

Audy Appraisals, P.C
Real Estate Valuation and Consulting
P. O. Box 688
Arlington, Vermont 05250

Brian B. Audy
State Certified General Appraiser

Telephone 802-375-1100
brian@audyappraisals.com

December 30, 2021

Shannnon Barsotti
Community Development Director
Town of Bennington, Vermont

CC: Stephanie Lane
Executive Director
Shires Housing

RE: Comparable sale search for the Bennington High, LLC property located at 650 East Main Street, Bennington, Vermont.

Dear Shannon and Stephanie,

I have enclosed ten sales that I am submitting for your review. All of the properties listed suffer substantial physical, functional and external depreciation, similar to the subject. This letter should not be construed as an appraisal. It should be considered only for consulting purposes.

The subject in its present condition is best described as a hybrid type property. I believe the total square footage of the building is 81,587 with the original circa 1920's section being approximately 48,607 square feet and the newer 1960's addition being 32,980 square feet. I have reviewed the list of improvements that Mr. Gilbert, the owner, has made on the property. It would appear that the majority of these improvements with the exception of the roof were completed on the 1960's section. The newer addition appears to be quite functional at this time and could be easily adapted for some type of community or mixed commercial use purpose. The original circa 1920's section suffers a large amount of physical and functional depreciation. The feasibility of improving the original section is likely only doable if grants and tax credits can be obtained. The high cost of construction right now along with the number of unknowns due to its large size and condition makes it very questionable whether redevelopment of the original section is feasible. That said, the scope of my work is based in part on conversations that we shared on the date of inspection.

The following is the list of sales reviewed.

Sale No. 1 – Carbon Zero, LLC to North Bennington Hydroelectric

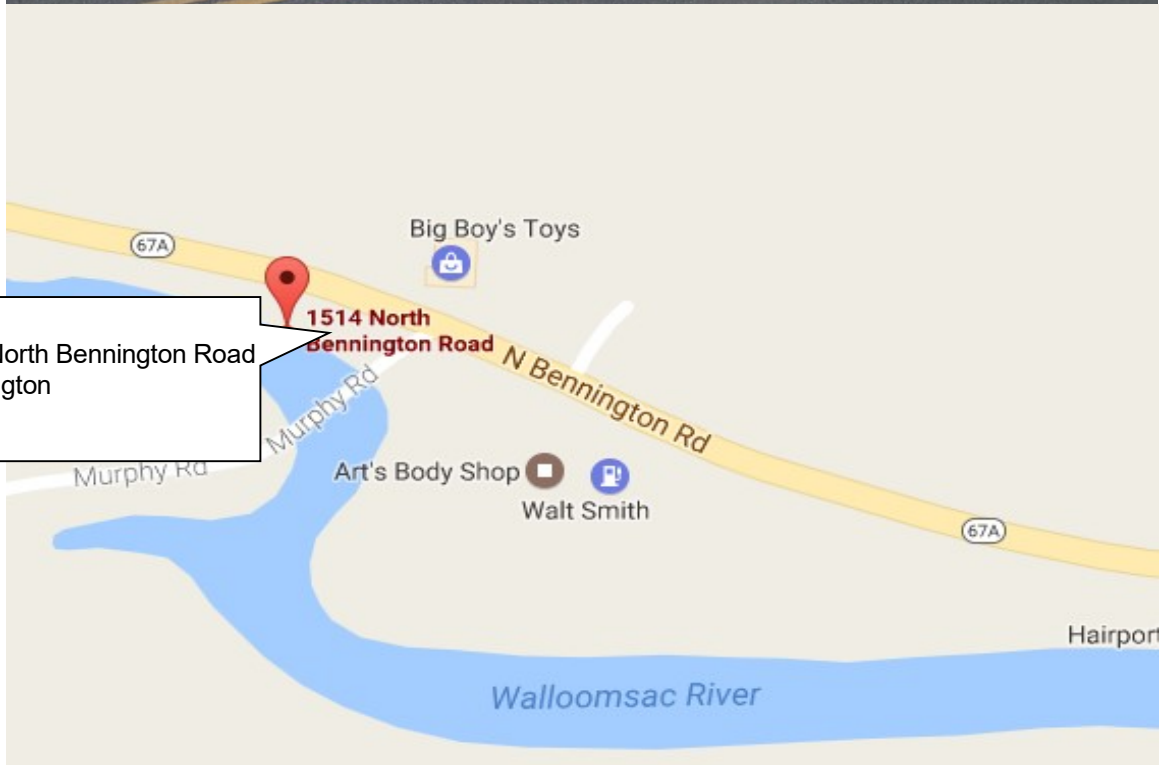
Grantor:	Carbon Zero, LLC 1514 North Bennington Road Bennington	Grantee:	North Bennington Hydroelectric
Sale Price:	\$60,000	Sale Date:	10/26/2021
Zoning:	Rural Residential		
Financing:	Conventional	Price/sq. ft.:	\$5.13
Highest & Best Use:	Shop/Warehouse		
Verified:	Inspection and town records		

Property Description

Neighborhood:	Suburban/Mixed Use
Lot Size:	6.24+/- acres
Parking:	Limited, graveled and paved area
Utilities:	Municipal
Shape:	Irregular
Landscaping:	Limited
No. of Buildings:	One
No. of Stories:	One
Construction:	Masonry, brick and block
Quality:	Average
Gross Sq. Ft.:	11,708 square feet
No. of Units:	One up to three
Basement:	Slab at grade
General Condition:	Fair/Poor
Physical Age:	1887, 1907+/-
Heat:	Limited modine units

Comments: This property includes an older mill located on North Bennington Road. The property had transferred prior to 2021 in May of 2014 for \$142,237. It is believed that with this sale additional money was paid for the hydroplant asset. This sale is considered distressed but typical for older mill properties in the region. This building had only a few improvements on a small percentage of it over the last 40+/- years. While the property possesses a larger site, the parcel is irregular in shape and possesses limited depth which adversely effected the functionality of the building.

