.50%.

Term / Amortization:	10 years / 20 years
Repayment:	Principal and interest payments of approximately $24,765 monthly; remaining principal and interest due at maturity.
Prepayment Fee:	5% in year 1, 4% in year 2, 3% in year 3, 2% in year 4, 1% in year 5. Prepayment Fee schedule resets in conjunction with the rate reset at the 5-year anniversary of the loan. The loan may be pre-paid without penalty during the 6 months prior to the rate reset.
Flood Insurance:	In accordance with federal regulations, if the property securing the loan is determined to be in a flood zone, Flood Insurance will be required at a maximum amount of $500,000 (per property) for the term of the loan. Should the required flood insurance be less than the regulatory maximum, you will be advised as to the required policy amount.
Environmental:	Environmental reporting required acceptable to the Bank.
Costs:	All closing costs associated with establishing the subject loan will be borne by Borrower to include, but not limited to, bank legal fees, third party reporting, recording fees, and related.

Summary Conditions:

1. The Borrower will not place subordinate financing against the properties without the Bank's prior written consent.
2. Appraisals to be ordered at the borrower's expense yielding a loan-to-value of no greater than 65%.
3. Net operating income of the collateral properties to support a minimum debt service coverage ratio of 1.40x, as determined by Bank.
4. Primary operating account(s) to be established with the Bank prior to closing and to be maintained with the Bank for the duration of the loan.
5. Submission of all supporting documentation as requested by the Bank to include, but not limited to, copies of financial reports inclusive of tax returns, personal financial information, lease agreements, rent rolls and supporting statements.

Should you wish to proceed to have Patriot Bank's Loan Committee consider approval of the described Facility, please forward the below-listed items to my attention.

- A check, in the amount of $10,000, payable to Patriot Bank N.A., representing a Good Faith Deposit to be applied to future costs. Any unused amount will be returned to the Borrower in the event the Bank does not proceed (see below).

The Good Faith Deposit will be applied toward the Bank's due diligence costs, and if the described Facility is not approved, the amount remaining will be refunded less any costs the Bank has incurred. If the Facility is approved, the balance will be applied as a credit towards the Commitment Fee and other closing costs upon acceptance by the Borrower. In the event that the Facility is approved substantially in accordance with the above referenced terms and conditions, and not accepted by the Borrower within the required time period, then the Good Faith Deposit shall be retained by the Bank as liquidated damages.

If the application is denied by Patriot Bank, the Borrower has the right to a written statement of the specific reasons for the denial, if such statement is requested in writing within sixty (60) days of the notification of denial. The written statement of reasons for denial will be sent within thirty (30) days of receipt of the request.

THIS PROPOSAL IS NOT A COMMITMENT OR AN OFFER TO LEND, EXPRESSED OR IMPLIED, BY PATRIOT BANK, N.A. A commitment to make a loan can only arise if the Bank obtains the necessary internal approvals. The terms outlined in this letter are presented for discussion purposes only, are not all-inclusive, are subject to change during the underwriting and approval process and shall expire on ***March 15, 2017*** if not confirmed by the Borrower and returned to the Bank with all required fees and information requested.

We look forward to a mutually beneficial relationship. I may be reached at (203) 252-5961 to discuss the above in further detail.

Sincerely,

Tripp Moore

Tripp Moore
Vice President
Senior Commercial Lending Officer

(Signature page to follow)

The foregoing is accepted by:

Borrower: **An LLC to be formed**

By:______________________________ ______________________________
Michael Calise, Member, Duly Authorized Date

Guarantor: **Settlers and Traders Real Estate Company**

By:______________________________ ______________________________
Michael Calise, President, Duly Authorized Date

Guarantor: Michael Calise

______________________________ ______________________________
Michael Calise Date

EXHIBIT B

Post East, LLC

Chapter 11 Case No. 16-50848
Projected Post-Confirmation Monthly Budget

Rental Income	11,575
Expenses	
Secured Creditor	5,679
Water	75
Sewer**	107
Trash Removal	167
Utilities	792
Repairs and Maintenance (exterior painting and general repairs)**	1,250
Grounds Maintenance (Spring/Fall Cleanup and Snow Removal)**	700
Insurance**	751
Real Property Taxes**	1,375
Total Expenses	10,895
Reserve	680

**These line items are pro-rated or averaged and funds shall be accrued and paid when due or required:

a) Sewer, quarterly, in sum of $320.25
b) Insurance, annually, in sum of $9,010
c) Real Property Tax, quarterly, in sum of $4,123.96

EXHIBIT C

APPRAISAL REPORT
REAL ESTATE

OWNED BY
Post East, LLC.

LOCATED AT

740 Post Road East
Westport, Connecticut

THIS REPORT IS WRITTEN AT THE REQUEST OF:

Attorney David Pite
Pite Law Office LLC
1948 Chapel Street
New Haven, CT 06515

BY

VIMINI ASSOCIATES
REAL ESTATE APPRAISERS AND ANALYSTS
BRIDGEPORT, CONNECTICUT

VIMINI ASSOCIATES
REAL ESTATE SERVICES
SINCE 1968

November 6, 2014

Attorney David Pite
Pite Law Office LLC
1948 Chapel Street
New Haven, CT 06515

Re: 740 Post Road East
Westport, Connecticut

Dear Attorney Pite:

In accordance with your request to perform a valuation of the above captioned property, and issuing my findings, I submit this summary appraisal report. The purpose of this appraisal is to estimate the current market value, as defined in subsequent sections of this report. The intended use of this report is for foreclosure litigation. The effective date of this analysis is November 4, 2014, the date of the most recent inspection. The opinion of value stated in this report is based on the Income Capitalization and Sales Comparison Approaches. The intended user of this report is the above referenced client. Fee Simple Estate is appropriately determined, as the property rental agreements are reportedly month to month, and there are no known long-term, enforceable rental agreements reported to be in effect.

As agreed with the client prior to the preparation of this appraisal, the report submitted herein, in a summary format is appropriate. The undersigned appraisers certify that this appraisal report has been prepared in conformance with the Uniform Standard of Professional Practice (USPAP), and conforms to the standards of the Appraisal Institute.

The property is located in the eastern section of Westport along Route 1. It consists of a basically rectangular shaped parcel with dimensions totaling 21,768 square feet or about .50 acre. It is situated on the south side of Post Road East (Route 1), 444 feet east of Hillspoint Road. There is a total of 132.36 feet along Post Road East. The site has a gradual upward slope from street grade, with improvements consisting of paved parking and access area in the front, with the rear portion comprised of gravel parking, access and turnaround area.

Subject consists of a commercial/retail property comprised of three buildings, with a total composite gross floor area of 6,151 square feet; presently utilized by 8 occupants (two of which are owner or owner-related users). The front easterly building, is wood frame construction, is two-story walk-up design, contains 2,247 square feet and is occupied by a jeweler, a custom remodeling showroom; as well as two office users. Front, westerly building is wood frame construction, contains 1,200 square feet is single story, and occupied by a florist. The rear structure is a single story, mixed wood frame and steel commercial garage/warehouse with office; comprised of 2,704 square feet and used by three occupants. Front, westerly building was constructed circa 1900; with the two remaining structures built in 1946. Overall physical condition of the property is rated fair to average; due to deferred maintenance.

Overall land to building ratio equates to 3.54:1, and improvements have a site coverage ratio of 24%. There is not considered to be surplus land area due to needed parking, access, as well as appropriate egress/ingress in association with present uses.

A more detailed description of the property is further provided in this report.

The analysis of the subject property required research of market data through many sources; the appraisers files, commercial data banks, commercial record, local multiple listing service, local brokers and appraisers, as well as the appraisers field review; and the review of city records. From this collection of data, the appraiser determined that the sales comparison approach is most appropriate. This approach is provided in this report.

A personal inspection was performed on November 4, 2014. Based on this inspection, and the investigation and analysis of the data secured, it is my opinion that the Market Value of the ***Fee Simple Estate*** of the property, as of November 4, 2014, is the amount of:

One Million Four Hundred Thousand Dollars

($1,400,000.00)*

*** Value is IN AN UNCONTAMINATED STATE.** See following page

*** Value is IN AN UNCONTAMINATED STATE.** The appraiser is unaware of details of any studies of the soil content, and has no knowledge as to the extent the subject property may be affected by Connecticut Public Act 85-443 (super lien law) or Public Act 84-535 (an act concerning clarifications of permits for hazardous liability resulting from any soil contamination due to the storage of hazardous waste). This appraisal report and the value estimates contained herein assume no potential liability resulting from any soil contamination as a result of historical or current operation on the subject site or due to the storage of hazardous waste material, automobiles and/or chemical spills which may have occurred on this property or via contamination from adjoining properties, over past years. The appraiser, however, was not privy to details of any site assessment reports, clean-up costs, estimates etc. and therefore, could not take these factors into consideration in the analysis, nor reasonably quantify the effect of these conditions or any stigma which may be inherent in the subject property as a result of contamination. It is also worthy to note that the appraiser is not qualified to detect the existence of substances such as lead, urea-formaldehyde, radon gas, foam insulation, asbestos, or other potentially hazardous waste material that may have an effect on the value of the property. The appraiser reserves the right to amend this report, at an additional fee, pending the findings of any site or environmental assessment report as to the presence of any on-site toxic, hazardous wastes or contaminants that may affect the value of the property. ***The user of this appraisal report is warned that the value conclusion derived herein, is considered in a clean and uncontaminated state, and that seeking legal, and environmental advice as to the preceding issues is recommended.***

Respectfully submitted,

William P. Converse, Appraiser

Peter A. Vimini, MAI

TABLE OF CONTENTS

APPENDIX

- *ADDITIONAL PHOTOGRAPHS OF THE SUBJECT*
- *SURVEY PLAN*
- *ASSESSOR'S MAP*
- *BUILDING SKETCH*
- *LEGAL DESCRIPTION*
- *"PwC" REAL ESTATE INVESTOR SURVEY*

EXECUTIVE SUMMARY

Property Information

Address	740 Post Road E Westport, CT

Tax ID	Map E09, Lot 040
Property Type/current use and occupancy	3 buildings; mixed use, Commercial/Office, Commercial & Commercial Garage/Warehouse
Proposed Use	N/A
Owner of Record	Post East, LLC.

Land Area	.50-acre
Number of Units	Currently eight occupant spaces
Gross Building Area	6,151 – Composite, 3 buildings
Rentable Area (per leases)	6,151 – Composite, 3 buildings
Percent Occupied	100%
Year Built	Circa 1900 & 1946
Physical Condition	Fair to average

Zoning Designation	General Business District (GBD)
Conforming/Nonconforming	Legal, pre-existing, non-conforming
Highest and Best Use	
As if Vacant	Commercial related use
As Improved	Present mixed-use commercial/office
Excess Land/Surplus Land	None

Valuation Information

Exposure Time; Marketing Period	Less than 12 months
Effective Date of the Appraisal	November 4, 2014
Property Interest Appraised	Fee Simple Estate
Market Value Indication	$1,400,000

Cost Approach	N/A

Sales Comparison Approach	$1,430,000
Unit Price Range (Adjusted)	$225 to $233 per sq. ft.

Income Capitalization Approach	$1,330,000 (incl. $95,000 deduction for deferred repairs)
Net Operating Income	$99,933
Capitalization Rate	7.0%

Furniture, Fixtures, Equipment	**None included in value**

Market Value Conclusion	**$1,400,000 or $228 per sq. ft.**

AERIAL VIEW OF THE SUBJECT

OVERALL VIEW OF THE SUBJECT

PHOTOGRAPHS OF THE PROPERTY

FRONT VIEW OF THE PROPERTY

FRONT VIEW – LOOKING SOUTHEAST

<u>PHOTOGRAPHS OF THE PROPERTY</u>

ADDITIONAL PHOTOGRAPHS ARE PROVIDED IN THE APPENDIX

PURPOSE OF THE APPRAISAL

The purpose of this appraisal is to estimate the current market value, as defined in subsequent sections of this report. The intended use of this report is for foreclosure litigation. The effective date of this analysis is August 14, 2013, the date of inspection. The opinion of value stated in this report is based on the Income Capitalization and Sales Comparison Approaches. "Market Value" referred to in this report, is defined below.

