

# A Real Estate Appraisal Report

A Raw Parcel of Land



Parcel 349, Flowers Road, Upper Marlboro, Maryland 20774

## Prepared for

Benjamin H. Hobbs

Senior Realty Specialist

Office of Central Services – Land Acquisition & Real Property Division  
Prince George's County Government

## Prepared by

Treffer Appraisal Group

1244 Ritchie Highway, Suite 19

Arnold, Maryland 21012

(410) 544-7744

## Effective Date

July 6, 2019

File Number:lk190706



July 17, 2019

Benjamin H. Hobbs  
Senior Realty Specialist  
Office of Central Services – Land Acquisition & Real Property Division  
Prince George’s County Government  
1400 McCormick Drive, Suite 336  
Largo, Maryland 20774

Re: A real estate appraisal report  
Parcel 349, Flowers Road, Upper Marlboro, Maryland 20774

Dear Mr. Hobbs:

In accordance with your assignment request, I have prepared an appraisal report for the property referenced above. The subject of this assignment (subject property) is a landlocked parcel of undeveloped, unimproved, raw land. The purpose of this appraisal assignment is to provide an opinion of the Market Value As Is and reflects the subject property’s fee simple interest.

The real estate is recorded by Prince George’s County assessment number 06-0597559. The subject property is densely wooded land with a site area encompassing 10.92± acres and lies in Prince George’s County’s Light Industrial (I-1) zoning district. Due to the proximity to Joint Base Andrews the site is also subject to a military installation overlay. Also, the site does not currently have legal or physical access from a public road. To gain vehicular access to the property, required for development, an easement across a neighboring property is needed.

The subject property is not currently listed or under contract, nor has it sold in the last three years.

Based on the wet lands and a stream depicted within the subject parcel on the Maryland Environmental Resource & Land Information Network (MERLIN) and a 100-foot buffer for the Regional Stormwater Management facility described on plat recorded at liber 8116, folio 359, the usable area of the parcel is calculated to be 5.25 acres. We were not provided with a professionally prepared survey or plat identifying the usable area of the property. The values and opinions in this appraisal assignment are based on the following extraordinary assumption:

- The usable portion of the subject property available for future development is 5.25 acres.

Use of this extraordinary assumption might have affected the results of this assignment.

We direct your attention to the Executive Summary for a description of the subject property and value conclusion. Please reference the Scope of Work section of this report for information regarding the scope of research and analysis for this appraisal assignment, including property identification, inspection, highest and best use analysis, and valuation methodology.

We certify that to the best of our knowledge the facts and data contained herein are correct, and that we have no present or contemplated future interest in the property beyond this estimate of value. This transmittal letter and executive summary do not constitute an appraisal report. If this letter or summary is disjoined from the attached appraisal report, then the indicated value opinions become invalid and may not be relied on because they cannot be properly understood apart from the analyses, opinions, and conclusions contained in the accompanying appraisal report.

As a result of our appraisal procedures, it is our opinion that the market value of the fee simple interest of the subject property, subject to the Extraordinary Assumption, Underlying Assumptions, Contingent and Limiting Conditions contained herein:

**Market Value As Is**

**Nine Hundred Fifty Thousand Dollars  
\$950,000.00**

Respectfully submitted,



---

Thomas A. Weigand, MAI  
Certified General Appraiser  
Maryland License #04-27637  
Expiration: December 27, 2019



---

Laura Knipschild  
Certified General Appraiser  
Maryland License #04-12850  
Expiration: November 8, 2019

## Executive Summary

---

Effective Date:	July 6, 2019
Subject Property Location:	Parcel 349, Flowers Road, Upper Marlboro, Maryland 20774
Legal Description:	Map 0082, Grid 00C4, Parcel 0349
Property Type:	Raw Land
Intended Use:	The intended use is to assist the client, Prince George's County, as they consider a potential sale of the subject property.
Intended Users:	The client, Prince George's County
Property rights appraised:	Fee Simple Interest
Total Land Area:	10.92± acre (475,675± square feet)
Usable Land Area	5.25± acres (228,690± square feet)
Land Description:	Land locked, densely wooded, rolling topography, stream and wetlands on northern portion of property, regional stormwater management facility buffer on the southern and western portion of the property.
Flood Hazard Zone:	The subject property is in zone X, an area determined to be outside 500-year floodplain as well as the 1% and 0.2% annual chance floodplains.
Prior Sale of the Subject Property:	None in the past 3 years
Current Contracts:	None
Utilities:	Public utilities available upon development
Zoning:	I-1/ Light Industrial Military Installation Overlay

Easements: There are no known adverse easements related to the subject property. However, the subject does not currently have legal or physical access from a public road. To gain vehicular access to the property, required for development, an easement across a neighboring property is needed. See Limiting Conditions and Assumptions sections in this report.

Encumbrances: The existence of any financial encumbrances is unknown. The subject property is unencumbered.

Present Use: Raw land

Highest and Best Use: Future development

Personal Property: There is no personal property associated with this value opinion.

#### Conditions and Assumptions

Hypothetical Conditions: No hypothetical conditions were relied on for this appraisal assignment.

Extraordinary Assumptions: The usable portion of the subject property available for future development is 5.25 acres.

Use of this extraordinary assumption might have affected the results of this assignment.

Please reference the Scope of Work section of this report for information regarding the scope of research and analysis for this appraisal, including property identification, inspection, zoning analysis, market research, highest and best use analysis, and valuation methodology.

Based on the appraisal procedures described in the accompanying report, subject to the Limiting Conditions and Assumptions, Extraordinary Assumption, we have made the following value conclusions:

#### Approaches Utilized

Sales Comparison Approach:	\$950,000
Cost Approach:	Not Developed
Income Approach:	Not Developed

#### Final Value Indications

	<b>Market Value As Is</b>
Value Conclusion:	\$950,000
Effective Date:	July 6, 2019
Property Rights:	Fee Simple Interest

## **Exposure and Marketing Time**

---

**Exposure Time:** The overall concept of reasonable exposure time encompasses not only adequate, sufficient and reasonable time but also adequate, sufficient and reasonable effort. Exposure time is different than marketing time in that exposure time is always presumed to precede the effective date of an appraisal, whereas marketing time is a period immediately after the date of the appraisal.

In determining the Exposure Time for the subject, the location, visibility, and access must be acknowledged. A reasonable exposure time for the subject property at the estimated market value is 12 months or less.

**Marketing Time:** A reasonable marketing time assumes that the seller is motivated; the property is exposed in the open market at a reasonable asking price, the property is actively advertised and marketed by a competent real estate broker or the like. A reasonable marketing time also assumes that the sale of the property would not require any unusual financing or seller concessions. If the property is listed at a liquidation price, the estimated marketing period may be less than what we have forecasted.

The national economy in general has been strong over the past year and the commercial real estate industry is experiencing a period of growth of value. Economists and the federal government forecast that these conditions should remain over the next twelve months. Based on the current economy, the market analysis presented below, and the estimated exposure time of the subject property would most likely experience a marketing time of 12 months or less.

# Table of Contents

---

Certification Statement .....	1
Limiting Conditions and Assumptions .....	3
Scope of Work .....	7
Scope of Work Summary .....	8
Property Identification .....	9
Purpose, Use, and User of the Appraisal .....	11
Property Rights Appraised .....	11
Dates of Value Estimate .....	11
Market Area Analysis .....	12
National Market Analysis .....	19
Neighborhood Analysis .....	23
Neighborhood Demographics .....	26
Property Description .....	32
Assessment Data and Taxes .....	41
Zoning .....	43
Highest and Best Use .....	45
Highest and Best Use, As Vacant .....	45
Valuation Methodology .....	47
Sales Comparison Approach .....	49
Sales Comparables Map .....	50
Comparable Sales Adjustments .....	61
Sales Comparison Approach Conclusion .....	63
Final Reconciliation .....	64
Value Indications .....	64
Value Conclusion .....	65
Addendum .....	66
Letter of Engagement .....	66
Deed .....	67
Bulk Regulations .....	79
Definitions .....	82
Thomas A. Weigand, MAI .....	89

## Certification Statement

---

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions, and reflects my personal, impartial, and unbiased professional analyses, opinions and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and have no personal interest with respect to the parties involved.
- I have not performed prior appraisal services, as an appraiser regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report, or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- The 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 estimate, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- Thomas A. Weigand, MAI and Laura Knipschild did not make a personal inspection of the subject property of this report as it does not currently have legal access rights. Pictures were taking from the nearest possible public roads.
- No one provided significant real property appraisal assistance to the person signing this certification.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

## Certification Statement (continued)

- As of the date of this report, Thomas A. Weigand, MAI has completed the Standards and Ethics Education Requirements for Designated Members of the Appraisal Institute.



Date: July 17, 2019

---

Thomas A. Weigand, MAI  
Certified General Appraiser  
Maryland License #04-27637  
Expiration: December 27, 2019



Date: July 17, 2019

---

Laura Knipschild  
Certified General Appraiser  
Maryland License #04-12850  
Expiration: November 8, 2019

## Limiting Conditions and Assumptions

---

Acceptance of and/or use of this report constitutes acceptance of the following limiting conditions and assumptions; these can only be modified by written documents executed by both parties.

1. This appraisal report is to be used only for the purpose stated herein. While the distribution of (but not the use of) this appraisal in its entirety is at the discretion of the client, individual sections shall not be distributed; this report is intended to be used in whole and not in part.
2. This appraisal report, in whole or in part, may not be used for any purposes other than the intended use by anyone but the intended users without the written consent of Treffer Appraisal Group. The intended use and intended users for this appraisal are defined in this report.
3. No part of this appraisal report, its value estimates or the identity of the firm or the appraisers may be communicated to the public through advertising, public relations, media sales, publishing, or other media.
4. All files, work papers and documents developed in connection with this assignment are the property of Treffer Appraisal Group. Information, estimates, and opinions furnished by other parties are verified where possible and are believed to be true, correct, and reliable, but cannot be guaranteed. Treffer Appraisal Group assumes no responsibility for the accuracy of information provided by other parties.
5. No hidden or unapparent conditions of the property or subsoil or any structures, which would make the property more or less valuable, were discovered or made known to us. 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.
6. 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 or in the property, was not called to our attention, nor did we become aware of such during the property inspection. We have no knowledge of the existence of such materials on or in the property, unless otherwise stated, and we are 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 or for any expertise or knowledge required to discover them. We recommend that the appropriate experts be retained to investigate and determine the extent, if any, such substances are present and what risks, if any, are involved. Should any subsequent studies, research, or investigation reveal the presence of any potentially hazardous substances, this appraisal report is invalid.

7. Unless stated herein, the property is assumed to be outside of areas where flood hazard insurance is mandatory. Maps used by public and private agencies to determine these areas are limited with respect to accuracy. Due diligence has been exercised in interpreting these maps, but no responsibility is assumed for misinterpretation.

8. Good title, free of liens, encumbrances and special assessments is assumed. No responsibility is assumed for matters of a legal nature.

9. Necessary licenses, permits, consents, legislative or administrative authority from any local, state or Federal government or private entity are assumed to be in place or reasonably obtainable.

10. It is assumed there are no zoning violations, encroachments, easements or other restrictions which would affect the subject property, unless otherwise stated.

11. It is assumed that all utilities (public and private) serving the subject property are fully functional and operational as of the effective date of this appraisal, unless otherwise stated.

12. Documents such as maps (including flood maps), plats, exhibits, plans, and photographs included in this appraisal report are for illustration only. All documents were obtained from official sites, offices, and contacts. Due diligence has been exercised in interpreting these documents, but no responsibility is assumed for misinterpretation. Although they are believed to be accurate, there are no warranties or guarantees of their accuracy. Treffer Appraisal Group accepts no responsibility for the accuracy of these documents. These documents are to be relied on for illustration purposes only. Additionally, we assume that all information furnished to us by others is true and accurate, and that any assumptions derived from such conversations is accurate.

13. Value estimates in this appraisal report apply only to the entire property and cannot be prorated to individual portions or fractional interests in the property. Any proration or division of interest will invalidate the value estimates, unless such proration or division of interests is set forth in this appraisal.

14. We are not required to give testimony in Court in connection with this appraisal. If the client wishes that we testify or otherwise assist in matters related to the subject property that are beyond the scope of work outlined in this appraisal, then separate arrangements (e.g., new assignments) must be made between parties. If testimony or deposition is required because of any subpoena, the client agrees to pay Treffer Appraisal Group's rate for time, fees, expenses, and charges regardless of the subpoena issuing party.

15. Unless stated otherwise in this appraisal report, no consideration has been given to subsurface rights (e.g., minerals, oil, and water) that may be found on or in the subject property.

16. Appraisals are based on the data available at the time the assignment is completed. Appraisal reports may be amended and/or modified based on new information made available after the appraisal was completed, as soon as reasonably possible, for an additional fee.

17. Personal information related to the subject of this assignment is collected during the course of the appraisal process. This is generally accomplished with knowledge and approval of the property owner. Nonpublic information is normally provided to our company or obtained by us with your authorization. Treffer Appraisal Group does not disclose any nonpublic personal information obtained during the course of developing a property's opinion of value except as required by law or at the direction of the client to assist in the completion of a particular financial transaction. Such nonpublic information may be disclosed to the intended users of this appraisal, review, or appraisal consulting assignment for the purpose of substantiating a property's opinion of value. A fiduciary agreement is automatically in effect between Treffer Appraisal Group and the intended users per the Ethics Rule contained within the USPAP. Additionally, Treffer Appraisal Group must comply with all pertinent laws, rules and regulations in safeguarding the data collected in the appraisal process.

18. This appraisal complies with Title XI of the Financial Institutions Reform, Recovery and Enforcement Act of 1989 (FIRREA) which created the Appraisal Subcommittee (ASC) of the Federal Financial Institutions Examination Council (FFIEC) to oversee and monitor appraisal standards. The ASC monitors the activities of the state regulatory agencies and the Appraisal Foundation, which promulgates the generally accepted appraisal standards and qualification standards for state-certified and licensed appraisers: The Uniform Standards of Professional Appraisal Practice (USPAP).

19. Our inspection included an observation of the land and improvements thereon only. It was not possible to observe conditions beneath the soil or hidden structural components within the improvements. Should the client have concerns in these areas, it is the client's responsibility to order the appropriate inspections. The appraiser does not have the skill or expertise to make such inspections and assumes no responsibility for these items.

20. This appraisal does not guarantee compliance with building code and life safety code requirements of the local jurisdiction. It is assumed that all required licenses, consents, certificates of occupancy or other legislative or administrative authority from any local, state, or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value conclusion contained in this report is based unless specifically stated to the contrary.

21. Any estimate of insurable value, if included within the scope of work and presented herein, is based upon figures developed consistent with industry practices. However, actual local and regional construction costs may vary significantly from our estimate and individual insurance policies and underwriters have varied specifications, exclusions, and non-insurable items. As such, we strongly recommend that the client obtain estimates from professionals experienced in establishing insurance coverage. This analysis should not be relied upon to determine insurance coverage and we make no warranties regarding the accuracy of this estimate.

22. The data gathered in the course of this assignment (except data furnished by the client) shall remain the property of the appraiser. The appraiser will not violate the confidential nature of the appraiser-client relationship by improperly disclosing any confidential information furnished to the appraiser. Notwithstanding the foregoing, the appraiser is authorized by the client to disclose all or any portion of the appraisal and related appraisal data to appropriate representatives of the Appraisal Institute if such disclosure is required to enable the appraiser to comply with the bylaws and regulations of such institute now or hereafter in effect.

23. In describing the work performed for this assignment, I may have used the plural “we”, rather than “I”, referencing the assistance of my staff at Treffer Appraisal Group, under my close supervision.

## Scope of Work

---

According to the Uniform Standards of Professional Appraisal Practice, it is then our responsibility to develop and report a scope of work that results in credible results that are appropriate for the appraisal and intended users. Therefore, the contents of this report must clearly identify, consider and disclose the following components of the assignment:

- client and intended users
- intended use of the appraiser's opinions and conclusions
- type and definition of value
- effective date of the appraiser's opinions and conclusions
- subject of the assignment and its relevant characteristics
- assignment conditions
- typical client expectations and
- typical appraisal work by peers for similar assignments

According to the Uniform Standards of Professional Appraisal Practice scope of work is acceptable when:

- it includes the research and analyses that are necessary to develop credible assignment results and
- the assignment conditions do not limit the scope of work to such a degree that the assignment results are not credible in the context of the intended use and
- the intended use of an assignment's or a client's objectives do not cause the assignment results to be biased.

The Uniform Standards of Professional Appraisal Practice states that an appraisal report must contain sufficient information to allow intended users to understand the scope of work performed.

The value conclusions herein are based upon review and analysis of market conditions affecting real property including the sales, listings, rentals, income and operating expenses, and attributes of the subject property and the attributes of other comparable properties. This information is obtained from and verified by public records, real estate professionals, property owners and managers, commercial and residential real estate databases, in-house files of appraisals of comparable properties, other appraisers, various real estate publications, and personal inspections.

We have followed appraisal industry practices and methodologies accepted by peers within the appraisal industry in defining an appropriate scope of work and in completing an acceptable scope of work in this assignment. Based on a combination of education, training and experience appraising comparable properties, we, who have completed the valuation of real property described herein, are competent to complete this type of appraisal.

## Scope of Work Summary

Report Type:	This is an Appraisal Report as defined by the Uniform Standards of Professional Appraisal Practice under Standards Rule 2-2(a). This reporting format states and summarizes the appraisal process, scope of work, valuation methodologies and conclusions.  This appraisal complies with Title XI of the Financial Institutions Reform, Recovery and Enforcement Act of 1989 (FIRREA), and with the Uniform Standards of Professional Appraisal Practice (USPAP).
Property Identification:	The property location is Parcel 349, Flowers Road, Upper Marlboro, Maryland 20774. The subject property has been further identified by the legal description and the assessors' parcel/lot numbers.
Inspection:	Inspection of the subject property was conducted on July 6, 2019. Photographs documenting the extent of our inspection are contained in this report.
Zoning:	An analysis of zoning and applicable land use controls, including a review of potential deed restrictions, has been made.
Market Area and Analysis of Market Conditions:	An analysis of market conditions in the subject property's area has been made. We have access to comprehensive databases for the subject property's market area and have completed a review of all pertinent sales, leases, contracts, and active listings to achieve a thorough understanding of the market.
Highest and Best Use Analysis:	We completed an analysis of the highest and best use of the subject property, considering all physically possible, legally permissible, and financially feasible utilizations. Once completed, the subject property's maximally productive use was concluded.
<u>Valuation Analyses</u>	
Sales Comparison Approach:	The Sales Comparison Approach was developed as there is adequate data (i.e., sales of comparable properties) from which to develop a market value opinion and this approach is considered well suited to appraising this property type. Numerous sales of similar properties have been investigated, and only the most pertinent sales have been chosen.
Cost Approach:	The Cost Approach was considered and was not developed as this approach is generally more reliable for special purpose or

non-income producing, recently completed and to-be-completed properties. The subject property represents one parcel of raw land situated within the I-1/Light Industrial zoning district. The opinion of the subject's value is adequately supported by the development of the Sales Comparison approach.

**Income Approach:** The Income Approach was considered and was not developed because the subject parcel represents raw land situated within the I-1/ Light Industrial zoning district. In our opinion the highest and best use of the property is for future development. Due to a lack of any income generating potential for the property in the foreseeable future the income approach was considered but not developed.

Conditions and Assumptions

**Hypothetical Conditions:** No hypothetical conditions were relied on for this appraisal assignment.

**Extraordinary Assumptions:** The usable portion of the subject property available for future development is 5.25 acres.

Use of this extraordinary assumption might have affected the results of this assignment.

**Property Identification**

**Location:** Parcel 349, Flowers Road

**City/County:** Upper Marlboro, Prince George's County

**Parcel Account Identification:** 06-0597559

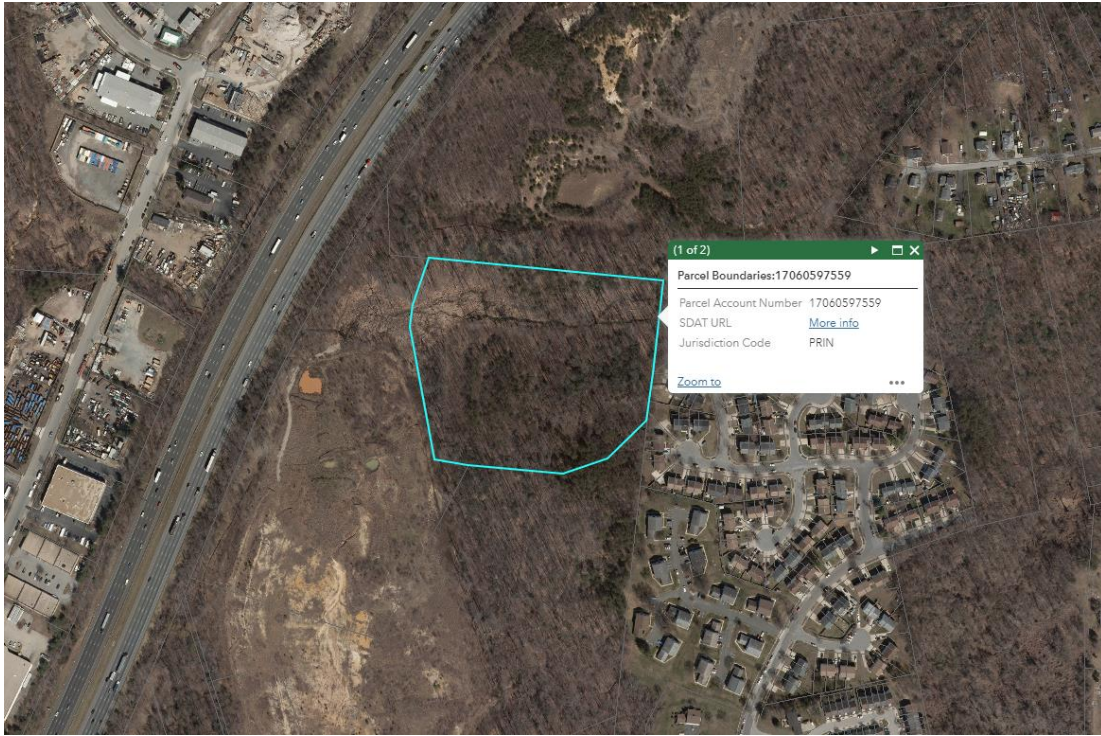
**Census Bureau Tract #:** 8022.01

**Map, Grid, Parcel:** Map 0082, Grid 00C4, Parcel 0349

**Legal Description:** A full legal description is included as part of the deed in the addendum of this report.

**Personal Property, Other Items:** No personal property is associated with this value opinion.

## Aerial View



## Ownership and History of the Property

Current Ownership:	Prince George's County
Acquisition:	11/07/1991; \$466,000 (\$42,673.99 per acre)
Deed Reference:	8116//349
Prior Sales:	None in the past 3 years
Contract Abstract:	Not currently under contract of sale
Other Contracts, Options, Listings:	None
Recent changes in Operating Profile:	None
Deed Restrictions, Easements:	No known deed restrictions. However, development of the site may be restricted to its location in a military overlay district. Also, the subject does not currently have legal or physical access from a public road. To gain vehicular access to the property, required for development, an easement across a neighboring property is needed. In addition, wetlands and a stream are depicted within the subject

parcel on the Maryland Environmental Resource & Land Information Network (MERLIN) and a 100-foot buffer for the Regional Stormwater Management facility is described on the plat recorded at liber 8116, folio 359.

See Limiting Conditions and Assumptions sections in this report.

Other Encumbrances: The extent of financial encumbrances is unknown. The subject property is unencumbered.

### **Purpose, Use, and User of the Appraisal**

Purpose: To estimate the Market Value As Is

Intended Use: The intended use is to assist the client, Prince George's County, as they consider a potential sale of the subject property.

