



SUMMARY APPRAISAL REPORT
OF

**C.J. LANGENFELDER INDUSTRIAL SITE
OWNED BY ATCHAFALAYA HOLDINGS, LLC**
TERMINUS OF PIER AVENUE
LOVE POINT - NORTH OF STEVENSVILLE
QUEEN ANNE'S COUNTY, MARYLAND 21666
(TAX MAP 40, PARCELS 2, 43 & 48)

AS OF FEBRUARY 7, 2007

PREPARED FOR

MR. WILLIAM T. BEACH, CHIEF
VALUATION & APPRAISAL DIVISION
OFFICE OF REAL ESTATE
MARYLAND DEPARTMENT OF GENERAL SERVICES
300 WEST PRESTON STREET, ROOM 601
BALTIMORE, MARYLAND 21201

DGS FILE NUMBER: 4084-C, Atchafalaya Holdings, LLC

PREPARED BY

LEFORT APPRAISAL & CONSULTING, INC.
1003 MT. HERMON ROAD, SUITE 104
SALISBURY, MARYLAND 21804

LEFORT FILE # 207C0106

Lefort Appraisal & Consulting, Inc.

Lefort Appraisal & Consulting, Inc.

1003 Mt. Hermon Road, Suite 104
Salisbury, Maryland 21804

February 27, 2007

Mr. William T. Beach, Chief
Valuation & Appraisal Division, Office of Real Estate
Maryland Department of General Services
300 West Preston Street, Room 601
Baltimore, Maryland 21201

RE: Summary Appraisal of
C.J. Langenfelder Industrial Site (Waterfront)
Atchafalaya Parcels 2, 43, & 48 - DGS File # 4084-C
Terminus of (400) Pier Avenue
Village of Love Point
Stevensville, Queen Anne's County, Maryland 21666

Dear Mr. Beach:

In accordance with your request, I have performed a summary appraisal on the above referenced property. The subject property is comprised of three (3) contiguous parcels of land situated along the west bank of the Chester River to the southeast area of the village of Love Point. The location is north of Stevensville in the northwest portion of Kent Island in Queen Anne's County, Maryland. The property comprises a total of 37.55 +/- Acres of land of which an estimated 12.5 +/- acres lies within Lake Matapex representing the northwest boundary for the entire site. The entire industrial zoned site lies within an Intense Development Area (IDA) designated within the Chesapeake Bay Critical Areas.

The subject parcels represent the main industrial site of the larger tract of lands in the contiguous ownership of Atchafalaya Holdings, LLC. As recorded within the Queen Anne's County Land Records in SM Liber 984, Folio 198, the subject property as part of the larger tract was acquired by the current ownership on November 6, 2002. The total consideration for the entire acquisition was \$1,750,000. The subject parcels represent Parcel 2, 43, and 48 as referenced therein (part of Tracts One and Four). Tracts Five, Six, Seven and Eight are prior water bound barge locations and are excluded from the subject site. This deed of record of which a copy is included in the addendum provides for a complete legal description of the subject property. The subject is further identified by the Queen Anne's County Department of Assessment and Taxation as being on Tax Map 40, Grid 12/18, representing Parcels 2, 43 and 48.

The subject property is presently improved with a 4,800 square foot two-story office building and several additional supporting structures. Additional site improvements consist of an industrial scale, timber/steel bulkhead and extensive stone rip rap and groins improved along the waterfront. The southern portion of the waterfront is improved with a 14 slip marina utilized for private use. A small island portion of the site is offset from the larger site and is accessed via an improved bridge.

410-546-8173

Fax: 410-546-8176

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The subject property is currently utilized for the off-loading and distribution of raw materials including stone, gravel and sand. As associated with the ongoing operations in the past, the property along with two adjacent parcels has been spot zoned within a Suburban Industrial (SI) district for Queen Anne's County. The existing use appears to be a legally conforming use as grand-fathered into the present zoning district regulations. According to representatives of the Queen Anne's County Department of Planning and Zoning, although presently zoned in an industrial district, a change in zoning to a more appropriate countryside or neighborhood residential classification would be reasonably probable considering the prospective less intensive use offered. This alternative use potential for the site is considered in the valuation of the property.

A physical inspection of the subject property and surrounding neighborhood was made on February 7, 2007. This date of inspection will also represent the effective date of this appraisal. I have developed the Sales Comparison Approach to value in the analysis to estimate a representative "As Is" Market Value for the subject property. A cost analysis is incorporated into the approach to accurately account for the existing site and contributory building improvements. The following appraisal report sets forth the pertinent facts and data utilized in arriving at the final estimate of value. The depth of discussion contained in this report is specific to the needs of the client and for the intended use stated herein.

The value conclusion presented herein represents the "As Is" Market Value of the Fee Simple Interest for the subject property as of the effective date of valuation of this appraisal report, February 7, 2007. This Appraisal Report has been prepared in accordance with the requirements established by the *Uniform Standards of Professional Appraisal Practice*, the *Uniform Appraisal Standards for Federal Land Acquisitions*, and the Maryland Department of General Services appraisal guidelines.

The appraiser notes that a current wetland delineation was not performed nor made available for the subject property. Furthermore, due to the disturbed nature of the original site, soils mapped per Soils Survey for Queen Anne's County appear not to be accurate. Such preliminary engineering of the site may clearly dictate the ultimate use and potential for the subject property in the future. Upon the prospective market transfer of the site, any potential purchaser/investor would likely purchase the site contingent on obtaining assurances for prospective future re-development (if any).

The market value conclusion provided herein represents the "As Is" condition of the subject property without any approval or contingencies for redevelopment. The market sales data utilized within the Sales Comparison Approach reflect a range of data for comparison to the subject property and does not consider any implied contingency. *While the subject property may benefit from value added under contingency for prospective development and/or growth allocation, the basis for valuation considers the "As Is" condition of the property as of the effective date of appraisal. At the discretion of the client, the appraiser reserves the right to review the analysis and revise any value conclusions if any subsequent wetland delineation, survey, or engineering studies suggest facts to the contrary.*

Lefort Appraisal & Consulting, Inc.

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Based upon my investigation and an analysis of the facts and data as presented within this appraisal, the "As Is" Market Value for the subject property "C.J. Langenfelder Site (Parcels 2, 43 & 48) representing the northern portion of the "Atchafalaya Holdings, LLC property", comprising an estimated 37.55 +/- Acres, as of February 7, 2007, is estimated to be:

**Four Million Three Hundred Thousand Dollars
(\$4,300,000)**

In Fee Simple

Respectfully submitted,



William J. Lefort, President
Lefort Appraisal & Consulting, Inc.



SUBJECT PHOTOGRAPHS

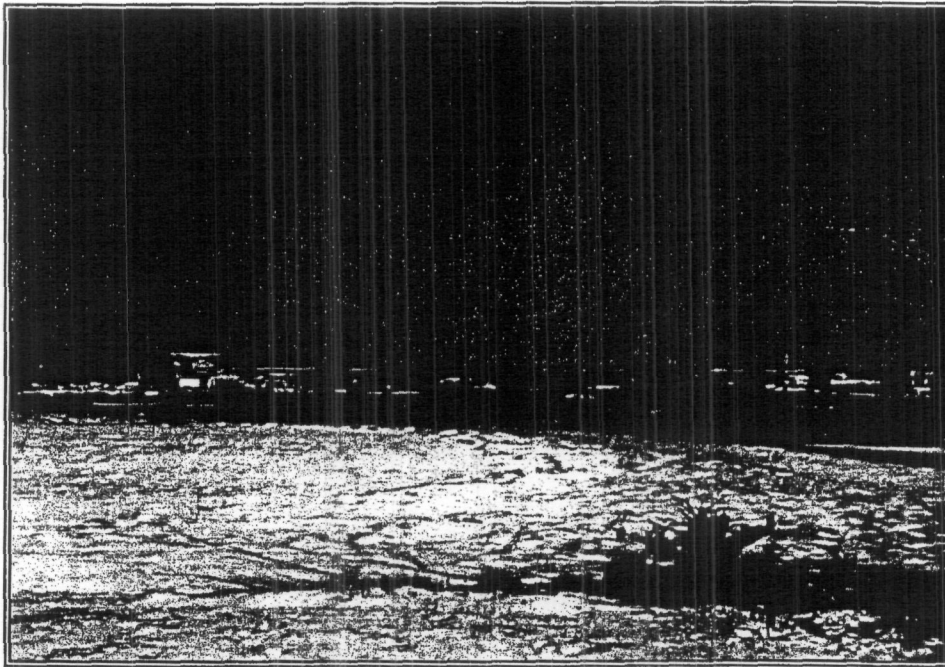


(1) View overlooking Access Road to Site (Facing East along Pier Avenue)

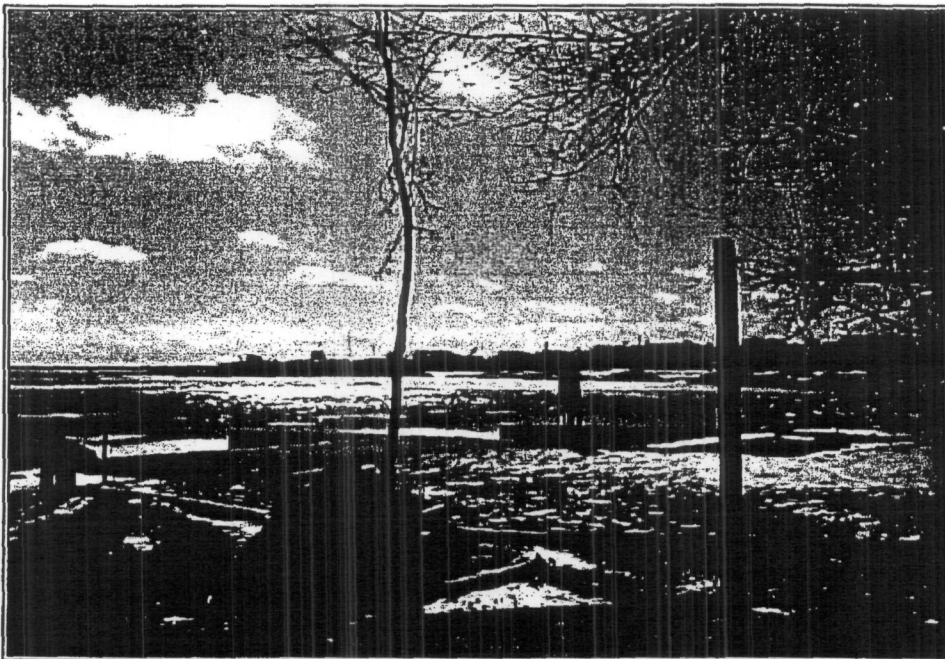


(2) View overlooking Access and Parking Area near Office Building

SUBJECT PHOTOGRAPHS



(3) View overlooking Subject Property from Adjacent Site to South (Facing North)

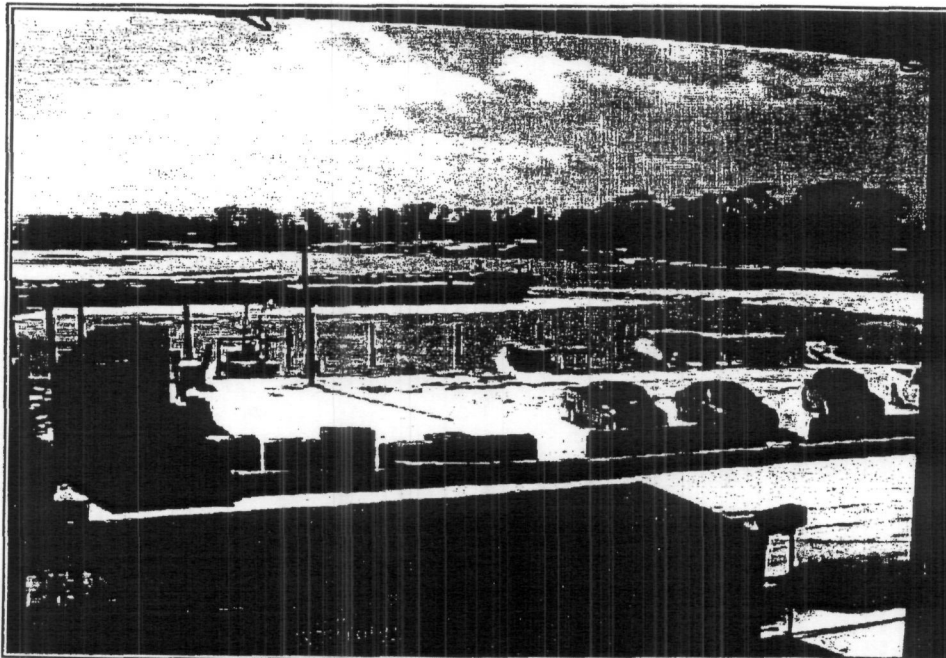


(4) View overlooking Subject Property from Adjacent Site to North (Facing South)

SUBJECT PHOTOGRAPHS

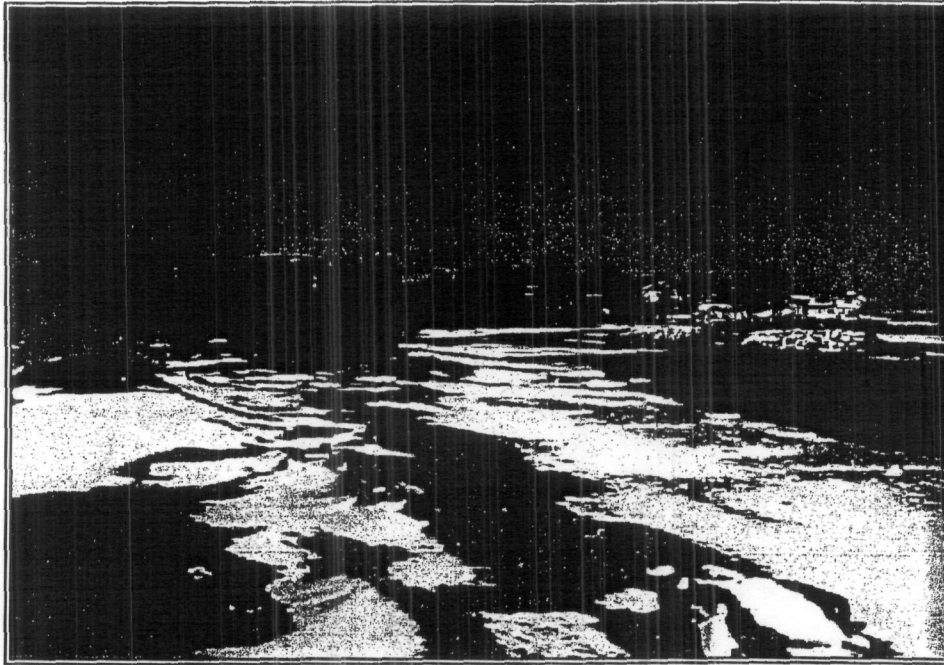


(5) View overlooking Marina Boat Slips along South Side of Site (Facing West)

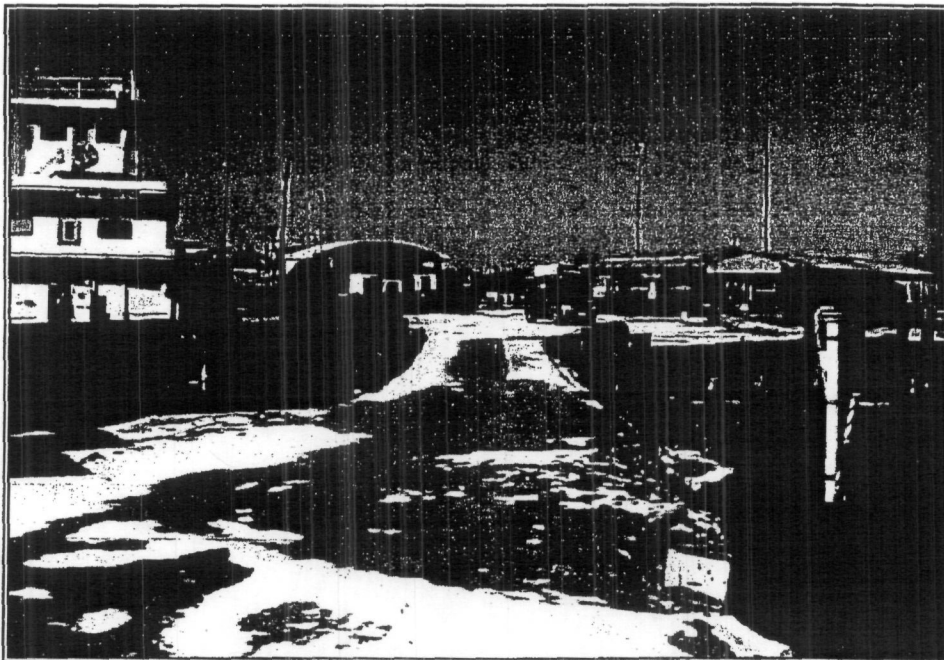


(6) View overlooking Boat Slips (Facing South from Office Building)

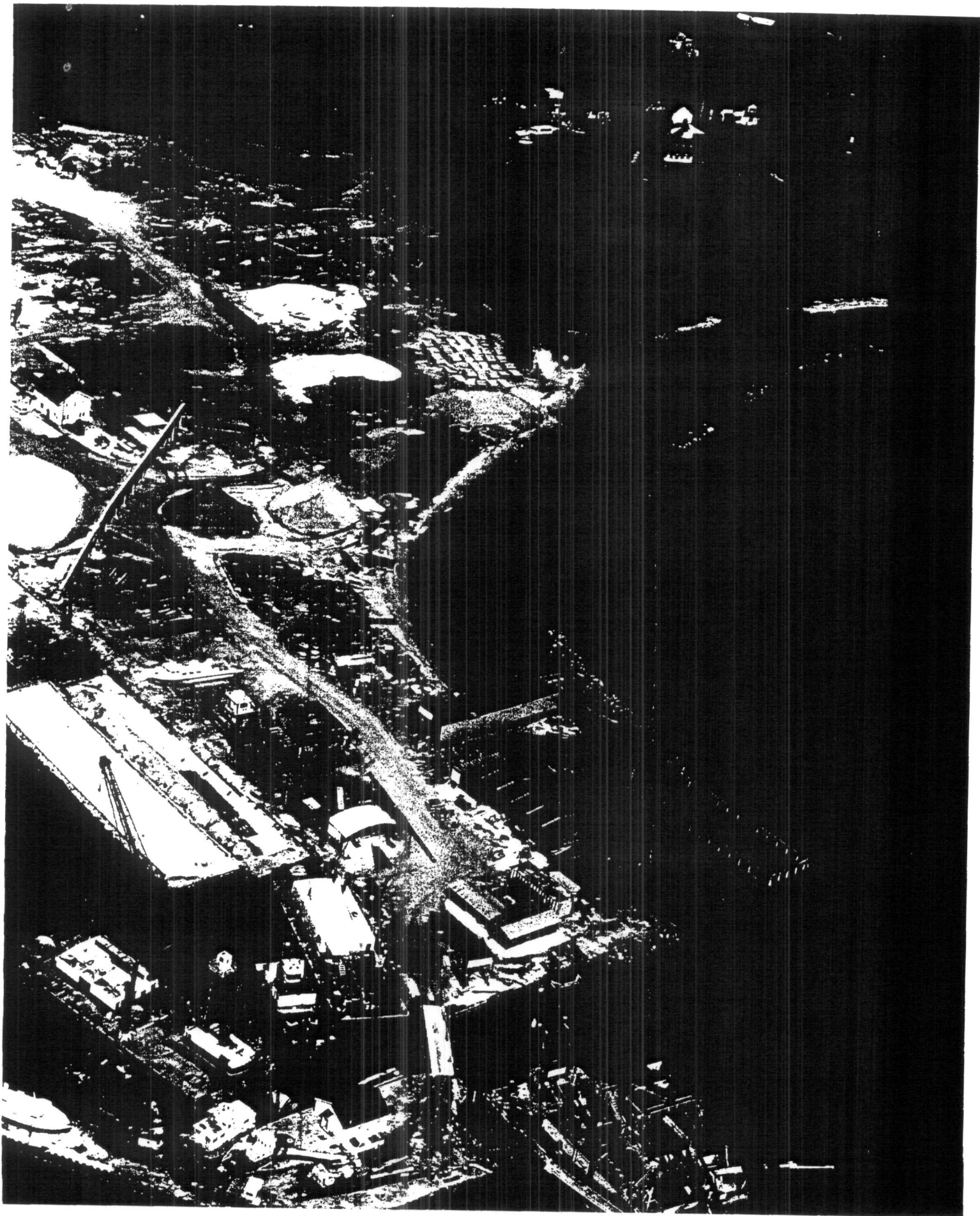
SUBJECT PHOTOGRAPHS



(7) View Looking North along Chester River Waterfront (Exhibiting Stone Groins)



(8) View overlooking Improved Bridge to Island (Facing Northwest from Island)



SUMMARY OF SALIENT FACTS AND CONCLUSIONS

EFFECTIVE DATE: February 7, 2007

IDENTIFICATION: *Langenfelder Industrial Site (Parcels 2, 43 & 48)*
Terminus of (400) Pier Avenue
Village of Love Point, North of Stevensville
Queen Anne's County, Maryland 21666

ADC MAP REFERENCE: Queen Anne's County Map 17, Grid A4..A5

TAX MAP REFERENCE: Map 40, Grid 12, Parcel 2; Grid 18, Parcels 43 & 48

CENSUS TRACT: 8108 - Stevensville/Chester

OWNER OF RECORD: Atchafalaya Holdings, LLC

DEED REFERENCE: SM Liber 984, Folio 198

SITE: **37.55 +/- Total Acres (per Site Plat of Record)**
Upland Acreage: 25.05 +/- Acres
Wetland Acreage: 12.50 +/- Acres (Estimate based on technical resources)

CURRENT ZONING: SI; Suburban Industrial District
Intense Development Area (Critical Area designation)

FLOOD PLAIN MAP: FEMA Community Map #240054-0030-B, dated September 28, 1984. Majority of Property lies within the 100 Year Flood Plain Area

IMPROVEMENTS: 4,800 +/- Square Foot Office Building (Built 2004)
Additional Storage Facilities of reduced contributory value
Stone Groins and Rip-Rap and Timber/Steel Bulkhead

UTILITIES: Private Well and Septic systems required
(At least two septic systems exist upon site)

INTEREST VALUED: Fee Simple

CURRENT USE: Off-loading and distribution of raw materials including stone, gravel, sand and steel products

HIGHEST AND BEST USE: Continued interim use of the industrial site with potential for redevelopment of the site with marine and/or residential use in the future.

"AS IS" MARKET VALUE (37.55 +/- Acres): **\$4,300,000**
Waterfront Site Value: \$3,400,000
Contributory Value of Site/Building Improvements: \$ 900,000

PURPOSE OF THE APPRAISAL

The purpose of this appraisal is to estimate the "As Is" Market Value of the Fee Simple Interest in the subject property, as of the effective date of appraisal, February 7, 2007.

INTENDED USE (FUNCTION) AND USER OF THE APPRAISAL

The intended use of the appraisal will be to provide the client, The State of Maryland Department of General Services, an estimate of Fair Market Value to establish property value for the potential purchase of the property. The intended user is extended to those departments of the State of Maryland including the Department of Natural Resources.

EFFECTIVE DATE OF APPRAISAL

An initial inspection of the subject property and surrounding neighborhood was made on February 7, 2007. This date shall also serve as the effective date of this appraisal report.

DEFINITION OF VALUE

Federal Land Acquisitions

The definition of market value as defined by the Uniform Appraisal Standards For Federal Land Acquisitions (UASFLA) as "the amount in cash, or on terms reasonably equivalent to cash, for which in all probability the property would be sold by a knowledgeable owner willing but not obligated to sell to a knowledgeable purchaser who desired but is not obligated to buy."

DEFINITIONS

Ownership Interests:

There are three basic forms of property ownership which may be valued in an appraisal report. They are fee simple interest, leased fee interest and leasehold interest. A definition of each representative property interest as related to the purpose and function of this appraisal report is presented below. The definition has been obtained from The Appraisal of Real Estate, 10th edition pages 122-123.

Fee Simple Interest-

"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."

Market Value "As Is" on Appraisal Date:

An estimate of the market value of the property in the condition observed upon inspection and as it physically and legally exists without hypothetical conditions, assumptions, or qualification as of the date the appraisal is prepared.

Summary Report:

"should contain a summary of all information significant to the conclusions of the appraisal report. It is less detailed than a Self-Contained report."

