

## Part I – Introduction

### A-1. Title Page

## **JUNE PARKER MARINA**

531 N Church Lane  
Tappahannock, Virginia 22560

### **APPRAISAL REPORT**

Date of Report: June 23, 2017

Colliers File #: RIC170172



PREPARED FOR  
Timothy L. Wilson, County Administrator  
Essex County Virginia  
202 S. Church Lane ,,  
Tappahannock, VA 22560

PREPARED BY  
**COLLIERS INTERNATIONAL**  
VALUATION & ADVISORY SERVICES

## A-2. LETTER OF TRANSMITTAL

COLLIERS INTERNATIONAL  
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June 23, 2017

Timothy L. Wilson  
County Administrator  
**Essex County Virginia**  
202 S. Church Lane  
Tappahannock, VA 22560

**RE: June Parker Marina**  
531 N Church Lane  
Tappahannock, Virginia 22560

Colliers File #: RIC170172

Mr. Wilson:

Pursuant with our engagement, the above captioned property was appraised utilizing best practice appraisal principles for this property type. This appraisal report satisfies the scope of work and requirements agreed upon by Essex County Virginia and Colliers International Valuation & Advisory Services.

At the request of the client, this appraisal is presented in an Appraisal Report format as defined by *USPAP* Standards Rule 2-2(a). Our appraisal format provides a detailed description of the appraisal process, subject and market data and valuation analyses.

The purpose of this appraisal is to develop opinions of the As-Is Market Value (Going concern), As-Is Real Property Value, FF&E (Tangible Assets) and As-Is Business Value (Intangible Assets) of the subject property's fee simple interest. The following table conveys the final opinions of market value of the subject property that are developed within this appraisal report:

VALUE SCENARIO	INTEREST APPRAISED	DATE OF VALUE	VALUE
As-Is Market Value (Land)	Fee Simple	May 19, 2017	\$1,130,000

The subject site is an irregularly shaped land parcel indicated a gross site area of 807,777 SF (or 18.54-Acre) and is zoned CC-1 – “Central Commercial” by the Town of Tappahannock. The subject is comprised of a 4.52 acre upland parcel and an approximately 14.03 acre tidal portion. The subject site is utilized as a marina property that is known as the June Parker Marina. The subject site is improved with a 32-slip, full-service marina facility that has been constructed in stages since circa 1975. The subject site is improved with 7, marina-oriented improvements that are utilized for a variety of purposes ranging from boat storage, maintenance, office, boat rental, and miscellaneous operations and indicate a combined Gross Building Area (GBA) of 23,024 SF. The subject property has a common address of 531 N. Church Lane in Tappahannock, Virginia.

The analyses, opinions and conclusions communicated within this appraisal report were developed based upon the requirements and guidelines of the current Uniform Standards of Professional Appraisal Practice (USPAP), the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute. The report is intended to conform to the Financial Institutions Reform, Recovery and Enforcement Act (FIRREA) standards and the appraisal guidelines of Essex County Virginia.

The report, in its entirety, including all assumptions and limiting conditions, is an integral part of, and inseparable from, this letter. *USPAP* defines an Extraordinary Assumption as, "an assumption, directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser's opinions or conclusions". *USPAP* defines a Hypothetical Condition as, "that which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis".

The Extraordinary Assumptions and/or Hypothetical Conditions that were made during the appraisal process to arrive at our opinions of value are fully discussed below. We advise the client to consider these issues carefully given the intended use of this appraisal, as their use might have affected the assignment results.

### **EXTRAORDINARY ASSUMPTIONS**

The subject property has been used for the storage and distribution of petroleum products. The appraiser(s) have not made a soil or underground water test, nor are we qualified to do so. Identifying site and soil contaminants or environmental issues is beyond the scope of this appraisal and the appraiser's qualifications. Unless otherwise stated, this appraisal is based on the assumption that the site and property are uncontaminated and unaffected by environmentally hazardous materials or substances. No responsibility is assumed by the appraisers for contamination issues and no warranties are implied by this opinion of value.

### **HYPOTHETICAL CONDITIONS**

No Hypothetical Conditions were made for this assignment.

### **RELIANCE LANGUAGE**

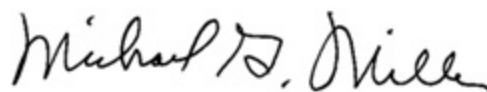
The signatures below indicate our assurance to the client that the development process and extent of analysis for this assignment adhere to the scope requirements and intended use of the appraisal. If you have any specific questions or concerns regarding the attached appraisal report, or if Colliers International Valuation & Advisory Services can be of additional assistance, please contact the individuals listed below.

Sincerely,

### **COLLIERS INTERNATIONAL VALUATION & ADVISORY SERVICES**



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Valuation Services Director  
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## A-4. Appraiser's Certification

We certify that, to the best of our knowledge and belief:

- › The statements of fact contained in this report are true and correct.
- › The reported analyses, opinions, and conclusions of the signers are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions of the appraiser.
- › The signers of this report has no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.
- › The signers are not biased with respect to the property that is the subject of this report or to the parties involved with this assignment.
- › The appraisal was made and the appraisal report prepared in conformity with the *Uniform Appraisal Standards for Federal Land Acquisitions*.
- › Tony Essa, MAI, MRICS inspected the property that is the subject of this report. Michael G. Miller, MAI, SRA, AI-GRS, CCIM, FRICS inspected the property that is the subject of this report. The current property owner was present at inspection.
- › Tony Essa, MAI has performed no services, as an appraiser or in any other capacity regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment. Michael G. Miller, MAI, SRA, AI-GRS, CCIM, FRICS has performed no services, as an appraiser or in any other capacity regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- › The engagement in this assignment was not contingent upon developing or reporting predetermined results.
- › The compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- › The reported analysis, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the *Code of Professional Ethics and Standards of Professional Appraisal Practice* of the Appraisal Institute, and the *Uniform Standards of Professional Appraisal Practice*, as set forth by the Appraisal Standards Board of the Appraisal Foundation.
- › Nicole Allen, MAI, AI-GRS provided review services for this appraisal.

The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

As of the date of this report Tony Essa, MAI, MRICS and Michael G. Miller, MAI, SRA, AI-GRS, CCIM, FRICS completed the continuing education program for Designated Members of the Appraisal Institute.

VALUE SCENARIO	INTEREST APPRAISED	DATE OF VALUE	VALUE
As-Is Market Value (Land)	Fee Simple	May 19, 2017	\$1,130,000



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June 23, 2017  
Date



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June 23, 2017  
Date

## A-5. Summary of Salient Facts and Conclusions

### GENERAL INFORMATION

Name	June Parker Marina
Property Type	Special Purpose (Marina)
Address	531 N. Church Lane Tappahannock, Virginia 22560
Assessor's Parcel #(s)	32B-1-1B, 32B-1-1, 32B-1-1A
Census Tract No.	9507.00
Property Rights Appraised	The fee simple interest

### PROPERTY DESCRIPTION

#### Site Description

PARCEL	LAND AREA			
	USABLE AREA		GROSS AREA	
	SF	ACRES	SF	ACRES
32B-1-1	651,658	14.96	651,658	14.96
32B-1-1A	22,521	0.52	22,521	0.52
32B-1-1B	133,599	3.07	133,599	3.07
<b>Total</b>	<b>807,777</b>	<b>18.54</b>	<b>807,777</b>	<b>18.54</b>

Topography	Generally Level
Access	Average
Exposure	Average
Zoning	Waterfront/Commercial District (CC-1)
Flood Zone	Zone AE
Seismic Zone	Medium Risk

#### Improvement Description

No. of Total Buildings	7
Year Built	1975
Number of slips	32
Quality	Average
Condition	Average
Remaining Life	20 Years

#### Highest & Best Use

As-Vacant	Marina use
As-Improved	Continued marina use

**Exposure Time** Twelve Months or Less

**Marketing Time** Twelve Months or Less

According to Jeff Griesbauer Exposure and Marketing time is running 6 – 9 months.

**ANALYSIS OF VALUE CONCLUSIONS**

Cost Approach			Not Presented
Improved Sales Comparison Approach			\$590,000
Income Approach			\$465,000
<b>As-Is Land Market Value</b>	<b>Fee Simple</b>	<b>May 19, 2017</b>	<b>\$1,130,000</b>

**A-6. Photographs of Subject Property**



**PHOTO: 1 FRONT OF RETAIL FACING EAST  
DATED 05/19/17  
TAKEN BY TONY ESSA**



**PHOTO: 2 RETAIL INTERIOR  
DATED 05/19/17  
TAKEN BY TONY ESSA**



**PHOTO: 3 REAR OF OUTHOUSE FACING EAST  
DATED 05/19/17  
TAKEN BY TONY ESSA**



**PHOTO: 4 INTERIOR OF OUTHOUSE  
DATED 05/19/17  
TAKEN BY TONY ESSA**





**PHOTO: 5 DRY STORAGE FACING SOUTHEAST  
DATED 05/19/17  
TAKEN BY TONY ESSA**



**PHOTO: 6 DRY STORAGE INTERIOR  
DATED 05/19/17  
TAKEN BY TONY ESSA**



**PHOTO: 7 DRY STORAGE INTERIOR  
DATED 05/19/17  
TAKEN BY TONY ESSA**



**PHOTO: 8 OFFICE SPACE  
DATED 05/19/17  
TAKEN BY MIKE MILLER**



**PHOTO: 9 ABOVE GROUND FUEL TANKS FACING WEST  
DATED 05/19/17  
TAKEN BY TONY ESSA**



**PHOTO: 10 FUELING STATIONS  
DATED 05/19/17  
TAKEN BY TONY ESSA**



**PHOTO: 11 WET SLIPS AND STATIONARY SLIPS  
FACING SOUTHEAST  
DATED 05/19/17  
TAKEN BY TONY ESSA**



**PHOTO: 12 COVERED OUTSIDE STORAGE SOUTH  
DATED 05/19/17  
TAKEN BY TONY ESSA**



**PHOTO: 13 COVERED OUTSIDE STORAGE FACING  
SOUTHEAST  
DATED 05/19/17  
TAKEN BY TONY ESSA**



**PHOTO: 14 COVERED OUTSIDE STORAGE FACING  
SOUTHEAST  
DATED 05/19/17  
TAKEN BY TONY ESSA**



**PHOTO: 15 CHURCH LANE FACING NORTH  
DATED 05/19/17  
TAKEN BY TONY ESSA**



**PHOTO: 16 CHURCH LANE FACING SOUTH  
DATED 05/19/17  
TAKEN BY TONY ESSA**





**PHOTO: 17 WESTERN POINT FACING EAST  
DATED 05/19/17  
TAKEN BY TONY ESSA**



**PHOTO: 18 WESTERN POINT FACING SOUTH  
DATED 05/19/17  
TAKEN BY TONY ESSA**



**PHOTO: 19 INTERIOR POINT FACING EAST  
DATED 05/19/17  
TAKEN BY TONY ESSA**



**PHOTO: 20 COMMERCIAL SLIPS EAST  
DATED 05/19/17  
TAKEN BY TONY ESSA**



**PHOTO: 21 CENTRAL POINT FACING SOUTH  
WETLANDS  
DATED 05/19/17  
TAKEN BY TONY ESSA**



**PHOTO: 22 NORTH BOUNDARY FACING WEST  
DATED 05/19/17  
TAKEN BY TONY ESSA**

## A-7. Statement of Assumptions and Limiting Conditions

This appraisal is subject to the following assumptions and limiting conditions:

- › The appraisers may or may not have been provided with a survey of the subject property. If further verification is required, a survey by a registered surveyor is advised.
- › We assume no responsibility for matters legal in character, nor do we render any opinion as to title, which is assumed to be marketable. All existing liens, encumbrances, and assessments have been disregarded, unless otherwise noted, and the property is appraised as though free and clear, under responsible ownership, and competent management.
- › The exhibits in this report are included to assist the reader in visualizing the property. We have made no survey of the property and assume no responsibility in connection with such matters.
- › Unless otherwise noted herein, it is assumed that there are no encroachments, zoning, or restrictive violations existing in the subject property.
- › The appraisers assume no responsibility for determining if the property requires environmental approval by the appropriate governing agencies, nor if it is in violation thereof, unless otherwise noted herein.
- › Information presented in this report has been obtained from reliable sources, and it is assumed that the information is accurate.
- › This report shall be used for its intended purpose only, and by the party to whom it is addressed. Possession of this report does not include the right of publication.
- › The appraisers may not be required to give testimony or to appear in court by reason of this appraisal, with reference to the property in question, unless prior arrangements have been made therefore.
- › The statements of value and all conclusions shall apply as of the dates shown herein.
- › There is no present or contemplated future interest in the property by the appraisers which is not specifically disclosed in this report.
- › Without the written consent or approval of the authors neither all, nor any part of, the contents of this report shall be conveyed to the public through advertising, public relations, news, sales, or other media. This applies particularly to value conclusions and to the identity of the appraisers and the firm with which the appraisers are connected.
- › This report must be used in its entirety. Reliance on any portion of the report independent of others, may lead the reader to erroneous conclusions regarding the property values. Unless approval is provided by the authors no portion of the report stands alone.
- › The valuation stated herein assumes professional management and operation of the buildings throughout the lifetime of the improvements, with an adequate maintenance and repair program.
- › The liability of Colliers International Valuation & Advisory Services, its principals, agents, and employees is limited to the client. Further, there is no accountability, obligation, or liability to any third party. If this report is placed in the hands of anyone other than the client, the client shall make such party aware of all limiting conditions and assumptions of the assignment and related discussions. The appraisers are in no way responsible for any costs incurred to discover or correct any deficiency in the property.
- › The appraisers are not qualified to detect the presence of toxic or hazardous substances or materials which may influence or be associated with the property or any adjacent properties, has made no

investigation or analysis as to the presence of such materials, and expressly disclaims any duty to note the degree of fault. Colliers International Valuation & Advisory Services and its principals, agents, employees, shall not be liable for any costs, expenses, assessments, or penalties, or diminution in value, property damage, or personal injury (including death) resulting from or otherwise attributable to toxic or hazardous substances or materials, including without limitation hazardous waste, asbestos material, formaldehyde, or any smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids, solids or gasses, waste materials or other irritants, contaminants or pollutants.

