LIMITED APPRAISAL SUMMARY REPORT

of property known as and situate:

Vacant land - 10 acres
West side of Hamot Road
Summit Township
Erie County, PA 16509

for:

Timothy Sennett
Knox McLaughlin Gornall & Sennett, P.C.
120 West Tenth Street
Erie, PA 16501

Prepared by:

Sammartino Appraisal Services, Inc.
Real Estate Analysts
1001 State Street, Suite 1100
Erie, Pennsylvania 16501-1831

SAMMARTINO APPRAISAL SERVICES Inc.
Real Estate Analysts
Appraisers • Consultants
www.sas-rea.com

RAYMOND J. SAMMARTINO, MAI, SRA
NANCY SOMMERWERCK, MAI

Appraisal Institute MAI ™

April 6, 2005

Timothy Sennett, Esquire
Knox McLaughlin Gornall & Sennett, P.C.
120 West Tenth Street
Erie, PA 16501

Re.: Vacant land - 10 acres
West side of Hamot Road
Summit Township
Erie County, PA 16509

As you requested, I have completed a **Limited Appraisal Summary Report** of the above referenced property for the purpose of estimating **Market Value and Market Rent in fee simple,** as of April 5th, 2005 (the effective date of this appraisal).

The subject was personally inspected, relevant data was collected and analyzed, and after an appropriate Highest and Best Use analysis, the implementation of the Sales Comparison Approach (only) and Income Capitalization methodology for extraction of market rent was applied. This report is made according to the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute, and to the Uniform Standards of Professional Appraisal Practices of The Appraisal Foundation. **The property is appraised as a whole, unencumbered by any liens, mortgages, or other indebtedness, and subject to the Assumptions and Limiting Conditions.**

The format of this report (i.e., a Limited Appraisal Summary Report) was specifically requested by, and is intended only for use by the client. Supporting documentation is contained in our files. Reference is made to the Addendum for a summary of the specific departures from Standard 1 of USPAP. Note: the intended user of this report is aware that the reliability of the value conclusion provided may be impacted to the degree there is departure from specific guidelines of USPAP.

My conclusion(s) of Market Value and Market Rent, as of April 5th, 2005 (the effective date of this report) assuming a typical marketing/exposure time[1], is:

Opinion of Market Value:	**$30,000**
Opinion of Annual Triple Net Market Rent:	**$3,000**

Sincerely,

Raymond J. Sammartino, MAI, SRA
PA Certified General Appraiser
License Number: GA-000111-L

[1] Marketing/Exposure time is estimated at 12 months.

1001 STATE STREET - SUITE 1100 - ERIE, PA 16501-1831 - PH. 814-456-2900 - FAX 814 456-8070

SUMMARY OF SALIENT FACTS AND CONCLUSIONS

Known As:	Vacant Land – 10 Acres
Location:	West side Hamot Road Summit Township, Erie County, PA
Owner of Record:	Erie County Technical School
Tax Parcel No.:	(40) 19-82-2
Present Use:	Vacant Land
Defined Value:	Market Value and Market Rent
Date of Inspection:	April 5th, 2005
Effective Date of Appraisal:	April 5th, 2005
Highest and Best Use:	Single Family Development and/or assemblage
Zoning:	R-2 Residential District
Marketing/Exposure Time:	6 to 12 months
Site Area[1]:	10.63 acres
Estimated Market Value:	
Sales Comparison Approach:	$30,000
Estimated Annual Triple Net Market Rent:	
At Applicable Capitalization Rate (10%):	$3,000

Opinion of Market Value:	**$30,000**
Opinion of Annual Triple Net Market Rent:	**$3,000**

[1] Site area taken from legal reference and assessment records.

HIGHEST AND BEST USE

As Vacant

The Subject property is comprised of 10.63 acres. Zoning is "R-2" Residential, which allows for single family and two family dwellings. Topography, access, and visibility are good (located near the "five point" intersection). The subject is bisected by a Penelec line easement which will limit the appeal of some uses. Given the zoning, reasonable land costs, the ready availability of municipal utilities, the demand trend toward single family development in semi-rural locations, (as opposed to high density residential) and considering the easement the most feasible use appears to be Single Family Residential development or assemblage with an adjacent parcel. After considering the legally permissible, physically possible, financially feasible, and maximally productive uses **the Highest and Best Use of the subject "As Vacant" is for single family residential development or assemblage.**

In summary, it is my opinion that the Highest and Best Use of the Subject site "as vacant" is for single family residential development or assemblage.