MARKET VALUE DEFINITION

"Market Value" referred to in this report is defined by the Title XI of the Federal Financial Institution Reform, Recovery and Enforcement Act of 1989 (FIRREA), to mean the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised, and each, acting in what they consider their own best interests;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale[1].

ESTIMATION OF EXPOSURE AND MARKET TIME

Exposure time is defined in accordance with Uniform Standard of Professional Practice (USPAP), and standards of the Appraisal Institute as "estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of appraisal."

Market value derived herein, is based on that of a current sale, one occurring within a reasonable exposure time of twelve months. Reasonable exposure time inherent in the market value concept is presumed to precede the effective date of the appraisal. Appropriate market time is forecasted to occur within twelve months subsequent to the date of appraisal.

[1] The "most probable price" as stated in this definition is defined by the appraiser to be the same as "most probable selling price" which is defined in the Dictionary of Real Estate Appraisal, published by the Appraisal Institute, fourth edition, 2002, as follows: "The price at which a property would most probably sell if exposed on the market for a reasonable time, under the market conditions prevailing on the date of the appraisal". Reasonable exposure time inherent in the market value concept is always presumed to precede the effective date of the appraisal.

SCOPE OF THE APPRAISAL

As an integral part of this report, the appraiser researched the Westport and applicable land records in relation to the Assessors, Town Clerk, and Zoning offices for information on both the subject and comparable properties. Local real estate brokers and appraisers were also contacted, and with the information gathered, the analysis to value was performed.

After analyzing the subject property through the Income Capitalization and Sales Comparison Approaches, the respective methods were then reviewed, and reconciled into a final estimate of market value. During this process, consideration was given to the strong and weak points of each approach as it relates to the market in which the property competes, the physical and economic impact of the surrounding area upon the property; the demand for such property in its specific location; the physical and legal limitations upon the use of the site and property; the condition of the improvements; and their contribution to the value of the site as vacant. The resulting conclusion represents the estimated defined value of the property in the condition it existed on the effective date of the appraisal, subject to the assumptions and limiting conditions contained with this report.

INTENDED USE & USER OF THE APPRAISAL

The intended use of the appraisal is for development of an opinion of market value of the Fee Simple Estate of the property for use by our clients, Attorney David Pite, of Pite law Office LLC. The intended use is for foreclosure litigation. It is further understood that the intended users of the report are the clients/addressees stated on the cover and in the letter of transmittal of this report, as well as judicial court system of the State of Connecticut for foreclosure litigation purposes. No other party may rely on this appraisal without written notification and our prior permission.

PROPERTY RIGHTS APPRAISED

The property's ***"Fee Simple Estate"*** is appraised in this report. This is defined as: "Absolute ownership unencumbered by any other interest or estate subject only to the four powers of government."[2] This definition is limited to the four powers of government which are; eminent domain, escheat, police power and taxation.

2 *The Dictionary of Real Estate Appraisal, published by the Appraisal Institute, fourth edition, 2002.*

TITLE HISTORY

Ownership of the subject is presently in the name of Post East, LLC. The property was transferred to current ownership status on June 2, 2008. Conveyance was by Quit Claim deed, recorded in Volume 2908, page 226 of the Westport land records. There was no purchase price or conveyance tax collection recorded in the instrument of record.

The subject property is not currently on the market for sale or under contract of sale, based upon review of the current and pending real estate listings through the Consolidated Multiple Listing Service, Inc. and MLXChange of Fairfield and New Haven Counties, respectively; as well as through LoopNet and CoStar services.

EASEMENT, RESTRICTIONS OR ENCUMBRANCES

None recorded which appear to adversely affect value.

TAX DATA

Subject is listed in the assessor's office of the town of Westport as Map E09, Lot 040. The town of Westport had undergone property revaluation with an effective date of October 1, 2010, effective as of the date of appraisal.

2013 Grand List assessment and tax burden for the subject property is calculated as follows:

Total Assessment	$ 902,800
Tax Rate (2013 Grand List)	17.94 mills
Total Annual Tax Burden	**$16,196.23**

Taxes in Westport are comparable to other suburban areas in Southwestern Connecticut.

SITE DATA

General

Subject consists of a basically rectangular shaped site, with dimensions totaling 21,768 square feet or about .50 acre. Property is situated on the south side of Post Road East (Route 1), 444 feet east of Hillspoint Road. There is a total of 132.36 feet along Post Road East.

Site Improvements

The site has a gradual upward slope from street grade.

Front portion of the site consists of strip of grassed area, with planted trees. There is also a small grassed area in the front of the eastern building with decorative shrubbery. Flower shop has slate terrace in the front of the building. Front portion of the site is paved and there are a total of 18 marked spaces; which includes 8 cars in the front, 6 along the west side of the westerly building, and 4 more at the rear of the east building. There is paved curbing in the front as well as several plastic curb stops. The rear section is comprised of gravel area for additional parking capacity, as well as general access and turnaround area. There is a chain link fence which separates the paved front section and rear gravel area. Rear of the site approaching the lot line is generally wooded which provides a buffer to residential properties. There are flood lights attached to the building for added security.

Overall physical condition of the site improvements is rated average.

Utilities

All utilities are available, which include public water, gas, storm sewers, telephone, electric services and town sewers are available to the site.

View

The site overlooks a variety of commercial related uses in the immediate vicinity which includes a lumber yard to the east, a "Toyota" car dealership across Post Road E; as well as gasoline stations, small retail strip shopping center, and offices in the immediate vicinity. Also overlooks single family residences to the rear. Small strip center to the west, which adjoins the subject is under related ownership as the subject.

Surplus Land

Overall land to building ratio equates to 3.54:1, and improvements have a site coverage ratio of 24%. There is not considered to be surplus land area due to needed parking, access, as well as appropriate egress/ingress in association with present uses.

IMPROVEMENT DATA

Subject consists of a commercial/retail property comprised of three buildings, with a total composite gross floor area of 6,151 square feet; presently utilized by 8 occupants (two of which are owner or owner-related users). The front easterly building, is wood frame construction, is two-story walk-up design, contains 2,247 square feet and is occupied by a jeweler, a custom remodeling showroom, as well as two office users. Front, westerly building is wood frame construction, contains 1,200 square feet is single story, and occupied by a florist. The rear structure is a single story, mixed wood frame and steel commercial garage/warehouse with office, comprised of 2,704 square feet and presently used by three occupants.

As of the effective date of appraisal, all respective spaces are reportedly rented on a month-to-month, short-term basis and agreements are thus, non-enforceable. Rental terms and conditions are described in greater detail in the Income Capitalization Approach.

Front, westerly building was constructed circa 1900; with the two remaining structures built in 1946. Overall physical condition of the property is rated fair to average; due to deferred maintenance. Estimated cost of items in need of attention should not exceed $95,000; this includes items in need of attention to achieve stabilized income capacity reflected in the Income Capitalization Approach. Respective building improvements are summarized as follows:

Building	**Front-East** **Retail/Office**	**Front-West** **Retail**	**Rear** **Commercial Garage**
Occupants	-*NYC Jewelers* (1st) -*Diversified Builders* (1st) - Owner office (2nd) - Massage therapy office (2nd)	-*Flowerfall*	- *Westport Plumbing* (owner related) - *D & M Furniture* - *Lopez Pool*
Story Height	2	1	1
Const./Quality	Wd Frame/Average	Wd Frame/Average	Steel & Wd Frame/Fair
Year Built	1946	circa 1900	1946
Size (sq. ft.)	2,247	1,200	2,704
Layout	2 open retail spaces/ 2 single office rooms shared lavatories	Front open retail flower & gift shop; with adjacent rear comm. area	Office, w/ adj. storage bay. 2 shop offices & storage bay/ 2 individual storage bays.
Heating	Central Gas FHA	Oil; susp. space heaters	Gas; suspended space heaters
Basement	Crawl space	Partial (limited)	None
Interior Finishes	Carpet flooring, gypsum walls and ceilings. Fluorescent and track lighting	Wood & concrete floors. Gypsum walls/ceilings; and exposed	Hw floor/gypsum walls & ceilings in office. Plywood floor in shop office. Storage bays have cement floor & exposed ceilings & walls
Exterior	Gable roof w/asphalt shingle; Wd clapboard siding. DH and display windows	Gable roof w/asphalt shingle w/ metal in rear section; Wd clapboard & shingle siding. Display, casement & DH windows	Gable & slanted flat roofs w/ asphalt shingle & metal. Vert. wood, pressboard, unfinished plywood & metal siding. Casement windows (office)
Comments	Severely peeling paint. Some trim repairs (incl. window frames). Also, typical ongoing maintenance	- roof old/worn - trim rotted& in disrepair - paint severely peeling - heating, electric upgrades required; general fit-up needed	- siding finishes and paint required. Attention to metal & asphalt shingle roof sections. - typical ongoing maintenance required. Office windows are newer. Upgrade of fit-up

IMPROVEMENT DATA (Continued)

Other Improvements

Rear of the site, adjacent to the commercial service garage consists of three wood frame storage sheds, with gable roofs. Two have older swinging, wood doors and one has newer metal overhead door. Each is comprised of 252 square feet and considered in fair physical condition at best.

These ancillary buildings are considered to have very limited contributory value and utilized for ancillary storage by subject occupants.

The opinions of the appraiser discussed in this report are based on and limited to current exterior inspection of the property, as access to "NYC Jewelers" in the mixed-use building, common areas; as well as "Westport Plumbing" (owner-related) and "D & M Furniture." Interior access to the second floor offices, and "Flowerfall" spaces was not obtained as occupants were not in and keys were not available. No other opinion is therefore, rendered as to the specific interior condition of these occupant areas, construction materials and layout, other than what could be ascertained from this current inspection, what is visible from the outside, municipal records, exterior visual observations and owner's representations. The opinions thus, discussed throughout this report are based on and limited to this inspection, as well as municipal records, which appear to be a reasonable reflection of construction materials, and overall physical condition.

Value herein may be notably impacted however, if high degree of interior maintenance is required for these respective areas, and may only be quantified at such time as access to these portions of the interior are obtained.

ZONING

The subject is located in a "General Business District" (GBD). "The purpose of the General Business Districts is to allow general commercial and office development in designated areas located along arterial streets, limiting the intensity of development and providing adequate off-street parking. Automotive and similar drive-in type establishments shall be prohibited."

Criteria for this zone is as follows:

General Business District

Minimum Lot Size	None
Minimum Lot Frontage	50 feet
Maximum Building Height	2 stories (25 ft.)
Maximum Floor Area	10,000 (per building)
Minimum Set Back from Street	30 feet
Minimum Set Back from Side Lot Line	15 feet
Minimum Set Back from Rear Property Line	25 feet
Maximum Building Lot Coverage as a percentage of lot area	25%

Permitted principal uses include: stores and shops, grocery stores and delis, restaurants, cafes and taverns, business and professional offices, banks, as well as assembly halls and job printing establishments. Other special permit uses include: vet hospitals and animal clinics, fast food restaurants, and private occupational schools.

Other permitted uses and conditions are outlined in detail in Section 24-2 of the Westport zoning regulations.

Parking requirements include one space for every 250 square feet of business and professional office area; and one space for every 165 square feet of medical office uses. Retail and service establishments typically require one space for every 180 square feet of gross floor area. Restaurant and related uses require one space for every 35 square feet of gross patron floor area plus one space for each additional 500 square feet of gross interior floor area.