Sale No. 1 – Carbon Zero, LLC to North Bennington Hydroelectric



Sale No. 2– TD Bank, N.A to BMFN, LLC

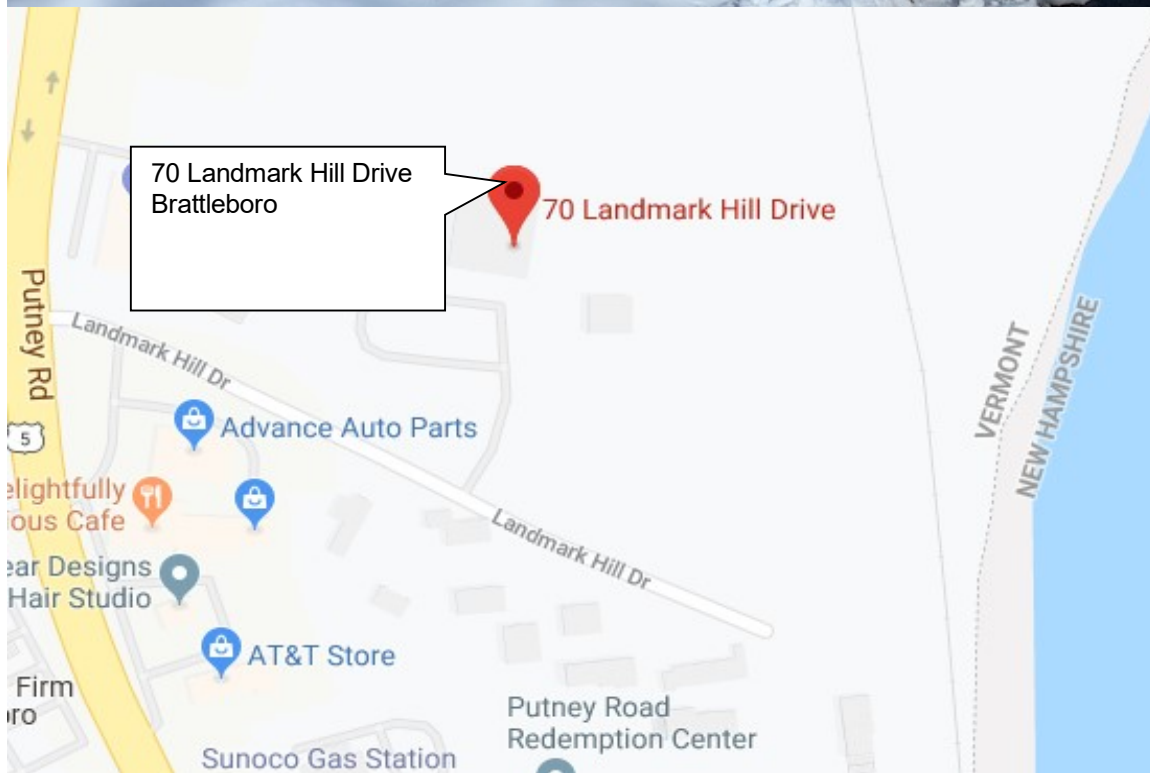
Grantor:	TD Bank, N.A. 70 Landmark Hill Drive Brattleboro	Grantee:	BMFN, LLC
Sale Price:	\$250,000	Sales Date:	08/15/2019
Zoning:	Neighborhood Center		
Financing:	Conventional	Price/sq. ft:	\$13.51
Highest & Best Use:	Office/multi-family mixed use		
Verified:	Inspection, town records and broker		

Property Description

Neighborhood:	Urban/Commercial
Lot Size:	16.31+/- acres
Parking:	Paved lot, ample spots
Utilities:	Municipal
Shape:	Irregular
Landscaping:	Large lawn with mature trees and shrubs, wooded
No. of Buildings:	One
No. of Stories:	2 stories
Construction:	Woodframe
Quality:	Average
Gross Sq. Ft.:	18,506 square feet
No. of Units:	1 unit
Basement:	Partial, unfinished
General Condition:	Average
Physical Age:	1910
Heat:	HVAC

Comments: This property is located off of Putney Road which is the main commercial strip north of the urban section of Brattleboro. It had been foreclosed on by TD Bank, N.A. in August of 2017. The property has been on and off the market over the last few years. Its original listed price back in 2015 was \$825,000. In about 2016 it was reduced to \$650,000 and in the fall of 2018 its price was reduced to \$439,900. While the property was bank owned, it had been exposed and advertised thus its transfer price is considered to represent its market and not its distressed value. This property, like others of this older vintage and size, did suffer a significant amount of functional depreciation and external obsolescence. This property was originally constructed for a residential estate property. Over the last 20 years it had been converted to primarily commercial use. It had been renovated and leased out to the Community College of Vermont. The property had been vacant for the last few years. Generally, the property is had been maintained but the cost to convert it deterred most potential purchasers. The property possesses a large 16.31+/- acre site. The site is irregular in shape and the added contributory value of the site is considered minimal. The broker indicated that the purchaser of the property was uncertain how the property would be utilized in the future.