Self-Contained Appraisal Report:

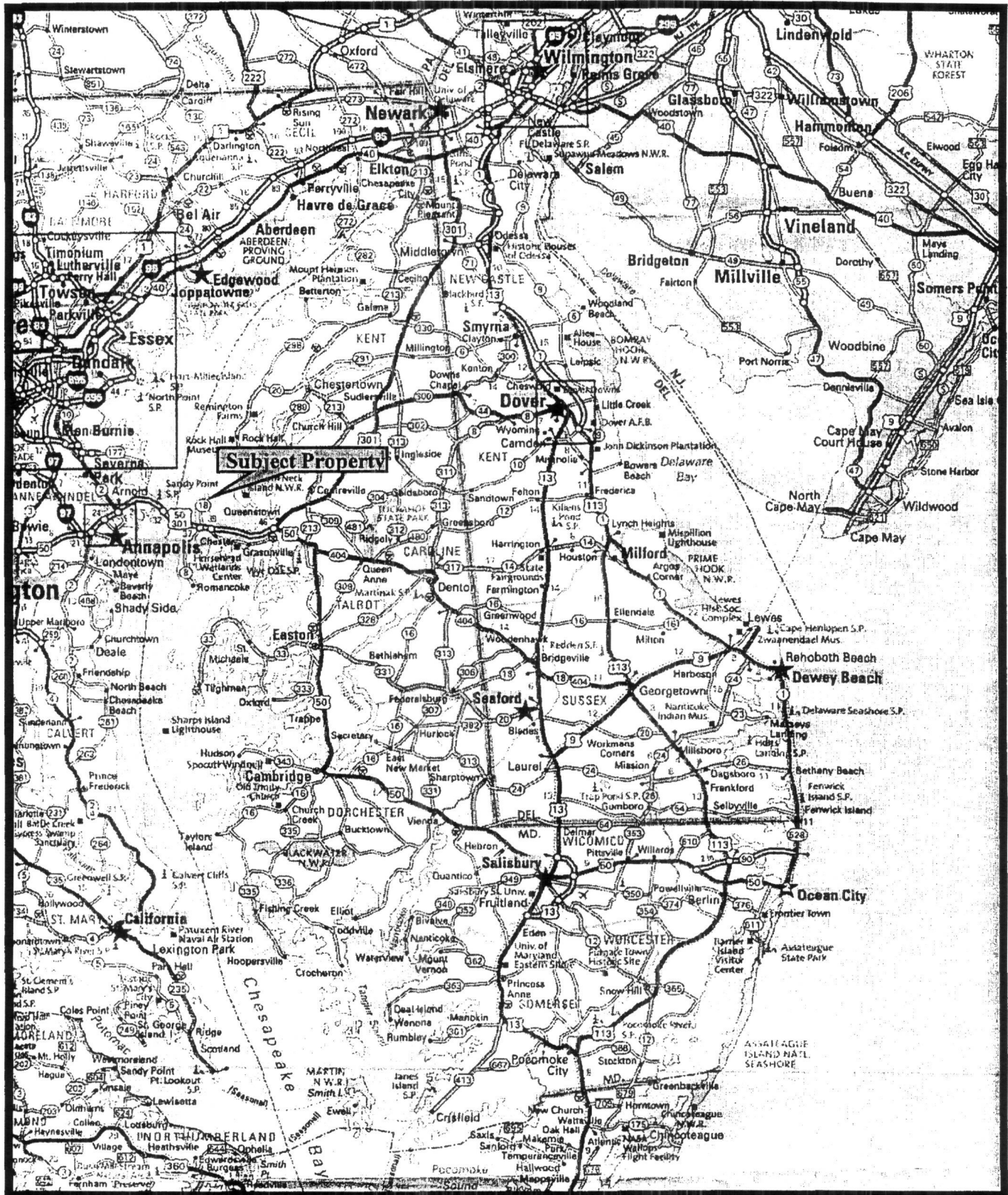
"is the most detailed and complete reporting option. The length and descriptive detail in such a report should fully support the reasoning and conclusions of the appraiser." USPAP, July 1994.

DESCRIPTION OF THE PROCESS (SCOPE)

A physical inspection of the subject property and surrounding neighborhood was performed on February 7, 2007. This date shall also serve as the "Effective Date" of this appraisal. The appraiser was assisted during the inspection by Mr. Jim Matters as representative of the owner. Additional inspections of the subject property and comparable properties were performed during the research period extending through February 23, 2007. The photographs included in this report were taken on the respective dates of inspection. Additionally, several aerial exhibits were obtained from various sources including the owner for incorporation within this report. The land area for the subject property was obtained from deed and assessment records as well as a recent survey for the larger "Lands of Langenfelder & Son, Inc." prepared by McCrone Engineering & Environmental Sciences (Job # D1020377), dated September, 2002 and recorded within Plat Book 32, Folio 41. A copy of the site plan is provided within the body of the appraisal report.

The Sales Comparison Approach to value has been developed to determine a representative "As Is" Market Value in Fee Simple Interest for the subject property. The preponderance of value for the subject property lies within the underlying land area with the improvements offering contributory value to the continued and potential alternative marine/residential use of the property. In development of the Sales Comparison Approach to land valuation, the market area representing the immediate Kent Island area of Queen Anne's County in Maryland was researched for comparable vacant or minimally improved waterfront land sales. Additional regional sales data was reviewed and incorporated when applicable. In developing the Sales Comparison Approach, the market data used were collected from our office files, the Maryland (county) Offices of Assessment and Taxation, Multiple List Service (MRIS), local Realtors, and other appraisers. The comparable properties utilized within the analysis are considered to be the best available comparable sales located within the identified market area during the appraisal research period. The Cost analysis was developed utilizing cost estimates available through the Marshall Valuation Service and actual costs obtained from similar projects.

All of the information contained within this appraisal report has been developed by direct research or from information contained within our office files and verified by representative parties in accordance with Standards Rule 1 of the *Uniform Standards of Professional Appraisal Practice (USPAP)*. Furthermore, this appraisal report is presented in accordance with Standards Rule 2 of USPAP and the *Uniform Appraisal Standards for Federal Land Acquisitions*. After assembling and analyzing the data defined in this scope of the appraisal, a final estimate of the "As Is" Fair Market Value for the subject property was made representing the Fee Simple Interest.



Regional Map

REGIONAL AND MARKET AREA ANALYSIS
(QUEEN ANNE'S COUNTY)

The subject property is located at the terminus of Pier Avenue to the southeast portion of the Village of Love Point, north of Stevensville, in Queen Anne's County, Maryland. The location is to the northwest portion of the larger Kent Island area of the county. Queen Anne's County is located on the Upper "Eastern Shore" area of Maryland and part of the larger regional land area known as the "Delmarva Peninsula." A majority of the 372 square miles of the county are currently utilized for agricultural farmland. Elevations range from sea level to 100 Feet. The county is bordered on the north by Kent County, Maryland, on the east by Kent County, Delaware, to the southeast by Caroline County, Maryland, and to the south by Talbot County, Maryland. The Chesapeake Bay and its estuary of the Chester River provide the western and northern boundaries of the county. As a result of the orientation and characteristics of the county, the economic base is formed within agricultural, seafood and recreational sectors.

The supporting roadway system for the county includes U.S. Route 301, which transverses across the county from the southwest to the northeast. This roadway provides access to U.S. Route 50 to the south and U.S. Route 13 to the north. U.S. Route 50 located at the south end of the county provides access to the beach resort of Ocean City to the southeast and the Chesapeake Bay Bridge (50/301) and the Baltimore-Washington Metropolitan Area to the west. Secondary roadways including MD 213, MD 300, MD 313 and MD 544 transverse the county and provide access from the rural areas of the county to Centreville, Church Hill and Chestertown in Kent County. In addition to the major highway system, Queen Anne's County is aptly served by an array of secondary and tertiary roadways connecting the various towns throughout the county.

The total population for the county was estimated to be approximately 40,563 people based on the recent 2000 Census. This population figure reflects an increase of 19.5% over the 1990 population estimates of 33,953 people. The main municipality within Queen Anne's County is the Town of Centreville. The 2000 population for this town was 1,970. Additional large population centers are concentrated in the Grasonville, Chester and Stevensville areas of Kent Island. Additional smaller villages are strewn throughout the county and include Queenstown, Church Hill, Sudlersville, Barclay, Kingstown, Queen Anne, and Crumpton. The chart below exhibits the population trends for Queen Anne's County in relationship to the entire Upper Eastern Shore and State of Maryland.

POPULATION TRENDS / FORECAST					
AREA	1990	2000	2010	CHANGE '90-'00	CHANGE '00-'10
Queen Anne's County	33,953	40,563	49,600	+ 19.5%	+ 22.3%
Upper Eastern Shore*	177,009	199,406	223,600	+ 12.7%	+ 12.1%
Maryland	4,780,753	5,296,486	5,856,100	+13.4%	+ 10.6%

* Represents Caroline, Cecil, Dorchester, Kent and Talbot Counties

Source: Maryland Department of Planning and U.S. Census Bureau (2000)

Queen Anne's County, along with a majority of the Eastern Shore is predominantly rural in character. Grain and Vegetable crops farming is a major economic pursuit. The Town of Centreville represents the county seat of Queen Anne's County. This area also serves as a primary employment and commercial center for the county. The major commercial center for the county is situated to the southwestern corner along U.S. 50/301 in the Stevensville (Kent Island) area. The northern portion of the county near Kingstown is situated south of the historical Town of Chestertown in Kent County. The Chestertown area provides for additional commercial services and residential housing supporting Queen Anne's County population. Additionally, Dover, Delaware represents the closest metropolitan area to the county within thirty-five (35) miles east of Chestertown. Salisbury, Maryland (The "Commercial Hub" of the peninsula) is situated approximately 70 miles to the southeast.

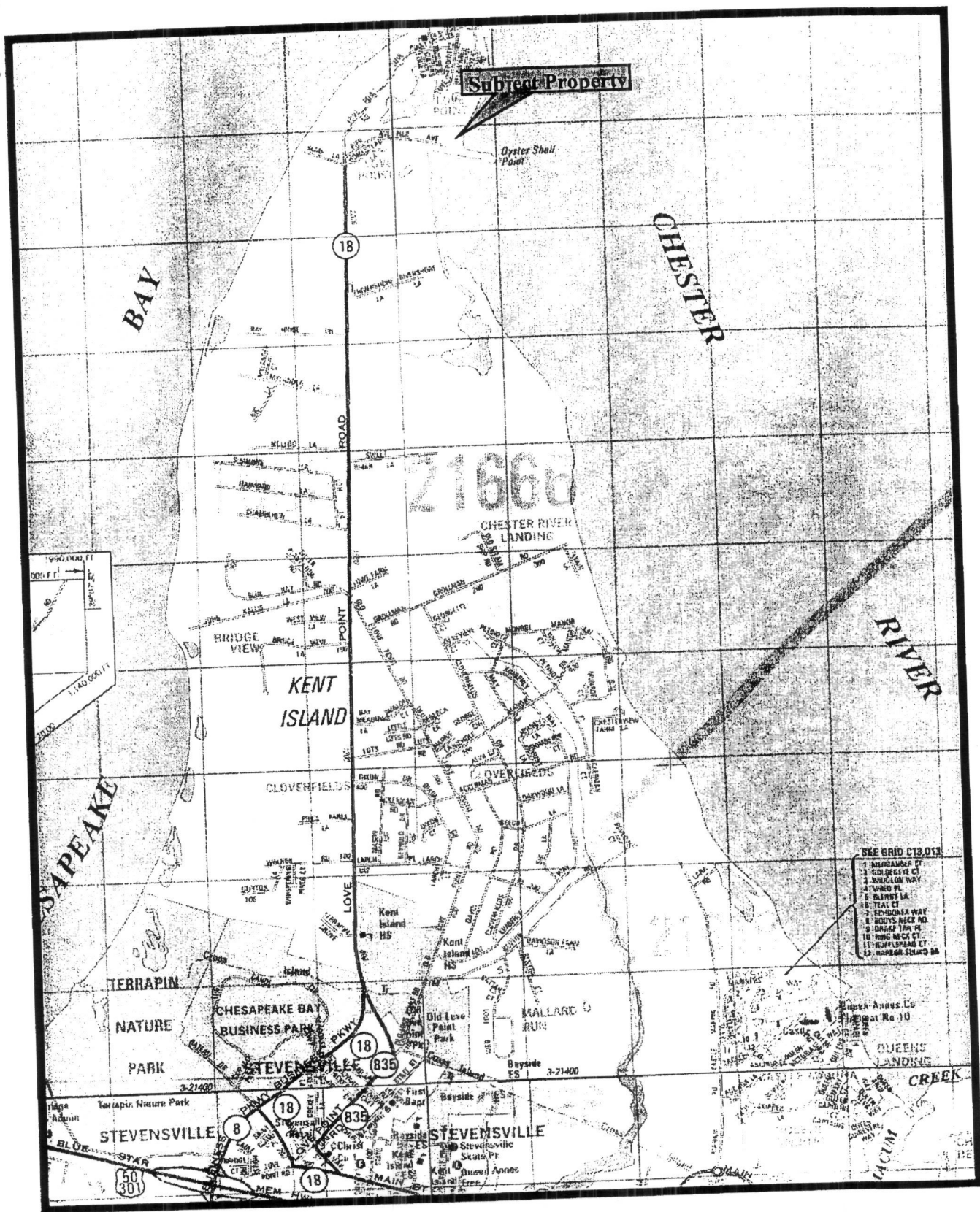
The lack of an industrial employment base within the county forces approximately 25% of the residents of the county to commute (predominantly by choice) to employment centers at least 30 miles outside of the county. These areas include Dover, Delaware to the east, Easton to the south, Annapolis to the southwest, and Wilmington, Delaware to the northeast. Effectively, the county has become a bedroom community serving the larger regional area. The presence of the Chesapeake Bay Bridge and proximity to the Washington and Baltimore metropolitan areas has resulted in an increased exposure for the county as a bedroom community over the past ten years.

The income levels within the county reflect a moderate healthy income base. Queen Anne's County shows a Per Capita Income (2002) of \$35,172. This rate is within range of the entire State of Maryland Per Capita Income of \$36,303 and above the U.S. Per Capita Income of \$30,906.

The southern end of the county, northward to Centreville has experienced the concentration of recent development. This development has been in the form of both residential and commercial uses and is a direct result of the increasing pressure and growth in the Baltimore and Washington, D.C. Metropolitan Areas which are within approximately 60 miles to the west of Centreville via Route 50/301. Increasingly over the past decade, employees working in the Annapolis and Washington areas have relocated homes in Queen Anne's County and commute over the Bay Bridge. As a result of the increasing developments in the county, the County Administration has implemented more stringent development standards and restrictions in hopes of limiting urban sprawl onto the serene environment.

Known as the "The Land of Pleasant Living," the county boasts on the water-oriented, historical and agricultural setting of the surroundings. Outside of the commercial corridor of U.S. Route 50/301, the county still remains predominantly rural in nature. The waterfront and rural setting offers a variety of activities including golfing, hunting, boating and fishing. The county directly benefits from the close proximity to the metropolitan areas to the west as well as the transient traffic coming across the Bay Bridge going to the beach resorts of Ocean City and the Delaware Beaches.

Overall, the environment of Queen Anne's County has been a very positive influence on this region and it appears as if the necessary steps are being taken to retain its positive aspects. However, the continual growth in housing demand throughout the county has put



Neighborhood Map

a strain on existing infrastructure and services. In response, an adopted comprehensive plan for the county offers a plan to accommodate this continued growth in the future. An analysis of the general regional data and the four forces (social, economic, governmental, and environmental) reveals that Queen Anne's County is growing or stable with property values appreciating over the past decade in relationship to the growing interest from the expanding Washington, DC metropolitan area.

In conclusion, there is a healthy economic base for the region with prospective for large population growth and employment expansion into the 21st Century. The overall economic outlook for this region is relatively good. While stabilizing more recently, property values within the county have increased over the past five years with the increasing demand for additional residential development. The increase in residential demand has also resulted an increased supply of supporting retail and service uses provided in the county. The continued growth of the county has impacted property values throughout the county, particularly on a residential basis.

NEIGHBORHOOD DESCRIPTION

The subject property is situated to the south of the Village of Love Point to the northern tip of Kent Island. The location is approximately two (2) miles north of the community of Stevensville with an associated Postal Code for the Stevensville area of 21666. The larger subject neighborhood is generally identified as the southwest portion of the county, designated and influenced by the entire land mass of Kent Island and areas extending eastward to the Wye River and Queenstown. Kent Island and the surrounding neighborhoods represent a marine and bedroom community offering supporting residential and commercial uses catering to the general transitional nature of the water oriented island situated at the east foot of the Chesapeake Bay Bridge.

A Neighborhood can be defined as, "*a group of complementary land uses; a related grouping of inhabitants, buildings, or business enterprises.*" A Market Area is defined as, "*The defined geographic area in which the subject property competes for the attentions of market participants;...an area containing diverse land uses.*"

* "The Appraisal of Real Estate", Twelfth Edition, Appraisal Institute, Pg. 164.

The general boundaries for the larger subject neighborhood are established by the surrounding tributaries of the Chesapeake Bay. The western boundary for Kent Island is established by the Chesapeake Bay. The Chester River establishes the north boundary while the south and east boundaries are established by the Eastern Bay, Prospect Bay, and Wye River. The entire Kent Island area is densely populated attributable to the location at the base of the Chesapeake Bay Bridge. The towns of Grasonville and Queenstown to the east of The Kent Narrows have also increased in exposure offering more affordable land and housing opportunities versus the Kent Island area.

The primary influence on the neighborhood is the waterfront orientation and the proximity to the 'western shore' via the bay bridge. The larger towns in the southwest portion of Queen Anne's County include Stevensville and Chester which offer the two primary commercial centers serving the area. Additionally, a concentration of marine service uses are provided in the Kent Narrows area including several marinas, restaurants, motels,

and recreational facilities. Although expanding as a commercial center with recent developments, the Grasonville area generally serves as a bedroom community for the Queen Anne's County area.

U.S. Route 50/301 extends east/west through the neighborhood and serves as the primary access corridor. A selection of secondary roads provide the access from Route 50 and Main Street (MD Route 18) to the concentration of residential housing communities along the necks of the area. These roads include Romancoke Road (Route 8), Cox Neck Road, Dominion Road, Love Point Road and Bennett Point Road. The concentration of residential developments lie along these roadways.

The concentration of commercial service uses for the neighborhood are situated along U.S. Route 50/301 (Blue Star Memorial Highway) and the service roads (Main Street and) running parallel thereto. A majority of the uses cater to the transitional high traffic volume along Route 50. A new Safeway grocery store along with a small strip center are under development along Main Street to the west of the Kent Narrows Bridge within two miles to the east. The primary commercial area for the Stevensville area represents the own of Grasonville, this enclave of commercial uses along South Piney Road serves as the primary shopping area for the neighborhood. Recreation and marine uses including marinas and boat storage facilities are concentrated to the north of Route 50 and along the Chesapeake Bay frontage to the northwest. The Chesapeake Bay Business Park is situated along Route 8 and Route 50 in Stevensville and provides an increasing professional and technical employment base for the county supporting the agricultural and maritime base. The Prime Outlets, representing a large retail outlet center is situated near the Route 50/301 split to the east of the Kent Island area in the Town of Queenstown.

Immediate Neighborhood

The immediate neighborhood of the subject property represents the Love Point area to the northern part of Kent Island, north of Stevensville representing a peninsula area extending north of Route 50 from the foot of the Bay Bridge. Primary access to the area is provided via the Business Parkway/Love Point Road (MD Route 18) near the foot of the bay bridge and extending northward through the peninsula. Love Point is located approximately 4 miles north of U.S. Route 50.

The Village of Love Point serves as a generally rural bedroom community for the larger Kent Island area. With the exception of the subject owner industrial use along Pier Road, the entire area is predominantly residential in use. Housing is comprised of a combination of either high income waterfront homes and modest lower income interior lot homes. Associated unit values vary significantly from the mid-\$200,000 for older non-waterfront residential units to over \$1,000,000 for recently reconstructed waterfront homes. Although recent vacant lot sales are rare, non-waterfront lots are generally more affordable than lots within the nearby Stevensville market which reflect lot pricing at approximately \$200,000.

Love Point Road extends southward from Love Point into the historic downtown area of Stevensville. Low Density residential uses which are predominantly waterfront concentrate the two mile stretch between Love Point and the northern portion of Stevensville. High density residential development extends northward along Old Love Point Road and include Cloverfields, Chester River Landing, and Mallard Run to the north of Stevensville.

Lot transfers within these developments have ranged over \$140,000 and into the \$200,000 range with respective homes predominantly in the \$400,000 range.

The newly constructed Kent Island High School is situated between the area of Love Point Road and Old Love Point Road to the north of Stevensville. The proposed Four Seasons active adult community represents approximately 350 acres extending along Cox Creek to the south and east of the Stevensville. This community has been approved for a total of 1350 housing units plus an assisted living facility. The development which has been in the approval process since 2000 was finally approved during 2006 after extensive environmental opposition.

Main Street through Stevensville extends parallel to the highway and serves as the primary commercial service road for the expanded neighborhood area. The concentration of shopping centers and retail use are situated along the south side of Route 50/301 and are access via Thompson Creek Road off Route 8. Existing uses along this service road include the Thompson Creek Mall anchored by a Food Lion and the newer Kent Landing shopping center anchored by a K-Mart. Additional retail uses, commercial strip centers and retail service and office buildings offer the primary commercial area for the concentration of residential uses along the peninsula and the entire Kent Island area.

Responding to the ongoing environmental and political fallout from the Four Seasons development, the county and the Citizens Advisory Committee for Stevensville and Chester have drafted a Chester/Stevensville Community Plan to address the future demand and direct the growth of the area to limit the impact on the entire area. The Love Point area is situated outside of the designated growth zone for the area and is not anticipated to be extended sewer service in the foreseeable future.

As the demand for housing continues to grow and extend east and northward through the county, the overall demand for housing and services should continue to grow and the respective values should continue to appreciate. However, recent pricing suggests the market has begun to stabilize as to residential values. The economy of the area appears to be continually growing and strengthening as the surrounding population has significantly increased and new businesses and services arise. The economic outlook for the neighborhood is one of continued growth of a manageable scale.

In Conclusion, while the subject is located in a more rural location in Love Point, the entire Kent Island area continues to be experiencing continued growth and development which is well positioned for continued growth in the future. The good proximity to the regional metropolitan areas, waterfront orientation and tranquil lifestyle should continue to attract people to visit and/or relocate to the area. The immediate area and associated users should continue to grow and develop with the ever increasing population for the entire supporting market area.

LEGAL DESCRIPTION AND HISTORY OF THE SUBJECT PROPERTY

As recorded within the Queen Anne's County Land Records in SM Liber 984, Folio 198, the subject property is currently in the ownership of Atchafalaya Holdings, LLC. This deed represents the most recent transfer of the larger subject lands, dated November 6, 2002. The associated consideration for this prior acquisition was \$1,750,000. The subject property represents Part of Tract One and Tract Four or Parcel 2, Parcel 48, and Parcel 43 as described therein. For analysis, the subject property excludes non-contiguous Tracts Three, Five, Six, Seven, and Eight as indicated therein. A copy of the deed which provides for a legal description of the subject property is provided within the addendum to this appraisal. The subject property is further identified upon a more recent survey performed during the acquisition as recorded in Plat Book 32, Folio 41. A copy of the site plan with allocation of the subject property is presented on the Facing Page. The subject property is further identified by the Queen Anne's County Office of Assessment and Taxation as being on Tax Map 40, Grid 12/18, representing Parcels 2, 43, and 48.

The subject property was originally operated as the eastern shore depot for prior Chesapeake Bay ferry operations. Rail lines previously extended along the south boundary of the subject site. The ferry depot was terminated after the completion of the initial bay bridge span during the 1950's. The present industrial use has occupied the site for the past forty years.

The subject property as part of the larger Atchafalaya Holdings lands amassing over 75 acres is currently in negotiation for acquisition by the State of Maryland Department of Natural Resources. No formal contract was provided the appraiser during the research period. Any associated transfers are contingent upon appraisal and approvals. With the exception of the past acquisition and current negotiations for the property, no other recent transfer history, contracts and/or conveyances of the subject property were discovered nor made available.

PROPERTY DESCRIPTION

The subject property is comprised of three (3) contiguous parcels of land situated at the terminus of Pier Avenue, east of Love Point Road to the northern portion of Kent Island. The subject property consists of a total of 37.55 +/- acres. The subject site offers an irregular configuration conforming to the extensive waterfront along the Chester River which forms the east and south boundaries of the site. The site exhibits over 2,200 feet of frontage along the Chester River. The northwestern boundary for the site is established by Lake Matapex which is predominantly within the subject ownership. As associated with the waterfront orientation and lake presence, a portion of the subject site is designated within tidal wetland areas. A summary of the comprising tracts of land (part of) per the deed of record is as presented below.

Part of Tract One	37.29 +/- Acres	(part of 73.951 acres)
Tract Four	<u>0.262 +/- Acres</u>	Island Portion of Site
Total Acreage:	37.55 +/- Acres	
(Less) Wetland Acreage:	12.50 +/- Acres	(Estimate based on technical maps)
Total Upland Acreage:	25.05 +/- Acres	



Aerial Map (Circa 2004)

The subject property is separated into three general sections comprising a total of 37.55 +/- acres. The southern portion of the site represents the existing access and marina area along Pier Road and fronting along the Chester River to the south. This portion of the site is comprised of approximately 3.0 acres and represents the general area of tax Parcel 43. This portion of the site is improved with approximately 14 boat slips operating for private company and personal use. According to the owner a total of 18 slips are permitted, however, at least 4 of the slips are in the shallow portion extending along the west river frontage and appear to be presently inaccessible. Several equipment sheds and storage warehouses are improved upon the waterfront point of this parcel. Improved upon the extended point of this parcel is a steel construction bridge offering access to a small island portion of the property. The east end of the parcel and island areas are utilized for equipment operation for off-loading of material.