- › The appraisers assume no responsibility for determining if the subject property complies with the *Americans with Disabilities Act (ADA)*. Colliers International Valuation & Advisory Services, its principals, agents, and employees, shall not be liable for any costs, expenses, assessments, penalties or diminution in value resulting from non-compliance. This appraisal assumes that the subject meets an acceptable level of compliance with *ADA* standards; if the subject is not in compliance, the eventual renovation costs and/or penalties would negatively impact the present value of the subject. If the magnitude and time of the cost were known today, they would be reduced from the reported value conclusion.
- › An on-site inspection of the subject property was conducted. No evidence of asbestos materials on-site was noted. A Phase 1 Environmental Assessment was not provided for this analysis. This analysis assumes that no asbestos or other hazardous materials are stored or found in or on the subject property. If evidence of hazardous materials of any kind occurs, the reader should seek qualified professional assistance. If hazardous materials are discovered and if future market conditions indicate an impact on value and increased perceived risk, a revision of the concluded values may be necessary.
- › A detailed soils study was not provided for this analysis. The subject's soils and sub-soil conditions are assumed to be suitable based upon a visual inspection, which did not indicate evidence of excessive settling or unstable soils. No certification is made regarding the stability or suitability of the soil or sub-soil conditions.
- › This analysis assumes that the financial information provided for this appraisal, including rent rolls and historical income and expense statements; accurately reflect the current and historical operations of the subject property.



## A-8. Scope of Work

### INTRODUCTION

The appraisal development and reporting processes requires gathering and analyzing information about those assignment elements necessary to properly identify the appraisal problem to be solved. The scope of work decision must include the research and analyses that are necessary to develop credible assignment results given the intended use of the appraisal. Sufficient information includes disclosure of research and analyses performed and might also include disclosure of research and analyses not performed. The scope of work for this appraisal assignment is outlined below:

- The appraisers analyzed the regional and local area economic profiles including employment, population, household income, and real estate trends. The local area was further studied to assess the general quality and condition, and emerging development trends for the real estate market. The immediate market area was inspected and examined to consider external influences on the subject.
- › The appraisers confirmed and analyzed legal and physical features of the subject property including sizes of the site and improvements, flood plain data, seismic zone, zoning, easements and encumbrances, access and exposure of the site, and construction materials and condition of the improvements. This process also included estimating the remaining economic life of the improvements, a process to identify deferred maintenance and a conclusion of the subject's overall functional utility.
- › The appraisers completed regional market and local market overviews. The Essex County market and local market overviews analyzed supply/demand conditions. Conclusions were drawn regarding the subject property's competitive position given its physical and locational characteristics, the prevailing economic conditions and external influences.
- › The appraisers conducted a Highest and Best Use analysis, determining the highest and best use of the subject property As-Vacant and As-Improved. The analysis considered legal, locational, physical and financial feasibility characteristics of the subject property. Development of the Highest and Best Use As-Improved explored potential alternative treatments of the property including demolition, expansion, renovation, conversion, and continued use "as-is."
- › The appraisers confirmed and analyzed financial features of the subject property including historical rent data and tax and assessment records. This information as well as trends established by confirmed market indicators was used to forecast performance of the subject property.
- › Selection of the valuation methods was based on the identifications required in USPAP relating to the intended use, intended users, definition and date of value, relevant property characteristics and assignment conditions. As a result, this appraisal developed the Income, Improved/Unimproved Sales Comparison Approach to value. The resulting value indicators were reconciled within the Analysis of Value Conclusions section. The appraisal develops an opinion of the As-Is Market Value of the subject property's fee simple interest. The reasoning for including or excluding traditional approaches to value is developed within the Valuation Methodology section.
- › Reporting of this appraisal is in an Appraisal Report format as required in USPAP Standard 2. The appraiser's analysis and conclusions are fully described within this document.
- › We understand the Competency Rule of USPAP and the authors of this report meet the standards.
- › No one provided significant real property appraisal assistance to appraisers signing this certification.

## SOURCES OF INFORMATION

The following sources were contacted to obtain relevant information:

SOURCES OF INFORMATION	
ITEM	SOURCE
Tax Information	Essex County Property Appraiser
Zoning Information	Town of Tappahannock Zoning Department
Site Size Information	Owner
Building Size Information	ATLA Survey
Flood Map	Interflood
Demographics	GeoDirect
Comparable Information	All confirmed with party to transaction unless noted otherwise
Legal Description	Provided in Deed
Historical Operating Data	Owner
Rent Roll	Unavailable

## SUBJECT PROPERTY INSPECTION

The following table illustrates the Colliers International professionals involved with this appraisal report and their status related to the property inspection.

SUBJECT PROPERTY INSPECTION			
APPRAISER	INSPECTED	EXTENT	DATE OF INSPECTION
Tony Essa, MAI	Yes	Exterior/Interior	May 19, 2017
Michael G. Miller MAI, SRA, AI-GRS, CCIM, FRICS	Yes	Exterior/Interior	May 19, 2017

It is our understanding that the remaining (non-inspected) tenant spaces are in similar condition to those inspected, with no interior deferred maintenance present in the other units.

## INTRODUCTION

The following presentation of the appraisal process deals directly with the valuation of the subject property. The following paragraphs describe the standard approaches to value that were considered for this analysis.

## INCOME APPROACH

The Income Approach is based on the premise that properties are purchased for their income producing potential. It considers both the annual return on the invested principal and the return of the invested principal. This valuation technique entails careful consideration of contract rents currently in place, projected market rents, other income sources, vacancy allowances, and projected expenses associated with the efficient operation and management of the property. The relationship of these income estimates to property value, either as a single stream or a series of projected streams, is the essence of the income approach. The two fundamental methods of this valuation technique include Discounted Cash Flow and Direct Capitalization.

### › Discounted Cash Flow (DCF)

The DCF analysis models a property's performance over a buyer's investment horizon from the date of acquisition through the projected sale of the property at the end of the holding period. Net cash flows from property operations and the reversion are discounted at a rate reflective of the property's economic and physical risk profile.

### › Direct Capitalization

This method analyzes the relationship of one year's stabilized net operating income to total property value. The stabilized net operating income is capitalized at a rate that implicitly considers expected growth in cash flow and growth in property value over a buyer's investment horizon. The implied value may be adjusted to account for non-stabilized conditions or required capital expenditures to reflect an as is value.

Development of the Income Approach is a specific scope requirement of this assignment. Characteristics specific to the subject property warrant that this valuation technique is developed. The Direct Capitalization method is used in this analysis. Discounted Cash Flow analysis does not contribute substantially to estimating value beyond the direct capitalization method and is not used in this analysis.

### **SALES COMPARISON APPROACH**

The Sales Comparison Approach is based on the principle of substitution, which asserts that no one would pay more for a property than the value of similar properties in the market. This approach analyzes comparable sales by applying transactional and property adjustments in order to bracket the subject property on an appropriate unit value comparison. The sales comparison approach is applicable when sufficient data on recent market transactions is available. Alternatively, this approach may offer limited reliability because many properties have unique characteristics that cannot be accounted for in the adjustment process.

Development of the Sales Comparison Approach is a specific scope requirement of this assignment. Characteristics specific to the subject property warrant that this valuation technique is developed. Sufficient sales data is available to provide a credible value estimate by the Sales Comparison Approach. Based on this reasoning, the Sales Comparison Approach is presented within this appraisal.

### **LAND VALUATION**

Development land in the subject marketplace is most often valued utilizing the Sales Comparison Approach. Development of the subject site value is a specific scope requirement of this assignment. Due to land value trends in the subject market area, the subject site is valued to test highest & best use considerations. Within the Site Valuation section, the subject is valued as one marketable economic site.

### **COST APPROACH**

The Cost Approach is a set of procedures through which a value indication is derived for the fee simple interest in a property by estimating the current cost to construct a replacement for the existing structure, including an entrepreneurial incentive; deducting depreciation from the total cost; and adding the estimated land value. Adjustments may then be made to the indicated fee simple value of the subject property to reflect the value of the property interest being appraised. For investment properties, this valuation technique is most often relied upon as a test of financial feasibility for proposed construction.

Development of the Cost Approach is not a specific scope requirement of this assignment. Characteristics specific to the subject property do not warrant that this valuation technique is developed. Based on the preceding information, the Cost Approach will not be presented.

### **RECONCILIATION OF VALUE CONCLUSIONS**

The Income Capitalization and Sales Comparison Approaches are used to value the subject property, which will be reconciled into the final opinions of market value in the Analysis of Value Conclusions section.

## A-9. Purpose of the Appraisal

### PROPERTY IDENTIFICATION

The subject site is an irregularly shaped land parcel indicated a gross site area of 807,777 SF (or 18.54-Acre) and is zoned CC-1 – “Central Commercial” by the Town of Tappahannock. The subject is comprised of a 4.52 acre upland parcel and approximately 14.03 acres tidal/marsh portion. The site is utilized as a marina property that is known as the June Parker Marina and improved with a 32-slip, limited-service marina facility that has been constructed in stages since circa 1975. The site is improved with 7, marina-oriented improvements that are utilized for a variety of purposes ranging from boat storage, retail, and miscellaneous operations and indicate a combined GBA of 23,024 SF. The subject property has a common address of 531 N. Church Lane in Tappahannock, Virginia.

The marina features slips all of which are roughly 20-feet in length and features basic services and amenities (excepting entertainment and recreational uses). The assessor parcel numbers are: 32B-1-1B, 32B-1-1, 32B-1-1A.

### CLIENT IDENTIFICATION

The client of this specific assignment is Essex County Virginia.

### PURPOSE

The purpose of this appraisal is to develop opinions of the As-Is Market Value (Going concern), As-Is Real Property Value, FF&E (Tangible Assets) and As-Is Business Value (Intangible Assets) of the subject property’s fee simple interest.

### INTENDED USE

The intended use of this appraisal is for negotiations of potential purchase.

### INTENDED USERS

Intended users of this report include Essex County and The United States Government National Park Service.

### ASSIGNMENT DATES

Date of Report:	June 23, 2017
Date of Inspection:	May 19, 2017
Valuation Date (As-Is):	May 19, 2017

### PERSONAL INTANGIBLE PROPERTY

ixtures, furniture, and equipment (FF&E) are included in the valuation of the marina. This includes all of the furniture and equipment associated with the marina operation including services related to fueling, storage, service, transit, retailing, etc. FF&E is typically included in a marina’s total value because it is considered to be part of the subject property and is typically sold with the real estate. The FF&E valuation is presented at the end of this report. No other personal property or intangible items are included in this valuation.

### DEFINITIONS

This section summarizes the definitions of value, property rights appraised, and value scenarios that are applicable for this appraisal assignment. All other applicable definitions for this assignment are located in the Valuation Glossary section of the Addenda.

## DEFINITIONS OF VALUE

Given the scope and intended use of this assignment, the following definition of value is applicable:

### *Definition of Market Value, Federal Land Acquisitions*

The following market value criterion was taken from the *Uniform Appraisal Standards for Federal Land Acquisitions*:

Under established law, the criterion for just compensation is the market value of the property taken. As stated by the U.S. Supreme Court:

The United States has the authority to take private property for public use by eminent domain, but is obliged by the Fifth Amendment to provide "just compensation" to the owner thereof. "Just Compensation," we have held, means in most cases the fair market value of the property on the date it is appropriated. "Under this standard, the owner is entitled to receive 'what a willing buyer would pay in cash to a willing seller' at the time of the taking."

On a number of occasions, the Supreme Court has addressed the issue of market value, as the measure of just compensation, in federal condemnation cases. The following definition of market value has been adopted for used by appraisers in applying these Standards to appraisal reports prepared for federal land acquisitions.

*Market value is the amount in cash, or on terms reasonably equivalent to cash, for which in all probability the property would have sold on the effective date of the appraisal, after a reasonable exposure time on the open competitive market, from a willing and reasonably knowledgeable seller to a willing and reasonably knowledgeable buyer, with neither acting under any compulsion to buy or sell, giving due consideration to all available economic uses of the property at the time of the appraisal.*

### **Going-Concern Value**

(1) The market value of all the tangible and intangible assets of an established and operating business with an indefinite life, as if sold in aggregate; more accurately termed the market value of the going concern. (2) The value of an operating business enterprise. Goodwill may be separately measured but is an integral component of going-concern value when it exists and is recognizable.<sup>1</sup>

## PROPERTY RIGHTS APPRAISED

The property rights appraised constitute the fee simple interest.