Intended Users: The client, Prince George's County

### **Property Rights Appraised**

Interest Valued: Fee Simple Interest

### **Dates of Value Estimate**

As Is: July 6, 2019

## Market Area Analysis

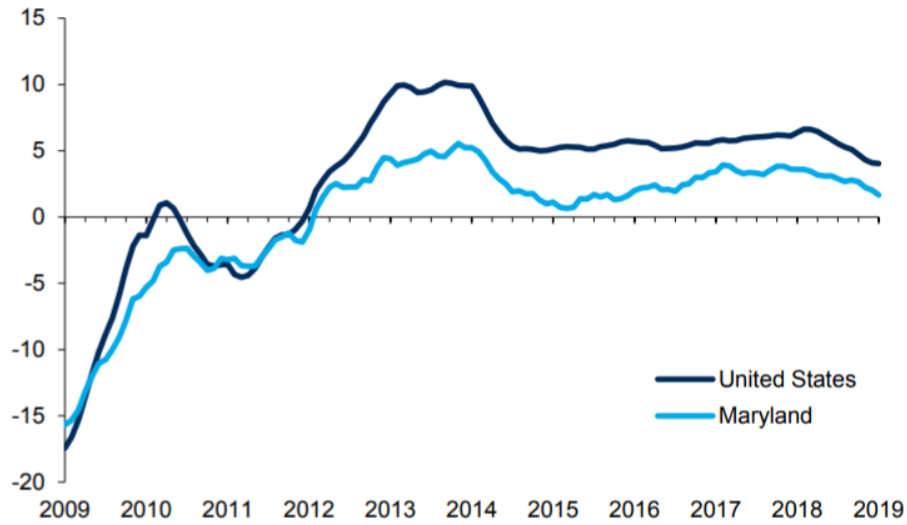
---

The market analysis is included within the scope of this assignment to demonstrate the economic condition of the subject markets area and as a result demand for the subject property. Elements of the market analysis are used to make conclusions on the overall demand for land parcels like the subject property. The market analysis influences the conclusion of highest and best use as well as the rental rate and vacancy rate for the subject property.

The following excerpt from the Federal Reserve Bank of Richmond describes the latest trends to occur in housing in Maryland compared to national averages:

**Household Conditions:** The unemployment rate has continued to decrease on a yearly basis in all major regions of Maryland. Maryland increase percentage points are meeting national averages and exceeding them in the Cumberland, Hagerstown and Salisbury regions. The unemployment rate in Maryland edged up 0.1 percent to 3.8 in March and was 0.3 percentage point below the rate reported in March 2018. In the fourth quarter of 2018, the share of mortgages in Maryland with payments 90 or more days overdue remained at 1.4 percent. Delinquency rates for fixed-rate conventional loans edged down in the fourth quarter at 1.0 percent while the delinquency rate for adjustable-rate loans edged down to 2.8 percent. Real personal income in Maryland increased 0.5 percent in the fourth quarter of 2018 and was up 1.1 percent from a year earlier.

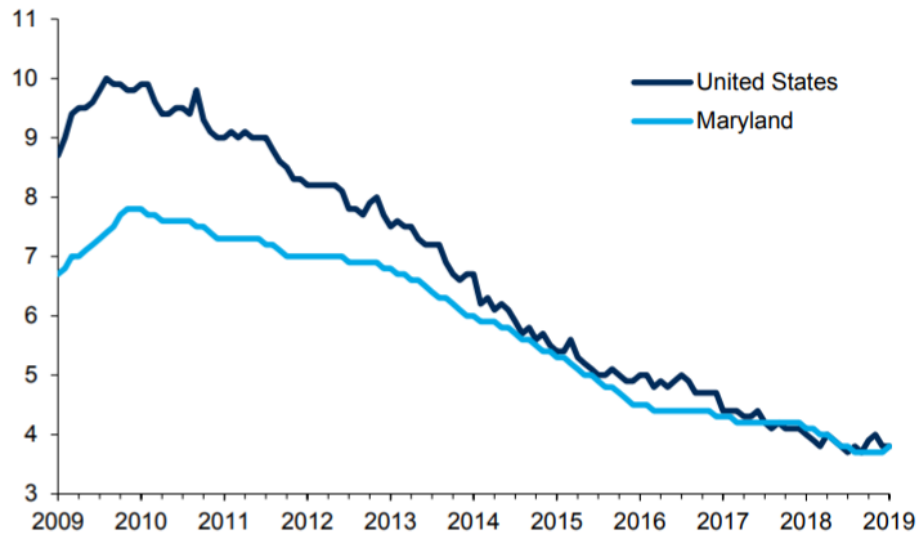
Maryland House Price Index (CoreLogic)  
Year-over-Year Percent Change through February 2019



**Housing Markets:** The overall median house sales prices in Maryland rose 1.66 percentage points over the last 12 months. At the metropolitan level, unemployment rates increased most drastically over the last 12 months in Salisbury and Cumberland. Despite these yearly rises, the first quarter of 2019 indicates an overall decline of median home sales prices.

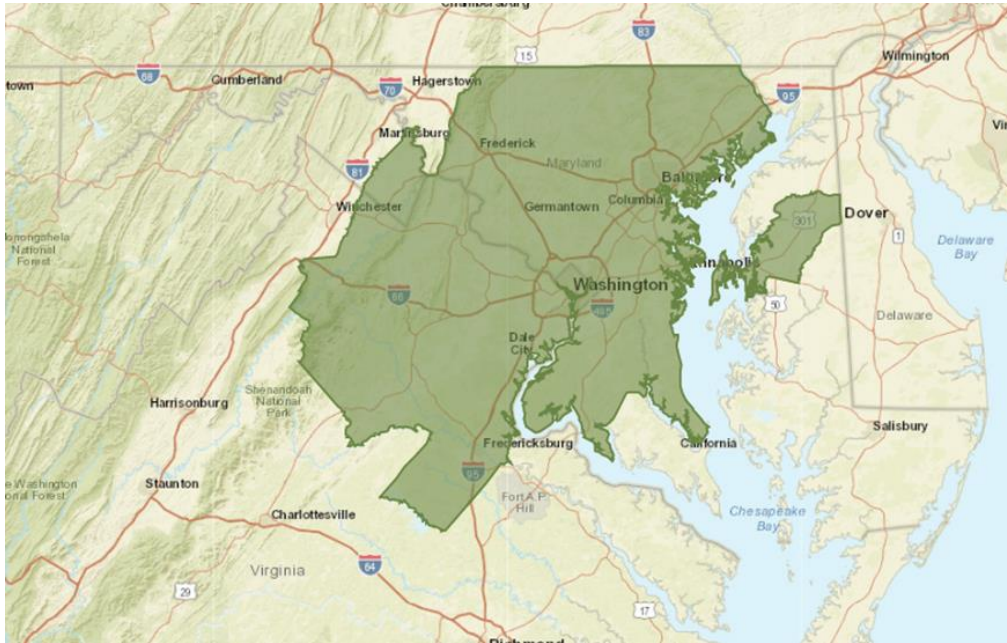
Maryland issued 1,788 new residential permits in March, up 92.3 percent from the prior month but down 10.2 percent from March 2018. Permitting activity declined in every MSA in the month except Baltimore-Towson, and the only MSA to report increases over the year was Hagerstown. Housing starts in Maryland totaled 19,400 in March, a 65.0 percent increase from the prior month but an 11.1 percent decrease compared to March 2018. According to CoreLogic Information Solutions, home values in Maryland depreciated 0.3 percent in February but appreciated 1.7 percent since last February. House prices declined in every metro area in the month but rose in every MSA on a year-over-year basis.

Maryland Unemployment Rate  
Through March 2019



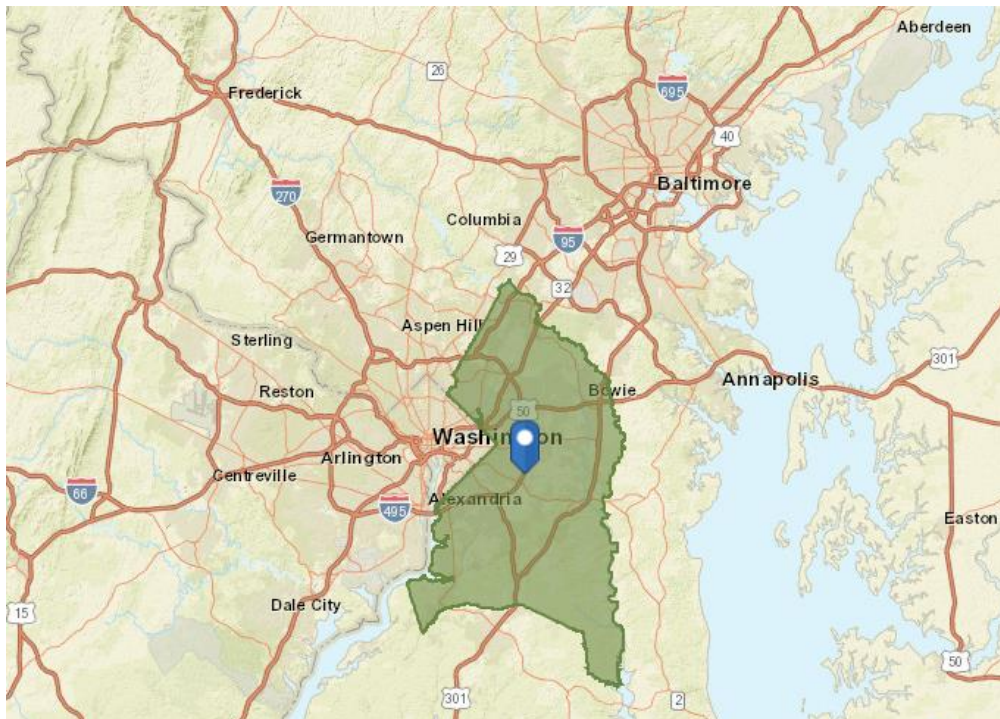
## Broadest Sphere of Influence

The broadest sphere of influence is the Baltimore-Washington Metropolitan region.



## General Sphere of Influence

The general sphere of market influence is Prince George's County, Maryland.



## Market Area Overview

The following pages include county-specific economic data from [www.choosemaryland.org](http://www.choosemaryland.org), which is a promotional website created by and with relevant data from [www.maryland.gov](http://www.maryland.gov). It includes range of topics which both directly and indirectly affect the economic trends of the subject property's county.

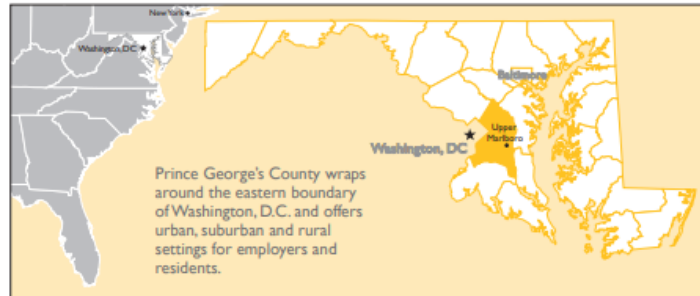
# Brief Economic Facts

## PRINCE GEORGE'S COUNTY, MARYLAND

Prince George's County wraps around the eastern boundary of Washington, D.C. and offers urban, suburban and rural settings. The region is served by three international airports and the Port of Baltimore. The county boasts a friendly business climate, skilled workers and an outstanding quality of life.

Prince George's County has one of the largest technology and aerospace sectors in the state and a growing hospitality sector. Major private employers include SGT, Inovalon, Verizon, and MGM National Harbor Casino and Resort. The county's private sector industries generate \$25.6 billion in economic output. The Brickyards, Woodmore Towne Centre and National Harbor are recent, high-quality mixed-use developments, and Westphalia Town Center is currently under development.

Prince George's County has significant federal facilities, such as Joint Base Andrews, NASA Goddard Space Flight Center, FDA, NOAA, USDA Beltsville Agricultural Research Center, and



the U.S. Citizenship and Immigration Services headquarters currently under construction. Academic facilities include the University of Maryland College Park, the state's flagship public university, and other major institutions. The county's commitment to business growth is reflected by the recent location or expansion of 2U and Kaiser Permanente of the Mid-Atlantic. The county's healthcare sector is also growing, led by the UM Capital Region Medical Center currently under construction.

### LOCATION

Driving distance from Upper Marlboro:	Miles	Kilometers
Atlanta, Georgia	626	1,007
Baltimore, Maryland	37	60
Boston, Massachusetts	433	697
Chicago, Illinois	703	1,131
New York, New York	222	357
Philadelphia, Pennsylvania	133	214
Pittsburgh, Pennsylvania	239	385
Richmond, Virginia	107	173
Washington, DC	18	29

### CLIMATE AND GEOGRAPHY<sup>1</sup>

Yearly Precipitation (inches)	44.1
Yearly Snowfall (inches)	13.9
Summer Temperature (°F)	75.8
Winter Temperature (°F)	36.0
Days Below Freezing	92.0
Land Area (square miles)	487.0
Water Area (square miles)	12.2
Shoreline (miles)	119
Elevation (feet)	sea level to 440

### POPULATION<sup>2,3</sup>

	Prince George's County Households	Prince George's County Population	Maryland part of Washington DC metro*	Maryland
2000	286,610	801,515	2,065,242	5,296,486
2010	304,042	863,420	2,303,870	5,773,552
2020**	321,691	916,150	2,490,650	6,141,900

\*Calvert, Charles, Frederick, Montgomery and Prince George's counties

\*\*Projections

Selected places population (2010): Bowie 54,727; Clinton 35,970; Chillum 33,513; College Park 30,413; South Laurel 26,112; Suitland 25,825; Laurel 25,115

### POPULATION DISTRIBUTION<sup>2,3</sup> (2017)

Age	Number	Percent
Under 5	59,248	6.5
5 - 19	170,776	18.7
20 - 44	320,560	35.1
45 - 64	245,738	26.9
65 and over	116,434	12.8
Total	912,756	100.0
Median age		37.2 years



888-246-6736 | [Open.Maryland.gov](http://Open.Maryland.gov)

2019

# Brief Economic Facts PRINCE GEORGE'S COUNTY, MARYLAND

## LABOR AVAILABILITY<sup>3,4,5</sup> (BY PLACE OF RESIDENCE)

Civilian Labor Force (2017 avg.)	Labor Mkt. Area <sup>6</sup>	
	County	Area <sup>6</sup>
Total civilian labor force	511,766	1,779,286
Employment	490,451	1,704,411
Unemployment	21,315	74,875
Unemployment rate	4.2%	4.2%
<b>Residents commuting outside the county to work (2013-2017)</b>	<b>Number</b>	<b>Percent</b>
	284,654	60.6%
<b>Employment in selected occupations (2013-2017)</b>		
Management, business, science and arts	184,439	38.7%
Service	98,360	20.6%
Sales and office	105,938	22.2%
Production, transp. and material moving	41,404	8.7%

<sup>6</sup> Prince George's, Anne Arundel and Montgomery counties, MD and Washington, D.C.

## MAJOR EMPLOYERS<sup>6,7</sup> (2018)

Employer	Product/Service	Employment
University System of Maryland <sup>8</sup>	Higher education	20,250
Joint Base Andrews Naval Air Facility Washington <sup>8*</sup>	Military installation	17,500
U.S. Internal Revenue Svc. <sup>**</sup>	Revenue collection	4,735
U.S. Census Bureau <sup>**</sup>	Demographic research	4,605
NASA - Goddard Space Flight Center <sup>**</sup>	Space research	3,000
United Parcel Service (UPS)	Mail and package delivery	3,000
MGM National Harbor	Casino gaming	2,785
Marriott International	Hotels and motels	2,200
Prince George's Community College	Higher education	2,045
Natl. Maritime Intelligence-Integration Office <sup>**</sup>	Maritime intelligence analysis	1,890
University of Maryland Capital Region Health	Medical services	1,800
Verizon	Telecommunications	1,800
U.S. Dept. of Agriculture <sup>**</sup>	Agricultural research	1,725
Melwood	Social services	1,400
National Oceanic and Atmospheric Admin. <sup>**</sup>	Weather analysis and reporting	1,375
Doctors Community Hospital	Medical services	1,300
MedStar Southern Maryland Hospital Center	Medical services	1,240
Adelphi Laboratory Center <sup>**</sup>	Military installation	1,235

Excludes post offices, state and local governments, national retail and national foodservice; includes higher education

<sup>8</sup>Includes UMCP, UMUC and Bowie State University

<sup>\*\*</sup>Employee counts for federal and military facilities exclude contractors to the extent possible; embedded contractors may be included

## EMPLOYMENT<sup>1</sup> (2017, BY PLACE OF WORK)

Industry	Estab-lishments	Annual Avg. Empl.	Emp. %	Avg. Wkly. Wage
Federal government	114	27,210	8.5	\$1,978
State government	15	21,131	6.6	1,082
Local government	299	41,068	12.8	1,164
Private sector	15,626	230,244	72.0	970
Natural resources and mining	18	114	0.0	923
Construction	1,700	26,681	8.3	1,318
Manufacturing	336	7,709	2.4	1,208
Trade, transportation and utilities	3,469	60,891	19.0	790
Information	162	3,611	1.1	1,403
Financial activities	1,290	11,563	3.6	1,106
Professional and business services	3,241	40,910	12.8	1,349
Education and health services	2,243	34,107	10.7	998
Leisure and hospitality	1,607	35,714	11.2	469
Other services	1,551	8,935	2.8	770
<b>Total</b>	<b>16,056</b>	<b>319,654</b>	<b>100.0</b>	<b>1,088</b>

Includes civilian employment only

## HOURLY WAGE RATES<sup>1</sup> (2017)

Selected Occupations	Median	Entry	Experienced
Accountants	\$38.32	\$24.08	\$48.70
Bookkeeping/accounting clerks	21.68	15.29	25.96
Computer systems analysts	44.30	30.05	50.45
Computer user support specialists	24.80	14.23	30.41
Customer service representatives	16.16	11.34	20.60
Electronics engineering technicians	33.38	24.81	40.57
Freight, stock and material movers, hand	11.96	10.64	15.80
Industrial truck operators	20.71	14.70	23.79
Maintenance workers, machinery	26.35	18.27	29.28
Mechanical engineers	46.34	31.87	55.00
Network administrators	49.28	34.93	60.54
Packaging and filling machine operators	11.13	9.88	14.62
Packers and packagers, hand	11.45	9.90	15.28
Secretaries	19.97	13.57	23.80
Shipping/receiving clerks	18.18	12.10	20.85
Team assemblers	16.14	10.59	20.29
Telemarketers	13.09	11.01	16.23

Wages are an estimate of what workers might expect to receive in Prince George's County and may vary by industry, employer and locality

# Brief Economic Facts // PRINCE GEORGE'S COUNTY, MARYLAND

## SCHOOLS AND COLLEGES<sup>3,8</sup>

### Educational Attainment - age 25 & over (2013-2017)

High school graduate or higher	86.1%
Bachelor's degree or higher	31.9%

### Public Schools

Number: 121 elem.; 36 middle/combined; 24 high; 9 charter
Enrollment: 132,667 (Sept. 2018)
Cost per pupil: \$14,613 (2016-2017)
Students per teacher: 14.3 (Oct. 2017)
High school career / tech enrollment: 7,574 (2017)
High school graduates: 7,928 (July 2017)

### Nonpublic Schools Number: 177 (Sept. 2017)

Higher Education	Enrollment ('18)	Degrees ('17)
------------------	------------------	---------------

#### 2-year institution

Prince George's Community College	11,890	856
-----------------------------------	--------	-----

#### Major 4-year institutions

Bowie State University	6,320	1,036
Capitol Technology University	743	176
University of Maryland, College Park	41,200	10,713
Univ. of Maryland University College	60,270	11,267

Undergraduate and graduate courses are offered at the Laurel College Center through 6 Maryland public colleges/universities. Central Michigan and Embry-Riddle Aeronautical Universities offer courses at Joint Base Andrews.

## TAX RATES<sup>9</sup>

	Prince George's Co.	Maryland
<b>Corporate Income Tax (2019)</b>	none	8.25%
Base – federal taxable income		
<b>Personal Income Tax (2019)</b>	3.20%	2.0%-5.75%*
Base – federal adjusted gross income		
*Graduated rate peaking at 5.75% on taxable income over \$300,000		
<b>Sales &amp; Use Tax (2019)</b>	none	6.0%
Exempt – sales for resale; manufacturer's purchase of raw materials; manufacturing machinery and equipment; purchases of materials and equipment used in R&D and testing of finished products; purchases of computer programs for reproduction or incorporation into another computer program for resale		
<b>Real Property Tax (FY 19)</b>	\$1.00	\$0.112
Effective rate per \$100 of assessed value		
In addition to this rate, there are some miscellaneous taxes and/or special taxing areas in the county; in an incorporated area, the county rate will vary and a municipal rate will also apply		
<b>Business Personal Property Tax (FY 19)</b>	\$2.50	none
Rate per \$100 of depreciated value		
Exempt – manufacturing and R&D machinery, equipment, materials and supplies; manufacturing, R&D and warehousing inventory		
In an incorporated area, the county rate will vary and a municipal rate will also apply; municipal exemptions may be available		
<b>Major Tax Credits Available</b>		
Enterprise Zone (incl. Focus Area), Job Creation, More Jobs for Marylanders (Tier 1), R&D, Biotechnology and Cybersecurity Investment, Revitalization, Arts & Entertainment Dist.		

## INCOME<sup>3</sup> (2013-2017)

Distribution	Percent Households		U.S.
	Pr. George's Co.	Maryland	
Under \$25,000	11.6	14.2	21.3
\$25,000 - \$49,999	17.3	17.1	22.5
\$50,000 - \$74,999	18.8	16.5	17.7
\$75,000 - \$99,999	14.6	13.1	12.3
\$100,000 - \$149,999	20.0	18.7	14.1
\$150,000 - \$199,999	9.5	9.7	5.8
\$200,000 and over	8.2	10.7	6.3
Median household	\$78,607	\$78,916	\$57,652
Average household	\$95,699	\$103,845	\$81,283
Per capita	\$34,391	\$39,070	\$31,177
Total income (millions)	\$29,350	\$226,495	\$9,658,475

## HOUSING<sup>3,10</sup>

Occupied Units (2013-2017) 306,694 (61.8% owner occupied)

### Housing Transactions (2018)\*

Units sold	9,956
Median selling price	\$286,098

\*All multiple listed properties; excludes auctions and FSBO

## BUSINESS AND INDUSTRIAL PROPERTY<sup>4</sup>

The county offers a range of business locations, including urban mixed-use developments at Metro stations, suburban office parks, a Foreign Trade Zone countywide, State Enterprise Zone, Opportunity Zones, and distribution and manufacturing parks with rail and highway access. The **University of Maryland Discovery District** provides opportunities for direct collaboration with one of the top universities in the nation. Class A office space with great access is available in Laurel, Calverton, Bowie, College Park, Beltsville, Greenbelt, Hyattsville, Largo, and many other locations.

Prince George's County enacted landmark legislation establishing a \$50 million **Economic Development Incentive Fund (EDIF)** that provides loans, guarantees and conditional loans for projects in the county that create jobs and investment.