Sale No. 2– TD Bank, N. A. to BMFN, LLC



Sale No. 3 – The Town of Bennington to SC Spirits, LLC

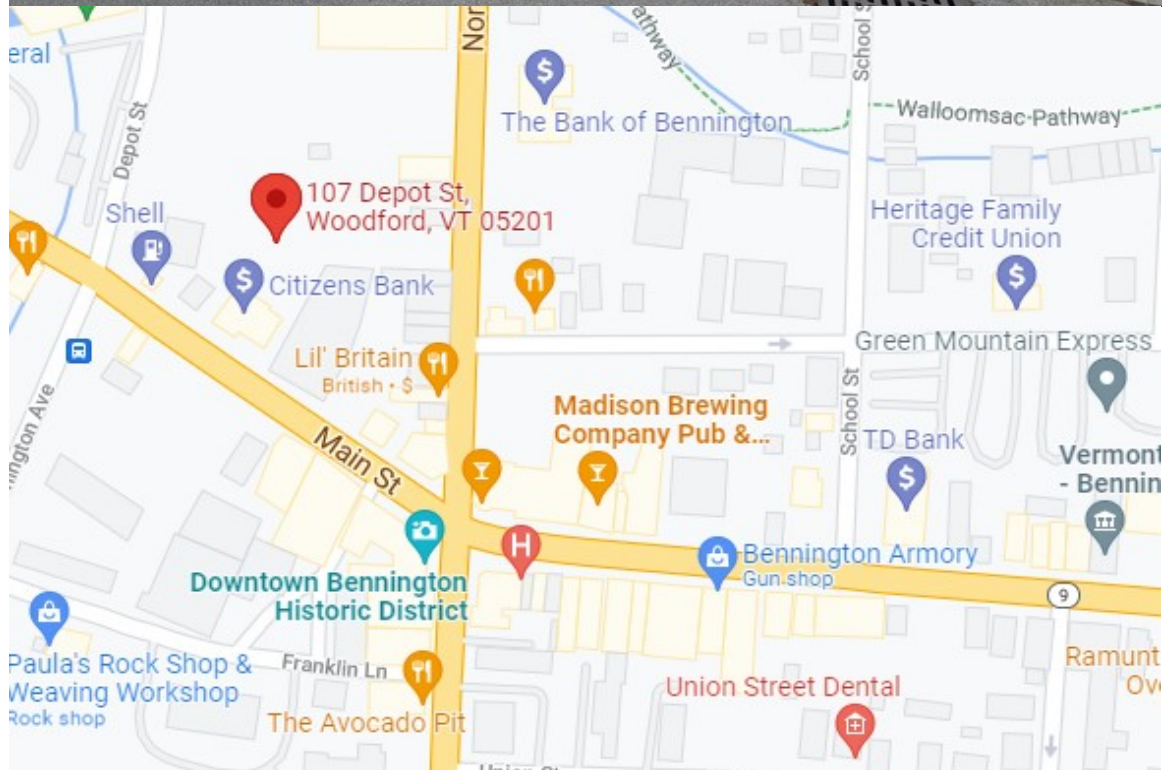
Grantor:	The Town of Bennington 107 Depot Street Bennington	Grantee:	SC Spirits, LLC
Sale Price:	\$80,000	Sales Date:	06/18/2019
Zoning:	Central Business		
Financing:	Conventional	Price/sq. ft:	\$14.82
Highest & Best Use:	Shop/Service unit		
Verified:	Inspection, town records and assessor's land records		

Property Description

Neighborhood:	Urban/Commercial
Lot Size:	.30 acre
Parking:	Available onsite and also in an adjacent municipal lot
Utilities:	Municipal
Shape:	Unknown
Landscaping:	Limited
No. of Buildings:	One
No. of Stories:	One
Construction:	Block
Quality:	Average
Gross Sq. Ft.:	5,400+/- square feet
Basement:	Slab at grade
General Condition:	Fair as of the date of transfer
Physical Age:	1950+/-
Heat:	Central forced hot air

Comments: This property is located on Depot Street. It sets behind other commercial properties that front on both Main and Depot Streets. It was originally built out and utilized for the municipal garage for the Town of Bennington. They constructed a new garage and then transferred the property to a local LLC. The grantee has renovated the property and utilizes it for shop/service use. The property was not listed for sale.

Sale No. 3 – The Town of Bennington to SC Spirits, LLC



Sale No. 4 –Juniper Vose,, LLC to Peterborough RE Holdings, LLC

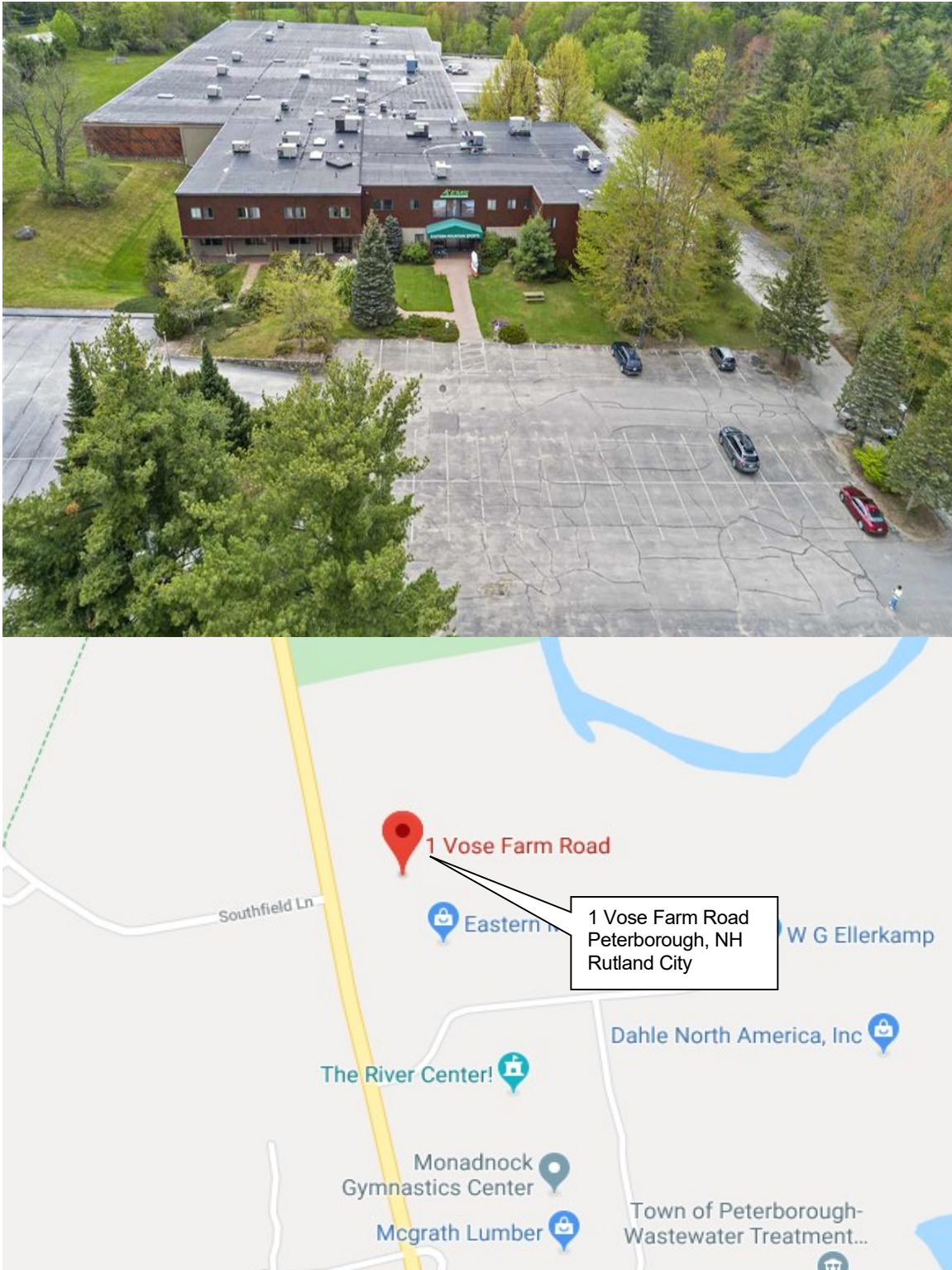
Grantor:	Juniper Vose, LLC 1 Vose Farm Road Peterborough, NH	Grantee:	Peterborough RE Holdings, LLC
Sales Price:	\$1,670,000	Sales Date:	01/06/2019
Zoning:	Industrial		
Financing:	Conventional	Price/sq. ft.:	\$13.25
Highest & Best Use:	Industrial/Warehouse		
Verified:	MLS, Peterson Real Estate, Inspection and Municipal Land Records		