### **Fee Simple Estate**

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power and escheat.<sup>2</sup>

### **Leased Fee Interest**

A freehold (ownership interest) where the possessory interest has been granted to another party by creation of a contractual landlord-tenant relationship.<sup>3</sup>

### **Leasehold Interest**

The tenant's possessory interest created by a lease.<sup>4</sup>

<sup>1</sup> The Dictionary of Real Estate Appraisal, Fifth Edition, Appraisal Institute, Chicago, Illinois, 2010

<sup>2</sup> The Dictionary of Real Estate Appraisal, Sixth Edition, Appraisal Institute, Chicago, Illinois, 2015

<sup>3</sup> The Dictionary of Real Estate Appraisal, Fifth Edition, Appraisal Institute, Chicago, Illinois, 2010

<sup>4</sup> The Dictionary of Real Estate Appraisal, Fifth Edition, Appraisal Institute, Chicago, Illinois, 2010



## VALUE SCENARIOS

### **As-Is Value**

The estimate of the value of real property in its current physical condition, use, and zoning as of the appraisal date.<sup>5</sup>

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<sup>5</sup> The Dictionary of Real Estate Appraisal, Fifth Edition, Appraisal Institute, Chicago, Illinois, 2010

## A-10. Summary of Appraisal Problem

The subject sites create an irregularly shaped land parcel indicated a gross site area of 807,777 SF (or 18.54-Acre) and is zoned CC-1 – “Central Commercial” by the Town of Tappahannock. The subject is comprised of a 4.52 acre upland parcel and approximately 14.03 acres tidal/marsh portion. The site is utilized as a marina property that is known as the June Parker Marina and improved with a 32-slip, limited-service marina facility that has been constructed in stages since circa 1975. The site is improved with 7, marina-oriented improvements that are utilized for a variety of purposes ranging from boat storage, retail, and miscellaneous operations and indicate a combined GBA of 23,024 SF. The subject property has a common address of 531 N. Church Lane in Tappahannock, Virginia. A right-of-way project spanning the last two years has caused operational losses for the Subject making the profit and loss statements unreliable.

### *Larger Parcel*

Per Section A-14 of UASFLA, essential in the conclusion of the highest and best use is the determination of the larger parcel. The larger parcel is defined as the tract, or those tracts of land which possess a unity of ownership, and have the same, or an integrated highest and best use. Elements of consideration in making a determination in this regard are contiguity, or proximity, as it bears on the highest and best use of the property, unity of ownership and unity of highest and best use.

The subject property is a 23,024 SF square foot, marina situated on and aggregate of 18.54± acres which is accessible via Church Lane.

The subject property is the only property owned or controlled by the June Parker Oil Company (Property Owner) in the immediate area.

Therefore, the subject was determined to be the larger parcel for valuation purposes.

## Part II – Factual Data – Before Acquisition

### A-11. Legal Description

#### PROPERTY IDENTIFICATION

The subject site is an irregularly shaped land parcel indicated a gross site area of 807,777 SF (or 18.54-Acre) and is zoned CC-1 – “Central Commercial” by the Town of Tappahannock. The subject is comprised of a 4.52 acre upland parcel and approximately 14.03 acres tidal/marsh portion. The site is utilized as a marina property that is known as the June Parker Marina and improved with a 32-slip, limited-service marina facility that has been constructed in stages since circa 1975. The site is improved with 7, marina-oriented improvements that are utilized for a variety of purposes ranging from boat storage, retail, and miscellaneous operations and indicate a combined GBA of 23,024 SF. The subject property has a common address of 531 N. Church Lane in Tappahannock, Virginia.

The marina features slips all of which are roughly 20-feet in length and features basic services and amenities (excepting entertainment and recreational uses). The assessor parcel numbers are: 32B-1-1B, 32B-1-1, 32B-1-1A.

A legal description is a customary part of an appraisal. The legal description of the subject property is as follows:

#### TAX MAP PARCEL 32B 1 1 (SEE PARCEL FOUR)

PARCEL ONE: All that certain tract or parcel of land lying in the Town of Tappahannock, Central Magisterial District of Essex County, Virginia, together with all improvements thereon situate and appurtenances thereto belonging or in anywise appertaining, consisting of 14.6 acres, more or less, but conveyed in gross and not by the acre, being all of Parcel A shown on a certain plat of survey made by Tomlin & Keyser, Certified Land Surveyors, dated October 27, 1976, of record in the Clerk's Office of the Circuit Court of said County in Plat Book 11, Page 42, LESS and EXCEPT 0.079 acre designated as Parcel P-2 on a certain plat of survey dated July 22, 1987, made by Jerry R. Marion, Certified Land Surveyor, of record in said Clerk's Office in Deed Book 166, Page 229, and further LESS and EXCEPT a small portion of Parcel P-3 shown on the plat last mentioned, which said parcels were conveyed unto the Essex County School Board by deed from June Parker Oil Co., Inc., dated June 27, 1987, of record in said Clerk's Office in Deed Book 166, Page 230.

#### TAX MAP PARCEL 32B 1 1B

PARCEL TWO: All that certain tract or parcel of land lying in the Town of Tappahannock, Central Magisterial District of Essex County, Virginia, together with all improvements thereon situate and appurtenances thereto' belonging or in anywise appertaining, consisting of 3.07 acres, more or less, but conveyed in gross and not by the acre, being all of Parcel B shown on the Tomlin & Keyser plat dated October 27, 1976 above mentioned LESS and EXCEPT a part of Parcel P-3 shown on the Jerry L. Marion plat dated July 22, 1987, hereinabove referred to, which was conveyed unto the Essex County School Board by the aforesaid deed from June Parker Oil Co., Inc.

#### TAX MAP PARCEL 32B 1 1A

PARCEL THREE: All that certain tract or parcel of land lying in the Town of Tappahannock, Central Magisterial District of Essex County, Virginia, together with all improvements thereon situate and appurtenances thereto belonging or in anywise appertaining, consisting of 0.517 acre, more or less, but, conveyed in gross and not by the acre, designated as Parcel C on the aforesaid Tomlin & Keyser plat dated October 27, 1976.

PARCELS ONE, TWO and THREE are all of the land conveyed unto June Parker Oil Co., Inc. by deed from John W. Ware, Jr., Trustee, U/A John J. McDonald, Jr., dated September 23, 1986, of record in said Clerk's Office in Deed Book 161, Page 653 LESS and EXCEPT Parcels P-2 and P-3 shown on the aforesaid Jerry R. Marion plat dated July 22, 1987.

TAXED AS PORTION OF TAX MAP PARCEL 32B 1 1

PARCEL FOUR: All that certain lot or parcel of land lying in the Town of Tappahannock, Central Magisterial District of Essex County, Virginia, together with all improvements thereon situate and appurtenances thereto belonging or in anywise appertaining, consisting of 0.341 acre, more or less, hut conveyed in gross and not by the acre, designated as Parcel P-1 on the Jerry R. Marion plat dated July 22, 1987, hereinabove referred to; being all of the land conveyed unto June Parker Oil Co., Inc. by deed from Essex County Board of Supervisors, dated July 27, 1987, of record in said Clerk's Office in Deed Book 166, Page 227.

The southern boundary of all of the land hereby conveyed is described according to the aforesaid

plat made by Jerry R. Marion, C.L.S., dated July 22, 1987, as follows: Beginning at an iron rod on the northeast side of U. S. Route 17, corner the land of the Essex County Board of Supervisors, thence along the boundary with the Essex County Board of Supervisors N 68° 00' 00" E 150 feet to a pin and 37.85 feet to an iron rod, thence N 84° 22' 09" E 162.90 feet to a point corner the land hereinabove described, the Essex County Board of Supervisors and the Essex County School Board, thence continuing along the same course in the boundary with the Essex County School Board 107.03 feet to an iron rod, N 81° 00' 00" E 176.00 feet to an iron rod, N 81° 48' 16" E 222.68 feet to a found concrete marker, S 78° 14' 00" E 148.00 feet to a found concrete marker, and N 66° 16' 00" E approximately 30 feet to low water mark of Rappahannock River.

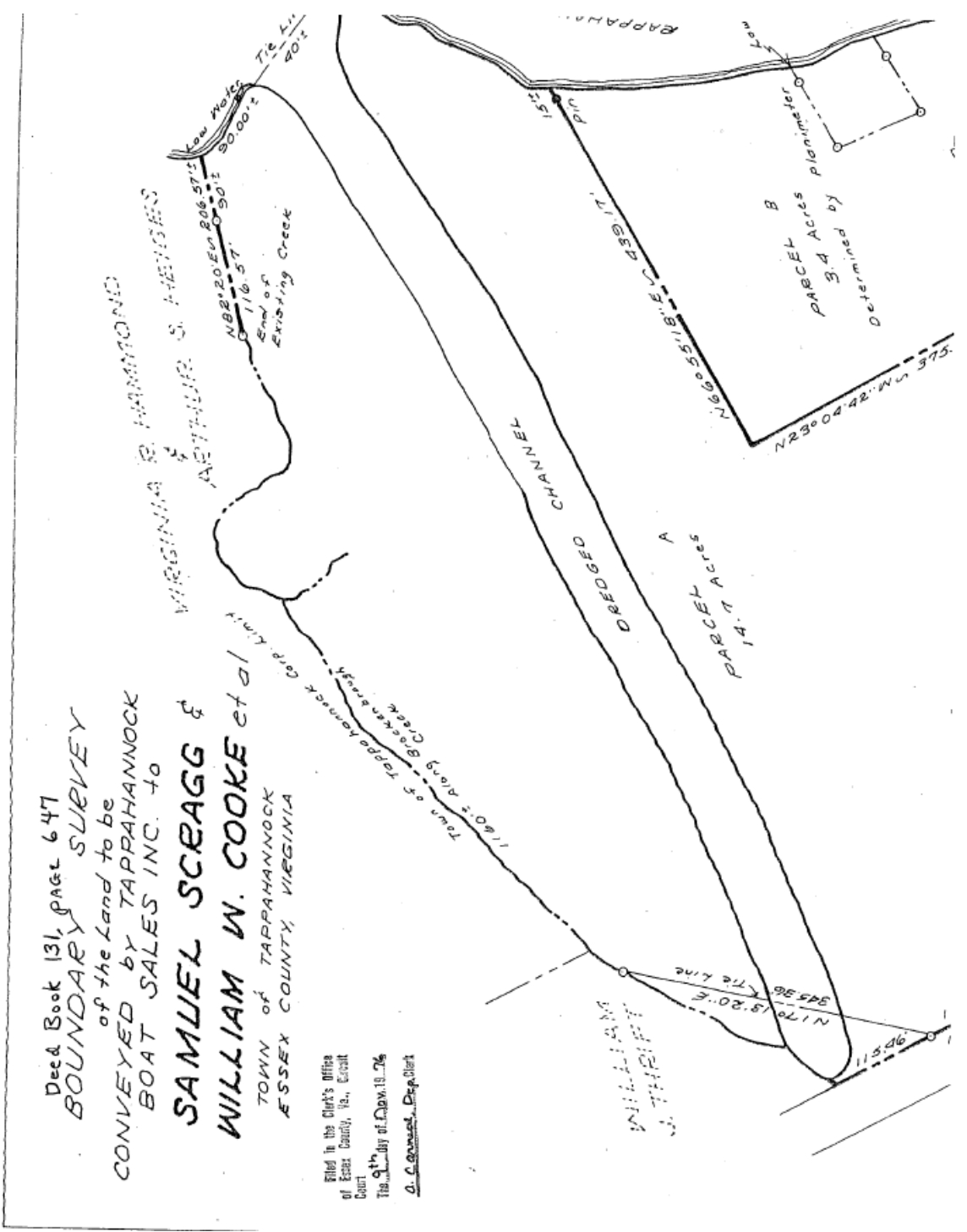
LESS AND EXCEPT a 0.314 acre parcel, more or less, as further described in an Amended Certificate of Take recorded in Deed Instrument 140000875 of the aforesaid Clerk's Office (See Order of the Circuit Court of Essex County, Virginia, dated August 24, 1914 set forth in Deed Instrument 140000875. Reference is further made a Certificate of Take recorded in Deed Instrument 130001423 of the aforesaid Clerk's Office and a Certificate of Take recorded in Deed Instrument 130000314 of the aforesaid Clerk's Office, for permanent and temporary easements and other small amounts of land, if any, described therein.