### Business Incubators

Bowie Business Innovation Center, Bowie Maryland International Incubator, College Park Prince George's County Innovation Station, Largo Technology Advancement Prog., Univ. of MD at College Park

Market Profile Data (2018)	Low	High	Average
<b>Land – cost per acre</b>			
Industrial	\$40,000	\$800,000	\$250,000
Office	\$125,000	\$2,000,000	\$300,000
<b>Rental Rates – per square foot</b>			
Warehouse / Industrial	\$3.75	\$14.48	\$7.31
Flex / R&D / Technology	\$6.00	\$19.00	\$11.14
Class A Office	\$16.00	\$36.00	\$21.14

# Brief Economic Facts PRINCE GEORGE'S COUNTY, MARYLAND

## TRANSPORTATION

**Highways:** I-95, I-495, U.S. 1, U.S. 50, U.S. 301, Baltimore-Washington Parkway (MD 295), and Intercounty Connector (MD 200)

**Mass Transit:** MARC (MD Area Regional Commuter) serves the Baltimore-Washington corridor, with nine locations in the county; WMATA (Washington Metro Area Transit Authority) provides 70 bus routes and rail service; 15 stations on the Blue, Orange and Green Metro rail lines; local bus system with 28 routes

**Rail:** CSX Transportation and Norfolk Southern Railway; Amtrak Metroliner passenger service from D.C. to New York with intermediate stops, including the Capital Beltway Station at New Carrollton; and the 16 mile/21 station Purple Line light rail transit system under construction, connecting Prince George's and Montgomery counties

**Truck:** All major motor freight common carriers serve the county

**Water:** Served by the Port of Baltimore, a leading U.S. automobile and break-bulk port, with a 50' channel and seven public terminals including the state-of-the-art Intermodal Container Transfer Facility; one of only four ports on the East Coast able to accommodate Neo-Panamax ships

**Air:** Baltimore/Washington International Thurgood Marshall Airport, accessible by bus, train and shuttle van; Ronald Reagan Washington National Airport, minutes from the Capital Beltway and accessible by bus and metro; and Washington Dulles International Airport, accessible by bus and car

## RECREATION AND CULTURE

**Parks and Recreation:** Maryland-National Capital Park and Planning Commission manages nearly 26,000 acres of parkland with over 90 miles of paved hiker/biker/equestrian trails; 127 neighborhood parks; 39 community centers; 27 recreational buildings; 10 aquatic facilities; three ice rinks; four golf courses; 214 tennis courts and an indoor/outdoor tennis facility; the Prince George's Equestrian Center and the Show Place Arena; an airport (the oldest in operation); a marina; and the Prince George's Sports and Learning Complex

**Sports:** Comcast Center, Maryland Stadium, Samuel Riggs IV Alumni Center, FedEx Field (home of the Washington Redskins), and a 10,000 seat AA baseball stadium

**Cultural and Historical:** Clarice Smith Performing Arts Center at the University of Maryland; many historical sites and museums; the Smithsonian Institutions, the Kennedy Center, and the National Gallery of Art are just across the county line in the nation's capital

**Arts & Entertainment District:** Gateway Arts District

**Attractions:** Six Flags America theme park; MGM National Harbor, a luxury waterfront dining, retail, entertainment and gaming resort on the Potomac River; and Tanger Outlets with 80 designer and name brand stores

## UTILITIES

**Electricity:** Baltimore Gas and Electric, Potomac Electric Power Company, and Southern Maryland Electric Cooperative, Inc.; customers may choose their electric supplier

**Gas:** Natural gas supplied by Baltimore Gas and Electric and Washington Gas; customers may choose their gas supplier

**Water and Sewer:** Washington Suburban Sanitary Commission

**Telecommunications:** Verizon, Comcast, Level 3 Communications and others have significant fiber throughout the county; AT&T, Sprint, Cavalier, Cox, and other carriers and resellers also offer services on proprietary and leased lines

## GOVERNMENT<sup>11</sup>

**County Seat:** Upper Marlboro

**Government:** County executive elected at large and nine county council members elected by district for four-year terms; charter form of government allows for the separation of the executive from the legislative branch; lawmaking powers are vested in an elected legislative body

Angela D. Alsobrooks, County Executive 301.952.4131

Todd M. Turner, Chair, County Council 301.952.3060

**Website:** [www.princegeorgescountymd.gov](http://www.princegeorgescountymd.gov)

**County Bond Rating:** AAA (S&P); Aaa (Moody's); AAA (Fitch)

**Prince George's County Economic Development Corporation**

David Iannucci, President and CEO

1801 McCormick Drive, Suite 350

Largo, Maryland 20774

Telephone: 301.583.4650

Email: [info@pgcedc.com](mailto:info@pgcedc.com)

[www.pgcedc.com](http://www.pgcedc.com)

### Sources:

- 1 National Oceanic and Atmospheric Administration (1981-2010 normals); Maryland Geological Survey
- 2 Maryland Department of Planning
- 3 U.S. Bureau of the Census
- 4 Maryland Department of Labor, Licensing and Regulation, Office of Workforce Information and Performance
- 5 U.S. Bureau of Labor Statistics
- 6 Prince George's County Economic Development Corporation
- 7 Maryland Department of Commerce
- 8 Maryland State Department of Education; Maryland Higher Education Commission
- 9 Maryland State Department of Assessments and Taxation; Comptroller of the Treasury
- 10 Maryland Association of Realtors
- 11 Maryland State Archives; Maryland Association of Counties



World Trade Center - 401 E. Pratt Street - Baltimore, MD 21202  
Telephone: 410.767.6500 - TDD/TTY: 410-333.6926

888-246-6736 | [Open.Maryland.gov](http://Open.Maryland.gov)

## National Market Analysis

Because of its strong employment base, the Baltimore-Washington Metropolitan Statistical Area maintains some of the most stable economic conditions in the country. The entire MSA is within commuting distance of our nation’s capital and the hundreds of thousands of jobs created by the federal government. In expressing our opinion of value, it is considered reasonable to assume that this region as well as the subject property’s general sphere of influence will remain as sound, and that growth potential should remain constant.

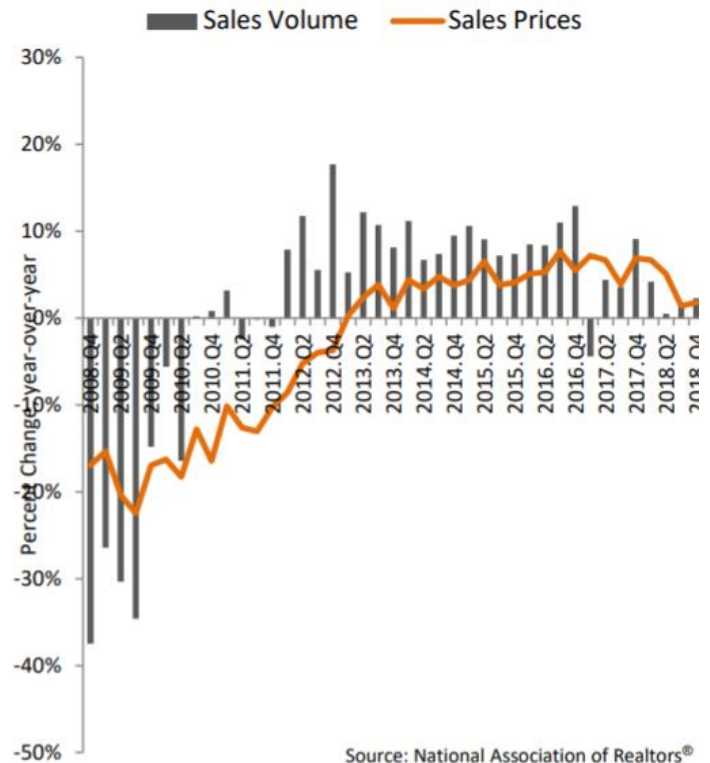
Commercial space is heavily concentrated in large buildings, but large buildings are a relatively small number of the overall stock of commercial buildings. In terms of inventory, commercial real estate markets are bifurcated, with the majority of buildings being relatively small, while the bulk of commercial space is concentrated in larger buildings.

The bifurcation continues along transaction volumes as well, with deals at the higher end—\$2.5 million and above—comprising a large share of investment sales, while transactions at the lower end make up a smaller fraction.

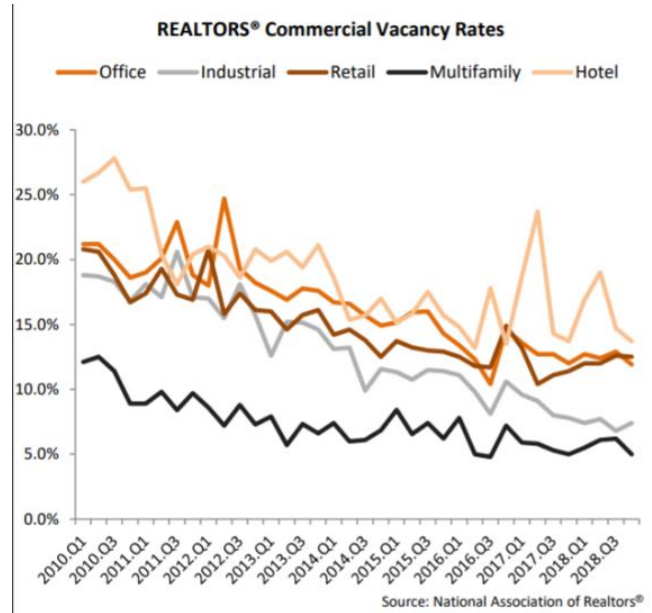
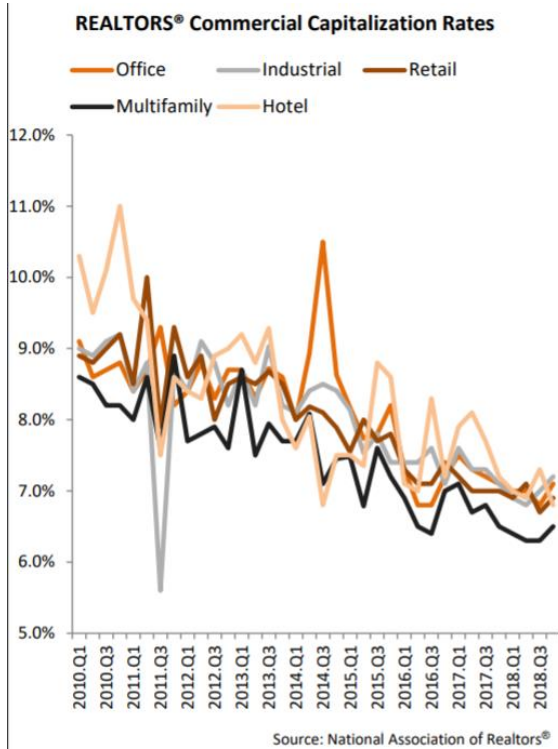
Data are readily available for transactions in excess of \$2.5 million from several sources, including Real Capital Analytics (RCA). However, in general, data for smaller transactions are less widely available. National Association of REALTORS®’ (NAR) Commercial Real Estate Market Trends gathers market information for small cap properties and transactions, mostly valued below \$2.5 million.

### 2018 Fourth Quarter Update

The fourth quarter of 2018 recorded continued advances in investment sales in commercial real estate markets. Sales volume rose by 2.3 percent on a yearly basis, as cap rates ticked up. The shortage of available inventory remained the principal concern as a wide pricing gap between buyers and sellers affected over 25 percent of respondents. Prices advanced at 1.8 percent year-over-year. Leasing activity declined during the quarter, as vacancies experienced upward pressures

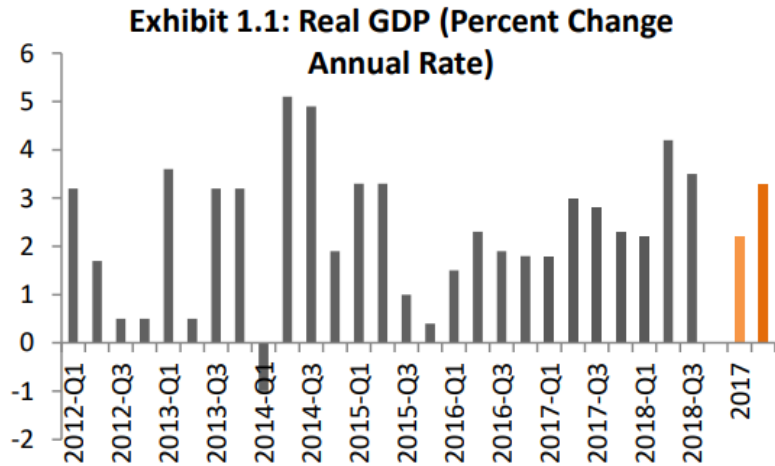


The average capitalization rate for the fourth quarter of 2018 is a 6.9% across all commercial property types. The images below depict a continuation of decreasing capitalization and vacancy rates for commercial properties in Maryland.



**Gross Domestic Product (GDP)**

The economy expanded from 2.2 percent in 2017 to 2.9 percent in 2018. During the fourth quarter 2018, the growth slowed to 2.6 percent. Inflation has trended up due to sustained growth. Prices for all items (CPI) has risen 2.5 percent from the levels one year ago.

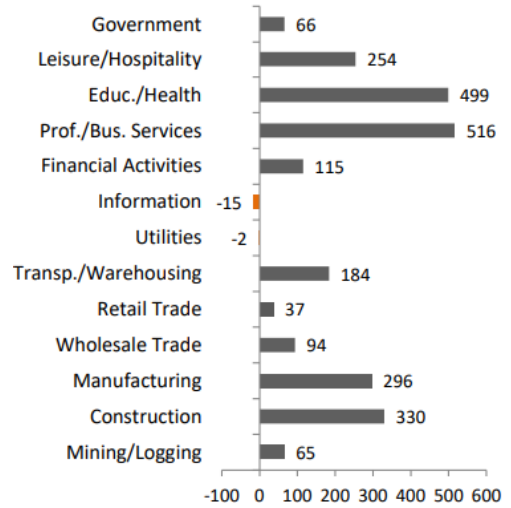


Source: Bureau of Economic Analysis

## Employment and Unemployment

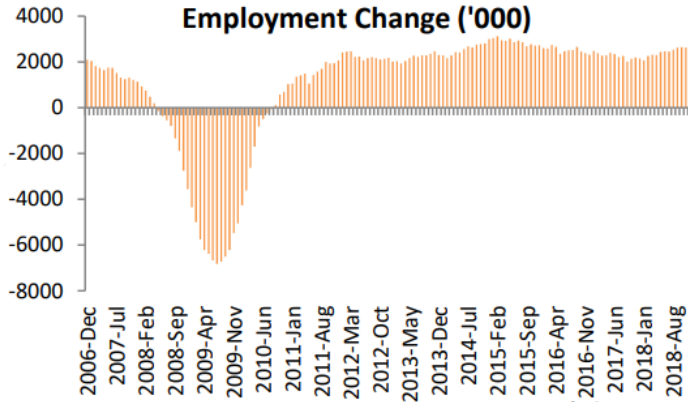
During the fourth quarter of 2018, employment conditions remained prosperous. The economy created 2.8 million jobs from February 2019-January 2019. Since October 2010, 20.2 million jobs have been added to the economy. Except for information services and utilities, employment expanded in all sectors. The strongest gains have been in professional/business services and education/health services. Retail trade generated 37,000 jobs even though that sector has lost jobs in the past. Employment grew at the fastest pace from year-ago levels, by at least three percent, in Utah, Nevada, Texas, Washington, and Arizona. Non-farm employment rose 1.9 percent nationally.

**Exhibit 1.7: Payroll Employment: 12-Month Change ('000)**



Source: Bureau of Labor Statistics

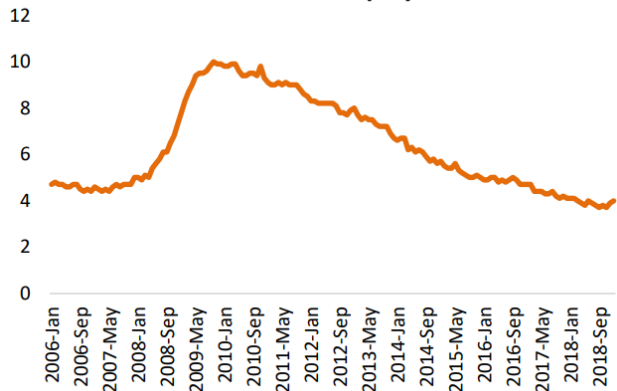
**Exhibit 1.6: 12-Month Payroll Employment Change ('000)**



Source: Bureau of Labor Statistics

In January 2019 the unemployment rate was 4.0 percent which is slightly up from the rate in November 2018 of 3.7 percent.

**Exhibit 1.9: Unemployment**



Source: Bureau of Labor Statistics

## Economy

In 2019 the federal funds rate is projected to increase to 2.4 percent. This will exert upward pressure on longer-term interest rates. This will likely have an effect on investment spending, including residential construction. NAR forecasts inflation to fall to 1.3 percent as interest rates increase. In 2019 economic output is expected to expand at a pace of 1.8 percent. In 2019, the unemployment rate is expected to rise to 4.0 percent and non-farm payroll jobs will increase to 1.3 percent.

Exhibit 4.1: U.S. ECONOMIC OUTLOOK — March 2019					
	2016	2017	2018	2019	2020
<i>Annual Growth Rate, %</i>					
Real GDP	0.0	0.0	3.1	1.8	1.6
Nonfarm Payroll Employment	1.8	1.6	1.7	1.3	1.1
Consumer Prices	1.3	2.1	2.3	1.3	1.6
<i>Level</i>					
Consumer Confidence	100	121	127	130	122
<i>Percent</i>					
Unemployment	4.9	4.4	3.9	4.0	4.3
Fed Funds Rate	0.4	1.0	1.8	2.4	2.4
3-Month T-bill Rate	0.3	1.0	2.0	2.5	2.6
Prime Rate	3.5	4.1	4.9	5.4	5.4
10-Year Gov't Bond	1.8	2.3	2.9	2.8	2.9
30-Year Gov't Bond	2.6	2.9	3.1	3.1	3.3

Source: National Association of REALTORS®

## Neighborhood Analysis

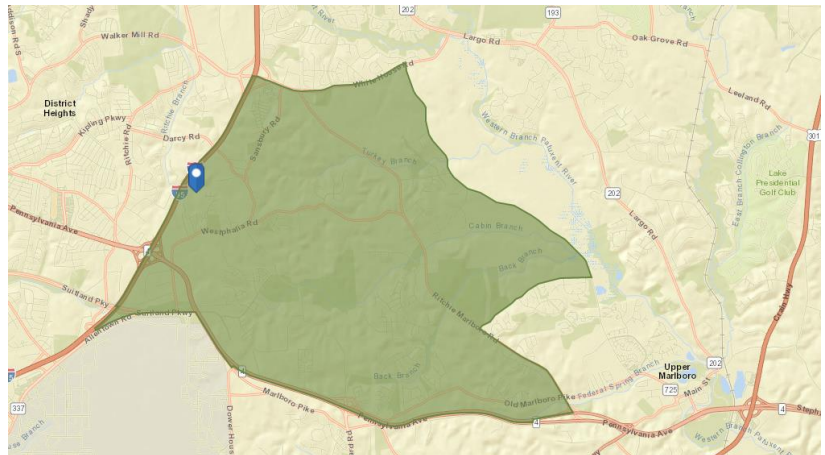
Social, economic, governmental and environmental forces also act together to influence property values near a site. This vicinity or neighborhood, with complementary land uses, is usually considered as a geographically bound or delineated part of the market area. It can also be defined as an area of influence.

The subject property is in the northwestern section of Upper Marlboro, Prince George's County.

## Neighborhood Area Location and Boundaries

The immediate market area boundaries are:

- N White House Road to the north
- E Crain Highway to the east
- S Pennsylvania to the south
- W Interstate 495 to the west



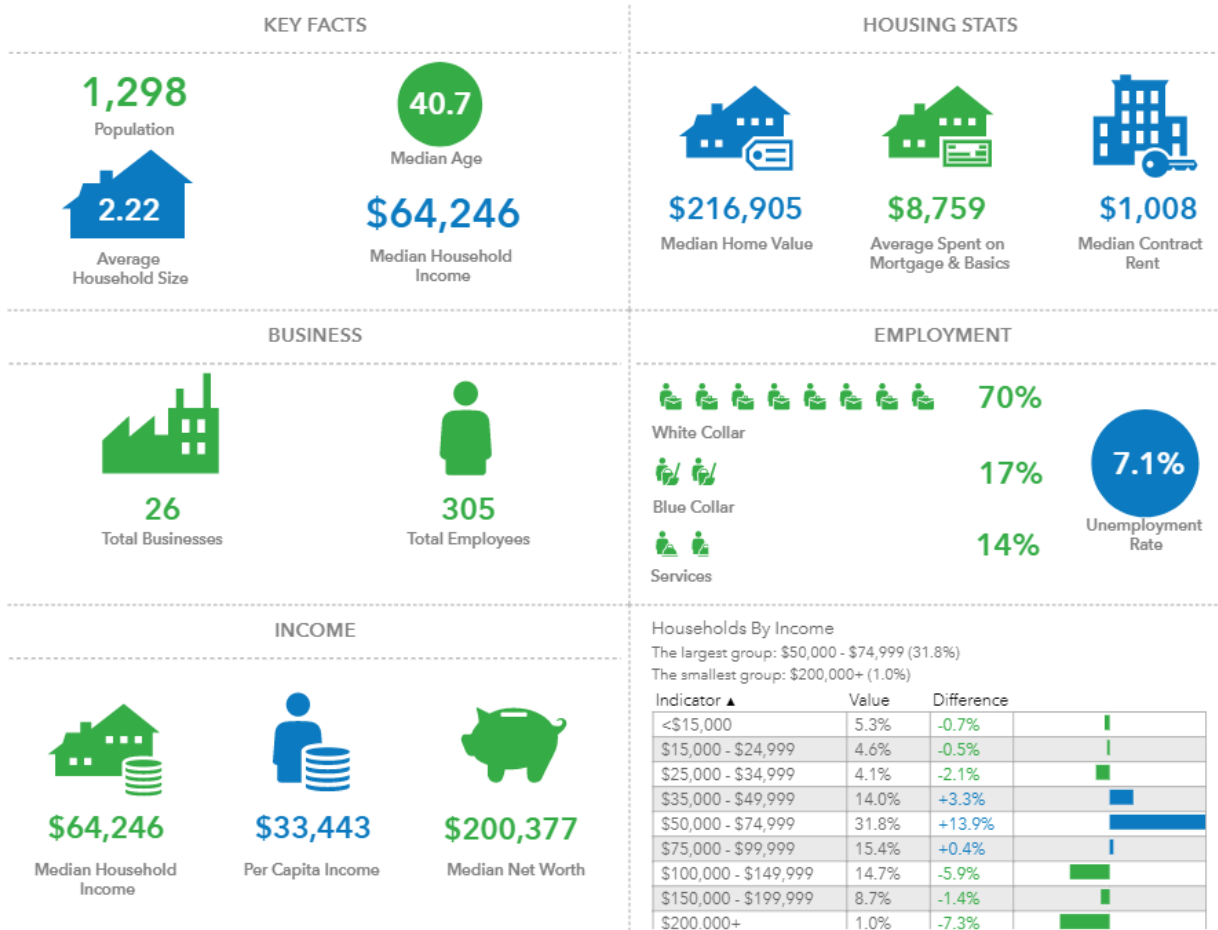
## Land Uses

Upper Marlboro has a variety of land uses, residential and corner retail establishments, with industrial and residential properties in the subject property's specific area of the Upper Marlboro.

## Nearby Areas of Influence

Nearby areas of influence are Washington, DC to the west, Anne Arundel County to the east, and Joint Base Andrews to the south.

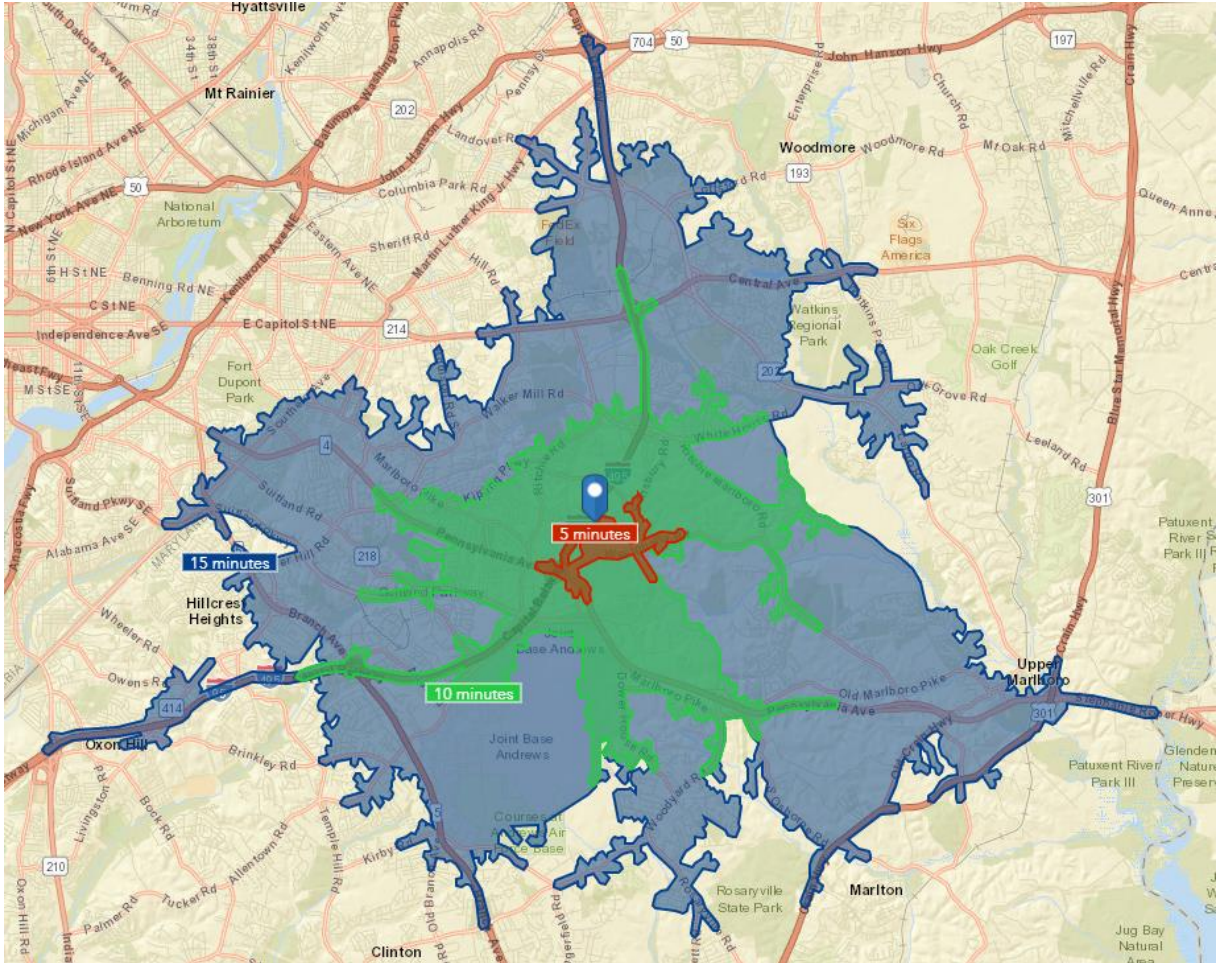
The following infographic reveals characteristics unique to the subject property's immediate area:





## Neighborhood Demographics

We have consulted Site-to-do-Business (STDB Online) for a demographic and economic summary of data relevant to the subject property area, and have considered drive times of five-, 10-, and 15-minutes from the subject property as separate markets for the subject property.



