

ADDENDUM
to
REAL ESTATE APPRAISAL REPORT

of

**Beach Circle Section
Central Area
Conomo Point
Essex, MA**

Owned by:
Town of Essex

Prepared for
Town of Essex

Prepared by
**Mark F. Tyburski, MAI, SRA
Tyburski Appraisal Corporation
89 Summer Street
Hingham, MA 02043**

Date of Valuation
April 3, 2016

April 25, 2016



Ms. Lisa J. O'Donnell, Chairman
Essex Board of Selectmen
Town of Essex
30 Martin Street
Essex, MA 01929

Tyburski Appraisal Corporation
89 Summer Street
Hingham, MA 02043
(781) 749-0700
(781) 749-4470 – fax
www.tyburskiappraisal.com

RE: Beach Circle Section, Central Area, Conomo Point, Essex, MA

Dear Ms. O'Donnell:

At the request of the Essex Board of Selectmen, I have prepared an addendum to my appraisal report on the Beach Circle Section of the Central Area of Conomo Point in Essex MA as of April 13, 2014 dated April 28, 2014. The purpose of the addendum is to:

- estimate the market rent on an “as if vacant” (land only) basis and on an “as is” (land and existing improvements) basis, as applicable, of the property located at 11 Beach Circle based on a one-year-to one-year term and on a triple net basis.

The effective date of valuation of the addendum is April 3, 2016 which is the date of my most recent inspection of the subject property. The intended use of the addendum is to assist the client in the potential rental of the subject property. The intended user of the addendum is the same as the intended user of the original appraisal report. All other information, analyses, certifications and assumptions and limiting conditions of this addendum, unless otherwise noted, are the same as in my original appraisal. The purpose of this letter is to serve as the referenced addendum to the original appraisal.

In estimating the market rents, a study of comparable rents has been made but it did not produce sufficient data to produce a credible estimate of market rent. As an alternative, the market rents have been estimated through the “rate of return” method which involves multiplying the market values of the subject properties by an appropriate capitalization rate. This is also known as the “rent capitalization” method.

For this, the first step is to estimate the market values of the subject properties for which the three approaches to value have been considered but only the sales comparison approach has been applied as it is most applicable in estimating the value of residential property similar to the subject property.

Once the values of the subject property are estimated, the next step is to multiply them by an appropriate rate of return for which a study of the market indicates that a rate of 3.75% is most reasonable.

Based on this, the subject property is estimated to have the following market rents as of April 3, 2016 with the analysis for the rents attached to this letter:

Map	Parcel	Address	As If Vacant - Land Only	As Is – Land & Building
19	95	11 Beach Circle	\$14,363	\$16,988

Thank you for the opportunity to assist you in this matter.

Respectfully submitted,



Mark F. Tyburski, MAI, SRA
MA General Certified License #324

Attachments:

Analysis for Market Rents

Original Beach Circle Section Appraisal Report dated April 28, 2014

DIRECT SALES COMPARISON APPROACH - ADJ. GRID
AS IF VACANT - LAND ONLY

	SUBJECT	SALE #1	SALE #2	SALE #3	SALE #4	SALE #5
ADDRESS	11 BEACH CIRCLE 19/95	24 LUFKIN POINT LN ESSEX	8 JOHNSON RD NEWBURY	9 MELODY LN NEWBURY	5 HARBOR ST NEWBURYPORT	16 LUFKIN POINT RD ESSEX
DATE OF VALUE/SALE	4/3/2016	13-Oct-13	28-Feb-14	03-Jun-14	25-Sep-15	15-Oct-15
SALE PRICE	N/A	\$485,000	\$493,150	\$520,000	\$583,000	\$519,000
S.P./SF OF LAND		\$117.89	\$90.82	\$27.63	\$75.81	\$42.82
IMPRVMTS/DETRMTS SF OF BLDG AREA	N/A	(\$50,625)	(\$105,600)	(\$87,000)	(\$57,000)	\$3,600
PROPERTY RIGHTS	FEE SIMPLE	FEE SIMPLE 0.00% \$0.00	FEE SIMPLE 0.00% \$0.00	FEE SIMPLE 0.00% \$0.00	FEE SIMPLE 0.00% \$0.00	FEE SIMPLE 0.00% \$0.00
FINANCING	N/A	CASH 0.00% \$0.00	CONVENTIONAL 0.00% \$0.00	CASH 0.00% \$0.00	CONVENTIONAL 0.00% \$0.00	CASH 0.00% \$0.00
CONDITIONS OF SALE	N/A	ARMS LENGTH 0.00% \$0	ARMS LENGTH 0.00% \$0	ARMS LENGTH 0.00% \$0	ARMS LENGTH 0.00% \$0	ARMS LENGTH 0.00% \$0.00
ADJUSTED SALE PRIC ADJUSTED S.P./S.F.		\$434,375 \$105.58	\$387,550 \$71.37	\$433,000 \$23.01	\$526,000 \$68.40	\$522,600 \$43.12
TIME ADJUSTMENT		6.50% \$28,234	5.50% \$21,315	4.50% \$19,485	0.75% \$3,945	0.50% \$2,613
TIME ADJUSTED S.P TIME ADJ. S.P./S.F.		\$462,609 \$112.45	\$408,865 \$75.30	\$452,485 \$24.05	\$529,945 \$68.91	\$525,213 \$43.33
LOCATION - TOWN - AREA - SITE	ESSEX CONOMO POINT ABUTS PUB BCH/GD ACCESS	ESSEX LUFKIN POINT PVT/GD ACCESS -7.50% (\$34,696)	NEWBURY PLUM ISLAND PVT/GD ACCESS -2.50% (\$10,222)	NEWBURY PLUM ISLAND PVT/GD ACCESS -2.50% (\$11,312)	NEWBURYPORT V.G. PLUM ISLAND PVT/GD ACCESS -12.50% (\$66,243)	ESSEX LUFKIN POINT PVT/GD ACCESS -7.50% (\$39,391)
LAND AREA (Ajustment PSF)	5,686 \$5.00	4,114 \$7,860	5,430 \$1,280	18,817 -\$65,655	7,690 -\$10,020	12,120 -\$32,170
WATERFRONT/VIEWS	WATERFRONT ON BAY	BAYFRONT 0.00% \$0	BASIN FRONT 5.00% \$20,443	BASIN FRONT 5.00% \$22,624	GOOD BASIN FRONT 0.00% \$0	BAYFRONT 0.00% \$0
SHAPE/SLOPE/SOIL	REC/LEVEL/LEDGE-UPLAND	REC/LEVEL/UPLAND 0.00% \$0	REG/LEVEL/UPLAND 0.00% \$0	IRR/LEVEL/UPLAND 6.00% \$27,149	REG/LEVEL/UPLAND 0.00% \$0	REG/LEVEL/UPLAND 0.00% \$0
WATER/SEWER	SEA. TWN WATER/NO SEWER	PVT WATER/PVT SEWER 0.00% \$0	TWN WATER & SEWER -5.00% (\$20,443)	TWN WATER & SEWER -5.00% (\$22,624)	TWN WATER & SEWER -5.00% (\$26,497)	PVT WATER/PVT SEWER 0.00% \$0
SITE COST	NEEDS NEW SEPTIC	NONE HAS TIGHT TANK 0.00% (\$20,000)	BETTERMENT 0.00% \$0	BETTERMENT 0.00% \$0	BETTERMENT 0.00% \$0	NONE HAS TIGHT TANK 0.00% (\$20,000)
OTHER - USE	SEASONAL ONLY	POTENTIAL YR ROUND -5.00% (\$23,130)	YEAR ROUND -5.00% (\$20,443)	YEAR ROUND -5.00% (\$22,624)	YEAR ROUND -5.00% (\$26,497)	POTENTIAL YR ROUND -5.00% (\$26,261)
OTHER - FLOOD ZN	IN	IN 0.00% \$0	NO -5.00% (\$20,443)	NO -5.00% (\$22,624)	IN 0.00% \$0	IN 0.00% \$0
NET ADJUSTMENT		(\$69,966)	(\$49,828)	(\$95,067)	(\$129,258)	(\$117,822)
INDICATED VALUE		\$392,643	\$359,037	\$357,418	\$400,687	\$407,391
ESTIMATED VALUE	\$383,000	X	3.75%	=	\$	14,363