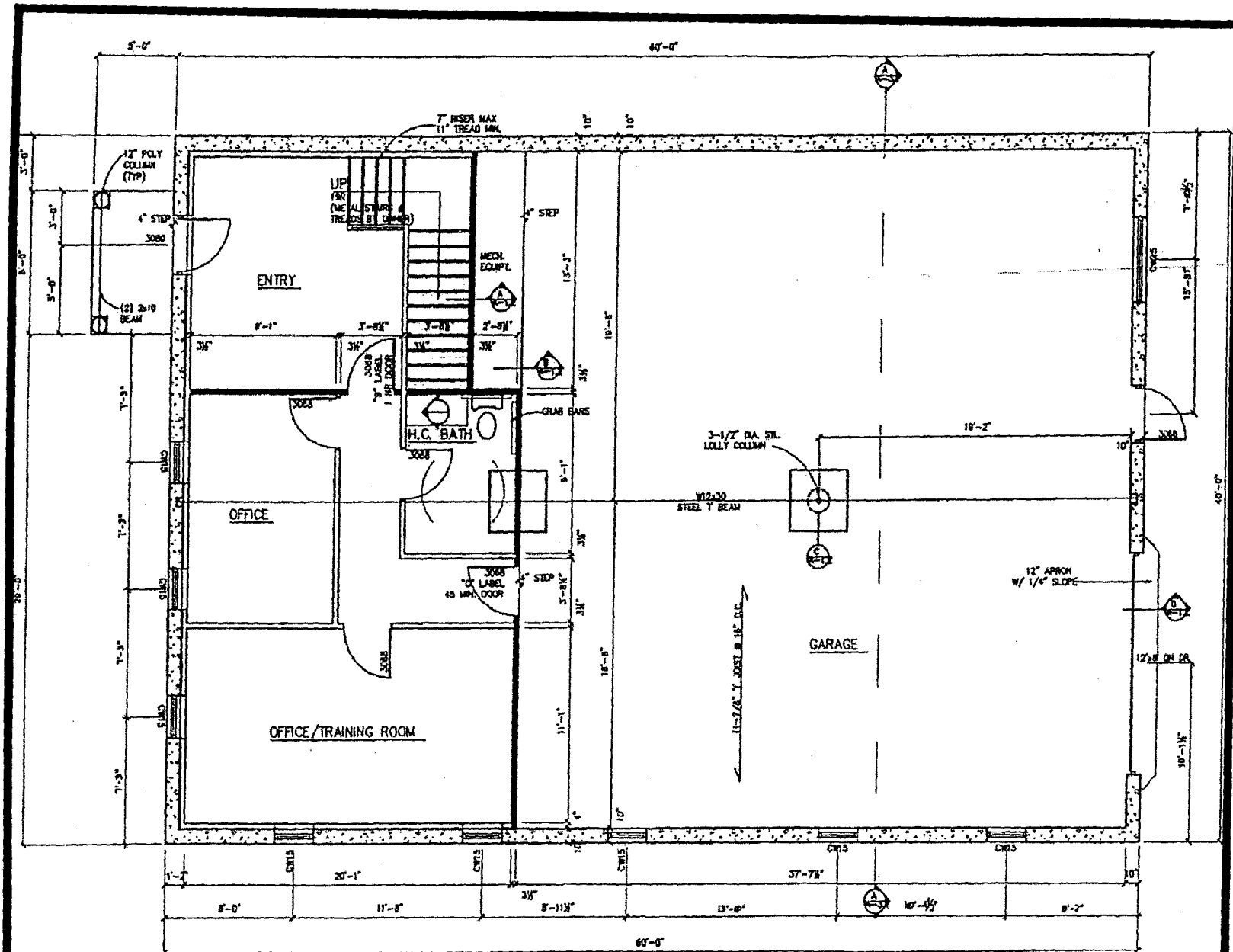
Parcel 48 is situated to the north of Parcel 43 and represents the main industrial operations site and storage yard upon the property. The general area of Parcel 48 is comprised of approximately 10 acres and extends along the north side of the access road for the site and fronts along the Chester River representing the eastern boundary of the larger site. A portion of this site represents wetland acreage allocated along the canal to Lake Matapex and along the Chester River waterfront. A two-story office and garage building with gravel parking area which serves as the administrative office is improved to the north of the marina area. A 100 ton recessed truck scale is installed on the south end of the office building. The remainder of this parcel is utilized for materials storage and operations. Several equipment conveyors direct raw material from the waterfront to the various storage piles throughout the site.

The general area of Parcel 2 represents the remaining lands (~ 25 acres) comprising the site and is situated to the north and west of Parcel 48. A portion of this site is permitted as a dredge material storage. Approximately one-half of this parcel is wetlands within Lake Matapex. An upland bluff area of acreage is found to the west end of the parcel fronting along both sides of Pier Road. This portion of the subject site is presently unimproved but could accommodate a lakefront minor subdivision or utilized for additional storage yard.

Access to the site is provided along Pier Road which accesses Love Point Road to the west. Topography of the site is generally level upon the main operations site, while the western portion of the site along Matapex Lake offers an elevated bluff. A majority of the site is cleared acreage with small areas of woodland buffers and the estimated 12.5 acres of wetlands present.

Site Improvements

The subject site is currently utilized as a materials off-loading and distribution storage yard. The site is improved with a small two-story sales office and garage building and site improvements associated with the ongoing use and waterfront orientation. A recessed truck scale and gravel parking area is found near the sales/office building. The east boundary of the site fronting along the Chester River is improved with a series of stone groins establishing a protective barrier for the shoreline. Timber and steel bulkhead secure the eastern tip and island portion of the site, while the marina area along the south side of the site is improved with timber and wood bulkhead and pilings. While the stone groins have been installed over the past five years, the timber bulkhead appears to be in need of replacement over the next ten years. These areas of the site would likely be reconstructed upon any



Floor Plan (1st Floor)

FIRST FLOOR PLAN

ALL PARTITION SHALL BE 3-1/2" CW 200A METAL STUDS @ 16" O.C. SCALE 1/4" = 1'-0"

alternative use of the site. The mean low water offers a depth of between 2' to 8' along the shoreline for the site with the associated channel depth ranging over 16'. The current operations currently retain a dredging permit for channel maintenance dredging and on-site storage of material. Additional site improvements include the access drive and parking areas offering a composition of tar & chip, crusher run, gravel, and clamshells.

Sales and Administrative Office Building

The two-story office/sales building is situated toward the southeast portion of the site in proximity to the marina and off-loading operations on the site. The building was constructed in 2004 which replaced the prior structure which was damaged during Hurricane Isabel. Dimensions of the structure is approximately 40' x 60' with a gross building area of 2,400 square feet per floor. The first floor has been elevated above floor level and the entire first floor exterior walls have been constructed of reinforced poured concrete on a reinforced concrete slab. The exterior is stucco finished. The second level and gabled roof structure is wood frame construction. The second floor exterior of the structure is finished with engineered clapboard siding and an asphalt shingled roof.

The first floor of the structure is finished with a rear open garage area measuring approximately 40' x 38.5' with the remainder being finished with an entrance foyer, office, training room and bathroom. Height of the first floor is approximately 12'. Stairs off the entrance offer access to the second level administrative offices. Finish on the first floor is generally basic with painted drywall, acoustic ceilings and basic trim. The floor is finished with a durable synthetic rubber/stone compound to mimic slate. The second floor area is improved with offices along the exterior surrounding a central administrative area. The level includes seven (7) offices, a conference room, kitchen, and two restrooms. Interior finish is above average with upgraded commercial carpet, wood stain trim and acoustic ceiling panels. A copy of the floor plans for the building are provided on the facing pages. The property is serviced by a 2000 private substation with a 3 phase 480 volt service panels. A 400 amp sub-panel provides service to the building. HVAC is provide by a gas fired forced air system with electrical air condenser.

The existing industrial operations appear to be accommodated by the site and continue to offer a functional use. As displayed within the larger regional market, similar waterfront industrial sites are rare and continue to be redeveloped with alternative residential and marine uses due to continued environmental concerns and ultimate alternative feasibility. While the subject property continues to offer a functional use, the site appear to also be a candidate for redevelopment. However, the associated rural location, lack of utilities, and general soil composition tends to offer a less marginal investment. The existing site improvements and building improvements appear to contribute to the site with considerable replacement over the past five years. These improvements are considered to offer contributory value under either continued industrial and/or alternative marine/residential use in the future.

Flood Plain

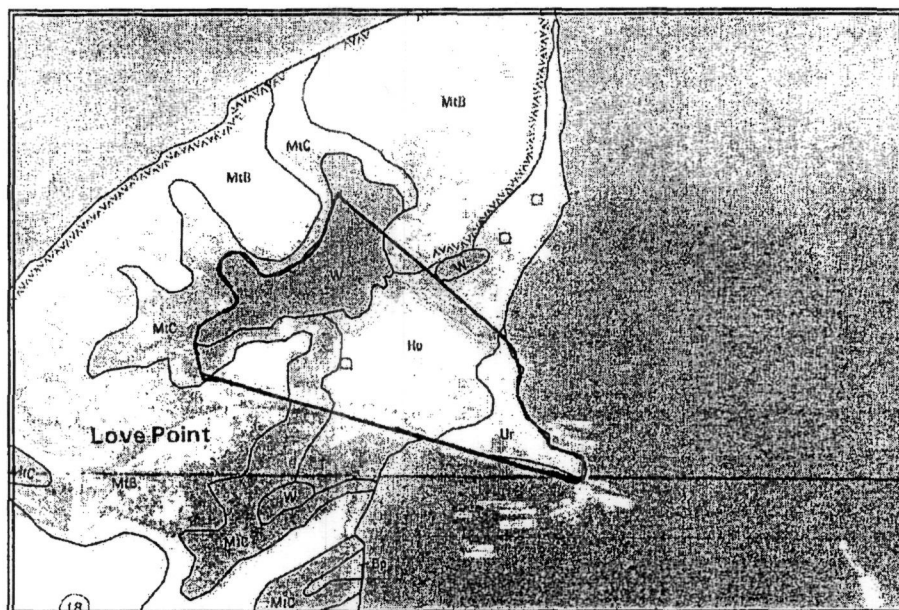
As indicated on FEMA Map #240054-0030-B, dated September 28, 1984, the subject property predominantly lies outside of the designated 100 year Flood Plain Area. However, a majority of the site appears to fall within a 100 year zone. This designation is typical for similar waterfront property along the Chester River in the neighborhood of the subject. A copy of the flood plain map is provided within the addendum to this appraisal.

Utilities

The subject property is not presently served by public water or sewer service. Public sewer and/or water service is not anticipated to be extended and/or improved in the Love Point area in the foreseeable future. The immediate area lies outside of the designated growth area for the county and Stevensville/Chester community. Private Well and Septic systems are required for any development. Although the Queen Anne's County Soil Survey indicates selectively moderate soil classifications for support of septic fields, an appropriate soil percolation test would provide accurate estimates for the capacity of the soil with respect to septic systems for residential or industrial/commercial development. According to the owner, the site offers two on-site septic systems which would allow for replacement in the future.

Soil Composition

The soil composition upon the subject site represents a combination of Mattapex-Butlertown Silt Loams (MtB, MtC), Honga Peat (Ho) and Urban (Ur) lands. These soil classifications are generally non-hydric in nature although tend to be sporadically limiting in support of septic systems. However, selective portions of the larger acreage and surrounding area have allowed for the approval of septic reserve areas in the past. *Due to the disturbed nature and manipulation of the original site, soils mapped per Soils Survey for Queen Anne's County appear not to be accurate. Such preliminary engineering of the site may clearly dictate the ultimate use and potential for the subject property in the future.* Upon the prospective market transfer of the site, any potential purchaser/investor would likely purchase the site contingent on obtaining assurances for prospective future re-development (if any). A copy of the soils map is provided below.



The subject operations currently utilizes and stores petroleum products for operation of existing heavy equipment. It is noted that the subject property or surrounding uses are industrial in use and may have utilized potentially hazardous materials (petroleum distribution, painting, plating, chemical, etc.) in the past. *At the time of inspection, the appraiser did not notice any potential environmental concerns with the property. The appraisers are not experts at identifying potential hazardous materials. The presence of and/or contamination from substances such as petroleum by products and/or other hazardous materials may affect the value of the property. The value estimated herein is predicated on the assumption that there is no such contamination on or in the property that would cause a loss in value. No responsibility is assumed for such conditions or for any expertise or engineering knowledge required to discover them.*

Hazardous Waste:

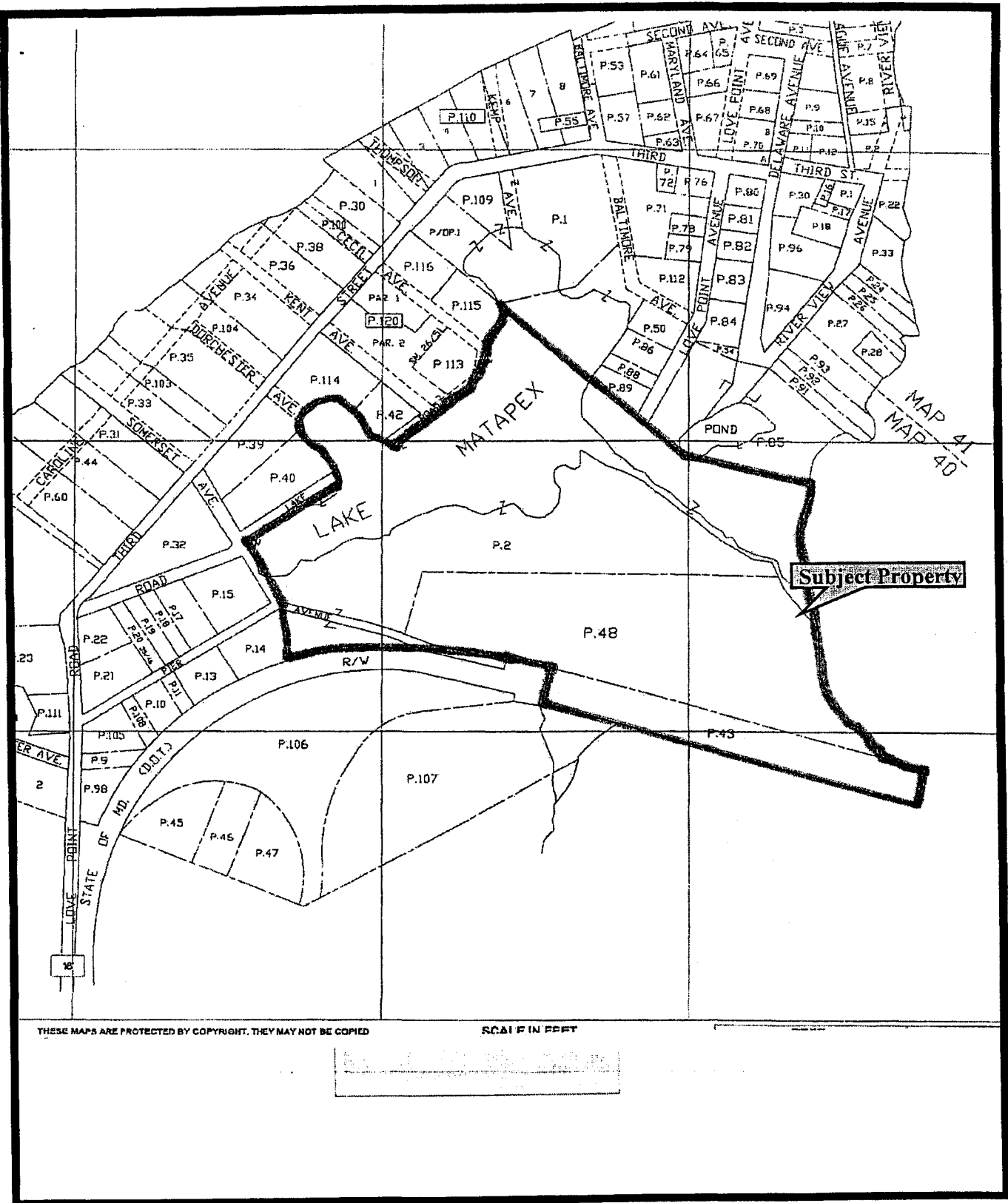
Unless otherwise stated in this report, the existence of hazardous substances, including without limitation asbestos, polychlorinated biphenyls, petroleum leakage, or agricultural chemicals, which may or may not be present on the property, or other environmental conditions, were not called to the attention of nor did the appraiser become aware of such during the appraiser's inspection. The appraiser has no knowledge of the existence of such materials on or in the property unless otherwise stated. The appraiser, however, is not qualified to test such substances or conditions. If the presence of such substances, such as asbestos, urea formaldehyde, foam insulation, or other hazardous substances or environmental conditions, may affect the value of the property, the value estimated is predicated on the assumption that there is no such condition on or in the property or in such proximity thereto that it would cause a loss in value. No responsibility is assumed for any such conditions, nor for any expertise or engineering knowledge required to discover them.

Handicapped Access:

The Americans with Disabilities Act ("ADA") became effective January 26, 1992. We have not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that such a specific survey and analysis could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative effect upon the value of the property. Since we have no direct evidence relating to this issue, we did not consider possible non-compliance with the requirements of ADA in estimating the value of the property.

Subsoil Conditions:

We have inspected the land and the improvements; however it is not possible to observe conditions beneath the soil or hidden structural, or other components. The value estimate considers there being no such conditions that would cause a loss of value. The land or the soil being appraised appears firm, however, subsidence in the area is unknown. We do not warrant against this condition or the occurrence of problems arising from soil conditions.



Tax Map

ASSESSMENT AND TAXATION

The subject property is described by the Queen Anne's County Office of Assessment and Taxation as being on Tax Map 40, Grids 12/18, representing Parcels 2, 43, and 48. The subject parcels were last reassessed during 2005 and valued for the 2006-09 tax years as presented below. The associated tax rates for the area are broken down as \$0.800 (Queen Anne's County) and \$0.112 (State of Maryland) per \$100 of Assessed Value.

Tax Map 40, Grid 12, Parcel 2 (Acct. # 04-036867)

	<u>Land</u>	<u>Improve.</u>	<u>Total FCV</u>	<u>Assessed Value</u>
Prior Assessment	\$340,600	Non-Appl.	\$340,600	
Current Assessment	\$425,300	Non-Appl.	\$425,300	
Phase-In (2006/07)				\$368,833
Tax Load (2006-07)		\$368,833 X	\$0.912/100	\$3,363.75

Tax Map 40, Grid 18, Parcel 43 (Acct. # 04-036840)

	<u>Land</u>	<u>Improve.</u>	<u>Total FCV</u>	<u>Assessed Value</u>
Prior Assessment	\$359,100	\$ 94,100	\$453,200	
Current Assessment	\$703,000	\$ 90,900	\$793,900	
Phase-In (2006/07)				\$566,766
Tax Load (2006-07)		\$566,766 X	\$0.912/100	\$5,168.90

Tax Map 40, Grid 18, Parcel 48 (Acct. # 04-036859)

	<u>Land</u>	<u>Improve.</u>	<u>Total FCV</u>	<u>Assessed Value</u>
Prior Assessment	\$474,200	\$244,600	\$718,800	
Current Assessment	\$740,000	\$261,200	\$1,001,200	
Phase-In (2006/07)				\$812,933
Tax Load (2006-07)		\$812,933 X	\$0.912/100	\$7,413.94
Combined Full Cash Value:			\$2,220,400	
Total Tax Load:				\$15,946.59

The taxes for the subject property were paid in full on September 30, 2006. The overall full cash value assessment for the property appears to be reasonable to slightly favorable based on the appraised value presented herein.

ZONING

The subject property is presently zoned within an *SI (Suburban Industrial)* district as established by the Queen Anne's County Department of Planning and Zoning regulations. The zoning district appears to be spot zoned as attributed to the past and continued operations of the site as an industrial bulk storage yard utilized for off-loading and storage of natural raw building materials.

The Suburban Industrial district is "intended to provide primarily for the development of office, regional commercial, warehouse, and light industrial uses that are compatible with surrounding development..." Permitted uses within the district include, but is not limited to; Agricultural support, Business offices, Effluent disposal, Garden centers, Light industrial, Mini-warehouse, Minor extraction and dredge disposal, Nurseries, etc. Conditional uses include Agricultural, Marinas, Heavy industrial, Outdoor recreation. The existing industrial use of the subject represents a legally conforming conditional use as grand-fathered into the present zoning regulations.

According to representatives of the Queen Anne's County Department of Planning and Zoning, the subject site may avail as a good candidate for a future zoning change (down zoning) to a less intensive neighborhood residential and/or countryside offering a more consistent residential district on all or a portion of the subject site. While not guaranteed, such down-zoning of parcels is favorably accepted over intensive industrial uses as exists on the subject parcel of land. Therefore, a re-zoning to a more adaptable residential (neighborhood residential or countryside zoning) use is considered to be reasonably probable alternative to pursue for the subject parcels.

Critical Area Designation (Intense Development Area)

As associated with the waterfront orientation, the subject site is further governed by the Chesapeake Bay Critical Areas regulations as being within an Intense Development Area (IDA). This district offers the most intensive development potential of the critical area regulations and permits uses and density as governed by the associated underlying zoning of a parcel of land. However, any structure must lie outside of a 100 foot buffer of non-tidal wetlands. Considering the past use of the subject property, the site has been granted an exempt status as to the buffer requirements.

Density Analysis

The potential density of any alternative use upon the site will be subject to any conditional use approval and/or any subsequent zoning change for the parcels. Benefitting the subject site is the presence of the IDA designation, availability of the county TDR program and present intensive industrial zoning and use. Given the environmental nature of the county and region in general, these attributes would avail the subject site to the reasonable alternative marine and/or residential development approval in the future. Density of either marina or residential use would be subject to final review and site (soils) analysis. The maximum density based on a presumed NC-1 (neighborhood conservation) district would be approximately 12 residential units allowing for 1 acre lots and 50% open space. The present industrial zoning and marina use would likely suggest a combination marine and residential use in the future.

HIGHEST AND BEST USE

Highest and Best Use is defined in The Dictionary of Real Estate Appraisal, 4th edition, published by the American Institute of Real Estate Appraisers, 2002, as:

"The reasonably probable and legal use of vacant land or an improved property, which 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 profitability."

The subject property is presently utilized for an industrial marine and storage yard use utilizing the waterfront orientation of the site. A majority of the property value lies within the associated land value and site improvements thereon. Considering the minimal allocation of building improvements, the highest and best use analysis of the entire property is applied. A cursory review of the contributory improvements is incorporated into the analysis.

Legally Permissible

The legality of a proposed use is governed primarily by the zoning in affect at the time of the appraisal. As described in the "Zoning" section of this report, the subject property is zoned within a Suburban Industrial (SI) district per the Zoning Ordinance for Queen Anne's County. Inherent uses permitted within the Suburban Industrial district include, as a representative list; Agricultural support uses, Garden Centers, Mini warehouses, Minor extraction, Nurseries, Warehouses, and Storage yards. Conditional uses by approval include: Agriculture, Aquaculture, Major extraction and dredge disposal, Heavy industrial, and Marinas as a representative list. The subject property represents a legally conforming (conditional) use as grand-fathered into the present zoning regulations. The site is further governed by the Chesapeake Bay Critical Area regulations as being within an Intense Development Area (IDA) as associated with the ongoing industrial operations.

The subject site has been spot zoned within an SI district as associated with the continued industrial use of the site in the past. Conversely, the immediate surrounding uses within the village of Love Point are zoned within an NC (Neighborhood Conservation) district which permits one acre lots. Lands immediately south of the subject property along the Chester River are zoned within CS (Countryside) districts which offers a more rural and less intensive zoning. The subject site would appear to represent a candidate for down-zoning to a less intensive neighborhood residential or countryside district commensurate with the larger parcel. While not guaranteed, the possibility of a potential zoning change could possibly benefit the future alternative utility of the site.

Physically Possible

The entire subject site offers a total of approximately 37.55 acres of land of which approximately 25.0 acres represents upland acreage. A majority of the wetland acreage is contained within Lake Matapex which offers a semi-private subject ownership. The general site size would not limit the overall permitted industrial use of the site. Additionally, the extensive waterfront orientation would tend to suggest a more marine or marine use for the site under a conditional use. Alternatively, the site could accommodate residential use and/or development commensurate to the existing surrounding uses in Love Point. Representative

soil composition appear to be selectively moderate in support of septic systems as exhibited by the adjacent uses and presence of two systems on site. However, due to the past disturbance and manipulation of the site, the overall soil survey would appear not to be accurate for the present site conditions. Further environmental analysis of the site would be required to adequately determine the capacity of the site for future development. The overall size of the subject site and waterfront orientation would suggest that an industrial marine, marina, and/or combined residential use would represent the physically possible uses for the site. Furthermore, the overall physical uses for the industrial site could be directly associated with the potential for re-zoning of the parcels (or portion thereof).