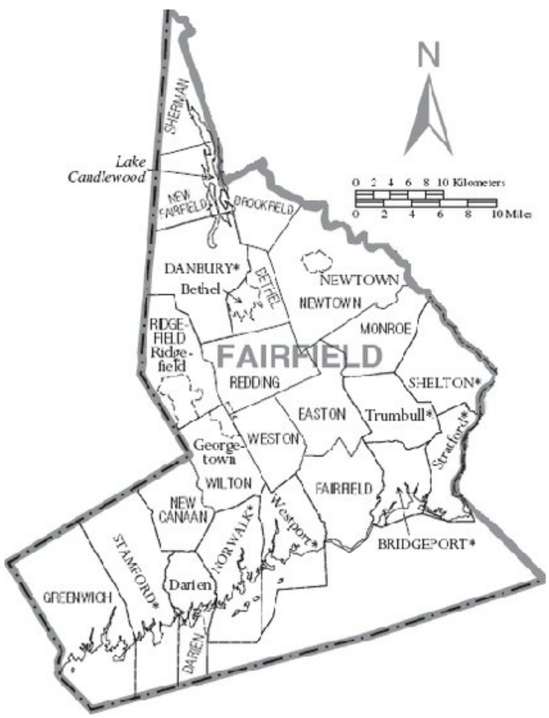
Present use is considered to be in compliance with zoning. Overall property appears to be in conformance with local zoning regulations.

NEIGHBORHOOD DATA

Location:	Eastern section of Westport, along Route 1. Area is bounded by the town of Fairfield (Southport section) on the east, Long Lots Road on the north, the Hills Point Road on the west, and Interstate 95 on the south.
Buildings:	Uses along Post Road East serves as a major commercial hub of automobile dealerships, restaurants, shopping centers and office buildings, primarily accommodating Westport and nearby Fairfield community. Single family dwellings are predominately located on side streets off of Post Road East (this includes properties along Old Road, in back of the subject). Larger single family homes, typically in the multi-million dollar price range, are located below the southern periphery of the defined neighborhood boundaries, in the waterfront community known as "Green's Farms" along the Long Island Sound shoreline. Residences within the subject neighborhood are of mixed design and various sizes.
Schools, Churches & Shopping:	Private and parochial, elementary and secondary schools are located within the area or easy driving distance. Churches of varied denominations and shopping are also within easy driving distance.
Roads:	All area roads are paved. The area is conveniently located with convenient access to ingress and egress ramps of Interstate 95, in both northbound and southbound directions. Post Road East (Route 1) contains a high concentration of business uses, which includes a variety of service establishments. This roadway is a highly traveled commercial corridor which also provides direct access to Westport center, and the adjoining towns of Norwalk and Fairfield.
Municipal Services:	Full complement of town services serve the area. These include police and fire protection, schools, library facilities, ambulance service, rubbish collection and many others

NEIGHBORHOOD DATA (Continued)

NEIGHBORHOOD AREA MAP



REGIONAL MAP – FAIRFIELD COUNTY

MARKET TRENDS AND CONDITIONS

General Market Trends

Commercial and industrial demand for the area overall, has increased over the three years prior to mid-2007. From 2007 to mid-2011, there had been a sustained downward trend evident in the marketplace, with generally limited activity and decline evident. Throughout 2013 through the first three quarters of 2014, there has been an increase in activity with competitively priced properties, selling within reasonable time frames. Most recent trends have generally shown evidence of overall stabilization, with more balanced supply and demand, with general price stabilization. There have been increases occurring in more desirable locations in Westport and surrounding areas, where inventory becomes limited. Vacancy rates range from as low as 3 percent for smaller operations, conducive for owner occupancy, to 25 percent, for larger buildings. Most current sales activity is by smaller or larger owner-user companies.

Commercial and industrial loan rates range from 4.0% to 6.5%, depending on risk, with 3 to 10 year balloons, amortized over 15 to 25 years. These typically require 25% to 30% equity investment, or in some cases slightly less for owner occupied facilities. Current interest rates reflect stabilization, subsequent to consistent decreases.

Commercial and Office Trends – Westport Commercial/Retail Space and Office Availability

According to *"CoStar Property®"* Survey conducted November 2014, there is currently a total of 768,796 square feet of commercial/retail and office space available for lease and/or sale in Westport based on total of 462 properties in the survey, which have a total inventory of 5,159,956 square feet of space. This equates to a total availability rate of 14.9%. Of the total space, there is a present reported vacancy rate of 8.8%. Criteria for the Survey are based on commercial/retail and office related properties in Westport; existing and under construction. Of the total inventory, there is a total of 6,434 square feet under construction included in the survey. There are no new construction deliveries reported in the past 12 months.

Of the properties in the survey, there are 45 retail spaces available for lease, and these have asking rents ranging from $17.87, modified gross to $140.00, Net (16 of the 45 spaces asking prices are withheld). The retail spaces available for lease in the survey range in size from about 778 square feet to about 20,178 square feet.

Of the properties in the survey, there are 52 office spaces available for lease, and these have asking rents ranging from $17.00, gross plus utilities to $68.00, Net (18 of the 52 spaces asking prices are withheld). The office spaces available for lease in the survey range in size from about 250 square feet to about 62,000 square feet.

MARKET TRENDS AND CONDITIONS

Commercial and Office Trends – Westport Commercial/Retail Space and Office Availability

Of all the properties in the survey, 14 are reported as available for sale; 7 of which are available exclusively for sale (remaining 7 are available for both lease and sale). The buildings available for sale range in size from about 1,655 to 32,000 square feet. Asking prices range from $739,000 to $10,800,000 or range from $233 to $1,040 per square foot. Properties surveyed, for both lease and for sale have an average exposure time of 16.0 months on the market or just under over 1½ years.

Extended market times are therefore attributable to substantially above market asking prices for a notable number of the available properties. It is evident sufficient demand exists in the subject marketplace, as reflected in positive absorption of space over the past 12 months. It can be inferred that price reductions for the remaining higher priced space will generally be needed to attract prospective buyers/tenants.

Of the properties in the survey, average asking rent per square foot is $36.16 per square foot, which is above five year average of $35.10 per square foot. Present vacancy rate and availability rate are slightly better than the five year averages. The remaining spaces available for lease and sale however, are experiencing extended market times (in excess of the 5-year average) which are indicative that asking rents/prices need to be further reduced for these properties to be absorbed in the marketplace. Properties which have been absorbed on the other hand appear to have been appropriately priced, as vacancy and availability rates are favorable (along with positive absorption).

Availability	Survey	5-Year Avg
Rent Per SF	$36.16	$35.10
Vacancy Rate	8.8%	9.3%
Vacant SF	453,416	477,474
Availability Rate	14.9%	15.1%
Available SF	768,796	776,041
Sublet SF	95,052	61,692
Months on Market	16.0	14.4

Inventory	Survey	5-Year Avg
Existing Buildings	462	458
Existing SF	5,159,956	5,139,369
12 Mo. Const. Starts	6,439	8,690
Under Construction	6,439	5,914
12 Mo. Deliveries	0	7,470

Demand	Survey	5-Year Avg
12 Mo. Absorption SF	56,430	2,704
12 Mo. Leasing SF	229,680	290,406

Sales	Past Year	5-Year Avg
Sale Price Per SF	$321	$334
Asking Price Per SF	$452	$438
Sales Volume (Mil.)	$195	$90
Cap Rate	7.2%	6.3%

MARKET TRENDS AND CONDITIONS (Continued)

Competitive Listings

Comparable listings and sales, of commercial and mixed-use properties in Westport, similar to the subject are considered and summarized as follows:

Address	Size	Use	Asking Price/Sale Price	Asking Price per S.F.	Physical Condition	Reported Days on Market
64 Post Road W Westport	2,496 s.f.	Converted office	**Asking** $895,000	$358.57	Good	535
1869 Post Road E Westport	7,495 s.f.	Comm./office & apartments	**Asking** $2,980,000	$397.60	Good	217
18-20 Riverside Dr. Westport	2,196 s.f.	Comm./ apartments	**Asking** $760,000	$346.08	Average to Good	153

Conclusion

Above listings which are notably above market and comparable sales utilized, are anticipated to have extended market times, if asking prices are not further reduced. Based on subject market analytics, above listings, as well as general data and trends, the derived value of the subject property appears reasonable, and property would be anticipated to sell within a reasonable time frame, if priced competitively to attract a buyer. There appears to be sufficient demand for subject property type and size, as there has been positive absorption over the past year. Most prospective buyers in the subject general size category are owner occupants, which will notably facilitate overall marketability.

HIGHEST AND BEST USE

As Vacant –

The site has dimensions totaling .50-acre, and has sufficient frontage and access along Post Road E (Route 1). Route 1 is a highly traveled arterial commercial corridor, with a variety of complimentary commercial uses. Highest and Best Use as vacant is for commercial or related use, which serves the immediate area. Commercial or related use is thus, considered most intensive use.

Alternatively, assemblage by an adjoining landowner is a possibility, depending upon a potential user objective. This alternative however, is considered speculative, since it is solely based on a specific users requirements, and capacity for favorable investment potential; whereas the potential buyer's intentions are presently unknown. Although the adjoining retail property to the west is under related ownership, the subject is appraised herein, as a stand-alone property.

As Improved –

The Highest and Best Use as improved remains as mixed-use for retail/commercial, office and commercial garage/warehouse use. No alternative legal use could economically justify demolition of the existing improvements.

Overall land to building ratio equates to 3.54:1, and improvements have a site coverage ratio of 24%. There is not considered to be surplus land area due to needed parking, access, as well as appropriate egress/ingress in association with present uses.

Based on present demand and commercial land values in Westport, razing the improvements for a more intensive use is not economically justifiable as a stand-alone parcel comprised of .50 acre. Redevelopment of the subject site in conjunction with the adjoining parcel to the west under the same ownership however, is a possibility in the future. As previously cited however, the subject is appraised herein, as a stand-alone property.

Assemblage of the subject therefore, which entails razing the building improvements remains speculative as a stand-alone site, based on typical market conditions, since it is dependent upon favorable investment potential and plan of a prospective buyer.

APPRAISAL PROCESS

The three commonly accepted techniques for estimating the market value of real estate, the Cost Approach to Value, the Income Capitalization Approach and the Sales Comparison Approach, have all been considered. The three approaches are further defined in "The Dictionary of Real Estate Appraisal, published by the Appraisal Institute.

COST APPROACH: NOT APPLICABLE

The Cost Approach is a method of valuation, which calculates the Replacement Cost New of each component of the improvements. Replacement Cost as defined in the text, The Dictionary of Real Estate Appraisal published by the Appraisal Institute, is the "cost of construction, at current prices, of a building having utility equivalent to the building being appraised but built with modern materials and according to current standards, design and layout." This cost is then reduced by the estimation of accrued depreciation, to formulate the value of the improvements in their present state and condition.

The Cost Approach to Value is best used when appraising new or special purpose properties, or when the Sales and Income Approaches are not applicable. This approach is not presently representative of the decisions of buyers and sellers under typical circumstances in the subject's marketplace, for improved properties, which have value contribution to the site, and are not new construction. This approach typically has a less significant effect on decisions of buyers and sellers, for the subject property type in its location, and is therefore not developed herein.

INCOME CAPITALIZATION APPROACH:

This approach is considered an appropriate applicable form of estimating the subject’s value. It is developed on the following pages. Direct Capitalization via Mortgage Equity Analysis is considered most appropriate with assumption of stabilized income and expenses. This is based upon capitalization of a stabilized single year's income expectancies, at a market-derived capitalization rate that reflects a specified income pattern and return on and of investment, all, which are inherent in the single, determined, specified rate.

SALES COMPARISON APPROACH:

This approach is also considered appropriate, and is developed herein. Value indication is derived by comparing the property being appraised to similar properties that have been sold recently, applying appropriate units of comparison and making adjustments, based on the elements of comparison, to the sale prices of the comparables. For subject type property, which is most conducive for owner occupancy, this provides a reliable indication of value, as there is sufficient comparable sales data available for purposes of this analysis.

INCOME CAPITALIZATION APPROACH

In this approach, the property is valued by its ability to generate net income. It is viewed both as the form of owner occupancy, in a portion, or an investment by a disinterested investor. The method utilized herein, to provide an indication of value, is Direct Capitalization; with an appropriate capitalization rate derived via Mortgage Equity Analysis.