Survey

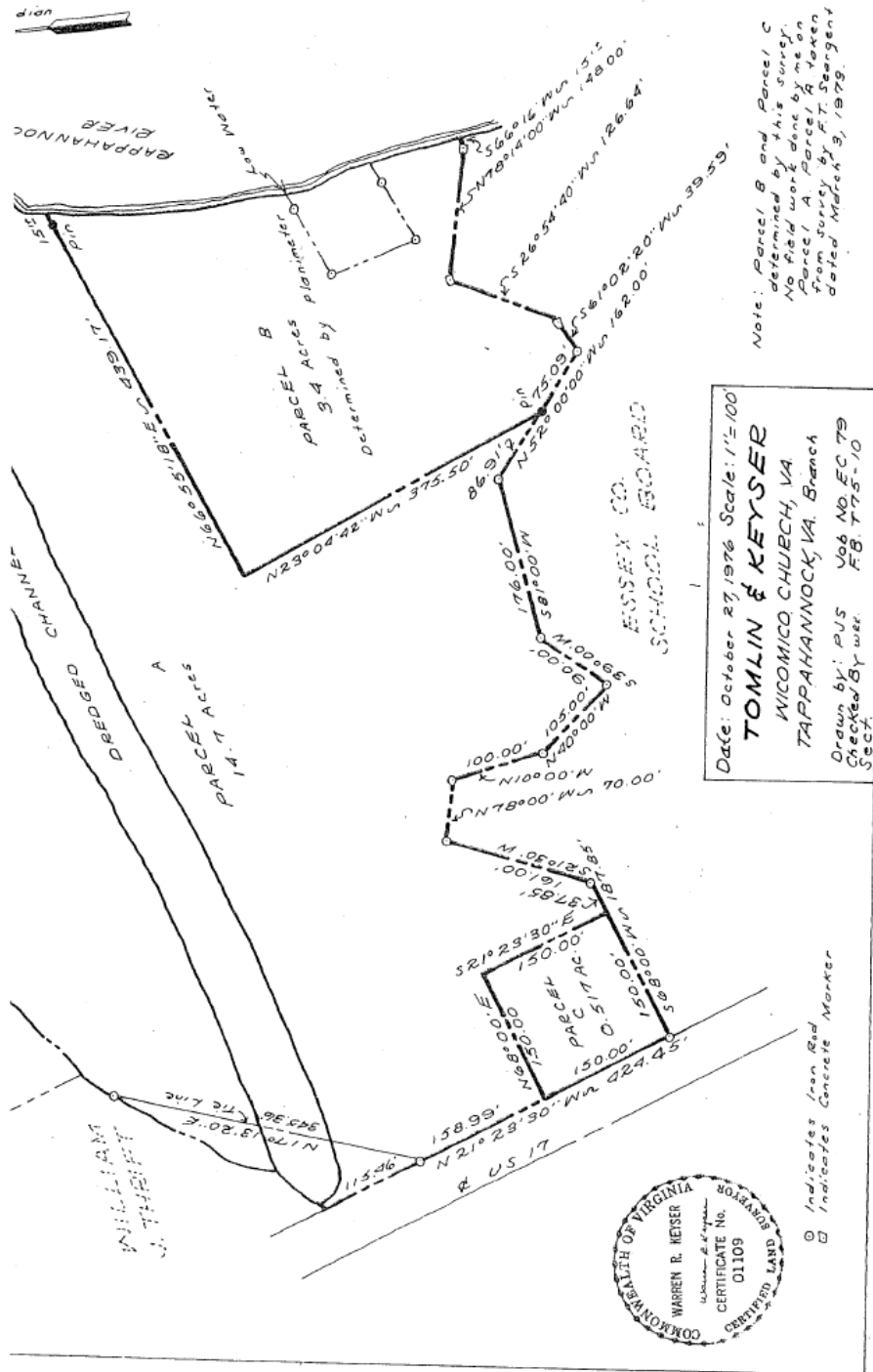
Deed Book 131, Page 647  
**BOUNDARY SURVEY**  
 of the Land to be  
 CONVEYED BY TAPPAHANNOCK  
 BOAT SALES INC. to  
**SAMUEL SCRAGG &**  
**WILLIAM W. COOKE et al**  
 TOWN of TAPPAHANNOCK  
 ESSEX COUNTY, VIRGINIA

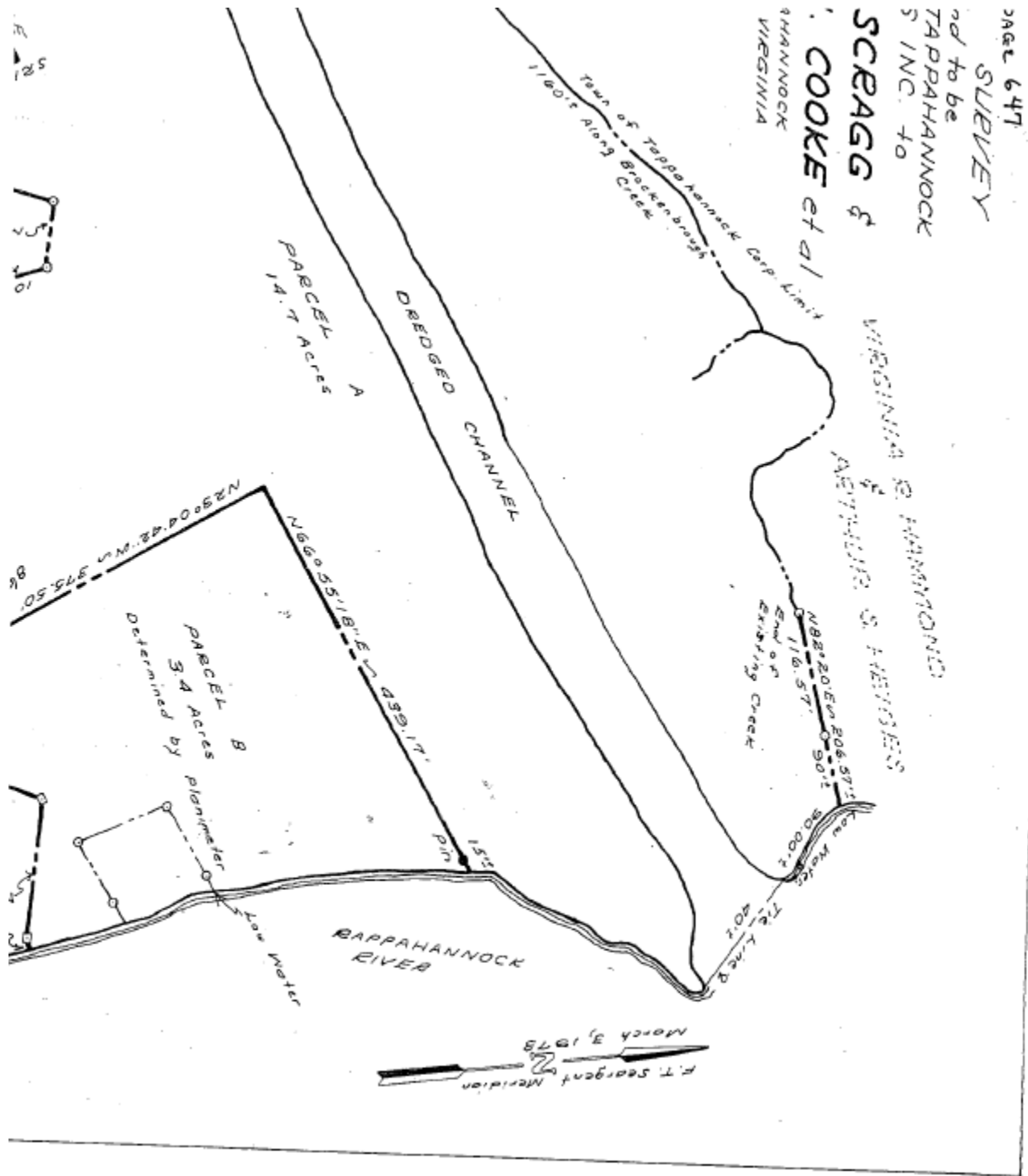
VIRGINIA B. HAMMOND  
 &  
 AETHELBERG S. HENNINGES

Filed in the Clerk's Office  
 of Essex County, Va., Circuit  
 Court  
 The 19<sup>th</sup> Day of Nov. 18 2016  
A. C. GARNETT, Dep. Clerk





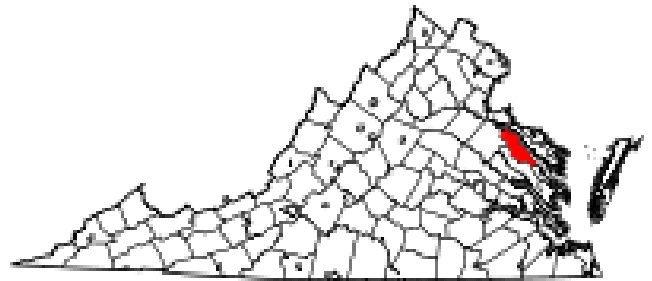




## A-12. Area, City and Neighborhood Data

### INTRODUCTION

Essex County is located in the northeast portion of the state of Virginia. The county seat is Tappahannock, and the county is bordered by Middlesex County to the east, Caroline County to the west, Westmoreland County to the north, and King and Queen Counties to the south. According to the 2010 census, the county's population was 11,151. Major arterials that intersect Essex County include U.S. Routes 17 and 360. Situated on the state's middle peninsula, the county is bounded by the Rappahannock River to the northeast.



Throughout the last decade, Essex County's employment rates and civilian labor force have remained relatively constant. The largest industry sector and employment provider for residents of the county is the retail industry, providing upwards of 20 percent of the county's total employment. Retail is followed by healthcare, government, and manufacturing sectors as the county's main sources of employment. Principal components of the industrial sector are metal stamping, automotive parts, and garment manufacturers.

### DEMOGRAPHIC ANALYSIS

The following is a demographic study of the region sourced by *Pitney Bowes/Gadberry Group - GroundView®*, an on-line resource center that provides information used to analyze and compare the past, present, and future trends of geographical areas. Demographic changes are often highly correlated to changes in the underlying economic climate. Periods of economic uncertainty necessarily make demographic projections somewhat less reliable than projections in more stable periods. These projections are used as a starting point, but we also consider current and localized market knowledge in interpreting them within this analysis. Please note that our demographics provider sets forth income projections in constant dollars which, by definition, reflect projections after adjustment for inflation. We are aware of other prominent demographic data providers that project income in current dollars, which do not account for inflation. A simple comparison of projections for a similar market area made under the constant and current dollar methodologies can and likely will produce data points that vary, in some cases, widely. Further, all forecasts, regardless of demographer methodology(ies), are subjective in the sense that the reliability of the forecast is subject to modeling and definitional assumptions and procedures.

#### Population

According to Pitney Bowes/Gadberry Group - GroundView®, a Geographic Information System (GIS) Company, Essex County had a 2016 total population of 11,155 and experienced an annual growth rate of 0.01%, which was lower than the Virginia annual growth rate of 0.9%. The county accounted for 0.1% of the total Virginia population (8,444,586). Within the county, the population density was 39 people per square mile compared to the higher Virginia population density of 209 people per square mile and the higher United States population density of 90 people per square mile.

POPULATION			
YEAR	US	VA	COUNTY
2010 Total Population	308,745,538	8,001,024	11,151
2016 Total Population	324,035,643	8,444,586	11,155
2021 Total Population	337,543,660	8,757,297	11,027
2010 - 2016 CAGR	0.8%	0.9%	0.01%
2016 - 2021 CAGR	0.8%	0.7%	(0.2%)

Source: Pitney Bowes/Gadberry Group - GroundView®

POPULATION DENSITY			
YEAR	US	VA	COUNTY
2016 Per Square Mile	90	209	39
2021 Per Square Mile	94	217	39

Source: Pitney Bowes/Gadberry Group - GroundView®

The 2016 median age for the county was 45.58, which was 17.24% older than the United States median age of 37.72 for 2016. The median age in the county is anticipated to grow by 0.89% annually, increasing the median age to 47.63 by 2021.

MEDIAN AGE			
YEAR	US	VA	COUNTY
2016	37.72	37.66	45.58
2021	38.74	38.51	47.63
CAGR	0.54%	0.45%	0.89%

Source: Pitney Bowes/Gadberry Group - GroundView®

## Education

With no institutions of higher learning located within Essex County, residents of the county are served by institutions in neighboring counties. Some of the state's best universities and colleges are located within an hour of the county, including the University of Richmond, and the College of William and Mary in Williamsburg. A private liberal arts college situated in the state capital, the University of Richmond has an academic staff of 612 and an enrollment of 4,131.

## Household Trends

The 2016 number of households in the county was 4,385. The number of households in the county is projected to decrease by 0.1% annually, reducing the number of households to 4,362 by 2021. The 2016 average household size for the county was 2.5, which was 4.75% smaller than the United States average household size of 2.63 for 2016. The average household size in the county is anticipated to decrease by 0.13% annually, reducing the average household size to 2.48 by 2021.

NUMBER OF HOUSEHOLDS			
YEAR	US	VA	COUNTY
2016	120,355,207	3,175,185	4,385
2021	124,475,498	3,294,471	4,362
CAGR	0.7%	0.7%	(0.1%)

Source: Pitney Bowes/Gadberry Group - GroundView®

AVERAGE HOUSEHOLD SIZE			
YEAR	US	VA	COUNTY
2016	2.63	2.58	2.50
2021	2.65	2.58	2.48
CAGR	0.16%	0.00%	(0.13%)

Source: Pitney Bowes/Gadberry Group - GroundView®

Essex County had 1,228 renter occupied units, compared to the higher 1,040,078 in Virginia and the higher 41,906,547 in the United States.

HOUSING UNITS			
	US	VA	COUNTY
Owner Occupied	78,448,660	2,135,107	3,157
Renter Occupied	41,906,547	1,040,078	1,228

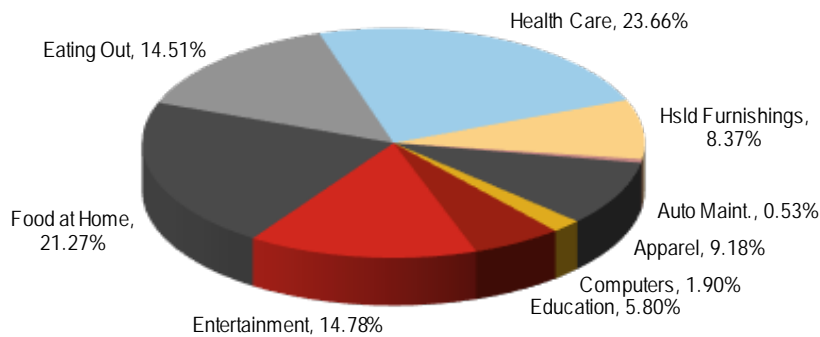
Source: Pitney Bowes/Gadberry Group - GroundView®

The 2016 median household income for the county was \$43,193, which was 22.2% lower than the United States median household income of \$55,497. The median household income for the county is projected to grow by 1.8% annually, increasing the median household income to \$47,154 by 2021.

