APPRAISAL REPORT

Prospective Temple University Boathouse Site
Kelly Drive, just south of Strawberry Mansion Bridge
Philadelphia, PA 19121
File No.: 12249

Prepared for

Temple University
Vivacqua Hall, Suite 415
P.O. Box 2843
Philadelphia, PA 19122

Attn: Ms. Linda Frazer, Director of Business Services
Mr. Richard Rumer, Associate Vice President of Business Services

Prepared by

LUKENS & WOLF

LUKENS & WOLF
REAL ESTATE APPRAISERS AND CONSULTANTS
1626 SPRUCE STREET, PHILADELPHIA, PENNSYLVANIA 19103 □ (215) 545-1900 □ FAX: (215) 545-8548

December 19, 2012

Temple University
Vivacqua Hall, Suite 415
P.O. Box 2843
Philadelphia, PA 19122

Attn: Ms. Linda Frazer, Director of Business Services
Mr. Richard Rumer, Associate Vice President of Business Services

RE: Summary Appraisal Report
Prospective Temple University Boathouse Site
Kelly Drive, just south of Strawberry Mansion Bridge
Philadelphia, PA 19121
File No.: 12249

Dear Ms. Frazer and Mr. Rumer:

In accordance with your request, we have appraised the captioned property and our findings are presented in the following report. This is a Summary report as defined by Uniform Standards of Professional Appraisal Practice (USPAP) under Standards Rule 2-2(b). This format provides a summary of the appraisal process, subject and market data and valuation analyses to develop the appraiser's opinion of value. Supporting documentation concerning the data, reasoning and analyses is retained in our file.

Extraordinary Assumptions:

- We have estimated the site to contain approximately 75,000 square feet of which about 15,000 square feet is in the water.
- We have been informed by the Fairmount Park Commission that the current zoning does not matter and, for purposes of our valuation analysis; any use that is physically possible and financially feasible should be considered.
- It is our understanding that the cost to repair the river retaining wall is approximately $1,500,000.
- Considering the elevation of the site and its proximity to the river, any construction will require significant flood considerations.
- Access to the site and parking on adjacent lot will be provided by a cross-easement.
- We have assumed that the river retaining wall will be completely repaired in a timely fashion by the Fairmount Park Commission, at its sole cost.

Hypothetical Conditions:

- There are no hypothetical conditions for this value.

As Is Market Value:

After considering all factors, it is our opinion and we hereby certify that the market value of the fee simple interest in the subject property, as of December 7, 2012, was:

–One Million Five Hundred Thousand Dollars–

$1,500,000

Further, if a buyer of the site were required to repair the river retaining wall in order to develop the site, the cost of repair would be a direct offset against value. Therefore, after considering all factors, it is our opinion and we hereby certify that the market value of the fee simple interest in the subject property, <u>if the buyer is required to repair the river retaining wall</u>, as of December 7, 2012, was:

–Nominal–

We certify that we have no present or contemplated future interest in the property beyond this assignment. We have not performed prior services regarding the subject property, as an appraiser or in any other capacity, within the three year period immediately preceding acceptance of this appraisal assignment.

Please reference this report for important information regarding the scope of research and analysis for this appraisal, including property identification, inspection, highest and best use analysis, and valuation methodology. Your attention is also directed to the Limiting Conditions and Assumptions section of this report. Acceptance of this report constitutes an agreement with these conditions and assumptions.

Thank you for the opportunity to be of service and, we look forward to serving you again in the future.

Sincerely,

LUKENS & WOLF

Reaves C. Lukens, Jr.
MAI, SRA, CRE
PA General Appraiser No: GA000341-L

cc: Ms. Debra Wolf Goldstein, Chair, Land Use Committee
Ms. Nancy Goldenberg, Chair, Commission of Parks and Recreation
Mr. Mark Focht, Executive Director

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Executive Summary

This section summarizes the subject property, our scope of work, our analyses, and value conclusion. For a more detailed explanation, please refer to the pertinent section of the report.

SUBJECT VIEW FROM UNDER STRAWBERRY MANSION BRIDGE

Subject:	Prospective Temple University Boathouse Site Kelly Drive, just south of Strawberry Mansion Bridge Philadelphia, PA 19121
Tax Identification:	The City of Philadelphia does not identify the subject property with a tax parcel number.
Inspected By:	Reaves C. Lukens, Jr. Christian K. Stott
Inspection Date:	December 7, 2012
Date of Valuation:	December 7, 2012
Property Rights Appraised:	Fee Simple Interest
Land Area:	We have estimated the site to contain approximately 75,000 square feet of which about 15,000 square feet is in the water.

Property Owner:	City of Philadelphia – A portion of Fairmount Park
Client:	Temple University
Intended User:	Temple University
Intended Use:	To provide guidance in connection with a possible acquisition of the site to support a new boathouse for Temple University.
Purpose:	To develop an opinion of the market value of the subject as of December 7, 2012.

Scope of Work

According to the Uniform Standards of Professional Appraisal Practice, it is the appraiser's responsibility to develop and report a scope of work that results in credible results that are appropriate for the appraisal problem and intended user.

Report Type:	This is a Summary report as defined by Uniform Standards of Professional Appraisal Practice (USPAP) under Standards Rule 2-2(b). This format provides a summary of the appraisal process, subject and market data and valuation analyses.
Property Identification:	The subject has been identified by the Fairmount Park site plan we have obtained and the plan is exhibited elsewhere in this report.
Inspection:	Several inspections of the subject property have been made, and photographs taken. Reaves C. Lukens, Jr. and Christian K. Stott inspected the subject site and surrounding environs on December 7, 2012.
Market Area and Analysis of Market Conditions:	A complete analysis of market conditions has been made. The appraisers maintain and have access to comprehensive databases for this market area and have reviewed the market for sales and listings relevant to this analysis.
Highest and Best Use Analysis:	A highest and best use analysis for the subject site has been made. Physically possible, legally permissible and financially feasible uses were considered, and the maximally productive use was concluded.

We recognize the subject is being planned for institutional use - that is, to support a new two-story boathouse and related improvements to be utilized by Temple University, an ideal use for the site.

VALUATION ANALYSES

Sales Comparison Approach:	A Sales Comparison Approach was applied as there is adequate data to develop an opinion of value and this approach reflects market behavior for this property type. The many limitations on the future utilization of the site required significant judgment to develop an indication of value by this approach.
Income Capitalization Approach:	An Income Capitalization Approach was not applied as the subject is not an income producing property and this approach does not reflect market behavior for this property type.
Cost Approach:	A Cost Approach was not applied it is rarely employed by buyers or sellers of properties similar to the subject.

VALUE INDICATIONS

Sales Comparison Approach:	Nominal (Subject to the physical and economic limitation affecting development of this site)
Value Conclusion:	Nominal (Subject to the physical and economic limitations affecting development of this site)
Effective Date:	December 7, 2012
Property Rights:	Fee Simple
Exposure Time:	12 months

Extraordinary Assumptions:

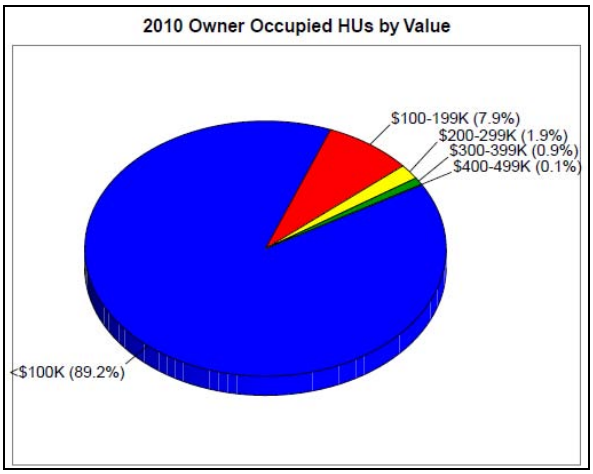
- We have estimated the site to contain approximately 75,000 square feet of which about 15,000 square feet is in the water.
- We have been informed by the Fairmount Park Commission that the current zoning does not matter and, for purposes of our valuation analysis; any use that is physically possible and financially feasible should be considered.
- It is our understanding that the cost to repair collapsed portion of the river retaining wall is approximately $1,500,000.
- Considering the elevation of the site and its proximity to the river, any construction will require significant flood considerations.
- Access to the site and parking on adjacent lot will be provided by a cross-easement.
- We have assumed that the river retaining wall will be completely repaired in a timely fashion by the Fairmount Park Commission, at its sole cost.

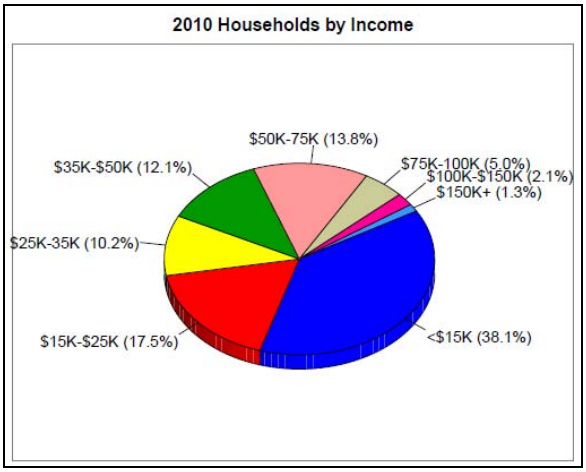
Hypothetical Conditions: There are no hypothetical conditions for this value.

Market Area Analysis

The subject property is located within the Philadelphia PMSA in Philadelphia, Pennsylvania. The subject location is proximate to good linkages, a growing population, a strong and diverse workforce, and many commercial, residential, and industrial properties. The Philadelphia PMSA contains approximately five million residents. The total population has increased steadily and is projected to continue to increase in the future. The continuous development and population growth throughout the PMSA indicates there is interest in living and working near the City of Philadelphia. U.S. Census statistics and projections for zip code 19121 follow.