Financially Feasible

The subject property is located in the Love Point area to the northwest portion of the Kent Island area. The Love Point area is generally rural in location compared to the more suburban area of Stevensville to the south. Industrial uses are rare and the subject site appears to be spot zoned associated with the continued operations on site. The waterfront orientation avails the site to an array of legally permissible and physically possible uses. As exhibited by the larger regional market area, any industrial waterfront uses tend to be ongoing operations with newer facilities rare. Marine and Marina uses for the immediate market are concentrated upon Kent Narrows but are strewn throughout the area accommodating the needs of the encompassing population.

Alternative residential uses are concentrated to existing old homes with any recent development representing reconstruction of waterfront lots with newer and larger homes. Additionally, larger estate size waterfront parcels have been improved along Love Point Road to the south. The immediate neighborhood area lacks lands available for new residential development while any newer subdivisions along Love Point Road are restricted to waterfront lots maximizing the overall return to the waterfront parcels. Any further feasibility analysis for the subject would require detailed environmental studies of the subject site to determine the prospective density permitted. Such studies will dictate the direction of any potential redevelopment with either residential, industrial, marine and/or respective combination thereof.

Maximally Profitable and Highest and Best Use

Considering the waterfront orientation of the site, the subject property would likely offer the potential for redevelopment. However, the final density of any redevelopment would be subject to final environmental engineering and approvals for the site. At a minimum, the site offers at least two septic units for redevelopment and has permit for 18 marina boat slips. The high intensity industrial use and IDA critical area designation offer benefits for the site which should also avail to a prospective change in zoning to accommodate any alternative uses. While the ongoing industrial operations offer a value in use, the ultimate use is considered to be for some level of residential, marine, marina and/or partial industrial use operations accommodating the potential density for the site. The newer construction/condition of the building and site improvements will further contribute to the future marina and/or industrial use of the site. Therefore, the Highest and Best Use for the subject property is determined to be for the interim utility of the existing industrial operations with potential for future redevelopment with a residential, marina, and/or mixed use development maximizing the final approved density for the site.

THE APPRAISAL PROCESS

There are three commonly accepted Approaches or techniques used in valuing real estate: The Cost, Income Capitalization and Sales Comparison Approaches.

In the Cost Approach, the site is valued as if vacant and available to be put to its highest and best use. Land value is estimated by the Sales Comparison Approach which involves comparing the subject site with similar unimproved parcels which have recently been sold or are currently offered for sale. The reproduction cost new of the improvements is then estimated less any accrued depreciation from all causes including physical, functional and external. This depreciated value of the improvements is then added to the site value for an indication of value by the Cost Approach.

The Income Capitalization Approach estimates the present worth of all future benefits, either in money or amenities, anticipated through the ownership of real estate. This is generally measured by developing a net income stream which a fully informed person is warranted in assuming the property would produce during its remaining useful life. Operating expenses of the property are then subtracted from the income to establish a net operating income. After comparison with investments of similar type and class, the net income is capitalized into a value estimate.

The Sales Comparison Approach is essential to almost every appraisal of the estimating value of real property. In this approach, sales of similar properties are analyzed as to their price, terms and conditions of sale. These sales are then compared directly to the subject and adjusted for any differences in location, physical characteristics and other factors affecting value. Varying degrees of judgment on the part of the appraiser are involved in the comparative process. The reliability of this approach depends on the availability of ample and adequate sales data for comparison to the subject.

The appraiser has developed the Sales Comparison Approach to estimate the Fair Market Value for the underlying land value offering the concentration of value for the property. Detailed Cost and Income Capitalization Approaches are not applicable in this instance as a majority of the value lies within the vacant land available for redevelopment. However, a cursory contributory cost analysis is performed to estimate the as is value of the existing site and building improvements which comprise less than 25% of the total value for the property.

The Sales Comparison Approach represents the most reliable approach to valuing the subject and has been applied herein. The analysis considers the waterfront orientation and prospective redevelopment of the site. The Sales Comparison Approach represents the most reliable approach to valuing the subject property and has been applied herein. Subsequently, the allocated site improvements and the minimal contributory value of the building improvements are added to the land valuation to determine an associated "As Is" Fair Market Value for the subject property. Presented on the following pages is a presentation of waterfront and water oriented land sales followed by a comparison and adjustment analysis. The following land sales were researched and analyzed in estimating the value of the subject property.

**“AS IS” FAIR MARKET VALUE
via
SALES COMPARISON APPROACH**

SALES COMPARISON APPROACH

The Sales Comparison Approach utilizes sales of similar properties as the basis for an indication of value for the subject property. Direct comparisons are normally made between the sale properties and the subject on an item by item basis for such features as date of sale, location, size and physical characteristics. Adjustments are then made to the sale prices of each comparable property to arrive at an indication of what the property should have sold for had it been essentially similar to the subject. These adjusted prices are then correlated into an estimate of value by this approach. The waterfront land sales have been analyzed on a price per development unit as the comparable market data seems to dictate.

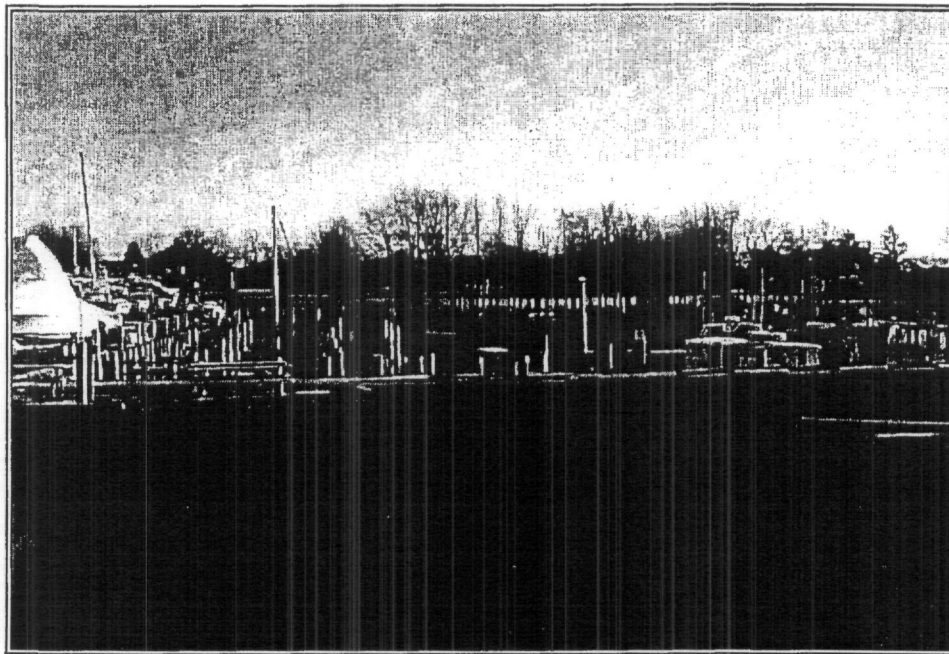
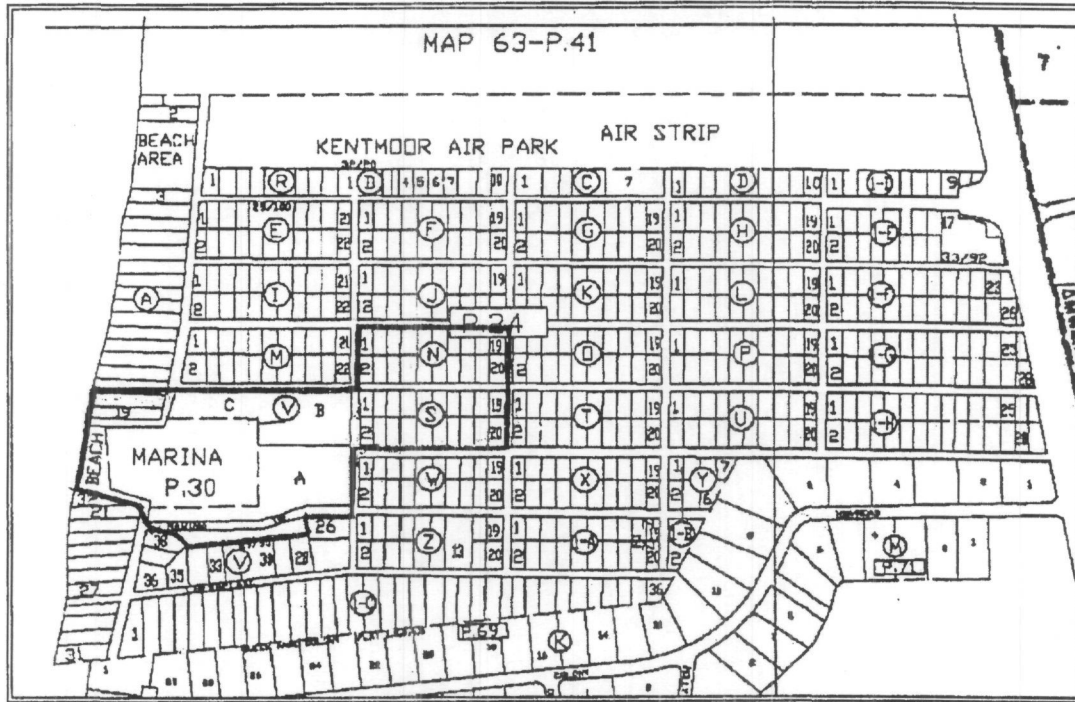
The subject property represents a 37.55 +/- Acre tract of land of which approximately 12.50 acres is estimated to represent tidal wetlands. The site is presently operated as an industrial marine use with partial improvement with a small office building and waterfront site improvements including rip-rap and a small marina. The ultimate use of the site is determined to be for future redevelopment with a marina, residential and/or industrial marine use. As exhibited by the comparable sales data available, a majority of the properties offer some level of site improvement and/or vacant sites. In lieu of a line item bulk contributory value adjustment and for ease of analysis, the sales comparison approach is applied based on an allocation of vacant land with the contributory value of the improvements added after the analysis.

The characteristics of the subject site and the base upland acreage were considered in the selection of the comparable sales data. The analysis has considered an array of data available within the immediate market area of Kent Island. Additional supporting sales data was investigated throughout the regional central Peninsula area. Considering the highest and best for the subject site and speculative basis for future development, the sale data selected range from minor residential waterfront estate farms, to subdivision sites, redevelopment parcels and improved marinas. The respective sales data are adjusted for an indication of a range of value for the subject site.

Although each property transfer varies in comparison to the subject property, the range of values provided by the comparable land transfers represent a good indication of value for which the subject property should fall. Furthermore, any considerable difference in parcel and lot sizes is minimized by the application of analysis of the site in whole. While the market may implicate a per acre or per unit for analysis, the speculative nature of future development warrants consideration of an array of available data from the market. Furthermore, the data offers a significant range of unadjusted data for analysis. Therefore, the most applicable unit of analysis is considered to be the total price paid.

Presented on the following pages are recent land transfers of waterfront minor subdivision, estate land sales and marine use properties. The following Land Sales are considered to be the best data available at the time of the appraisal. A Sales Comparison Analysis is provided following the sales to determine the indicated "As Is" Market Value for the subject property. The utilized land sales and adjustment analysis thereof are considered to provide a representative indication of the Market Value for the subject parcel. While a larger number of comparable sales were researched, only the most comparable sales applicable to the valuation of the subject are presented on the following pages.

COMPARABLE LAND SALE ONE



COMPARABLE LAND SALE ONE

LOCATION: Terminus of Kentmorr Road @ Orchid Street
Kentmorr Air Park Subdivision
Waterfrontage on Chesapeake Bay
South of Stevensville, Queen Anne's Co., Maryland

TAX REFERENCE: Tax Map 70, Grid 1, Parcel 30 and Parcel 24 (20 Lots)

GRANTOR: The Yacht Basin Company

GRANTEE: Kentmorr Marina Properties, LLC

DATE OF SALE: May 19, 2005

DEED REFERENCE: SM Liber 1401, Folio 272

CONSIDERATION: **\$5,000,000**

LAND AREA: 14.73 +/- Acres (Entire Site)
11.63 +/- Acres (Uplands Acreage)
3.10 +/- Acres (Basin & Wetlands)

EXISTING USE: 95 Slip Marina with Storage Yard and Restaurant

PRICE PER UNIT: \$52,632 per Unit (Marina Slips)

FRONTAGE: Access via Kentmorr Road
Waterfrontage on Chesapeake Bay

ZONING: Commercial District
LDA; Limited Development Area (Critical Area)

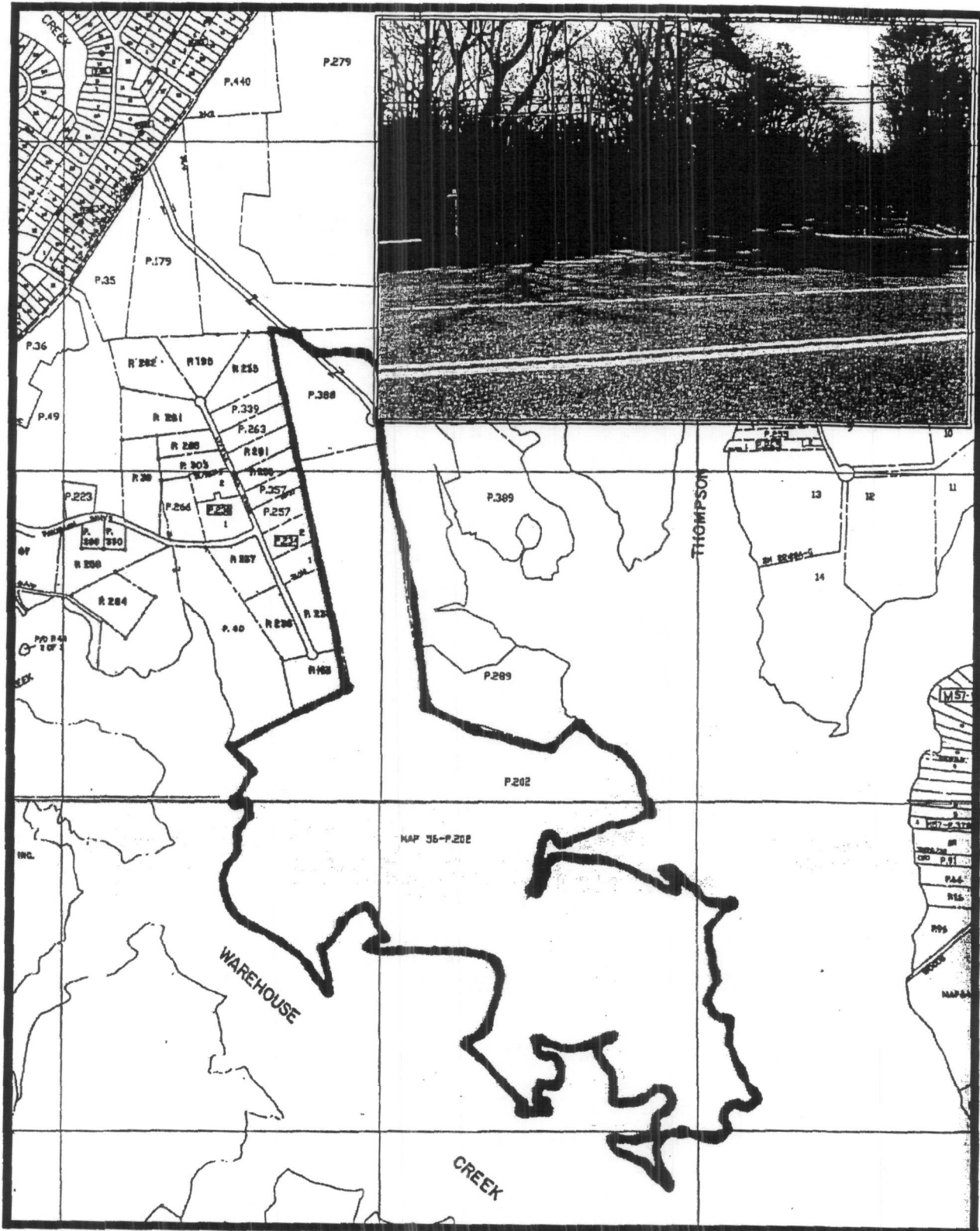
UTILITIES: Public Water and Sewer systems available

VERIFICATION: Representative of Grantee (Site Manager)
Deed and Assessment Records and Planning & Zoning

HISTORY: No prior arms-length transfers within past three years.

FINANCING: Conventional

COMMENTS: This transfer represents the purchase of the Kentmorr marina situated along the Chesapeake Bay to the south of Stevensville. The location is south of the Kentmorr Airpark and among an existing subdivision of smaller lots and homes. A yacht storage and service yard and a dredge spoils yard transferred with the property. Although presently improved, the site offers an alternative for use for the subject property. Significant adjustments have been performed for the superior improvements and utility.



COMPARABLE LAND SALE TWO

COMPARABLE LAND SALE TWO

LOCATION: Southeast of Romancoke Road (Private Lane)
Waterfront on Cox Creek
South of Stevensville, Queen Anne's Co., Maryland 21666

TAX REFERENCE: Tax Map 56, Grid 23, Parcels 388 and 202

GRANTOR: Blunt Marsh Limited Partnership

GRANTEE: James R. Davidson and Lois M. Davidson

DATE OF SALE: May 6, 2005

DEED REFERENCE: SM Liber 1412, Folio 192

CONSIDERATION: **\$3,500,000**

LAND AREA: 335.59 +/- Acres (85.0 +/- Acres Uplands)

POTENTIAL LOTS: 4 Minor Subdivision (Site perced for 5 additional lots)

PRICE PER UNIT: \$875,000 per Unit (Single Family Lots)

FRONTAGE: Access via Shared Right-of-Way from Romancoke Road
Waterfront on Cox Creek

ZONING: CS; CountrySide Zoning District

SOILS: Unicorn/Sassafras, Mattapex, Carmichael, Longmarsh

DESCRIPTION: Cleared: 63.0 Acres (19%)
Woods/Wetlands: 272.6 Acres (81%)

UTILITIES: Private Well and Septic systems required

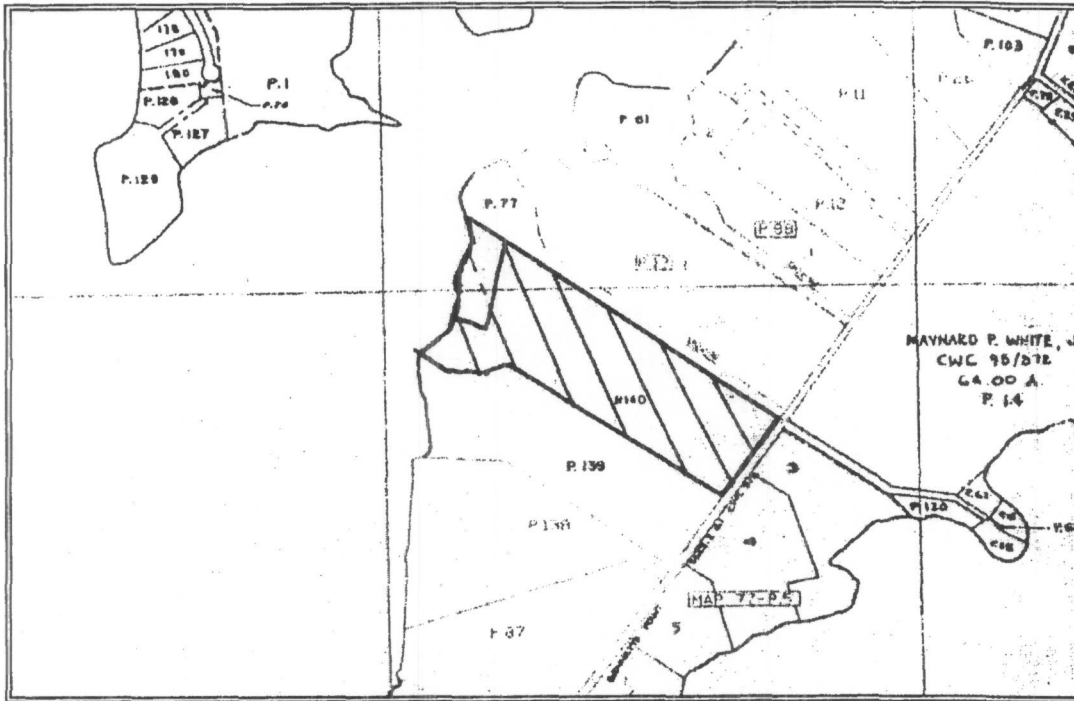
VERIFICATION: Grantee, Deed and Assessment Records

HISTORY: No prior transfers within past three years

FINANCING: Conventional

COMMENTS: This waterfront estate offers a predominantly woodland and marshland acreage situated to the south along Stevensville Road. The site benefits from a shared right-of-way which could accommodate future minor development. Although marshlands and woodlands predominate the site, the private estate offers unrestricted views of the waterfront and marsh. The woodland, marsh and buffer for the farm are encumbered with a Maryland Environmental Trust easement. The smaller parcel was improved with a residence offering contributory value.

COMPARABLE LAND SALE THREE



COMPARABLE LAND SALE THREE

LOCATION: West Side Bennett Point Farm
Waterfrontage on Greenwood Creek
South of Queenstown, Queen Anne's Co., Maryland

TAX REFERENCE: Tax Map 72, Grid 23, Parcel 140

GRANTOR: Rosario & Janet Marinucci

GRANTEE: D.R. 2001, LLC

DATE OF SALE: September 22, 2004

DEED REFERENCE: SM Liber 1308, Folio 388

CONSIDERATION: \$3,100,000

LAND AREA: 27.68 +/- Acres

POTENTIAL LOTS: 4 Approved Lots

PRICE PER UNIT: \$775,000

FRONTAGE: 600 feet along Bennetts Point Road
Approximately 250' waterfront along Greenwood Creek

ZONING: CS; Countryside District
RCA; Resource Conservation Area (Critical Area)

SOILS: Ingleside Sandy Loam along Waterfront
Pineyneck and Othello Silt Loam interior

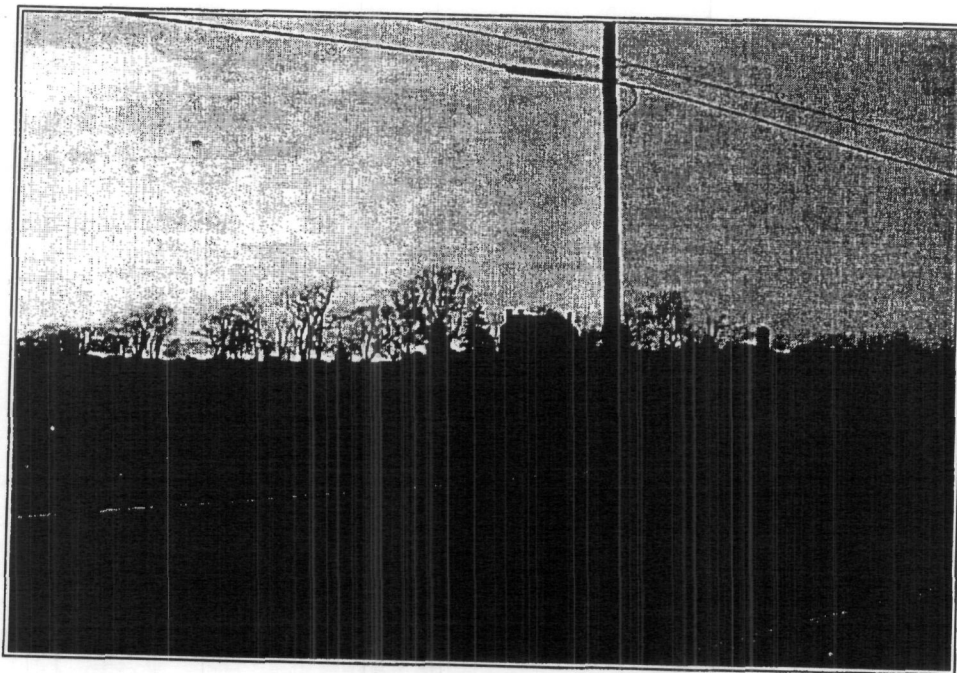
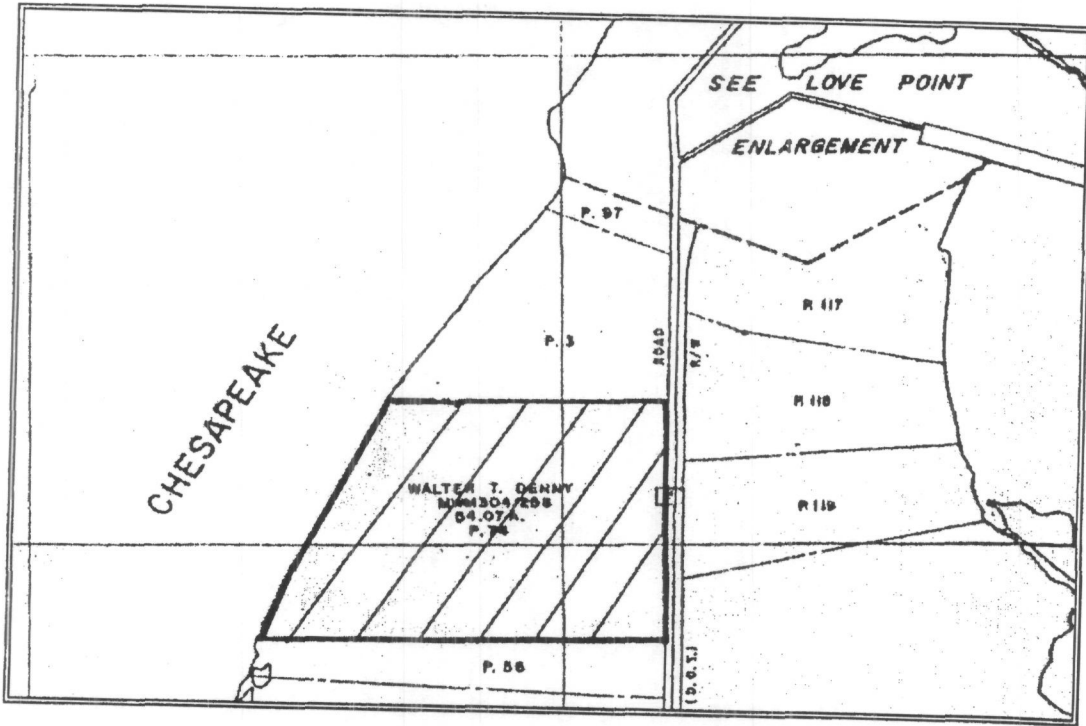
UTILITIES: Private Well and Septic systems required

VERIFICATION: Representative of Grantor, MLS Data,
Deed and Assessment Records and Planning & Zoning

FINANCING: Conventional

COMMENTS: This transfer represents a waterfront estate farm situated to the south of Grasonville in the Bennett Point area. The farm was improved with a colonial home at the time of sale, however, the improvements were only applied minimal contributory value upon the original acquisition of the lands. Three waterfront lots were subsequently sold off of the farm for \$850,000 each with the larger 20 +/- acre remaining estate selling for \$1,350,000 with the partially renovated improvements. Private utilities and a new subdivision road were installed in addition to rip rap along the shoreline after purchase.