Current Income – The three subject buildings are divided into a total of 8 occupant spaces. All units are presently reported occupied, which includes owner-occupied, second floor office (Front-East building), and rear garage/warehouse space with attached office which is are also owner-related. Current tenant agreements are summarized as follows:

Space	Occupied Area (includes any common areas)	Reported Monthly Rent	Ann. Per Sq. Ft.	Terms	Expiration
1st Floor Commercial/Retail (*NYC Jewelers)*	845	$2,350.00	$33.37	Gross	Mo. to mo.
1st Floor Commercial/Retail (*Diversified Builders)*	380	$1,200.00	$37.90	Gross	Mo. to mo.
2nd Floor Office (Owner)	654	N/A	N/A	Gross	Mo. to mo.
2nd Floor Office (*Massage Therapy*)	368	$700.00	$22.83	Gross	Mo. to mo.
Commercial/Retail – *Flowerfall*	1,200	$2,500.00	$25.00	Gross + heat/elec.	Mo. to mo.
Commercial Shop/Storage (*Westport Plumbing* – owner)	811	$1,500.00	$22.20	Gross	Mo. to mo.
Commercial Shop/Storage (*D & M Furniture*)	1,082	$1,550.00	$17.19	Gross	Mo. to mo.
Commercial Shop/Storage (*Lopez Pool*)	811	$1,625.00	$24.04	Gross	Mo. to mo.
Total Gross/Rentable Area *	**6,151**	**$11,425.00**			

Current Annual Reported Gross Rental Income, based on occupied space = $137,100

* Above calculated Gross/Rentable areas are adjusted based on gross building areas of the respective buildings, and rentable square foot allocations provided by the owner.

Lease Terms

Gross– All operating expenses are included in respective rental rates. This is with the exception of own oil fired heating system and separate electric, for stand-alone building occupied by *Flowerfall.*

COMPARABLE RENTALS

Market rents are considered herein, for application of prospective rent for the respective portions of the subject as occupancies are reportedly rented on a month-to-month, short-term basis or owner occupied. Agreements are thus, non-enforceable. Overall income capacity of the subject is not considered stabilized due to significant degree of deferred maintenance and fit-up needed. Market rent will be applied herein, based on completion of deferred maintenance items and cost will then subsequently be deducted as a lump sum.

To determine the economic rent of the subject, comparable rents were researched. The rents applied herein have been established by comparison with other various related uses in Westport and competing communities. A sampling of rents, all of which reflect similar economic and area trends, which affect the subject, are listed below.

Summary of Comparable Retail/Commercial Rents

Address	*Date*	*Mo. Rent/Annual per s.f.*	*Rented Area (sq.ft.)*	*Use*	*Location*
RETAIL-Westport					
719 Post Road East	June 2014	$1,600/$38.40 Gross	500	Retail	Eastern Westport Rte 1
772 Post Road East	Oct. 2014	$5,434/$35.00 Net	1,863	Retail	Eastern Westport Rte 1
1757 Post Road East	March 2014	$1,800/$32.00 Net	675	Retail–Jewelry	Eastern Westport Rte 1
999 Post Road East	Sept. 2014	$3,467/$32.00 Net	1,300	Retail	Eastern Westport Rte 1
43-47 Saugatuck Ave.	Nov. 2014	$2,250/$30.00 Net	900	Retail	Western Westport Rte 33
1701 Post Road East	2013 Rent	$13,835/$27.67 Net	6,000	Retail	Eastern Westport Rte 1
OFFICE – Westport					
1835 Post Road East	Aug. 2014	$5,288/$23.50 Gross+ util.	2,700	Office	Eastern Westport Rte 1
153 Post Road East	Aug. 2013	$2,194/$29.00 Mod. Gross	908	Office	Eastern Westport Rte 1
1330 Post Road East	Aug. 2014	$4,200/$31.50 Gross+ util.	1,600	Office	Eastern Westport Rte 1
15 Myrtle Ave.	April 2014	$3,646/$25.00 Gross+ elec.	1,750	Office	Westport Center
COMM, GARAGE/WH					
1835 Post Road E Westport	2014	$3,229/$25.00, Net	1,550 (rear)	Wood shop	Eastern Westport Rte 1
56 Railroad Pl. Westport	May 2014	$3,500/$21.00 Gross+ util.	2,000	Commercial/Loft	Upper Saugatuck-Limited exposure
28 Knight St., Norwalk	Dec. 2013	$531/$15.00 Gross	425	Flex space	Norwalk Center-limited exposure
2 Broad St., Norwalk	May 2014	$3,125/$15.00, Net	2,500	Warehouse	Northern Norwalk

Rentals on a Net basis are adjusted upward in contrast, to subject spaces on a Gross basis. Larger spaces will typically rent for less on a per square foot basis than smaller spaces. Adjustments are also considered for location disparities. Saugatuck along Route 33 retail space will typically command lower rental than the subject location.

Taking into account in the application of these rents are their specific location, exposure to traffic volume, building and space size, lease dates and terms, quality of the property, appearance, and any other measurable condition. Market rent for the respective portions of the subject, *upon completion of deferred maintenance items and fit-up*, will be applied as follows:

Front, East – 1st Floor Retail/Commercial (2 spaces)	1,225 sq. ft. @ $36.00, Gross
Front, East – 2nd Floor Office (2 spaces)	1,022 sq. ft. @ $28.00, Gross
Front, West – Commercial Retail (1 space)	1,200 sq. ft. @ $33.00, Gross + heat/electric
Rear, Garage/Warehouse with office (3 spaces)	2,704 sq. ft. @ $20.00, Gross

INCOME CAPITALIZATION APPROACH (Continued)

Application of Stabilized Income - Stabilized Rental Income will be applied as follows:

Front, East Retail/Office Building

– 1st Floor Retail/Commercial (2 spaces)	1,225 sq. ft. @ $36.00 =	$44,100
– 2nd Floor Office (2 spaces)	1,022 sq. ft. @ $28.00 =	$28,616

Front, West Commercial/Retail Building

– Commercial Retail (1 space)	1,200 sq. ft. @ $33.00 =	$39,600

Rear, Commercial Garage/Warehouse

-Garage/Warehouse with office (3 spaces)	2,704 sq. ft. @ $20.00 =	$54,080
Total Building Area	**6,151**	**$166,396**

Annual Stabilized Potential Gross Income = $166,396

Lease Terms

Gross– All operating expenses are included in respective applied rental rates; with the exception of the stand-alone Front, West Commercial/Retail building, which is considered to have own oil fired heating system and electric meter.

Expenses Analysis

Stabilized expenses are applied herein, based income statement projections provided for upcoming fiscal year operating budget provided to the appraiser, as well as based on actual and stabilized market expenses. Applied stabilized expenses are described as follows:

Vacancy and Collection Losses:

Current occupancy is reported to be 100%. At present, the rental market for commercial/retail space, in well-maintained buildings in Westport, and lower Fairfield County along Route 1, which includes buildings conducive for owner occupancy, is considered favorable, with lower vacancy rates and more limited buildings available for properties priced at realistic, competitive levels.

Approximate 95% to 100% stabilized occupancy level is considered typical for the subject property-type in the marketplace, which considers its location along a highly traveled road in eastern Westport, as well as surrounding uses, and typically experiences limited tenant turnover. There is generally high demand for affordable rental spaces. This is in line with the comparable rental properties utilized. Overall vacancy levels in Westport fluctuate. Typically, vacancy rates are lower for buildings in good physical condition in contrast to those, which are in need of a higher degree of maintenance, in secondary locations. Rate of 5% is applied herein as a stabilized vacancy factor and considers potential for owner occupancy, in a portion for which the subject is most conducive, as well as historically strong occupancy and desirable location of the property.

Real Estate Taxes:

Annual tax burden of $16,196 is calculated based on effective total assessment of $902,800 x mill rate of 17.94. Total annual taxes applied equates to $16,500, as a stabilized expense, based on limited anticipated increase.

Insurance:

Market data reveals substantial premium increases have taken place, depending on location and type of building. Owner projected/budgeted expense for fiscal year is estimated to be $9,500, which appears high based on real estate only. Several commercial building expense comparables were uncovered and general indicate a range of .75 to $1.25 per square foot of gross floor area for insurance expense. Amount of $6,200 (1.01 per square foot of gross floor area) is applied herein, which reflects typical market expense.

Water and Sewer:

Expense is variable, depending on occupancy. Owner projected/budgeted expense for upcoming year is estimated to be $1,920. Amount of $2,000 or about $.33 per square foot is applied herein for expense for typical expense.

Expenses Analysis (Continued)

Electricity:

Expense is variable, depending on occupancy. Owner projected/budgeted expense for upcoming year is estimated to be $8,625 for the front, retail/office building and rear commercial garage/warehouse with office. Amount of $8,700 or about $1.41 per square foot is applied herein for expense for typical expense. Free-standing commercial building is assumed responsible for own expense. Also includes lighting of common areas.

Heating: **(Gas)**

Expense is variable, depending on occupancy. Owner projected/budgeted expense for upcoming year is estimated to be $2,956 for the front, retail/office building and rear commercial garage/warehouse with office; which appears low. Amount of $4,000 or average of about $.65 per square foot is applied herein for expense for typical expense. Free-standing commercial building is assumed responsible for own expense.

Rubbish Collection:

No expense is applied for this category as commercial tenant's in the marketplace are typically responsible for own pick-up.

Cleaning:

No expense is applied for this category as expense is tenant's responsibility.

Management:

To reflect typical expense, per conversations with local building owners, 5% of Effective Gross Income is considered appropriate for similar size commercial/retail and mixed-use buildings, which also reflects opportunity cost associated with owner management.

Repairs and Maintenance:

This includes normal repairs made during the course of a year. These include painting, carpentry, carpeting, plumbing and electrical, and several emergency repairs, which usually occur. Based upon condition of the property as previously outlined, and with consideration that immediate deferred maintenance items have been completed, the estimated annual cost of repairs at 4% of effective gross income is considered reasonable for anticipated ongoing well-maintained condition, and as tenant's are generally responsible for interior of own respective spaces.

INCOME CAPITALIZATION APPROACH (Continued)

Expenses Analysis (Continued)

Landscaping and Snow Removal:

Projected/budgeted expense for upcoming year provided to the appraiser, is estimated to be $1,625, which is considered reasonable based on historical expenses for the property and market data. Applied expense of $1,800 is applied herein which is considered reasonable.

Legal and Accounting:

Expense is not reported. $1,200.00 is applied herein, as a stabilized expense ($650.00 for legal fees and $550.00 for bookkeeping), which is typical of subject type properties.

Reserves:

Reserves are calculated by estimating the future replacement cost of a component upon expiration of its economic life, and establishing a fund for equal annual deposits which, with compound interest, will accumulate to the future cost at the end of the stated period. This is known as a sinking fund. Annual safe rate is based upon expected average savings account yield. This expense for structural maintenance is the responsibility of the landlord.

Lighting, Exterior Maintenance, Roofs, HVAC systems, etc.

Current Replacement Cost	$35,000*
Annual Percentage of Increase	3.0%
Average Remaining Economic Life of Components	12 years
Future Replacement Cost	$49,902
Annual Safe Rate	3.0%
Sinking Fund Payment	$3,516
Total Reserve Account	**$3,516**

* Calculated based on use of the Marshall-Swift Valuation Manual. Cost of immediate deferred maintenance items, will be deducted as a lump sum. These items are therefore, not included above; since for purposes of analysis are now considered long-lived items.

INCOME CAPITALIZATION APPROACH (Continued)

Operating Statement

Potential Gross Income-

Total Potential Annual Gross Income	$166,396
Less: Vacancy and Collection Losses, 5%	- $ 8,320
Effective Gross Income	$158,076
Expenses:	
Fixed:	
Real Estate Taxes	$16,500
Insurance	$ 6,200
Operating:	
Water and Sewer	$ 2,000
Electricity	$ 8,700
Heat (Gas)	$ 4,000
Rubbish Collection	$ 0
Cleaning	$ 0
Repairs and Maintenance (4% of effective gross)	$6,323
Landscaping and Snow Removal	$1,800
Administrative:	
Management (5% of effective gross)	$ 7,904
Legal and Accounting	$ 1,200
Reserves for Replacements	$ 3,516
Superintendent	$ -0-
Total Expenses	$58,143
Net Operating Income	**$99,933**

MORTGAGE EQUITY ANALYSIS:

The value of an income property varies with mortgage terms and an investor's required yield rate. Net Operating Income produced by a property is available for payment of returns on both the mortgage and the equity. Separate weight is, therefore, given to the cost of the mortgage and the cost of equity funds, in order to arrive at an overall rate (R). The overall rate can be thought of as the cost of capital invested in the property. By capitalizing the net operating income by the overall rate, a value of the property is derived.