## Population and Income Trends

Both population and income trends project nominal annual increases over the next five years the subject property area. The report below was generated from Site-to-do-Business (STDB Online), who gathers information from the U.S. Census Bureau and forecasting agencies.

The current population within a five-minute drive of the subject property is 1,298±, 24,133± within 10 minutes, and 155,466± within 15 minutes.

Income trends indicate a 2018 median household income of \$64,246 within five minutes of the subject property, which is less than those of the 10- and 15-minute drive times.



### Population and Income Trends

20774  
20774, Upper Marlboro, Maryland  
Drive Time: 5, 10, 15 minute radii

Prepared by Esri  
Latitude: 38.84951  
Longitude: -76.85666

	5 minutes	10 minutes	15 minutes
<b>Population</b>			
2000 Population	1,193	26,221	145,826
2010 Population	1,095	22,972	145,112
2018 Population	1,298	24,133	155,466
2023 Population	4,478	28,057	165,198
2000-2010 Annual Rate	-0.85%	-1.31%	-0.05%
2010-2016 Annual Rate	2.08%	0.60%	0.84%
2016-2021 Annual Rate	28.10%	3.06%	1.22%
2018 Male Population	46.5%	46.1%	46.2%
2018 Female Population	53.5%	53.9%	53.8%
2018 Median Age	40.7	37.7	36.9
In the identified area, the current year population is 1,298. In 2010, the Census count in the area was 1,095. The rate of change since 2010 was 2.08% annually. The five-year projection for the population in the area is 4,478 representing a change of 28.10% annually from 2016 to 2021. Currently, the population is 46.5% male and 53.5% female.			
<b>Median Household Income</b>			
2018 Median Household Income	\$64,246	\$70,040	\$72,536
2023 Median Household Income	\$77,363	\$81,288	\$83,476
2016-2021 Annual Rate	3.79%	3.02%	2.85%

## Housing Trends

The year-to-date 2019 median sold price for homes in Upper Marlboro, Maryland, is \$360,000, which is greater than that of Prince George's County overall at \$300,000. The neighborhood and surrounding community reflect appreciated home values over this period. In both markets, number of units sold has increased while the average time it takes to sell a property has decreased.

### January thru May 2019 YTD

20774, Upper Marlboro, MD

#### Sold Summary

	2019	2018	% Change
Sold Dollar Volume	\$111,837,908	\$97,774,806	14.38%
Avg Sold Price	\$355,041	\$330,320	7.48%
Median Sold Price	\$360,000	\$316,100	13.89%
Units Sold	315	296	6.42%
Avg Days on Market	68	74	-8.11%
Avg List Price for Solds	\$355,492	\$334,574	6.25%

### January thru May 2019 YTD

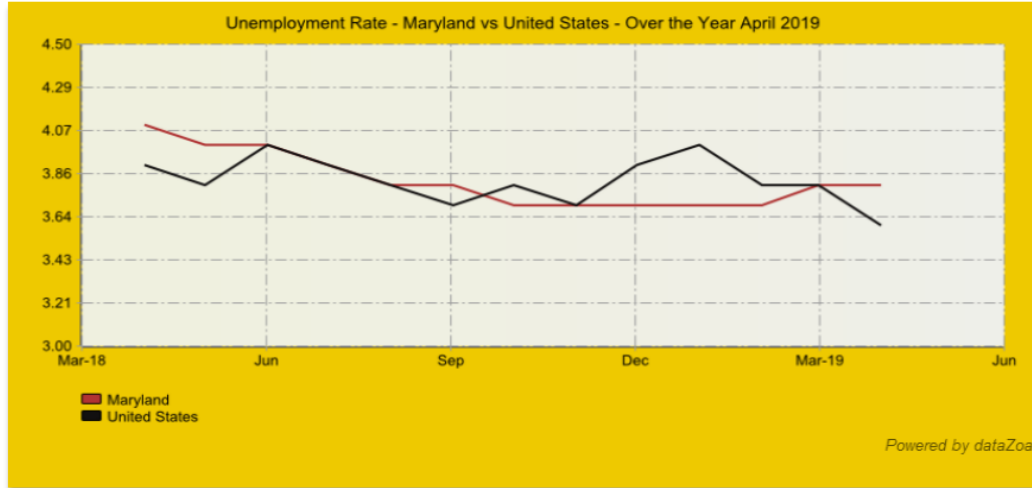
Prince Georges County, MD

#### Sold Summary

	2019	2018	% Change
Sold Dollar Volume	\$1,344,099,686	\$1,236,023,936	8.74%
Avg Sold Price	\$309,415	\$291,172	6.27%
Median Sold Price	\$300,000	\$280,000	7.14%
Units Sold	4,359	4,245	2.69%
Avg Days on Market	65	68	-4.41%
Avg List Price for Solds	\$312,073	\$294,994	5.79%

## Economic Trends

The following economic indicators show that Maryland's unemployment rate has decreased over the past year and is typically less than the National average.



Civilian Labor Force, Employment, Unemployment and Rate	Apr 2018	May 2018	Jun 2018	Jul 2018	Aug 2018	Sep 2018	Oct 2018	Nov 2018	Dec 2018	Jan 2019	Feb 2019	Mar 2019	Apr 2019
<b>Maryland</b>													
Unemployment Rate	4.1	4.0	4.0	3.9	3.8	3.8	3.7	3.7	3.7	3.7	3.7	3.8	3.8
Unemployment	130,937	129,246	127,252	124,752	122,122	119,795	118,228	118,232	118,586	118,829	119,602	120,801	121,353
Employment	3,070,102	3,070,854	3,070,922	3,071,285	3,071,907	3,073,396	3,074,970	3,075,542	3,075,662	3,079,043	3,083,356	3,086,733	3,089,807
Labor Force	3,201,039	3,200,100	3,198,174	3,196,037	3,194,029	3,193,191	3,193,198	3,193,774	3,194,248	3,197,872	3,202,958	3,207,534	3,211,160
<b>United States</b>													
Unemployment Rate	3.9	3.8	4.0	3.9	3.8	3.7	3.8	3.7	3.9	4.0	3.8	3.8	3.6
Unemployment	6,335	6,128	6,537	6,245	6,197	5,986	6,112	6,018	6,294	6,535	6,235	6,211	5,824
Employment Level	155,216	155,539	155,592	155,964	155,604	156,069	156,582	156,803	156,945	156,694	156,949	156,748	156,645
Labor Force	161,551	161,667	162,129	162,209	161,802	162,055	162,694	162,821	163,240	163,229	163,184	162,960	162,470

Note: Seasonally Adjusted Data --- The Most Recent Month is Subject to Data Revision

The area of the subject is predicted to experience growth across all demographic segments at lower rates than the State and Nation.

Summary	Census 2010	2018	2023
Population	1,095	1,298	4,478
Households	498	584	2,006
Families	281	322	1,084
Average Household Size	2.20	2.22	2.23
Owner Occupied Housing Units	410	502	1,924
Renter Occupied Housing Units	88	82	82
Median Age	38.1	40.7	39.6
Trends: 2018 - 2023 Annual Rate	Area	State	National
Population	28.10%	0.68%	0.83%
Households	27.99%	0.62%	0.79%
Families	27.48%	0.55%	0.71%
Owner HHs	30.83%	0.88%	1.16%
Median Household Income	3.79%	2.94%	2.50%

## **Land Use Trends**

Neighborhoods are said to have a life cycle. That life cycle is generally considered to have four stages. These are:

1. Growth - The period during which the neighborhood experiences public favor and acceptance.
2. Stability - A period of general equilibrium.
3. Decline - A period of diminishing demand and loss of acceptance and public favor.
4. Revitalization - A period of increased demand accompanied by renewal and modernization.

The subject property's neighborhood is believed to be in a period of stability, with properties being renovated and undergoing use changes through traditional real estate cycles.

## **Neighborhood Conclusions**

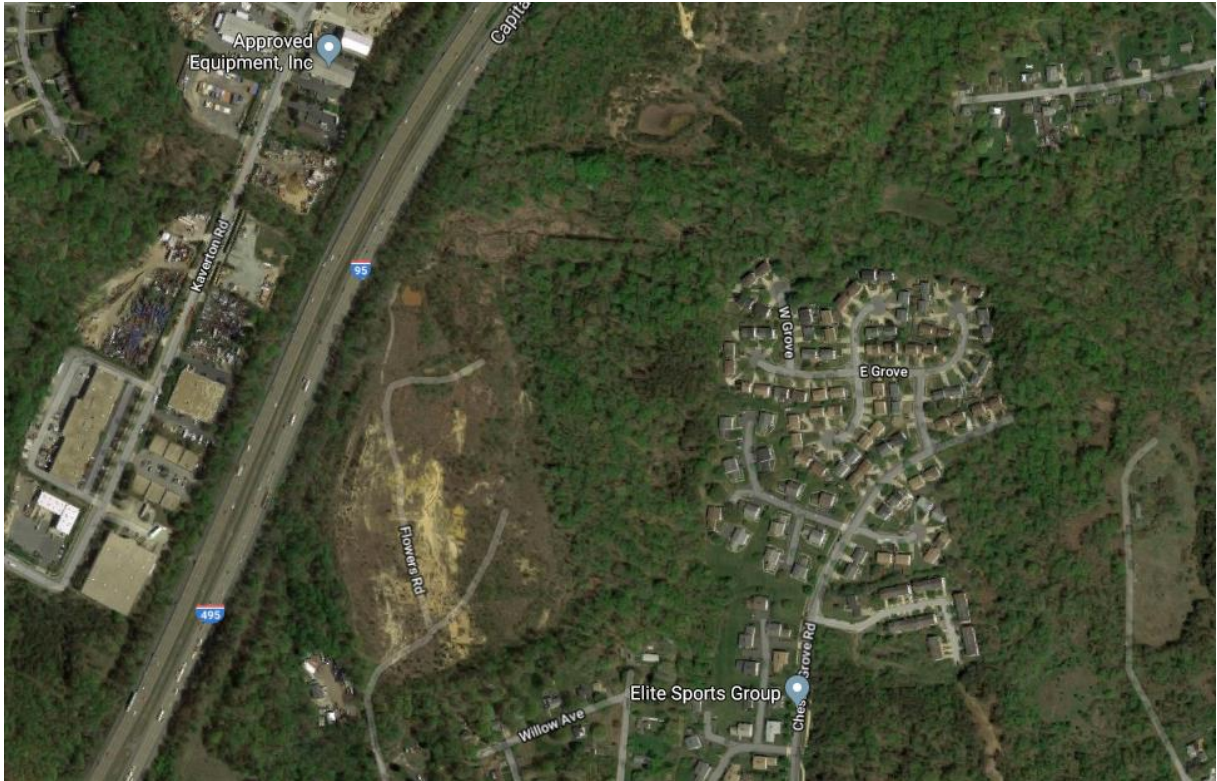
Upper Marlboro is in the central section of Prince George's County. It contains a mix of residential homes, industrial properties with retail and community-serving commercial properties found along higher traffic routes and street corners.

Supporting services as well as demographic trends within the neighborhood adequately support the subject property's existing and future potential uses.

Overall, the neighborhood is found to be in an economically stable stage of the real estate cycle.

## Adjacent Uses

Adjacent uses to the subject property include undeveloped parcels and residential properties.



## Property Description

---

The following description is based on our property inspection, assessment records, property deeds, legal descriptions, and information provided by the property representative.

### Site Description

Location:	The subject property is located along the east side of Flowers Road. There is currently no postal address. The property location is identified in tax assessment records as Map 82, Grid C4, Parcel 349, Flowers Road, Upper Marlboro, Maryland 20774.
Current Use:	Raw land
Total Site Size:	10.92± acre (475,675± square feet)
Usable Land Area	5.25± acres (228,690± square feet)
Shape:	Irregular
Topography:	Gently rolling topography
Frontage:	No frontage on a public road
Visibility:	Fair considering competing-property types (with an access easement)
Access:	No direct legal or physical access from a public road
Site Improvements:	None
Utilities:	Electricity: Publicly regulated utility provider upon development Adequacy of Utilities: Described in PGAtlas as “Adequate for Development Planning”. Abutting properties to the north and east serviced by public water and public sewer. A 15-foot right of way for a sewer is described on plat recorded at liber 8116, folio 359.
Flood Zone:	FEMA Map Number: 2403 3C02 55E FEMA Map Date: September 16, 2016 FEMA Flood Zone: X, an area determined to be outside 500-year floodplain determined to be outside the 1% and 0.2% annual chance floodplains.



Environmental Issues: There are no known adverse environmental conditions affecting the subject property’s site. Please reference Limiting Conditions and Assumptions.

Wetlands/Watershed: The site contains approximately 0.75± acre of wetlands in the northwest portion of the property. Also, a stream runs east and west on the northern portion of the property.



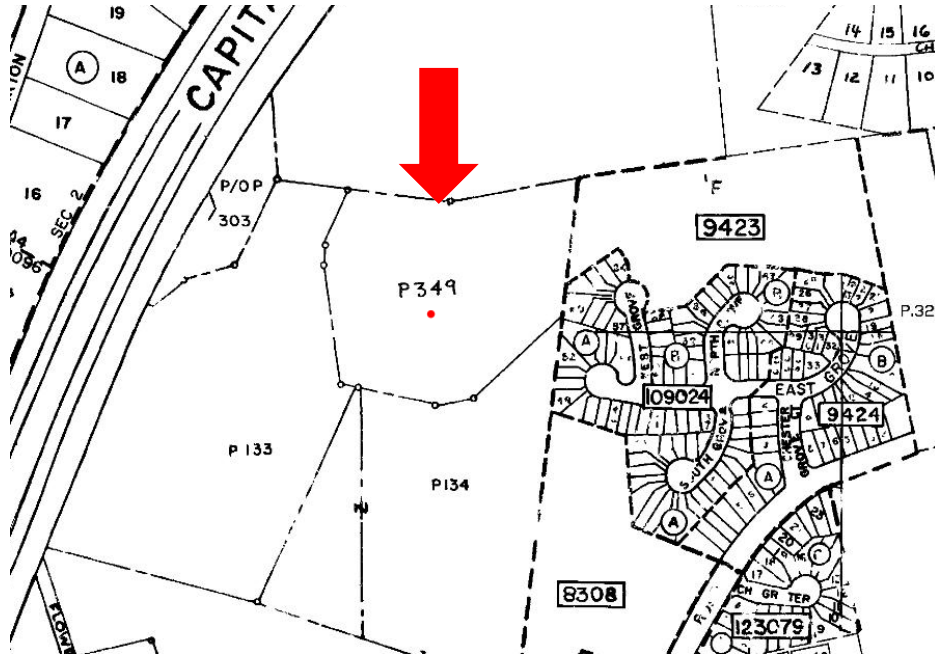
Soil Conditions: Typical of the area and appear adequate to support development

Site Comments:

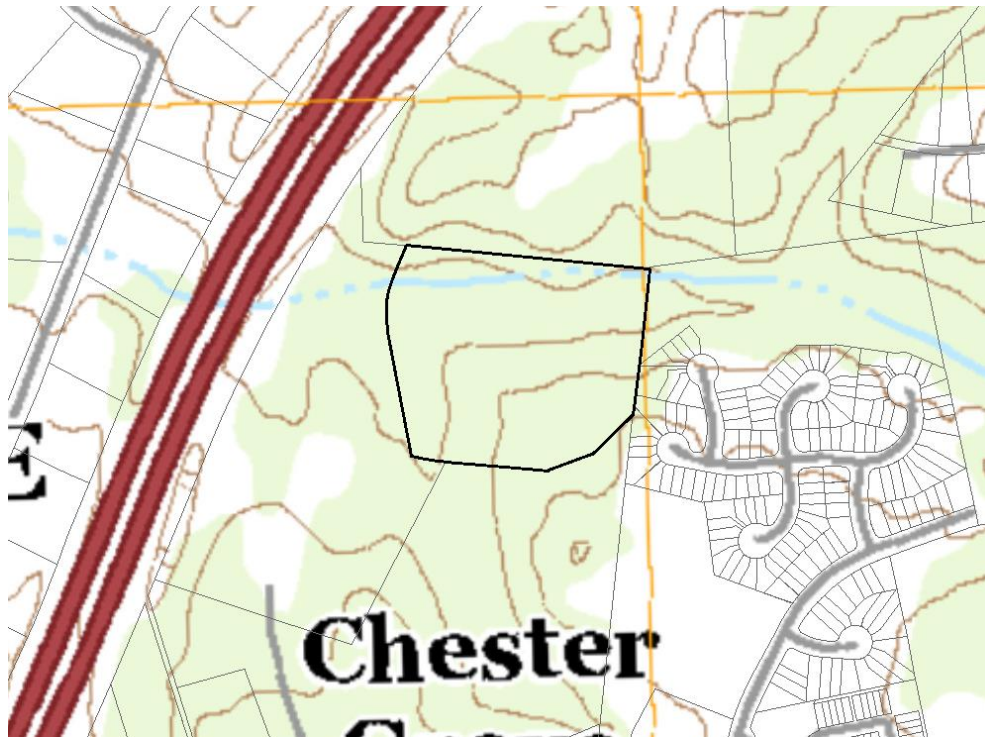
The site has restricted utility because of wetland areas, a stream and regional storm water management facility buffer on the southern and western portion of the property.

The resultant net land area is 5.25± acres, or 48% of the total gross land area.

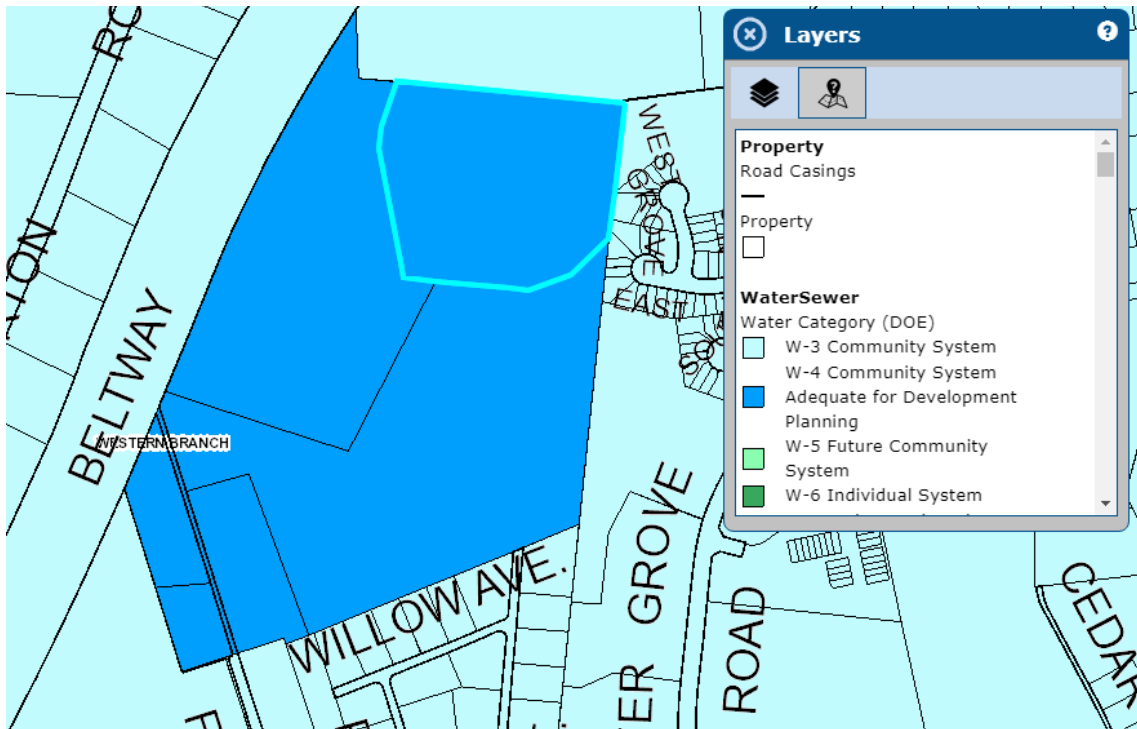
**Assessor's Map**



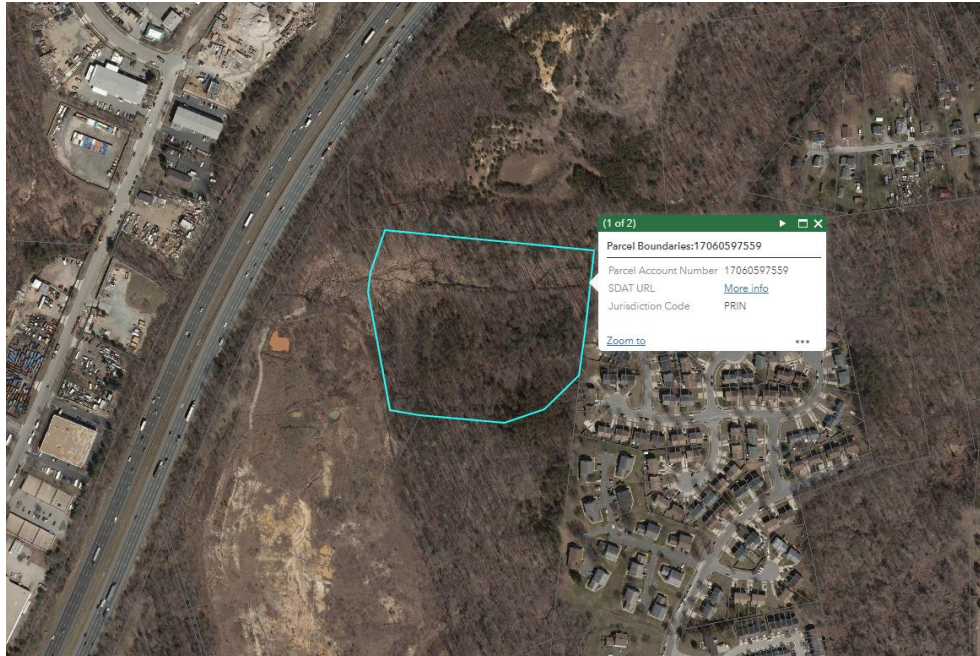
## Topography Map



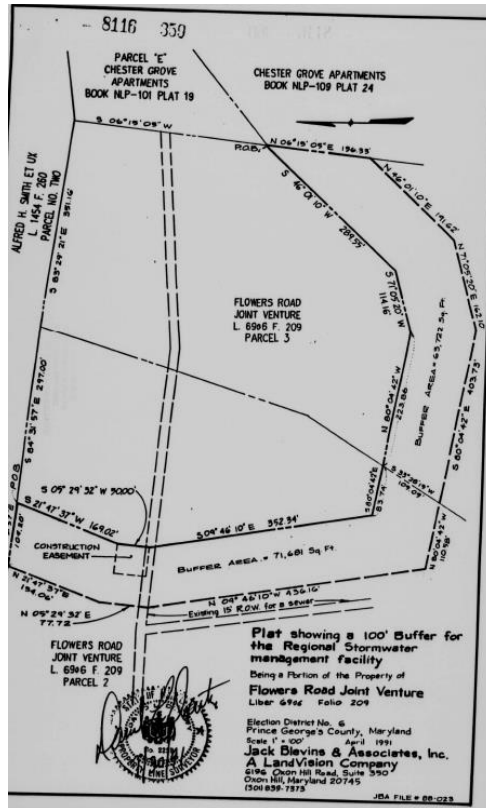
## Water Sewer



# Aerial Photograph

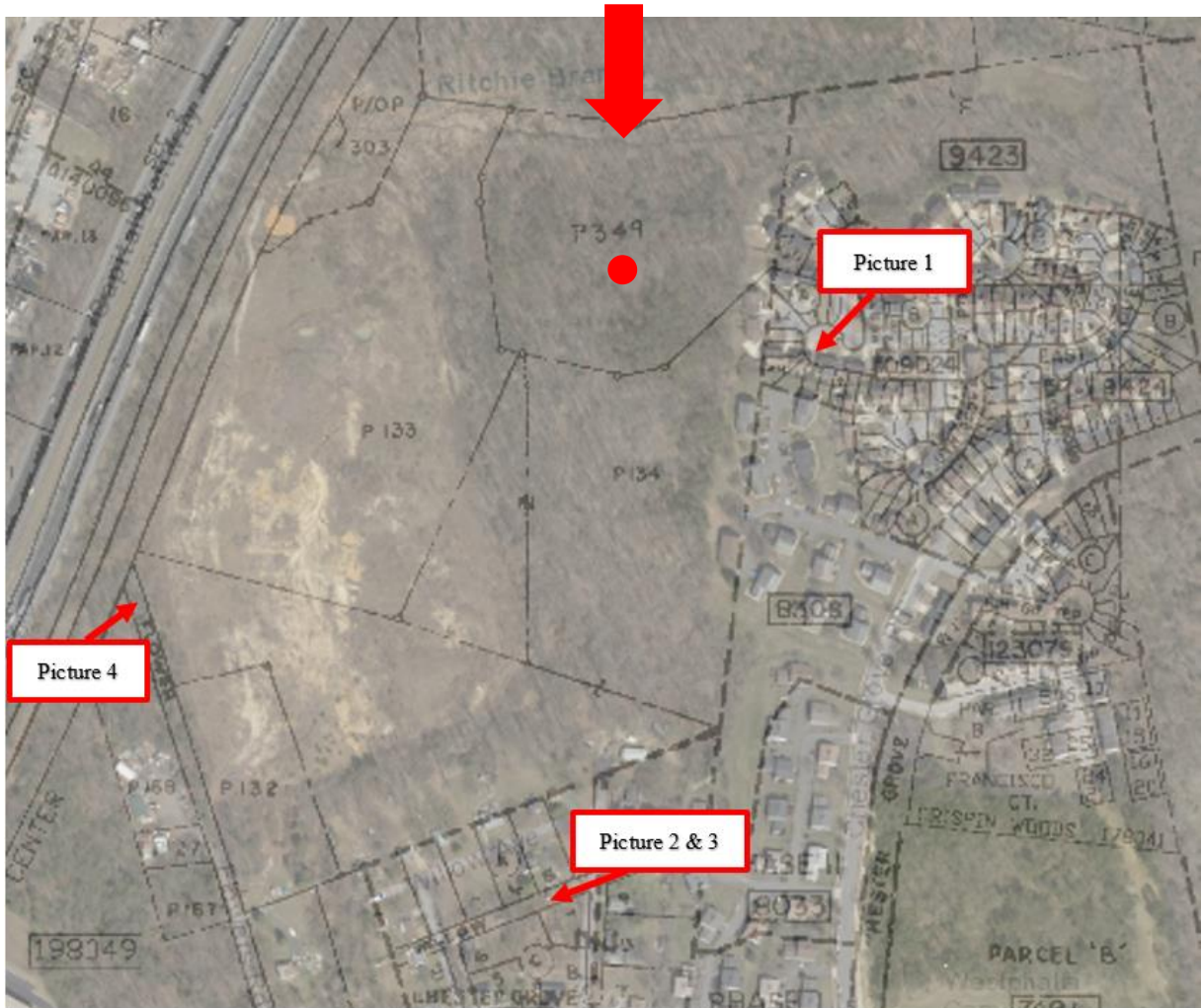


# Liber 8116 Folio 359



## Subject Property Photographs

The subject does not currently have legal access rights. All pictures were taking from the nearest possible public roads.