Property Description

Neighborhood:	Industrial
Size:	10+/- acres
Parking:	Large paved lot
Utilities:	Municipal
Shape:	Unknown
Landscaping:	Surrounding lawn with trees and shrubs
No. of Buildings:	One
No. of Stories:	One
Construction:	Block
Quality:	Average
Gross Sq. Ft.:	126,000 square feet
No. of Units:	One
Foundation:	Slab at grade
General Condition:	Average
Remaining Economic Life:	25+/- years
Physical Age:	1977
Heat:	Roof mounted systems with central HVAC throughout

Comments: This property had been listed for sale at \$2,400,000. MLS does not indicate the number of months that it was exposed. The property in the past had been owner occupied. Its square footage is split with approximately 72,000 square feet of warehouse space with 26' ceiling heights, 8,000+/- square feet of open retail outlet store use and the remaining square footage being best defined as mixed office/shop use. It is reported that its use going forward will be for a mix of owner occupancy and rental investment use. The property was sold in "as is" condition. The broker reports that while the building is of average quality, it suffered a fair amount of deferred maintenance when it transferred. The subject's large size and condition limited its marketability. The property possesses a 10+/- acre site. It is best deemed as surplus land. It does not possess an excess land component. This property demonstrates the limited marketability for these older and larger properties.

Sale No. 4 –Juniper Vose,, LLC to Peterborough RE Holdings, LLC



Sale No. 5 – 77 Grove Street, LLC to MKF Properties, LLC

Grantor:	77 Grove Street, LLC 77 Grove Street Rutland City, Vermont	Grantee:	MKF Properties, LLC
Sales Price:	425,000	Sales Date:	06/01/2017
Zoning:	Mixed Residential - 1		
Financing:	Conventional	Price/sq. ft.:	\$10.52
Highest & Best Use:	Rental Investment/Offices		
Verified:	Broker, grantee, town records and inspection		

	<u>Property Description</u>
Neighborhood:	Urban, Mixed-Use
Lot Size:	0.96+/- acre
Parking:	(2) paved parking areas, average to fair in condition.
Utilities:	Municipal
Shape:	Approximately rectangular
Landscaping:	Limited, there is a small surrounding lawn area
No. of Buildings:	One
No. of Stories:	Three
Construction:	Brick and Woodframe
Quality:	Average/Good
Gross Sq. Ft.:	40,404 square feet
No. of Units:	One
Basement:	Slab
General Condition:	Average -
Physical Age:	1956+/-
Heat:	Forced hot air and radiant heat in the ceilings

Comments: This property is located in a mixed-use neighborhood in downtown Rutland City. The building was constructed in 1956+/- for office use. It includes a single-pitch rubber membrane roof and a mix of brick, marble, and metal facing along its exterior. The interior of the building includes 28+/- offices, with additional conference rooms, workstation areas, and support offices. The finishes throughout included older carpet and tile floors, sheetrock and panel walls, and drop tile ceilings. The building was of good quality when it was constructed back in the 1950's but has had very few updates over the last 30+/- years. Generally, its condition was rated as average or less when it transferred. Additional detriments include the lack of air conditioning and older mechanical systems, insufficient onsite parking, the building's older age relative to other, more modern office properties in Rutland, and its large size which would require significant investment to update. The property had been listed for over a year at a price of \$825,000 before selling for \$425,000 in June of 2017. The grantor was very motivated. The property had been vacant for the last few years.