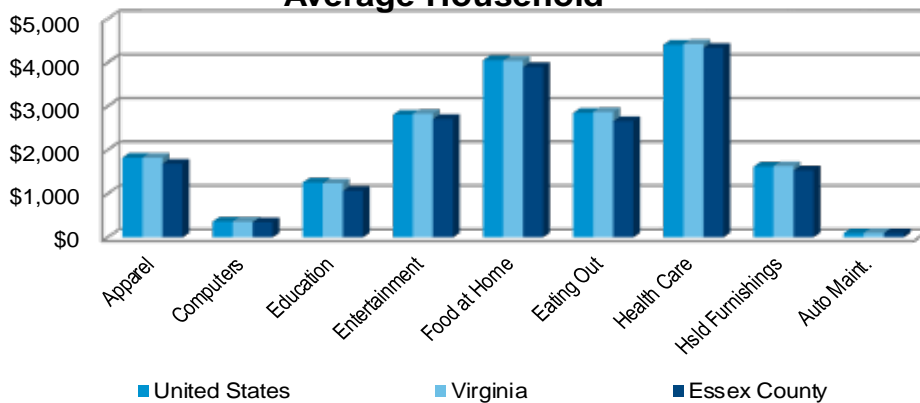
MEDIAN HOUSEHOLD INCOME			
YEAR	US	VA	COUNTY
2016	\$55,497	\$66,180	\$43,193
2021	\$59,208	\$69,926	\$47,154
CAGR	1.3%	1.1%	1.8%

Source: Pitney Bowes/Gadberry Group - GroundView®

**Consumer Spending Essex County**



**Consumer Spending Comparison Average Household**



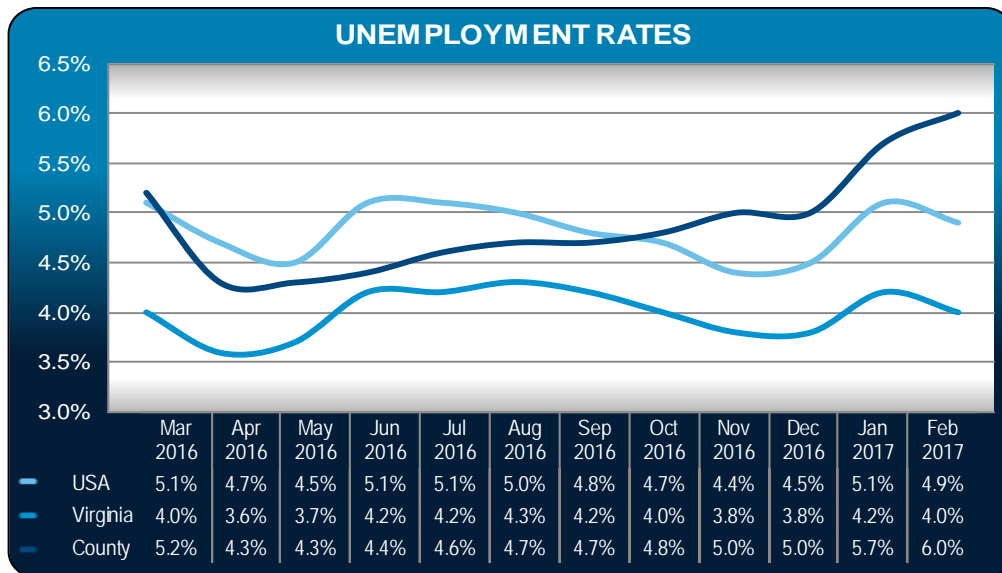
**EMPLOYMENT**

Total employment has increased annually over the past decade in the state of Virginia by 0.5% and increased annually by 0.04% in the county. From 2014 to 2015 unemployment decreased in Virginia by 0.7% and decreased by 1.0% in the county. In the state of Virginia unemployment has decreased over the previous month by 0.2% and increased by 0.3% in the county.

## EMPLOYMENT & UNEMPLOYMENT STATISTICS 2006 - 2015

Year	TOTAL EMPLOYMENT				UNEMPLOYMENT RATE		
	Virginia		Essex County, VA		United States*	Virginia	Essex County, VA
	Total	% Δ Yr Ago	Total	% Δ Yr Ago			
2006	3,855,633	2.6%	5,217	1.6%	4.6%	3.1%	4.0%
2007	3,914,087	1.5%	5,290	1.4%	4.6%	3.0%	3.7%
2008	3,970,428	1.4%	5,357	1.3%	5.8%	3.9%	5.2%
2009	3,842,516	(3.2%)	5,351	(0.1%)	9.3%	6.7%	8.1%
2010	3,860,386	0.5%	5,196	(2.9%)	9.6%	7.1%	9.1%
2011	3,934,326	1.9%	5,226	0.6%	8.9%	6.6%	8.3%
2012	3,967,987	0.9%	5,323	1.9%	8.1%	6.1%	7.3%
2013	3,994,581	0.7%	5,311	(0.2%)	7.4%	5.7%	6.6%
2014	4,026,451	0.8%	5,328	0.3%	6.2%	5.2%	6.4%
2015	4,024,208	(0.1%)	5,235	(1.7%)	5.3%	4.5%	5.4%
<b>CAGR</b>	<b>0.5%</b>	<b>-</b>	<b>0.04%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Source: U.S. Bureau of Labor Statistics \*Unadjusted Non-Seasonal Rate



The preceding chart depicts unemployment trends in the County, Virginia and the U.S. Overall levels of unemployment in the County experienced a general incline throughout the first months of 2017. By the end of February 2017, unemployment in the County was 2.0% higher than Virginia's and 1.1% higher than the national average.



### TOP EMPLOYERS

EMPLOYER NAME	EMPLOYEES	INDUSTRY
Riverside Tappahannock	500+	Healthcare
Walmart	411	Retail
Essex County Schools	255	Education
Quality Automotive Corp.	160	Manufacturing
Low e's	120	Retail
CLC Tappahannock, Inc.	115	Healthcare
Low ery's Restaurant	100	Food Service
EVB - Eastern Virginia Bankshares	95	Banking
William W. Cooke, Developer	90	Restaurant
FDP Virginia	83	Manufacturing

Source: <http://www.essex-virginia.org>

The preceding chart depicts the top employers in Essex County. Principal employers in the region are spread throughout diverse sectors including healthcare, retail, and education. The largest employer in the region is Riverside Tappahannock Hospital, with a workforce of over 500. The hospital comprises a 67 bed facility, which provides healthcare to the entire region. Walmart is the second largest employer in Essex County, with 411 employees. The retail company operates one locale in the county seat. Employing 255 people, Essex County Schools is the third largest employer in the county. The school district operates three schools throughout the county, ranging from elementary to high school.

### AIRPORT STATISTICS

The following chart summarizes the local airport statistics.

RICHMOND INTERNATIONAL AIRPORT (RIC)		
YEAR	ENPLANED PASSENGERS	% CHG
2005	1,452,066	-
2006	1,644,419	13.2%
2007	1,805,992	9.8%
2008	1,733,668	(4.0%)
2009	1,649,284	(4.9%)
2010	1,651,131	0.1%
2011	1,571,155	(4.8%)
2012	1,582,565	0.7%
2013	1,597,913	1.0%
2014	1,671,096	4.6%
2015	1,740,380	4.1%

Source: U.S. Department of Transportation

### SUMMARY

Essex County benefits from its strategic location within the eastern region of the Commonwealth of Virginia. The region is home to a diverse economy that has influences in retail, manufacturing, and healthcare sectors. The region has a diverse and well positioned economic base, as well as an attractive location. This should have a positive impact and will benefit growth in the economy for years to come.



## INTRODUCTION

In this section of the report, we provide details about the local area and describe the influences that bear on the real estate market as well as the subject property. A map of the local area is presented on the prior page. Below are insights into the local area based on fieldwork, interviews, demographic data and experience working in this market.

## LOCAL AREA PROFILE

The subject property is located in Tappahannock, Virginia, the county seat of Essex County. According to the 2010 census, the population of the town was 2,357. Located on the southwest bank of the Rappahannock River, on the east side of the county, Tappahannock is intersected by U.S. Route 17 and 360, which are the main thoroughfares in the county. The city of Richmond is located approximately 40 miles southwest of the town, and the Tappahannock-Essex County Airport is located approximately four miles south.

## DEMOGRAPHIC PROFILE

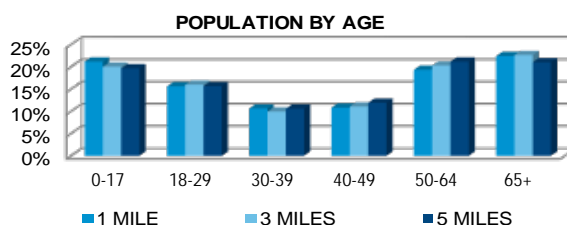
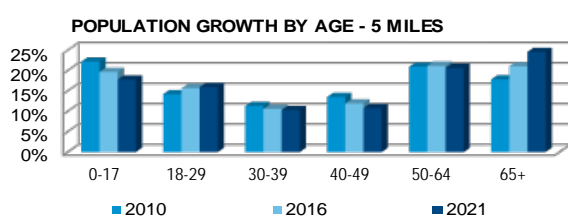
Below is a demographic study of the area, sourced by *Pitney Bowes/Gadberry Group - GroundView®*, an on-line resource center that provides information used to analyze and compare the past, present, and future trends of properties and geographical areas. Please note that our demographics provider sets forth income projections in constant dollars which, by definition, reflect projections after adjustment for inflation. We are aware of other prominent demographic data providers that project income in current dollars, which do not account for inflation. A simple comparison of projections for a similar market area made under the constant and current dollar methodologies can and likely will produce data points that vary, in some cases, widely. Further, all forecasts, regardless of demographer methodology(ies), are subjective in the sense that the reliability of the forecast is subject to modeling and definitional assumptions and procedures.



### LOCAL AREA DEMOGRAPHICS

DESCRIPTION	1 MILE	3 MILES	5 MILES	DESCRIPTION	1 MILE	3 MILES	5 MILES
<b>POPULATION</b>				<b>AVERAGE HOUSEHOLD INCOME</b>			
2000 Population	1,518	2,729	5,109	2016	\$48,543	\$50,448	\$53,431
2010 Population	1,825	3,304	5,936	2021	\$50,474	\$52,304	\$55,494
2016 Population	1,806	3,247	5,807	Change 2016-2021	3.98%	3.68%	3.86%
2021 Population	1,791	3,218	5,724	<b>MEDIAN HOUSEHOLD INCOME</b>			
Change 2000-2010	20.22%	21.07%	16.19%	2016	\$34,461	\$40,614	\$44,285
Change 2010-2016	(1.04%)	(1.73%)	(2.17%)	2021	\$36,982	\$44,230	\$47,856
Change 2016-2021	(0.83%)	(0.89%)	(1.43%)	Change 2016-2021	7.32%	8.90%	8.06%
<b>POPULATION 65+</b>				<b>PER CAPITA INCOME</b>			
2010 Population	346	636	1,058	2016	\$20,565	\$22,086	\$22,521
2016 Population	405	735	1,221	2021	\$21,569	\$23,075	\$23,570
2021 Population	469	847	1,405	Change 2016-2021	4.88%	4.48%	4.66%
Change 2010-2016	17.05%	15.57%	15.41%	<b>2016 HOUSEHOLDS BY INCOME</b>			
Change 2016-2021	15.80%	15.24%	15.07%	<\$15,000	18.8%	20.1%	18.0%
<b>NUMBER OF HOUSEHOLDS</b>				\$15,000-\$24,999	16.7%	13.7%	11.9%
2000 Households	599	1,171	2,005	\$25,000-\$34,999	15.7%	12.1%	11.8%
2010 Households	711	1,391	2,346	\$35,000-\$49,999	10.6%	12.6%	13.7%
2016 Households	688	1,348	2,279	\$50,000-\$74,999	20.6%	24.0%	24.2%
2021 Households	688	1,346	2,274	\$75,000-\$99,999	7.7%	7.9%	9.5%
Change 2000-2010	18.70%	18.79%	17.01%	\$100,000-\$149,999	8.1%	7.1%	7.9%
Change 2010-2016	(3.23%)	(3.09%)	(2.86%)	\$150,000-\$199,999	1.5%	1.6%	2.0%
Change 2016-2021	0.00%	(0.15%)	(0.22%)	\$200,000 or greater	0.6%	1.0%	1.1%
<b>HOUSING UNITS (2016)</b>				<b>MEDIAN HOME VALUE</b>			
Owner Occupied	346	723	1,489	AVERAGE HOME VALUE	\$163,657	\$173,106	\$171,016
Renter Occupied	362	622	866	<b>HOUSING UNITS BY UNITS IN STRUCTURE</b>			
<b>HOUSING UNITS BY YEAR BUILT</b>				1, detached	373	756	1,452
Built 2010 or later	0	0	1	1, attached	28	45	63
Built 2000 to 2009	148	285	481	2	37	60	79
Built 1990 to 1999	194	351	553	3 or 4	44	68	87
Built 1980 to 1989	91	182	314	5 to 9	85	141	183
Built 1970 to 1979	93	207	387	10 to 19	0	0	2
Built 1960 to 1969	55	108	187	20 to 49	16	25	32
Built 1950 to 1959	16	40	85	50 or more	0	0	5
Built 1940 to 1949	23	41	59	Mobile home	126	251	452
Built 1939 or earlier	68	134	212	Boat, RV, van, etc.	0	0	0

Source: Pitney Bowes/Gadberry Group - GroundView®



### Transportation Routes

Major traffic arteries are shown in the chart below:

#### MAJOR ROADWAYS & THOROUGHFARES

HIGHWAY	DIRECTION	FUNCTION	DISTANCE FROM SUBJECT
Church Lane (Route 17)	southeast-northwest	Local Highway	The subject property fronts this street.
U.S. Route 360	northeast-southwest	Local Highway	This is within a mile of the subject property. U.S. 360 runs through town with US 17 on Church Lane, but turns east on Queen Street and crosses the mile-wide Rappahannock, continuing east 39 miles to its terminus in Reedville near the Chesapeake Bay. U.S. 360 leads southwest from Tappahannock 45 miles to <input type="checkbox"/> hmond, the state capital.