Picture 1- taken from East Gravel looking west towards subject



Picture 2- taken from Willow Avenue looking north towards Parcel 134 and subject parcel



Picture 3- taken from Willow Avenue looking north towards Parcel 134 and subject parcel



Picture 4-taken from Flowers Road looking north towards Parcel 133 and subject parcel

## **Environmental Disclosure**

There were no hidden or unapparent conditions of the property or subsoil, which would make the property more or less valuable, discovered by us or made known to us. No responsibility is assumed for such conditions or engineering necessary to discover them. Unless otherwise stated, this appraisal assumes there are no hidden or unapparent 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, etc., which may or may not be present on or in the property, was not called to our attention, nor did we become aware of such during the property inspection. We have no knowledge of the existence of such materials on or in the property unless otherwise stated and are 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, or for any expertise or knowledge required to discover them. We recommend that the appropriate experts be retained to investigate and determine the extent, if any, such substances are present and what risks, if any, are involved. Should any subsequent studies, research, or investigation reveal the presence of any potentially hazardous substances, this appraisal report is invalid.

# Assessment Data and Taxes

Taxing Authority: Maryland Department of Assessments and Taxation  
 Assessment Year: 2018

## ASSESSED VALUE

**Tax Identification Number:** 06-0597559  
 Land Assessed Value: \$ 690,400  
 Building Assessed Value: \$ 0  
 Total Assessed Value: \$ 690,400

Prince George's County: 0.921  
 State of Maryland: 0.112  
 Combined Tax Rate: 1.033

Adequacy of Tax Burden: Based on the opinion of the As Is fee simple market value contained in this report, the subject property's real property tax assessment was understated.

### Current Tax Bill:

Property Tax Inquiry			
PRINCE GEORGE'S COUNTY			
REAL PROPERTY TAX INFORMATION FOR FY 19			
TAX PERIOD 07/01/18 - 06/30/19			
MEETS REQUIREMENTS FOR REAL PROPERTY SECTION 14-126			
ACCOUNT NUMBER:	0597559	DISTRICT:	06
OWNER:	PRINCE GEORGES COUNTY	CARE OF:	RM 310
PROPERTY ADDRESS:	000000 FLOWERS RD LARGO MD 20774-0000	MAILING ADDRESS:	9400 PEPPERCORN DR LANDOVER, MD 20785-0000
MORTGAGE:			UNKNOWN
PROPERTY DESCRIPTION:			
CONDO/PLAT		PHASE	BLDG UNIT
SUBNAME:			LIBER/FOLIO: 08116/349
SECTION:			LATEST DEED: 11/12/1991
LOT:			LAND: 690,400.00
BLOCK:			IMPS: 0.00
ACREAGE:	10.920 A		ASSESSMENT: 690,400.00
OCCUPANCY:	NOT PRINCIPAL RESIDENCE		
TAX DESCRIPTION:			TAX/CHARGE:
COUNTY PROPERTY TAX			0.00
COUNTY PROPERTY TAX - SUPPLEMENTAL EDUCATION			0.00
STATE OF MARYLAND			0.00
PARK & PLANNING			0.00
STORMWATER/CHESAPEAKE BAY WATER QUALITY			0.00
WASHINGTON SUBURBAN TRANSIT COMMISSION			0.00
TOWN LEVY			0.00
OTHER MUNICIPAL CHARGES			0.00
FRONT FOOT			0.00
SOLID WASTE SERVICE CHARGE			0.00
CLEAN WATER ACT FEE			0.00
SPECIAL AREA			0.00
LIENS			0.00
OTHER TAXES/FEES			0.00
LESS HOMEOWNERS TAX CREDIT			0.00
LESS HOMESTEAD TAX CREDIT			0.00
LESS DISCOUNT CREDIT			0.00
TOTAL			0.00
PAYMENT RECEIVED		INT/PEN	0.00 0.00
REFUND DATE		REFUND AMOUNT	0.00
Account No:	0597559	FY19	

# Real Property Assessment Record

The State of Maryland Department of Assessments and Taxation (SDAT) show the following assessment record:

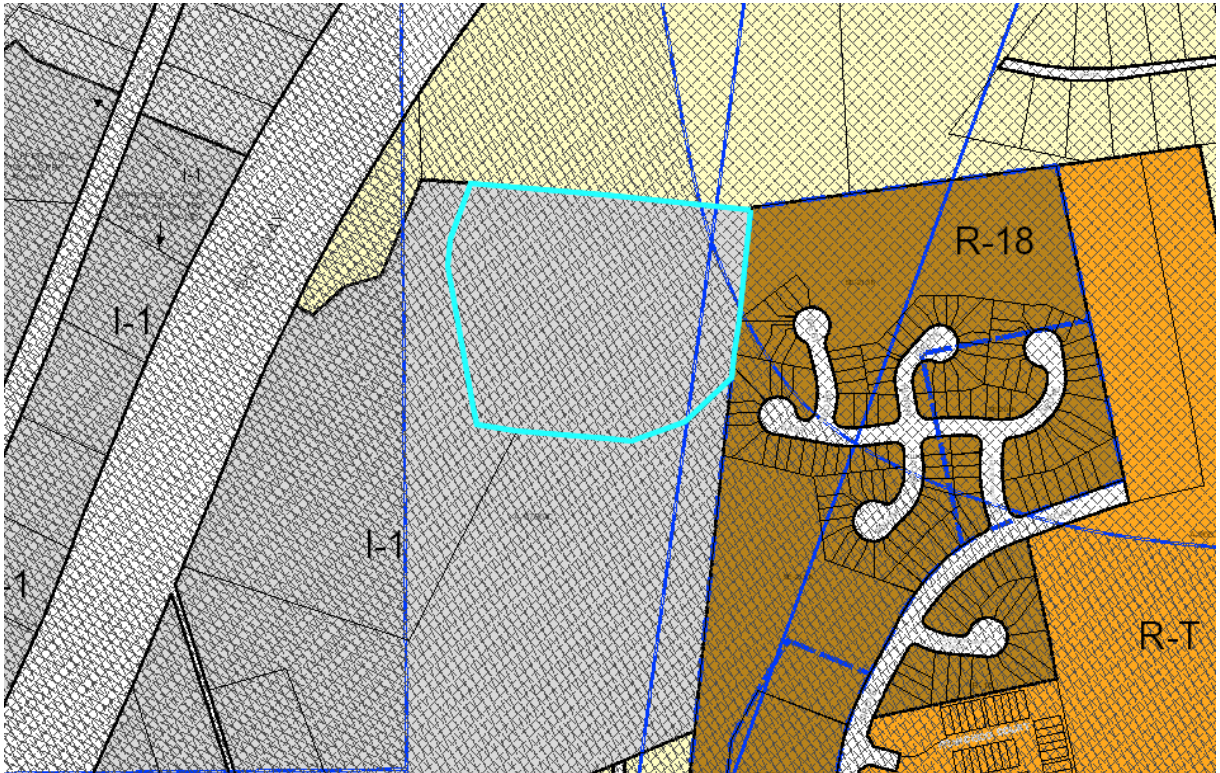
<b>Account Identifier:</b>		District - 06 Account Number - 0597559							
<b>Owner Information</b>									
<b>Owner Name:</b>		PRINCE GEORGES COUNTY				<b>Use:</b>		EXEMPT COMMERCIAL	
<b>Mailing Address:</b>		RM 310 9400 PEPPERCORN DR LANDOVER MD 20785				<b>Principal Residence:</b>		NO	
						<b>Deed Reference:</b>		/08116/ 00349	
<b>Location &amp; Structure Information</b>									
<b>Premises Address:</b>		FLOWERS RD UPPER MARLBORO 20774-0000				<b>Legal Description:</b>			
<b>Map:</b>	<b>Grid:</b>	<b>Parcel:</b>	<b>Sub District:</b>	<b>Subdivision:</b>	<b>Section:</b>	<b>Block:</b>	<b>Lot:</b>	<b>Assessment Year:</b>	<b>Plat No:</b>
0082	00C4	0349		0000				2018	Plat Ref:
<b>Special Tax Areas:</b>					<b>Town:</b>		NONE		
					<b>Ad Valorem:</b>				
					<b>Tax Class:</b>		8		
<b>Primary Structure Built</b>		<b>Above Grade Living Area</b>		<b>Finished Basement Area</b>		<b>Property Land Area</b>		<b>County Use</b>	
						10.9200 AC		907	
<b>Stories</b>	<b>Basement</b>	<b>Type</b>	<b>Exterior</b>	<b>Full/Half Bath</b>	<b>Garage</b>	<b>Last Major Renovation</b>			
<b>Value Information</b>									
		<b>Base Value</b>		<b>Value</b>		<b>Phase-in Assessments</b>			
				As of		As of		As of	
				01/01/2018		07/01/2018		07/01/2019	
<b>Land:</b>		690,400		690,400					
<b>Improvements</b>		0		0					
<b>Total:</b>		690,400		690,400		690,400		690,400	
<b>Preferential Land:</b>		0						0	
<b>Transfer Information</b>									
<b>Seller:</b> FLOWERS RD JT VENT				<b>Date:</b> 11/12/1991		<b>Price:</b> \$466,000			
<b>Type:</b>				<b>Deed1:</b> /08116/ 00349		<b>Deed2:</b>			
<b>Seller:</b>				<b>Date:</b>		<b>Price:</b>			
<b>Type:</b>				<b>Deed1:</b>		<b>Deed2:</b>			
<b>Seller:</b>				<b>Date:</b>		<b>Price:</b>			
<b>Type:</b>				<b>Deed1:</b>		<b>Deed2:</b>			
<b>Exemption Information</b>									
<b>Partial Exempt Assessments:</b>		<b>Class</b>		07/01/2018		07/01/2019			
<b>County:</b>		500		690,400.00		690,400.00			
<b>State:</b>		500		690,400.00		690,400.00			
<b>Municipal:</b>		500		0.00 0.00		0.00 0.00			
<b>Tax Exempt:</b>				<b>Special Tax Recapture:</b>					
<b>Exempt Class:</b>				NONE					
<b>Homestead Application Information</b>									
<b>Homestead Application Status:</b> No Application									
<b>Homeowners' Tax Credit Application Information</b>									
<b>Homeowners' Tax Credit Application Status:</b> No Application					<b>Date:</b>				

## Zoning

---

Zoning Code:	I-1/ Light Industrial
Overlay:	Military Installation Overlay-Per PGAtlas. Purpose is to display areas that create the object fee space surrounding the runways of Joint Base Andrews.
Zoning Authority:	Prince George's County
Zoning Description:	The I-1/ Light Industrial zoning district is designed to attract a variety of labor-intensive light industrial uses; to apply site development standards which will result in an attractive, conventional light environment; to create a distinct light industrial character, setting it apart from both the more intense Industrial Zones and the high-traffic-generating Commercial Zones; and to provide for a land use mix which is designed to sustain a light industrial character.
Zoning Confirmation:	We confirmed the subject property's zoning classification using the Prince George's County website and mapping service.
Zoning Use Permitted:	Permitted uses include multifamily dwellings, car wash, offices, barber shop, animal hospital, laundromat, bookbinder manufacturing, welding shop, eating and drinking establishments, institutional/educational uses, light industrial uses etc.
Other Bulk Regulations:	Bulk regulations are included in the addendum of this report.
Zoning Comments and Conclusions:	Future subject property development will be required to be in conformance with zoning regulations.

## Zoning Map



## Highest and Best Use

---

Highest and best use may be 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.”<sup>1</sup>

1. **Physically Possible:** To what use is the site physically adaptable?
2. **Legally Permissible:** What uses are permitted by zoning and other legal restrictions?
3. **Financially Feasible:** Which possible and permissible use will produce any net return to the owner of the site?
4. **Maximally Productive:** Among the feasible uses which use will produce the highest net return (i.e., the highest present worth)?

An analysis of a property’s highest and best use is the most important part of the appraisal, because it is in terms of a property’s highest and best use that market value is estimated. This study is based upon available data related to the four questions listed above.

### Highest and Best Use, As Vacant

#### Physically Possible

The subject property represents an unimproved land parcel that is of adequate size and shape, and is located in Upper Marlboro, Maryland. The site is not currently accessible from a public road. To gain vehicular access to the property, required for development, an easement across a neighboring property is needed. With an access easement, there will be moderately easy access to major transportation routes. Surrounding site influences include other wooded parcels, industrial and residential uses.

Public water, sewer, electric and telephone services are available to the site. The subject property's supporting site appears well-drained, has typical land easements, and its soil appears suitable for development of permitted uses.

The subject property's location, access (with an easement across a neighboring property), supporting services, and other physical conditions support future development.

#### Legally Permissible

The subject property is zoned I-1/Light Industrial zoning district within Prince George’s County and the Military Installation Overlay. This zoning classification is designed to attract a variety of labor-intensive light industrial uses; to apply site development standards which will result in an attractive, conventional light environment; to create a distinct light industrial character, setting it apart from both the more intense industrial zones and the high-traffic-

---

<sup>1</sup> Appraisal Institute, *The Appraisal of Real Estate*, 14<sup>th</sup> ed. (Chicago: Appraisal Institute, 2013).

generating commercial zones; and to provide for a land use mix which is designed to sustain a light industrial character.

### **Financially Feasible**

Uses that are physically possible and legally permissible must be analyzed further to determine those that are likely to produce some income, or return, greater than the combined income needed to satisfy operating expense, financial expense, and capital amortization. Any use of the subject property's site which provides a financial return to the land more than the cost of land is financially feasible.

Based on our analysis of the site's attributes, including size, shape, topography, required easements needed for access, utilities, permitted uses, and surrounding site influences, along with analysis of various income factors, financially feasible uses include holding the parcel for future development.

### **Maximally Productive**

Upon further analysis, the maximally productive use of the subject property, given market conditions is for future development.

### **Highest and Best Use, As Improved**

The subject property an unimproved parcel of land. For the same reasons stated above, the highest and best uses of the site is for future development.

## Valuation Methodology

---

Three basic approaches may be used to arrive at an estimate of market value. They are:

1. The Sales Comparison Approach
2. The Cost Approach
3. The Income Approach

### Sales Comparison Approach

The Sales Comparison Approach compares sales of comparable properties with the subject property. Each comparable sale is adjusted for its inferior or superior characteristics. This approach represents an interpretation of the reactions of typical purchasers in the market. The principle of substitution supports this approach and implies that a prudent person will pay no more to buy a property than it will cost to buy a comparable substitute property.

The Sales Comparison Approach uses a comparative analysis to adjust for inferior and superior attributes of the sale properties to those of the subject. Attributes can include (but are not limited to) location, physical characteristics, conditions of sale and changes in the market over time. The values derived from the adjusted comparable sales form a range of value for the subject. By process of correlation and analysis, a final indicated value is derived. The indicated value will be in terms of most pertinent unit of measure (e.g., cost per building square foot, cost per acre, etc.). This value will then be applied to the entire property being appraised for a final Sales Comparison estimate of value.

### Cost Approach

When developing the Cost Approach to value, the new replacement cost of the subject's property improvement and value of the subject's site in today's market are estimated. Elements of depreciation affecting value are then subtracted from the replacement cost to reflect the present worth of the improvements. Items affecting value are usually physical in nature due to the wear of normal use and the effects of the elements. Value can also be affected by functional obsolescence (e.g., a design flaw which limits functional use or utility), or external obsolescence, which is a temporary or permanent impairment of an improvement due to negative influences outside the property (e.g., change in traffic patterns or an undesirable factory or business nearby). Any type of obsolescence can create conditions detrimental to the value of the property and even that of the neighborhood.

### Income Approach

The Income Approach converts the anticipated flow of future benefits (income) into a present value estimate of the subject through the application of either an overall (current) capitalization rate (known as direct capitalization), or a discounting process (discounted cash flow - DCF) methodology in which future income is discounted into a net present value (worth) using a discount capitalization rate over a projected holding period. Typically, where an appraisal assignment calls for development of an opinion of the subject's as is (current) market value, the direct capitalization method is used. Use of the DCF methodology is most appropriate where current income is not stabilized (i.e., due to vacancy, incomplete project

development, below market rents), but which is anticipated to reach stabilization over a projected holding period.

## **Final Reconciliation**

The appraisal process concludes with the Final Reconciliation of the values derived from the approaches applied for a single estimate of market value. Different properties require different means of analysis and lend themselves to one approach over the others.

## **Analyses Applied**

**The Sales Comparison Approach** was considered and was developed because there is adequate data (i.e., comparable sales) from which to develop a value estimate and this approach is considered well suited to appraising this property type. Numerous sales of similar properties have been investigated, and only the most pertinent sales have been chosen.

**The Cost Approach** was considered and was not developed as this approach is generally more reliable for special purpose or non-income producing properties. The subject represents a parcel of raw land situated within the I-1/ Light Industrial zoning district. The opinion of the subject's value is adequately supported by the development of the Sales Comparison approach.

**The Income Approach** was considered and was not applied because the subject parcel represents land situated within the I-1/ Light Industrial zoning district. In our opinion the highest and best use of the property is for future development. Due to a lack of any income generating potential for the property in the foreseeable future the income approach was considered but not developed.

## Sales Comparison Approach

---

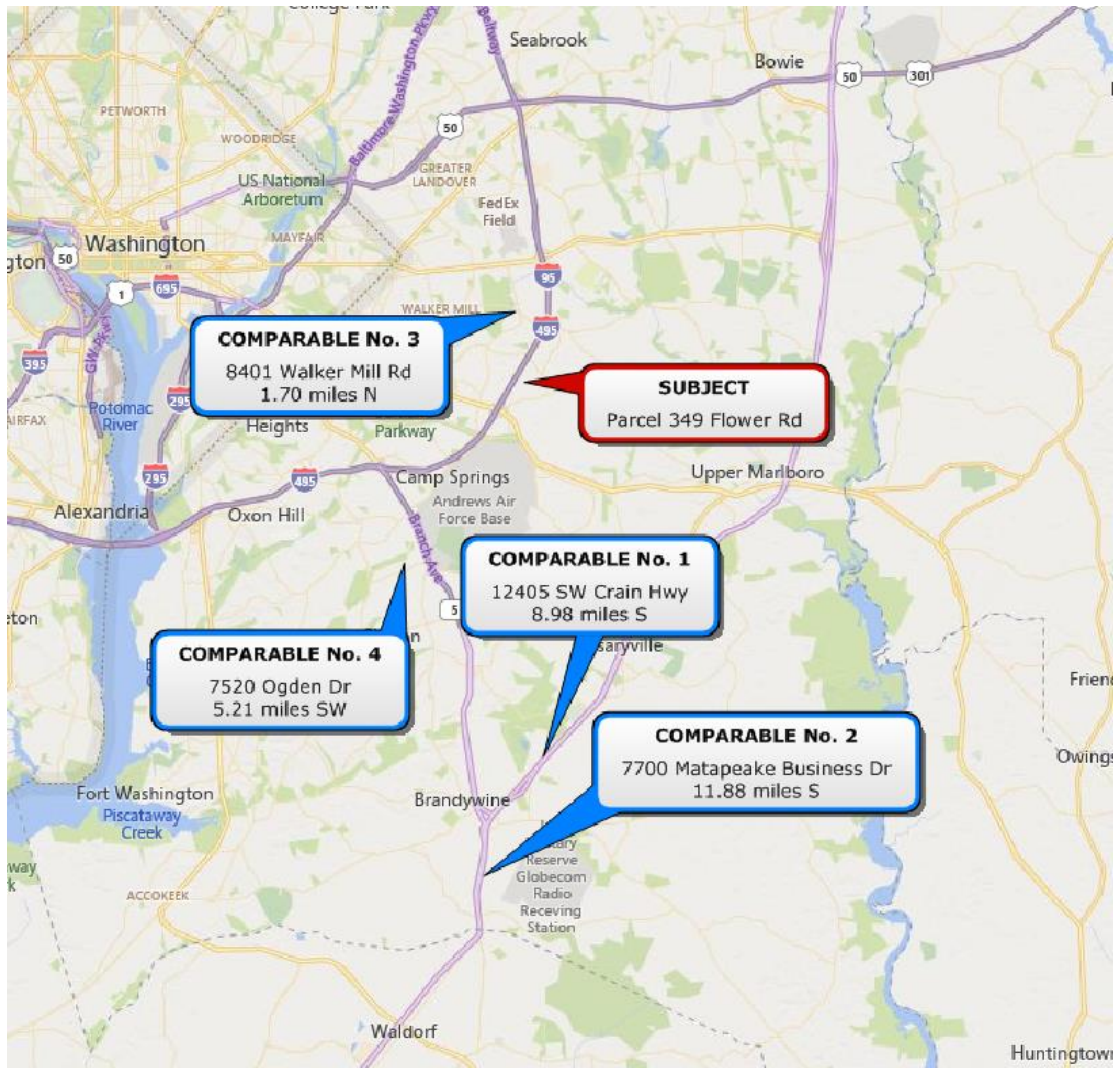
The Sales Comparison Approach is based on the premise that a buyer would pay no more for a specific property than the cost of obtaining a property with the same quality, utility, and perceived benefits of ownership. It is based on the principles of supply and demand, balance, substitution and externalities. The following steps describe the applied process of the Sales Comparison Approach.

- The market in which the subject property competes is investigated; comparable sales, contracts for sale and current offerings are reviewed.
- The most pertinent data is further analyzed, and the quality of the transaction is determined.
- The most meaningful unit of value for the subject property is determined.
- Each comparable sale is analyzed and where appropriate, adjusted to equate with the subject property.
- The value indication of each comparable sale is analyzed, and the data reconciled for a final indication of value via the Sales Comparison Approach.

The Sales Comparison Approach compares the subject with other properties deemed similar which have transferred title within the recent market period. Adjustments are made for items of dissimilarity. The approach assumes that buyers/investors in the market are similarly motivated and will pay a relatively comparable price per unit based on property's merits: location, quality, condition, size, etc. When data is available, we make quantified adjustments within the Sales Comparison Approach. If data is not available, we use our best judgment to make a reasonable and appropriate adjustment based upon anticipated market reaction to a particular property amenity.