Summary	2000	2010	2015
Population	35,015	34,210	33,587
Households	12,667	12,500	12,293
Families	7,714	7,417	7,229
Average Household Size	2.69	2.66	2.65
Owner Occupied Housing Units	5,262	5,041	4,979
Renter Occupied Housing Units	7,405	7,459	7,314
Median Age	31.6	31.5	31.6



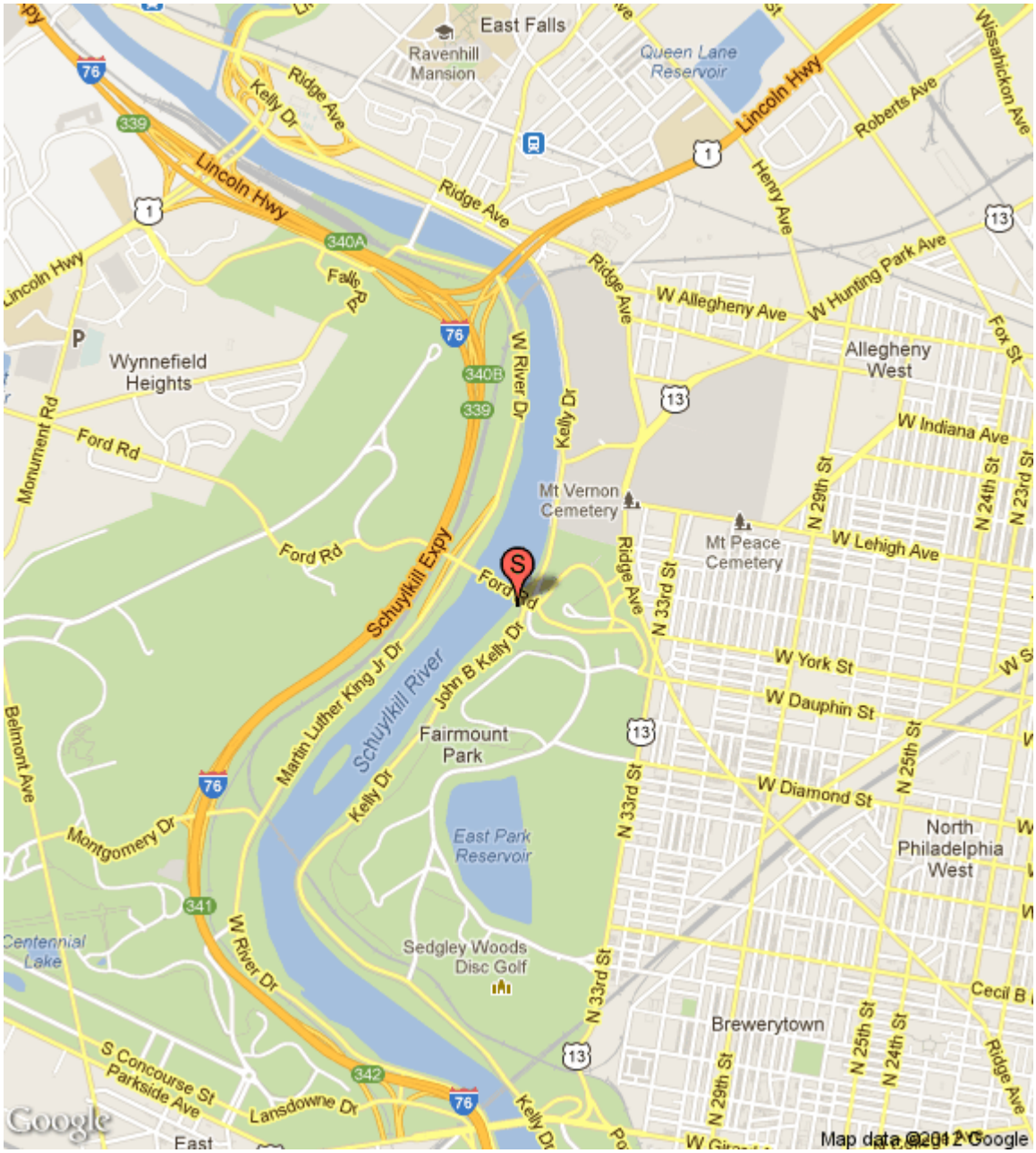


SOURCE: STDB ONLINE

Neighborhood Analysis

The 2010 population is estimated to have slightly decreased to 34,210 people from 35,015 people in 2000, a 2.30% decrease. The population is expected to be 33,587 people in 2015, a 4.08% decrease from 2000. Over 89% of owner-occupied houses are valued under $100,000 and over 55% of households have an income of $25,000 or less.

Location Map



Site Description

The subject site is expected to be an irregular parcel with 315 feet of frontage along the river. The subject is located on the west side of Kelly Drive in Philadelphia, Pennsylvania, a short distance south of Strawberry Mansion Bridge which is well above the river. An aerial photograph and a summary of characteristics of the site follow.

SOURCE: BING MAPS
Parcel Lines are Approximate

Site Size: It is difficult to estimate the land area of the site without boundary lines for the subject property. No public record exists. We have estimated the site to contain approximately 75,000 square feet of which about 15,000 square feet is in the water.

Frontage/Access: The subject site will have limited access with minimal useable frontage. It will sit about 30 feet back from the walking/biking trail which runs parallel with Kelly Drive. We anticipate that the future boathouse will fit within the parcel and that parking will be made available on the existing adjacent lot to the south.

Visibility: Limited; It is not a corner lot and passing vehicular traffic is fast.

Topography: The subject has generally level topography at grade and is located in FEMA flood zone AE which has high flood risk.

Soil Conditions: The soil conditions observed at the subject appear to be typical of the region and are assumed to be adequate to support development. However, we believe that pilings may be required.

Environmental Issues: There are no known adverse environmental conditions on the subject

site.

Encumbrance / Easements: There are no known adverse encumbrances or easements.

Site Improvements: The subject has typical landscaping.

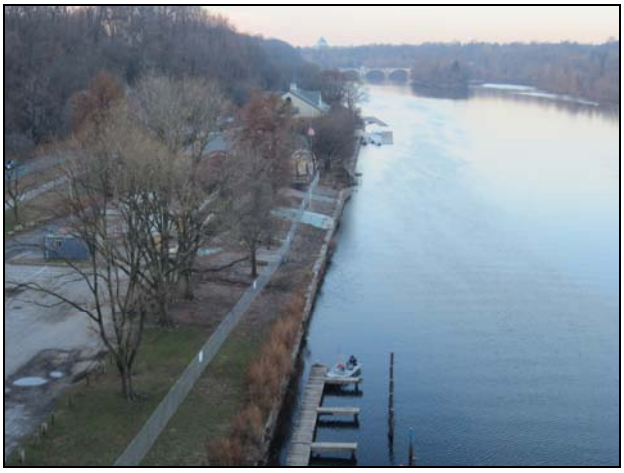
Utilities: It is assumed that all public utilities are reasonably available to the subject site.