## Economic Factors

As the county seat of Essex County, Tappahannock boasts the presence of an industrial center, extensive wetland areas, a historic downtown section, a business corridor, and residential subdivisions. The town functions as the governmental seat of the county and as the center business and commercial activity center for a portion of the state's middle and northern neck peninsulas. Tappahannock's main commercial district includes the U.S. Route 17 corridor, with uses including service stations, restaurants, and community shopping centers. Within the last decades, the town's major industries shifted from manufacturing to healthcare, retail, and government, with over 35 percent of all employment within Tappahannock belonging to the retail sector. The presence of the Riverside Regional Medical Center, employing over 600 residents, has made healthcare the second strongest industry in the town, with wages within that sector the largest overall.

## Community Services

Community services and facilities are readily available in the surrounding area. These include public services such as fire stations, hospitals, police stations, and schools (all ages). The subject property is located in the Essex County Public School District School District. GreatSchools.org is an online resource that rates every school district and school on a scale of one to ten based on test scores. They also track parents' rating of the school on a one to five scale. The chart details the local school districts and high schools ratings nearest to the subject.

SCHOOL DISTRICTS							
SCHOOL DISTRICT	GREATSCHOOLS RATING	NUMBER OF SCHOOLS					
		ELEMENTARY	MIDDLE	HIGH	PUBLIC	CHARTER	TOTAL
Essex County Public School District	2	1	1	1	3	0	3

HIGH SCHOOLS							
HIGH SCHOOLS	GREATSCHOOLS RATING	PARENT RATING	SCHOOL TYPE	GRADES SERVED	DISTANCE FROM SBJ.	CITY LOCATION	ENROLLMENT PER GRADE
Essex High School	1	3	public	9-12	1.58 miles	Tappahannock	472
Northern Neck Technical Center	-	-	public	9-12	7.24 miles	Warsaw	-
Rappahannock High School	3	3	public	9-12	7.59 miles	Warsaw	361
Washington & Lee High School	4	3	public	9-12	13.62 miles	Montross	493

Source: GreatSchools.com

### IMMEDIATE AREA PROFILE

This section discusses uses and development trends in the immediate area that directly impact the performance and appeal of the subject property.

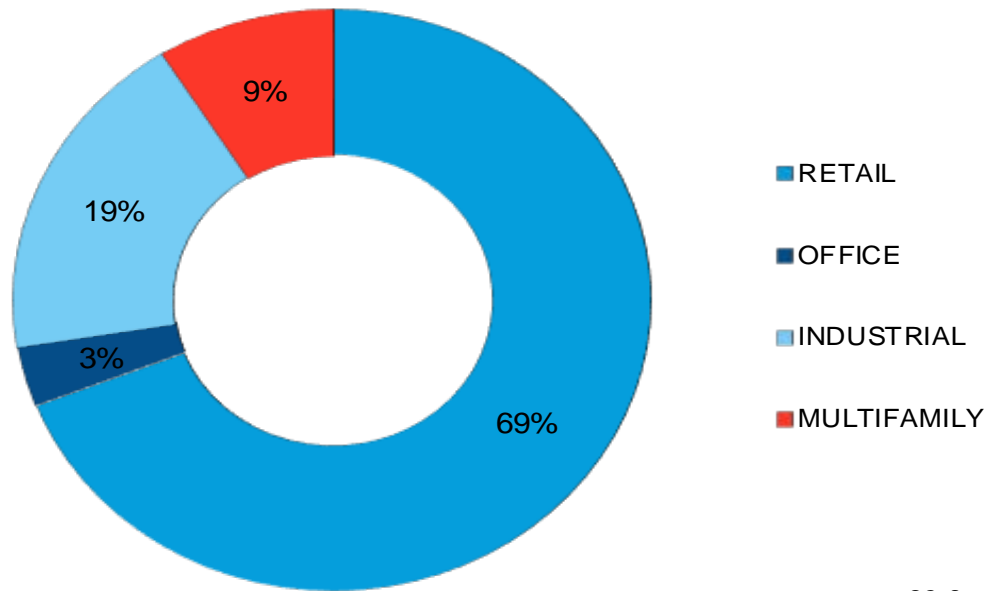
#### Predominant Land Uses

Significant development in the immediate area consists of retail and industrial along major arterials that are interspersed with multifamily complexes and single-family residential development removed from arterials.

Land uses around the area are mixed and include retail and office uses interspersed with rural areas. Retail uses in close proximity to the subject include Walmart Supercenter and Lowe's Home Improvement.

The local area has a mix of commercial uses nearby and the composition is shown in the following graph.

### COMMERCIAL AREA COMPOSITION



©CoStar



## Multi-Family Development

The following chart shows a summary of multi-family data by type in the immediate area from CoStar.

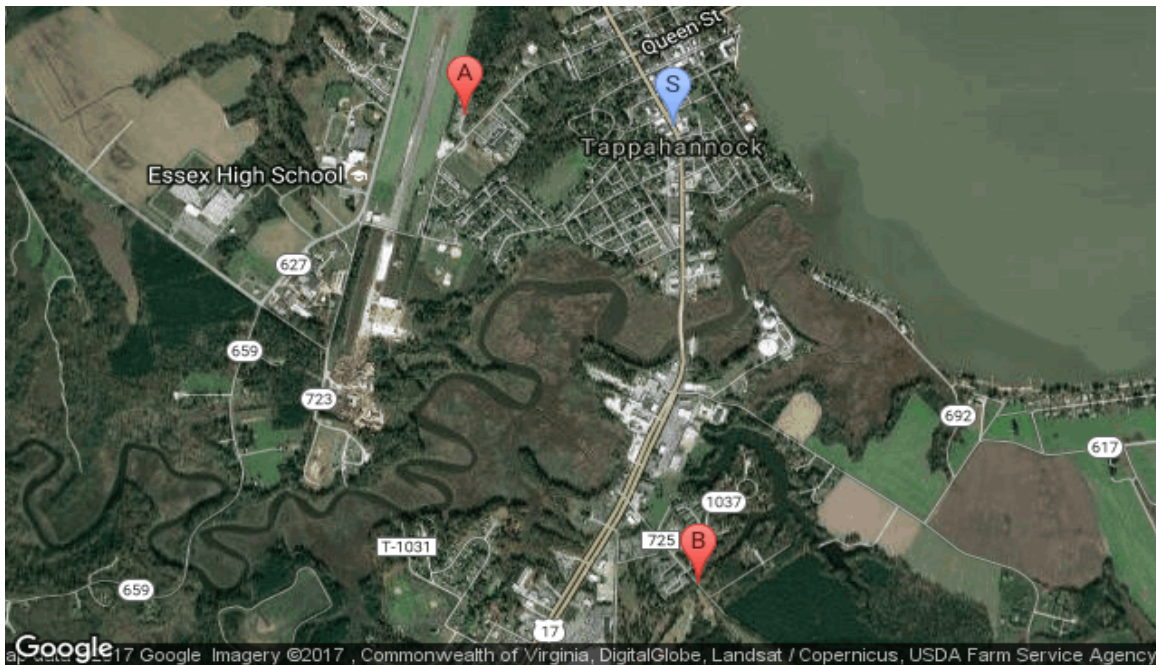
MULTIFAMILY SUMMARY			
CLASS	PROPERTIES	NRA (SF)	AVG YR BLT
B	1	57,312	1994
C	2	120,950	1993
<b>TOTAL</b>	<b>3</b>	<b>178,262</b>	<b>1993</b>

Source: CoStar

There are a few large multifamily complexes in the immediate area including Foxchase Apartments (60 units), Tappahannock Greens (40 units), and Rappahannock Apartments (50 units). The following chart and map shows the subject property and the 10 largest multi-family properties in the immediate area from CoStar.

LARGEST MULTIFAMILY PROPERTIES						
NAME	MAP PIN	CLASS	NRA (SF)	STORIES	YEAR BUILT	
Foxchase Apartments	A	C	70,950	2	2002	
Tappahannock Greens	B	B	57,312	2	1994	
Rappahannock Apartments	C	C	50,000	1	1984	

Source: CoStar



## Retail Development

The following chart shows a summary of retail data by type in the immediate area from CoStar.

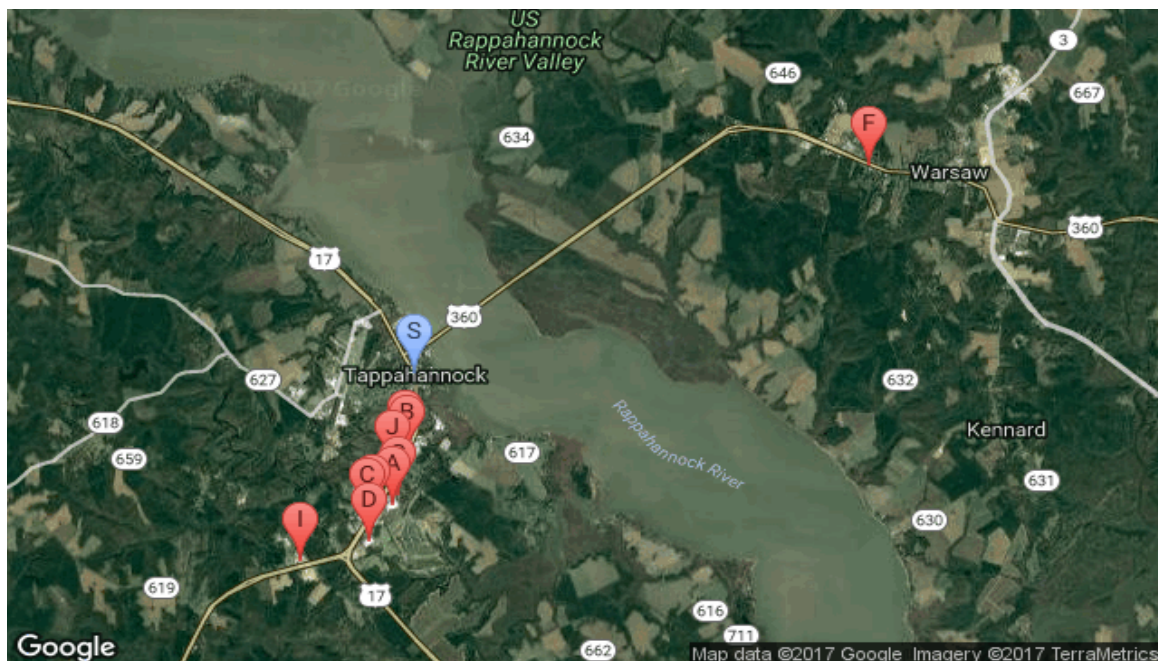
RETAIL SUMMARY					
TYPE	PROPERTIES	NRA (SF)	AVG YR BLT	OCCUPANCY	AVG RENT
Strip Center	3	84,440	1987	74.4	-
Community Center	4	148,034	1994	61.6	\$13.00
Neighborhood Center	3	181,562	1983	91.9	\$9.92
General Retail	60	968,924	1975	89.2	\$10.47
<b>TOTAL</b>	<b>70</b>	<b>1,382,960</b>	<b>1977</b>	<b>87.1</b>	<b>\$10.14</b>

Source: CoStar

Most of the retail properties are located south of the subject property. Walmart Supercenter is the largest retail property in the immediate area. It is on Tappahannock Blvd., just about 2.5 miles south of our marina. The Tappahannock Town Center, also on Tappahannock Blvd., is approximately 3 miles south of the subject and is anchored by a Peebles Grocery chain. It includes other retail tenants such as: Aarons, Doller General, Advanced Auto Parts, a nail salon and Primary Care Physician office. The following chart and map shows the subject property and the 10 largest retail properties in the immediate area from CoStar.

LARGEST SHOPPING CENTERS						
NAME	MAP PIN	TYPE	NRA (SF)	% LEASED	YEAR BUILT	AVG RENT
Walmart Supercenter	A	General Retail	159,000	100.0	1991	N/Av
Tappahannock Town Center	B	Community Center	113,829	97.3	2004	\$13.00
Essex Square Shopping Center	C	Neighborhood Center	106,650	85.6	1981	\$7.25
Low e's	D	General Retail	99,440	100.0	2005	N/Av
White Oak Village Shopping Center	E	Neighborhood Center	72,464	90.1	1987	\$12.59
Times Square	F	Strip Center	42,000	33.3	1980	Withheld
The Shoppes at Tappahannock	G	Strip Center	40,000	90.0	1991	Withheld
Retail Building	H	General Retail	30,943	100.0	1930	N/Av
James River Equipment	I	General Retail	21,915	100.0	2003	N/Av
Retail Building	J	General Retail	15,244	100.0	-	N/Av

Source: CoStar



### Office Development

The following chart shows a summary of office data by class in the immediate area from CoStar.

