

~~and the development of several subdivisions along the "Spa Road" corridor are
all necessary to the marketplace. Further, the development of this corridor is the ongoing East
Spa Road project, which is currently being developed by the City of Annapolis.~~

SUBJECT PROPERTY DESCRIPTION

The composite subject property presently exists as an improved property located on both the easterly and westerly sides of Spa Road, (within the City of) Annapolis, Maryland 21401. The composite subject property/properties are further identified on Anne Arundel County Tax Map No. 51F, in Block/Grid No. 8, as Parcel Nos. 859 and 62, within the Sixth Assessment District, Anne Arundel County, Maryland.

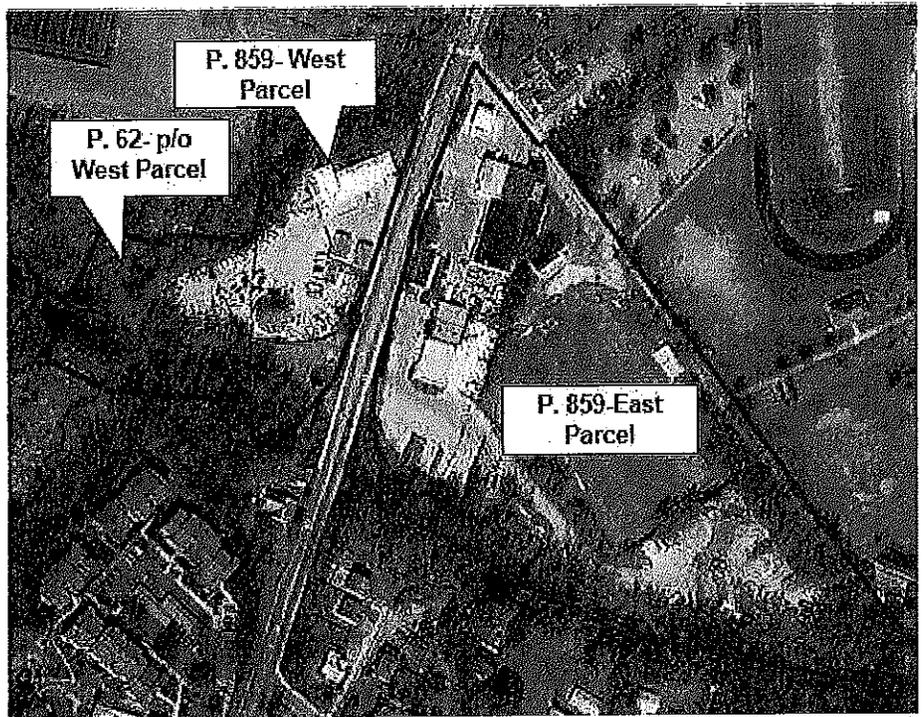
The following is an outline description of the composite subject property.

SUBJECT SITE:

Location On both the easterly and westerly sides of Spa Road, (within the City of) Annapolis, Maryland 21401. The overall subject property is estimated to be approximately 0.4 miles southwest of the intersection of Spa Road and Westgate Circle, approximately 0.4 miles north of the Spa Road/Hilltop Lane signalized intersection and approximately 0.6 miles north of the Spa Road/Forest Drive signalized intersection

