

GAR ASSOCIATES, INC.
APPRAISAL QUALIFICATIONS OF FRANZ H. ROSS, AVA, CBA

Present Occupation:

Mr. Ross is a Certified Business Appraiser and Certified General Real Estate Appraiser and consultant with GAR Associates, Inc. at 2399 Sweet Home Road, Amherst, New York. Mr. Ross divides his time between business valuation and commercial real estate appraisals. Mr. Ross joined GAR Associates, Inc. in April 2002.

Education:

Canisius College, Master of Business Administration (MBA), 1984

Buffalo State College, Bachelor of Arts (BA), Major in Economics, Concentration in Management, 1978

Appraisal Designations & Licenses:

CBA (Certified Business Appraiser), December 2003

Certified General Real Estate Appraiser, January 2007

AVA (Accredited Valuation Analyst), April 2009

The Institute of Business Appraisers ("IBA") confers the CBA designation to appraisers who have completed the required courses, passed the CBA examination, and completed two demonstration reports, which have passed a rigorous review process by members of the IBA Qualifications Review Committee. The National Association of Certified Valuation Analysts ("NACVA") has two main designations, which are AVA and CVA. The requirements for each are virtually identical, except that to be a CVA, one must also be a CPA. NACVA's requirements for the granting of the AVA (and CVA) designations are similar to those of the IBA.

Mr. Ross is licensed by the New York State Department of State as a Certified General Real Estate Appraiser, ID No. 46- 47313. Mr. Ross is the only Certified General Real Estate Appraiser in the Greater Buffalo area to have also earned one or more of the recognized business appraisal designations.

Articles Published:

"Just One Thing": The Most Reliable Variable For Use In The Market Approach, published in the September 2004 issue of *Shannon Pratt's Business Valuation Update* (pages 1, 3-7). This article proves that for many types of businesses, the gross profit multiplier is the superior unit of comparison. As a result of this study, Pratt's Stats™ (The nation's premier BV database) has incorporated the gross profit multiplier as a primary screen for valuation purposes.

A Graphic Appraisal Method: How a Picture Can Be Worth 10,000 Words, published in the June 2007 issue of *Business Valuation Update* (pages 1-6).

Referenced In Business Appraisal Text:

Mr. Ross is footnoted and his article, *"Just One Thing..."*, is summarized on pages 320-321 of *Valuing a Business*, by Shannon P. Pratt with Alina V. Niculita, fifth edition, McGraw Hill, 2008. *Valuing a Business* is considered by many business appraisers to be the primary text in this field.

Other Professional Activities:

In October 2004 Mr. Ross was one of four expert panelists in a nationally subscribed teleconference entitled *The Transaction Method of Valuing a Business*.

In November 2004 Mr. Ross gave expert testimony as a business appraiser in a New York State Supreme Court regarding his business appraisal of a quarry.

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Businesses and Real Estate Appraised:

Mr. Ross's appraisal work has primarily centered on valuing the going concern of many special purpose types of real estate. Most of the real estate appraisals done by Mr. Ross therefore include valuation of both business assets and real estate assets. Examples of these special purpose real estate types that Mr. Ross has experience in appraising include hotels, nursing homes, assisted living, golf courses, ski resorts, convenient stores, restaurants, and auto service/ collision. Mr. Ross also performs business appraisals for non-real estate related businesses, and his work in such appraisals has included gas pipelines, hydro-electric plants, manufacturing, wholesale distribution, and the printing industry. Mr. Ross has also performed many appraisals on real estate types that do not involve a business component, such as apartment buildings, office buildings, industrial buildings, retail strips, vacant land, and other property types.

Appraisal Courses Completed:

Institute of Business Appraisers (IBA) Courses

8001A Mastering Appraisal Skills A (32 hour course)

8001B Mastering Appraisal Skills B (32 hour course)

1006 Preparing for the Certified Business Appraiser Exam (8 hour course)

2003 IBA Business Valuation Conference (Seminars Totaling 22 Hours, incl. below listed)

Control Premiums and Minority Discounts

Valuation of Intangible Assets

Empirical Evidence on Discounts for Lack of Marketability

Real Estate Appraisal Courses (180 Total Hours)

Introduction to Real Estate Appraisal (R-1)

Valuation Principles and Procedures (R-2)

15 Hour NUSPAP Course (NUSPAP)

Fair Housing, Fair Lending, & Environmental Issues (AQ-1)

Introduction to Income Property Valuation (G-1)

Principles of Income Property Appraising (G-2)

Applied Income Property Valuation (G-3)

Past Experience:

Mr. Ross worked in commercial banking for over 20 years as a commercial loan officer, loan underwriter, and as a financial analyst. In his banking career, Mr. Ross prepared appraisals and performed underwriting and credit approval for businesses with revenues ranging from \$1 Million to \$250 Million. Mr. Ross also prepared real estate valuations and business valuations for bank use, and for bank customers.

Qualified As Instructor:

Mr. Ross wrote and obtained approval from the New York State Court System to offer a course for Continuing Legal Education ("CLE") for attorneys. Essentials of Business Valuation for Attorneys (NYS CLE No. BUS0680, and BUS0896) Mr. Ross provided this course on several occasions to attorneys, and has provided a similar course also to commercial bankers and professional associations. The NYS Court System changed its eligibility requirements for course providers in 2008. An attorney must be on the faculty for all course providers. Essentials of Business Valuation for Attorneys is no longer provided for CLE credit.

Memberships & Boards:

Mr. Ross is a member of the Institute of Business Appraisers.

Mr. Ross is Chairman of the Holy Trinity Lutheran Church Investment Committee

Mr. Ross is a Board Member, and Past President of Trinity Tower of Buffalo, Inc., an 80-unit senior apartment complex, and 501 (c) (3) corporation

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State of New York
Department of State

DIVISION OF LICENSING SERVICES

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PURSUANT TO THE PROVISIONS OF ARTICLE 6E OF THE
EXECUTIVE LAW AS IT RELATES TO R. E. APPRAISERS

EFFECTIVE DATE

MO. DAY YR.
01 16 09

ROSS FRANZ H
C/O GAR ASSOCIATES INC
2399 SWEET HOME RD
AMHERST, NY 14228-2326

EXPIRATION DATE

MO. DAY YR.
01 15 11

HAS BEEN DULY CERTIFIED TO TRANSACT BUSINESS AS A
R. E. GENERAL APPRAISER

In Witness Whereof, The Department of State has caused
this Office seal to be hereunto affixed.

LORRAINE A. CORTES-VAZQUEZ
SECRETARY OF STATE