Thus, $\frac{\text{NOI}}{\text{R}}$ = Value

The overall rate can be extracted either from recent sales of similar properties, or can be computed by use of the Mortgage Equity Analysis, which is considered an appropriate method. The Mortgage Equity Technique is used in this analysis, as extraction of an overall rate from the comparable sales utilized in the Direct Sales Comparison Approach was not possible. The majority of the sales sold for owner occupancy. This method also gives consideration to the return on equity investments required to attract funds into subject type properties. It further gives recognition to anticipated changes in future income streams, and amortization of the mortgage over the holding period. It is an approach which clearly reflects the current market conditions of income-producing properties similar to the subject.

Simply stated, the band of investment involves the application of separate degrees of the total investment to the mortgage and equity positions. In the current market, most purchases consist of either 70% or 75% mortgage financing, and 25% to 30% equity capital. Taken a step further, most investors seek to maximize their investment by utilization of maximum leverage. As a result, the majority of subject type investments employ a 70% to 30% mortgage to equity ratio. As this is a realistic reflection of the current investment market, this ratio is considered a proper application for the subject analysis. It is, therefore, employed herein.

The assumptions used in the analysis are outlined on the following page.

INCOME CAPITALIZATION APPROACH (Continued)

Assumptions for Direct Capitalization

1). Financing for the property is considered from a conventional basis, with an average interest rate over the loan period at 4.00% to 6.50%, based upon conversations with loan officers of local banks. These reflect inherent risk, with consideration of the subject's location within town and supply of commercial related space available. Therefore, a 5.00% interest rate with an amortization period of 20 years, and a loan to value ratio of 70% is selected and considered appropriate as it is in line with the market.

2). A 5.25% equity dividend rate is selected, as this reflects the inherent advantages of property stabilization, as well as alternative use for owner occupancy, in a portion, in which the subject is also conducive. This reflects a "cash on cash" return. In the current market, subject-type property, if purchased for owner occupancy in a portion, will often have lower return on equity expectancies required. Return and risk on the real estate is reduced. 5.25% is considered a blended rate, which also reflects the inherent risk associated with the property's' overall condition and location. Investment can therefore, also be compared to riskier Class Baa grade bonds.

Further support to the applied equity dividend rate is given with reference to a survey of equity cap rates conducted by "PwC Real Estate Survey – Second Quarter 2014 (source: "Valuation Insights and Perspectives", magazine, published by the Appraisal Institute; Chicago Illinois- Survey). Reference is directed to Overall Cap Rates ("Free and Clear") based on equity transactions in this survey conducted for the second quarter of 2014, reveal a range of 3.75% to 10.00% for institutional grade commercial and office properties. A premium is added since the subject is not considered institutional grade; however, this is partially offset by conduciveness for owner-occupancy of the property, in a portion. Reference is directed to the appendix for a copy of said survey.

INCOME CAPITALIZATION APPROACH (Continued)

In order to capitalize the income into value by Mortgage Equity Analysis, the following variables are assumed.

1.)	Mortgage loan amount as a percent of total value	70%
2.)	Mortgage term (typical amortization period)	20 years
3.)	Mortgage loan interest rate	5.00%
4.)	Equity Dividend Rate	5.25%
5.)	Payment schedule (frequency - monthly, semi-annual, etc.)	monthly

	Loan to Value		Anticipated Rates		
Loan Ratio	Mort. %		Mort. Constant		
	.70	x	.079195	=	.055436
Equity Ratio	Equity %	x	Equity Dividend		
	.30	x	.05250	=	.015750
Weighted Average Rate					.071186
Overall Capitalization Rate (rounded)				Say	7.0%

INCOME CAPITALIZATION APPROACH (Continued)

Summary:

Total Effective Gross Income	$158,076
Expenses	- 58,143
Net Operating Income	$99,933
Capitalization Rate of 7.0%	
Net Operating Income of $99,933 divided by 7.0% =	$1,427,614
Less: Cost of Immediate Deferred Repairs	- 95,000
Indicated Value via the Income Capitalization Approach = . . .	$1,332,614

Rounded to: $1,330,000

SALES COMPARISON APPROACH

The Sales Comparison Approach is most useful when a number of similar properties have been sold recently, or are currently for sale in the subject property market. Use of this technique produces a value indication by comparing similar properties with the subject. The sale prices of properties that are judged to be most comparable tend to indicate a range in which the value indication of the subject property will fall.

The degree of similarity of difference between the subject property and comparable sales is determined by considering various elements of comparison. These include:

1). Real property rights conveyed

2). Financing terms

3). Conditions of sale

4). Market Conditions

5). Location

6). Physical characteristics

7). Income-producing characteristics

8). Other characteristics (e.g., access and zoning)

Dollar or percentage adjustments are applied to the sale price of each comparable property, with consideration for the real property interest involved. Adjustments are made to the sale prices of the comparable sales, as the values of the comparables are known, while the value of the subject property is not known. Through this comparative procedure, estimates of value as of a specific date are derived.

Data such as income multipliers and income rates may also be extracted from sales comparison analysis. In the sales comparison approach, appraisers consider these data, but do not regard them as elements of comparison. These data are applied in the income capitalization approach.[3]

[3] The Appraisal of Real Estate, Appraisal Institute, Chicago, Illinois, page 70.

<u>SALES COMPARISON APPROACH</u> (Continued)

This approach involved a search for sales of comparable commercial, retail and mixed-use commercial/office properties in Westport and surrounding, alternative areas. Four applicable sales were uncovered located in Westport.

All four have occurred within 20 months of the effective date of appraisal. These sales, adjusted when applicable, reflect current market conditions which affect the subject property.

The sales utilized include the following:

814 Post Road E., Westport	Sold: September 5, 2014 for $900,000; or $358.85 per s.f.
1835 Post Road E., Westport	Sold: April 22, 2013 for $3,475,000; or $330.58 per s.f.
44 Church Ln., Westport	Sold: August 22, 2013 for $1,600,000; or $458.85 per s.f.
1529 Post Road E., Westport	Sold: April 22, 2013 for $3,450,000 or $449.22 per s.f.

Each of the applicable sales is described and compared to the subject on the following pages.

SALES COMPARISON APPROACH (Continued)

Comparable Sale No. 1

814 POST ROAD E, WESTPORT CT

SALES COMPARISON APPROACH (Continued)

Comparable Sale No. 1:

Address:	814 Post Road E, Westport
Date of Sale:	September 5, 2014
Location:	Eastern Westport – Route 1
Grantor:	Frank Rocco
Grantee:	Petwise, LLC.
Deed Reference:	Volume 3551, Page 185
Verified:	Town records
Sale Price:	$900,000
Unit Price:	$358.85 per square foot
Zoning:	GBD (Business/Commercial)
Land Size:	.13 acre
Land Improvements:	Adequate off-street parking
Land/Build. Ratio:	2.26:1
Use at Time of Sale:	Commercial/Office – Veterinary
Improvements:	
Gross Area:	2,508 square feet
Stories:	Two
Basement:	None
Age/Construction:	1930/wood frame
Condition:	Good
Heat:	Central gas fired, forced hot air systems
Air Condition:	Central
Sprinklers:	Unknown
Elevator:	N/A
Other:	Comprised of a two story, converted commercial/office purchased for owner occupancy for use as *"Westport Animal Hospital."* Building is wood frame construction. There is adequate paved parking area. Located on Route 1 in eastern Westport. Overall physical condition is good.

SALES COMPARISON APPROACH (Continued)

Comparable Sale No. 2

1835 POST ROAD E, WESTPORT CT

SALES COMPARISON APPROACH (Continued)

Comparable Sale No. 2:

Address:	1835 Post Road E, Westport
Grantor:	ECP Westport, LLC.
Grantee:	Green Farms Centre Assoc.
Deed Reference:	Volume 3485, Page 86
Verified:	Town records
Date of Sale:	November 4, 2013
Sale Price:	$3,475,000
Unit Price:	$330.58
Zoning:	BPD (Business Preservation District); limited portion in rear Res. A
Land Size:	.63 acre
Land Improvements:	Adequate off-street parking
Land Building Ratio:	2.61:1
Use at Time of Sale:	Commercial, Office and residential apartments
Improvements:	Wood frame; one building is brick veneer in front
Gross Area:	10,512 square feet – three buildings
Stories:	1, 2¾ and 1½ story buildings
Basement:	Partial; ancillary storage
Age/Construction:	2001/Wood frame
Condition:	Very good
Heat:	Individual gas fired, forced hot air systems
Air Condition:	Central; all three buildings
Sprinklers:	Unknown
Elevator:	One passenger elevator
Other:	Consists of three buildings, with a total of four commercial (retail and office) units and three residential apartments. Property is 100% occupied. Building No. 1 is two and three quarters story, comprised of the front building which includes a total of 7,040 square feet of gross floor area, with 2,538 square feet of ground floor commercial space; 2,598 square feet of second floor office area, and 2-3 room (one bedroom) apartments on the third level. Building No. 2 is two and one half stories, situated at the rear portion of the site, comprised of 1,970 square feet of retail space on the ground floor, and 1-3 room (one bedroom) apartment above. Building No. 3 is comprised of a single story retail building, located in the rear, consisting of 1,502 square feet.

SALES COMPARISON APPROACH (Continued)

Comparable Sale No. 3

44 CHURCH LANE, WESTPORT CT

SALES COMPARISON APPROACH (Continued)

Comparable Sale No. 3:

Address:	44 Church Lane, Westport
Grantor:	Maxx & Luke, LLC
Grantee:	BW Church East, LLC.
Deed Reference:	Volume 3465, Page 190
Verified:	Town records
Date of Sale:	August 22, 2013
Sale Price:	$1,600,000
Unit Price:	$458.85
Zoning:	RORD2 (Restricted Office/Retail District)
Land Size:	.20 acre
Land Improvements:	Limited off-street parking
Land Building Ratio:	2.50:1
Use at Time of Sale:	Two buildings – Retail with apartment and Professional Office
Improvements:	Wood frame
Gross Area:	3,487 square feet; 2,216 sq. ft. and 1,271 sq. ft.
Stories:	Two and Two and one-half story buildings
Basement:	Crawl
Age/Construction:	Circa 1900 & 1980/Wood frame
Condition:	Average to Good
Heat:	Oil fired, forced hot air and hot water
Air Condition:	Central on first floor
Sprinklers:	Unknown
Elevator:	Walk-up
Other:	Located in Westport Center and central business district; in the heart of shopping area. It consists of two buildings. One building is comprised of a mixed-use, converted residence, with commercial use on the ground floor and residential apartment above; consisting of 2,216 square feet. The other building is comprised of a two-story, converted office consisting of 1,271 square feet. Subsequent to purchase, the buyer planned and is in the process of renovation the property, which includes conversion of the former 3 room, one bedroom apartment to office use. Owner occupancy is planned for a portion of the property.