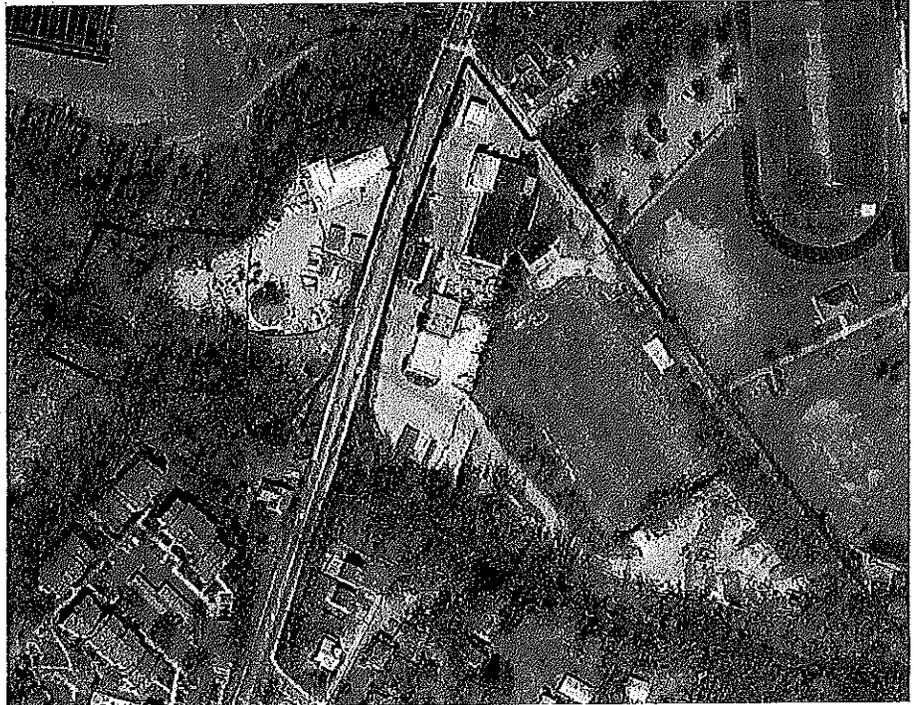
Size	Parcel 859:	E/s Spa Road = 8.24 acres (+/-)
		W/s Spa Road = 1.96 acres (+/-)
	Parcel 62:	West of Spa Road (Landlocked) = 1.77 acres (+/-)
	Total Land Area	= 11.97 acres (+/-)

Note: For clarity, the different land components are identified as follows:



Shape

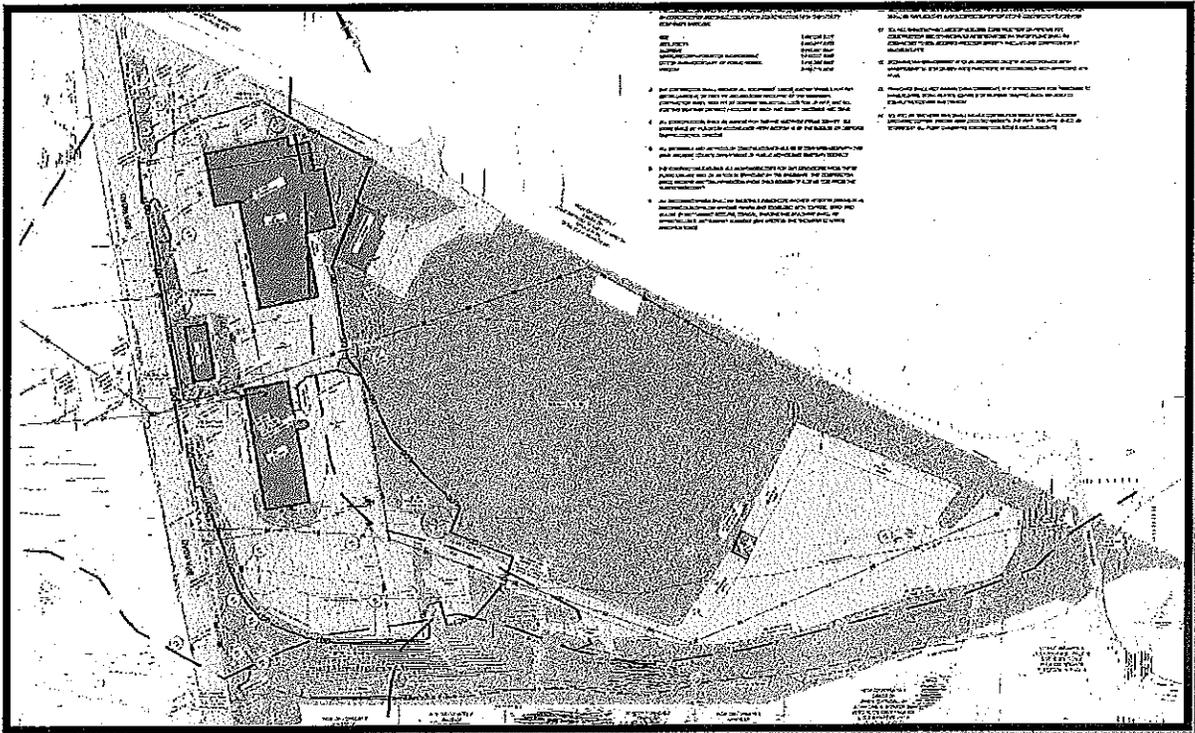
Irregular, as shown below.