COMPARABLE LAND SALE FOUR



COMPARABLE LAND SALE FOUR

LOCATION: 2001 Love Point Road
South of Love Point
Waterfrontage on the Chesapeake Bay
North of Stevensville, Queen Anne's Co., Maryland

TAX REFERENCE: Tax Map 40, Grid 17, Parcel 74

GRANTOR: David R. Goodhand

GRANTEE: William H. Metcalfe, Sr. and Barbara A. Metcalfe

DATE OF SALE: June 24, 2004

DEED REFERENCE: SM Liber 1305, Folio 449

CONSIDERATION: \$2,250,000

LAND AREA: 51.82 +/- Acres

POTENTIAL LOTS: 2 Lots (1 per 20 acres in critical area)

PRICE PER UNIT: \$1,125,000

FRONTAGE: Approximately 1,500 feet along Love Point Road

ZONING: CS; Countryside District
RCA; Resource Conservation Area (Critical Area)

SOILS: Predominantly Mattapex Silt Loam

UTILITIES: Private Well and Septic systems required

VERIFICATION: Grantor, Deed and Assessment Records

HISTORY: No prior arms-length transfers within past three years.

FINANCING: Cash to Seller

COMMENTS: This waterfront parcel is situated to the south of Love Point with exposure directly on the Chesapeake Bay. The location is more rural to the north of Stevensville, but the farm offers an alternative estate investment comparable to the subject property. An old colonial estate house in a level of disrepair is situated on the farm and considered not to offer any considerable contribution to value. Slightly over 1/2 of the site is within an RCA Critical Area Designation. The additional acreage would prospectively permit additional waterview and/or cluster development beyond the 2 minor waterfront lots by right.

COMPARABLE LAND SALE FIVE

LOCATION: Both Sides Trenton Street - Southwest of Maryland Ave.
Frontage on the Cambridge Creek (East Bank)
Cambridge, Dorchester County, Maryland

TAX MAP: Map 303, Parcels 5042, 5044-47, 5049-50, & 5059

DATE OF SALE: March 25, 2003

DEED REFERENCE: MLB Liber 521, Folio 606

GRANTOR: Arundel Corporation

GRANTEE: Deep Harbour, LLC

CONSIDERATION: \$2,500,000

ZONING: I-1; Industrial (at time of contract)
Contingent on Rezoning to Residential with Approvals

LAND AREA: 14.514 +/- Acres

PRICE PER ACRE: \$172,247

FINANCING: Cash to Seller

UTILITIES: Public Water and Sewer Available

VERIFICATION: Representative of Grantee, Representative of Grantor;
Cambridge Planning Office; Deed and Assessment Records

COMMENTS: This transfer represents the dated acquisition of a large waterfront redevelopment site within the Town of Cambridge. The site exhibits over 1,000 Feet of frontage along Cambridge Creek and is adjacent to the Trenton Marina operated by the Town. The site was acquired contingent on obtaining approvals for a multi-use development incorporating 380 residential housing units in addition to a restaurant, marina use and retail/restaurant improvements. The development has obtained approvals from the Town of Cambridge. The site benefits from existing bulkhead, although extensive replacement is required and planned for the development. Minimal improvements representing warehouses were present on some of the parcels. A majority of the remaining lands acquired are of smaller size and/or lack waterfront exposure. Beezer Homes subsequently acquired by the contract with approvals in place for a reported \$15,000,000. This site offers a good comparison to the subject as a basis of value representing an emerging redevelopment site at the time of sale.

SALES COMPARISON CHART						
	Subject	Sale One	Sale Two	Sale Three	Sale Four	Sale Five
Location	400 Pier Road	Kentmorr Airpark	Romanceoke Road	Bennett Point Rd	Love Point Road	Trenton Street
Area/County	Love Point	South of Stevensville	South of Stevensville	South of Queenstown	South of Love Point	Cambridge, Dorch.
Upland Acreage	25.050	11.000	85.00 (uplands)	27.680	51.820	14.514
Comparison Unit	1	1	1	1	1	1
Grantor		Yacht Basin Co.	Blunt Marsh	Marinucci	Goodhand	Arundel Corp.
Grantee		Kentmorr Marina	Davidson	D.R. 2001, LLC	Metcalfe	Deep Harbour
Date of Sale		5/19/2005	5/6/2005	9/22/2004	6/24/2004	3/25/2003
Sales Price		\$5,000,000	\$3,500,000	\$3,100,000	\$2,250,000	\$2,500,000
Price per Unit		\$5,000,000	\$3,500,000	\$3,100,000	\$2,250,000	\$2,500,000
Property Rights		Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Financing		Cash to Seller	Cash to Seller	Cash to Seller	Cash to Seller	Cash to Seller
Conditions of Sale		Arms-Length	Arms-Length	Arms-Length	Arms-Length	Arms-Length
Contributory Value of Improvements		(\$1,000,000)	(\$200,000)	\$0	\$0	\$0
Adjusted Sales Price		\$4,000,000	\$3,300,000	\$3,100,000	\$2,250,000	\$2,500,000
Price per Unit		\$4,000,000	\$3,300,000	\$3,100,000	\$2,250,000	\$2,500,000
Market Conditions		15.0%	15.0%	30.0%	35.0%	50.0%
Adj. Price/Unit		\$4,600,000	\$3,795,000	\$4,030,000	\$3,037,500	\$3,750,000
Location/Exposure		-5.0%	-5.0%	0.0%	0.0%	5.0%
Frontage/Access		0.0%	5.0%	0.0%	-5.0%	0.0%
Site Size (Acres)		5.0%	-15.0%	0.0%	-5.0%	5.0%
Topography		0.0%	0.0%	0.0%	0.0%	0.0%
Waterfront Exposure		0.0%	5.0%	5.0%	5.0%	5.0%
Soils/Utilities		-10.0%	-5.0%	-5.0%	0.0%	-15.0%
Potential/Use		-10.0%	0.0%	-5.0%	5.0%	-15.0%
Zoning/Overall Utility		-5.0%	5.0%	-5.0%	5.0%	-5.0%
Net Adjustment		-25.0%	-10.0%	-10.0%	5.0%	-20.0%
Adj. Price/Unit		\$3,450,000	\$3,415,500	\$3,627,000	\$3,189,375	\$3,000,000
General Comparability (Adjusted)		Superior	Superior	Superior	Inferior	Inferior/Mkt Cond.
Concluded Range of Value:		\$3,000,000	to	\$3,627,000		
Calculated Mean of Adjusted Data:				\$3,336,375		
Estimate of Land Value via Sales Comparison Approach						\$3,400,000
Plus: Contributory Value of Site Improvements:						\$900,000
Final Estimate of Value ("As Is" Market Value):					Rounded:	\$4,300,000

SALES COMPARISON APPROACH

The appraiser has researched the immediate market area of Kent Island in Queen Anne's County for comparable waterfront land transfers which offered similar or alternative potential utility as the subject property. Additional research of the entire Eastern Shore of Maryland was performed and Sale Five has been included as additional data for analysis. The transfers presented on the previous pages represent the best information available at the time of the appraisal within the researched market area. These five comparable sales have been analyzed within the Sales Comparison Chart presented on the facing page.

The unit price utilized for the valuation has been determined to be the Total Consideration Paid for each property offering a range of total value for the subject site. Considering the speculative nature of the subject site and the array of applicable data, this analysis appears to offer the best approach to value.

Presented on the facing page is an adjustment grid setting forth the percentage adjustments for the dissimilarities to the subject property. Before adjustments the comparable sales provide a Sales Price ranging from \$2,250,000 and \$5,000,000. The respective uses and site sizes offer a range of utility and ultimately sales price reflective of the range of value anticipated for the subject property. The final indication of value is considered to fall within the initial and final adjustment range of value offered. Factors requiring adjustments for the sales included differences in Location, Size, Frontage, Access, Topography, Density/Potential, Available utilities and Overall Utility.

Conditions of Sale, Property Rights, Financing

All the comparable sales were arms-length transactions with market financing or its cash equivalent. Each property sold in Fee Simple Interest with equivalent conventional financing or cash acquisitions.

Contributory Improvements

An adjustment for any accountable improvements has been performed for the comparable sales. The subject site is initially analyzed on a raw site basis without consideration of existing site improvements. Commensurate to this level, any accountable improvements upon the comparable sales require adjustment. Sale One was improved with a 95 slip marina at the time of sale. The overall sales price is reflective of the commercial zoning, approvals in place, and the improvements. Based on the assessment for the property, an adjustment of approximately \$1,000,000 is applied for the marina improvements which calculate to approximately \$10,526 per slip including the restaurant. Sale Two was improved with a residence. The improvements were presented to contribute approximately \$200,000. Sale Four was improved with an older farmhouse on site which was subsequently renovated, however, the developer for the site did not consider the improvements in the overall purchase price at the initial acquisition of the lands. Therefore, no adjustment is applied.

Market Conditions

A market conditions adjustment was required for all the transfers occurring prior to the past six month period. Initially, the associated supply factors have changed over the past

three years resulting in substantial increased private land pricing. Based on general sales data, the market has increased at least 15% in value from the prior year (2005), while larger levels were indicated for any transfer over eighteen months. For analysis, the appraiser has limited a majority of the transfers to within the past three years. Scaled adjustments of 5% to 35% are applied for these comparable sales. A minimal adjustment of at least 50% upward is required for the dated transfer of Sale Five. While this site is located in a generally inferior market, the overall existing industrial use and raw land basis at acquisition offer a very similar investment as the subject.

Presented below is a discussion of the physical characteristics requiring adjustment. Each adjustment has been applied with an applicable minimum of between 5% to 10% variance. The minimum applied adjustment analysis offers a reliable adjusted range of value from which the value of the subject property should lie. Respective adjustments have been based on a general paired sale review and/or scaled comparability among the sales data. Upon adjustment, the adjusted unit price will provide a range of value representative of the subject property. Subsequent to the applied minimal quantitative analysis, a qualitative analysis and reconciliation of the general comparability of the data is performed.

Location/Exposure

A Location adjustment was required for Sales One, Two and Five. The subject property is located to the north of Stevensville in the northwest portion of Kent Island in a generally rural residential demand area. However, the availability (lack thereof) of waterfront estate and minor development lands tends to significantly influence overall demand and pricing thereof. Therefore, adjustments are only required for those two sales considered to offer accountable varying locations. Sales Three and Four are considered to offer overall similar location in rural areas of Kent Island. Sale Four is situated in close proximity to the subject site along Love Point Road. The inferior location of Sale Five within the Town of Cambridge requires an upward adjustment.

Frontage/Access

A Frontage/Access adjustment was performed to the comparable sales with more or limited amount of road frontage compounded by associated rural access in comparison to the subject property. Sale Two offers an inferior interior accessibility and is applied an upward adjustment, while the superior amount of frontage and access for Sale Four requires a slight downward adjustment.

Site Size (Upland Acreage)

An adjustment is applied for the overall allocated size of each property. With the exception of Sale Two, each applied adjustment is minimal to offer a more appropriate range in value for the subject analysis. Furthermore, the more apt adjustment for the analysis is applied under the overall Potential/Use and approval for the existing use and/or final development. The smaller size of Sales One and Five required upward adjustment, while the larger size of Sales Two and Four required downward adjustments. Considering the commensurate general use and potential as the subject and factoring the significantly larger acreage, the adjustment for Sale Two is applied based on a unit price per excess acreage of approximately \$12,500 or roughly - 15%.

Topography/Site Composition

Additional adjustments have been applied for the general topography and amount of wetland acreage associated with each sale property. The waterfront orientation and general topography are considered to be similar to the subject or of minor attribute in compilation with the overall potential and use of the site. Therefore, no accountable adjustments were performed.

Waterfront Exposure

The subject property exhibits a good view and exposure along the Chester River. This exposure, direct accessibility and limited buffer is a positive marketable attribute for the subject property. With the exception of Sale One, the overall water accessibility and general orientation is considered to be inferior to the subject property for each sale. Again, a minor upward adjustment is applied to reflect this factor.

Soils/Utilities

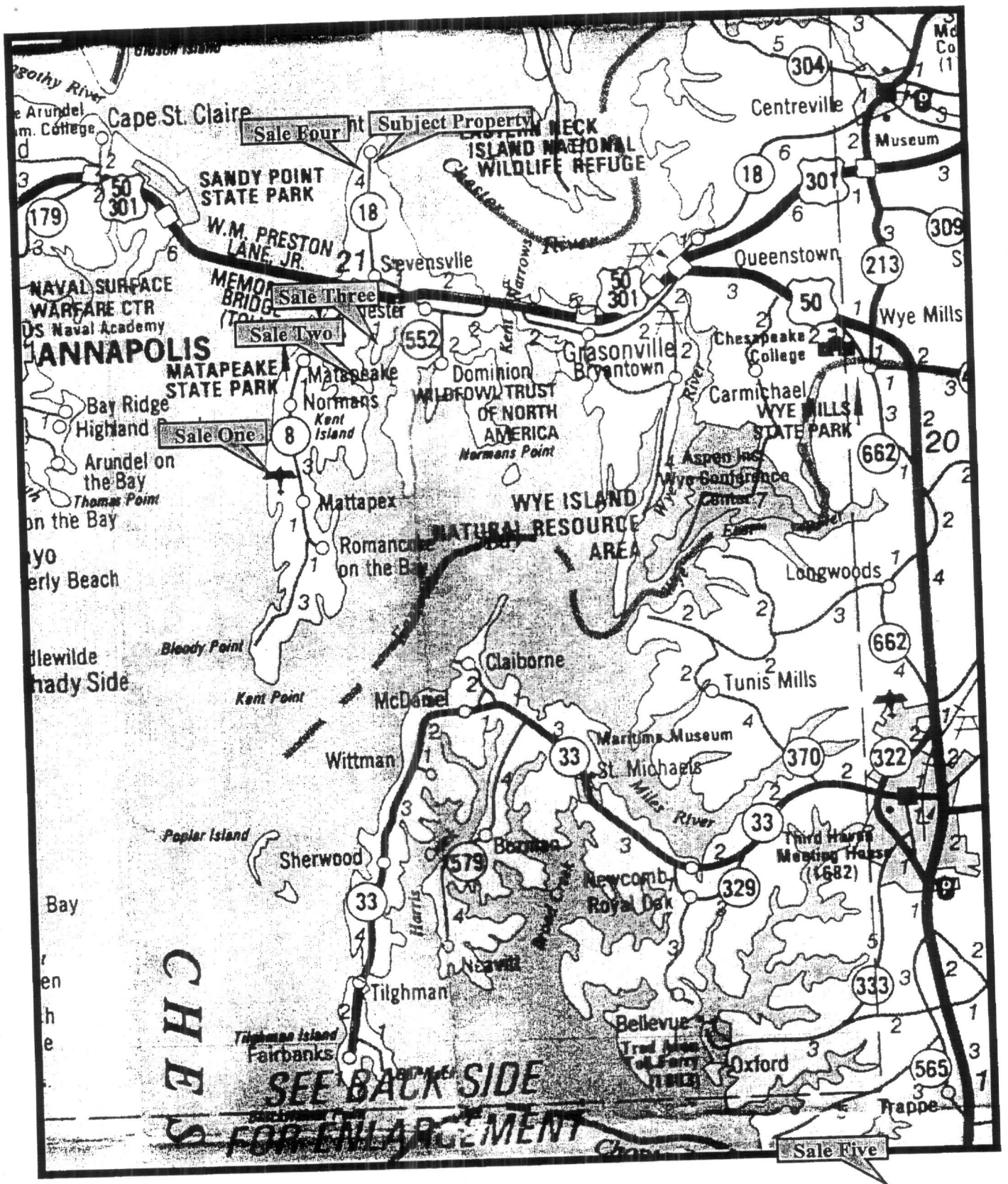
The subject property requires on site well and septic systems for development with residential lots or alternative marina use. While the subject lacks public utilities, the ultimate potential for development will be subject to final environmental approval with possible mixed use development offsetting this attribute. However, the ultimate access to utilities for Sales One and Five warrant accountable adjustments applied at -10% and -15%, respectively. Sales Two, Three and Four offer similar private utility requirements. However, the superior soils and existing perc allocations to Sale Two and Three offer a superior attribute and are applied a slight downward adjustment.

Potential/Use/Density

A more accountable adjustment for the analysis is the overall use, potential, approval and zoning associated with each property. Comparable Sales Two and Three tend to offer overall similar to offsetting potential associated with the prospective waterfront residential development. No adjustments are applied to these two sales given the general size and locations. Sale Four is situated in a more rural area to the south of Love Point but the RCA designation limits the overall density of waterfront lots. At a minimum, a slight upward adjustment is required. Additional adjustments of -10% and -15% are required for Sales One and Five, respectively. This minimal scaled adjustments reflect the general marine and redevelopment residential use and density thereof permitted upon each site.

Zoning/Overall Utility

A final adjustment has been applied for an encompassing zoning, potential and overall utility required for any of the sales. Overall, Sales One, Three and Five offer superior factors for existing and/or immediate inherent utility and have been applied an additional -5% adjustment to compensate. Sales Two and Four offer overall inferior attributes including partial easements and RCA designations and have been applied slight upward adjustments of 5%.



Land Sales Map

SUMMARY OF SALES AND RECONCILIATION

<u>Sale</u>	<u>Date</u>	<u>Consideration</u>	<u>Use</u>	<u>Adjusted Sales Price</u>
1.	5/19/05	\$5,000,000	Marina	\$3,450,000
2.	5/6/05	\$3,500,000	Estate/Sub	\$3,415,500
3.	9/22/04	\$3,100,000	Minor Sub	\$3,627,000
4.	6/24/04	\$2,250,000	WF Estate	\$3,189,375
5.	3/25/03	\$2,500,000	WF Subdivision	\$3,000,000

I have carefully analyzed each comparable property included in the Sales Comparison Approach and have made adjustments for any discernable differences. The indicated adjusted range of sales prices is \$3,000,000 to \$3,627,000 with an calculated mean of \$3,336,375. This range provides the best indication within which the value of the subject property should fall. The general utility of the range of data offers a comparative range reflecting the ultimate potential use for the subject property. Considering the dated transfers of Sales Four and Five, the overall mean is considered to reflect the general basis for value conclusion. Note that often times differences in sales price is simply a reflection of negotiation skills, a factor that often skews results. All of the comparable land sales provide a relatively close range of value for an indication for the subject.

Test for Reasonableness (Alternative Analysis)

The appraiser has further analyzed an array of sales data ranging from individual waterfront residential lots, non-waterfront land sales, and more intensive development parcels. Respective residential waterfront lots within the market have transferred predominantly between \$750,000 for a small inferior waterfront lot to a larger estate improved lot of \$1,350,000. Based on the data available from the market, the subject property should fall to the upper end of this range considering the exposure and minimal density of two residential units.

Three general residential development scenarios have been performed to support the value offered by the Sales Comparison Approach. At a minimum, this data suggests a total value for the subject site of \$2,500,000 (2 lots @ \$1,250,000). Furthermore, this base value would not consider the prospective additional utility associated with the marina. Additionally, based on a prospective density of five (5) units or density of one lot per five acres under a countryside zoning, the calculated value based on Sale Three and Four would be approximately \$3,750,000 (5 lots @ \$750,000). Based on a maximum density of approximately 12 units under an NR zoning change, a range of value is calculated utilizing a unit price range between \$300,000 and \$500,000 per unit. The calculated range of value is indicated to be \$3,600,000 to \$6,000,000. This later scenario would be most speculative and thus offers the highest range of value. This further analysis supports the range of value concluded in the sales comparison analysis.

Contributory Cost Analysis

Atchafalaya Holdings - Langenfelder Site Love Point - Queen Anne's County, Maryland

REPLACEMENT COST:

Office Building	Sect. 15, Pg. 17		<u>Base Cost</u>	
	Average/Good Cost - Class C/D		<u>\$85.00</u>	
	Adjusted Base Cost:		\$85.00	
Plus:			<u>\$0.00</u>	
	Final Adjusted Base Cost (per Square Foot):		\$85.00	
Gross Building Area:		X	4,800	Square Feet
Improvement Cost Estimate:			\$408,000	
Less: Garage Adjustment	\$35.00	1,540	<u>(\$53,900)</u>	
<i>Total Improvement Estimate:</i>				\$354,100
Plus: Entrepreneurial Profit @	12.5%			<u>\$44,263</u>
<i>Total Improvement Cost b/f Depreciation:</i>				\$398,363
Less: Physical Depreciation:		<u>0</u> Effective Age		
		40 Expected Life	0.00%	<u>\$0</u>
<i>Depreciated Value of Improvements:</i>				\$398,363
Site Improvements:	(Contributory Value - Depreciated)			
Stone Groins & Rip Rap	800 lf @	\$500.00	\$400,000	
Timber/Steel Bulkhead	1,400 lf @	\$75.00	\$105,000	
Contributory Value of Site Improvements:				<u>\$505,000</u>
Contributory Value of Site Improvements & Building				\$903,363
		Rounded:		\$900,000

Additional sales data was also analyzed for comparison. However, the respective pricing, size and/or associated improvements required more significant adjustment. These transfers included the purchase of industrial sites for \$100,000 per acre, the largest of waterfront estates (20 acres) for \$1,300,000 offering only one unit, a 5.0 acre waterfront commercial site with Route 50 exposure for \$1,900,000 (over \$2,500,000 with market conditions), and the Bay Bridge marina which commanded a purchase price of \$26,500,000. This later sale is significantly superior and represents a 290 slip marina with over 60,000 square feet of commercial retail, office and marine space. The improvements allocation is over 60% of the sales price resulting in a land value of approximately \$11,000,000. Considering the overall location, approvals, utilities, use, etc. which are compounded superior attributes, the subject site would be no greater than half the value of this site or no greater than \$5,500,000.

Therefore, based on the data and analysis provided above, a final indication of value for the underlying waterfront site is concluded. The concluded range in value offered above was between \$3,000,000 and \$3,627,000 with a calculated mean of \$3,336,375. Given the range of value and general comparability of the adjusted data, a final unit price of \$3,400,000 is indicated for the subject site.

Contributory Value of Site and Building Improvements

To this land value is added the contributory value of the Site Improvements. Presented on the Facing Page is a calculation of the Contributory Value for the subject site improvements and two-story office building. The applied unit costs are based on information obtained from Marshall Valuation Service and reviewed with actual costs within the appraiser's files. Based on the cost data, a unit cost of at least \$85.00 per square foot is applied for the office/sales building which is subsequently adjusted for the amount of unfinished garage space. The final Depreciated Value of the building improvements is calculated to be \$398,363. The final Contributory Value of the site improvements is calculated to be \$505,000 for a total Contributory Value of the Site and Building Improvements of \$903,363 or \$900,000 (Rounded).