DIRECT SALES COMPARISON APPROACH - ADJUSTMENT GRID
AS IS - LAND & BUILDING

	SUBJECT	SALE #1	SALE #2	SALE #3	SALE #4
ADDRESS	11 BEACH CIRCLE 19/95	24 LUFKIN POINT LN ESSEX	8 JOHNSON RD NEWBURY	9 MELODY LN NEWBURY	5 HARBOR ST NEWBURYPORT
DATE OF VALUE/SALE	4/3/2016	13-Oct-13	28-Feb-14	03-Jun-14	25-Sep-15
SALE PRICE	N/A	\$485,000	\$493,150	\$520,000	\$583,000
SALE PRICE/S.F.		\$240.69	\$350.25	\$297.14	\$511.40
IMPROVEMENTS/ DETRIMENTS	N/A	\$0	\$0	\$0	\$0
PROPERTY RIGHTS	FEE SIMPLE	FEE SIMPLE 0.00% \$0.00	FEE SIMPLE 0.00% \$0.00	FEE SIMPLE 0.00% \$0.00	FEE SIMPLE 0.00% \$0.00
FINANCING	N/A	CONVENTIONAL 0.00% \$0.00	CONVENTIONAL 0.00% \$0.00	CONVENTIONAL 0.00% \$0.00	CONVENTIONAL 0.00% \$0.00
CONDITIONS OF SALE	N/A	ARMS LENGTH 0.00% \$0	ARMS LENGTH 0.00% \$0.00	ARMS LENGTH 0.00% \$0	ARMS LENGTH 0.00% \$0
ADJUSTED SALE PRICE		\$485,000	\$493,150	\$520,000	\$583,000
ADJUSTED S.P./S.F.		\$240.69	\$350.25	\$297.14	\$511.40
TIME ADJUSTMENT		6.50% \$31,525	5.50% \$27,123	4.50% \$23,400	0.75% \$4,373
TIME ADJUSTED S.P		\$516,525	\$520,273	\$543,400	\$587,373
TIME ADJ . S.P./S.F.		\$256.34	\$369.51	\$310.51	\$515.24
LOCATION - TOWN	ESSEX	ESSEX	NEWBURY	NEWBURY	NEWBURYPORT
- AREA	CONOMO POINT	LUFKIN POINT	PLUM ISLAND	PLUM ISLAND	VG PLUM ISLAND
- SITE	ABUTS PUB BCH/GD ACCESS	PVT/GD ACCESS	PVT/GD ACCESS	PVT/GD ACCESS	PVT/GD ACCESS
		-7.50% (\$38,739)	-2.50% (\$13,007)	-2.50% (\$13,585)	-12.50% (\$73,422)
LAND AREA	5,686	4,114	5,430	18,817	7,690
(Adjustment PSF)	\$5.00	\$7,860	\$1,280	-\$65,655	-\$10,020
WATERFRONT/VIEWS	WATERFRONT ON BAY	BAYFRONT 0.00% \$0	BASIN FRONT 5.00% \$26,014	BASIN FRONT 5.00% \$27,170	GOOD BASIN FRONT 0.00% \$0
SHAPE/SLOPE/SOIL	REC/LEVEL/LEDGE-UPLAND	REG/LEVEL/UPLAND 0.00% \$0	REG/LEVEL/UPLAND 0.00% \$0	IRR/LEVEL/UPLAND 6.00% \$32,604	REG/LEVEL/UPLAND 0.00% \$0
WATER/SEWER	SEA. TWN WATER/PVT SEWER	PVT WATER/PVT SEWER 0.00% \$0	TWN WATER & SEWER -5.00% (\$26,014)	TWN WATER & SEWER -5.00% (\$27,170)	TWN WATER & SEWER -5.00% (\$29,369)
SITE COST	NEEDS NEW SEPTIC	NONE HAS TIGHT TANK 0.00% (\$20,000)	BETTERMENT 0.00% \$0	BETTERMENT 0.00% \$0	BETTERMENT 0.00% \$0
OTHER - USE	SEASONAL ONLY	POTENTIAL YR ROUND -5.00% (\$25,826)	YEAR ROUND -5.00% (\$26,014)	YEAR ROUND -5.00% (\$27,170)	YEAR ROUND -5.00% (\$29,369)
OTHER - FLOOD ZN	IN	IN 0.00% \$0	NO -5.00% (\$26,014)	NO -5.00% (\$27,170)	IN -5.00% (\$29,369)
GROSS LIVING AREA	1,163	2,015	1,408	1,750	1,140
Adjustment PSF	\$50.00	-\$42,600	-\$12,250	-\$29,350	\$1,150
BATHROOMS	1.0	2.0 (\$5,000)	2.0 (\$5,000)	3.0 (\$10,000)	1 \$0
CONDITION	AVERAGE	FAIR 10.00% \$51,653	GOOD -10.00% (\$52,027)	AVERAGE 0.00% \$0	AVERAGE 0.00% \$0
AMENITIES	OCSF, WOOD DOCK/FLOAT, FP	DK, DOCK, AC, FP (\$3,000)	DK, EP, FP \$24,000	DK \$29,000	DK \$29,000
NET ADJUSTMENT		(\$75,653)	(\$83,018)	(\$84,156)	(\$112,029)
INDICATED VALUE		\$440,872	\$437,255	\$459,244	\$475,344
ESTIMATED VALUE	\$453,000	X	3.75%	=	\$ 16,988