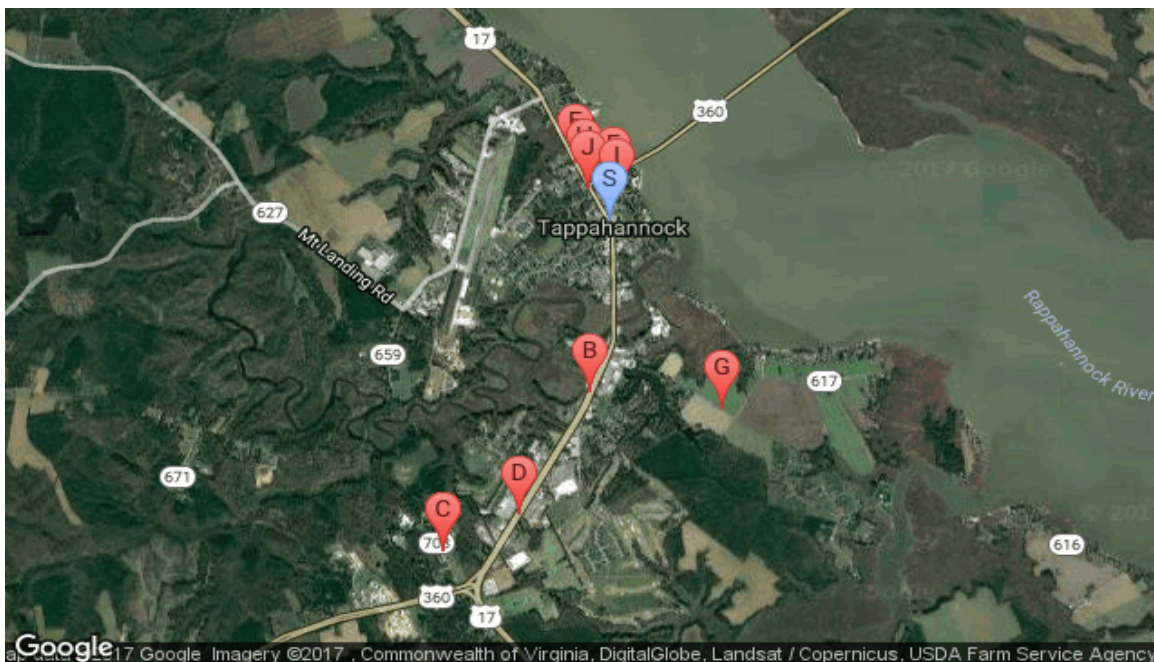
OFFICE SUMMARY					
CLASS	PROPERTIES	NRA (SF)	AVG YR BLT	OCCUPANCY	AVG RENT
B	6	47,034	1993	83.3	-
C	7	20,344	1958	100.0	-
<b>TOTAL</b>	<b>13</b>	<b>67,378</b>	<b>1974</b>	<b>92.3</b>	<b>\$0.00</b>

Source: CoStar

There is a mix of Class A and B office buildings in the immediate area. 330 Hospital Road is a large corporate office complex. 15,000 sq ft., constructed in 2003. Amenities include: Security system, Wet and Dry fire suppression system, Full generator backup for electric. +/- 3.5 acres with additional acreage available. Town water/sewer. Many alternate uses with the B-1 zoning. Close to the Hospital makes it ideal for any kind of Physician Offices or clinics. The following chart and map shows the subject property and the 10 largest office properties in the immediate area from CoStar.

LARGEST OFFICE BUILDINGS						
NAME	MAP PIN	CLASS	NRA (SF)	% LEASED	YEAR BUILT	AVG RENT
Office Building	A	B	15,632	0.0	2003	Withheld
Office Building	B	B	9,487	100.0	1985	N/Av
Office Building	C	B	9,050	100.0	-	N/Av
Office Building	D	B	8,116	100.0	1991	N/Av
Office Building	E	C	3,906	100.0	1975	N/Av
Office Building	F	C	3,822	100.0	-	N/Av
Tappahannock Regional Office	G	C	3,572	100.0	1970	N/Av
Office Building	H	C	3,000	100.0	1900	N/Av
Office Building	I	B	2,980	100.0	-	N/Av
Office Building	J	C	2,600	100.0	1990	N/Av

Source: CoStar





### Industrial Development

The following chart shows a summary of industrial data by type in the immediate area from CoStar.

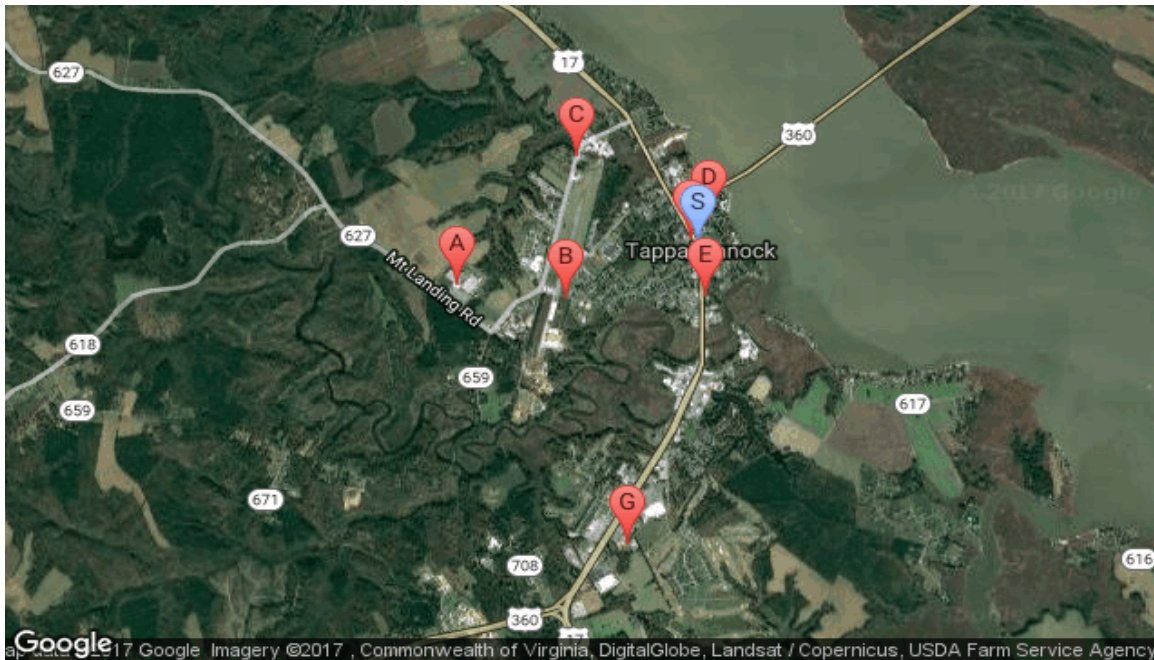
INDUSTRIAL SUMMARY					
TYPE	PROPERTIES	NRA (SF)	AVG YR BLT	OCCUPANCY	AVG RENT
Industrial	5	364,345	1965	100.0	-
Flex	2	9,200		50.0	-
<b>TOTAL</b>	<b>7</b>	<b>373,545</b>	<b>1403</b>	<b>85.7</b>	<b>\$0.00</b>

Source: CoStar

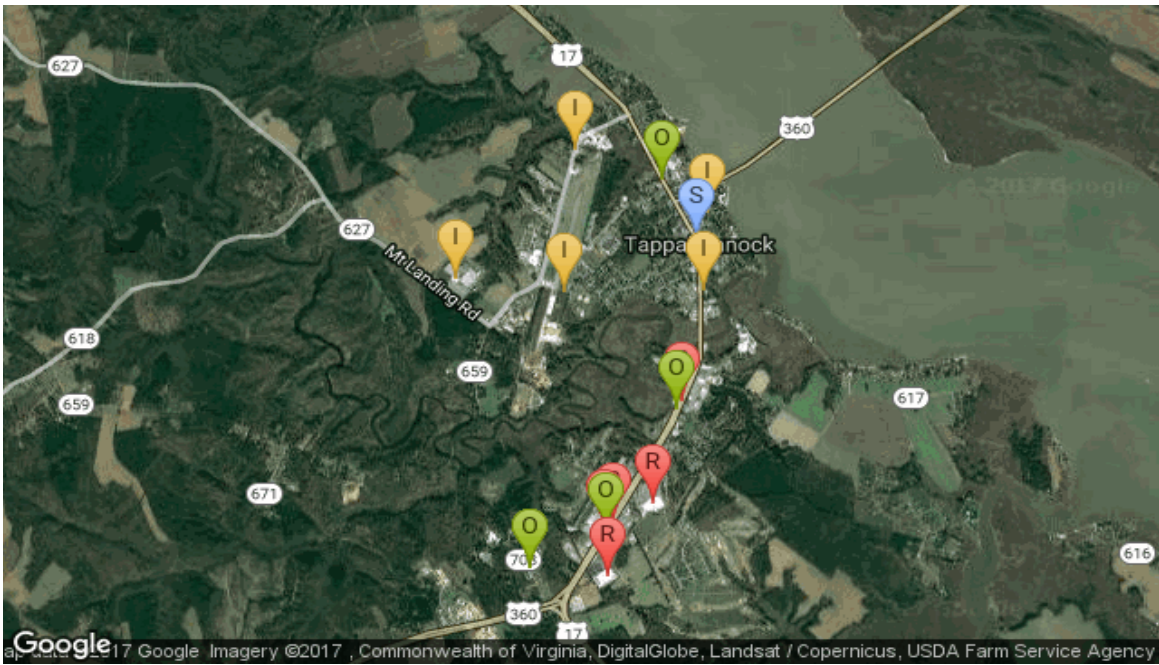
There are only 7 industrial users in the immediate area; 5 industrial and 2 flex properties. The following chart and map shows the subject property and the 10 largest industrial properties in the immediate area from CoStar.

LARGEST INDUSTRIAL PROPERTIES						
NAME	MAP PIN	TYPE	NRA (SF)	% LEASED	YEAR BUILT	AVG RENT
Industrial Building	A	Industrial	190,705	100.0	1990	N/Av
Tappahannock, VA Manufacturing Facility	B	Industrial	156,485	100.0	1968	N/Av
Church Ln	C	Industrial	9,318	100.0	1965	N/Av
Industrial Building	D	Flex	6,000	0.0	-	Withheld
Church Lane	E	Industrial	4,652	100.0	1930	N/Av
Industrial Building	F	Flex	3,200	100.0	-	N/Av
Industrial Building	G	Industrial	3,185	100.0	1970	N/Av

Source: CoStar



The following map shows the subject property and the five largest retail, office, and industrial properties in the immediate area from CoStar.



## **SUBJECT PROPERTY ANALYSIS**

The following discussion draws context and analysis on how the subject property is influenced by the local and immediate areas.

### **Subject Property Analysis**

The uses adjacent to the property are noted below:

- › **North** – Residential Homes and the Rappahannock River
- › **South** – Essex County Health Department
- › **East** – Rappahannock River
- › **West** - Church Lane

### **Access**

The subject site has frontage on an arterial. Based on our field work, the subject's access is rated average compared to other properties with which it competes.

### **Visibility**

The subject is clearly visible in both directions along Church Lane. The visibility of the property is not hampered by adjacent properties, trees or other obstructions. In comparison to competitive properties, the subject property has good visibility.

### **Subject Conclusion**

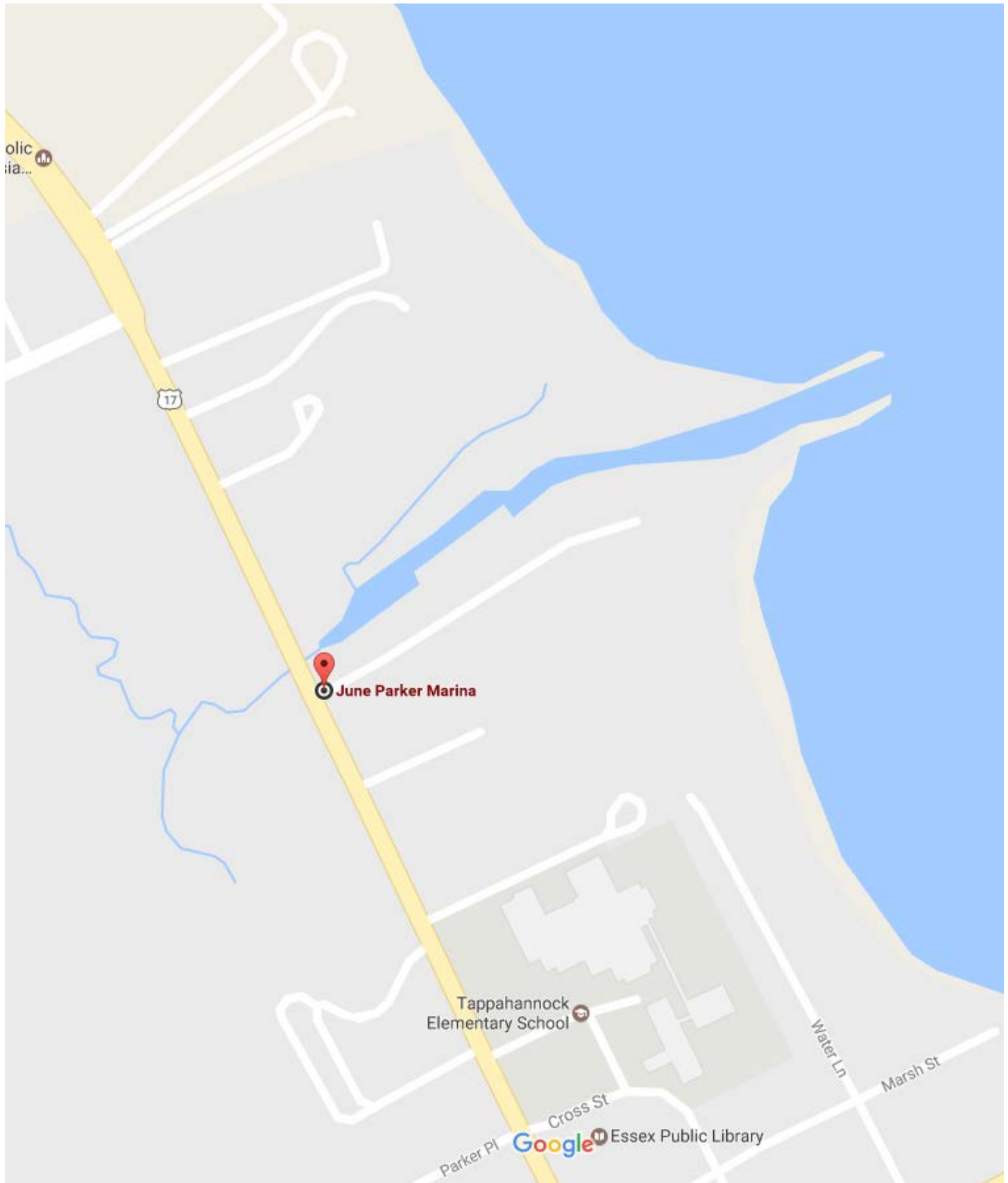
Trends in the local and immediate areas, adjacent uses and the property's specific location features indicate an overall typical external influence for the subject, which is concluded to have an average position in context of competing properties.