Current Use: Vacant Land

KELLY DRIVE LOOKING NORTH

KELLY DRIVE LOOKING SOUTH

SUBJECT VIEW WITH RETAINING WALL AND DOCK



SCHUYLKILL RIVER LOOKING SOUTH

Subject Photographs

SUBJECT VIEW FROM ACROSS SCHUYLKILL RIVER

EAST PARK CANOE HOUSE VIEW FROM SUBJECT

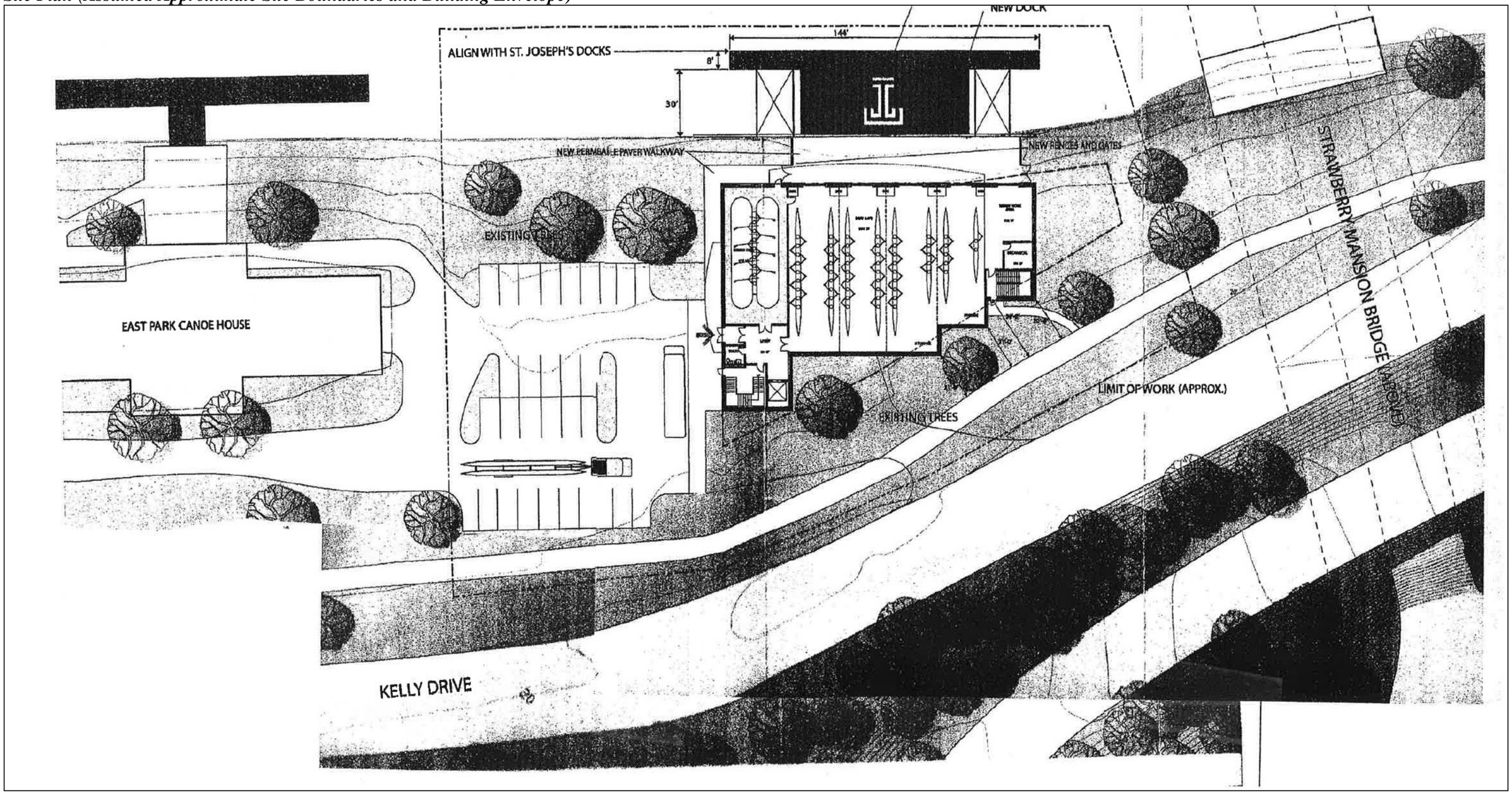
WESTERN BORDER OF BUILDING ENVELOPE

EASTERN BORDER OF BUILDING ENVELOPE

SUBJECT VIEW FROM SOUTHWEST

SUBJECT VIEW FROM SOUTHEAST

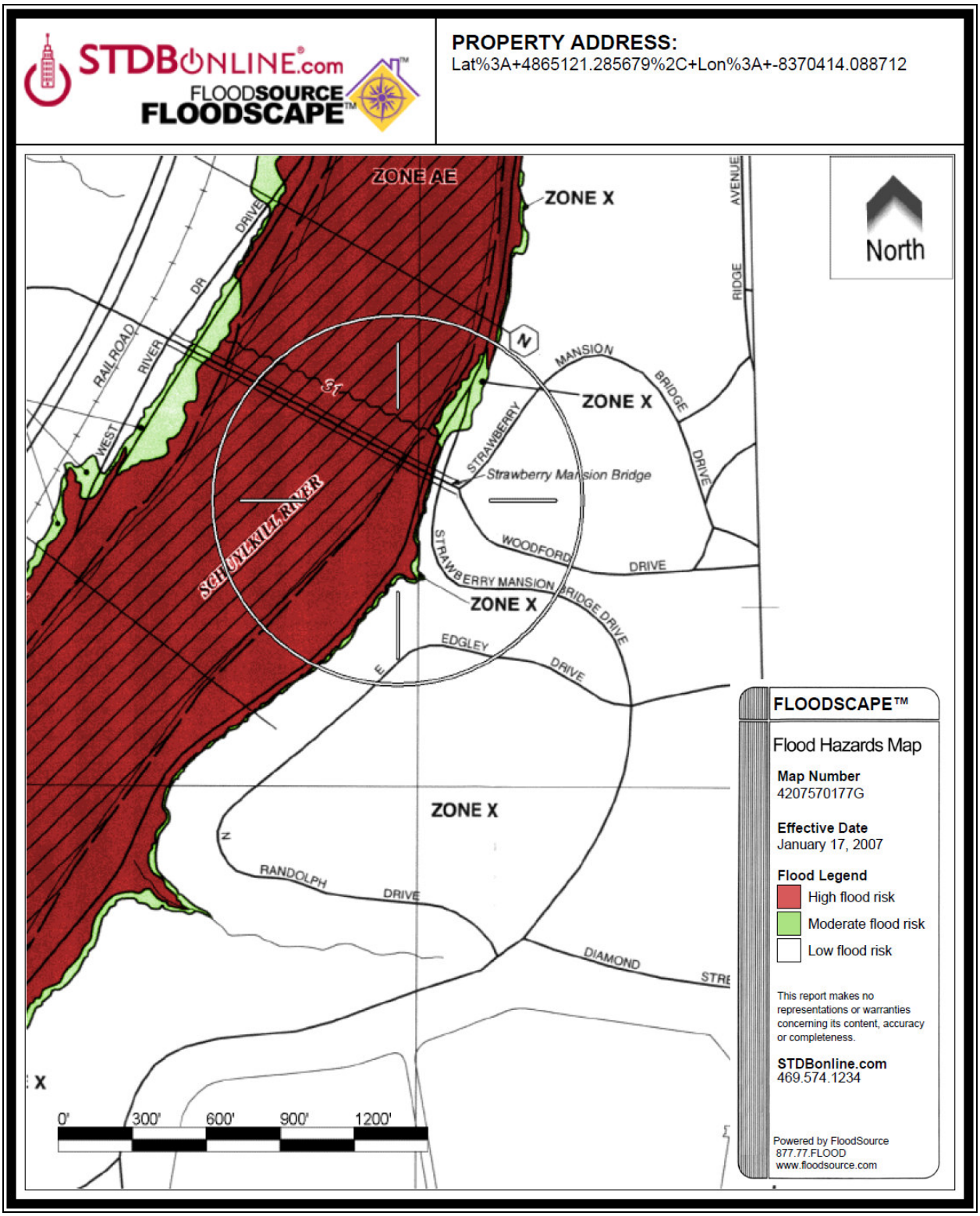
Site Plan (Assumed Approximate Site Boundaries and Building Envelope)



SOURCE: TEMPLE UNIVERSITY

Flood Zone

The subject is located in FEMA flood zone AE, according to the following map. Zone AE is classified as a high flood risk hazard area.

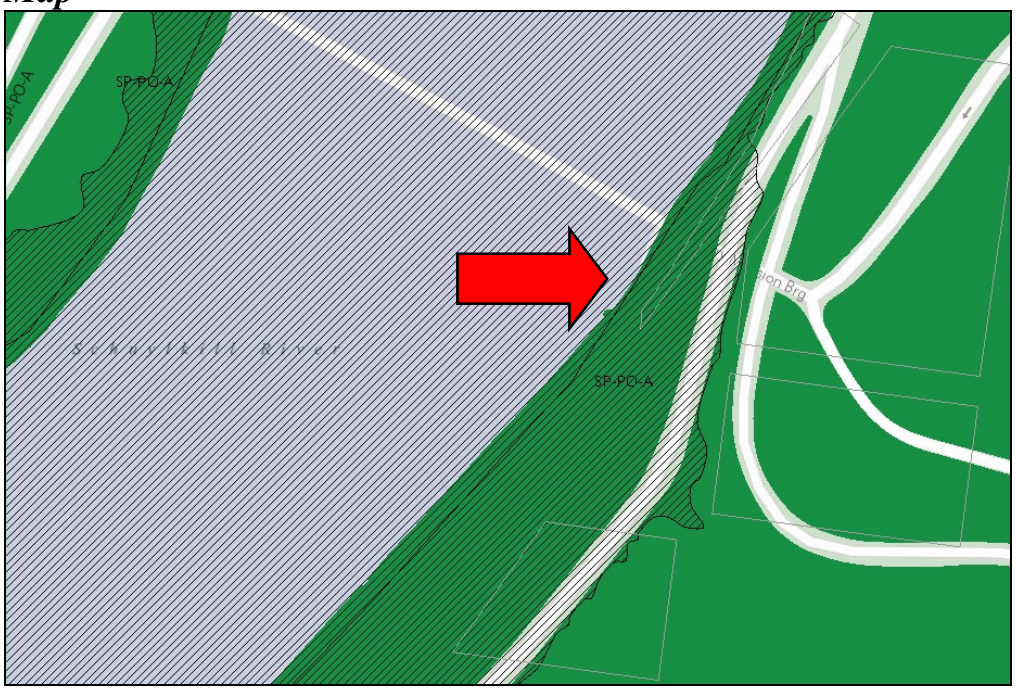


SOURCE: STDB ONLINE

Zoning Highlights

LAND USE CONTROLS	
Zoning Code	SP-PO-A Active Parks and Open Space (Special Purpose)
Permitted Uses	Natural Resource Preservation, Passive Recreation, Active Recreation, Libraries and Cultural Exhibits
Accessory Uses	Accessory parking, Day care in recreational buildings, Underground basic utilities and services
ZONING ANALYSIS	
Current Use Legally Conforming	The subject is presumed a legal and conforming use.
Zoning Change Potential	A zoning change is unlikely.
Zoning Comments	The Philadelphia Zoning Code states "…size, location, and design of all buildings, structures, activity areas, and other improvements must comply with the dimensional regulations of the most restrictive abutting zoning district that is not separated by a waterway, except fences surrounding athletic fields may be up to 15 ft. in height."

Zoning Map



SOURCE: CITY OF PHILADELPHIA

Assessment and Taxes

The proposed site is part of the City of Philadelphia's Fairmount Park and the property does not have any recorded tax history. We have assumed that this property is tax exempt because of its special purpose nature and present use for parks and recreation.

Ownership and Occupancy

Sale History: According to public records, the subject has been part of Fairmont Park for many years.

Current Listing/Contract: The subject is not currently listed for sale, or lease or under contract.

Miscellaneous: The City of Philadelphia mandates that an entity looking to transfer ownership or occupancy of park land must replace a plot of park land which is of equal value or size. Reportedly, Temple University has offered to donate $1,500,000 to the restoration of the East Park Canoe House since they do not have any park land to contribute.

The following excerpt was taken from the City's Open Lands Protection Ordinance:

> "The Substitute Land must be of at least equal value, size, and park or recreational usefulness as the land to be transferred or converted, as determined by the Commission with input from Department of Parks and Recreation staff; except that the respective value of the Substitute Land and the land proposed to be transferred or converted must be based on professional, independent appraisals which assume the parcels' highest and best use without regard to their existing zoning"

Highest and Best Use Analysis

Basic to the valuation of any property is the determination of the property's highest and best use. This is defined as:

> *"The reasonably probable and legal use of vacant land or an improved property that is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity."*[1]

Highest and Best Use as Vacant

> *"Among all reasonable alternative uses, the use that yields the highest present land value, after payments are made for labor, capital, and coordination. The use of a property based on the assumption that the parcel of land is vacant or can be made vacant by demolishing any improvements."* [3]

Legal Permissibility: The subject property is zoned SP-PO-A Active Parks and Open Space (Special Purpose). This zoning classification permits only a few uses which are limited to natural resource preservation, active/passive recreation and libraries/cultural exhibits. According to the Fairmount Park Commission, the current zoning does not matter. Thus, any physically possible and financially feasible use should be considered.

Physical Possibility: Physically, the subject site is an irregularly shaped parcel located in a less than optimum spot along Kelly Drive. This main road curves sharply in front of the site in a way that not only diminishes visibility of the site, but also presents a safety concern for vehicles and pedestrians alike. In addition, the parcel is prone to major flooding.

Financial Feasibility: A boathouse or restaurant use appears financially feasible.

Maximum Productivity: After considering all factors, it is our opinion that the highest and best use of the subject site as if vacant, is a boathouse for parks and recreational type institutional use.

[1] The Dictionary of Real Estate Appraisal Fifth Edition , Page No. 93, Appraisal Institute, 2010

Valuation Methodology

All of the usual approaches to value have been considered in estimating and justifying our value conclusions - namely, the Cost, Income Capitalization and Sales Comparison Approaches. The Sales Comparison Approach was judged to be the most useable indicator of value in this instance. The Income Capitalization and Cost Approaches were considered, but not developed since those approaches are rarely used by purchasers or sellers of this type of property.