SALES COMPARISON APPROACH (Continued)

Comparable Sale No. 4:

1529 POST ROAD E, WESTPORT CT

SALES COMPARISON APPROACH (Continued)

Comparable Sale No. 4:

Address:	1529 Post Road E, Westport
Date of Sale:	April 22, 2013
Location:	Eastern Westport – Route 1
Grantor:	Joseph Rothman Westport, LLC.
Grantee:	Post Maple Real Estate, LLC.
Deed Reference:	Volume 3420, Page 224
Verified:	Town records
Sale Price:	$3,450,000
Unit Price:	$449.22 per square foot
Zoning:	GBDA (Business/Commercial)
Land Size:	2.15 acres
Land Improvements:	Ample off-street parking
Land/Build. Ratio:	12.19:1
Use at Time of Sale:	Retail and commercial garage/storage – 2 buildings; 5 occupants
Improvements:	
Gross Area:	7,680 square feet – 2 buildings
Stories:	Two single story, detached buildings
Basement:	One building has a partial, unfinished basement
Age/Construction:	1955; main building is masonry
Condition:	Good
Heat:	Central gas fired, forced hot air systems
Air Condition:	Central
Sprinklers:	Unknown
Elevator:	N/A
Other:	Comprised of two, single story buildings. Main retail building is occupied by five tenants, which includes *Boat Locker*, which also utilizes pre-fabricated metal garage/warehouse in the rear included in gross floor area herein (Quonset-style structure). There is sufficient parking area, as well as dirt storage yard area in the rear, also used by *Boat Locker*. Located on Route 1 in eastern Westport.

SALES COMPARISON APPROACH (Continued)

Analysis and Adjustments

Location:	Sale No. 3 is adjusted downward as it is located in Westport Center CBD. Central shopping district is highly desirable and will typically command higher rental capacity.
Physical Condition:	All four sales are adjusted downward for superior physical condition to the subject. Sales No. 1 and No. 4 are considered to be in good physical condition; Sale No. 2 is very good and Sale No. 3 is average to good. In contrast, the subject is considered in fair to average physical condition.
Parking:	Sales No. 1, No. 2 and No. 3 are adjusted upward as overall the subject has superior parking capacity. Sale No. 4 is adjusted downward for superior parking capacity to the subject (disparities are reflected in respective land to building ratios).
Size:	Sales No. 1 and No. 3 are adjusted downward as the subject is notably larger than the sales. Sale No. 2 is adjusted upward as it is larger than the subject. Typically a larger building will sell for less on a per square foot basis, than a smaller building.
Use:	Sales No. 1, No. 2 and No. 3 are adjusted downward as overall use of these sales is more intensive. A notable portion of the subject is used for less intensive commercial/garage related use and located in the rear portion (reflected in lower rental capacity).
Other:	Sales No. 2, No. 3 and No. 4 are adjusted downward as the subject basement area is very limited. In contrast, the sales have partial basement area for superior ancillary storage capacity to the subject.

SALES COMPARISON APPROACH (Continued)

Summary Chart

Address	**Sale Price/ Sq. Ft.**	**Sale Date**	**Location/ Zone**		**Land Area (Acres)/Char. Land to Building**		**Building Size (Sq.Ft.)/ Use**		**Physical Condition Basement**
Sale No. 1 814 Post Rd East Westport, CT	**$358.85**	9/5/14	East Westport-Route 1 GBD		.13 Limited parking 2.26:1		2,508 Commercial/ Office		Good No basement
Sale No. 2 1835 Post Road E Westport, CT	**$330.58**	11/4/13	Eastern Westport – Route 1 BPD & A		.63 Adequate Parking 2.61:1		10,512 Commercial/ Retail & 3 Apartments		Very Good Partial basement
Sale No. 3 44 Church Ln. Westport, CT	**$458.85**	8/22/13	Westport Center CBD		.20 Limited parking 2.50:1		3,487 Vacant Retail/ Apt. & Office		Average to Good Partial basement
Sale No. 4 1529 Post Rd E Westport, CT	**$449.22**	4/22/13	East Westport-Route 1 GBDA		2.15 Ample parking 12.19:1		7,680 Retail & Comm. Garage		Good Partial basement
SUBJECT: **740 Post Road E** **Westport, CT**	**Fee Simple**	**11/14**	**Eastern Westport – Route 1** **BPD**		**.50** **Sufficient Parking** **3.54:1**		**6,151** **Commercial/Retail Garage/WH**		**Fair to Average** **Partial basement (limited)**

COMPARABLE SALES LOCATION MAP

SALES COMPARISON APPROACH (Continued)

Correlation

The indicated adjusted value indication, of the subject by comparison to the four sales is as follows:

Sale No. 1: $233.25 per square foot

Sale No. 2: $231.41 per square foot

Sale No. 3: $229.43 per square foot

Sale No. 4: $224.61 per square foot

All four sales, adjusted, are appropriate indicators of the subject value. Greatest weight, however, is applied to Sale No. 1 as it is the most current applicable sale uncovered, located in Westport. This sale therefore, adjusted reflects similar market trends and conditions which affect the subject.

Remaining sales adjusted, provide good supporting indicators of value.

As a result of this analysis, the value of the subject via Sales Comparison, is estimated at $233.00 per square foot, and is considered reasonable, based upon the data presented.

Subject contains 6,151 square feet x $233.00 = Value of $1,433,183.

Rounded to:

One Million Four Hundred and Thirty Thousand Dollars

($1,430,000.00)

RECONCILIATION

Cost Approach	N/A
Income Capitalization Approach	$1,330,000
Sales Comparison Approach.	$1,430,000

The Sales Comparison Approach is the most reliable indicator of value, and given greatest weight, as portions of the property are owner-occupied. Overall, the property is conducive for owner-occupancy in a portion. It employed sufficient comparable sales, which required various adjustments for comparison, rendering an acceptably close value range. This approach provides an accurate reflection of the market forces which affect subject type, owner occupied properties, as there were an adequate quantity of reliable comparable sales available. Also, all are considered to have sufficient quality of comparability to the subject, and therefore, derived value conclusions are deemed reasonable.

The Income Approach provides a good supporting value indicator for the subject, is given secondary weight, and has a tempering affect on value conclusion. This approach is based upon the principle of anticipation. It therefore, views the property in the form of an investment, and considers its conduciveness for owner occupancy, in a portion by application of appropriate equity dividend rate, and overall capitalization rate. Typically, buildings similar to the subject are owner occupied, and not solely be purchased for their ability to generate net income. As the subject is best suited for owner occupancy, significant capital (Equity Investment) on an investor's part would be required to cover the difference between the market value and debt, if viewed solely as an investment property.

As previously noted, the Cost Approach was not applied as it is not an appropriate indicator of value, as this approach has an insignificant impact on market participants.

FINAL ESTIMATE OF VALUE

Based on the value derived by the Sales Comparison, the value of the subject property in Fee Simple Estate, as of November 4, 2014, is the amount of:

One Million Four Hundred Thousand Dollars

($1,400,000.00)*

* Subject to assumptions and conditions outlined in the letter of transmittal.

CONTINGENT AND LIMITING CONDITIONS

1). This appraisal represents the best opinion of the evaluators as the market value of the property as of the effective date of the appraisal. The term "market value" is defined in the appraisal report.

2). No furniture, furnishings, or equipment, unless specifically indicated herein, have been included in our value conclusion. Only the real estate has been considered.

3). No engineering survey was made or caused to be made by the appraisers, and any estimates of fill, materials, other site work, or conditions are based on visual observation. Accuracy is not assured.

4). Sub-surface rights (minerals, oil, water, or others) were not considered in this report.

5). Any tracts that (according to survey, map, or plot) indicated riparian and/or littoral rights, are assumed to be included as part of the property, unless documents or deed which deem such rights to the contrary are provided the appraiser.

6). The existence of potentially hazardous material used in the construction or maintenance of the building, such as the presence of Urea-Formaldehyde Foam Insulation, and/or the existence of toxic waste, which may or may not be present on the property, was not observed. The appraiser(s) have no knowledge of the existence of such materials on or in the property. Likewise, the existence of Radon Gas, or Lead are not known to exist. The appraiser, however, is not qualified to detect such substances. The existence of Urea-Formaldehyde Foam insulation, other potentially hazardous waste materials, or Radon Gas may have an effect on the value of the property. The client is advised to retain an expert in such fields, if desired.

7). All value estimates have been made contingent on zoning regulations and land use plans in effect, as of the effective date of the appraisal, and are based on information provided by appropriate governmental authorities or employees.

8). This appraisal covers only the premises, which are the subject of this report, and no figures or data provided, analysis thereof, or any unit values derived there from are to be construed as applicable to any other property or properties, however, similar they may be.

9). Distribution of the total valuation in this report between land and improvements applied only under the existing program of utilization. Separate valuations of land and improvements are not to be used in any other manner, or in conjunction with any other appraisal, and are invalid if so employed.

10). Certain data used in compiling this report may have been furnished by the client, his counsel, employees and/or agent, or from other sources believed reliable. Data has been checked for accuracy as thoroughly as possible, but no liability or responsibility is assumed for absolute accuracy.

11). A diligent effort has been made to verify each comparable sale noted in this report. However, as many principals do not reside in the local area, or are entities for which no agent could be contacted within the time allowed for completion of this report, then such sales may not have been verified.

03/02

CONTINGENT AND LIMITING CONDITIONS (CONTINUED)

12). No responsibility is assumed for matters legal in nature, nor is my opinion rendered herein as to title, which is assumed to be good and merchantable. The property is assumed free and clear of all liens or encumbrances, unless specifically enumerated herein, and is under responsible ownership and management as of the appraisal date.

13). Consideration for preparation of this appraisal is payment in full by the employer of all charges due the appraisers in connection therewith. Any responsibility by the appraisers for any portion of this report is considered upon full and timely payment.

14.) Liability to Vimini Associates and its employees or representatives is limited to the fee collected for the preparation of the appraisal. There is no accountability or liability to any third party. Acceptance and/or use of this report constitutes acceptance and agreement with these terms and conditions, as well as the terms and conditions stated in this document.

15). This appraisal report is prepared for the sole and exclusive use of the appraiser's client. No third parties are authorized to rely upon this report without the express written consent of the appraiser.

16). The appraisers, by reason of this report, are not required to give testimony in court with reference to the property herein, nor obligated to appear before any governmental body, board, agent, or tribunal unless arrangements have been previously made therefore.

17). Neither all, nor any portion of the contents of this appraisal shall be conveyed to the public through advertising, public relations, news, sales, or other media without the written consent and approval of the appraisers, particularly as to valuation conclusions, identity of the appraisers or firm with which they are connected, nor any reference to the Appraisal Institute, nor any initialed designations conferred upon the appraiser as stated in his qualifications attached hereto, or previously supplied, or verbally discussed. Furthermore, neither all nor any portion of the contents of this appraisal shall be used in connection with any offer, or sale or purchase of a security (as that term is defined in Section 2 (1) of the Securities Act of 1933) without the prior expressed written consent of the appraiser.

18). Possession of this report, or copy thereof, does not convey any right of reproduction or publication, nor may it be used by anyone but the client, the mortgagee, or its successors or assigns, mortgage insurers, or any state or federal department or agency without prior written consent of both the client and the appraisers, and in any event, only in its entirety.

19). Before any loans or commitments are made predicated on value conclusions reported in this appraisal, the mortgagee should verify facts and valuation conclusions contained in this report with the appraisers.

20). This appraisal is based on completion or availability of projected public or private off-site improvements, referred to in this report.

21). This appraisal is subject to satisfactory completion of proposed improvements described in the report.

22). Cost estimates for construction or replacement of improvements were prepared from data obtained from the owner and the Marshall Valuation Service, and are assumed accurate.

23). It is understood that all working or mechanical components of the property are in working order, as implied by the owner of the property, unless otherwise stated herein.

24). Sketches are not to scale. They are included to assist the reader in visualizing the property.

03/02

<u>CONTINGENT AND LIMITING CONDITIONS</u> (Continued)

25). All values rendered within this report assume marketing times of twelve months or less, unless otherwise indicated.

26). In arriving at the value set forth in this appraisal no consideration has been given to the effect of state, local or federal income and gains taxes, or of occupancy, hotel, capital levy, gift, estate, succession, inheritance, or similar taxes, which may be imposed upon any owner, lessee or mortgagee, by reason of any sale, conveyance, transfer, leasing, hypothecation, mortgage, pledge or other disposition of the appraised property.