Sale No. 5 -77 Grove Street, LLC to MKF Properties, LLC



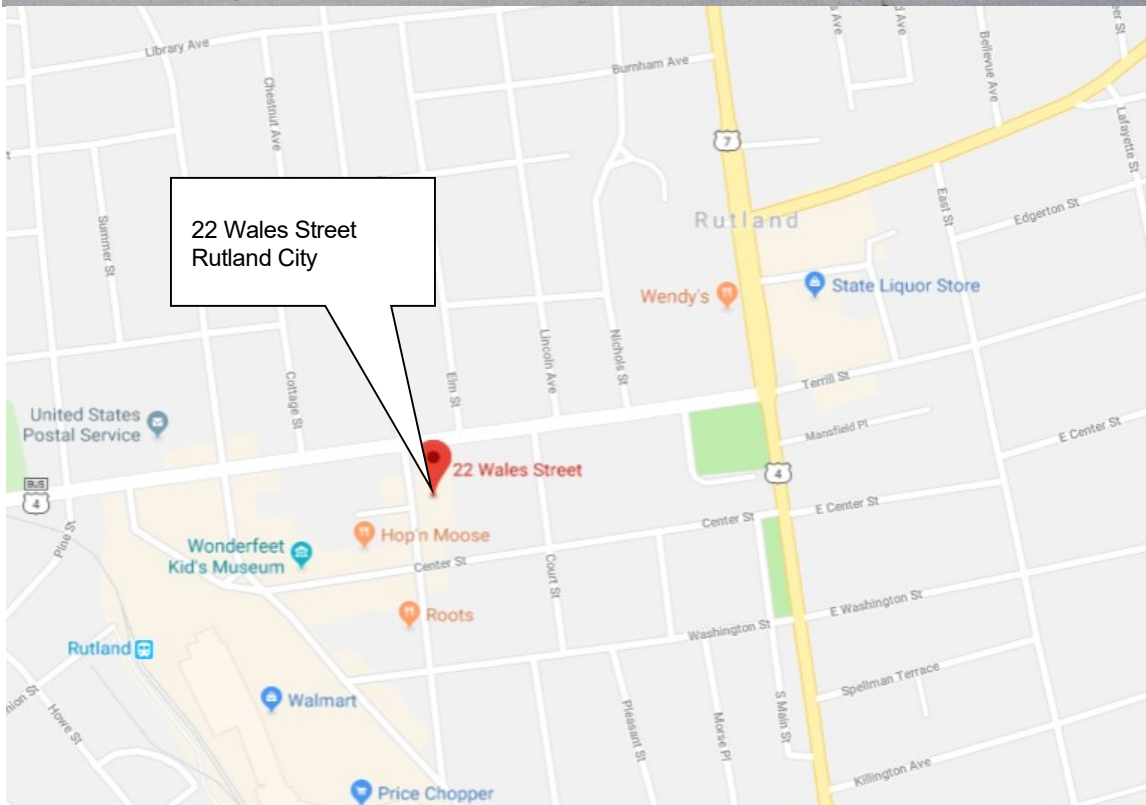
Sale No. 6 - Salvation Army to 22 Wales, LLC

Grantor:	The Salvation Army 22 Wales Street Rutland City	Grantee:	22 Wales, LLC
Sales Price:	\$60,000	Sale Date:	05/05/2017
Zoning:	Downtown Business	Price/sq. ft.:	\$6.68
Financing:	Conventional		
Highest & Best Use:	Office/Service Use		
Verified:	Inspection, MLS, Appraiser's File, and City land records		

Property Description

Neighborhood:	Urban
Lot Size:	.12+/- acre
Parking:	None, public parking available nearby
Utilities:	Municipal
Landscaping:	None, typical for downtown properties
No. of Buildings:	One
No. of Stories:	Two
Construction:	Cement Block
Quality:	Average
Gross Sq. Ft.:	8,976+/- square feet
No. of Units:	One to Two+
Foundation:	Partial
General Condition:	Fair
Physical Age:	1900+/-
Equipment:	None
Heat:	BBHW

Comments: This property is located in the downtown, urban section of Rutland City. Its neighborhood includes primarily commercial properties with a few multi-family/apartment buildings throughout. The building includes a two-story, brick, 8,976 square foot building that dates back to 1900. It has a rubber membrane roof, older fixed-glass windows, and brick along its exterior. Its basement is 75% full and 25% slab. Its interior was gutted and vacant prior to transfer and featured an open-span layout on both floors. Its general condition was rated as fair. Its 0.12+/- acre site is rectangular and fully occupied by the building's footprint. It does not include an onsite parking. The property had been listed for 2+/- years at a price of \$87,000 before its listing expired in January of 2017. This was a direct sale. This was an arm's length transaction that did represent market value. The buyer purchased the property to renovate the first floor for an owner occupied yoga studio and has plans to eventually upgrade the second floor to offices. The building did need complete renovation. The planned renovations include new electrical and plumbing throughout, including installation of a new ADA compliant ½ bath, though the 10+/- year old oil-fired boiler will continue to be utilized. The projected total cost for updating the building was estimated at \$200,000+.

Sale No. 6 - Salvation Army to 22 Wales, LLC

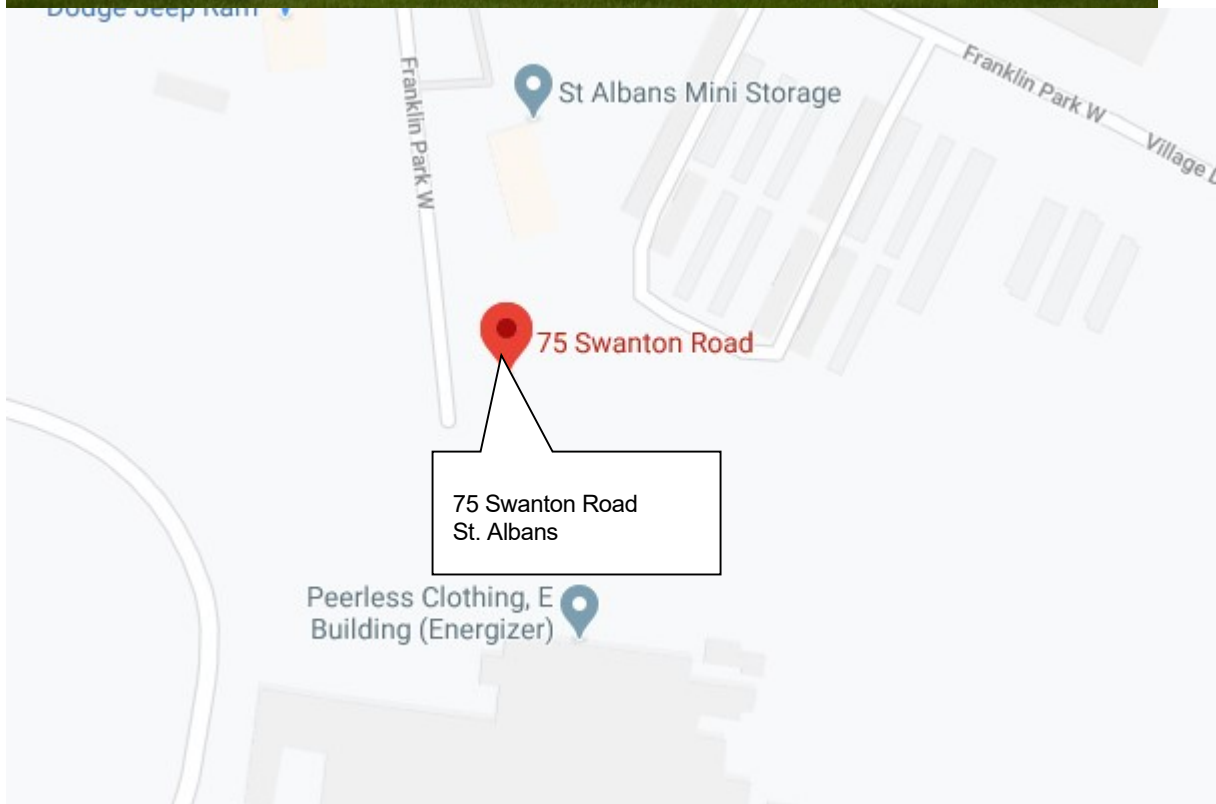
Sale No. 7 – Energizer Manufacturing Inc. to Malone 75 Swanton Road Properties, LLC