FINAL ESTIMATE OF VALUE

Based on the data and analysis above, the final estimate of value for the Waterfront Site is concluded to be \$3,400,000. Adding the Contributory Value of the Improvements of \$900,000 (calculated above), the final estimate of value for the subject property is calculated to be \$4,300,000. Therefore, the "As Is" Fair Market Value for the subject property via the Sales Comparison Approach and giving consideration to the minimal site improvements, as of February 7, 2007, is estimated to be (Rounded):

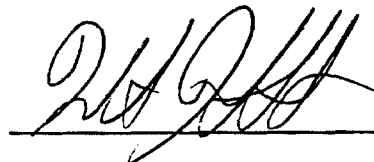
**Four Million Three Hundred Thousand Dollars
(\$4,300,000)**

In Fee Simple

CERTIFICATION

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 are 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 I have no personal interest or bias with respect to the parties involved; any specified interest or bias has not affected the impartiality of my opinions and conclusions.
- my 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 engagement in this assignment was not contingent upon developing or reporting predetermined results.
- the appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.
- the appraisal was made and the appraisal report prepared in conformity with the *Uniform Appraisal Standards for Federal Land Acquisitions*.
- my reported analysis, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice*, except to the extent that the *Uniform Appraisal Standards for Federal Land Acquisitions* required invocation of USPAP's Jurisdictional Exception Rule, as described in Section D-1 of the *Uniform Appraisal Standards for Federal Land Acquisitions*.
- the use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- no one provided significant professional assistance to the person signing this report.
- the appraiser has performed within the context of the competency provision of the Uniform Standards of Professional Appraisal Practice.
- I, William J. Lefort, have made an inspection of the property that is the subject of this report.



William J. Lefort, President
Maryland General Certified Appraiser #04-20099

ASSUMPTIONS AND LIMITING CONDITIONS

1. No responsibility is assumed for the legal description or for matters including legal description or for matters including legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated.
2. The property is appraised free and clear of any or all liens or encumbrances unless otherwise stated.
3. Responsible ownership and competent property management are assumed.
4. The information furnished by others is believed to be reliable. However, no warranty is given for its accuracy.
5. All engineering is assumed to be correct. The plot plans and illustrative material in this report are included only to assist the reader in visualizing the property.
6. It is assumed that there are no hidden or unapparent conditions of the property, subsoil or structures that render it more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them.
7. It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless noncompliance is stated, defined, and considered in the appraisal report.
8. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a nonconformity has been stated, defined, and considered in the appraisal report.
9. It is assumed that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.
10. It is assumed that the utilization of the land and improvements is within the boundaries or property lines of the property described and that there is no encroachment or trespass unless noted in the report.
11. The distribution, if any, of the total valuation in this report between land and improvements applies only under the stated program of utilization. The separate allocations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.

12. Possession of this report, or a copy thereof, does not carry with in the right of publication.
13. The appraiser, by reason of this appraisal, is not required to give further consultation, testimony, or be in attendance in court with reference to the property in question unless arrangements have been previously made.
14. Neither all or any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser, or the firm with which the appraiser is connected) shall be disseminated to the public through advertising, public relations, news, sales, or other media without the prior written consent and approval of the appraiser and client.
15. Any value estimates provided in the report apply to the entire property, and any proration or division of the total into fractional interests will invalidate the value estimate, unless such proration or division of interests has been set forth in the report.
16. Unless otherwise stated in this report, the existence of hazardous materials, which may or may not be present on the property, was not observed by the appraiser. The appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, and other potentially hazardous materials may affect the value of the property. The value estimated is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for such conditions or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in the field, if desired.
17. The appraiser has not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the Americans with Disabilities Act (ADA). It is possible that a compliance survey of the property together with a detailed analysis of the requirements of the ADA could reveal that the property is not in compliance with one or more of the requirements of the act. If so, this could have a negative effect upon the value of the property. This appraiser is not an architect or engineer and does not have the expertise to identify potential compliance violations with ADA or the cost to cure. Therefore, I recommend the client obtain the services of an architect or engineer with the necessary expertise to make these determinations. Since I have no direct evidence relating to this issue, I did not consider possible noncompliance with the requirements of ADA in estimating the value of the property. I predicate this appraisal upon review of reports prepared by a qualified architect or engineer if the property is not in compliance.

QUALIFICATIONS OF APPRAISER

William J. Lefort

LICENSE:

Maryland Certified General Appraiser #04-20099
Delaware Certified General Appraiser #X1-0000349

EDUCATION:

The Pennsylvania State University - Bachelor of Science, Business Administration
Concentration: Real Estate (Urban Planning and Feasibility Analysis)
Degree Coursework -Real Estate Valuation, Real Estate Financial Investment,
Real Estate Law, and Seminar in Real Estate Property Rights
Related Coursework - Urban Geography, Urban Economics, Public Finance

The Appraisal Institute - Capitalization Theory and Technique, Part A; September 1992
The Appraisal Institute - Advanced Income Capitalization; March 1993
The Appraisal Institute - Standards of Professional Practice, Parts A and B; June 1993
The Appraisal Institute - Appraisal Procedures; July 1994
The Appraisal Institute - General Applications; February 1995
The Appraisal Institute - Market Analysis and Highest and Best Use; August 1997
The Appraisal Institute - Standards of Professional Practice, Part A; April 1998
The Appraisal Institute - Adv. Sales Comparison and Cost Approaches; March 2001
The Appraisal Institute - USPAP, Part C; March 2001
The Appraisal Institute - Report Writing and Valuation Analysis; September 2003
The Appraisal Institute - Uniform Standards of Federal Land Acquisitions; October 2006
Numerous Seminars hosted by The Appraisal Institute; USPAP Update; 9/05
MNC Financial Inc. - Argus Training, Appraisal Compliance Training & FIRREA Seminar

PROFESSIONAL EXPERIENCE:

Lefort Appraisal & Consulting, Inc. - President/Commercial Appraiser, January 2006
Mason Appraisals, Inc. - Vice President (Commercial Appraiser), Jan. 1994 to Dec. 2005
MNC Financial, Inc. - Appraisal Officer (Review Appraiser), July 1992 to December 1993

REPRESENTATIVE CLIENTS (partial list):

Wachovia Bank	Mercantile Safe Deposit & Trust Co.
SouthTrust Bank	Wilmington Trust Company
BB&T Company	First Horizon
M & T Bank	Bank of Delmarva
Delaware National Bank	DE State Housing Authority
Bank of America	Calvin B. Taylor Bank
SunTrust Bank	The Felton Bank
PNC Bank	Baltimore Trust Company
K Bank and Trust	MD Department of General Services
The National Bank of Cambridge	Bank of Ocean City

REPRESENTATIVE PROPERTY ASSIGNMENTS:

Shopping Centers, Apartment Buildings, Office Buildings, Retail Buildings, Hotels/Motels,
Industrial Buildings, Residential Developments, Auto Dealerships, Mixed Use Buildings,
Raw and Developed Land, Condominiums, Mobile Home Parks, Retirement Facilities,
Day Care Centers, Health Clubs, Special Use Buildings, Processing Facilities

ADDENDUM



APPROXIMATE SCALE



NATIONAL FLOOD INSURANCE PROGRAM

FIRM FLOOD INSURANCE RATE MAP

QUEEN ANNES
COUNTY,
MARYLAND
(UNINCORPORATED AREAS)

PANEL 30 OF 65
(SEE MAP INDEX FOR PANELS NOT PRINTED)

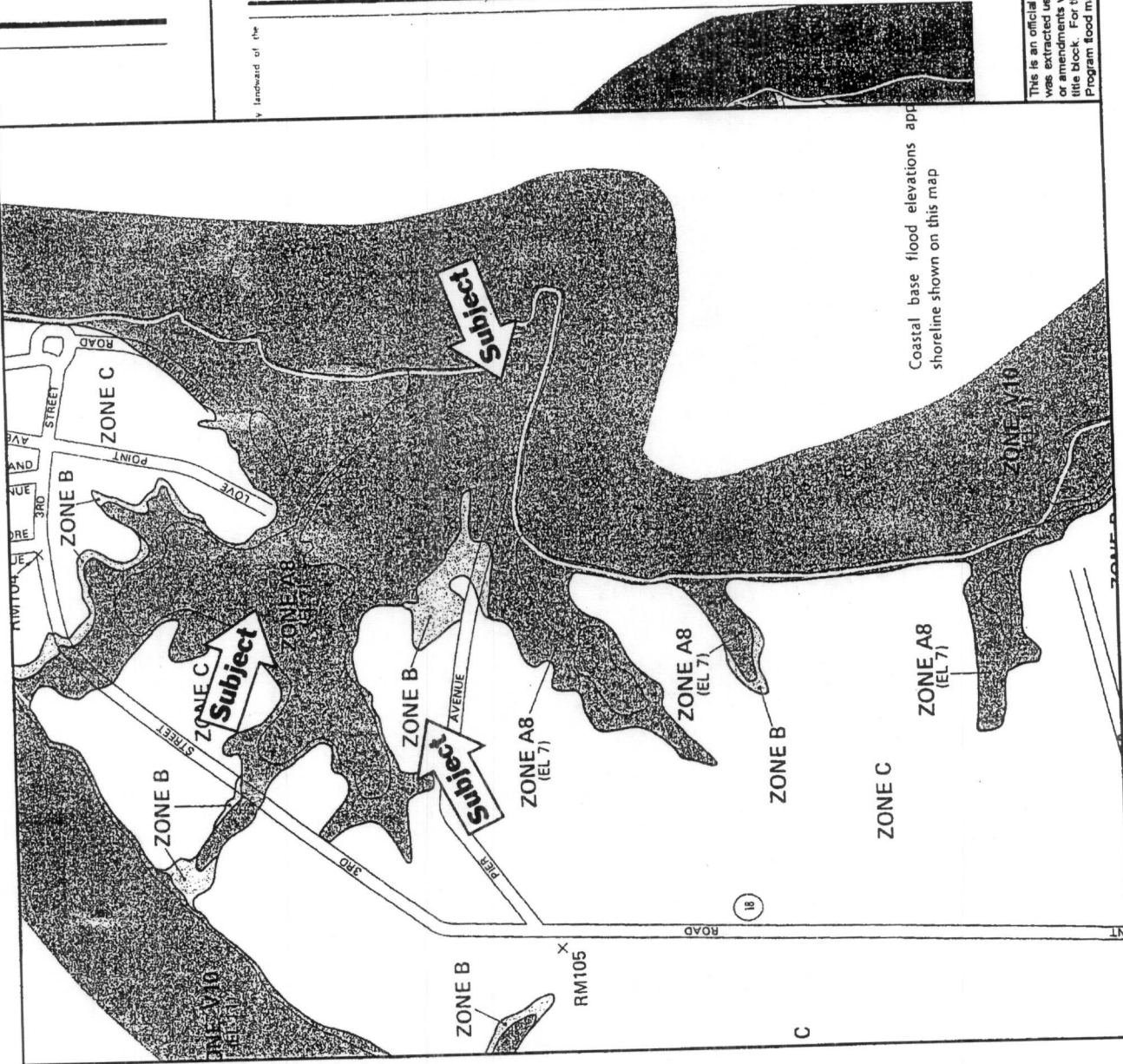
COMMUNITY-PANEL NUMBER
240054 0030 B

EFFECTIVE DATE:
SEPTEMBER 28, 1984



Federal Emergency Management Agency

This is an official copy of a portion of the above referenced flood map. It was extracted using F-MIT On-Line. This map does not reflect changes or amendments which may have been made subsequent to the date on the title block. For the latest product information about National Flood Insurance Program flood maps check the FEMA Flood Map Store at www.msc.fema.gov



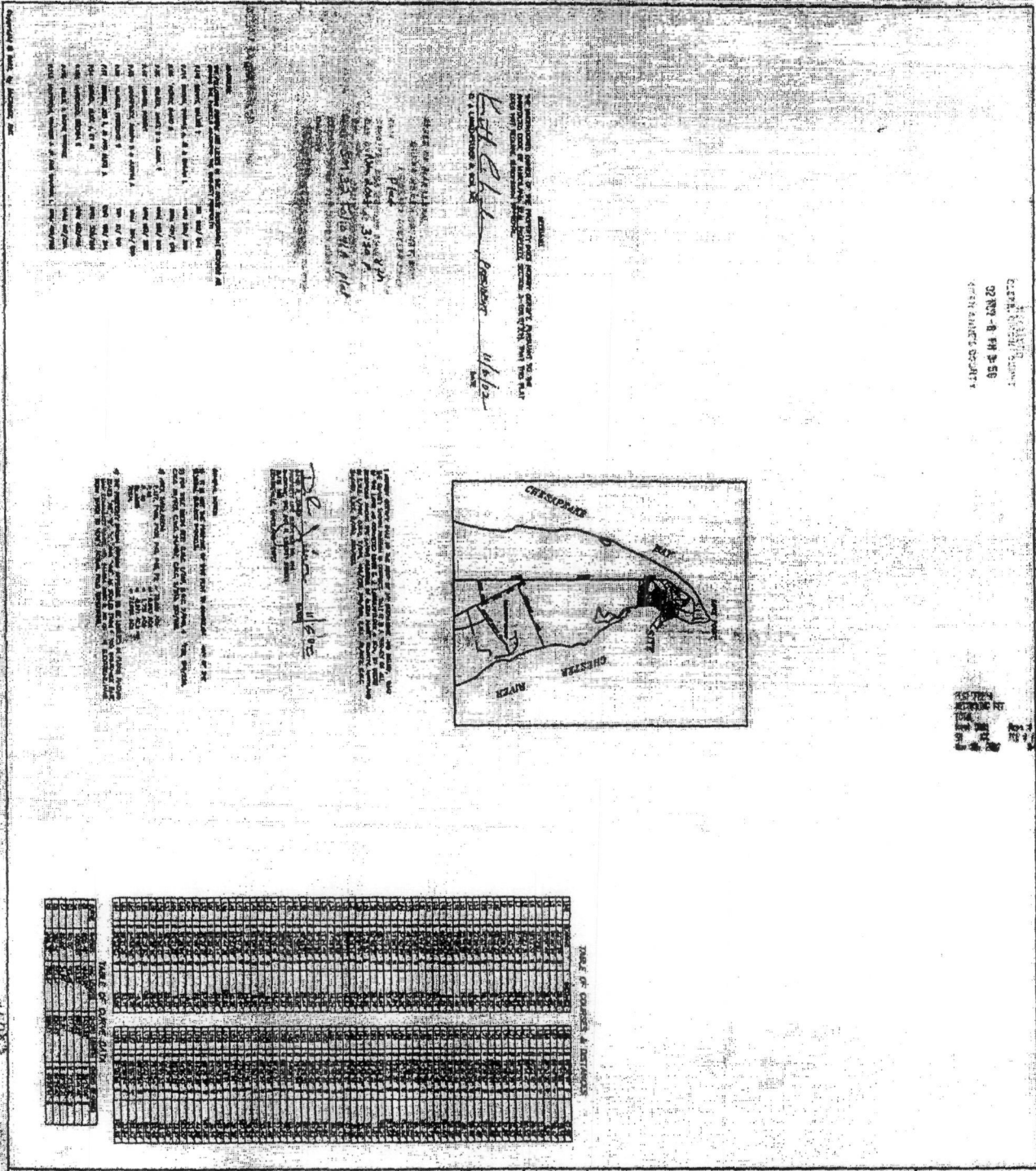
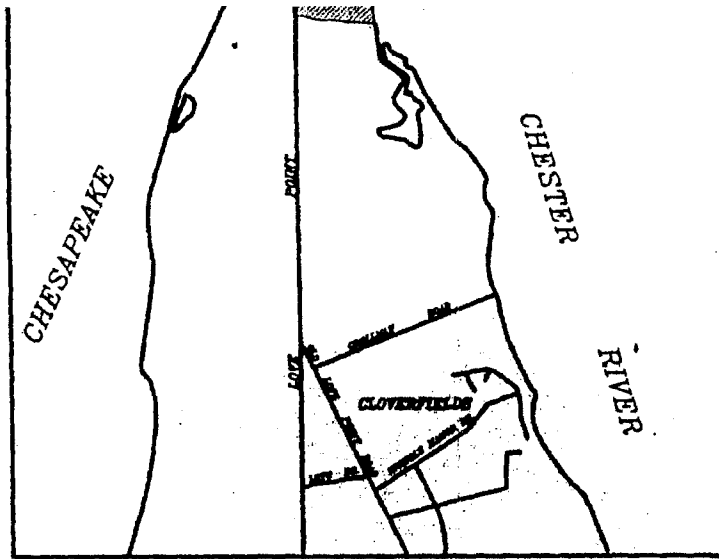


TABLE OF CORNER DATA

NO.	DESCRIPTION	BEARING	DISTANCE
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M&A SSU 1a51-271a1
 7-6083
 SM 32 FOLIO 41A

BOUNDARY SURVEY OF THE LANDS OF C. J. LANGENFELDER & SON, INC. FOURTH ELECTION DISTRICT, QUEEN ANNE'S COUNTY, MARYLAND PREPARED FOR ATACHAFALAYA HOLDINGS, LLC.	DATE: 11/09/02 JOB NO.: D1620377 ALSO TO: 881	SCALE: 1"=50' DRAWN BY: JCH DESIGNED BY: JCH APPROVED BY: [Signature] CHECKED BY: [Signature]	 McCRONE ENGINEERING & ENVIRONMENTAL SCIENCES LAND PLANNING & SURVEYING & CONSTRUCTION SERVICES 207 NORTH LOVELL STREET SUITE 100 CENTREVILLE, MARYLAND (410) 768-2231 <small>MEMPHIS - CHICAGO - ALLEN - BALTIMORE - BOSTON - DENVER - HOUSTON - LOS ANGELES - PHOENIX - RICHMOND - TAMPA - WASHINGTON DC</small>	 SEAL
	SHEET NO. 1 OF 2 CAD FILE - 033_05	DATE: [Blank]		



I HEREBY CERTIFY THAT TO THE BEST OF MY KNOWLEDGE AND BELIEF, THAT THE SURVEY SHOWN HEREON IS CORRECT. THAT IT IS A SURVEY OF ALL OF THE LAND AS CONVEYED UNTO C. J. LANGENFELDER & SON, BY DEEDS RECORDED AMONG THE LANDS RECORDS OF QUEEN ANNE'S COUNTY, MARYLAND IN C.W.C. 1/197, C.W.C. 7/045, 498/736, 518/226, C.W.C. 86/072, C.W.C. 24/497, C.W.C. 2/253, 333/532.

D.R. Joiner 11/5/02
 DAVID R. JOINER DATED
 PROPERTY LINE SURVEYOR No. 414
 McCrone, Inc. 407 N. LIBERTY STREET
 SUITE 100
 CENTREVILLE, MARYLAND 21817

GENERAL NOTES:

- 1) IT IS NOT THE PURPOSE OF THIS PLAT TO CONSOLIDATE ANY OF THE SEVERAL SUBJECT PARCELS.
- 2) FOR TITLE DEEDS SEE: C.W.C. 1/197, C.W.C. 7/045, 498/736, 518/226, C.W.C. 86/072, C.W.C. 24/497, C.W.C. 2/253, 333/532.
- 3) AREA TABULATION:

P.117, P106, P107, P43, P48, P2	= 73.951 AC±
P.15	= 0.983 AC±
P. 40	= 1.751 AC±
ISLANDS	= 0.971 AC±
TOTAL	= 77.656 AC±
- 4) THE PROPERTY SHOWN HEREON APPEARS TO BE LOCATED IN FLOOD HAZARD ZONES "AB", "B", "C", AND "V10" AS SCALED FROM FLOOD INSURANCE RATE MAP COMMUNITY PANEL NO. 240054 0030 B. NO ON SITE ELEVATIONS HAVE BEEN TAKEN TO VERIFY ACTUAL FIELD CONDITIONS.

Please record & return to:
J. Paul Reiger, Jr., Esq.
Commonwealth Land Title Insurance Company
31 Light Street, Suite 500
Baltimore, MD 21202

RECEIVED
CLERK, CIRCUIT COURT
02 NOV 12 PM 2:22
QUEEN ANNE'S COUNTY

DOC. NO. 288173

DEED

THIS DEED made as of the 6th day of NOVEMBER, 2002, by and between C. J. LANGENFELDER & SON, INC., a Maryland Corporation (hereinafter referred to as "Grantor"), and ATCHAFALAYA HOLDINGS, LLP, a Maryland limited liability partnership (hereinafter referred to as "Grantee").

WITNESSETH, that for and in consideration of the sum of One Million Seven Hundred Fifty Thousand Dollars (\$1,750,000.00), and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor hereby grants and conveys unto Grantee, its successors and assigns, in fee simple, all those eight (8) tracts of land in the Fourth Election District of Queen Anne's County, Maryland, described as follows:

* Tract One:

BEGINNING for the same at a concrete monument found at the intersection of the easterly outline of the lands now or formerly of the State of Maryland (see T.S.P. 48 /227) with the northerly boundary of the lands of Walter T. Denny (see S.M. 682/547);

THENCE leaving said place of beginning so fixed and binding on the outline of the lands of the State of Maryland, the following ten (10) courses and distances;

- 1) North 08° 07' 28" East 214.46 feet to a point of curvature;

THENCE with the arc of a curve to the right, having a radius of 925.40 feet, an arc length of 1,640 feet, and scribed by a chord bearing;

- 2) North 59° 13' 08" East 1,433.65 feet to a point of tangency;
- 3) South 70° 00' 40" East 231.00 feet to a point;
- 4) South 19° 59' 20" West 19.35 feet to a point;
- 5) South 70° 00' 40" East 90.00 feet to a point;
- 6) North 19° 59' 20" East 134.35 feet to a point;
- 7) North 70° 00' 40" West 141.00 feet to a point;
- 8) South 19° 59' 20" West 40.00 feet to a point;
- 9) North 70° 00' 40" West 180.00 feet to a point of curvature;

TWP FD SURE \$ 5.00
RECORDING FEE 75.00
RECORDATION T 11,550.00
TR TAX COUNTY 8,750.00
TR TAX STATE 8,750.00
TOTAL 29,130.00
Res# 0401 Rcpt # 24704
SM RCR Blk # 1091
Nov 12, 2002 02:28 PM

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LIBERO 984 FOLIO 99

THENCE with the arc of a curve to the left, having a radius of 1,000.40 feet, an arc length of 512.82 feet, and scribed by a chord of;

- 10) North 84° 41' 48" West 507.22 feet to an iron rod set, and the lands of Alice Birkel, et al. (see M.W.M. 339/558);

THENCE leaving the lands of the State of Maryland, and binding on Birkel;

- 11) North 09° 37' 27" East 115.81 feet to an iron rod set, and the southwesterly right-of-way line of Pier Avenue;

THENCE binding on the outline of Pier Avenue, the following five (5) courses and distances;

- 12) South 05° 18' 55" West 33.40 feet to a point of curvature;

THENCE by a curve to the left, having a radius of 60.00 feet, an arc length of 162.48 feet, and being scribed by a chord of;

- 13) South 72° 15' 55" East 117.19 feet to a point of reverse curvature;

THENCE by a curve to the right, having a radius of 25.00 feet, an arc length of 34.60 feet, and scribed by a chord of;

- 14) North 69° 48' 21" East 31.91 feet to a point;

- 15) North 20° 48' 42" East 50.01 feet to a point;

- 16) North 70° 32' 33" West 158.24 feet to the lands of an unknown titleholder;

THENCE binding thereon;

- 17) North 09° 37' 27" East 30.93 feet to a concrete monument found, and the northwesterly right-of-way line of Somerset Avenue;

THENCE binding on Somerset Avenue, a variable width right-of-way;

LIBERO 984 FOLIO 200

- 18) **North 22° 39' 33" West 261.55 feet to a concrete monument found, and the southeasterly right-of-way line of Lake Road, a thirty foot (30') wide unimproved right-of-way;**

THENCE binding on Lake Road, the following three (3) courses and distances;

- 19) **North 64° 39' 26" East 599.56 feet to a point;**
20) **North 60° 14' 26" East 336.25 feet to a concrete monument found;**
21) **North 26° 41' 26" East 273.66 feet to a point;**

THENCE crossing the waters of Lake Matapex, and binding, in part, on the lands of David S. Perry (see M.W.M. 476/576), and the lands of James R. and Carol T. Walker (see M.W.M. 252/800);

- 22) **South 40° 53' 34" East 727.77 feet to an iron rod set;**

THENCE continuing with said lands of Walker;

- 23) **South 68° 46' 34" East 375.79 feet to the approximate mean high waterline of the Chester River;**

THENCE binding on the waters of the Chester River, approximately the following ninety one (91) courses and distances;

- 24) **South 22° 10' 56" West 59.88 feet to a point;**
25) **South 09° 20' 38" West 31.29 feet to a point;**
26) **South 30° 01' 49" West 38.72 feet to a point;**
27) **South 11° 12' 07" West 25.88 feet to a point;**
28) **South 18° 12' 33" West 21.22 feet to a point;**
29) **South 02° 23' 31" West 16.32 feet to a point;**
30) **South 07° 31' 59" West 28.99 feet to a point;**