Frontage East side Spa Road = 697 feet (+/-), per McCrone 1956 survey
 West side Spa Road= 597 feet (+/-) per McCrone 1956 survey

Depth East side Spa Road= 950' to 1,250' (variable due to shape)
 West side Spa Road= 440' (+/-) maximum

Topography The overall topography of the composite subject property varies from near level to steep slopes. To estimate the amount of near level to steep slopes land on the easterly side of Spa Road, a PDF entitled "GP-O 01 EXISTING CONDITIONS" (by McCrone, revised 8/14/2017) was provided to Westholm & Associates and, at a very small scale, a part of which is shown below.



East Parcel (east of Spa Road)

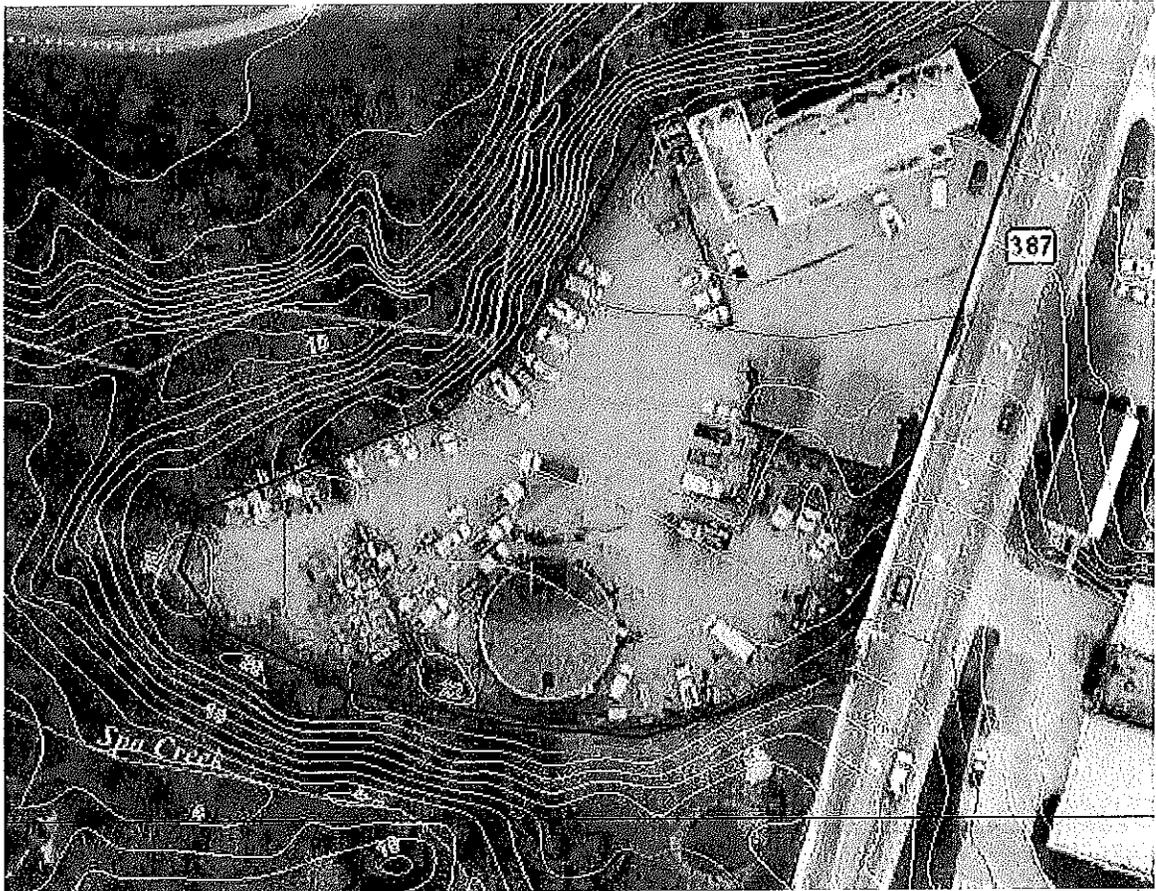
Based upon a review of the above plan, the overall topographic change within the East Parcel is approximately 36'; from approximately 39' ASL (Above Sea Level) at the northwestern most corner of the parcel to approximately 3' ASL at the extreme southeasterly corner of the parcel (note: this is a distance of over 1,200' horizontally). Additionally, the topography of the East Parcel along Spa Road changes significantly; from the highest point (approximately 39' ASL from the