A location map and analysis grid are also provided. We have researched market activity including sales of competing properties throughout Prince George's County for the past three years.

# Sales Comparables Map



## Comparable Sale #1



**Address:** 12405 SW Crain Highway, Brandywine, MD 220613  
**Legal Description:** Map 135, Grid D3, Parcel 30  
**Tax Identification:** Prince Georges County 11-1185586

### Site Description

<b>Site Size:</b>	6.09± acres	<b>Usable Area:</b>	3.50± acres
<b>Shape:</b>	Irregular	<b>Zoning:</b>	I-1/Light Industrial
<b>Topography:</b>	Level terrain	<b>Utilities:</b>	Public
<b>Access/Visibility:</b>	Average/fair		

### Sales Data

<b>Date of Sale:</b>	11/30/2018	<b>Sales Price:</b>	\$775,000
<b>Property Rights:</b>	Fee Simple	<b>Price per Unit:</b>	\$221,429 per usable acre
<b>Seller:</b>	David Warren	<b>Liber//Folio:</b>	41581/27
<b>Buyer:</b>	Renard Lakes Holding, LLC	<b>Terms of Sale:</b>	Arm's Length
<b>Data Source:</b>	Public Record, MDAT, Deed, visual inspection, PG Atlas, MERLIN, MDOT SHA traffic count map		

**Comments:** This comparable sale consists of one parcel and was purchased by a neighboring property owner. It is situated on the southbound lane of Crain Highway, Route 301. According to PG Atlas and the Maryland Environmental Resource and Land Information Network, a portion of the parcel is located in the Stronghold watershed and the Green Infrastructure plan.

A negative adjustment was applied for location in an area with overall higher real estate prices than the subject, superior access/visibility with higher traffic counts and easier access to major roads and superior legal and physical access to a public road (no future access easement required). A positive adjustment was applied for a lower ratio of surplus land to usable acreage compared to the subject. The property has not been sold within the last three years other than the transaction listed on the previous page.

## Comparable Sale #2



**Address:** 7700 Matapeake Business Drive, Brandywine, MD 20613  
**Legal Description:** Map 155, Grid A4, Block A, Parcel 4, 5, 6, Pt 6,  
**Tax Identification:** Prince Georges County 11-3661485, 11-3661527, 11-3661493, 11-3661477

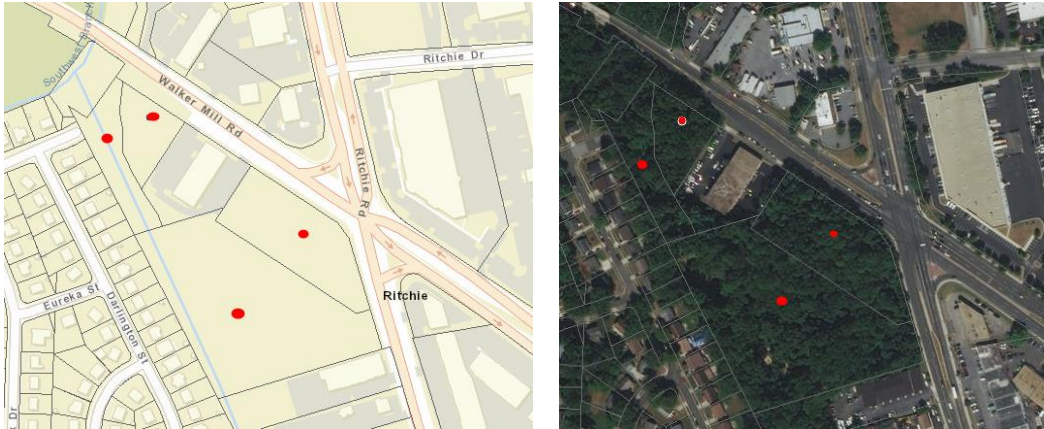
Site Description			
<b>Site Size:</b>	18.58± acres	<b>Usable Area:</b>	14.00± acres
<b>Shape:</b>	Irregular	<b>Zoning:</b>	I-1/Light Industrial
<b>Topography:</b>	Level terrain	<b>Utilities:</b>	Public
<b>Access/Visibility:</b>	Fair		
Sales Data			
<b>Date of Sale:</b>	8/9/2018	<b>Sales Price:</b>	\$1,000,000
<b>Property Rights:</b>	Fee Simple	<b>Price per Unit:</b>	\$71,429 per usable acre
<b>Seller:</b>	Faison-Brandywine, LLC	<b>Liber//Folio:</b>	41206/318
<b>Buyer:</b>	Brandywine Real Estate, LLC	<b>Terms of Sale:</b>	Arm's Length
<b>Data Source:</b>	Public Record, MDAT, Deed, visual inspection, PG Atlas, MERLIN, MDOT SHA traffic count map, broker		

**Comments:** This comparable consists of three parcels recorded on four tax assessment records. It is situated east of (behind) the Brandywine Crossing shopping center. The broker

confirmed that the transaction was arms-length and reported that approximately \$1,500,000 was needed to compensate for inadequate soils required to support future development. The expenditure included adding other soil mixtures to the property and use of deeper footers to support construction. A portion of the site contains a storm water management pond.

A positive adjustment was applied to reflect needed expenditures after sale, improving market conditions and a lower ratio of surplus land to usable acreage compared to the subject. A negative adjustment was applied for location in an area with overall higher real estate prices than the subject and superior legal and physical access to a public road (no future access easement required). The property has not been sold within the last three years other than the transaction listed on the previous page.

### Comparable Sale #3



**Address:** 8401 Walker Mill Road, Capitol Heights, MD 20747  
**Legal Description:** Map 75, Grid C3, Parcel C, Map 74, Grid C3, Pt Parcel B, Pt Parcel G, Parcel F  
**Tax Identification:** Prince Georges County 06-0438051, 06-0438044, 06/0438085, 06-0637876, 06-0438077

Site Description			
<b>Site Size:</b>	9.55± acres	<b>Usable Area:</b>	6.50± acres
<b>Shape:</b>	Irregular	<b>Zoning:</b>	I-1/Light Industrial
<b>Topography:</b>	Level terrain	<b>Utilities:</b>	Public
<b>Access/Visibility:</b>	Very good		

Sales Data			
<b>Date of Sale:</b>	3/9/2018	<b>Sales Price:</b>	\$1,275,000
<b>Property Rights:</b>	Fee Simple	<b>Price per Unit:</b>	\$196,154 per usable acre
<b>Seller:</b>	Power Industries, Inc.	<b>Liber//Folio:</b>	40667/32
<b>Buyer:</b>	Richie Walker, LLC	<b>Terms of Sale:</b>	Arm's Length
<b>Data Source:</b>	Public Record, MDAT, Deed, visual inspection, PG Atlas, MERLIN, MDOT SHA traffic count map, broker		

**Comments:** This comparable consists of four parcels recorded on five tax assessment records located at the signalized intersection of Walker Mill Road and Ritchie Road. The

broker confirmed that the transaction was arms-length and reported that approximately \$50,000 was need for site cleanup. It is the buyer's intension to develop the property with warehouse. The parcel on the corner of Walker Mill Road and Ritchie Road is currently under contract for sale to Royal Farms.

A positive adjustment was made to reflect needed expenditures after sale, improving market conditions and a lower ratio of surplus land to usable acreage compared to the subject. A negative adjustment was applied for far superior access/visibility and superior legal and physical access to a public road (no future access easement required). The property has not been sold within the last three years other than the transaction listed on the previous page.

### Comparable Sale #4



**Address:** 7520 Ogden Drive, Clinton, MD 20735  
**Legal Description:** Map 107, Grid A3, Parcel F  
**Tax Identification:** Prince Georges County 09-3741675

Site Description			
<b>Site Size:</b>	5.66± acres	<b>Usable Area:</b>	4.04± acres
<b>Shape:</b>	Generally rectangular	<b>Zoning:</b>	I-1/Light Industrial
<b>Topography:</b>	Level terrain	<b>Utilities:</b>	Public
<b>Access/Visibility:</b>	Fair		

Sales Data			
<b>Date of Sale:</b>	6/28/2017	<b>Sales Price:</b>	\$850,000
<b>Property Rights:</b>	Fee Simple	<b>Price per Unit:</b>	\$210,396 per usable acre
<b>Seller:</b>	True World Foods DC, LLC	<b>Liber//Folio:</b>	39745/498
<b>Buyer:</b>	M and C Hauling and Const. Inc.	<b>Terms of Sale:</b>	Arm's Length
<b>Data Source:</b>	Public Record, MDAT, Deed, visual inspection, PG Atlas, MERLIN, MDOT SHA traffic count map, broker		

**Comments:** This comparable consists of one parcel of land. The broker confirmed that the transaction was arms-length and stated that it was the buyer's intension to park trucks and construction equipment on the property.

A positive adjustment was applied to reflect improving market conditions since time of sale and a lower ratio of surplus land to usable acreage compared to the subject. A negative adjustment was applied for superior legal and physical access to a public road (no future access easement required). The property has not been sold within the last three years other than the transaction listed on the previous page.

## **Sales Comparables Analysis**

The above sales have been analyzed and compared with the subject property. Adjustments have been made for the following elements of comparison:

- Property Rights Sold
- Financing
- Conditions of Sale
- Expenditures After Purchase
- Market Trends
- Location
- Physical Characteristics
- Economic Characteristics
- Non-Realty Components

Our analysis is presented on the following page, and shows the subject property, the comparables and the applicable adjustments.

## Comparable Sales Grid

	<u>Subject</u>	<u>Comp #1</u>	<u>Comp #2</u>	<u>Comp #3</u>	<u>Comp #4</u>
PROPERTY ADDRESS	Parcel 349, Flowers Road	12405 SW Crain Highway	7700 Matapeake Business Drive	8401 Walker Mill Road	7520 Ogden Drive
City	Upper Marlboro	Brandywine	Brandywine	Capitol Heights	Clinton
<b>GENERAL INFORMATION</b>					
Sale Price		\$775,000	\$1,000,000	\$1,275,000	\$850,000
	Effective Date				
Sale Date	7/6/2019	11/30/2018	8/9/2018	3/9/2018	6/28/2017
Zoning	I-1	I-1	I-1	I-1	I-1
Site Size- Acres (+/-)	10.92	6.09	18.58	9.55	5.66
Usable Acres (+/-)	5.25	3.50	14.00	6.50	4.04
Unit of Measure	Acre	Acre	Acre	Acre	Acre
Utilities	Public available	Public	Public	Public	Public
Unadjusted Sales Price/Usable Acres		<b>\$221,429</b>	<b>\$71,429</b>	<b>\$196,154</b>	<b>\$210,396</b>
<b>ELEMENTS OF COMPARISON</b>					
<b>TRANSACTION ADJUSTMENTS</b>					
Property Rights Conveyed		0%	0%	0%	0%
	Adjusted Sale Price	775,000	1,000,000	1,275,000	850,000
Financing Terms		0%	0%	0%	0%
	Adjusted Sale Price	775,000	1,000,000	1,275,000	850,000
Conditions of Sale		\$ -	\$ -	\$ -	\$ -
	Adjusted Sale Price	775,000	1,000,000	1,275,000	850,000
Expenditures After Sale		\$ -	\$ 1,500,000	\$ 50,000	\$ -
	Adjusted Sale Price	775,000	2,500,000	1,325,000	850,000
Market Conditions (Time)		0%	3%	4%	6%
	Adjusted Sale Price	775,000	2,575,000	1,378,000	901,000
<b>PROPERTY ADJUSTMENTS</b>					
Location		-10%	-10%	0%	0%
Access/Visibility		-5%	0%	-20%	0%
Easement Required		-5%	-5%	-5%	-5%
<b>Physical Characteristics</b>					
Size		0%	0%	0%	0%
Utilities		0%	0%	0%	0%
Topography		0%	0%	0%	0%
Surplus Area		5%	10%	10%	10%
<b>ECONOMIC CHARACTERISTICS</b>					
Zoning		0%	0%	0%	0%
<b>Net Property Adjustments</b>					
		-15%	-5%	-15%	5%
Market Value Indication		\$658,750	\$2,446,250	\$1,171,300	\$946,050
Usable Acres (+/-)		3.50	14.00	6.50	4.04
<b>INDICATED VALUE (\$/Usable Acre)</b>		<b><u>\$188,214.29</u></b>	<b><u>\$174,732.14</u></b>	<b><u>\$180,200.00</u></b>	<b><u>\$234,170.79</u></b>

## **Comparable Sales Adjustments**

### **Property Rights**

A transaction price is always predicated on the real property interests conveyed. The real property rights being valued in this appraisal represent the fee simple interest. The comparable sales included in this analysis all conveyed fee simple interests. Therefore, no adjustments are applied.

### **Financing**

Consideration was given to the influence of financing terms and arrangements. However, because all the sales were either all cash or market financed no adjustments for financing are warranted.

### **Conditions of Sale**

All comparables were arms-length transactions and were sold under fairly negotiated terms. Additionally, there were no excessive sales concessions or distressed sale conditions; no adjustments were necessary.

### **Expenditures after Purchase**

A positive adjustment was applied to comparable #2 because the broker stated that approximately \$1,500,000 was needed to compensate for inadequate soils required to support future development. A positive adjustment was also applied to comparable #3 as it was in need of site cleanup estimated to cost \$50,000.

Comparable #1 and #4 did not required excessive expenditures immediately after the sale and therefore no adjustments were necessary in this category.

### **Market Trends or Conditions**

This adjustment takes into consideration variances in market conditions over a specified period. Although often referred to as a time adjustment, time itself is not the cause of the adjustment. A positive adjustment was applied to comparable #2, #3 and #4 to reflect improving market conditions since their times of sale. An adjustment was not applied to comparable #1. Real estate market statistics from the RealEstate Business Intelligence Report (RBI), CoStar analytics in conjunction with other published market data as well as interviews with commercial real estate brokers have been used as the basis for this adjustment.

### **Location**

Time-distance relationships and linkages of the comparables and subject property should also be analyzed and adjusted for as necessary. A negative adjustment was applied to comparable #1 and #2 as they are located in an area which, had higher real estate prices compared to the subject area. An adjustment was not made in this category to comparable #3 and #4.

### **Access / Visibility**

A negative adjustment was applied to comparable #1 for superior access/visibility with higher traffic counts and easier access to major roads. A negative adjustment was also applied to

comparable #3 for far superior access/visibility at the signalized intersection of Walker Mill Road and Ritchie Road. No other adjustments were necessary in this category.

### **Easement Required**

A negative adjustment was applied to all comparables for superior legal and physical access to public roads as they, unlike the subject, did not need an access easement to their properties.

## **Physical Characteristics**

### **Size (Usable Acres)**

The general tendency is that the usable acreage, the lower the cost per unit. Our study indicates there is no discernible variance in price per unit as it relates to the usable acreage of the I-1 zoned sites; no adjustments were necessary in this category.

### **Utilities**

Like the subject, all comparables had access to public utilities. Adjustments were not necessary.

### **Topography**

Topographical characteristics affect the value of land sales as the lot utility is quickly diminished and development costs can also dramatically increase. The comparables are similar to the subject with few topographical limitations. Therefore, no adjustments were applied in this category.

### **Surplus Area**

A positive adjustment was applied to all comparables for lower ratio of surplus land to usable land compared to the subject. While substantially less valuable than usable land, surplus land can add to the overall value to a site due to required setbacks and density calculations.

## **Economic Characteristics**

### **Zoning**

All comparables are situated in the same zoning classification, I-1/Light Industrial as the subject; no adjustments were necessary in this category.

## **Sales Comparison Approach Conclusion**

The adjusted values of the comparable properties range from \$174,732.14 to \$234,170.79 per usable acre. All the value indications have been considered, and in the final analysis, the most weight was placed on comparable #1, #2 and #3 which are the newest sales and sold for the close adjusted range of \$174,732.14 to \$188,214.29 per usable acre.

Based on this analysis, we have arrived at the following conclusions:

### **Market Value As Is**

\$180,000 per acre x 5.25 usable acres = \$945,000

**Rounded to \$950,000, as of July 6, 2019**

## Final Reconciliation

---

The process of reconciliation involves the analysis of each approach to value. The quality of data applied, the significance of each approach as it relates to market behavior and defensibility of each approach are considered and weighed. Finally, each is considered separately and comparatively with each other.

### Value Indications

Sales Comparison Approach:	\$950,000
Cost Approach:	Not Developed
Income Approach:	Not Developed

The values expressed represent the As Is condition of the subject property, as of July 6, 2019 and reflect the subject property's fee simple interest.

### Sales Comparison Approach

The Sales Comparison Approach was applied as there is adequate data (i.e., comparable sales) from which to develop a value estimate and this approach is considered well suited to appraising this property type. Numerous sales of similar properties have been investigated, and only the most pertinent sales have been chosen.

### Cost Approach

The Cost Approach is generally more reliable for special purpose or non-income producing, recently completed and to-be-completed properties. The subject property represents one parcel of raw land situated within the I-1/Light Industrial zoning district. The opinion of the subject's value is adequately supported by the development of the Sales Comparison approach.

### Income Approach

The Income Approach to value was considered and was not applied because the subject parcel represents raw land situated within the I-1/ Light Industrial zoning district. In our opinion the highest and best use of the property is for future development. Due to a lack of any income generating potential for the property in the foreseeable future the income approach was considered but not developed.

## Value Conclusion

---

Based on the data and analyses developed in this appraisal, we conclude that the Sales Comparison Approach is the most relevant and applicable approach to use in our valuation of the subject property. As a parcel of land zoned I-1/Light Industrial, with no improvements, and most likely to be purchased for the primary purpose of future development, I have applied the greatest weighting to the Sales approach to value.

We have reconciled to the following value conclusions, subject to the Extraordinary Assumptions, Underlying Assumptions, Contingent and Limiting Conditions of this appraisal:

	<b>Market Value As Is</b>
Value Conclusion:	\$950,000
Effective Date:	July 6, 2019
Property Rights:	Fee Simple Interest

# Addendum

## Letter of Engagement



PRINCE GEORGE'S COUNTY GOVERNMENT  
Office of Central Services  
1400 McCormick Drive, #336  
Largo, MD 20774

### REQUEST FOR WRITTEN APPRAISAL QUOTE

TO: Treffer Appraisal Group  
1244 Ritchie Highway, Suite 19  
Arnold, MD 21012  
Appraisals@treffergroup.com

From: Benjamin Hobbs, Sr. Realty Specialist  
Tele#: (301) 883-6467  
Email: bhobbs@co.pg.md.us

Issue Date: 5/30/2019

Response due by: June 5, 2019

ITEM#	DESCRIPTION	QTY	UNIT MEA.	UNIT PRICE
6	Property located at:  Flowers Road, Upper Marlboro 20774 (Map 82, Grid C4, Parcel 349)  (TID 06-0597559)	1		

(PRICING INCLUSIVE OF SHIPPING CHARGES)

NOTE: AWARD WILL BE MADE TO LOWEST RESPONSIVE/RESPONSIBLE BIDDER:

FOB DESTINATION PRINCE GEORGE'S COUNTY

PAYMENT TERMS NET 30 DELIVERY TIME 30 DAYS

AUTHORIZED SIGNATURE: Thomas Wierand DATE: 6-5-19

TYPED/PRINTED NAME OF ABOVE Thomas Wierand

TELEPHONE NUMBER 410 544-7744 EMAIL APPRAISALS@TREFFERGROUP.COM

PRICE HOLD FOR ADDITIONAL 30 Days  60 Days  90 Days  120 Days

CERTIFICATION (CHECK ALL THAT APPLY) MBE  CBMBE  CBB  CBSB  CLB

Mastercard Credit Card Acceptance The Prince George's County Government is engaged in a Mastercard purchasing Program and may use at it's option, the Mastercard in addition to purchase orders for purchases made under any contract resulting from this solicitation. Please list all major credit cards accepted by your company

Revised 2/22/17

Deed

- 8116 349

THIS DEED

Made this 7<sup>th</sup> day of November in the year one thousand nine hundred and ninety-one by and between FLOWERS ROAD JOINT VENTURE, party of the first part, and PRINCE GEORGE'S COUNTY, MARYLAND, a body corporate and politic, party of the second part:

*Flowers*

WITNESSETH, that in consideration of Four Hundred Sixty-Six Thousand (\$466,000.00) Dollars, and other valuable considerations, the receipt of which is hereby acknowledged, the said party of the first part does grant and convey unto Prince George's County, Maryland, a body corporate and politic, party of the second part, all its successors and assigns, in fee simple all that piece or parcel of ground situate, lying and being in the Sixth Election District of Prince George's County, State of Maryland, being part of the same land which the said party of the first part, Flowers Road Joint Venture, obtained from Mary E. Kellam and Valerie Kline, by Deed dated the 18th day of February, 1988, recorded in the Land Records of Prince George's County, in Liber 6906 at Folio 209 and being described as follows, to wit:

SEE ATTACHMENTS "A", "B" AND "C"

FILE NO.  
140-71-3-A

TOGETHER with the building and improvements thereupon, erected, made or being; and all and every, the rights, alleys, ways, waters, privileges, appurtenances, advantages, to the same belonging or in anywise pertaining.

AND the said party of the first part covenants that they will warrant specially the property hereby conveyed and that they will execute such further assurances of said land as may be requisite.

WITNESS their hands and seals.

TEST:

FLOWERS ROAD JOINT VENTURE

*Phylicia M. Haly-Person*

*Mary E. Kellam* (SEAL)  
Mary E. Kellam, General Partner

*Phylicia M. Haly-Person*

*Valerie Kline* (SEAL)  
Valerie Kline, General Partner

Nov 12 2 45 PM '91  
CLERK OF THE  
CIRCUIT COURT

FILED AND RECORDED

8116 350

Monica M. Haley - Person

Lawrence J. Hogan, Jr. (SEAL)  
Lawrence J. Hogan, Jr. General  
Partner

Monica M. Haley - Person

William E. Knight (SEAL)  
William E. Knight, General  
Partner

STATE OF MARYLAND :  
COUNTY OF PRINCE GEORGE'S : SS

I HEREBY CERTIFY that on this 7<sup>th</sup> day of NOVEMBER, 1991, before the subscriber, a Notary Public in and for the State and County aforesaid personally appeared Mary E. Kellam, General Partner, and did acknowledge the foregoing Deed to be her act.

WITNESS my official seal this 7<sup>th</sup> day of NOVEMBER, 1991.

Monica M. Haley - Person  
Notary Public  
My Commission expires \_\_\_\_\_  
MONICA M. HALEY-PERSON  
NOTARY PUBLIC STATE OF MARYLAND  
My Commission Expires January 1, 1993

NOTARIAL SEAL

STATE OF MARYLAND :  
COUNTY OF PRINCE GEORGE'S : SS

I HEREBY CERTIFY that on this 7<sup>th</sup> day of NOVEMBER, 1991, before the subscriber, a Notary Public in and for the State and County aforesaid personally appeared Valerie Kline, General Partner, and did acknowledge the foregoing Deed to be her act.

WITNESS my official seal this 7<sup>th</sup> day of NOVEMBER, 1991.

Monica M. Haley - Person  
Notary Public  
My Commission expires \_\_\_\_\_

NOTARIAL SEAL

-2-

MONICA M. HALEY-PERSON  
NOTARY PUBLIC STATE OF MARYLAND  
My Commission Expires January 1, 1993

- 8116 351

STATE OF MARYLAND :  
COUNTY OF PRINCE GEORGE'S : SS

I HEREBY CERTIFY that on this 7<sup>th</sup> day of November, 1991, before the subscriber, a Notary Public in and for the State and County aforesaid personally appeared Lawrence J. Hogan, Jr., General Partner, and did acknowledge the foregoing Deed to be his act.

WITNESS my official seal this 7<sup>th</sup> day of November, 1991.

*Monica M. Haley-Person*  
Notary Public  
My Commission expires \_\_\_\_\_

NOTARIAL SEAL

MONICA M. HALEY-PERSON  
NOTARY PUBLIC STATE OF MARYLAND  
My Commission Expires January 1, 1993

STATE OF MARYLAND :  
COUNTY OF PRINCE GEORGE'S : SS.:

I HEREBY CERTIFY that on this 7<sup>th</sup> day of November, 1991, before the subscriber, a Notary Public in and for the State and County aforesaid personally appeared William E. Knight, General Partner, and did acknowledge the foregoing Deed to be his act.

WITNESS my official seal this 7<sup>th</sup> day of November, 1991.

*Monica M. Haley-Person*  
Notary Public  
My Commission expires \_\_\_\_\_

NOTARIAL SEAL

MONICA M. HALEY-PERSON  
NOTARY PUBLIC STATE OF MARYLAND  
My Commission Expires January 1, 1993

THE UNDERSIGNED, a member in good standing of the Bar of the Court of Appeals of Maryland, hereby certifies that the within instrument was prepared under his supervision.