LIBERO 984 FOLIO 201

- 31) South 03° 43' 34" East 16.35 feet to a point;
- 32) South 17° 58' 08" East 14.90 feet to a point;
- 33) South 03° 22' 23" East 23.15 feet to a point;
- 34) South 28° 10' 26" East 31.63 feet to a point;
- 35) South 10° 33' 49" West 10.73 feet to a point;
- 36) South 22° 00' 00" West 5.47 feet to a point;
- 37) North 81° 56' 08" West 10.68 feet to a point;
- 38) South 25° 15' 59" West 10.88 feet to a point;
- 39) South 79° 40' 46" West 4.49 feet to a point;
- 40) North 52° 39' 52" West 8.65 feet to a point;
- 41) South 65° 08' 05" West 5.29 feet to a point;
- 42) South 40° 23' 23" East 25.78 feet to a point;
- 43) South 29° 20' 52" East 24.15 feet to a point;
- 44) South 11° 03' 20" East 22.90 feet to a point;
- 45) South 05° 28' 07" West 53.26 feet to a point;
- 46) South 46° 53' 00" East 17.68 feet to a point;
- 47) South 57° 43' 06" East 20.32 feet to a point;
- 48) South 13° 58' 37" West 27.84 feet to a point;
- 49) South 04° 05' 16" West 37.42 feet to a point;
- 50) South 05° 17' 37" West 46.64 feet to a point;
- 51) South 03° 40' 28" East 28.79 feet to a point;
- 52) South 11° 31' 53" East 26.26 feet to a point;
- 53) South 05° 01' 04" East 30.79 feet to a point;

LIBERO 984 FOLIO 202

- 54) South 06° 16' 14" East 37.48 feet to a point;
- 55) South 05° 07' 11" East 18.83 feet to a point;
- 56) South 19° 26' 09" East 13.64 feet to a point;
- 57) South 47° 19' 58" East 14.24 feet to a point;
- 58) South 17° 24' 46" East 34.46 feet to a point;
- 59) South 21° 37' 58" East 29.12 feet to a point;
- 60) South 31° 30' 56" East 27.28 feet to a point;
- 61) South 40° 45' 07" East 25.44 feet to a point;
- 62) South 54° 38' 35" East 45.55 feet to a point;
- 63) South 65° 27' 25" East 45.30 feet to a point;
- 64) North 20° 09' 19" East 41.33 feet to a point;
- 65) South 70° 10' 10" East 58.67 feet to a point;
- 66) South 33° 57' 50" West 9.51 feet to a point;
- 67) South 39° 58' 04" West 10.43 feet to a point;
- 68) North 83° 06' 09" West 5.50 feet to a point;
- 69) North 71° 26' 41" West 14.80 feet to a point;
- 70) South 21° 47' 51" West 53.61 feet to a point;
- 71) South 68° 23' 08" East 10.59 feet to a point;
- 72) South 69° 44' 38" East 108.93 feet to a point;
- 73) South 33° 35' 14" West 35.88 feet to a point;
- 74) South 69° 25' 43" East 70.91 feet to a point;
- 75) South 20° 22' 29" West 57.55 feet to a point;
- 76) South 20° 06' 43" West 62.19 feet to a point;

LIBERO 984 FOLIO 203

- 77) South 57° 24' 33" West 3.11 feet to a point;
- 78) South 61° 26' 04" West 11.37 feet to a point;
- 79) North 88° 21' 29" West 5.32 feet to a point;
- 80) North 48° 20' 19" West 20.35 feet to a point;
- 81) North 49° 55' 37" West 23.02 feet to a point;
- 82) North 50° 50' 45" West 38.64 feet to a point;
- 83) North 69° 29' 55" West 128.10 feet to a point;
- 84) North 08° 06' 17" East 8.16 feet to a point;
- 85) North 64° 58' 40" West 79.76 feet to a point;
- 86) North 66° 21' 36" West 93.11 feet to a point;
- 87) South 26° 23' 03" West 13.08 feet to a point;
- 88) North 68° 35' 51" West 47.98 feet to a point;
- 89) North 18° 41' 59" East 10.16 feet to a point;
- 90) North 68° 45' 29" West 10.13 feet to a point;
- 91) South 28° 53' 20" West 5.91 feet to a point;
- 92) North 77° 24' 56" West 21.90 feet to a point;
- 93) North 65° 22' 18" West 36.82 feet to a point;
- 94) North 69° 14' 40" West 80.52 feet to a point;
- 95) North 69° 37' 11" West 73.29 feet to a point;
- 96) North 68° 26' 19" West 75.53 feet to a point;
- 97) North 77° 15' 00" West 21.80 feet to a point;
- 98) North 58° 00' 54" West 16.28 feet to a point;
- 99) North 68° 56' 58" West 86.88 feet to a point;

LIBERO 984 FOLIO 204

- 100) North 78° 36' 57" West 87.87 feet to a point;
- 101) South 16° 10' 32" West 74.40 feet to a point;
- 102) South 43° 55' 58" West 20.69 feet to a point;
- 103) South 80° 30' 41" West 89.11 feet to a point;
- 104) South 32° 37' 43" West 92.02 feet to a point;
- 105) South 51° 56' 06" West 59.20 feet to a point;
- 106) South 30° 01' 16" West 104.50 feet to a point;
- 107) South 27° 53' 49" West 88.81 feet to a point;
- 108) South 83° 21' 31" West 20.73 feet to a point;
- 109) South 24° 26' 29" West 150.24 feet to a point;
- 110) South 26° 27' 10" East 51.44 feet to a point;
- 111) South 07° 48' 41" West 90.02 feet to a point;
- 112) South 10° 13' 38" West 134.05 feet to a point;
- 113) South 15° 21' 30" West 37.29 feet to a point;
- 114) South 12° 21' 51" West 213.58 feet to a point;
- 115) South 09° 23' 19" West 169.24 feet to a point and the aforesaid lands of Walter

T. Denny;

THENCE binding on Denny, the following two (2) courses and distances;

116) North 72° 25' 19" West 1,135.65 feet to a concrete monument found, passing over an iron rod found after a distance of 12.10 feet;

117) North 61° 13' 15" West 339.71 feet to the place of beginning.

Saving and excepting therefrom the following lands of Joseph B. and Judith A. McCartney (see M.W.M. 304/829) and Robert Orsinski (see M.W.M. 153/393):

LIBERO 984 FOLIO 205

BEGINNING for the same at an iron rod found at the westerly corner of the lands hereafter described, said point being the following two (2) courses and distances from the beginning of the second course of the foregoing description;

BY a curve to the right, having a radius of 925.40 feet, a length of 383.00 feet, and scribed by a chord bearing;

- 1) North 20° 18' 19" East 380.27 feet;
- 2) South 59° 57' 50" East 3.54 feet;

BY a curve to the right having a radius of 380.28 feet, a length of 223.64 feet, and scribed by a chord bearing;

- 3) North 51° 29' 35" East 220.43 feet to an iron rod set;

BY a curve to the right, having a radius of 308.30 feet, a length of 780.37 feet, and scribed by a chord bearing;

- 4) South 39° 32' 51" West 588.11 feet to an iron rod set;
- 5) North 59° 57' 50" West 631.79 feet to the place of beginning, passing over an iron pipe found after a distance of 286.96 feet, and passing over an iron pipe found after a distance of 387.69 feet.

Tract One containing thereby 73.951 acres of land, more or less,

Tract Two:

BEGINNING for the same at an iron pipe found at the intersection of the westerly right-of-way line of Somerset Avenue with the northerly right-of-way line of Pier Avenue;

THENCE leaving the point of beginning so fixed and binding on Pier Avenue;

- 1) South 65° 33' 08" West 212.04 feet to an iron rod found and the lands of Joseph A. Junior and Alice A. Birkel (see C.W.C. 105/214);

LIBERO 984 FOLIO 206

THENCE leaving Pier Avenue and binding on the lands of Birkel;

- 2) North 23° 24' 25" West 220.85 feet to an iron rod set and the southerly right-of-way line of Lake Road;

THENCE leaving the lands of Birkel and binding on Lake Road;

- 3) North 76° 11' 05" East 217.40 feet to an iron rod set and the westerly right-of-way of Somerset Avenue;

THENCE leaving Lake Road and binding on Somerset Avenue;

- 4) South 22° 39' 33" East 180.79 feet to the place of beginning.

Containing in all 0.983 acres of land, more or less.

~~Tract Three, Lot 1:~~

BEGINNING for the same at an iron rod set at the intersection of the northerly line of Lake Road, a thirty foot (30') wide unimproved right-of-way, and the easterly right-of-way line of Somerset Avenue, a variable width right-of-way;

THENCE leaving the place of beginning so fixed and binding on Somerset Avenue;

- 1) North 22° 35' 43" West 132.50 feet to a concrete monument found and the lands of Frederick V. Wilhelm (see T.S.P. 21/501);

THENCE binding on Wilhelm;

- 2) North 55° 39' 05" East 347.11 feet to an iron rod set;

THENCE leaving the lands of Wilhelm;

- 3) South 32° 38' 32" East 188.21 feet to a point on the northerly right-of-way line of Lake Road;

- 4) South 64° 39' 26" West 373.10 feet to the place of beginning.

Containing in all 1.316 acres of land, more or less.

LIBERO 984 FOLIO 207

~~Tract Three, Lot 2:~~

BEGINNING for the same at an iron rod found at the intersection of the westerly right-of-way line of Kent Avenue, a thirty foot (30') wide right-of-way, and the northerly right-of-way line of Lake Road, an unimproved thirty foot (30') wide right-of-way;

THENCE leaving the place of beginning so fixed and binding on the northerly right-of-way line of Lake Road, the following two (2) courses and distances;

- 1) South 60° 14' 26" West 128.78 feet to a point;
- 2) South 64° 39' 26" West 2.39 feet to a point;

THENCE leaving Lake Road;

- 3) North 37° 41' 52" West 139.40 feet to the lands of Thomas A. Junior and Susan L. Brown;

THENCE binding on the lands of Brown;

- 4) North 48° 37' 47" East 119.52 feet to an iron pipe found and the westerly right-of-way line of Kent Avenue;

THENCE binding on Kent Avenue;

- 5) South 41° 22' 07" East 165.70 feet to the place of beginning.

Containing in all 0.435 acres, more or less.

* Tract Four:

BEGINNING for the same at a point on the corner of a steel bulk head, said point being South 34°45'53" East 44.87 feet from the end of the line of the foregoing description of Parcel One;

THENCE leaving the point of beginning so fixed and running with the approximate mean high water line, the sixteen (16) following courses and distances;

LIBERO 984 FOLIO 208

- 1) North 73° 39' 31" East 1.07 feet to a point;
- 2) North 58° 10' 17" East 10.62 feet to a point;
- 3) South 33° 36' 40" East 33.18 feet to a point;
- 4) South 66° 46' 16" East 31.16 feet to a point;
- 5) South 23° 12' 21" West 47.21 feet to a point;
- 6) South 27° 08' 56" West 55.47 feet to a point;
- 7) South 75° 40' 22" West 96.01 feet to a point;
- 8) South 75° 36' 25" West 54.82 feet to a point;
- 9) South 77° 10' 42" West 34.82 feet to a point;
- 10) North 35° 12' 40" West 27.93 feet to a point;
- 11) North 76° 28' 55" East 55.50 feet to a point;
- 12) North 76° 04' 59" East 45.86 feet to a point;
- 13) North 74° 09' 11" East 53.69 feet to a point;
- 14) North 02° 59' 11" West 23.56 feet to a point;
- 15) North 16° 27' 17" East 27.00 feet to a point;
- 16) North 23° 29' 05" East 66.48 feet to the point of beginning.

Containing in all 0.262 acres, more or less, being a parcel in the waters of the Chester River connected to Tract One by a bridge shown on the hereinafter-described plat.

~~Tract Five:~~

BEGINNING for the same at a point bearing North 42° 04' 10" East 1,055.13 feet from the end of the one hundred, fifteenth (115th) course of the foregoing description of Tract One;

THENCE leaving said beginning point so fixed and running;

- 1) North 77° 53' 17" West 197.54 feet to a point;

LIBERO 984 FOLIO 209

- 2) North 12° 11' 46" East 38.28 feet to a point;
- 3) South 77° 53' 17" East 197.54 feet to a point;
- 4) South 12° 11' 46" West 38.28 feet to the point of beginning.

Containing in all 0.174 acres of land, more or less, being a parcel in the waters of the Chester River located in close proximity to Tracts Six, Seven, and Eight, as shown on the hereinafter-described plat prepared by McCrone, Inc.

~~Tract Six:~~

BEGINNING for the same at a point bearing North 42° 10' 04" East 154.09 feet from the end of the one hundred fifteenth (115th) course of the foregoing description of Tract One;

THENCE leaving said beginning point so fixed and running with the approximate mean high waterline;

- 1) North 24° 10' 51" East 38.77 feet to a point;
- 2) South 65° 43' 28" East 197.15 feet to a point;
- 3) South 24° 03' 22" West 39.16 feet to a point;
- 4) North 65° 36' 39" West 197.58 feet to the place of beginning.

Containing 0.177 acres of land, more or less, being a parcel in the waters of the Chester River.

~~Tract Seven:~~

BEGINNING at a point bearing North 57° 46' 43" East 1,271.98 feet from the end of the one hundred fifteenth (115th) course of the foregoing description of Tract One;

THENCE leaving the point of beginning so fixed and running with the approximate mean high waterline;

- 1) South 83° 33' 38" East 44.88 feet to a point;

LIBERO 984 FOLIO 210

- 2) South 06° 26' 19" West 33.28 feet to a point;
- 3) North 84° 20' 45" West 193.00 feet to a point;
- 4) North 05° 27' 26" East 33.87 feet to a point;
- 5) North 73° 39' 16" East 10.06 feet to a point;
- 6) North 31° 55' 33" East 28.10 feet to a point;
- 7) South 78° 13' 54" East 62.40 feet to a point;
- 8) South 65° 23' 17" East 68.60 feet to the place of beginning.

Containing in all 0.208 acres of land, more or less, being a parcel in the waters of the

Chester River.

Tract Eight:

BEGINNING for the same at a point bearing North 58° 28' 31" East 1,057.22 feet from the end of the one hundred fifteenth (115th) course of the foregoing description of Tract One;

THENCE leaving the point of beginning so fixed and running with the approximate mean high waterline;

- 1) South 08° 20' 54" West 33.84 feet to a point;
- 2) North 81° 00' 53" West 192.92 feet to a point;
- 3) North 08° 20' 54" East 33.84 feet to a point;
- 4) South 81° 00' 53" East 192.92 feet to the place of beginning.

Containing in all 0.150 acres of land, more or less, being a parcel in the waters of the

Chester River.

SAID EIGHT TRACTS containing a total of 77.656 acres, more or less, as shown on a survey plat prepared by McCrone, Inc. titled "Lands of C. J. Langenfelder & Son, Inc." dated

LIBERO 984 FOLIO 211

September 12, 2002, and recorded among the Plat Records of Queen Anne's County in Plat

Book 32, page 41 A+B

THE PROPERTY CONVEYED HEREBY consists of the following eight (8) Tax Parcels.¹ It is not intended that this Deed effectuate any consolidation of these Parcels for subdivision or other land use purposes, or any other purpose whatsoever, so that each of the hereinafter-described Parcels may hereafter be separately conveyed without the necessity of any subdivision or similar approval.

Parcel 106¹ (Part of Tract One)

BEING the land described in a Deed dated June 20, 1963, and recorded among the Land Records of Queen Anne's County in Liber CWC 1, folio 19, from Edward F. Severa, Jr. and Shirley M. Severa to C. J. Langenfelder & Son, Inc.

TOGETHER WITH the right to use the land described in a Deed dated March 16, 1959, and recorded among said Land Records in Liber TSP 48, folio 227, from Baltimore and Eastern Railroad Company to the State of Maryland, to the use of the State Roads Commission, as a means of access to and from said parcel.

Parcel 2 (Part of Tract One)

BEING the land described in a Deed dated March 13, 1964, and recorded among said Land Records in Liber CWC 7, folio 45, by and between Edward F. Severa, Jr. and Shirley M. Severa to C. J. Langenfelder & Son, Inc.

SAVING AND EXCEPTING such portions thereof described in a Deed dated November 11, 1991 and recorded among said Land Records in Liber 385, folio 197, from C. J. Langenfelder & Son, Inc. to The County Commissioners of Queen Anne's County.

Parcel 117 (Part of Tract One)

BEING the land described in a Deed dated May 20, 1995, and recorded among said Land Records in Liber 496, folio 736, from Joan Denney Searles and Francis S. Carnes, Jr. to C. J. Langenfelder & Son, Inc.

Parcel 15 (Tract Two)

BEING the land described in a Deed dated January 11, 1996, and recorded among said Land Records in Liber 518, folio 226, from John A. Herndon to C. J. Langenfelder & Son, Inc.

¹ The Parcel numbers in this Deed correspond with the Tax Parcel numbers currently assigned to the parcels by the Queen Anne's County Supervisor of Assessments.

LIBERO 984 FOLIO 212

TOGETHER WITH the right to use the area adjacent to said land indicated as a "reservation" on the "Plat of Love Point Beach & Park Company", recorded among the Land Records of Queen Anne's County in Liber WFW 5, folios 480 and 481, for pole lines and to lay sewers.

Parcel 107 (Part of Tract One)

BEING the land described in a Deed dated July 23, 1974, and recorded among said Land Records in Liber CWC 86, folio 72, from Milton M. Constam and Donald Constam to C. J. Langenfelder and Son, Inc.

TOGETHER WITH the right, liberty and privilege to use two (2) private roads as set forth in a Deed dated October 18, 1943, and recorded among said Land Records in Liber ASG No. 8, folio 947, from Baltimore and Eastern Railroad Company to Henry L. Constam.

Parcel 48 (Part of Tract One)

BEING the land described in a Deed dated September 12, 1966, and recorded among said Land Records in Liber CWC 24, folio 497, from Ruth J. Messersmith, Esther Messersmith Herrmann and William A. Herrmann to C. J. Langenfelder & Son, Inc.

SAVING AND EXCEPTING therefrom, however, so much thereof which by a Deed dated November 26, 1946, and recorded among said Land Records in Liber ASG Jr. No. 16, folio 59, was granted and conveyed by Ruth J. Messersmith, unmarried, and Esther Messersmith Herrmann and William A. Herrmann, her husband, to Walter E. Yaniger, et al.

SAVING AND EXCEPTING such portions thereof as are included within the description of the first parcel described in a Deed dated March 16, 1959, and recorded among said Land Records in Liber 48, folio 227, between Baltimore and Eastern Railroad Company and the State of Maryland, to the use of the State Roads Commission.

SAVING AND EXCEPTING such portions thereof described in a Deed dated November 11, 1991, and recorded among said Land Records in Liber 385, folio 197, from C. J. Langenfelder & Son, Inc. to the County Commissioners of Queen Anne's County.

AND INCLUDING all rights, rights of reverter, reversions and easements which were granted by John Henry Skeen, Receiver of the Peninsula Ferry Corporation, by a Deed dated April 19, 1947, and recorded among said Land Records in Liber ASG Jr. No. 17, folio 173.

AND INCLUDING all right, title and interest in and to a thirty-foot strip or right of way which was quit-claimed by Robert M. Reindollar, et al, by a Deed dated October 28, 1947, and recorded among said Land Records in Liber ASG Jr. No. 18, folio 600.

AND INCLUDING all right, title and interest in and to the reverter of a lot about fifty feet by one hundred and fifty feet, more particularly described in a Deed from Theodore Messerschmidt

LIBERO 984 FOLIO 213

to The Love Point Light and Power Company dated March 28, 1928, and recorded among said Land Records in Liber BHT No. 9, folio 193.

AND INCLUDING all right, title, and interest in and to the land described in a Deed dated December 23, 1991, and recorded among said Land Records in Liber 385, folio 199, from The County Commissioners for Queen Anne's County to C. J. Langenfelder & Son, Inc.

Parcel 43 (Part of Tract One)

BEING the land described in a Deed dated August 5, 1963, and recorded among said Land Records in Liber 2, folio 253, from Edward F. Severa, Jr. and Shirley M. Severa to C. J. Langenfelder & Son, Inc.

TOGETHER WITH the right to use the land described in a Deed dated March 16, 1959, and recorded among said Land Records in Liber TSP 48, folio 227, from Baltimore and Eastern Railroad Company to the State of Maryland, to the use of the State Roads Commission, as a means of access to and from said parcel.

Parcel 40 (Tract Three, Lots 1 & 2)

BEING the land described in a Deed dated August 5, 1989, and recorded among said Land Records in Liber 333, folio 532, from Phillip L. King, Robert M. King and Richard H. King to C. J. Langenfelder & Son, Inc.

TOGETHER WITH the right to use the area adjacent to said land indicated as a "reservation" on the "Plat of Love Point Beach & Park Company", recorded among the Land Records of Queen Anne's County in Liber WFW 5, folios 480 and 481, for pole lines and to lay sewers.

TOGETHER WITH all buildings and improvements thereon and any and all rights, alleys, ways, waters, privileges, appurtenances, and advantages thereunto belonging or in anywise appertaining, including without limitation all the right, title, and interest of Grantor in and to the muds, flats, bulkheads, pilings, piers, accretions, floodlands, and under the waters of Lake Mattapex or the Chester River bounding on the lands of Grantor as far into Lake Mattapex or the Chester River as such right, title, and interest extends by law or custom.

TO HAVE AND TO HOLD said property unto the use of Grantee, its successors and assigns, in fee simple, forever.

AND GRANTOR HEREBY COVENANTS that it will warrant specially the property hereby conveyed and that it will execute such further assurances of the same as may be requisite.

LIBERO 984 FOLIO 214

IN WITNESS WHEREOF, Grantor has signed and sealed this Deed on the day and year first above written.

CERTIFICATION PURSUANT TO REAL PROPERTY ARTICLE §14-113

The undersigned, Kenneth C. Lundeen, President of C. J. Langenfelder & Son, Inc., Grantor in the foregoing Deed, hereby certifies pursuant to §14-113 of the Real Property Article of the Annotated Code of Maryland that the grant and conveyance contained in the foregoing Deed is not part of a transaction in which there is a sale, lease, exchange, or other transfer of all or substantially all of the property and assets of said corporation.

Keth C. Lundeen (SEAL)
Kenneth C. Lundeen, President
C. J. Langenfelder & Son, Inc., Grantor

WITNESS/ATTEST:

C. J. LANGENFELDER & SON, INC.

By: *Keth C. Lundeen* (SEAL)
Kenneth C. Lundeen, President

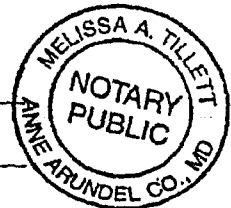
STATE OF MARYLAND, ANNE ARUNDEL COUNTY, TO WIT:

I HEREBY CERTIFY that on this 17th day of November 2002, before me, the undersigned, a Notary Public for the State of Maryland, personally appeared Kenneth C. Lundeen, President of C. J. Langenfelder & Son, Inc., Grantor in the foregoing Deed, personally known to me (or satisfactorily proven) to be the person whose name is subscribed to the foregoing Deed as Grantor's President, who acknowledged under oath in such capacity on behalf of Grantor that he executed the Deed (containing a Certification pursuant to Real Property Article §14-113) for the purposes contained therein and who signed the same in such capacity in my presence.

IN WITNESS WHEREOF I have set my hand and Notarial Seal.

Agricultural Transfer Tax
Amount of \$ 0
Signature *D. Smith*

Melissa A. Tillett
Notary Public
My Commission Expires: 5/10/03




RECEIVED FOR TRANSFER
State Department of
Assessments & Taxation
For Queen Anne's County.
By *D. Smith* Date 11/02/02

TAXES LEVIED AS OF 11-08-02
PMD TO 0-30-03
M. Tillett
CLERK, Q.A.'S CO. FINANCE OFFICE

LIBERO 984 FOLIO 215

CERTIFICATE OF PREPARATION BY MARYLAND ATTORNEY

This is to certify that the within instrument was prepared by the undersigned Maryland attorney.



Robert J. Carson
Robert J. Carson, P.A.
345 Green Street
Havre de Grace, Maryland 21078
(410) 939-0050

**AFTER RECORDATION,
RETURN TO:**

J. Paul Reiger, Jr., Esq., Vice President and Maryland Counsel
Commonwealth Land Title Insurance Company
31 Light Street, Suite 500
Baltimore, Maryland 21202
(410) 752-7070

Matters/Deed.doc

0230546 LIBER 84 FOLIO 2.1

State of Maryland Land Instrument Intake Sheet
Baltimore City County: Queen Anne's

Information provided is for the use of the Clerk's Office, State Department of Assessments and Taxation, and County Finance Office only.