same northwestern most corner of the parcel) dropping to an elevation of 3' ASL along the headwaters of Spa Creek. This elevation drop occurs over a horizontal distance of approximately 700' (literally the same as the East Parcel's street frontage on Spa Road); however, for an approximate distance of 300' to 330' along Spa Road (and to a depth from the roadway of approximately 160' to 180') the topographic conditions are considered in slight to moderate slope—i.e., very developable. Then, over a horizontal distance southward along the street frontage the land elevation drops approximately 10' over a horizontal distance of 40' to 50'—an unbuildable area, then becoming moderate in slope conditions for a distance of approximately 220' to 250' (and widening to 250' in depth as measured from Spa Road).

Land within the East Parcel to the southeast of the frontage area is mostly either near level or in very moderate slope condition(s). total elevation change of 6', more or less, over a horizontal distance of over 600'. Except along the East Parcel's southerly property line area (where the headwaters of Spa Creek is located), most the "rear land" area of this parcel is developable (not in steep slopes, etc.).

West Parcel (west of Spa Road)

The "West Parcel" is approximately 3.73 acres in aggregate. Topographic conditions vary from near level to moderate slope, then to steep slope, then to low land conditions along both sides of the headwaters of Spa Creek. Overall, the only area where development of buildings/dwellings, etc., could reasonably occur would be in the area where there are existing structures and/or parking areas; which is approximately 1.4 acres (approximately 38% to 40% of the gross land area contained within the West Parcel) and is shown (in light RED) below.



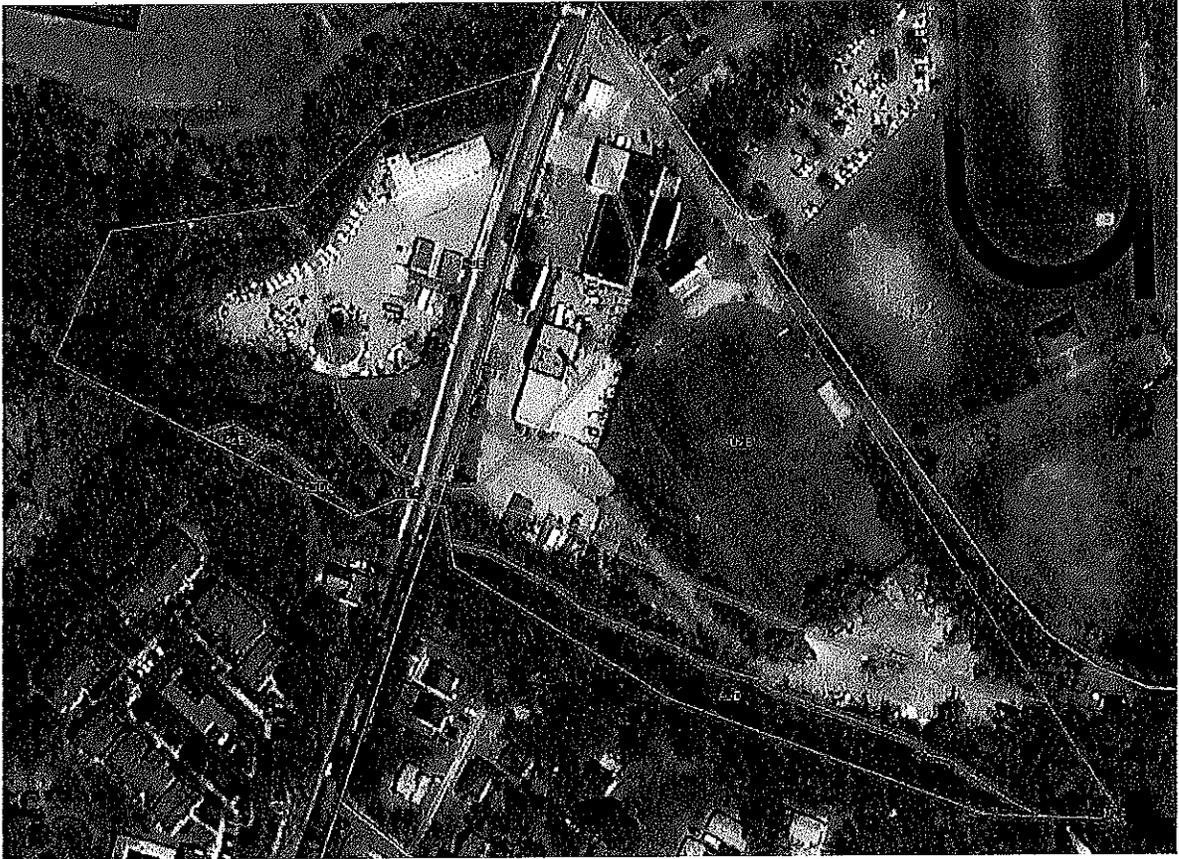
The above shaded area has a two tiered elevation; with the higher elevation area being where the larger building and two "temporary" buildings are located. Elevation changes within this area are very moderate, from 40' to 28' ASL. Then the topographic conditions lead to a lower level, the the elevation changes, dropping to approximately 20' ASL. All of this land area is currently improved, either with buildings and/or parking areas, and is considered buildable.

