



October 14, 2016

Mr. Todd Bergey, PRSBO
Support Service Director
Office of Support Services
Southern Lehigh School District
5775 Main Street
Center Valley, PA 18034

RE: Lower Milford Elementary School, 7350 Elementary Road, Lower Milford Township

Dear Mr. Bergey:

This is an engagement letter for an appraisal report of the above captioned property.

The appraisal shall be prepared for your sole and exclusive use for financial planning purposes.

The purpose of this analysis is to provide the fee simple market value of the subject property as of a current date. The appraisal will be prepared in accordance with the Uniform Standards of Professional Appraisal Practice.

The appraisal will be completed and delivered within three weeks of receipt of this signed engagement letter and the following information.

1. Site and Building Plans, if available
2. List of recent major capital improvements
3. Contact person for complete interior and exterior inspection of the property

I will furnish you with an emailed pdf version of the report. The total fee for the appraisal will be \$2,600; the fee includes the cost of typical expenses that are incurred in the preparation of the report. In the event additional consultation or expert testimony is required, it will be billed at \$175/hour. **An invoice for the appraisal fee will be presented and payment in full is required at time of inspection.**

Upon receipt, please sign and return a copy of this letter and an initialed copy of the Statement of Limiting Conditions and Appraiser's Certification.

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If you have any questions about the contents of this fee proposal or in any of the attachments, please give me a call at 610-266-9265. Thank you for considering Imperial Realty Appraisal, LLC.

Sincerely,



James E. Bahnick, MAI, SRA
PA Certified Gen. Real Estate Appraiser
Certification Number GA-000316-L

Engagement Letter Accepted By: _____
Mr. Todd Bergey

Date: _____

CERTIFICATION

The undersigned certifies that, to the best of my knowledge and belief, and except as otherwise noted in this appraisal report:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, impartial, unbiased professional analyses, opinions and conclusions.
3. We have no present or prospective interest in the property that is the subject of this report, and we have no personal interest with respect to the parties involved.
4. We have no bias with respect to the property that is the subject of this report or the parties involved with this assignment.
5. We have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
6. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. The analyses, opinions and conclusions were developed and this report has been prepared, in conformity with the requirements of the Uniform Standards of Professional Appraisal Practice (USPAP) and the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.
9. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
10. James E. Bahnick, MAI, SRA made a personal inspection of the property that is the subject of this report on _____.
11. No one other than the undersigned provided significant real property appraisal assistance to the persons signing this report.
12. As of the date of this report, we are current with the requirements of the continuing education program of the State Board of Certified Real Estate Appraisers. James E. Bahnick, MAI, SRA has completed the requirements under the continuing education program of the Appraisal Institute.
13. The appraisers have the knowledge and experience with this type of property and the qualifications needed to produce a credible appraisal in accordance with all previously stated standards and have taken the necessary steps in order to comply with the competency provision of USPAP.

James E. Bahnick, MAI, SRA
PA Certified General Real Estate Appraiser
Certification Number GA-000316-L

Date: _____

ASSUMPTIONS, LIMITING CONDITIONS AND CONTINGENCIES

The Appraisers whose signatures appear on the Certificate of Appraisal do hereby certify that, except as otherwise noted in this appraisal report:

1. We have no present or contemplated future interest in the real estate that is the subject of this appraisal report.
2. We have no personal interest or bias with respect to the subject matter of this appraisal report or the parties involved.
3. To the best of our knowledge and belief, the statements of fact contained in this appraisal report, upon which the analysis, opinions, and conclusions expressed herein are based, are true and correct.
4. This appraisal is to be used in whole and not in part. No part of it shall be used in conjunction with any other appraisal.
5. The owner of record is assumed to have a free and clear fee simple title with no encumbrances that cannot be cleared through normal channels.
6. The information on which this appraisal is based has been obtained from sources normally used by the appraiser and is considered to be reliable, but it is in no sense guaranteed.
7. No opinion of a legal or engineering nature is intentionally expressed or implied and no responsibility is assumed for matters of this nature.
8. The appraisers reserve the right to alter their opinion of value on the basis of information withheld or not discovered in the normal course of a diligent investigation.
9. Load bearing capacity of subsoil is assumed to be adequate for the present utilization, but no borings or engineering studies have been made especially for this appraisal and the value conclusion could be affected by such information.
10. The property has been appraised as though under responsible ownership and competent, aggressive management.
11. The appraisers assume there are no hidden or unapparent conditions of the property, subsoil or otherwise, which would render it more or less valuable. The appraisers assume no responsibility for such conditions or for engineering, which might be required to discover such factors.
12. It is assumed that all required licenses and/or permits, consents or other legislative or administrative authority from any local, state or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value estimates contained in this report are based, in a timely manner and without unusual cost.
13. The appraisers assume no responsibility for matters of a legal nature affecting the property or the title thereto, nor do the appraisers render any opinion as to title, which is assumed to be good and marketable.