(Type or Print in Black Ink Only - All Copies Must Be Legible)

1 Type(s) of Instruments
2 Conveyance Type Check Box
3 Tax Exemptions (If Applicable)

4 Consideration and Tax Calculations

Consideration Amount		Finance Office Use Only	
Purchase Price/Consideration	\$ 1,750,000.00	Transfer Tax Consideration	\$
Any New Mortgage	\$ 875,000.00	X() % =	\$
Balance of Existing Mortgage	\$	Less Exemption Amount	\$
Other: New Mortgage	\$ 700,000.00	Total Transfer Tax	\$
Other: Released and Released	\$	Recordation Tax Consideration	\$
Other: New Mortgage	\$	X() per \$500 =	\$
Full Cash Value	\$ 772,000.00	TOTAL DUE	\$

5 Fees

Amount of Fees		Doc. 1		Doc. 2		Agents	
Recording Charge	\$	75.00	\$	75.00			
Surcharge	\$	5.00	\$	5.00			
State Recordation Tax	\$	11,550.00	\$				
State Transfer Tax	\$	8,750.00	\$				
County Transfer Tax	\$	8,750.00	\$				
Other	\$		\$				
Other	\$		\$				

6 Description of Property

District: 04 Property Tax ID No. (1): 036832, 036867 Grantor Liber/Folio: 11/197, 7845 Map: 40 Parcel No.: 215,40,43,48,106,107,110

Subdivision Name: [Blank] Lot (3a): [Blank] Block (3b): [Blank] Sect/AR(3c): [Blank] Plat/REL: [Blank]

Notes and bounds: [Blank]

Location/Address of Property Being Conveyed (2): Love Point Road, Stevesville, Maryland 21666

Other Property Identifiers (if applicable): [Blank]

Residential or Non-Residential Fee Simple Lease Grant Rest Amount: [Blank]

Partial Conveyance? Yes No Description/Amt. of Sq Ft/Acreage Transferred: [Blank]

7 Transferred From

Doc. 1 - Grantor(s) Name(s): C.J. Langenfelder & Son, Inc

Doc. 2 - Grantor(s) Name(s): Archafalaya Holdings, LLP

Doc. 1 - Owner(s) of Record, if Different from Grantor(s): [Blank]

Doc. 2 - Owner(s) of Record, if Different from Grantor(s): [Blank]

8 Transferred To

Doc. 1 - Grantee(s) Name(s): Archafalaya Holdings, LLP

Doc. 2 - Grantee(s) Name(s): RELAP, Inc.

New Owner's (Grantee's) Mailing Address: 400 Pier Avenue, Stevesville, Maryland 21666

9 Other Names to Be Indexed

Doc. 1 - Additional Names to be Indexed (Optional): [Blank]

Doc. 2 - Additional Names to be Indexed (Optional): Bank of America, N.A.

10 Contact/Mail Information

Instrument Submitted by or Contact Person:

Name: Melissa Little
Firm: Progressive Title Co.
Address: 1440 Ritchie Hwy, Ste. 212
Annapolis, MD 21402 Phone: (410) 974-0670

Return to Contact Person
 Hold for Pickup
 Return Address Provided

11 Assessment Information

Yes No Will the property being conveyed be the grantee's principal residence?

Yes No Does transfer include personal property? If yes, identify: [Blank]

Yes No Was property surveyed? If yes, attach copy of survey (if recorded, no copy required).

Assessment Use Only - Do Not Write Below This Line

Category	Area	Value	Area	Value
Land	18		18	
Buildings				
Total				

0230546 ~~PERC 984~~ FOLIO 217

Addendum
State of Maryland Land Instrument Intake Sheet
 Baltimore City County: Queen Anne's

The addendum form should be used when one transaction involves more than two instruments. Each instrument should be itemized in accordance with Section No. 1 of the Intake Sheet.

(Type or Print in Black Ink Only—All Copies Must Be Legible)

(Continued) Fees	Recording Charge	\$ 75	\$ 75	\$ 75	\$ 75
	Surcharge	\$ 5	\$ 5	\$ 5	\$ 5
	State Recordation Tax	\$	\$	\$	\$
	State Transfer Tax	\$	\$	\$	\$
	County Transfer Tax	\$	\$	\$	\$
	Other	\$	\$	\$	\$
	Other	\$	\$	\$	\$
	Other	\$	\$	\$	\$
(Continued) Transferred From	Langensfelder Marine, Inc.		Atchafalaya Holdings, LLP		
	Atchafalaya Holdings, LLP		Atchafalaya Holdings, LLP		
(Continued) Transferred To	Bank of America, N.A.		Bank of America, N.A.		
	Bank of America, N.A.		PCLAP, INC.		
(Continued) Other Names to be Indexed	Atchafalaya Holdings, LLP		Bank of America, N.A.		
Special Instructions	*** Crown Liberty's cont - 496/736, 518/226, 86/072, 24/497, 2/253, 333/532				

02300584 JUL 02 18 page 3 of 4

Addendum
State of Maryland Land Instrument Intake Sheet
 Baltimore City County: Queen Anne's

The addendum form should be used when one transaction involves more than two instruments. Each instrument should be itemized in accordance with Section No. 1 of the Intake Sheet.

(Type or Print in Black Ink Only—All Copies Must Be Legible)

(Continued) Fees	Recording Charge	\$ 75	\$ 75	\$ 75	\$ 75
	Surcharge	\$ 5	\$ 5	\$ 5	\$ 5
	State Recordation Tax	\$	\$	\$	\$
	State Transfer Tax	\$	\$	\$	\$
	County Transfer Tax	\$	\$	\$	\$
	Other	\$	\$	\$	\$
	Other	\$	\$	\$	\$
(Continued) Transferred From	Atchafalaya Holdings, LLP		Langesfelder Marine, Inc.		
	Atchafalaya Holdings, LLP		Mid-Atlantic Business Finance Company		
(Continued) Transferred To	Bank of America, N.A.		Bank of America, N.A.		
	Carolyn Zeller (Trustee)		Small Business Administration		
	Alan M. Stephenson (Trustee)				
(Continued) Other Names to be Indexed					
	Mid-Atlantic Business Finance Company				
Special Instructions					

0230546 pgs 4 of 4
 EXERO 984, FOLIO 2-19

State of Maryland Land Instrument Intake Sheet
 Baltimore City County: Queen Anne's

The addendum form should be used when one transaction involves more than two instruments.
 Each instrument should be itemized in accordance with Section No. 1 of the Intake Sheet.

(Type or Print in Black Ink Only - All Copies Must Be Legible)

(Continued) Fees	Recording Charge	\$ 75	\$ 75	\$	\$
	Surcharge	\$	\$	\$	\$
	State Recordation Tax	\$	\$	\$	\$
	State Transfer Tax	\$	\$	\$	\$
	County Transfer Tax	\$	\$	\$	\$
	Other	\$	\$	\$	\$
	Other	\$	\$	\$	\$
(Continued) Transferred From	<u>Alchafalaya Holdings, LLP</u>		<u>Bank of America</u>		
(Continued) Transferred To	<u>Mid-Atlantic Business Finance Company</u>		<u>Mid-Atlantic Business Finance Company</u>		
(Continued) Other Names to be Indexed			<u>Alchafalaya Holdings, LLP</u>		
Special Instructions					

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Maryland Department of Assessments and Taxation
 QUEEN ANNE'S COUNTY
 Real Property Data Search

[Go Back](#)
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[New Search](#)
[Ground Rent](#)

Account Identifier: District - 04 Account Number - 036867

Owner Information

Owner Name: ATCHAFALAYA HOLDINGS, LLC Use: INDUSTRIAL
 Principal Residence: NO
 Mailing Address: 400 PIER AVE Deed Reference: 1) SM / 984/ 198
 STEVENSVILLE MD 21666-2022 2)

Location & Structure Information

Remises Address: LOVE POINT RD Legal Description: 24.27 ACRES
 STEVENSVILLE 21666 LOVE POINT

WATERFRONT

Map	Grid	Parcel	Sub District	Subdivision	Section	Block	Lot	Assessment Area	Plat No: Plat Ref:
40	12	2						3	

Special Tax Areas	Town Ad Valorem Tax Class
	01

Primary Structure Built	Enclosed Area	Property Land Area	County Use
0000		24.27 AC	
Stories	Basement	Type	Exterior

Value Information

	Base Value	Value As Of 01/01/2006	Phase-in Assessments	
			As Of 07/01/2006	As Of 07/01/2007
Land:	340,600	425,300		
Improvements:	0	0		
Total:	340,600	425,300	368,833	397,066
Preferential Land:	0	0	0	0

Transfer Information

Buyer:	LANGENFELDER, C J AND SON INC	Date:	11/12/2002	Price:	\$1,750,000
Type:	MULT ACCTS ARMS-LENGTH	Deed1:	SM / 984/ 198	Deed2:	
Seller:		Date:		Price:	
Type:		Deed1:		Deed2:	
Buyer:		Date:		Price:	
Type:		Deed1:		Deed2:	

Exemption Information

Partial Exempt Assessments	Class	07/01/2006	07/01/2007
County	000	0	0
State	000	0	0
Municipal	000	0	0

Tax Exempt: NO
 Exempt Class:

Special Tax Recapture:

* NONE *

Handwritten notes:
 3,363.75
 9/20/08
 112
 544

[Click here for a plain text ADA compliant screen.](#)



Maryland Department of Assessments and Taxation
 QUEEN ANNE'S COUNTY
 Real Property Data Search

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[New Search](#)
[Ground Rent](#)

Account Identifier: District - 04 Account Number - 036840

Owner Information

Owner Name: ATCHAFALAYA HOLDINGS, LLC Use: INDUSTRIAL
 Principal Residence: NO
 Mailing Address: 400 PIER AVE Deed Reference: 1) SM / 984/ 198
 STEVENSVILLE MD 21666-2022 2)

Location & Structure Information

Remises Address: 400 PIER AVE Legal Description: 2.98 ACRES
 STEVENSVILLE 21666 LOVE POINT PIER

Map	Grid	Parcel	Sub District	Subdivision	Section	Block	Lot	Assessment Area	Plat No: Plat Ref:
40	18	43						3	

Special Tax Areas	Town Ad Valorem Tax Class
	01

Primary Structure Built	Enclosed Area	Property Land Area	County Use
0000		2.98 AC	
Stories	Basement	Type	Exterior

Value Information

	Base Value	Value As Of	Phase-in Assessments	
			As Of	As Of
Land:	359,100	01/01/2006	07/01/2006	07/01/2007
Improvements:	94,100	703,000		
Total:	453,200	793,900	566,766	680,332
Preferential Land:	0	0	0	0

Transfer Information

Seller: LANGENFELDER, C J AND SON INC Date: 11/12/2002 Price: \$1,750,000
 Type: MULT ACCTS ARMS-LENGTH Deed1: SM / 984/ 198 Deed2:
 Seller: Date: Price:
 Type: Deed1: Deed2:
 Seller: Date: Price:
 Type: Deed1: Deed2:

Exemption Information

Partial Exempt Assessments	Class	07/01/2006	07/01/2007
County	000	0	0
State	000	0	0
Municipal	000	0	0

Tax Exempt: NO
 Exempt Class:

Special Tax Recapture:
 * NONE *

transitional and approach surfaces established by the Federal Aviation Administration as of the adoption date of this Chapter 18:1.

§ 18:1-23. Suburban Industrial (SI) District.

- A. Purpose. The Suburban Industrial (SI) District is intended to provide primarily for the *development of office, regional commercial, warehouse, and light industrial uses* that are compatible with surrounding *development*. New *development* within the SI District should provide adequate *screening* and *buffer yards* in order to minimize adverse impacts to surrounding areas.
- B. Permitted uses.
- (1) *Agricultural support.*
 - (2) *Business and professional offices.*
 - (3) *Effluent disposal.*
 - (4) *Family day-care center.*
 - (5) *Garden centers, garden supplies, and greenhouses.*
 - (6) *Grocery stores and supermarkets (excluding convenience stores).*
 - (7) *Group day-care center.*
 - (8) *Lawnmower and garden equipment sales.*
 - (9) *Light industrial.*
 - (10) *Manufactured home* single-wide; allowed only as a replacement for any legal existing *mobile home* or single-wide home; and to provide temporary shelter, provided the provisions of § 18:1-53 of this Chapter 18:1 have been met.
 - (11) *Migrant labor camp.*
 - (12) *Miniwarehouse (with or without exterior storage).*
 - (13) *Minor extraction and dredge disposal uses.*
 - (14) *Noncommercial forestry.*
 - (15) *Nonprofit and for-profit institutional.*
 - (16) *Nurseries.*
 - (17) *Parking.*
 - (18) *Public service.*
 - (19) *Shopping centers.*
 - (20) *Theaters and auditoriums.*

- (21) Trade schools with only indoor activities.

C. Conditional uses.

- (1) *Agriculture.*
- (2) *Aquaculture.*
- (3) *Commercial forestry.*
- (4) *Major extraction and dredge disposal.*
- (5) *Heavy industrial.*
- (6) *Marinas.*
- (7) *Outdoor recreation.*
- (8) *Private airports.*
- (9) *Public heliports and airports.*
- (10) *Public utilities.*
- (11) *Telecommunications facilities.*
- (12) *Truck stops and travel plazas.*

D. Density/intensity requirements.

- (1) Maximum residential *density*: not applicable.
- (2) Maximum nonresidential *floor area ratio*.
 - (a) *Office*: .27.
 - (b) *Industrial*: .40.
 - (c) All other: .27.
 - (d) In the *growth areas*, *floor area* allowed can be increased by a maximum of 25% using TDRs in accordance with Chapter 18:1, Part 6, Article XX.
- (3) No individual *use* and/or tenant space in a *structure* shall occupy more than 65,000 square feet of *gross floor area*, except for the following *uses*:
 - (a) *Agricultural support*;
 - (b) Business and professional *office* complexes over 25,000 square feet;
 - (c) *Nonprofit and for-profit institutional*;
 - (d) *Light industrial*, where incidental retail stores do not exceed 25,000 square feet of *gross floor area*;
 - (e) *Public uses*;

- (f) Theaters and auditoriums;
- (g) Trade schools with only indoor activities; and
- (h) Where approved by conditional *use* granted from the Board of Appeals:
 - [1] *Heavy industrial.*
 - [2] *Marinas.*
 - [3] *Private airports.*
 - [4] *Public heliports and airports.*

E. Dimensional and bulk requirements.

- (1) *Residential uses:* not applicable.
- (2) *Nonresidential uses.*
 - (a) *Maximum impervious surface ratio.*
 - [1] *All uses:* .65.
 - [2] *In the growth areas, impervious surface ratio* allowed can be increased by a maximum of 25% using TDRs in accordance with Chapter 18:1, Part 6, Article XX.
 - (b) *Minimum lot frontage:* 35 feet.
 - (c) *Minimum setbacks.*
 - [1] *Front:* 35 feet.
 - [2] *U.S. Routes 50/301:* 75 feet.
 - [3] *Arterial:* 50 feet.
 - [4] *Side and rear:* 10 feet.
 - (d) *Maximum building height.*
 - [1] *Telecommunications facilities:* 200 feet.
 - [2] *All other:* 45 feet.

§ 18:1-24. Light Industrial Highway Service (LIHS) District.

- A. Purpose. The Light Industrial Highway Service (LIHS) District is intended to provide *light industrial, highway service, office, and regional commercial uses* at key intersections along the U.S. Route 301 corridor from the U.S. Routes 50/301 split north to Kent County. The LIHS District is limited to those principal intersections that are planned to be upgraded or can provide safe access/egress to *sites* along the Route 301 corridor that have intermodal transportation access. Extensive landscaping and *screening*

- D. *Marinas & Covered Slips*
- (1) Dimensions and locations of channels shall be designed to achieve maximum flushing of the *marina* basin.
 - (2) The flow and volume of the natural drainage system, both on-site and on adjacent properties, shall be maintained.
 - (3) Use of impervious ground surfacing shall be minimized wherever possible.
 - (4) Reasonable distances shall be maintained between water and *parking* and loading areas.
 - (5) New commercial *marinas* of more than 20 slips shall be developed only as part of a mixed-use project, including one or more of the following *uses* permitted in the underlying zoning district:
 - (a) *Restaurants*;
 - (b) Nautical supply shops;
 - (c) Boutiques;
 - (d) Retail shops; and/or
 - (e) Lodging establishments.
 - (6) New *marinas* and additions to existing *marinas* shall be serviced by sanitary sewer connections for pump outs for boat slips within the *marina*.
 - (7) All on-site storage of flammable liquids shall be subject to the requirements of § 18:1-58B and C.
 - (8) All covered slips and piers shall comply with applicable state and federal regulations.
- E. *Major extraction, major and minor dredge disposal, and organic fertilizer storage and transfer operations.*
- (1) Extraction includes sand, clay, shale, gravel, topsoil or similar extractive operations, including borrow pits (excavations for removing material for filling operations), and dredge disposal operations are limited to land disposal or storage of dredge materials from navigable waters, and *organic fertilizer storage and transfer operations* are limited to *use* of the fertilizer on the property on which the operation is proposed.
 - (2) All applications for a zoning permit for all industrial or *agricultural support* proposals requiring conditional *use* approval shall, in addition to what is otherwise required for a conditional *use* permit, be presented to the *Planning Commission* during a public hearing. The *Planning Commission* shall forward its report and recommendations to the Board of Appeals within 60 days of the *Planning Commission's* review. The Board of Appeals shall not render its decision until the *Planning Commission* recommendations have been received and reviewed. [Amended 9-7-2004 by Ord. No. 04-27]

- [1] The lot was created as part of a bona fide intrafamily transfer and not with the intent of subdividing the original parcel of land for the purpose of ultimate commercial sale; and
 - [2] A change in circumstances has occurred since the original transfer was made that is not inconsistent with this section and that warrants an exception, or other circumstances that are consistent with this section and with the critical area criteria to maintain land areas necessary to support the protective uses of agriculture, forestry, open space and natural habitats in RCAs warrant an exception.
- (7) Deeds of transfer shall include a covenant stating that the lot is subject to the provisions of this Chapter 14:1, as amended. These covenants shall restrict the subsequent transfer or sale of a lot or lots created pursuant to the intrafamily transfer provisions contained herein to a third party who is not a member of the owner's immediate family or a holder of a mortgage or deed of trust on the property, except as provided in this Chapter 14:1.
- E. Site performance standards. Development and redevelopment requiring project approval in RCA development areas shall be subject to the same development standards applicable to LDA development areas (§ 14-38D of this Chapter 14:1).
- F. Site performance standards for building permits. Development and redevelopment requiring only the issuance of a building permit within the RCA shall be subject to the same development standards applicable to LDA development areas (§ 14:1-38E of this Chapter 14:1).

§ 14:1-40. (Reserved)

§ 14:1-41. (Reserved)

ARTICLE X

Development Standards for Water-Dependent Facilities in Critical Area

§ 14:1-42. General provisions relating to water-dependent facilities.

New or expanded water-dependent facilities may be permitted in the Buffer, provided it can be shown that:

- A. They are water-dependent;
- B. The project meets a recognized private right or public need;
- C. The adverse effects on water quality and fish and wildlife habitat are minimized;
- D. Non-water-dependent structures and operations associated with water-dependent projects or activities are located outside the Buffer, insofar as possible; and

E. The facilities satisfy the requirements of § 14:1-34 of this Chapter 14:1.

§ 14:1-43. Community marinas. [Amended 6-5-1998 by Ord. No. 98-05]

A. In addition to the provisions of § 14:1-42 of this Chapter 14:1, new or expanded community marinas and other noncommercial boat docking facilities may be permitted in the Buffer, provided that:

- (1) Where a community pier is proposed for a subdivision finally approved after June 29, 1988, the number of slips shall be the lesser of:
 - (a) One slip for every 50 feet of shoreline in subdivisions in IDA and LDA development areas and one slip per 300 subdivisions in RCA development areas; or
 - (b) A density of slips to platted lots or dwellings in the subdivision according to the following schedule:

Platted Lots or Dwellings in the Critical Area	Number of Slips
Up to 15	1 for each lot
16 - 40	15 or 75%, whichever is greater
41 - 100	30 or 50%, whichever is greater
101 - 300	50 or 25%, whichever is greater
Over 300	75 or 15%, whichever is greater

- (2) The Board of Appeals may grant a variance from the provisions of this section in accordance with Part 7 of this Chapter 14:1.

B. Where a community pier is proposed for a subdivision finally approved after June 29, 1988, the following conditions and restrictions shall apply:

- (1) No food, fuel or other goods and services shall be offered for sale;
- (2) Sanitary facilities shall be provided that meet the requirements of the Department of the Environment as provided in COMAR 26.04.02;
- (3) The community pier shall be for the benefit of the residents of a platted and recorded subdivision only;
- (4) Disturbance to the Buffer is the minimum necessary to provide a single point of access to the community pier; and
- (5) Private piers and launching facilities in the new subdivision shall be prohibited.

§ 14:1-44. Commercial marinas.

- A. In addition to the provisions of § 14:1-42 of this Chapter 14:1, new or expanded commercial marinas and related facilities may be permitted in the Buffer in IDA and LDA development areas, provided that:
- (1) New or existing marinas shall meet the sanitary requirements of the Department of the Environment as provided in COMAR 26.04.02; and
 - (2) New marinas shall establish a means of minimizing the discharge of bottom wash into tidal waters.
- B. In addition to the provisions of § 14:1-42 of this Chapter 14:1, expanded commercial marinas and related facilities may be permitted in the Buffer in RCA development areas, provided that:
- (1) Existing marinas shall meet the sanitary requirements of the Department of the Environment as provided in COMAR 26.04.02;
 - (2) Existing marinas shall establish a means of minimizing the discharge of bottom wash into tidal waters; and
 - (3) It is sufficiently demonstrated that the expansion will not adversely affect water quality and that the proposed expansion will result in an overall net improvement in water quality at or leaving the site of the marina.

§ 14:1-45. Industrial and port related water-dependent facilities.

Subject to the provisions of § 14:1-42 of this Chapter 14:1, new, expanded or redeveloped industrial or port related water-dependent facilities may be permitted in Buffer exemption areas within IDA development areas. Otherwise new, expanded or redeveloped industrial or port related water-dependent facilities may not be permitted in the Buffer.

§ 14:1-46. Public beaches and other water-oriented recreation or education areas.

- A. Public beaches and other public water-oriented recreation or education areas, including, but not limited to, publicly owned boat launching and docking facilities and fishing piers may be permitted in the Buffer in IDA development areas.
- B. Public beaches and other public water-oriented recreation or education areas, including, but not limited to, publicly owned boat launching and docking facilities and fishing piers may be permitted in the Buffer in LDA and RCA development areas, provided that:
- (1) Adequate sanitary facilities exist;
 - (2) Service facilities are, to the extent possible, located outside the Buffer;
 - (3) Permeable surfaces are used to the extent practicable, if no degradation to groundwater would result;
 - (4) Disturbance to natural vegetation is minimized; and

FILE NUMBER: 4084 C

DEPARTMENT OF GENERAL SERVICES
APPRAISAL REQUIREMENTS

SECTION I - DESCRIPTION OF PROPERTY

Owner(s): Atchafalaya Holdings, LLC
Address: 400 Pier Avenue, Stevensville, MD 21666-2022
Property Location: Love Point Road and Pier Avenue
County: Queen Anne's County
District: 4
Tax Map Ref: Map 40, Parcels 2, 43, and 48
Deed Recordation Date: November 11, 2002
Liber/Folio: SM 984/198
Land Asses: Parcel 2 - \$425,300; Parcel 43 - \$703,000; Parcel 48 - \$740,000
Impr. Asses: Parcel 2 - \$0 Parcel 43 - \$90,900; Parcel 48 - \$261,200
Acres - total: Parcel 2 - 24.27 acres; Parcel 43 - 2.98 acres; Parcel 48 - 9.00 acres;
Total 36.45 acres
Acres - Acquisition: Parcel 2 - 24.27 acres; Parcel 43 - 2.98 acres; Parcel 48 - 9.00 acres;
Total 36.45 acres
Improvements: 2 story frame and block commercial building; built 2005; 3,520 sf
bulkheading; approximately 14 boat slips

SECTION II - VALUES REQUIRED AND RELATED INSTRUCTIONS

Perform the following type of Appraisal enclosed in parenthesis () as to the Fair Market Value of the owner's fee simple interest in the above described property:

(A). A formal narrative appraisal report. The appraisal report must be a Summary Appraisal Report (as defined by USPAP) at a minimum.

OTHER REMARKS/SPECIAL CONDITIONS:

1. Use eminent domain definition of market value.
2. To schedule an inspection of the subject property, contact Robert Douglass (representative for the property owner) at 410-580-4141.
3. The function of this appraisal is to serve as a basis for the potential acquisition of the subject property by the Department of Natural Resources for Chesapeake Bay Access on the Chester River.
4. Note: This is one (1) of four (4) appraisals. Separate reports are required for each.
5. Appraiser should consider the effect on value of any TDRs associated with this subject property.
6. This property is currently used as an operating marine business for the off loading of sand and gravel barges.
7. This property has water frontage on the Chester River.