Land outside of the above described buildable area is considered unbuildable.

Soil Classification

The [Web Soil Survey Online](#) (by the U.S. Department of Agriculture, Natural Resources Conservation Service) map indicates that the subject site is comprised of several different soils. The dominate soils found on the composite subject property include Annapolis-Urban land complex (AuB), 0% to 5% slopes, being on approximately 29% of the land area, Udorthents, loamy, sulfidic substratum (UxB), 0% to 5% slopes, and Widewater and Issue soils (WBA), 0% to 2% slopes (note: WBA soils are frequently flooded areas, not suitable for any

development). The above soils and their approximate location(s) are shown on the following aerial picture.



Per the Soil Survey, approximately 8 acres of the overall site is rated "somewhat limited" for development with dwellings with basements. Without basements, a similar amount of land area is designated as being "somewhat limited" for development.

Overall, it is our opinion that the existing soil conditions are more than adequate for residential subdivision development without significant impact (lot yield) due to the existing soil conditions.

Environmental Considerations

Westholm & Associates was not provided with any Phase I or Phase II Environmental Site Assessments that would indicate or suggest the presence of potentially toxic or otherwise environmentally hazardous contamination on the subject parcels. Westholm & Associates did not observe any evidence that might provide environmental engineers/investigators with concern that potentially toxic or otherwise environmentally hazardous contamination may have occurred on the

subject site. However, considering the history of the composite subject property, that fact that Westholm & Associates are not experts in the field of hazardous materials detection, Westholm & Associates recommends that a Phase I Environmental Site Assessment be conducted on the subject property. Environmental contamination or the presence of hazardous conditions may significantly affect the value estimated. Therefore, Westholm & Associates have made the following extraordinary assumption:

Westholm & Associates was not provided any recent Phase I or Phase II Environmental Site Assessments, which would indicate or suggest the presence of potentially toxic or otherwise environmentally hazardous contamination. During the inspection, Westholm & Associates did not observe any indications of potential toxic or hazardous materials or contamination. If there are concerns regarding potentially toxic or otherwise environmentally hazardous contamination affecting the subject property, Westholm & Associates, recommends that a Phase I and/or Phase II Environmental Site Assessment be conducted on the subject property. Environmental contamination or the presence of hazardous conditions may significantly affect the fair market value of the subject property; therefore, Westholm & Associates, has made an Extraordinary Assumption that the subject property is free from any environmental hazards. If subsequent information is obtained indicating that this Extraordinary Assumption is incorrect, then this appraisal and any estimates of value may need to be qualified and/or amended.

Vegetation

Approximately 80% of the overall subject property is "cleared" land while the remainder (approximately 20% of the overall property) is in woodland or in lowland.. The majority of the trees within the woodland area are in excess of 20 years old and are considered a nominal, but positive, attribute of the subject property.