*Frederic D. Ma...*

RECORDED  
 Nov. 12, 1991  
 NOV 12 1991  
 CLERK  
 PUBLIC RECORDS OFFICE

All taxes in assessments certified to the  
 County of ...  
 County Clerk ...  
 Date of ...  
 This statement is for ...  
 assessment already ...  
 for prior period, ...  
 satisfaction of ...

SCHEDULE "A"

DESCRIPTION  
OF A PARCEL TO BE ACQUIRED IN FEE SIMPLE  
AND A CONSTRUCTION EASEMENT  
FOR A STORMWATER MANAGEMENT POND

FLOWERS ROAD JOINT VENTURE  
TO  
PRINCE GEORGE'S COUNTY, MARYLAND

Being two pieces, parcels or tracts of land situate, lying and being in Spauldings Election District No. 6 of Prince George's County, Maryland, and being part of the property acquired by the owners by a deed from Mary E. Kellam and Valerie Kline dated February 18, 1988 and recorded among the Land Records of Prince George's County, Maryland, in Liber 6906 at Folio 209.

PART I

Beginning for a said fee simple parcel at a P.K. nail in concrete found at the beginning of the Sixth or South 06° 11' 58" West, 1409.85 foot line of Parcel 3 in the aforesaid deed in Liber 6906 at Folio 209, part of said Sixth line also being the North 06° 11' 58" East 302.56 foot line of Parcel "E" of a plat entitled Chester Grove Apartments, recorded August 23, 1978 among the Land Records of Prince George's County, Maryland, in Plat Book NLP-101 Plat No. 19, said point of beginning also being the end of aforesaid plat line, and running thence with all courses referred to meridian of the Washington Suburban Sanitary Commission.

- 1) South 06° 15' 05" West 302.56 feet binding along part of the aforesaid Sixth line to a point thereon, thence running for new lines of division the following three courses and distances, viz:
- 2) South 46° 01' 10" West 289.55 feet to a point, thence
- 3) South 71° 05' 20" West 114.16 feet to a point, thence
- 4) North 80° 04' 42" West 223.81 feet to a point on the Third or North 33° 24' 56" East, 922.02 foot line of Parcel 3 in the aforesaid deed in Liber 6906 at Folio 209, 140.88 feet from the end thereof, said Third line also being the Second or South 34° 13' 19" West 922.02 foot line of Parcel 2 of the aforesaid deed in Liber 6906 at Folio 209, thence

binding along said Third Line

- 5) North 33° 28' 03" East 140.88 feet to the end thereof, thence binding along the Fourth or North 18° 39' 56" East 446.16 foot line of Parcel 3 in the aforesaid deed in Liber 6906 at Folio 209, said Fourth line also being the First or South 19° 28' 19" West 446.16 foot line of Parcel 2 of the aforesaid deed in Liber 6906 at Folio 209,
- 6) North 18° 43' 03" East 446.16 feet to the end of said Fourth line, thence binding along the Fifth or North 83° 32' 28" West 351.16 foot line of the aforesaid Parcel 3 in Liber 6906 at Folio 209, said Fifth line also being a southerly line of Parcel No. Two described in a deed dated January 14, 1952, recorded among the Land Records of Prince George's County, Maryland, in Liber 1454 at Folio 260, from Lansdale G. Sasscer and Samuel Z. Tayman to Alfred H. Smith and Mary W. Smith,
- 7) South 83° 29' 21" East 351.16 feet to the point of beginning containing 207,396 square feet or 4.7612 acres of land, more or less.

PART II

Beginning for a said fee simple parcel at the beginning of the First or South 19° 28' 19" West 446.16 foot line of Parcel 2 of the aforesaid deed in Liber 6906 at Folio 209, said First line also being the Fourth or North 18° 39' 56" East 446.16 foot line of Parcel 3 of the aforesaid deed in Liber 6906 at Folio 209, said First line also being the Sixth or North 18° 43' 03" East 446.16 foot line of the fee simple parcel described herein in Part I, and running thence with all courses referred to the meridian of the Washington Suburban Sanitary Commission,

- 1) South 18° 43' 03" West 446.16 feet binding along the said First line to the end thereof, thence binding along part of the Second or South 34° 13' 19" West 922.02 foot line of Parcel 2 of the aforesaid deed in Liber 6906 at Folio 209, Said Second line also being the Third or North 33° 24' 56" East 922.02 foot line of Parcel 3 of the aforesaid deed in

8116 355

Liber 6906 at Folio 209,

- 2) South  $33^{\circ} 28' 03''$  West 140.88 feet to a point thereon, this course and distance also being the Fifth or North  $33^{\circ} 28' 03''$  East 140.88 foot line of the fee simple parcel described herein in Part I, thence for new lines of division the following four courses and distances, viz:
  - 3) North  $80^{\circ} 04' 42''$  West 83.79 feet to a point, thence
  - 5) North  $09^{\circ} 46' 10''$  West 352.34 feet to a point, thence
  - 6) North  $05^{\circ} 29' 32''$  East 50.00 feet to a point, thence
  - 8) North  $21^{\circ} 47' 37''$  East 169.02 feet to a point on the Tenth or South  $83^{\circ} 46' 41''$  East 551.76 foot line of Parcel 2 of the aforesaid deed in Liber 6906 at Folio 209, 297.00 feet from the end thereof, said Tenth line also being a southerly line of Parcel No. Two described in a deed dated January 14, 1952, recorded among the Land Records of Prince George's County, Maryland, in Liber 1454 at Folio 260, from Lansdale G. Sasscer and Samuel Z. Tayman to Alfred H. Smith and Mary W. Smith, thence binding along said Tenth line
- 7) South  $84^{\circ} 31' 57''$  East 297.00 feet to the point of beginning containing 132,971 square feet or 3.0526 acres of land, more or less.

AND ALSO

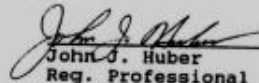
The right of Prince George's County to use an additional strip or parcel of land, lying to the West of the fee simple parcel described herein in Part II, adjacent, contiguous and parallel thereto, being 50.00 feet wide along the entire Fifth line thereof, during the period of original construction only of the said stormwater management pond within the above described fee simple parcel for any and all purposes pertinent thereto, including the right to trim or cut down trees, during the course of original construction.

S116 356

SUBJECT to all easements, covenants and restrictions of record.

Total area of fee simple parcels to be acquired from Flowers Road Joint Venture is 340,367 square feet or 7.8138 acres, more or less.

April 11, 1991  
Date

  
John J. Huber  
Reg. Professional Land Surveyor  
Maryland Registration #6043

Rummel, Klepper & Kahl  
81 Mosher Street  
Baltimore, Maryland 21217  
(301) 728-2900



8116 357

SCHEDULE "B"  
METES AND BOUNDS DESCRIPTION  
of a  
100 FOOT BUFFER STRIP  
on a  
PORTION OF THE PROPERTY  
of  
FLOWERS ROAD JOINT VENTURE  
SPAULDING'S ELECTION DISTRICT  
PRINCE GEORGE'S COUNTY, MARYLAND

Being a 100 foot Buffer strip through the property of Flowers Road Joint Venture as acquired by Deed dated February 18, 1988 and recorded in Liber 6906 at Folio 209, being more particularly described as follows:

Beginning for the same at a point in the Northerly line of the property of Flowers Road Joint Venture, and in the Southerly line of the Property of Alfred H. Smith Et Ux as recorded in Liber 1454 folio 260, said point being South 83 degrees 29 minutes 21 seconds East 351.16 feet and South 84 degrees 31 minutes 57 seconds East 297.00 feet from the Northwesterly most corner of Parcel "E", Chester Grove Apartments as recorded in Plat Book NLP 101 as Plat 19; thence departing the said Point of Beginning and through the property of Flowers Road Joint Venture (Parcel 2) the following Four (4) courses and distances South 21 degrees 47 minutes 37 seconds West 169.02 feet; and South 05 degrees 29 minutes 32 seconds West 50.00 feet, and South 09 degrees 46 minutes and 10 seconds East 352.34 feet and South 80 degrees 04 minutes 42 seconds East 83.74 feet to a point in (Parcel 3) Flowers Road Joint Venture; thence with the line of (Parcel 3) South 33 degrees 28 minutes 19 seconds West 109.09 feet to a point; thence departing (Parcel 3) and through (Parcel 2) the following four (4) courses and distances North 80 degrees 04 minutes 42 seconds West 110.58 feet, and North 09 degrees 46 minutes 10 seconds West 436.16 feet and North 05 degrees 29 minutes 32 seconds East 77.72 feet, and North 21 degrees 47 minutes 37 seconds East 154.06 feet to a point in the Southerly line of Alfred H. Smith Et Ux; thence with the line of Smith South 84 degrees 31 minutes 57 seconds East 104.20 feet to the said Point of Beginning and containing 71,681 square feet.



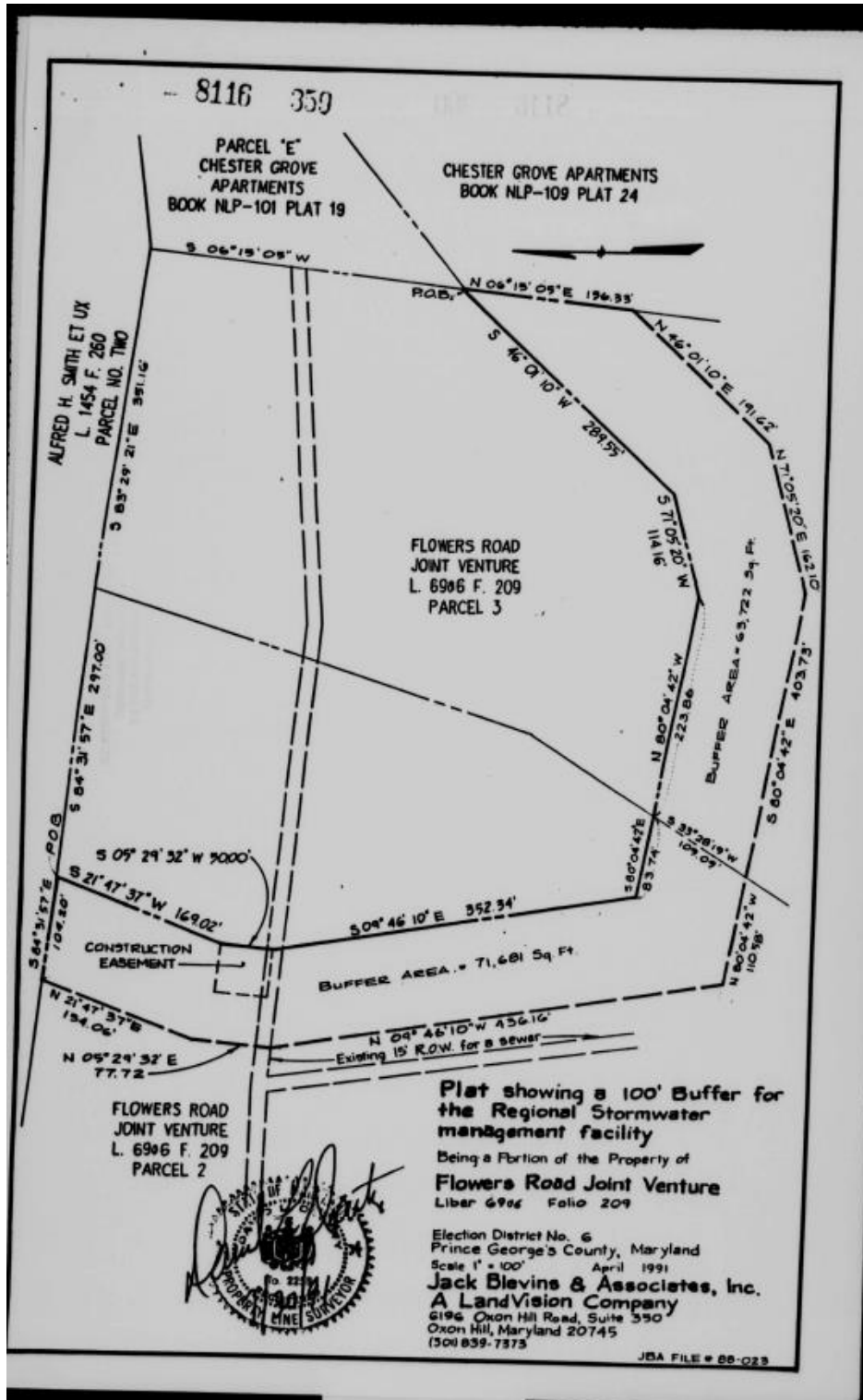
SCHEDULE "C"  
METES AND BOUNDS DESCRIPTION  
of a  
100 FOOT BUFFER STRIP  
on a  
PORTION OF THE PROPERTY  
of  
FLOWERS ROAD JOINT VENTURE  
SPAULDING'S ELECTION DISTRICT  
PRINCE GEORGE'S COUNTY, MARYLAND

Said Buffer being a 100 foot wide strip of land through the property of Flowers Road Joint Venture as acquired by Deed dated February 18, 1988 and recorded in Liber 6906 at Folio 209. Said Buffer being more particularly described as follows:

Beginning at a point on the Easterly line of the property of Flowers Road Joint Venture and also being the Southwesterly most corner of Parcel "E" Chester Grove Apartments as recorded in Plat Book NLP 101 Plat 19, and also being the Northwesterly most corner of Chester Grove Apartments as recorded in Plat Book 109 as Plat 24; thence departing the said Point of Beginning and through the property of Flowers Road Joint Venture (Parcel 3) the following three (3) courses and distances:

South 46 degrees 01 minutes 10 seconds West 289.55 feet; and South 71 degrees 05 minutes 20 seconds West 114.16 feet, and North 80 degrees 04 minutes and 42 seconds West 223.86 feet to a point on the line of Flowers Road Joint Venture (Parcel 2); thence with the line of Parcel 2 South 33 degrees 28 minutes 19 seconds West 109.09 feet to a point; thence departing the line of Parcel 2 and through Parcel 3 the following three (3) courses and distances: South 80 degrees 04 minutes 42 seconds East 403.73 feet and North 71 degrees 05 minutes 20 seconds East 162.10 feet and North 46 degrees 01 minutes 10 seconds East 191.62 feet to a point in the Westerly line of Chester Grove Apartments Plat Book NLP 109 at Plat 24, thence with the line of Flowers Road Joint Venture and with the line of Chester Grove Apartments North 06 degrees 15 minutes 05 seconds East 136.33 feet to the Point of Beginning and containing 63.722 square feet of land more or less.





- S116 360

RETURN TO:  
HENRY D. HASLINGER  
OFFICE OF PUBLIC WORKS & TRANSPORTATION  
SIXTH FLOOR  
1000 PENNSYLVANIA AVENUE, SUITE 310  
ANNAPOLIS, MARYLAND 21403

# Bulk Regulations

(b) TABLE 1 - SETBACKS (Minimum in Feet)

USE	ZONE			
	I-1	I-2	I-3	I-4
From street:				
In General	25 <sup>4,10</sup>	25 <sup>4,10</sup>	-	25 <sup>4,10</sup>
Freeway	-	-	50 <sup>9,10</sup>	-
All Except Freeway	-	-	30 <sup>9,10,11</sup>	-
From adjoining land in any Residential Zone (or land proposed to be used for residential purposes on an approved Basic Plan for a Comprehensive Design Zone, or any approved Conceptual or Detailed Site Plan):				
All Yards	-	-	50 <sup>1,3,10</sup>	-
Side Yard	20 <sup>6,10</sup>	20 <sup>6,10</sup>	-	75 <sup>10</sup>
Rear Yard	20 <sup>6,10</sup>	20 <sup>6,10</sup>	-	75 <sup>10</sup>
From adjoining land in any nonresidential zone:				
All Yards	-	-	20 <sup>2,3,10,11</sup>	-
Side Yard	30 <sup>8,10</sup>	30 <sup>8,10</sup>	-	30 <sup>5</sup>
Rear Yard	None <sup>7,10</sup>	None <sup>7,10</sup>	-	None <sup>10</sup>
Between unattached buildings			The height <sup>8,10,11</sup> of the taller building	The height <sup>8,10</sup> of the taller building

1	Plus one (1) foot for each foot of building height up to a maximum of one hundred twenty-five (125) feet required.
2	Plus one (1) foot for each foot of building height up to a maximum of seventy-five (75) feet required.
3	Including surface parking and loading areas, except that fifty percent (50%) of this additional required yard (created under Footnote 1 or 2) may be used for surface parking.
4	For this regulation, a street shall mean a right-of-way line, as shown on the current approved Master Plan, Functional Master Plan of Transportation, or General Plan, Prince George's County Capital Improvement Program, or Maryland State five (5) Year Highway Construction Program, whichever indicates the greatest right-of-way width. Any other street shall be deemed to have a right-of-way of at least seventy (70) feet.
5	May be one (1) or two (2) side yards for a total of thirty (30) feet.
6	Plus one-third (1/3) foot for every one (1) foot of building height above thirty (30) feet shall be provided.
7	Except that if the building is more than thirty (30) feet high, a setback of one-third (1/3) foot for every one (1) foot of building height above thirty (30) feet shall be provided.
8	With a minimum of twenty-five (25) and a maximum one hundred fifty (150) feet required.
9	Applies to surface parking and loading area.
10	Towers, whips, poles, and antennae and supporting structures, excluding guy wires, shall be set back one-half (1/2) foot for each foot of structure height. (CB-8-1990; CB-123-1994)
11	For property located within one (1) mile of any land owned by the Washington Metropolitan Area Transit Authority and used as a rail transit station with the exception of property located in a Development District Overlay Zone or a Transit District Overlay Zone, the minimum setback from any street except a Freeway, in all yards from adjoining land in any non-residential zone and the minimum setback between unattached buildings shall be ten (10) feet. (CB-15-2008)

(c) TABLE II - NET LOT AREA (Minimum in Square Feet)

USE	ZONE			
	I-1	I-2	I-3	I-4
Each lot	-	-	87,120	

1	The net lot area may be less than that required, if the lot was classified in the I-3 Zone either before October 31, 1977, or by a Sectional Map Amendment, provided the owner does not own abutting undeveloped property zoned I-3 that could be used to satisfy the required area.
---	--

(d) TABLE III - LOT FRONTAGE (Minimum In Feet)

USE	ZONE			
	I-1	I-2	I-3	I-4
Frontage:				
On a street other than a cul-de-sac	-	-	150	
On a cul-de-sac	-	-	75	

(e) TABLE IV - BUILDING COVERAGE AND GREEN AREA

USE	ZONE			
	I-1	I-2	I-3	I-4
Building coverage (Maximum % of net lot area)	-	-	45 <sup>2</sup>	30 <sup>1</sup>
Green area (Minimum % of net lot area)	10	10	25 <sup>2</sup>	25

1	For a one (1) story building, only. Buildings exceeding a height of one (1) story must have a lesser lot coverage, in order to maintain a floor area ratio of 0.3 (or less).
2	For property located within one mile of any land owned by the Washington Metropolitan Area Transit Authority and used as a rail transit station with the exception of property located in a Development District Overlay Zone or a Transit District Overlay Zone, the maximum percentage of building coverage shall be ninety percent (90%) and the minimum green area shall be ten percent (10%). (CB-15-2008)

## Definitions

Definitions are taken from the Dictionary of Real Estate Appraisal, 5<sup>th</sup> Edition, the Uniform Standards of Professional Appraisal Practice (USPAP) and Building Owners and Managers Association International (BOMA).

- **Absolute Net Lease-** A lease in which the tenant pays all expenses including structural maintenance, building reserves, and management; often a long-term lease to a credit tenant.
- **Additional Rent-** Any amounts due under a lease that is in addition to base rent. Most common form is operating expense increases.
- **Amortization-** The process of retiring a debt or recovering a capital investment, typically through scheduled, systematic repayment of the principle; a program of periodic contributions to a sinking fund or debt retirement fund.
- **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.
- **Base (Shell) Building-** The existing shell condition of a building prior to the installation of tenant improvements. This condition varies from building to building, landlord to landlord, and generally involves the level of finish above the ceiling grid.
- **Base Rent-** The minimum rent stipulated in a lease.
- **Base Year-** the year on which escalation clauses in a lease are based.
- **Building Common Area-** The areas of the building that provide services to building tenants, but which are not included in the rentable area of any specific tenant. These areas may include, but shall not be limited to, main and auxiliary lobbies, atrium spaces at the level of the finished floor, concierge areas or security desks, conference rooms, lounges or vending areas, food service facilities, health or fitness centers, daycare facilities, locker or shower facilities, mail rooms, fire control rooms, fully enclosed courtyards outside the exterior walls, and building core and service areas, such as fully enclosed mechanical or equipment rooms. Specifically excluded from building. Common areas are; floor common areas, parking spaces, portions of loading docks outside the building line, and major vertical penetrations. (BOMA)
- **Building Rentable Area-** The sum of all floor rentable areas. Floor rentable area is the result of subtracting from the gross measures area of a floor the major vertical penetrations on that same floor. It is generally fixed for the life of the building and is rarely affected by changes in corridor size or configuration. (BOMA)
- **Certificate of Occupancy (COO)-** A statement issues by a local government verifying that a newly constructed building follows all codes and may be occupied.
- **Common Area (Public) Factor-** In a lease, the common area (public) factor is the multiplier to a tenant's useable space that accounts for the tenant's proportionate share of the common area (restrooms, elevator lobby, mechanical rooms, etc.). The public factor is usually expressed as a percentage and ranges from a low of 5% for a full tenant to as high as 15% or more for a multi-tenant floor. Subtracting one (1) from the quotient of the rentable area divided by the useable area yields the load (public) factor. At times confused with the "loss factor" which is the total rentable area of the full floor less the useable area divided by the rentable area. (BOMA)
- **Common area Maintenance (CAM)-** The expense of operating and maintaining common areas; may or may not include management charges and usually does not include capital expenditures on tenant improvements or other improvements to the property. CAM can be a line-item expense for a group of items that can include maintenance of the parking lot and landscaped areas and sometimes the exterior walls of the buildings. CAM can refer to all operating expenses. CAM can refer to the reimbursement by the tenant to the landlord for all

expenses reimbursable under the lease. Sometimes reimbursements have what is called an administrative load. An example would be a 15% addition to total operating expenses, which are then prorated among tenants. The administrative load, also called an administrative and marketing fee, can be a substitute for an addition to a management fee.

- Condominium- A form of ownership in which each owner possesses the exclusive right to use and occupy an allotted unit plus an undivided interest in common areas. A multiunit structure or a unit within such a structure, with a condominium form of ownership.
- Conservation Easement- An interest in real property restricting future land use to preservation, conservation, wildlife habitat, or some combination of those use. A conservation easement may permit farming, timber harvesting, or other uses of a rural nature to continue, subject to the easement. In some locations, a conservation easement may be referred to as a conservation restriction.
- Contributory Value- The change in the value of a property as a whole, whether positive or negative, resulting from the addition or deletion of a property component. Also called deprival value in some countries.
- Debt Coverage Ratio (DCR)- The ratio of net operating income to annual debt service ( $DCR = NOI/I^m$ ), which measures the relative ability to a property to meet its debt service out of net operating income. Also called Debt Service Coverage Ratio (DSCR). A larger DCR indicates a greater ability for a property to withstand a downturn in revenue, providing an improved safety margin for a lender.
- Deed Restriction- A provision written into a deed that limits the use of land. Deed restrictions usually remain in effect when title passes to subsequent owners.
- Depreciation-
  - 1) In appraising, the loss in a property value from any cause; the difference between the cost of an improvement on the effective date of the appraisal and the market value of the improvement on the same date.
  - 2) In accounting, an allowance made against the loss in value of an asset for a defined purpose and computed using a specified method.
- Disposition Value- The most probably price that a specified interest in real property is likely to bring under the following conditions:
  - Consummation of a sale within an exposure time specified by the client;
  - The property is subjected to market conditions prevailing as of the date of valuation;
  - Both the buyer and seller are acting prudently and knowledgeably;
  - The seller is under compulsion to sell;
  - The buyer is typically motivated;
  - Both parties are acting in what they consider to be their best interests;
  - An adequate marketing effort will be made during the exposure time specified by the client;
  - Payment will be made in cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
  - The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.
- Easement- The right to use another's land for a stated purpose.
- EIFS- Exterior Insulation Finishing System. This is a type of exterior wall cladding system. Sometimes referred to as dry-vit.
- Effective Date-
  - 1) The date at which the analyses, opinions, and advice in an appraisal, review, or consulting service apply.
  - 2) In a lease document, the date upon which the lease goes into effect.