Sales Comparison Approach

The Sales Comparison Approach involves a set of procedures in which an appraiser derives an indication of value by comparing the property being appraised to similar properties that have been sold recently, applying appropriate units of comparison, and making adjustments, based on the elements of comparison, to the sale prices of the comparable sales.

This approach is based on the premise that a buyer would pay no more for a specific property than the cost of obtaining a property with the same quality, utility, and perceived benefits of ownership. It is based on the principles of supply and demand, balance, substitution and externalities.

Comparable Sales

We surveyed sales of properties physically similar to the subject. Our search involved mainly properties on the Schuylkill River between Norristown and South Philadelphia, as well as some properties on the Delaware River and Cooper River in New Jersey. Three sales were considered in development of our opinion of value.

Comparable 1

Transaction			
ID	16481	**Date**	September 28, 2005
Address	801 Washington Street	**Price**	$2,000,001
City, State, Zip	Conshohocken, PA 19428	**Transaction Type**	Closed
Municipality	Whitemarsh Township	**Grantor**	801 Washington Street, LLC
County	Montgomery	**Grantee**	Whitemarsh Boat Club, LLC
Tax ID	65-00-12676-00-3	**Deed Book Page**	5574-00575
Verification Source	Mr. Alan Simons - Representative of the seller	**Property Rights**	Fee Simple
Other Sources	Public records	**Conditions of Sale**	Cash to Seller
		Financing	Arm's Length

Site			
Land Size	3.1± Acres or 133,729± SF	**Zoning**	HVY
Shape	Nearly rectangular	**Zoning Type**	Heavy Industrial
Topography	Generally Level	**Flood Zone**	Zone AE
River Frontage	345	**Easements**	None known
		Environmental Issues	None known

Improvements & Indicators			
Proposed Use	Boat House	**Price per SF Land**	$13.21
		Price per Acre	$575,440

Comparable 1 - Continued

Notes
This is the sale of an industrial property along the Schuylkill River in Conshohocken. The property was purchased by the Whitemarsh Boat Club which put in a dock after the sale. According to Whitemarsh Boat Club's website, the crew programs of Bryn Mawr University, Germantown Academy, Lower Merion High School, Philadelphia University, Radnor High School (Girls) and Villanova University (Girls) all row out of this boathouse.

Comparable 2

Transaction			
ID	16480	**Date**	November 29, 2010
Address	500 E. Washington Street	**Price**	$3,760,291
City, State, Zip	Norristown, PA 19401	**Transaction Type**	Closed
Municipality	Norristown Borough	**Grantor**	Equivest Industrial Center, L.P.
County	Montgomery	**Grantee**	Redevelopment Authority of the County of Montgomery
Tax ID	13-00-37992-00-2, 13-00-37996-007, & 13-00-38000-00-3	**Deed Book Page**	5787-00512 & 5787-00519
Verification Source	Mr. Jerry Nugent, Redevelopment Authority of Montgomery County	**Property Rights**	Fee Simple
Other Sources	Public records	**Conditions of Sale**	Arm's Length
		Financing	Cash to Seller

Site			
Land Size	14.5± Acres or 633,014± SF	**Zoning**	HI
Shape	Irregular	**Zoning Type**	Heavy Industrial
Topography	Generally Level	**Flood Zone**	Zone AE
River Frontage	2125	**Easements**	None known
		Environmental Issues	Environmental Contamination

Improvements & Indicators			
Proposed Use	Industrial	**Price per SF Land**	$7.57
		Price per Acre	$329,846

Comparable 2 - Continued

Notes
Site acquired by the Montgomery County Redevelopment Authority. The sale was negotiated and the purchase price was allocated between two transactions because the ownership entities were different. The site had environmental contamination. The site was purchased for land value. We have estimated the cost for demolition of the existing buildings as $1,032,370.

Comparable 3

Transaction

ID	16479	**Date**	January 7, 2011
Address	7880 Nixon Street	**Price**	$422,500
City, State, Zip	Philadelphia, PA 19128	**Transaction Type**	Closed
Municipality	Philadelphia	**Grantor**	Joy Adams
County	Philadelphia	**Grantee**	Gordon M. Harwood
Tax ID	212413220 & 212413230	**Deed Book Page**	52311279
Verification Source	Mr. Christopher Carr, Simple Choice Realty; Mr. Steven Butler, Prudential Fox & Roach	**Property Rights**	Fee Simple
Other Sources	Public Records, Deed	**Conditions of Sale**	Arm's Length
		Financing	Cash to Seller

Site

Land Size	1.7± Acres or 72,440± SF	**Zoning**	RMX-1
Shape	Irregular	**Zoning Type**	Residential Mixed-Use
Topography	Generally Level	**Flood Zone**	Zone X & Zone AE
River Frontage	330	**Easements**	Driveway Easement
		Environmental Issues	None known

Improvements & Indicators

Proposed Use	Residential Property and Vacant Land	**Price per SF Land**	$4.48
		Price per Acre	$195,482

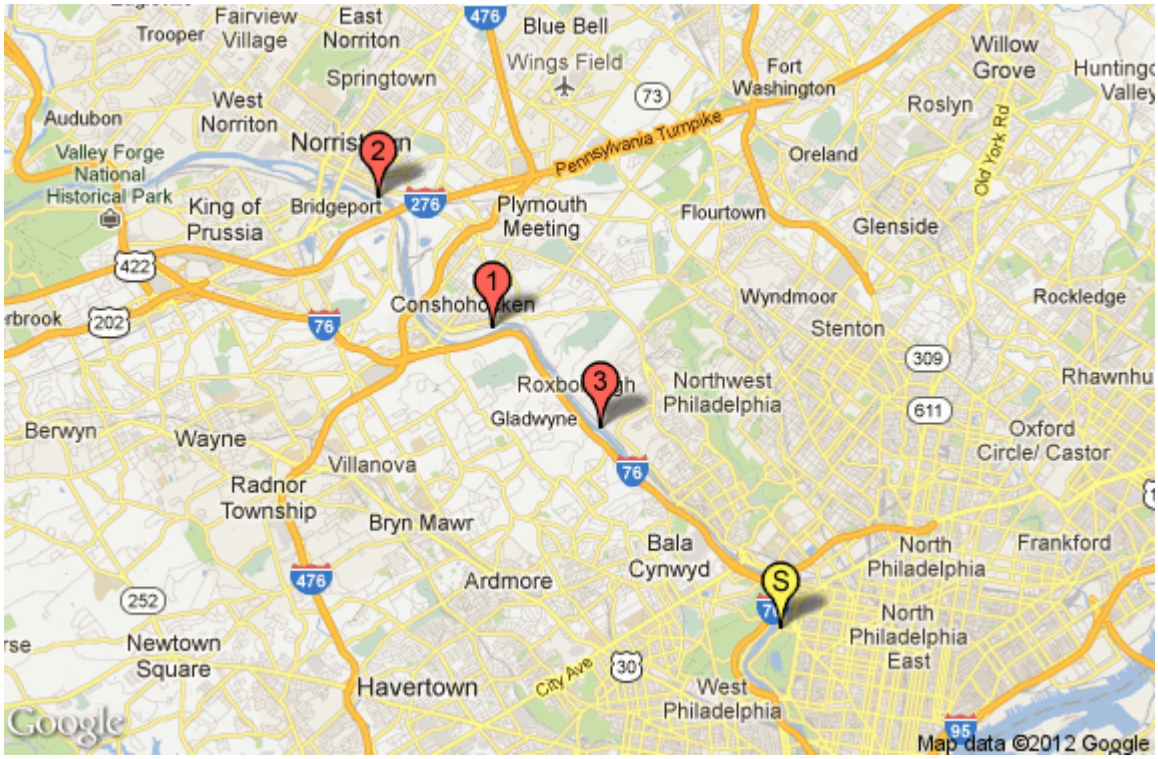
Notes

This is the sale of two parcels at 7880-7884 Nixon Street on the Schuylkill River in the City of Philadelphia. One parcel contains an estate home with a large first floor catering hall-type reception area used for social events/banquets. The other parcel is vacant land used primarily for parking by the owner. Both brokers confirmed that the land parcel can only be built on after resolving zoning and septic system issues with the City of Philadelphia. We have made a downward adjustment of $50/building square foot to extract the value of the land without improvements.

Comparable Sales Summary

Comparable	Address City	Date	Price Price Adjustment	Land SF	GBA	Zoning	Price per Land SF
	Kelly Drive, just south of Strawberry Mansion Bridge Philadelphia	December-12		75,000		SP-PO-A	
1	801 Washington Street Conshohocken	September-05	$2,000,001 - $233,400 $1,766,601	133,729	15,560	HVY	$13.21
2	500 E. Washington Street Norristown	November-10	$3,760,291 + $1,032,370 $4,792,661	633,014		HI	$7.57
3	7880 Nixon Street Philadelphia	January-11	$422,500 - $98,000 $324,500	72,440	1,960	RMX-1	$4.48

Comparable Sales Map



Comparable Sales Analysis

All of the sales were analyzed, and adjustments have been made for differences in the various elements of comparison including market conditions, location, size, and other relevant factors. If the comparable sale was considered superior to the subject, we applied a negative adjustment to the comparable sale. A positive adjustment to the comparable property was applied if it was considered inferior to the subject. If the subject was considered similar to the comparable sale, no adjustment was applied. A summary of our adjustments follow.

Summary of Comparable Sales Adjustments

Sales Analysis Grid		1	2	3
	--	$13.21	$7.57	$7.19
Property Rights	Fee Simple	Similar	Similar	Similar
Financing	Conventional	Similar	Similar	Similar
Conditions of Sale	Cash	Similar	Similar	Similar
Expenditures After Sale	0	Similar	Similar	Similar
Market Conditions	41250	Similar	Similar	Similar
Location	0	Inferior	Inferior	Inferior
Water Frontage	315	Superior	Superior	Superior
Topography	Generally Level	Similar	Similar	Similar
Zoning	SP-PO-A	Similar	Similar	Inferior
Environmental Issues	None Known	Similar	Inferior	Similar
Net Adjustment		+	+	+

Sales Comparison Approach Conclusion

The adjusted values of the comparable properties range from $11.36 to $19.49; the average is $14.77. All of the sales have been considered in arriving at our value of $1,500,000 or $20.00 per square foot.

As Is Market Value	
One Million Five Hundred Thousand Dollars	
Indicated Value:	$1,500,000
Value per Square Foot:	$20.00

Final Reconciliation

Reconciliation of the value indications for the subject property involves a reconsideration of the approaches to value. The quality of data applied, the significance of each approach as it relates to market behavior, and reliability of each approach are considered and weighed. Finally, each is considered separately and comparatively with each other.