Access

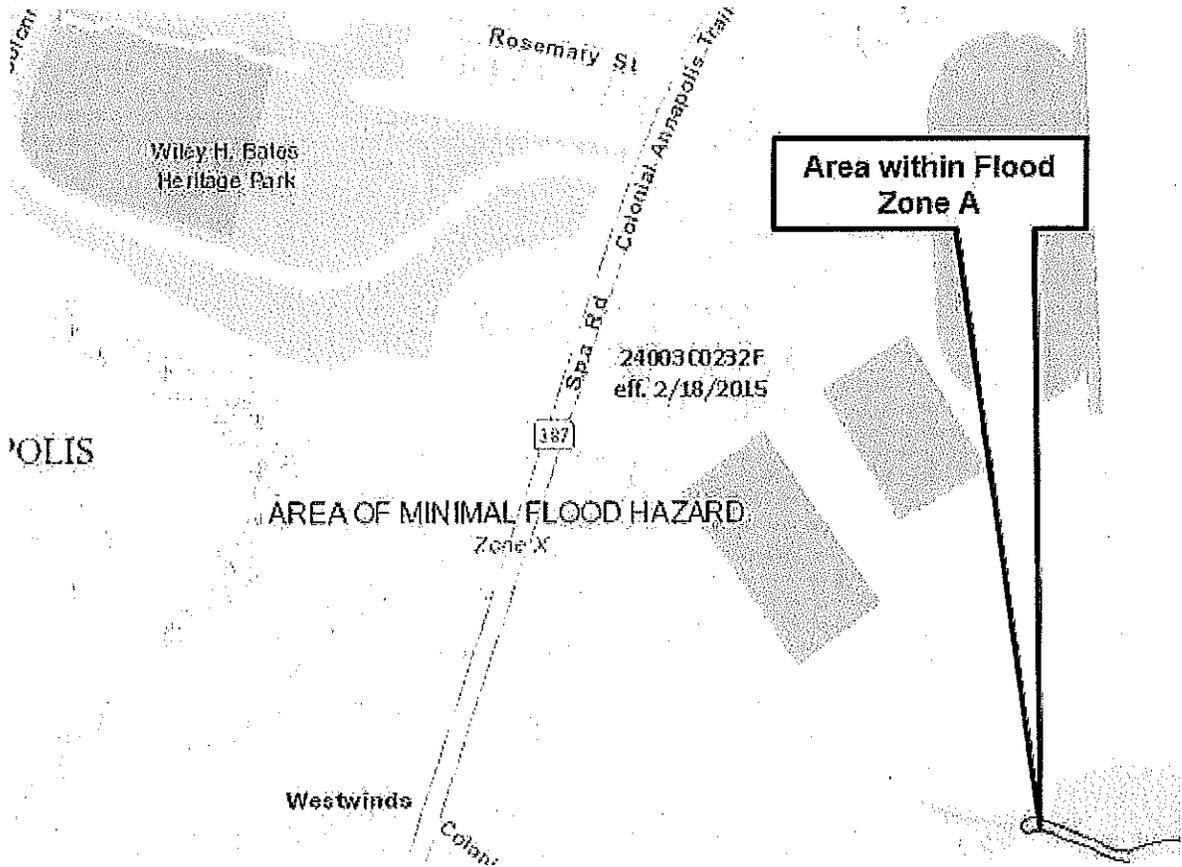
Current access to the composite subject property is primarily from Spa Road. Currently, the subject has one vehicular access point onto/off each side of Spa Road. In addition, there is a secondary "road" which is located at the northern extreme of the East Parcel (at Spa Road) which leads off of Spa Road to several athletic fields. The intersection of this roadway and Spa Road is signalized. Westholm & Associates has been unable to determine the right of way width of this roadway; however it is recognized that part of this roadway is within the property boundary limits of subject Parcel No 1859-East Parcel.

Utilities

All public utilities serve, and are available, to the composite subject property.

100 Year Flood Hazard Area

Almost the entire subject property is not located within the 100 year flood hazard area as determined by the Federal Emergency Management Agency (see Flood Insurance Map No. 24003-C0234F, effective February 18th, 2015). However, in the southeastern most corner of subject Parcel 859-East Parcel there is a small amount of land (very low, near sea level) which is in Flood Zone A, as shown on the following map.



Immediate Neighborhood

The immediate area of the composite subject property is primarily residential in character. However, to the north of subject Parcel No. 859-East Parcel is Bates Middle School and associated athletic fields (one field is on the subject parcel) and, as well, a building located at 937 Spa Road (immediately to the north of the subject) owned and occupied by the Anne Arundel County Board of Education.

Subject Parcel 859-West Parcel and Parcel 62 (combined referred to as the West Parcel, is also bordered by To the north and northwest of the subject property is the Wiley H. Bates Heritage Park, which is