Grantor:	Energizer Manufacturing Inc.	Grantee:	Malone 75 Swanton Road Properties, LLC
	75 Swanton Road		
	St. Albans		
Sales Price:	\$3,250,000	Sales Date:	12/15/2016
Zoning:	Industrial		
Financing:	Conventional	Price/sq. ft.:	\$16.41
Highest & Best Use:	Manufacturing/warehouse use		
Verified:	Appraiser's file, inspection, broker and municipal land records		

	<u>Property Description</u>
Neighborhood:	Industrial/Commercial mix
Lot Size:	64.46+/- acres
Parking:	Large surrounding paved lot. It reportedly was in average condition.
Utilities:	Municipal
Shape:	Unknown
Landscaping:	Surrounding lawn with mature trees, typical for its location.
No. of Buildings:	One
No. of Stories:	One
Construction:	Block and steel
Quality:	Average
Gross Sq. Ft.:	198,000 square feet, 12% offices
No. of Units:	Unknown, the property is leased
Basement:	Slab at grade
General Condition:	Average
Physical Age:	1947-1977
Heat:	Forced hot water, gas fired system, approximately 24% of the square footage included central air.

Comments: This property is located in St. Albans which is approximately 30 minutes north of Burlington. Property values in St. Albans are somewhat influenced by its good proximity to Burlington which is the largest City in Vermont. The subject is located just off of Interstate 89. This property possesses an excess land component. Reportedly, a 4+/- acre parcel located at the northwest corner of the site could be subdivided if so desired. The property also possesses a larger 50+/- acre vacant land parcel that is considered surplus land located to the south of its building. The property was purchased by an investor.

Sale No. 7 – Energizer Manufacturing Inc. to Malone 75 Swanton Road Properties, LLC



Sale No. 8 - HH Properties Inc. to HBH Real Estate, LLC

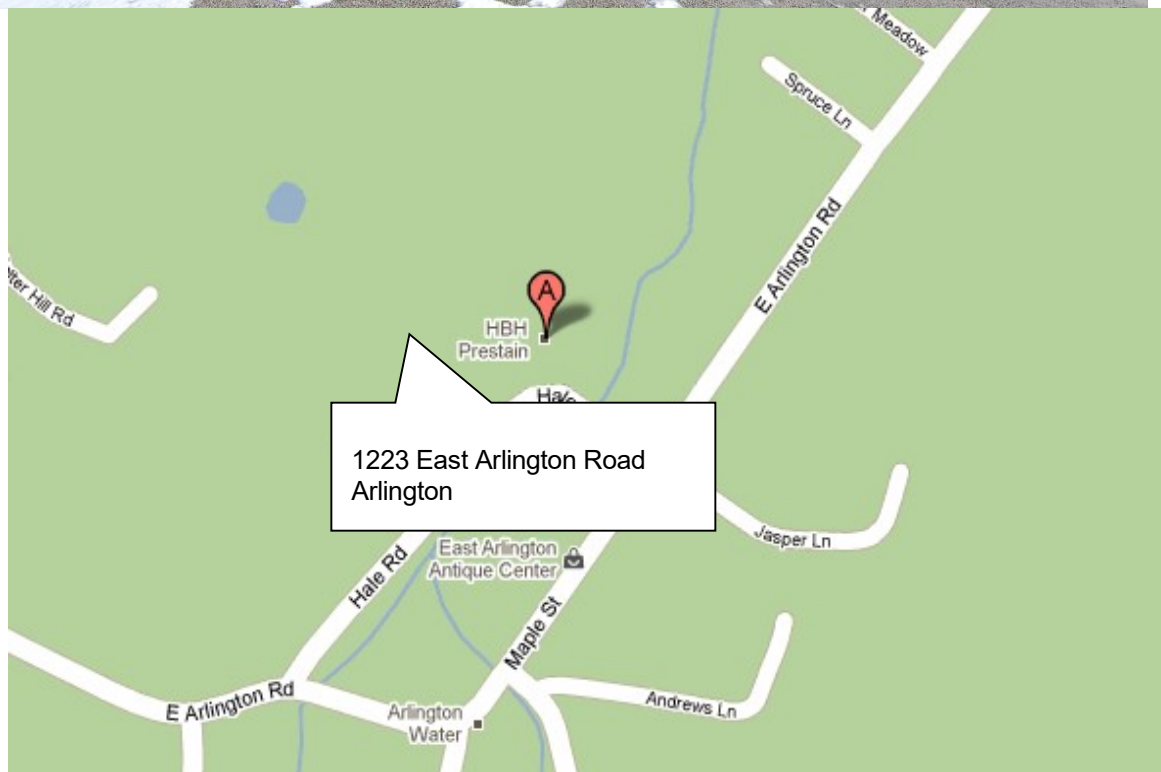
Grantor:	HH Properties LLC 1223 East Arlington Road Arlington, Vermont	Grantee: HBH Real Estate, LLC
Sale Price:	\$760,000	Sales Date: 05/11/2015
Zoning:	Commercial/Industrial	
Financing:	Cash to seller	Price/sq. ft: \$11.99
Highest & Best Use:	Shop/warehouse	
Verified:	Inspection, Town Records and Grantor	