27). The appraiser has no knowledge as to whether the subject property may be affected by Connecticut Public Act 85-443 (super lien law) or Public Act 84-535 (an act concerning clarifications of permits for hazardous liability resulting from any soil contamination due to the storage of hazardous waste). This appraisal report and the value estimates contained herein assume no potential liability resulting from any soil contamination due to the storage of hazardous waste material, automobiles and/or chemical spills which may have occurred on this property over the past years. No evidence of contamination of hazardous material used in the construction or maintenance of any improvements was observed on the date of the inspection, however, the inspection was limited to visual observations. It is worthy to note that the appraiser is not qualified to detect the existence of substances such as urea-formaldehyde, radon gas, foam insulation, asbestos, or other potentially hazardous waste material that may have an effect on the value of the property. The appraiser reserves the right to amend this report pending the findings of any site or environmental assessment report as to the presence of any on-site toxic, hazardous wastes or contaminants that may effect the value of the property.

28). The Americans with Disabilities Act (ADA) became effective January 26, 1992. We **have not** made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the requirements of the ADA could reveal that the property is not in compliance with one or more of the requirements of the act. If so, this fact could have a negative effect upon the value of the property. Since we have no direct evidence relating to this issue, and are not experts as to ADA requirements, we did not consider possible noncompliance with the requirements of ADA in estimating the value of the property. We recommend to the client that they hire a licensed architect who has performed such functions to check the property for compliance with ADA.

29). It is assumed that there are no structural defects hidden by floor or wall coverings or any other hidden or unapparent conditions of the property; that all mechanical equipment and appliances are in good working condition; and that all electrical components and the roofing are in good condition.

If the client has any questions regarding these items, it is the client's responsibility to order the appropriate inspections. The appraiser does not have the skill or expertise needed to make such inspections. The appraiser assumes no responsibility for these items.

30). It is assumed that the rental income information supplied by the identified parties in the Income Approach is accurate. The appraiser assumes no responsibility for independently verifying this information. If the client has any questions regarding this information, it is the client's responsibility to seek whatever independent verification is deemed necessary.

03/02

APPRAISER'S CERTIFICATION

Property Appraised: 740 Post Road East
Westport, Connecticut

I certify that:

1). The analysis, opinions, and conclusions developed herein, along with all sections of this report, have been prepared in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Practice of the Appraisal Institute, and USPAP.

2). The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

3). I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.

4). The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.

5). My engagement in this assignment was not contingent upon developing or reporting predetermined results.

6). No other party has provided significant professional assistance to the person or persons signing this certification.

7). My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

8). To the best of my knowledge and belief, the statements of fact contained in this report and upon which the opinions expressed are based, are true and correct, subject to the limiting conditions set forth herein.

9). I have personally inspected the property appraised (unless otherwise stated), that I have no present or contemplated interest in the property appraised, and no personal interest or bias with respect to the subject matter of the report, or to the client or other participants or principals.

10). The appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.

11). The appraiser acknowledges a full understanding of the Competency Provision and the Ethics Provision set forth in the USPAP and has sufficient knowledge of the above-referenced property type, market information and appropriate valuation methodologies to properly perform the appraiser's obligations as outlined in this letter.

12). As of the date of this report, I, Peter A. Vimini, have completed the requirements of the continuing education program for Designated Members of the Appraisal Institute.

13). I have not performed appraisal services in regards to the subject property within the three-year period immediately preceding the acceptance of this assignment.

Peter A. Vimini, MAI

Certified General	0000605
Type of License	**Number**

November 6, 2014
Date

APPRAISER'S CERTIFICATION

Property Appraised: 740 Post Road East
Westport, Connecticut

I certify that:

1). The analysis, opinions, and conclusions developed herein, along with all sections of this report, have been prepared in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Practice of the Appraisal Institute, and USPAP.

2). The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

3). I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.

4). The report analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.

5). My engagement in this assignment was not contingent upon developing or reporting predetermined results.

6). No other party has provided significant professional assistance to the person or persons signing this certification.

7). My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

8). To the best of my knowledge and belief, the statements of fact contained in this report and upon which the opinions expressed are based, are true and correct, subject to the limiting conditions set forth herein.

9). I have personally inspected the property appraised (unless otherwise stated), that I have no present or contemplated interest in the property appraised, and no personal interest or bias with respect to the subject matter of the report, or to the client or other participants or principals.

10). The appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.

11). The appraiser acknowledges a full understanding of the Competency Provision and the Ethics Provision set forth in the USPAP and has sufficient knowledge of the above-referenced property type, market information and appropriate valuation methodologies to properly perform the appraiser's obligations as outlined in this letter.

12). As of the date of this report, I, William P. Converse, have completed the Standards and Ethics Education Requirements for Candidates/Practicing Affiliates of the Appraisal Institute.

13). I have not performed appraisal services in regards to the subject property within the three-year period immediately preceding the acceptance of this assignment.

William P. Converse

William P. Converse, Appraiser

Certified General	00001034
Type of License	**Number**

November 6, 2014
Date

QUALIFICATIONS OF PETER A. VIMINI, MAI

Education:

Bryant College, Smithfield, R.I. 02917

Date of Graduation – May, 1978
Degree: Bachelor of Science in Business Administration
Major: Accounting

The Appraisal Institute

Course Attendance and Completion:

Uniform Appraisal Standards for Federal Law Acquisition
Condemnation Appraising – Advanced Theory
Litigation – Expert Testimony
FHA and the Appraisal Process
Measuring Locational Obsolescence
Case Studies in Residential Highest and Best Use
Case Studies in Commercial Highest and Best Use
Automated Valuation Models
Evolving with the Capital Markets
Uniform Standards of Professional Practice
The Valuation of REITs, Real Estate Operating and Management Companies

Experience: Appraisal

Residential, Commercial and Industrial Appraisals
Vimini Associates . . . . . . Since 1978

Experience: Practical

Certified Revaluation for Commercial/Industrial/Residential/Land - State Certified No. 764
Licensed Real Estate Salesman. . Since 1974 (CT. License No. 701947)
Certified Real Estate Appraiser. . Since 1989 (CT. License No. 0000605)

Qualified Expert Witness:

U.S. District Court (Federal Bankruptcy Court)
Connecticut Superior Court
Connecticut Housing Court
Municipal testimony before local land use boards.

Professional Affiliations:

Member of the Appraisal Institute - MAI Designation No. 9586
Member of the Appraisal Section of the National Association of REALTORS
Greater Bridgeport Board of REALTORS
Connecticut Association of REALTORS
National Association of REALTORS

Teaching:

Instructor: Appraisal Procedures – Housatonic Community College - 2003-2008
Instructor: Appraisal Principles – Greater Bridgeport Board of Realtors - 2003-Present
Instructor: Appraisal Procedures - Greater Bridgeport Board of Realtors – 2003-Present

Seminars:

Speaker: April 28, 1999:Bridgeport Bar Association-"Valuation for Estate and Gift Tax Purposes"
Speaker : March 3, 2010:Connecticut Bar Association-"Real Estate Valuation Basics"
Speaker: May 12, 2010: Fairfield County Bar Association-"Real Estate Valuation and Property Tax Assessment Appeals"

QUALIFICATIONS OF WILLIAM P. CONVERSE

Education:

University of Connecticut Storrs, Connecticut
Date of Graduation - December 1987
Degree: Bachelor of Science in Business Administration
Major: Finance
Other Related Coursework: Principles of Real Estate, and Real Estate Finance

Appraisal Institute

Candidate for MAI designation

Course Attendance and Completion, include the following:

1A-1	Real Estate Appraisal Principles
1A-2	Basic Valuation Procedures
SPP (A/B)	Standards of Professional Practice - Part A and B
1BA	Basic Income Capitalization
510	Advanced Income Capitalization (1BB)
540	Report Writing and Valuation Analysis
Level II	Advanced Market Analysis and Highest & Best Use

Regularly attended seminars sponsored by the Appraisal Institute, as well as a variety of other courses relating to continuing education requirements.

Experience - Appraisal:

Residential, Commercial and Industrial Appraisals
Vimini Associates. . . . . . Since 1988

Assignments include preparation of narrative appraisal reports and analysis of commercial, industrial and residential properties. These include tracts of vacant land, as well as feasibility analysis and consulting assignments.

Appraised Properties for:

Various area banks, lending and financial institutions in the State, which include: People's Bank, Chase Bank, Hudson United Bank, Bank of America, Ridgefield Bank, as well as various other institutions.

Performed appraisal services for the State of Connecticut, Department of Public Works.

Experience - Practical:

Certified General Real Estate Appraiser, (CT. License No. RCG 0001034)

Qualified Expert Witness:

Connecticut Superior Courts of Bridgeport, New Haven, Milford, Danbury, Stamford, and Waterbury
Federal Court in New Haven and Fairfield Counties.

APPENDIX

- ADDITIONAL PHOTOGRAPHS OF THE SUBJECT
- SURVEY PLAN
- SITE PLAN - ASSESSOR'S MAP
- BUILDING SKETCH
- LEGAL DESCRIPTION
- "PwC" REAL ESTATE INVESTOR SURVEY

REAR VIEW OF THE FRONT/EAST COMMERCIAL/OFFICE BUILDING

REAR VIEW OF THE FRONT/WEST COMMERCIAL/RETAIL BUILDING

ADDITIONAL PHOTOGRAPHS OF THE SUBJECT

VIEW OF COMMERCIAL GARAGE/WAREHOUSE BUILDING WITH OFFICE

VIEW OF OFFICE SECTION IN REAR

ADDITIONAL PHOTOGRAPHS OF THE SUBJECT

FRONT VIEW OF COMMERCIAL GARAGE/WAREHOUSE BUILDING

ANCILLARY STORAGE SHEDS AND GRAVEL PARKING AREA

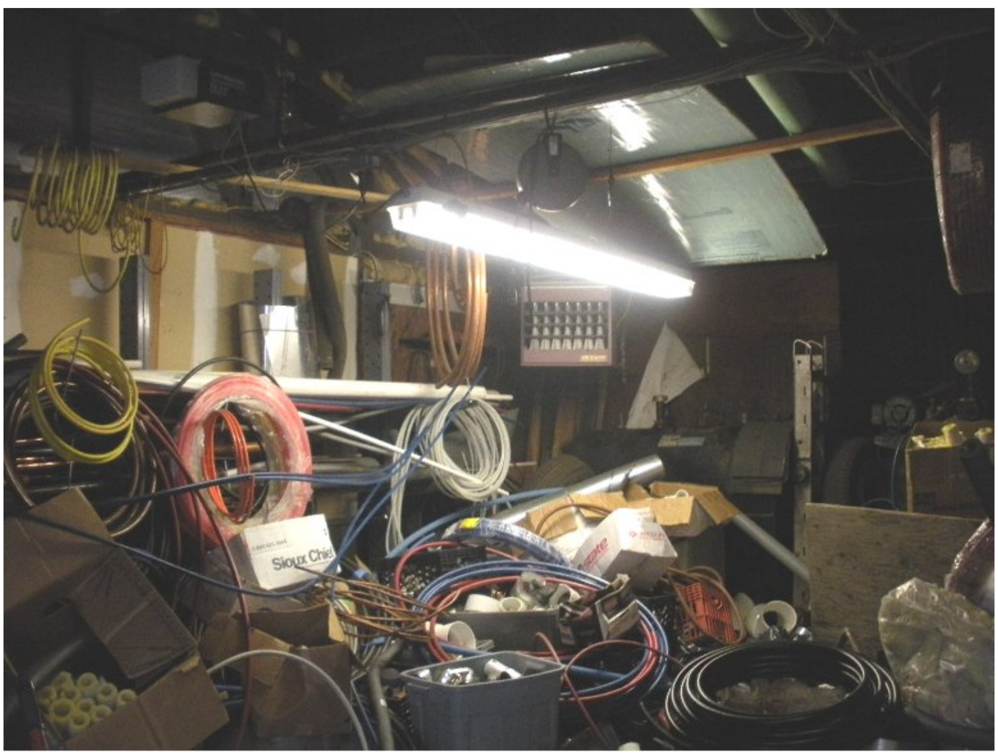
ADDITIONAL PHOTOGRAPHS OF THE SUBJECT

INTERIOR OF JEWELRY STORE

INTERIOR OF FLOWER SHOP

ADDITIONAL PHOTOGRAPHS OF THE SUBJECT

OFFICE ATTACHED TO COMMERCIAL GARAGE/WAREHOUSE AREA (OWNER OCCUPIED)