In this case, we relied on the Sales Comparison Approach which supports the following value for the subject property:

Value Conclusion

After considering all factors, it is our opinion and we hereby certify that the market value of the fee simple interest in the subject property, as of December 7, 2012, was:

–One Million Five Hundred Thousand Dollars–
$1,500,000

Further, if a buyer of the site were required to repair the river retaining wall in order to develop the site, the cost of repair would be a direct offset against value. Therefore, after considering all factors, it is our opinion and we hereby certify that the market value of the fee simple interest in the subject property, <u>if the buyer is required to repair the river retaining wall</u>, as of December 7, 2012, was:

–Nominal–

Extraordinary Assumptions:

- We have estimated the site to contain approximately 75,000 square feet of which about 15,000 square feet is in the water.
- We have been informed by the Fairmount Park Commission that the current zoning does not matter and, for purposes of our valuation analysis; any use that is physically possible and financially feasible should be considered.
- It is our understanding that the cost to repair the river retaining wall is approximately $1,500,000.
- Considering the elevation of the site and its proximity to the river, any construction will require significant flood considerations.
- Access to the site and parking on adjacent lot will be provided by a cross-easement.
- We have assumed that the river retaining wall will be completely repaired in a timely fashion by the Fairmount Park Commission, at its sole cost.

Hypothetical Conditions:

- There are no hypothetical conditions for this value.

Assumptions, Limiting Conditions, and Contingencies

Disclosure of the contents of the appraisal report is governed by the By-Laws and Regulations of the Appraisal Institute. Neither all or any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser or the firm with which he is connected, or any reference to the Appraisal Institute or the MAI or SRA designation) shall be disseminated to the public through advertising media, public relations media, news media, sales media, or any other public media of communication without the prior written consent and approval of the appraiser.

The appraisal is to be used in whole and not in part. No part of it shall be used in conjunction with any other appraisal. The conclusions and findings contained in this report may not be utilized by anyone other than the party so identified in the letter of transmittal, nor may this report be reproduced, without the prior written consent of the appraiser.

No responsibility is assumed by the appraiser(s) for matters which are of legal nature, nor is any opinion on the title rendered herewith. Good title is assumed. Management is assumed to be competent and the ownership to be in responsible hands.

This property has been appraised as though free of liens and encumbrances, except as herein described.

The appraiser(s) herein, by reason of this report, is not required to give testimony in Court with reference to the property appraised, unless arrangements have been previously made therefore.

This appraisal was not prepared for purposes involving the Internal Revenue Service or other jurisdiction imposing income taxes, and may not be so used.

Unless specifically so stated, the value conclusions contained herein apply to real estate only, and do not apply to personal property, machinery and equipment, business value, or other non-realty items.

No hidden or unapparent conditions of the property, subsoil or structure, which would make the property more or less valuable, were discovered by the appraiser(s) or made known to the appraiser(s). No responsibility is assumed for such conditions or engineering necessary to discover them. Unless otherwise stated, this appraisal assumes there is no existence of hazardous materials or conditions, in any form, on or near the subject property.

Unless otherwise stated in this report, the existence of hazardous substances, including without limitation asbestos, polychlorinated biphenyl, petroleum leakage, or agricultural chemicals, which may or may not be present on the property, was not called to the attention of the appraiser nor did the appraiser become aware of such during the appraiser's inspection. The appraiser has no knowledge of the existence of such materials on or in the property unless otherwise stated. The appraiser, however, is not qualified to test for such substances. The presence of such hazardous substances may affect the value of the property. The value opinion developed herein is predicated on the assumption that no such hazardous substances exist on or in the property or in such proximity thereto, which would cause a loss in value. No responsibility is assumed for any such hazardous substances, nor for any expertise or knowledge required to discover them.
Any proposed construction included in our value estimate is assumed to be completed within a reasonable amount of time and in a workmanlike manner according to currently accepted standards of design and methods of construction.

Any areas or inaccessible portions of the property or improvements not inspected are assumed to be as reported or similar to the areas which were inspected.

Any exhibits, plans, or renderings included in this report are present only to assist the reader in visualizing the property, and no claim is made for their accuracy, scale, or correctness. No survey of the property was made unless specifically noted otherwise.

Information contained in this report or used as a basis for the value conclusions herein was gathered from sources believed to be reliable and accurate, but no guarantee of the accuracy or completeness of this information is made.

This appraisal was prepared to conform with the requirements of the Uniform Standards of Professional Appraisal Practice (USPAP) as promulgated by the Appraisal Standards Board of the Appraisal Foundation, as Incorporated into the Title XI of the Federal Financial Institution Reform, Recovery and Enforcement Act of 1989 (FIRREA) and with the appraisal rules and regulation in bulletin 12CFR Part 34 of the Officer of the Comptroller of the Currency, dated August 24, 1990.

In completing this appraisal, it is understood and agreed that the report is not now intended, and will not be used in connection with a Real Estate Syndication or Syndicates. The report and any liability or obligation on the part of the appraiser is invalid if used in connection with syndication. A Real Estate Syndicate means a general or limited partnership, joint venture, unincorporated association or similar organization formed for the purpose of, and engaged in, investment or gain from an interest in real property, including but not limited to sale, exchange, trade or development of such real property, on behalf of other, or which is required to be registered with the United States Securities and Exchange Commission or any state regulatory agency which regulates investments made as a public offering.

The Americans with Disabilities Act (referred to hereafter as the "ADA") became effective on January 26, 1992. The author has not made a specific compliance survey and analysis of the building and/or other improvements erected on the subject to determine whether or not the appraised property is in conformity with the various detailed requirements of the ADA, or with requirements imposed by state law and local building codes and regulations. It is possible that a compliance survey of the property, together with a detailed analysis of the requirements of the ADA and state and local regulations, could reveal that the subject property is not in compliance with one or more requirements of the ADA and/or state and local regulations. If the property does not comply with the ADA or with state and local regulations, this fact could have a negative effect upon the value of the property. Since the author has no direct evidence relating to this issue, possible non-compliance with the requirements of the ADA and state and local regulations has not been considered in estimating the value of the property. No responsibility is assumed for any possible non-compliance with the requirements of the ADA or with state and local regulations, nor for any expertise or engineering knowledge required to discover such non-compliance.

Client agrees to indemnify and hold harmless Lukens & Wolf and its affiliates, respective directors, officers, employees and agents of Lukens & Wolf, and each other person, if any, controlling Lukens & Wolf or any of its affiliates (collectively, "L&W") (an "Indemnified Person") from and against any and all losses, claims, damages, expenses (including fees and disbursements of counsel) and liabilities (or actions or proceedings in respect thereof) caused by, relating to, based upon or arising out of L&W's engagement provided however such indemnification obligation shall not apply to any loss to the extent it is found in a final judgment by a court of competent jurisdiction (not subject to further appeal) to have resulted primarily and directly from the gross negligence or willful misconduct of an Indemnified Person. Client agrees to reimburse each Indemnified Person for all expenses (including fees and disbursements of counsel) as they are incurred by such Indemnified Person in connection with investigating, preparing, defending, paying, settling or compromising any claim, action, suit, proceeding or loss, whether or not in conjunction with an action in which any Indemnified Person is a named party. Client also agrees that an Indemnified Person shall not have any liability (whether direct or indirect, in contract or otherwise) to Client or its affiliates, directors, officers, employees, agents or shareholders, directly or indirectly, for or in connection with this engagement, except for any losses that are found in a final judgment by a court of competent jurisdiction (not subject to further appeal) to have resulted primarily and directly from such Indemnified Person's gross negligence or willful misconduct. In no event, regardless of the legal theory advanced, shall any Indemnified Person be liable for any consequential, indirect, incidental or special damages of any nature.

Certification Statement

We certify that, to the best of our knowledge and belief:

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 our personal, impartial, and 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 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 to the parties involved with this assignment.

5. We have not performed prior services regarding the subject property, as an appraiser or in any other capacity, within the three year period immediately preceding acceptance of this appraisal 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 reported analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice.

9. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

10. Reaves C. Lukens, Jr. and Christian K. Stott have made a personal inspection of the subject property.

11. Reaves C. Lukens, Jr. has completed the requirements of the continuing education program of the Appraisal Institute.

12. As of the date of this report, Reaves C. Lukens, Jr. has completed the Standards and Ethics Education Requirement of the Appraisal Institute for Associate Members.

13. Christian K. Stott provided significant assistance to the persons signing this certification.

December 19, 2012

Reaves C. Lukens, Jr.
MAI, SRA, CRE
PA-GA000341-L

Addendum

Definitions[2]

Market Value:[2]
The most probable price that the specified property interest should sell for in a competitive market after a reasonable exposure time, as of a specified date, in cash, or in terms equivalent to cash, under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, for self-interest, and assuming that neither is under duress.

A ***Fee Simple*** estate is defined as:
Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.

A ***Leased Fee*** interest is defined as:
A freehold (ownership interest) where the possessory interest has been granted to another party by creation of a contractual landlord-tenant relationship (i.e., a lease).

Marketing Time is defined as:
An opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of an appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal.

Marketing time differs from exposure time, which is always presumed to precede the effective date of the appraisal.

Advisory Opinion 7 of the Appraisal Standards Board of The Appraisal Foundation and Statement on Appraisal Standards No. 6, "Reasonable Exposure Time in Real Property and Personal Property Market Value Opinions" address the determination of reasonable exposure and marketing time.

Exposure Time is defined as:

1. The time a property remains on the market.
2. The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective estimate based on an analysis of past events assuming a competitive and open market.

See Marketing Time, above.

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[2] Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 5th ed. (Chicago: Appraisal Institute, 2010).

Gross Building Area (GBA): Total floor area of a building, excluding unenclosed areas, measured from the exterior of the walls of the above-grade area. This includes mezzanines and basements if and when typically included in the region.

Rentable Area (RA): For office buildings, the tenant's pro rata portion of the entire office floor, excluding elements of the building that penetrate through the floor to the areas below. The rentable area of a floor is computed by measuring to the inside finished surface of the dominant portion of the permanent building walls, excluding any major vertical penetrations of the floor. Alternatively, the amount of space on which the rent is based; calculated according to local practice.

Gross Leasable Area (GLA): Total floor area designed for the occupancy and exclusive use of tenants, including basements and mezzanines; measured from the center of joint partitioning to the outside wall surfaces.

As Is Market Value
The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date.