Property Description

Neighborhood:	Village
Lot Size:	16.66+/- acres
Parking:	Graveled driveway and yard area that services the buildings.
Utilities:	Municipal water, private septic
Shape:	Irregular
Landscaping:	None
No. of Buildings:	Seven
Construction:	Cement block, woodframe and steel
Quality:	Average
Gross Sq. Ft.:	63,389 square feet
No. of Units:	One
Foundation:	Slab at grade
General Condition:	Fair/Average
Effective Age:	25+ years
Physical Age:	1911-1958+/-
Equipment:	None reported in sales price
Heat:	Independent forced hot air Modine units

Comments: This property is an old furniture factory located in an older residential neighborhood in the Village of East Arlington. It has been utilized for a pre-stain manufacturing and warehouse property for the last several years by HH Properties. Approximately 50% of the building had had some updates to bring it into code compliance in the last 20 years. This property possesses an exceptionally large site and could support additional buildings if so desired. The outbuildings surrounding the main older industrial building were utilized for warehouse use. This property transferred with other properties and a business. Both the buyer and seller represent the sales price as market value. Its buildings all suffered a large amount of physical, functional and external depreciation.

Sale No. 8 - HH Properties Inc. to HBH Real Estate, LLC



Sale No. 9 –State of Vermont to Keith

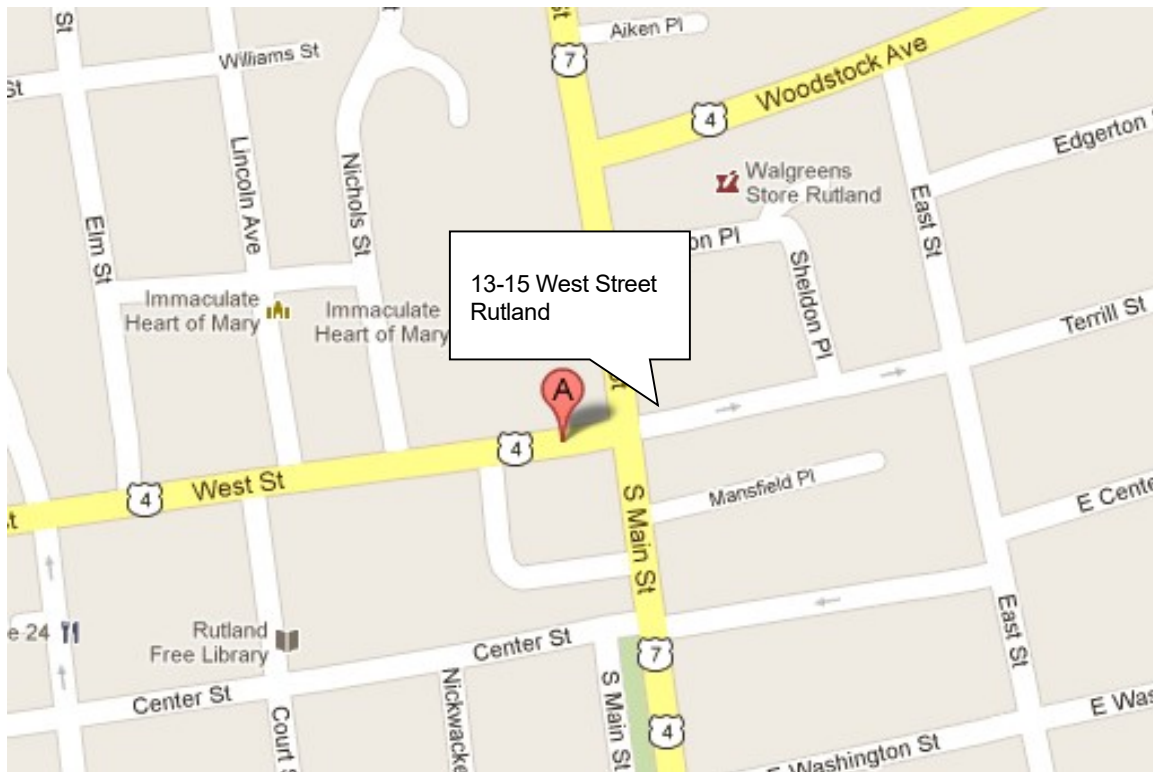
Grantor:	State of Vermont 13-15 West Street Rutland	Grantee:	Keith
Sales Price:	\$205,250	Sales Date:	08/03/2012
Zoning:	Courthouse	Price/sq. ft.:	\$5.66
Financing:	Cash to Seller		
Highest & Best Use:	Mixed use, office and service		
Verified:	City Land Records, Inspection and Grantor		

Property Description

Neighborhood:	City
Lot Size:	1.2+/- acre
Parking:	Limited, on-site, paved, average condition
Utilities:	Municipal
Shape:	Unknown
Landscaping:	Limited, the lot is encompassed by the footprint of the building.
No. of Buildings:	2 buildings
No. of Stories:	One and two stories
Construction:	Brick and Tile
Quality:	Average
Gross Sq. Ft.:	36,255 square feet
No. of Units:	Multiple
Basement:	Included above
General Condition:	Average
Physical Age:	1920+/-
Equipment:	None reported in sale price
Heat:	Hot Water

Sale No. 9 – State of Vermont to Keith

Comments: This property was occupied by the Vermont National Guard as their Rutland Armory for many decades. It is located near the corner of West Street with Main Street. It possesses a good commercial location. The building has had some updates in recent years and was rated to be in average condition. The building was sprinkled. The lower basement level includes a kitchen, dining hall, locker rooms and a dorm. The square footage of the lower level is included in the subject's total square footage. The first floor of the building included 8 classrooms, 4 offices and a gymnasium. The second floor included 7 offices. The subject does not possess an elevator. Additionally, this property includes a 6,700 square foot cement block storage building with 3 bays at the back of the site. The property was sold by the State of Vermont through a bid process.