As Improved

N/A vacant site

LAND SALES TABLE

Address	Sale Date Sale Price	Site size	Price per Acre	Comments
1) Traditions At Hamot Farms Hamot Road Summit Township, Erie, PA	4/29/2004 $ 358,000	28.645	$ 12,498	This is a 50 lot planned development. This is a wooded lot with all public utilities.
2) Home site 8260 Sterrettania Road Fairview Township, Erie, PA	12/16/1999 $ 42,900	9.283	$ 4,621	Site was purchased as a home site. There is high tension electrical power easement located on the site. The periphery of the easement is approximately 285 feet from the residence.
3) Home site 8270 Sterrettania Road Fairview Township, Erie, PA	12/8/1999 $ 41,900	8.597	$ 4,874	Site was purchased as a home site. There is high tension electrical power easement located on the site. The periphery of the easement is approximately 275 feet from the residence.
4) Home site Sterrettania Road, Fairview Township, Erie, PA	8/13/2004 $ 24,500	9.74	$ 2,515	Site was purchased as a homesite and a high tension electrical easement bisects the site. The periphery of the easement approximately 125 feet from the residence. This close proximity negatively impacted the property via an extended market time: 5 years
Subject W/S Hamot Road Fairview Township, Erie, PA		10.63		Site is suitable as a homesite or for assemblage with adjacent lands. A high tension electrical easement bisects the approximate center of the site and will cause significant negative influence.
Average price per Acre			**$ 6,127**	

LAND VALUE CONCLUSION

The comparable land sales indicate prices per acre ranging from $2,515 to $12,498 per acre, with an average of $6,127 per acre. Sale #1 is similar in location, less than a ¼ mile from the subject, Sales 2, 3 and 4 are similar in size and each has a power line easement. Sale #4 is most similar to the Subject as the power line easement bisects the property in such a way that it limits the potential, or most desirable, building area. Based on the range of the comparable data, considering the subject's size, sale date, the power line easement along with the subject's ranking to the comparables (most similar to comparable 4) a unit rate of $2,750 per acre is reconciled. Therefore,

Subject Site Area	X	$ Per Acre	=	Indicated Value
10.63 Acres	**X**	**$2,750**	**=**	**$29,233**
		Total Rounded	**=**	**$30,000**

OPINION OF LAND VALUE :	**$30,000**

MARKET RENT CALCULATION - LAND

There have been no leases or sales of residential development land, in the Erie area, where market derived rent or capitalization rates were determinable. Because of the lack of market data, the opinion of market rent is derived by the multiplication of a reasonable land capitalization rate (R_L) times the indicated land value. The formula is as follows:

Market value	**X**	**Land Capitalization Rate (R_L)**	**=**	**Indicated Annual (NNN) rent**
$30,000	**X**	**10%**	**=**	**$3,000/annum**

The Land Capitalization Rate (R_L) applied in the formula (above) was based on the mortgage equity technique since it most closely resembles the actions and thinking of buyers in today's market place. The formula for income capitalization using the mortgage equity technique is as follows:

Mortgage Ratio X Mortgage Constant + Equity Ratio X Equity Dividend =
Overall Capitalization Rate

0.70	X	0.10786[1]	=	0.0755
0.30	X	0.08000[2]	=	0.0240
				0.0995
				10.0% (rounded)

Support is also provided from the most recent national survey data; *RealtyRates.com Investor Survey, 4th Quarter 2004*, reported land capitalization rates for all property types average 10.11% with a range from 4.28% to 18.28%

After considering the national survey data, as well as the mortgage equity technique, the rate of 10.0% was applied in the above formula.

Opinion of Annual Triple Net Market Rent:	**$3,000**

[1] As per local lenders a typical loan would be 7.0%, for a 15 year amortization term. The mortgage constant is calculated as 0.10786.
[2] 0.08 = Equity capitalization rate required by a typical purchaser when comparing the cash on cash return to competitive investments in the open market and the risk associated with the subject.

RECONCILIATION AND FINAL CONCLUSION(S)

Indicated Value Opinions:

Market Value - Sales Comparison Approach:	$30,000
Market Rent:	$3,000/annum

The *purpose* of this **Limited Appraisal Summary Report** is to estimate the Market Value and the Market rent of the subject property "As Is" as of April 5th, 2005 in fee simple. The format of this report (i.e., a Limited Appraisal Summary Report) was specifically requested by, and is intended only for use by the client. Supporting documentation is contained in the appraisers files. Reference is made to the Addendum for a summary of the specific departures from Standard 1 of USPAP. Note: the intended user of this report is aware that the reliability of the value conclusion provided may be impacted to the degree there is departure from specific requirements of USPAP.

The Sales Comparison Approach was utilized as it is considered the most relevant approach, due to the quality and quantity of market data and with respect to the subject's highest and best use. In conclusion, after analysis of the relevant data, the Market Value and Market rent opinion(s), assuming a typical marketing/exposure time[1], is:

Opinion of Market Value:	**$30,000**
Opinion of Annual Market Rent (Triple Net):	**$3,000**

[1] Marketing/exposure time is projected at 12 months.