BUSINESS EXPERIENCE

LUKENS & WOLF, 1626 Spruce Street, Philadelphia, Pennsylvania, 19103. Principal of full service real estate firm established January 2011. Specializes in intensive and varied appraisal and counseling assignments covering all aspects and all types of real estate. Primary area of business activity is in Metropolitan Philadelphia, but fee assignments extend over Eastern United States.

REAVES C. LUKENS COMPANY, 1626 Spruce Street, Philadelphia, Pennsylvania, 19103. President and owner since inception on November 1, 1976 to December 31, 2010.

ZALESNE, HERD & LUKENS/REALTORS, 1616 Walnut Street, Philadelphia, Pennsylvania, 19103. Partner from January 1, 1975 to October 31, 1976.

LUKENS & THOMPSON REAL ESTATE COMPANY, Two Decker Square, Bala Cynwyd, Pennsylvania, 19004. Co-owner from March, 1973 to December 31, 1974.

JACKSON-CROSS COMPANY, INC., Philadelphia, Pennsylvania. August, 1958 to February, 1973. Director, Vice President, Manager of Counseling Department.

FREAS B. SNYDER COMPANY, INC., Upper Darby, Pennsylvania. Part-time employment from 1957 to 1958. Work experience included participation in a number of varied real property appraisal assignments.

PROFESSIONAL AFFILIATIONS & LICENSES

APPRAISAL INSTITUTE (Formerly known as American Institute of Real Estate Appraisers)
Member (MAI) - Certificate No. 3429

President - National, 1984
First Vice President, 1983
President - Philadelphia Chapter, 1973
Director - Philadelphia Chapter, 1968-1971
Member of National Governing Council - 1975-1977 and 1980-1989.

Active on various national committees of the American Institute of Real Estate Appraisers from 1968 to date. Includes Required Examinations, Division of Research, Division of Publications, Division of Courses (Vice Chairman, 1973-1974), Comprehensive Examinations Sub-Committee (Chairman, 1975). From 1976-1979, served as Chief Examiner--Examinations and was a member of the National Admissions Committee. Division of Curriculum, 1980 and 1981. Chairman, National Admissions Committee, 1980 and 1981. Chairman, National Bylaws Committee, 1982. Member of National Executive Committee, 1980-1985. Director, Appraisal Institute Education Trust Fund Committee 1985 to present. Trustee, The Real Estate Appraisers Group Insurance Trust 1994-1996. Director, Appraisers' Liability Insurance Program, 1996-2001.

Active on various Philadelphia Metro Chapter No. 9 committees from 1963 to date, including Committee on Candidates, Candidate Guidance Program, Finance, Admissions, and Nominating.

COUNSELORS OF REAL ESTATE (Formerly known as American Society of Real Estate Counselors)
Membership as of November 26, 1974 - Certificate No. 622

REAL ESTATE COUNSELING GROUP OF AMERICA
Member since September 1999

PHILADELPHIA BOARD OF REALTORS
Member - Board of Governors, 1973
Realtor - Institute Affiliate Member

Various Committee Assignments including Appraisal Committee and Program Committee.
Designated Level III Appraiser - Federal National Mortgage Association
Pennsylvania Real Estate Brokers License - RB-029221-A and RM-018705-A
Pennsylvania General Appraiser Certificate - GA-000341-L
New Jersey General Appraiser Certificate - 42RG00156400
Delaware General Appraiser Certificate – X1-0000366

Pennsylvania Association of Realtors

SCOPE OF APPRAISAL AND COUNSELING ACTIVITY

Experience in real estate appraising and counseling has been intensive and varied since August, 1958. Virtually all types of real property have been studied over a wide geographical area. Extensive experience in land use and feasibility studies.

COURT TESTIMONY

Qualified as an Expert Witness before various judicial bodies of Philadelphia, Montgomery, Chester, Bucks and Delaware Counties in Pennsylvania, and Morris, Burlington, and Camden Counties in New Jersey, including Common Pleas Courts of Philadelphia, Chester, Montgomery and Bucks Counties; United States Tax Court; Tax Court of the State of New Jersey; Superior Court in Morris, Camden and Burlington Counties, New Jersey; United States District Court for Eastern and Western Pennsylvania; and Federal Bankruptcy Court, as well as numerous Boards of View, Juries of View and Boards of Revision of Taxes.

Served as Special Master during 1993 and 1994 for Judge Stewart Dalzell of the U.S. District Court, Eastern Pennsylvania District. Case involved multiple lawsuits at the State and Federal levels between a local municipality and a developer. The case was successfully resolved without litigation.

PARTIAL LIST OF CLIENTS

BANKS AND SAVINGS & LOANS
Advest Bank
Citibank, N.A.
Commerce Bank
Crusader Bank
First Union Bank
Hudson United Bank
Israel Discount Bank of New York
Jefferson Bank
Latimer & Buck
Lockport Savings Bank
Mellon Bank
Millennium Bank
National Penn Bank
Pitcairn Trust Company
PNC Bank
Pro-Gressive Mortgage Company
Royal Bank
Sanwa Business Credit Corporation
Sovereign Bank
Summit Bank
The Bank of Tokyo, Ltd.
The Bryn Mawr Trust Company
The Glenmede Trust Company
Wilmington Savings Fund Society, FSB

INSURANCE AND ASSET MANAGERS
Aetna Investment Group
Baring Institutional Realty Advisors, Inc.
Heitman Pennsylvania Management, Inc.
Metropolitan Life Insurance Company
Teachers Insurance & Annuity Assoc.

DEVELOPERS AND INVESTORS

Acorn Development Corporation
American Life Care Corporation
Fox Companies
Franklin Town Corporation
JMB Properties Urban Company
Keating Development Company
Kravco Company
Thomas Development Partners
Oliver Tyrone Pulver Corporation
PREIT- Rubin Co., Inc.
Toll Brothers, Inc.
University City Housing Company
Valley Forge Plaza Associates

PRIVATE SECTOR

AAA MidAtlantic
Acme Markets
American Sweeteners
Atlantic Richfield Company
Chester County Airport Authority
Chestnut Hill Hospital
Clemens Markets
Complete Care Services
Delancey Investment Corp.
Electro-Science Laboratories, Inc.
Elf Atochem North America
Exxon Company, USA
Federation of Jewish Agencies
Fisher Corporation
General Electric Company
GE Capital Corporation
General Waterworks
Gulf Division of Cumberland Farms
Gulf Oil Corporation
Hahnemann Hospital
Hanson Aggregates, PLC
International Senior Development
Keystone Automobile Club
Koll Bren Schreiber Realty Advisors
LRF Slater Companies, Inc.
Magee Rehabilitation Hospital
Marriott Corporation
Medi Media, Inc.
Pepper, Hamilton, LLP
Riley, Riper, Hollin & Colagreco
Saul, Ewing, Remick & Saul
Schnader, Harrison, Segal & Lewis
Wisler, Pearlstine, Talone, Craig, Garrity & Potash
Wolf, Block, Schorr & Solis-Cohen

EDUCATIONAL AND GOVERNMENTAL

Abington School District
Archdiocese of Philadelphia
Cheltenham School District
City of Philadelphia
Curtis Institute of Music
Delaware River Port Authority
Drexel University
Eastern College
Episcopal Academy
Melrose Diner, Inc.
Mercy Catholic Medical Center
Octavia Hill Association, Inc.
Olin Corporation
Parkway Corporation
Pennsylvania Hospital
Philadelphia Orchestra Association
Phoenix Pipe and Tube
Rohm & Haas Company
SAP America
Sant Properties
Scott Paper Company
Shell Oil Company
SmithKline Beecham
Sun Company
Spitz Space Systems
Tasty Baking Companies
United Artists Communications
United States Steel Corporation
University of the Arts
Wawa, Inc.
Weyerhauser
Zeks Air Drier

LAW FIRMS

Anderson Greenfield & Dougherty, Ltd.
Ballard Spahr LLP
Blank Rome LLP
Cohen, Shapiro, Polisher, Shiekman & Cohen
Cozen and O'Connor
Dechert LLP
Dilworth Paxson, LLP
Drinker Biddle & Reath
Duane, Morris & Heckscher
Fox, Rothschild, O'Brien & Frankel
Klehr, Harrison, Harvey, Branzburg & Ellers
Mette, Evans & Woodside
Mervin M. Wilf, Ltd.
Montgomery, McCracken, Walker & Rhoads
Obermayer, Rebmann, Maxwell & Hippel

Federal Deposit Insurance Corporation
General Services Administration
Lycoming County Commissioners
Montgomery County, Pennsylvania
New Jersey Dept. of Transportation
Old Philadelphia Development Corp.
Philadelphia College of Optometry
Phila. College of Textiles & Sciences
Philadelphia Federation of Teachers
Philadelphia Industrial Development Corp.
Presbytery of Philadelphia
Redevelopment Authority of Phila.
School District of Philadelphia
SEPTA
Spring Garden Institute
Temple University
Tredyffrin School District

U.S. Department of the Interior
U.S. Department of Housing and Urban Development
U.S. Postal Service
U.S. Railway Association
United States Navy
U.S. Internal Revenue Service
University of Pennsylvania
Upper Dublin School District
Widener University
William Penn Charter School

UTILITIES
Penn Central Transportation Co.
PECO Energy
Philadelphia Suburban Water Company
South Jersey Industries
Texas Eastern Transmission Corp.
UGI, Inc.