INTERIOR OF COMMERCIAL GARAGE/WAREHOUSE STORAGE AREA

ADDITIONAL PHOTOGRAPHS OF THE SUBJECT

FRONT PAVED PARKING AREA

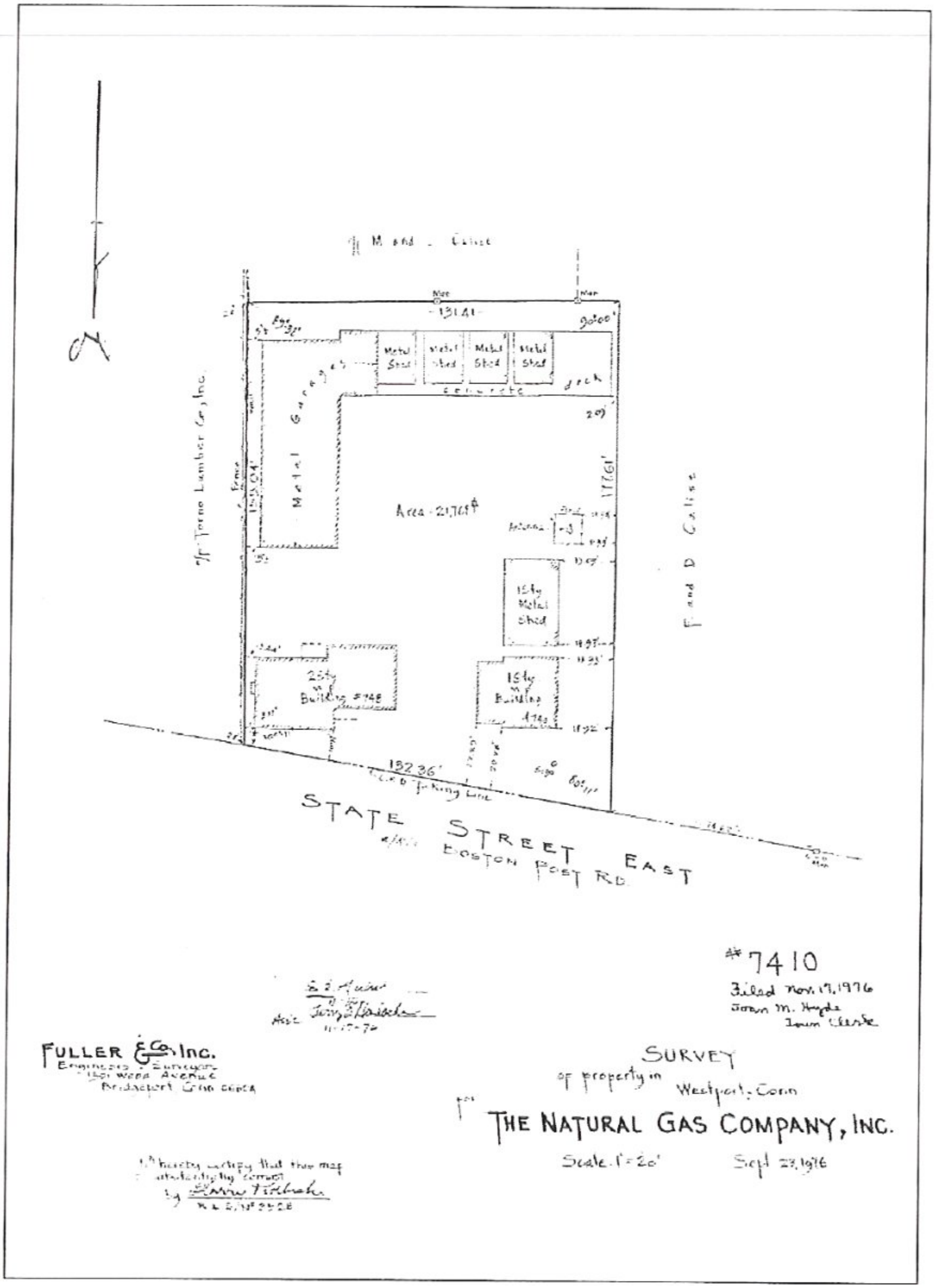
REAR OF FRONT/WEST BUILDING (FLOWER SHOP)

ADDITIONAL PHOTOGRAPHS OF THE SUBJECT

POST ROAD EAST (ROUTE 1) LOOKING WEST

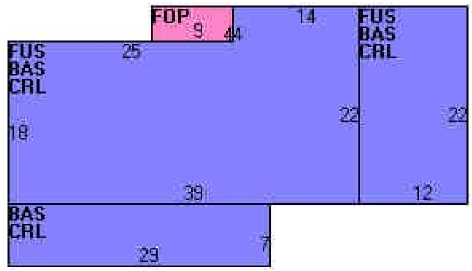
POST ROAD EAST (ROUTE 1) LOOKING EAST

ADDITIONAL PHOTOGRAPHS OF THE SUBJECT

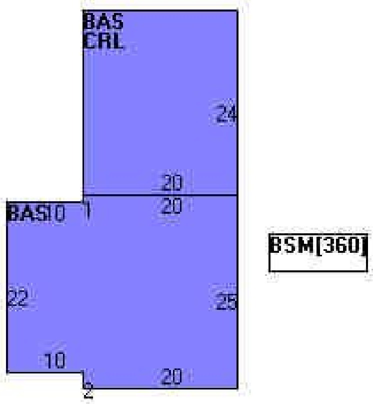

STATE STREET EAST
BOSTON POST RD.
Area = 21,769
Metal Garages
Metal Shed
1.5 Sty Metal Shed
2.5 Sty Building #748
1.5 Sty Building
131.41
152.36
#7410
Filed Nov. 17, 1976
FULLER & Co. Inc.
SURVEY
of property in Westport, Conn
THE NATURAL GAS COMPANY, INC.
Scale 1"=20'
Sept 23, 1976

SURVEY PLAN

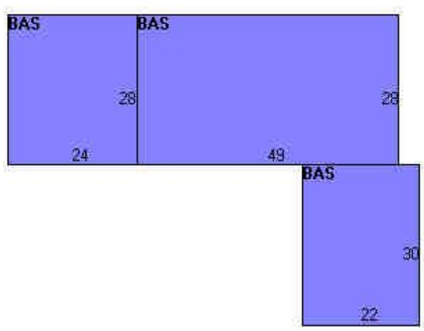
SITE PLAN – ASSESSOR'S MAP



FRONT/EAST BUILDING – 2 STORY COMMERCIAL RETAIL/OFFICE



FRONT/WEST BUILDING – 1 STORY COMMERCIAL RETAIL



COMMERCIAL GARAGE/WAREHOUSE (1 STORY)

Sketches are for illustration purposes, only; not to scale

Doc ID: 001028340002 Type: LAN
Book 2908 Page 226 - 227
File# 7138

TOWN CLERK: Please Record and Return to Harlow, Adams & Friedman P.C., 300 Bic Dr Milford CT 06461

QUIT CLAIM DEED

To All Persons to Whom These Presents Shall Come, Greetings:

KNOW YE, that **MICHAEL CALISE,** of the Town of Westport, County of Fairfield and State of Connecticut ("Releasor"), *for no consideration*, does by these presents ***Remise, Release and Forever Quit-Claim*** unto **POST EAST, LLC,** a limited liability company organized and existing under the laws of the State of Connecticut, with offices in Westport, Connecticut ("Releasee"), and to the Releasee's successors and assigns forever, whatever right, title, interest, claim or demand the said Releasor has or ought to have in or to

All that certain piece or parcel of land with the buildings and improvements thereon situated in the Town of Westport, County of Fairfield and State of Connecticut, in area 21,768 square feet, more particularly shown and delineated on a certain map entitled "SURVEY OF PROPERTY IN WESTPORT, CONN. FOR THE NATURAL GAS COMPANY, INC.", Scale 1"=20', Sept. 23, 1976, which map is on file in the office of the Westport Town Clerk as Map No. 7410. Said Premises are more particularly bounded and described as follows:

NORTHERLY:	by highway, Post Road East, formerly State Street East a/k/a Boston Post Road, 132.36 feet;
EASTERLY:	by land now or formerly of Torno Lumber Co., Inc., 155.04 feet;
SOUTHERLY:	by land now or formerly of Michael Calise and Catherine Calise, 131.41 feet; and,
WESTERLY:	by land now or formerly of Frank Calise and Dominick Calise, 177.61 feet.

TO HAVE AND TO HOLD the premises hereby remised, released and quit-claimed with all the appurtenances unto the said Releasee and to the Releasee's successors and assigns forever, so that neither the Releasor nor the Releasor's heirs, successors or assigns nor any other person claiming under or through the Releasor shall hereafter have any claim, right or title in or to the premises or any part thereof, but therefrom the Releasor and they are by these presents, forever barred and excluded.

Ø CONVEYANCE TAX
COLLECTED
Patricia H Strauss
TOWN CLERK OF WESTPORT

LEGAL DESCRIPTION

PwC REAL ESTATE INVESTOR SURVEY

Second Quarter 2014

	REGIONAL MALL		CBD OFFICE		WAREHOUSE		APARTMENT	
	2Q 2014	1Q 2014	2Q 2014	1Q 2014	2Q 2014	1Q 2014	2Q 2014	1Q 2014
Discount Rate (IRR) a								
Range	6.00% - 12.00%	6.50% - 12.00%	6.00% - 11.00%	6.00% - 11.00%	5.75% - 9.25%	5.75% - 9.00%	6.00% - 13.00%	6.00% - 14.00%
Average	8.67%	8.92%	7.89%	8.04%	7.29%	7.50%	7.98%	8.17%
Change (b.p.)		- 25		- 15		- 21		- 19
Overall Cap Rate (OAR) a								
Range	4.25% - 10.00%	4.25% - 9.00%	3.75% - 8.00%	3.75% - 8.00%	5.00% - 7.00%	5.00% - 7.50%	3.50% - 10.00%	3.50% - 10.00%
Average	6.60%	6.56%	6.30%	6.27%	5.95%	6.16%	5.59%	5.79%
Change (b.p.)		+ 4		+ 3		- 21		- 20
Residual Cap Rate								
Range	4.50% - 11.00%	4.50% - 11.00%	4.75% - 9.00%	4.75% - 9.00%	5.50% - 8.50%	5.50% - 8.50%	4.25% - 9.50%	4.25% - 9.50%
Average	6.94%	7.02%	6.79%	6.82%	6.63%	6.65%	6.02%	6.23%
Change (b.p.)		- 8		- 3		- 2		- 21

a. Rate on unleveraged, all-cash transactions ***Definitions:*** *b.p. basis points* ***Discount Rate (IRR).*** *Internal rate of return in an all-cash transaction, based on annual year-end compounding* ***Overall Cap Rate (OAR).*** *Initial rate of return in an all-cash transaction* ***Residual Cap Rate.*** *Overall capitalization rate used in calculation of residual price; typically applied to the NOI in the year following the forecast.* ***Source:*** *PwC Real Estate Investor Survey, formerly known as the Korpacz Real Estate Investor Survey. Personal survey conducted by PwC during April 2014. For subscription information, please visit* **www.pwc.com/us/realestatesurvey** *or call* **1-800-654-3387**.

ECONOMIC INDICATORS

EXHIBIT D

Post East, LLC
List of Unsecured Claims

Eversource	Account #6031	$303.75
Eversource	Account #7008	$354.31
Peter Vimini MAI		$3,100.00

EXHIBIT E

Post East, LLC

Liquidation Analysis

<u>Assets</u>		
Cash (as of February 28, 2017)	$35,899.02	
Real Estate at 75% of Lowest Appraisal Value ($1,250,000)	$937,500.00	
	Total Assets	$973,399.02
<u>Liabilities</u>		
Class 1 at 100% of Filed Claim (subject to dispute)	Total Liabilities	($2,029,337.95)
		($1,055,938.93)
Balance for Administrative Expenses, Priority Tax Claims, Unsecured Claims, and Equity		$0.00