

Pennsylvania-American Water Company
Exeter Wastewater System
Wastewater System
Investor-Owned Utility
As of January 1, 2018

Fair Market Value Appraisal

Appraisal Approach	Investor-owned Utility	Weight	Wtd Valuation Indications
Cost Approach			
Depreciated Replacement Cost New	\$ 99,589,819		
Cost Approach Conclusion	99,589,819	50%	49,794,909
Income Approach			
	106,363,321		
Income Approach Conclusion	106,363,321	40%	42,545,328
Market Approach			
Market Approach Conclusion	94,769,671	10%	9,476,967
Appraisal Conclusion	\$ 101,817,204	100%	101,817,204
Conclusion (cost approach)	\$ 99,589,819		