

Avery Associates

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April 18, 2012

Karen M. Mullins

Director of Community Development/Conservation Administrator

Town of Lexington

1625 Massachusetts Avenue

Lexington, MA 02420

RE: Appraisal Supplement

Wright Farm

14.43 Acres of RO Zoned Land with Dwelling & Barn

241 Grove Street

Lexington, Massachusetts

Dear Ms. Mullins:

In response to your request, we are pleased to transmit this supplement to our December 19, 2011 appraisal of the above referenced property.

The subject of the December 19, 2011 report was 14.43 acres of RO zoned land improved with an antique farmhouse style dwelling, detached barn and garage. The property, known locally as *Wright Farm* is located on the northerly side of Grove Street in the northwest corner of Lexington adjacent to the Bedford and Burlington town lines. Preliminary engineering completed by Meridian Associates indicates that the 14.43 acres has the potential to be subdivided into 12 building lots with the installation of two small cul de sac roadways. Our estimate of value for the 14.43 acres, as of December 19, 2011, was \$3,500,000.

We have now been asked to amend our December 19th appraisal of the above referenced property as the land area that the Town of Lexington may purchase has changed. The property owners have decided that they wish to retain a conforming lot of land that contains the existing dwelling and barn. As such, Meridian Associates has altered their land planning to show 11 potential lots for the property. The Town of Lexington wishes to purchase the entire property, less Lot 8 of the April 11, 2012 Meridian Associates Plan. Therefore, instead of a purchase of 12 potential lots, the property the town may purchase has potential for 10 lots.

We have also been asked to estimate the value of Lot 8 only, the parcel of land the family wishes to retain. In addition, we have been asked to consider if there would be any enhancement to Lot 8 as a result of the town purchasing the surrounding property.

Page 2
Karen M. Mullins
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Any enhancement, which we think is nominal, is reflected in the estimated value of \$500,000 for the lot retained by the family. The reason we think there is not significant enhancement is that the terms of the potential ownership of the surrounding land by the Town of Lexington do not specifically indicate that the acreage will be kept in conservation only. Rather, it is our understanding that community farming with public access may be an option. In fact, the land would be open to any and all municipal uses. It can be argued that having ten, \$1 million plus new homes surrounding Lot 8 may be a better enhancement than having 13.5+/- acres of land open to community farming and public access.

This supplement to the December 19, 2011 appraisal has been completed using the following *extraordinary assumption*:

- The estimated values listed below are based upon the extraordinary assumption that the property has the development potential stated herein. If additional engineering proves that this is not the case, then the value estimate may be subject to change.

This supplement to the December 19, 2011 appraisal has been completed using the following *hypothetical condition*:

- The estimated values are based upon the *hypothetical condition* that Lot 8 as shown on the April 11, 2012 Meridian Associates Plan of Land, is a separate legal parcel even though at present it remains part of a larger 14.43 acre tract of land.

As a result of our analysis, it is our opinion that the market value of the two portions of the Wright Farm property as of December 19, 2011, subject to the definitions, limiting conditions, and certifications set forth in the December 19, 2011 self contained appraisal report, and subject to the hypothetical condition and extraordinary assumptions cited above, was:

MARKET VALUE OF THE 13.47 ACRES TO BE PURCHASED BY THE TOWN OF LEXINGTON

\$2,950,000

MARKET VALUE OF THE 0.96 ACRE LOT 8 TO BE RETAINED BY THE WRIGHT FAMILY

\$ 500,000

Page 3

Karen M. Mullins

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This supplemental analysis incorporates by reference the December 19, 2011 self contained appraisal report of the 14.43 acre Wright Farm property completed by the undersigned of Avery Associates. Reference to this report is necessary in order for the opinions set forth above to be fully understood. The reader is referred to important assumptions, limiting conditions, and certifications included in this appraisal report which also apply to this supplement.

Respectfully submitted,



Christopher H. Bowler, MAI, SRA
Massachusetts Certified General
Real Estate Appraiser #495



Jonathan H. Avery, MAI, CRE
Massachusetts Certified General
Real Estate Appraiser #26

**APRIL 11, 2012 MERIDIAN ASSOCIATES
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