Sale No. 9 – State of Vermont to Keith



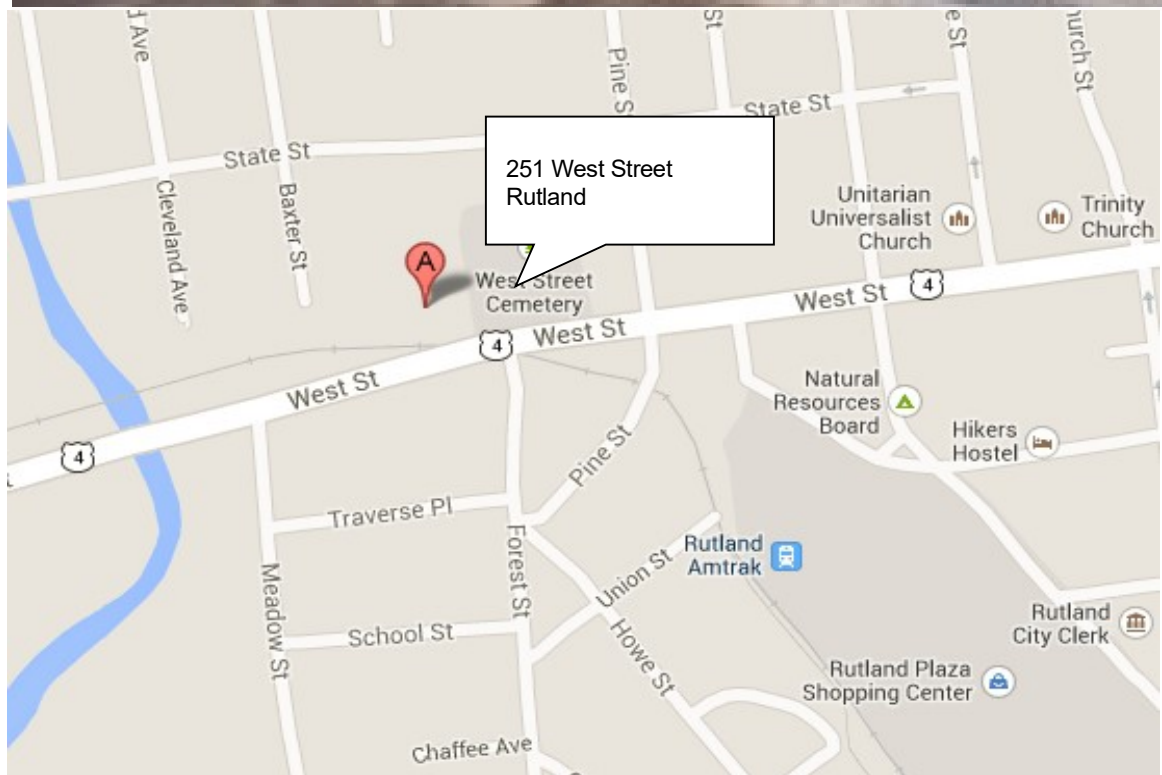
Sale No. 10 – Gartner to Vermont Farmers Market

Grantor:	Gartner 251 West Street Rutland City	Grantee:	VT Farmers Market
Sales Price:	\$439,500	Sales Date:	07/05/2012
Zoning:	Gateway Business West St.	Book/Page:	NA
Financing:	Cash to Seller	Price/sq. ft.	\$11.46
Highest & Best Use:	Warehouse and shop use		
Verified:	Inspection, MLS and City land records		

Property Description

Neighborhood:	Commercial/Industrial mix
Lot Size:	2.98+/- acres
Parking:	21+/- paved spots, fair condition
Utilities:	Municipal water and sewer
Shape:	Unknown
Landscaping:	As of the date of transfer, the site did not include any landscaping.
No. of Buildings:	Five
No. of Stories:	One and two stories
Construction:	Woodframe and steel
Quality:	Average
Gross Sq. Ft.:	38,340 square feet in five buildings
No. of Units:	The buildings can support from one up to five units.
General Condition:	Fair
Physical Age:	1900 - 1950+/-
Equipment:	None reported in property transfer
Heat:	It appears that some buildings were equipped with heating systems but they have not been operated in recent years.

Comments: This property is located west of downtown Rutland City. It is in an older industrial/commercial mix neighborhood. The property had been vacant for several years prior to its transfer. The purchaser, a local not for profit group, is utilizing the property for their weekly farmer's market and other local events. It is reported that the property did not possess any environmental hazards on its date of transfer. There are a total of five buildings varying in age from the early 1900's through around 1950. The construction includes a mix of woodframe, some steel and some cement block buildings utilized for warehouses by a local lumber company for a number of years. The largest of the five buildings is a two story barn that is approximately 20,095 square feet. The other four warehouses are calculated at 4,000 square feet, 2,137 square feet, 6,144 square feet and 5,964 square feet. All of the buildings were in need of updates. The property does abut the Vermont Railway right of way. It is reported that several improvements have been made on the property since its transfer date.

Sale No. 10 – Gartner to Vermont Farmers Market

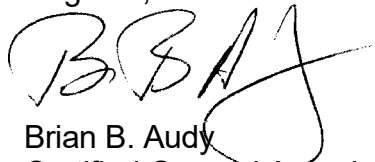
Summary

Address	Price/Square Foot
1514 North Bennington Road, Bennington, VT	\$5.13
70 Landmark Hill Drive, Brattleboro, VT	\$13.51
107 Depot Street, Bennington, VT	\$14.82
1 Vose Farm Road, Peterborough, NH	\$13.25
77 Grove Street, Rutland City, VT	\$10.52
22 Wales Street, Rutland City, VT	\$6.68
75 Swanton Road, St. Albans, VT	\$16.41
1223 East Arlington Road, Arlington, VT	\$11.99
13-15 West Street, Rutland City, VT	\$5.66
251 West Street, Rutland City, VT	\$11.46

As the sales suggest, these older larger properties all suffer large amounts of physical, functional and external obsolescence. Most often with these properties it is not feasible to conventionally purchase and finance them because of the extraordinary high cost to update them. The subject's two sections – the older original section and the newer addition – are quite different when considering their condition. When reviewing the sales, the bottom of the range or \$6 to \$8 per square foot is likely more appropriate for the original portion with the higher range (\$12 to \$14 per square foot) being most appropriate for the addition which has had several recent updates.

This letter should not be construed as an appraisal. It is being submitted for consulting purposes only.

Regards,



Brian B. Audy
 Certified General Appraiser
 Audy Appraisals, P.C.
 License #80-0000063
 BBA/las