- Effective Rent- The rental rate net of financial concessions such as periods of no rent during the lease term and above- or below-market tenant improvements (TI's).
- EPDM- Ethylene Diene Monomer Rubber. A type of synthetic rubber typically used for roof coverings.
- Escalation Clause- A clause in an agreement that provides for the adjustment of a price or rent based on some event or index, e.g., a provision to increase rent if operating expenses increase; also called an expense recovery clause or stop clause.
- Estoppel Certificate- A statement of material factors or conditions on which another person can rely because it cannot be denied at a later date. In real estate, a buyer of rental property typically requests estoppel certificates from existing tenants. Sometimes referred to as an estoppel letter.
- Excess Land- Land that is not needed to serve or support the existing improvement. The highest and best use of the excess land may or may not be the same as the highest and best use of the improved parcel. Excess land may have the potential to be sold separately and is valued separately.
- Expense Stop- A clause in a lease that limits the landlord's expense obligation, which results in the lessee paying any operating expenses above a stated level or amount.
- Exposure Time-
  - 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.
- Extraordinary Assumption- An assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser's opinions or conclusions. Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property such as market conditions or trends, or about the integrity of data used in an analysis.
- Fee Simple Estate- 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.
- Floor Common Area- Areas of a floor such as washrooms, janitorial closets, electrical rooms, telephone rooms, mechanical rooms, elevator lobbies, and public corridors which are available primarily for the use of tenants on that floor. (BOMA)
- Full Service (Gross) Lease- A lease in which the landlord receives stipulated rent and is obligated to pay all of the property's operating and fixed expenses; also called a full-service lease.
- Going Concern Value-
  - The market value of all the tangible and intangible assets of an established and operating business with an indefinite life, as if sold in aggregate; more accurately termed the market value of the going concern.
  - The value of an operating business enterprise. Goodwill may be separately measured but is an integral component of going-concern value when it exists and is recognizable.
- Gross Building Area (GBA)- Total floor area of a building, excluding unenclosed areas, measured from the exterior of the walls; includes both the superstructure floor area and the substructure or basement area.
- 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.

- **Gross Up Method-** A method of calculating variable operating expense in income-producing properties when less than 100% occupancy is assumed. The gross up method approximates the actual expense of providing services to the rentable area of a building given a specified rate of occupancy.
- **Ground Lease-** A lease that grants the right to use and occupy land. Improvements made by the ground lessee typically revert to the ground lessor at the end of the lease term.
- **Ground Rent-** The rent paid for the right to use and occupy land according to the terms of a ground lease; the portion of the total rent allocated to the underlying land.
- **HVAC-** Heating, ventilation, air conditioning. General terms encompassing any system designed to heat and cool a building in its entirety.
- **Highest & Best Use-** 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:
  - 1) Legal permissibility,
  - 2) Physical possibility,
  - 3) Financial feasibility, and
  - 4) Maximally profitability.

Alternatively, the probably use of land or improved property-specific with respect to the user and timing of the use-that is adequately supported and results in the highest present value.
- **Hypothetical Condition-** That, which is contrary to what exists but is supposed for the purpose of analysis. Hypothetical conditions assume conditions contrary to known facts about physical, legal, or economic characteristics of the subject property, such as market conditions or trends; or about the integrity of data used in an analysis.
- **Industrial Gross Lease-** A lease of industrial property in which the landlord and tenant share expenses. The landlord received stipulated rent and is obligated to pay certain operating expenses, often structural maintenance, insurance, and real estate taxes as specified in the lease. There are sufficient regional and local differences in the use of this term.
- **Insurable Value-** A type of value for insurance purposes. (Typically, this includes replacement cost less basement excavation, foundation, underground piping, and architect's fees).
- **Investment Value-** The value of a property interest to a particular investor or class of investors based on the investor's specific requirements. Investment value may be different from market value because it depends on a set of investment criteria that are not necessarily typical of the market.
- **Just Compensation-** In condemnation, the amount of loss for which a property owner is compensated when his or her property is taken. Just compensation should put the owner in as good a position as he or she would be if the property had not been taken.
- **Lease Fee Interest-** 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).
- **Leasehold Interest-** The tenant's possessory interest created by a lease.
- **Lessee (Tenant) -** One who has the right to occupancy and use of the property of another for a period of time according to a lease agreement.
- **Lessor (Landlord) -** One who conveys the rights of occupancy and use to others under a lease agreement.
- **Liquidation Value-** The most probable price that a specified interest in real property should bring under the following conditions:
  - Consummation of a sale within a short period.
  - The property is subjected to market conditions prevailing as of the date of valuation.
  - Both the buyer and seller are acting prudently and knowledgeably.
  - The seller is under extreme compulsion to sell.
  - The buyer is typically motivated.

- Both parties are acting in what they consider to be their best interests.
- A normal marketing effort is not possible due to the brief exposure time.
- Payment will be made in cash in U.S. dollars or in terms of financial arrangements comparable thereto.
- The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.
- Loan to Value Ratio (LTV) - The amount of money borrowed in relation to the total market value of a property. Expressed as a percentage of the loan amount divided by the property value.
- Major Vertical Penetrations- Stairs, elevator shafts, flues, pipe shafts, vertical ducts, and the like, and their enclosing walls. Atria lightwells and similar penetrations built for the private use of a tenant occupying office areas on more than one floor. Structural columns, openings for vertical electric cable or telephone distribution, and openings for plumbing lines are not considered to be major vertical penetrations (BOMA).
- Market Value- The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently, and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition, is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:
  - a) Buyer and seller are typically motivated;
  - b) Both parties are well informed or well advised, and acting in what they consider their own best interests;
  - c) A reasonable time is allowed for exposure in the open market;
  - d) Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
  - e) The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.
- Market Rent- The most probable rent that a property should bring in a competitive and open market reflecting all conditions and restrictions of the lease agreement including permitted uses, use restrictions, expense obligations; term, concessions, renewal and purchase options and tenant improvements (TI's).
- Market Value As If Complete- Market value as if complete means the market value of the property with all proposed construction, conversion or rehabilitation hypothetically completed or under other specified hypothetical conditions as of the date of the appraisal. With regard to properties wherein anticipated market conditions indicate that stabilized occupancy is not likely as of the date of completion, this estimate of value shall reflect the market value of the property as if complete and prepared for occupancy by tenants.
- Market Value As If Stabilized- Market value as if stabilized means the market value of the property at a current point and time when all improvements have been physically constructed and the property has been leased to its optimum level of long-term occupancy.
- Marketing Time- 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 the appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal. (Advisory Opinion 7 of the Standards Board of the Appraisal Foundation and Statement of 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).

- Master Lease- A lease in which the fee owners lease a part or the entire property to a single entity (the master lease) in return for a stipulated rent. The master lessee then leases the property to multiple tenants.
- Modified Gross Lease- A lease in which the landlord receives stipulated rent and is obligated to pay some, but not all, of the property's operating and fixed expenses. Since assignment of expenses varies among modified gross leases, expense reasonability must always be specified. In some markets, a modified gross lease may be called a double net lease, net net lease, partial net lease, or semi-gross lease.
- Option- A legal contract, typically purchased for a stated consideration, that permits but does not require the holder of the option (known as the optionee) to buy, sell, or lease real property for a stipulated period of time in accordance with specified terms; a unilateral right to exercise a privilege.
- Partial Interest- Divided or undivided rights in real estate that represent less than the whole (a fractional interest).
- Pass Through- A tenant's portion of operating expenses that may be composed of common area maintenance (CAM), real estate taxes, property insurance, and any other expenses determined in the lease agreement to be paid by the tenant.
- Prospective Future Value Upon Completion- Market value "upon completion" is a prospective future value estimate of a property at a point in time when all of its improvements are fully completed. It assumed all proposed construction, conversion, or rehabilitation is hypothetically complete as of a future date when such effort is projected to occur. The projected completion date and the value estimate must reflect the market value of the property in its projected condition, i.e., completely vacant or partially occupied. The cash flow must reflect lease-up costs, required tenant improvements and leasing commissions on all areas not leased and occupied.
- Prospective Future Value Upon Stabilization- Market value "upon stabilization" is a prospective future value estimate of a property at a point in time when stabilized occupancy has been achieved. The projected stabilization date and the value estimate must reflect the absorption period required to achieve stabilization. In addition, the cash flows must reflect lease-up costs, required tenant improvements and leasing commissions on all unleased areas.
- Replacement Cost- The estimated cost to construct, at current prices as of the effective appraisal date, a substitute for the building being appraised, using modern materials and current standards, design, and layout.
- Reproduction Cost- The estimated cost to construct at current prices as of the effective date of the appraisal, an exact duplicate or replica of the building being appraised, using the same materials, construction standards, design, layout, and quality of workmanship and embodying all of the deficiencies, super-adequacies, and obsolescence of the subject building.
- Retrospective Value Opinion- A value opinion effective as of a specified historical date. The term does not define a type of value. Instead, it identifies a value opinion as being effective at some specific prior date. Value as of a historical date is frequently sought in connection with property tax appeals, damage models, lease renegotiation, deficiency judgments, estate tax, and condemnation. Inclusion of the type of value with this term is appropriate, e.g., "retrospective market value opinion."
- Sandwich Leasehold Estate- The interest held by the original lessee when the property is subleased to another party; a type of leasehold estate.
- Sublease- An agreement in which the lessee (i.e., the tenant) leases part of all of the property to another party and thereby becomes a lessor.
- Subordination- A contractual arrangement in which a party with a claim to certain assets agrees to make his or her claim junior, or subordinate, to the claims of another party.

- **Substantial Completion-** Generally used in reference to the construction of tenant improvements (TI's). The tenant's premises are typically deemed to be substantially completed when all of the TI's for the premises have been completed in accordance with the plans and specifications previously approved by the tenant. Sometimes used to define the commencement date of a lease.
- **Surplus Land-** Land that is not currently needed to support the existing improvement but cannot be separated from the property and sold off. Surplus land does not have an independent highest and best use and may or may not contribute value to the improved parcel.
- **Triple Net (Net Net Net) Lease-** A lease in which the tenant assumes all expenses (fixed and variable) of operating a property except that the landlord is responsible for structural maintenance, building reserves and management. Also called NNN, triple net leases, or fully net lease. (The market definition of a triple net lease varies; in some cases, tenants pay for items such as roof repairs, parking lot repairs, and other similar items.)
- **Usable Area-** The measured area of an office area, store area, or building common area on a floor. The total of all the usable areas on a floor shall equal floor usable area of that same floor. The amount of floor usable area can vary over the life of a building as corridors expand and contract and as floors are remodeled (BOMA).
- **Value-in-Use-** The value of a property assuming a specific use, which may or may not be the property's highest and best use on the effective date of the appraisal. Value in use may or may not be equal to market value but is different conceptually.

**Thomas A. Weigand, MAI**  
**Certified General Appraiser**  
**(Maryland, Virginia, District of Columbia and Delaware)**

Thomas Weigand brings extensive professional valuation experience to Treffer Appraisal Group. As managing member of the appraisal firm for the last fourteen years, Tom oversees and organizes appraisal assignments throughout Maryland, Washington DC and Northern Virginia. Certified as a General Appraiser, Tom's role reaches beyond the scope of manager; he also contributes as an appraiser and review appraiser for the firm in both commercial and residential assignments, including property valuation, underwriting, construction inspections, foreclosed property, liquidation value, property tax appeals, negotiation and litigation support including expert testimony.

In addition to his qualifications as a Maryland Certified General Appraiser and Member of the Appraisal Institute, Tom also brings an extensive background in the financial field as a former Certified Public Accountant. In addition to his CPA license which is now in inactive status, Tom holds a Bachelor of Arts Degree in Accounting from Loyola College of Maryland. Prior to acquiring Treffer Appraisal Group, Tom was Vice President of Finance at R.S. Leitch Company in Edgewater, Maryland, one of the state's largest petroleum distributors.

Tom originally began his accounting career with McLean, Koehler, Sparks and Hammond, a Baltimore based public accounting firm. During his seven years at the firm Tom progressed from staff accountant to accounting manager. During his time with McLean, Koehler, Sparks and Hammond, Tom experienced a wide variety of accounting engagements including audits of manufacturers, wholesalers, construction companies and non-profits. Additionally, Tom was involved in business valuations for many of the firm's clients which provided an excellent foundation for transition to the appraisal profession.

**Thomas A. Weigand, MAI**  
**Certified General Appraiser**  
**(Maryland, Virginia, District of Columbia, Delaware and Pennsylvania)**

**PROFESSIONAL PROFILE**

**EDUCATION**

**Bachelor of Arts - Accounting, 1979 – Loyola College (Baltimore, Maryland)**

Approved Appraiser – Maryland Department of General Services  
Approved Appraiser – Maryland Department of Natural Resources

**APPRAISAL INSTITUTE – PARTIAL LISTING COURSES AND ACCOMPLISHMENTS**

Designated Member of the Appraisal Institute  
Current Board member of the Maryland Chapter of the Appraisal Institute

Leadership Development and Advisory Council (LDAC)-May 2012 and May 2014

General Demonstration Report Writing (7 hours) March 28, 2018  
Advanced Land Valuation: Sound Solutions to Perplexing Problems (7 hours) October 23, 2017  
Big Data for Appraisers (2 hours) October 27, 2016  
FHA Appraising for Valuation Professionals December 1, 2015  
2014 IRS Valuation Summit, October 21, 2014  
Litigation Appraising: Specialized Topics and Applications (15 course hours and 1 exam hour) November 11-12, 2010  
Uniform Appraisal Standards for Federal Land Acquisitions (16 hours) January 14-15, 2010  
Hotel Appraising: New Techniques for Today's Uncertain Times (7 hours) January 8, 2010  
Appraising Distressed Commercial Real Estate (7 hours) November 6, 2009  
Valuation of Conservation Easements (36 course hours and 3 exam hours) April 13-17, 2009  
Appraising Historic Preservation Easements (18 course hours and 2 exam hours) January 14-16, 2009  
Uniform Appraisal Standards for Federal Land Acquisitions: Practical Applications for Fee Appraisers (16 hours) November 10-11, 2008  
The Appraiser as an Expert Witness: Preparation and Testimony (15 course hours and 1 exam hour) October 9-10, 2008  
REO Appraisal: Appraisal of Residential Property Foreclosure (7 hours) September 17, 2008  
Advanced Income Capitalization (36 course hours and 3 exams hours) July 28-August 2, 2008  
Report Writing and Valuation Analysis (36 course hours and 3 exams hours) April 28-May 3, 2008  
Advanced Applications (36 course hours and 4 exam hours) March 31-April 5, 2008  
General Market Analysis and Highest and Best Use (28 course hours and 2 exam hours) October 22, - October 25, 2007  
Office Building Valuation (7 hours) September 14, 2007  
Attacking & Defending an Appraisal in Litigation (14 hours) July 26-27, 2007

General Applications (37 course hours and 3 exam hours) April 2, - April 7, 2007  
Advanced Sales Comparison & Cost Approaches (36 course hours and 4 exam hours) January 19, - January 25, 2007  
Liability Management for Residential Appraisers (7 hours) October 6, 2006  
Basic Income Capitalization (36 course hours and 3 exam hours) February 28, - March 5, 2005

**AMERICAN SOCIETY OF FARM MANAGERS AND RURAL APPRAISERS**

Appraising Ag Facilities: Poultry Seminar (8 hours) May 2, 2018  
Poultry Life Cycle Tour (6 hours) May 1, 2018  
Best Practices for Rural Property Appraisers (8 hours) May 18, 2016

**AMERICAN SOCIETY OF APPRAISERS**

Business Valuation of Healthcare Enterprises and Services Webinar (2 hours) June 12, 2014

**MARYLAND CHAPTER OF THE APPRAISAL INSTITUTE**

Skip Seward Commercial Development & Market Update (6 hours) 2007 – 2018

**MACPA: MARYLAND ASSOCIATION OF CERTIFIED PUBLIC ACCOUNTANTS**

BVFLS Roundtable - Update on the Latest with Fair Value Measurements (2 hours) February 10, 2012  
Year End Tax Revision (4 hours) December 12, 2004

**DELAWARE COUNCIL ON REAL ESTATE APPRAISERS**

Delaware Laws and Regulations for Appraisers (3hours) 2017, 2015, 2014  
“There are no Comparables!” Seminar (3 hours) October 20, 2015

**CENTRAL PENNSYLVANIA CHAPTER OF THE APPRAISAL INSTITUTE**

Subdivision Valuation (7 hours) March 23, 2007  
Pennsylvania State Mandated Law for Appraisers (2 hours) June 2, 2017

**ANNE ARUNDEL COMMUNITY COLLEGE**

Valuation Litigation (6 hours) April 19, 2005  
Analysis/Valuation of Subdivisions (6 hours) April 14, 2005  
Valuation of Income Producing Properties (6 hours) April 06, 2005  
Real Estate Investment Analysis (6 hours) June 17, 2005  
Introduction to Income and Cost Approaches (15 hours) March 19, 2005  
Introduction to Real Estate Appraising (45 hours) December 15, 2004  
Real Estate Appraisal Standards (15 hours) December 11, 2004  
Applications of Real Estate Appraising (15 hours) November 13, 2004

**MARYLAND ASSOCIATION OF APPRAISERS, INC.**

Hit the HELP Button: Q & A (3hours) November 13, 2017  
Multiple Regression Analysis in Appraising November 1, 2016  
National USPAP Course Standards of Practice & Ethics (7 hours) 2018, 2017, 2015, 2013, 2011, 2009, 2007 and 2006  
Supervisory Appraiser & Trainee Appraiser - Mandatory Course, October 22, 2014

FHA for Today's Appraiser (7 hours) March 24, 2013  
Oddball Property Appraisal (3 hours) August 28, 2012  
Demystifying the Cost Approach Effective Age, Land Valuation, and other Subtilties (2 hour)  
May 18, 2009  
Appraising to Yellow Book Standards, (CE Credit), May 21, 2008  
Acquisition / Right-Of -Way Appraising (CE Credit), May 8, 2008  
Understanding Market Trends & Their Impact on Value (3 hours) November 7, 2006  
Capitalization Rates, Discount Rates, and Ratios (7 hours) Due date, 2006  
Interpreting Plats, Plots & Plans (8 hours) March 21, 2006  
Appraising Small Commercial Properties (15 hours) March 15-16, 2006  
Fannie Mae's 2005 Revised Appraisal Forms (6 hours) October 17, 2005  
USPAP Course with Exam (15 hours) 2005, 2004

### **MARYLAND ENVIRONMENTAL TRUST**

Conservation Easements- Legal and Financial Aspects (3 hours) October 18, 2010

### **EXPERT TESTIMONY**

During the past ten years I have been designated in a variety of legal matters including issues related to property tax appeals, divorce, foreclosure, and construction claim cases. Services included valuations reports, deposition and testimony. I have testified before the Anne Arundel County Property Tax Appeals Board and the Maryland Tax Court for numerous property assessment appeal cases.

I have testified in either District Court, Circuit Court or Federal Bankruptcy Court on the following matters:

Austin v. Austin - February 27, 2019 - Testimony Circuit Court for Anne Arundel County, Case No. C02FM18001856

Richard Polm, et al v. Andrew Zois - January 9, 2019 Circuit Court for Anne Arundel County, Case No. C-02-CV-18-002079

Byron W. Martz v. Day Development Company - January 3, 2019 - Circuit Court for Frederick County, Case 1:15-CV-03284-JFM

Sean P. Bennett v. Rebecca A. Bennett - October 2018 – Testimony Circuit Court for Prince Georges County, Case No. CAD17-35553

Douglas v. Sheldon-Douglas (Second Attempt) - June 2018 - Testimony Circuit Court for Prince Georges County

Karin M. Weber v. Jerome R. Weber, Jr. - June 2018 - Testimony Circuit Court for Anne Arundel County, Case No. C02FM17001076

Peter Martino v. Manelle Martino - June 2017 - Testimony - Arbitration Hearing Circuit Court for Anne Arundel County, Case No. 02-C-16-001876

Julie Vallario v. Joseph F. Vallario, III - May 2017 - Testimony  
Circuit Court for Anne Arundel County, Case No. 02-C-14-188599

Tracey Pribble v. Robert Pribble – November 2016 - Testimony  
Circuit Court for Anne Arundel County, Case No. 02-C-13-178852

Greenway v. Greenway – December 2015 - Testimony  
Circuit Court for Queen Anne's County, Case No. 17C13018017

Whiskey One Eight for Debtor in Possession Financing (Bankruptcy) – November 2015  
Testimony- Federal Court, Case No. 15 -19885 -DER - November 2015 - Testimony

MAS Associates v. Korotki – February 2015 - Testimony  
Circuit Court of Baltimore County, Case No. 03-C-11-010759

Johnson v. Johnson – February 2015 - Testimony  
Circuit Court of Baltimore County, Circuit Court

Hanadi Asfour v. F. Hughes, Inc. – November 2014 - Testimony  
Circuit Court City of Baltimore, Alleged Encroachment, Case No. 24-C-13-004469

Lawley, Lawley and Willoughby vs. Northam, Immell and Hileman – November 2013  
Testimony - Federal Court, Case No. 10-CV-1074

Johnson v. Johnson – August 2012 - Testimony  
Circuit Court for Anne Arundel County, Case No. 2011-159-459

Wanda Jean Higgs v. M & T Bank – August 2012 - Testimony  
Federal Court (Bankruptcy), Case No. 12-21383-DER

Snow Capital Strategies, et al., v. Frank A. Perna, Jr. et al – October 2011  
Testimony- Circuit Court for Fairfax County, Virginia CL No. 2010-17488

Arbitration Hearing - Testimony  
Lowden vs. Mortimer Construction – October 2010  
Construction defects  
Swanton, Maryland (Garrett County)

G&G, LLC vs. Wincopia Farms, et al – July 2008 - Testimony  
Circuit Court of Maryland, Case No. 13-C-07-069129

### **DEPOSITIONS PAST SIX YEARS**

Greenpenz 2600 Virginia Avenue, LLC v. Euro Capital Properties, LLC et al – November 5,  
2018

Superior Court of the District of Columbia, Civil Division, Case No 2016 CA 00701 B

Dodsworth v. McWhorter - May 30, 2018

Circuit Court for Calvert County, Case No. C-04-CV-17-000059

Byron W. Martz v. Day Development Company - October 18, 2017 and July 6, 2018 Circuit Court for Frederick County, Case 1:15-CV-03284-JFM

National Surety Corporation et al v. WCS Construction, LLC, et al – July 14, 2016  
Circuit Court for Prince George’s County, Civic Action No. CAL13-23508

State Roads Commission of the State Highway Administration for and on Behalf of the State of Maryland v. Evangelos Angelou – October 13, 2015  
Circuit Court for Anne Arundel County, Case No. C-02-CV-14-000562

Zois v. Polm, et al – September 11, 2015  
Federal Court, Case No. 15 -19885-DER

Zois v. Polm, et al – June 4, 2014  
Federal Court, Case No. 15 -19885-DER

Gallows Road 2929/2923, LLC v. Ahmad Moinamin, et al – September 5, 2014  
Circuit Court of Fairfax County, Case No. 2013-17677

MAS Associates v. Korotki – June 14, 2013  
Circuit Court of Baltimore County, Case No. 03-C-11-010759

Lawley, Lawley and Willoughby v. Northam, Immell and Hileman – May 21, 2012  
Federal Court, Case No. 10-CV-1074

### **PROFESSIONAL ASSOCIATIONS**

Vice President, Maryland Chapter of Appraisal Institute  
Board Member of the Maryland Chapter of the Appraisal Institute (2011-2017)  
American Institute of Certified Public Accountants  
Maryland Association of Certified Public Accountants  
Appraisal Institute – MAI, Designated Member  
Maryland Association of Appraisers  
Institute of Real Estate Management

### **OTHER ASSOCIATIONS**

Board of Directors - Providence Center, Inc. (2002-2018)  
Board of Directors – Loyola College Alumni Association (2004-2005)  
Member of the Annapolitan Club, Annapolis, Maryland (2007-2014)  
Member of Parole (Annapolis) Rotary Club (1989-2007)

**APPRAISER LICENSE**

STATE OF MARYLAND  
**DLLR**  
DEPARTMENT OF LABOR, LICENSING AND REGULATION

LICENSE \* REGISTRATION \* CERTIFICATION \* PERMIT

STATE OF MARYLAND  
**DEPARTMENT OF LABOR, LICENSING AND REGULATION**  
COMMISSION OF REAL ESTATE APPRAISERS & HOME INSPECTORS  
CERTIFIES THAT: THOMAS WEIGAND

Lawrence J. Hogan, Jr.  
Governor  
Boyd K. Rutherford  
Lt. Governor  
Kelly M. Schutz  
Secretary

IS AN AUTHORIZED: **04 - CERTIFIED GENERAL**

LIC/REG/CERT	EXPIRATION	EFFECTIVE	CONTROL NO
27637	12-27-2019	11-14-2016	4926429

*Thomas Weigand*  
Signature of Bearer

*Kelly M. Schutz*  
Secretary DLLR

VOID VOID FEATURE & ARTIFICIAL WATERMARK ON THE BACK