14. The appraisers are not required to give testimony or appear in court because of having made this appraisal with reference to the property in question, unless arrangements have been previously made therefore. The fee charged for this appraisal does not include payment for court testimony or for further consultation.
15. Unless otherwise stated, no consideration in the valuation process has been given to mineral deposits (oil, gas, coal, gravel, etc.) or timber, if any, that may be found on the subject.
16. It is assumed that the subject has never been utilized as a waste disposal site for toxic or other hazardous waste materials as defined by the appropriate government agencies.
17. As of January 23, 1992, the "Americans with Disabilities Act of 1990" became effective and may apply to the subject building. The users of this report are referred to the United States Architectural and Transportation Barriers Compliance Board at 1-800-USA-ABLE for specific instructions for satisfying the requirements of the act. The appraisers are not qualified to analyze the building with respect to handicap accessibility rules. The value estimate of this report assumes full compliance with the Act. Other sources of information for compliance and accommodation include Centers for Living, Inc., a non-profit assistant group for disabled persons and the Director of Housing for the Commonwealth of Pennsylvania. Currently Raymond W. Cartright holds this Human Relations Commission position, and may be reached at (717) 783-8274.
18. Disclosure of the contents of this appraisal is governed by the Bylaws and Regulations of the professional organizations with which the appraisers are affiliated.
19. Acceptance of and/or use of this report constitutes acceptance of these conditions.

QUALIFICATIONS OF JAMES E. BAHNICK

Professional Designations

MAI & SRA: Commercial & Residential Designations of the Appraisal Institute
PA Certified General Appraiser - GA-000316-L
PA Associate Broker – AB-048244-L

Professional Associations

Member, Lehigh County Board of View, 2006-2015
Past President, Northeastern PA Chapter Appraisal Institute 2000
President, Northeastern PA Chapter Appraisal Institute 1999
Vice President, Northeastern PA Chapter Appraisal Institute 1998
Secretary, Northeastern PA Chapter Appraisal Institute 1995, 1996 & 1997
Regional Representative, Appraisal Institute 1995 & 1996
PAR - Pennsylvania Association of Realtors
NAR - National Association of Realtors

Educational Background

1985 Graduate of East Stroudsburg University
American Institute of Real Estate Appraisers Course: Residential Valuation 8-2,
Real Estate Principals 8-1 and Basic Valuation exams
Society of Real Estate Appraisers: Standards of Professional Practice and
Market Extraction seminar
Appraisal Institute: Standards of Professional Practice Part A, B & C,
Capitalization Theory and Techniques, Part A & B
Advanced Applications, II550
Various Continuing Education Seminars of the Appraisal Institute

Experience

Principal, Imperial Realty Appraisal, LLC – 2001
Manager, Imperial Realty's Appraisal Division 1998-2000
Fee Appraiser, Imperial Realty 1986-1997
Preparation & review of appraisal reports involving commercial, industrial &
residential real estate for private clients, attorney, & lending institutions

Court Testimony including tax assessment appeal
Real Estate Instructor – Scott-White Real Estate Institute

Partial List of Clients

Wells Fargo, N.A.	Lehigh & Northampton County
Lafayette Ambassador Bank	First Northern Bank & Trust
Santander Bank	American Bank
BB&T	Quaint Oak Bank
National Penn Bank	New Tripoli Bank
Embassy Bank	First Niagara Bank
Bank of America	Numerous national, regional &
Merchants Bank of Bangor	local corporations