EDUCATIONAL BACKGROUND

Wharton School of Finance and Commerce, Graduate Division,
University of Pennsylvania - 1957-1958, M.B.A. Degree
Pennsylvania State University - 1949-1953, B.A. Degree
Appraisal Course I, AIREA, Philadelphia Board of Realtors, 1958-1959
Appraisal Course II, AIREA, Philadelphia Board of Realtors, 1959-1960
Real Estate Law & Conveyance, Philadelphia Board of Realtors, 1960-1961
Appraisal Course IV, AIREA, New York Chapter, October, 1961
Urban Renewal Seminar, AIREA, Lima, Ohio, 1963
Appraisal Course VI, AIREA, University of Connecticut, 1966
AIREA Instructor's Seminar - 1965, 1968, 1971, 1972, 1975, 1976, 1980, 1992
Residential State Certification Review - November, 1990
General State Certification Review - November, 1990
Standards of Appraisal Practice, Part A - 5/91, 4/97
Standards of Appraisal Practice, Part B - 6/91, 11/97
Standards of Appraisal Practice, Part C - 6/99
Appraisal Theory and Practice Overview Seminar, 1992
Understanding Limited Appraisals & Appraisal Reporting Options, Allentown, PA - 8/1994
Appraisal of Retail Properties, Philadelphia, PA - February 1995
EDI and the Appraisal Profession, Atlanta, GA - May 1995
USPAP Update, Philadelphia, PA - 6/95, 4/97, 6/99, 6/2001, 6/2003, 5/2005
Litigation Valuation Overview, San Antonio, TX - 6/98
Appraisals and Real Estate Lending, Ft. Washington, PA - 4/2001
Real Estate Finance: The Markets, The Numbers and The Impacts on Value and Appraisals, Ft. Washington, PA - 4/2004
Contemporary Legal & Appraisal Issues Involving Eminent Domain – 7/2006
National USPAP Updated Course – 4/2007
Business Practices and Ethics – 5/2007
The Real Estate Economy – 7/2007
Delaware State Regulations – 9/2007
Self Storage Economics and Appraisal – 2/2008
State Regulations – 3/2009
National USPAP Update Course – 3/2009
Legislative, Regulatory and Judicial Update – 6/2009
Delaware Law Rules and Regulations – 6/2009
Appraisal Curriculum Overview – 3/2010
National USPAP Update Course – 4/2011
PA State Regulations – 4/2011
DE State Regulations – 9/2011

PUBLICATIONS

"The Appraisal Process" - Delaware County Realtor - May, 1965
"The Appraiser & Real Estate Feasibility Studies" - AIREA, August, 1972

TEACHING ASSIGNMENTS, SEMINARS AND LECTURES

Panelist, CRE, Real Estate 2002, Condemnation, 4/2002 – Temple Univ., Phila., PA
Instructor, AI, Highest and Best Use, 1998 - Rutgers Univ. New Brunswick, NJ
Instructor, AI, Highest and Best Use, 1997, 1998 - Penn State -Great Valley

Instructor, AI, Advanced Income Capitalization, 1997 - San Diego, CA
Instructor, AI, Advanced Income Capitalization, 1994 - Penn State-Great Valley
Instructor, AI, Advanced Applications, 1994 - Penn State-Great Valley
Instructor, AI, Advanced Applications, 1993, 1994, 1996 - Rutgers Univ.-New Brunswick, NJ
Instructor, AI, Money Markets and its Impact on Real Estate Seminar, 1993 - Fort Washington, PA
Instructor, AI, Case Studies in Real Estate Valuation, 1992 - Penn State-Great Valley
Instructor, AI, Capitalization B, 1991, 1992 - Penn State-Great Valley
Instructor, AI, Money Market Seminar, 1992 - Atlanta, GA
Instructor, AI, Case Studies in Real Estate Valuation, 1991 - Penn State-Great Valley
Instructor, AI, Standards of Professional Practice, Part B, 1991
Instructor, AI, Development, Leasing and Acquisition of Retail Properties from a Tenant's, a Counselor's, and an Investor's Perspective, 1991
Instructor, AI, Standards of Professional Practice, Part A, 1991
Instructor, AI, Appraisal Theory Review, 1991
Instructor of numerous other AIREA Courses and Seminars dating back to 1966.

PROFESSIONAL ACCOMPLISHMENTS

President of Lower Merion School Board from 1979-1981
Member of Lower Merion School Board from 1973-1991

Rev. 12/2011

PENNSYLVANIA STATE BOARD OF CERTIFIED REAL ESTATE APPRAISERS
REQUIRED CHECKLIST FOR LICENSED APPRAISAL TRAINEE

THE BOARD REQUIRES THIS CHECKLIST BE USED WHEN A LICENSED APPRAISAL TRAINEE IS UTILIZED IN THE PERFORMANCE OF AN APPRAISAL. THIS CHECKLIST MUST BE SIGNED BY THE CERTIFIED APPRAISER AND MADE PART OF THE APPRAISAL REPORT THAT IS SUBMITTED TO THE CLIENT AND RETAINED IN THE APPRAISAL WORKFILE.

BY COMPLETING THIS CHECKLIST AND MAKING IT PART OF THE APPRAISAL REPORT SUBMITTED TO THE CLIENT, THE TRAINEE AND SUPERVISOR APPRAISER HAVE MET APPLICABLE USPAP REQUIREMENTS FOR ACKNOWLEDGEMENT AND DISCLOSURE OF SIGNIFICANT REAL PROPERTY APPRAISAL ASSISTANCE.

THE BOARD CANNOT GRANT EXPERIENCE HOURS FOR APPRAISAL ASSIGNMENTS IN WHICH THE LICENSED APPRAISAL TRAINEE IS NOT PROPERLY ACKNOWLEDGED IN THE REPORT.

SUBJECT PROPERTY ADDRESS: **PROSPECTIVE TEMPLE UNIVERSITY BOATHOUSE SITE, KELLY DRIVE, PHIL. PA 19121**

The licensed appraisal trainee to the certified real estate appraiser has contributed significant real property appraisal assistance in this appraisal assignment. Specifically, the licensed appraisal trainee:

Yes	No	N/A	
☒	☐	☐	Assisted in the preparation of the workfile with all forms and general information for the appraisal.
☒	☐	☐	Assisted in determining the scope of work of the appraisal.
☒	☐	☐	Assisted in gathering and entering data as follows: tax assessment information and map, flood hazard information and map, zoning information and map, location map and similar information
☒	☐	☐	Inspected the subject property. If yes, accompanied by supervisor? Yes Type of inspection (check one): ☐ interior ☒exterior
☒	☐	☐	Assisted in analyzing the highest and best use of the subject property.
☒	☐	☐	Assisted in gathering information for comparable land sales data, verified and analyzed the comparable land sales data.
☐	☐	☒	Assisted in gathering data for the cost approach, including estimates of cost new and accrued depreciation.
☐	☐	☒	Assisted in data and analysis for the income approach, including estimates of market rent, vacancy/expense analysis, and development of GRM or capitalization rate.
☒	☐	☐	Assisted in gathering and verifying comparable sales data, and analysis of the comparable sales.
☐	☒	☐	Assisted in the exterior inspection of the sales, rentals, land and/or other comparables.
☐	☐	☒	Assisted in sketch drawing.
☒	☐	☐	Assisted in entering subject and comparable data on the form and in the comment areas.
☒	☐	☐	Assisted in reconciliation and final opinion of value for the subject property.
☒	☐	☐	Assisted in the final review of this report.
___	___	___	Other_____

SIGNATURE OF THE APPRAISAL TRAINEE_____

PRINT/TYPE NAME: Christian K. Stott

The supervising certified real estate appraiser certifies that the named individual did assist with the items checked above, and also certifies that he/she reviewed all work done by the trainee. The supervising appraiser further certifies that the person signing this report as trainee understands the concepts and processes associated with the appraisal process.

SIGNATURE OF SUPERVISING CERTIFIED REAL ESTATE APPRAISER:

AN ORDINANCE

Amending Chapter 15-100 of the Philadelphia Code, entitled "Parks," by prohibiting the transfer or conversion of outdoor public park and recreation land in the City to other uses or to third parties unless certain procedures and requirements are met.

WHEREAS, William Penn planned for Philadelphia to be a "green country towne" and provided for public parks in his original plan for the City;

WHEREAS, in keeping with William Penn's vision, as the City expanded, City officials reserved or acquired land for public parks and recreation;

WHEREAS, Philadelphia is now graced with magnificent outdoor park and recreation spaces comprising approximately 13% of the total land in the City;

WHEREAS, the City's outdoor park and recreation spaces contribute to the environmental health of the City and the region and provide important and necessary places of respite and recreation for the City's citizens;

WHEREAS, the City's park and recreation spaces enhance the value of neighborhoods throughout the City;

WHEREAS, it is vital to the public interest to preserve and protect the City's public park and recreation spaces and ensure that future developments in the City do not result in any net loss of public park and recreation land;

WHEREAS, in addition to the tests that may apply under Pennsylvania law regarding permissible changes in use of park and recreation land, it is important to establish standards and procedures regarding the transfer of outdoor public park and recreation land in the City of Philadelphia to protect the interests of the citizens of Philadelphia;

WHEREAS, pursuant to Section 5-601(a) of the Philadelphia Home Rule Charter requiring the Commission on Parks and Recreation to adopt standards and guidelines for the conveyance of park and recreation land, the Commission has passed a resolution recommending adoption of this ordinance; and

WHEREAS, the importance of park and recreation land to the City is underscored by Paragraph X of Resolution No. 080001, which provides Rules for the Government of the Council of the City of Philadelphia, and which requires that two-thirds of all the members of Council vote in favor of reporting certain bills pertaining to the conveyance or lease to a third party of an interest in real estate that includes park or recreation land to the Committee of the Whole.

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

SECTION 1. Chapter 15-100 of The Philadelphia Code is amended to read as follows:

CHAPTER 15-100. PARKS *AND OUTDOOR SPACES*

[(RESERVED)]

§ 15-101. Definitions. In this Chapter, the following definitions apply:

(1) "Convert" and "Conversion" mean a change to the physical characteristics or use of land, if the change, or any grant or agreement necessary to effectuate the change, requires authorization by ordinance of City Council under the Home Rule Charter.

(2) "Outdoor Park or Recreation Land" means land (a) that was under the jurisdiction of the former Fairmount Park Commission or former Recreation Department as of June 30, 2009, or is under the jurisdiction of the Department of Parks and Recreation, and (b) used for outdoor public park or outdoor recreation activity. For example, without limitation, "outdoor park or recreation land" includes the following, where each is owned or held by the City for public use or enjoyment: woods; hiking trails; recreation paths; picnic areas; lawns; gardens; baseball, softball and other athletic fields; outdoor fountains and plazas; horseback riding corrals; playgrounds; outdoor tennis courts and outdoor basketball courts. "Outdoor park or recreation land" does not include the following:

A. Land occupied by any building or other structure enclosed by a roof and walls at the time this Section became law, but the land surrounding the building or structure is outdoor park or recreation land.

B. Land acquired by the City under Philadelphia Code Chapter 16-400 unless the City by ordinance specifies that the City is acquiring the land for outdoor park or recreation activity or the City by later ordinance designates the land for outdoor park or recreation activity.

(3) "Transfer" means a change in physical or legal care, custody or control of land, regardless of the form of written document used to accomplish the change, if authorization by ordinance of City Council is required under the Home Rule Charter for the change.

(4) "Transferee" means (a) for purposes of a conversion, the Department of Parks and Recreation or the Department of Public Property; or (b) the party to whom the physical or legal care, custody, or control of land is proposed to be transferred.

§ 15-102. Conditions to Conversion or Transfer of Outdoor Park or Recreation Land. No land that the City owns or holds now or in the future as outdoor park or recreation land may be transferred or converted unless each of the following conditions is satisfied:

(1) The proposed transferee provides to the Commission on Parks and Recreation (the "Commission") and to City Council a complete written "Alternatives Analysis" in compliance with Section 15-104. If the transferee intends to transfer the land to another person or entity, then the Alternatives Analysis may be submitted by that proposed subsequent transferee of the land;

(2) The Commission posts the Alternatives Analysis on its website and accepts public comments about it for a period of at least thirty days prior to the Commission's next meeting (the "Public Review Period");

(3) After reviewing the Alternatives Analysis and considering public comment, the Commission submits to the Mayor and the Council President, along with a written explanation, the Commission's determination whether, in its judgment, (i) the continuation of the original use of the land as outdoor park or recreation land is no longer practicable or possible and has ceased to serve the public interest; (ii) the proposed transfer or conversion is necessary for the public interest; (iii) there is any reasonable and practical alternative to the proposed transfer or conversion; and (iv) the Substitute Land (defined below) has the same or greater usefulness as outdoor park or recreation land as the land to be transferred or converted. If the Commission does not submit its determination by the later of (a) 30 days after the next Commission meeting following the Public Review Period, or (b) 120 days after receipt of the complete Alternatives Analysis, then a Committee of Council may proceed to consider a bill authorizing the proposed transfer or conversion without receiving the Commission's determination; however, the Commission may still submit its determination any time before Council has taken final action on the proposed transfer or conversion. City Council and all other City officials shall give substantial weight to the Commission's determination;

(4) A Committee of Council conducts at least one public hearing on the bill authorizing the proposed transfer or conversion no less than twenty days after the Commission delivers its written determination to the Mayor and Council President; subject, however, to the timing deadlines and consequences set forth in Section 15-102(3) above;

(5) The ordinance that authorizes the transfer or conversion includes findings that: (i) the continuation of the original use of the land as open park or recreation land is no longer practicable or possible and has ceased to serve the public interest; (ii) the proposed transfer or conversion is necessary for the public interest; and (iii) there is no reasonable and practical alternative to the proposed transfer or conversion; and

(6) The City receives or acquires land to substitute for the transferred or converted land (the "Substitute Land") on or before the transfer or conversion. The Substitute Land must be of at least equal value, size, and park or recreational usefulness as the land to be transferred or converted, as determined by the Commission with input from Department of Parks and Recreation staff; except that the respective value of the Substitute Land and the land proposed to be transferred or converted must be based on professional, independent appraisals which assume the parcels' highest and best use

without regard to their existing zoning. To the extent reasonably feasible, the Substitute Land must be located in the same or an adjacent City Council district or in the same watershed as the transferred or converted land.

§ 15-103. Exemptions.

(1) The provisions of § 15-102 do not apply to the following transactions:

(a) Renewals of any license, lease, professional services agreement, permit, temporary easement, grant agreement, or concession agreement in effect on the date this Section became effective, if the terms of the renewal do not increase impervious coverage on park or recreation land.

(b) Transfers or conversions for public utility sub-surface easements that do not impair outdoor park or recreational use (except temporarily during construction).

(c) Transfers or conversions for stormwater management facilities that do not impair outdoor park or recreational use.

(d) Adaptive re-use of any structure on park or recreation land existing at the time this Section became law, that promotes preservation of the structure but that does not require more than a de minimus increase in impervious coverage on outdoor park or recreation land.

(e) Modifications or corrections of roadways, curb lines, sidewalks, paths, and similar adjustments that result in only a de minimus increase in impervious coverage on outdoor park or recreation land

(f) Concession agreements where the concessionaire will not make any physical change to the land subject to the concession but will only use physical features already existing on the land.

(2) The provisions of § 15-102(3)(i) and(iv), (5) and (6) and § 15-104(1)(a)(i) and (1)(e) do not apply to a transfer or conversion that changes the use of the land to a park or recreational use that would be permissible for outdoor park or recreation land under Pennsylvania law.

§ 15-104. "Alternatives Analysis."

(1) The "Alternatives Analysis" required by Section 15-102(1) must include:

(a) Detailed explanations of: (i) why the continuation of the original use of the land as outdoor park or recreation land is no longer practicable or possible and has ceased to serve the public interest; (ii) why the proposed transfer or conversion is necessary for the public interest; (iii) why there is no reasonable and practical alternative to the proposed transfer or conversion; and (vi) all other requirements or restrictions applicable to the use of the land, including but not limited to those imposed or created under any dedication; will; deed; deed of trust; federal or Commonwealth

grant agreement; easement; historic, natural landmark, or other designation; or declaration of covenants.

(b) A description of: (i) the current outdoor park or recreation land proposed to be transferred or converted, including a location map and photographs; (ii) the impact of the transfer or conversion on current outdoor park or recreational uses at the site; (iii) the environmental impact of the proposed transfer or conversion on the site (including impact on storm water management, natural habitat, canopy preservation, and noise, light, and water pollution); and (iv) the effect of the proposed transfer or conversion on traffic and parking;

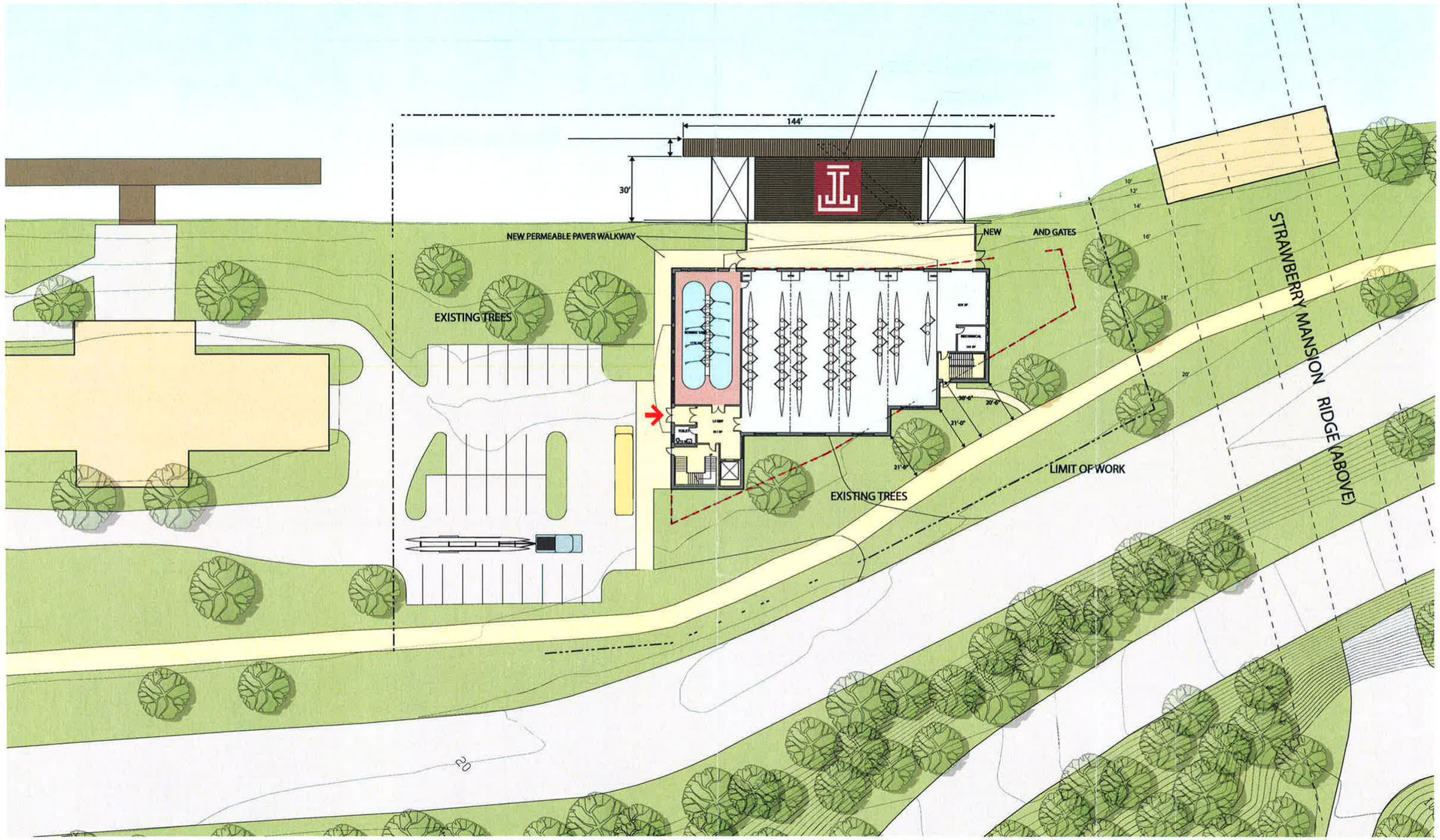
(c) A list of all community groups with whom the transferee met to discuss the proposed transfer or conversion (including but not limited to what are commonly called "Friends Groups" and "Recreation Advisory Councils") and copies of any letters or e-mails the transferee received about the proposed transfer or conversion from those groups, its members, or other members of the public;

(d) An analysis of the most reasonable alternatives that do not require the transfer or conversion, including but not limited to an analysis of those alternatives' costs, environmental impact, and traffic and parking impact, and why those alternatives were judged to be impractical or unreasonable; and

(e) A description of the proposed Substitute Land, including: (i) a location map and photographs; (ii) an analysis of the proposed Substitute Land's built and natural resources and its usefulness as outdoor park or recreation land, including without limitation consideration of traffic, parking, and proximity to other open space; and (iii) other environmental reports typically required by the City before it acquires property.

§ 15-105. Other Land Controls. This Chapter 15-100 does not affect any requirement or restriction applicable to outdoor park or recreation land imposed or created by any of the following: dedication; will; deed; deed of trust; federal or Commonwealth grant agreement; easement; historic, natural landmark, or other designation; or declaration of covenants.

Fairmount Park
50 ft. from bridge.
27'
N
175'
73'
30 ft. from path.
12332 sq. ft.
KELLY DR
20 ft. from river wall.
116'
East Fairmount Park
27 May 2010
Area Calculation


144'
30'
NEW PERMEABLE PAVER WALKWAY
NEW
AND GATES
EXISTING TREES
STRAWBERRY MANSION RIDGE (ABOVE)
LIMIT OF WORK
EXISTING TREES
20

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