## **SUMMARY**

Tappahannock benefits from its strategic location within Essex County. The region is home to a diverse economy that has influences in the healthcare, retail, and manufacturing fields. The town has a diverse and well positioned economic base, as well as an attractive location. This should have a positive impact and will benefit growth in the economy for years to come.



# SUBJECT MAP



## A-13. Property Data

See the following subsections

### A-13a. Site

#### General Description

The subject site is an irregularly shaped land parcel indicated a gross site area of 807,777 SF (or 18.54-Acre) and is zoned B-1 – “Business” by the Town of Tappahannock. The subject is comprised of a 4.52 acre upland parcel and approximately 14.03 acres tidal/marsh portion. The subject site consists of three parcels and is located on an rural commercial highway. The following table summarizes the subject site size.

PARCEL	LAND AREA			
	USABLE AREA		GROSS AREA	
	SF	ACRES	SF	ACRES
32B-1-1	651,658	14.96	651,658	14.96
32B-1-1A	22,521	0.52	22,521	0.52
32B-1-1B	133,599	3.07	133,599	3.07
<b>Total</b>	<b>807,777</b>	<b>18.54</b>	<b>807,777</b>	<b>18.54</b>

#### Shape

Irregular, see plat map

#### Topography

Generally Level

#### Utilities

All available to the site

#### Street Improvements

Church Lane is a two-way, two-lane rural highway that is moderately traveled. Street improvements include curbs, sidewalks and streetlights.

#### Accessibility

The subject site has a total of two curb cuts along N. Church Lane and approximately 390 feet of frontage. Based on our field work, the subject’s access is rated average compared to other properties with which it competes. It should be noted that access to the Subject has been fair for the past two years due to the installation of a bridge over Ticknor’s Creek which severely impeded access to the Subject and ultimately impacted the business financials. The new bridge can be seen on the right.



#### Exposure

The subject is clearly visible in both directions along the street. The street is a fairly well traveled street for the area with commercial and residential use in the immediate area. In comparison to competitive properties, the subject property has average visibility.

<b>Seismic</b>	The subject is in a Seismic 2B zone.
<b>Flood Zone</b>	Flood Zone AE is a Special Flood Hazard Area inundated by the 100-year flood plain. In most instances, Base Flood Elevations (BFEs) are shown at selected intervals in this zone. Mandatory flood insurance purchase requirements apply.. This is referenced by Flood Community Map 510049, Panel Number 51057C0165E, dated 5/4/2015.
<b>Site Rating</b>	Overall, the subject site is considered an average marina site in terms of its location being considered semi-rural.
<b>Easements</b>	During the on-site inspection, no adverse easements or encumbrances were noted. This appraisal assumes that there is no negative value impact on the subject improvements. If questions arise regarding easements, encroachments, or other encumbrances, further research is advised.
<b>Soils</b>	A detailed soils analysis was not available for review. Based on the development of the subject, it appears the soils are stable and suitable for the existing improvements.
<b>Hazardous Waste</b>	We have not conducted an independent investigation to determine the presence or absence of toxins on the subject property. If questions arise, the reader is strongly cautioned to seek qualified professional assistance in this matter. Please see the Assumptions and Limiting Conditions for a full disclaimer.



*Aerial Tax Parcel View*



*Soil Map*



**17A—Rappahannock muck, 0 to 1 percent slopes, frequently flooded**

**20D—Rumford and Slagle soils, 6 to 15 percent slopes**



# Flood Map

## InterFlood by a la mode

Prepared for: Colliers International  
531 N Church Ln  
Tappahannock, VA 22560-7001



### MAP DATA

FEMA Special Flood Hazard Area: **Yes**  
 Map Number: **51057C0165E**  
 Zone: **AE**  
 Map Date: **May 04, 2015**  
 FIPS: **51057**

### MAP LEGEND

- Areas inundated by 500-year flooding
- Areas inundated by 100-year flooding
- Velocity Hazard
- Protected Areas
- Floodway
- Subject Area

Powered by CoreLogic®



## A-13b. Improvements

### INTRODUCTION

The subject site is utilized as a marina property that is known as the June Parker Marina. The subject site is improved with a 32-slip, full-service marina facility that has been constructed in stages since circa 1975. The subject site is improved with 7, marina-oriented improvements that are utilized for a variety of purposes ranging from boat storage, maintenance, office, boat rental, and miscellaneous operations and indicate a combined GBA of 23,024 SF. The subject property has a common address of 531 N. Church Lane in Tappahannock, Virginia.

The subject improvements consist of 7 buildings of varying uses supporting the marina operation which situated throughout the subject site. The improvements were constructed between 1975 and 2004.

The information presented below is a basic description of the existing improvements. This information is used in the valuation of the property. Reliance has been placed upon information provided by sources deemed dependable for this analysis. It is assumed that there are no hidden defects, and that all structural components are functional and operational, unless otherwise noted. If questions arise regarding the integrity of the improvements or their operational components, it may be necessary to consult additional professional resources.

At the time of inspection, the marina was in overall average condition.

<b>Property Type</b>	Special Purpose (Marina)
<b>No. Buildings</b>	7
<b>Year Built</b>	1975
<b>Number of slips</b>	32
<b>Size</b>	23,024 SF Gross Building Area (GBA)
<b>Number of Stories</b>	1
<b>Age/Life Analysis</b>	
Actual Age	42 years
Effective Age	20 years
Economic Life	40 years
Remaining Life	20 years
<b>Improvement Detail</b>	A detailed inventory of the wet slips available at the subject property was not available.
<b>Dock Amenities</b>	Fuel dock/barge, water, electricity, transient guest slips, and black-water pump-out
<b>Condition</b>	The subject's docks indicate a range of condition and remaining as portions of the subject's docks have been replaced in recent past. All docks were replaced in 2004.
<b>Deferred Maintenance</b>	Based on our interview with the property owner, the onsite inspection by the field appraiser there did not appear to be any deferred maintenance at the subject property.

**Conclusion**

The subject is an average quality and average condition marina. The property meets the needs of the typical leisure boaters that predominantly make use of the facility for its docking, storage and service.

**Hazardous Materials**

This appraisal assumes that the improvements are constructed free of all hazardous waste and toxic materials, including (but not limited to) asbestos. Please refer to the Assumptions and Limiting Conditions section regarding this issue.

The subject property has been used for the storage and distribution of petroleum products. The appraiser(s) have not made a soil or underground water test, nor are we qualified to do so. Identifying site and soil contaminants or environmental issues is beyond the scope of this appraisal and the appraiser's qualifications. Unless otherwise stated, this appraisal is based on the assumption that the site and property are uncontaminated and unaffected by environmentally hazardous materials or substances. No responsibility is assumed by the appraisers for contamination issues and no warranties are implied by this opinion of value.

**ADA Comment**

This analysis assumes that the subject complies with all ADA requirements. Please refer to the Assumptions and Limiting Conditions section regarding this issue.

**A-13c. Fixtures**

Fixtures, furniture, and equipment (FF&E) are included in the valuation of the marina. This includes all of the furniture and equipment associated with the marina operation including services related to fueling, storage, service, transit, retailing, etc. FF&E is typically included in a marina's total value because it is considered to be part of the subject property and is typically sold with the real estate. The FF&E valuation is presented at the end of this report. No other personal property or intangible items are included in this valuation.

The only fixtures of note at the site are typical for small retail stores including beverage coolers, cash register stands, cash register, shelving etc. The value of this FF&E is estimated to be less than \$5,000 which is factored in rounding in the final value conclusion.

**A-13d. Use History**

The subject was built in 1975 and designed for a marina use. The subject site has been used as a marina since its inception. Use has not changed in the previous ten years. The subject is currently a going-business.

**A-13e. Sales History**

The Subject was originally purchased in September 1986 as recorded on book 161 on page 653 for an undisclosed amount. Portions of the Subject property have been taken in recent past via eminent domain for an aggregate of \$125,320 between 2013 and 2014. The exact dates of the transfer are unknown however the certificates of the takes can be found in the Addenda.

**Current Owner**

The subject title is currently recorded in the name of June Parker Oil Company. It is unknown when the entity acquired title to the property with no details in the Essex County Deed Records.

**Three-Year Sales History**

There have been no sale transactions within the three years preceding the effective date of value.

## Subject Sale Status

The subject property is presently contracted for sale for \$1,100,000 between Essex County and June Parker Oil Company. Conversations with the buying entity suggested that this is not an open market arms-length agreement as the property was never listed. This sale will be fully discussed and analyzed in the Sales Comparison Approach section of this appraisal report in context with the presented market data. The value of the Subject is in the land. Based on the analysis herein, the land is valued at or near the purchase price.

## A-13f. Rental History

The subject is a typical marina with transient rents for approximately 3 months a year (boating season).

## A-13g. Assessed Value and Annual Tax Load

### INTRODUCTION

Assessment of real property is established by an assessor that is an appointed or elected official charged with determining the value of each property. The assessment is used to determine the necessary rate of taxation required to support the municipal budget. A property tax is a levy on the value of property that the owner is required to pay to the municipality in which it is situated. Multiple jurisdictions may tax the same property.

The subject property is located within the town of Tappahannock within Essex County. The assessed value and property tax for the current year are summarized in the following table.

TAX INFORMATION (2017 TAX YEAR)					
APN	RMV LAND	RMV IMP./OTHER	RMV TOTAL	ASSESSED TOTAL	2017 TAXES
32B-1-1	\$509,500	\$283,800	\$793,300	\$793,300	\$6,981.04
32B-1-1A	\$126,000	\$0	\$126,000	\$126,000	\$1,108.80
32B-1-1B	\$1,500	\$0	\$1,500	\$1,500	\$13.20
<b>Total</b>	<b>\$637,000</b>	<b>\$283,800</b>	<b>\$920,800</b>	<b>\$920,800</b>	<b>\$8,103</b>

### SUBJECT PROPERTY ANALYSIS

As part of the scope of work, we researched assessment and tax information related to the subject property. The following are key factors related to local assessment and taxation policy. Real property in Essex County and Tappahannock is assessed at 100% of market value.

TAX INFORMATION (2017 TAX YEAR)				
<b>Assessor's Parcel No.:</b>	<b>32B-1-1B, 32B-1-1, 32B-1-1A</b>			
Tax Rate Area:	Essex County & Tappahannock			
Tax Rate:	\$0.98			
	Assessed Value			
Land	\$509,500	\$126,000	\$1,500	\$637,000
Improvements	\$283,800	\$0	\$0	\$283,800
<b>Total Assessed Value</b>	<b>\$793,300</b>	<b>\$126,000</b>	<b>\$1,500</b>	<b>\$920,800</b>
<b>Base Tax*</b>	<b>\$6,981.04</b>	<b>\$1,108.80</b>	<b>\$13.20</b>	<b>\$8,103.04</b>

\* Total assessed value x tax rate

According to the staff representative at the Essex County, real estate taxes for the subject property are current as of the date of this report with the first installment for 2017 due on June 5, 2017 and the second installment due on December 5, 2017.

<b>TAX COMPARABLES</b>			
	<b>COMP. 1</b>	<b>COMP. 2</b>	<b>COMP. 3</b>
Address	339 Catchpenny Lane	3993 Hales Point Rd	485 Burch Rd
Year Built	1984	1970	
Parcel	54 1B 5097-1	43-69, 43-70, 43-70X,	14A18, 14A17
SF	27,291	22,519	38,990
<b>Total Assessed Value</b>	\$1,984,900	\$1,287,740	\$1,003,300
<b>Total Tax</b>	\$8,734	\$7,373	\$5,618
<b>Per SF</b>	<b>\$0.32</b>	<b>\$0.33</b>	<b>\$0.14</b>

## CONCLUSION

It is our opinion that the subject's real estate assessment and taxes are at market levels. The assessment is somewhat lower than the market value but this is typical in rural areas as assessments are only performed every 3-5 years.

## A-13h. Zoning and Other Land Use Regulations

### INTRODUCTION

Zoning requirements typically establish permitted and prohibited uses, building height, lot coverage, setbacks, parking and other factors that control the size and location of improvements on a site. The zoning characteristics for the subject property are summarized below:

#### ZONING SUMMARY

<b>Zoning Municipality</b>	Town of Tappahannock Planning & Zoning Department
<b>Zoning Name</b>	Central Commercial (CC-1)
<b>Purpose</b>	The purpose of this district is to provide appropriate locations for select commercial activities. Provision is made for accommodation of a wide range of business pursuits, retail sales and office and service activities which serve the needs of citizens of the region. The district is designed to preserve, and to encourage the continued development, as well as redevelopment, of the central business area consistent with the unique land use mix which currently exists. Generally this district covers the historic commercial center of the Town and as such is intended for the conduct of general business to which the public requires direct and frequent access, but which is not characterized either by constant heavy trucking other than stocking and delivery of light retail goods, or by any nuisance factors other than incidental light and noise associated with the congregation of people and passenger vehicles. This district also provides for some residential uses.
<b>Permitted Uses</b>	Most commercial uses
<b>Current Use</b>	Permitted
<b>Legally Permitted</b>	Yes
<b>Zoning Change</b>	Not Likely

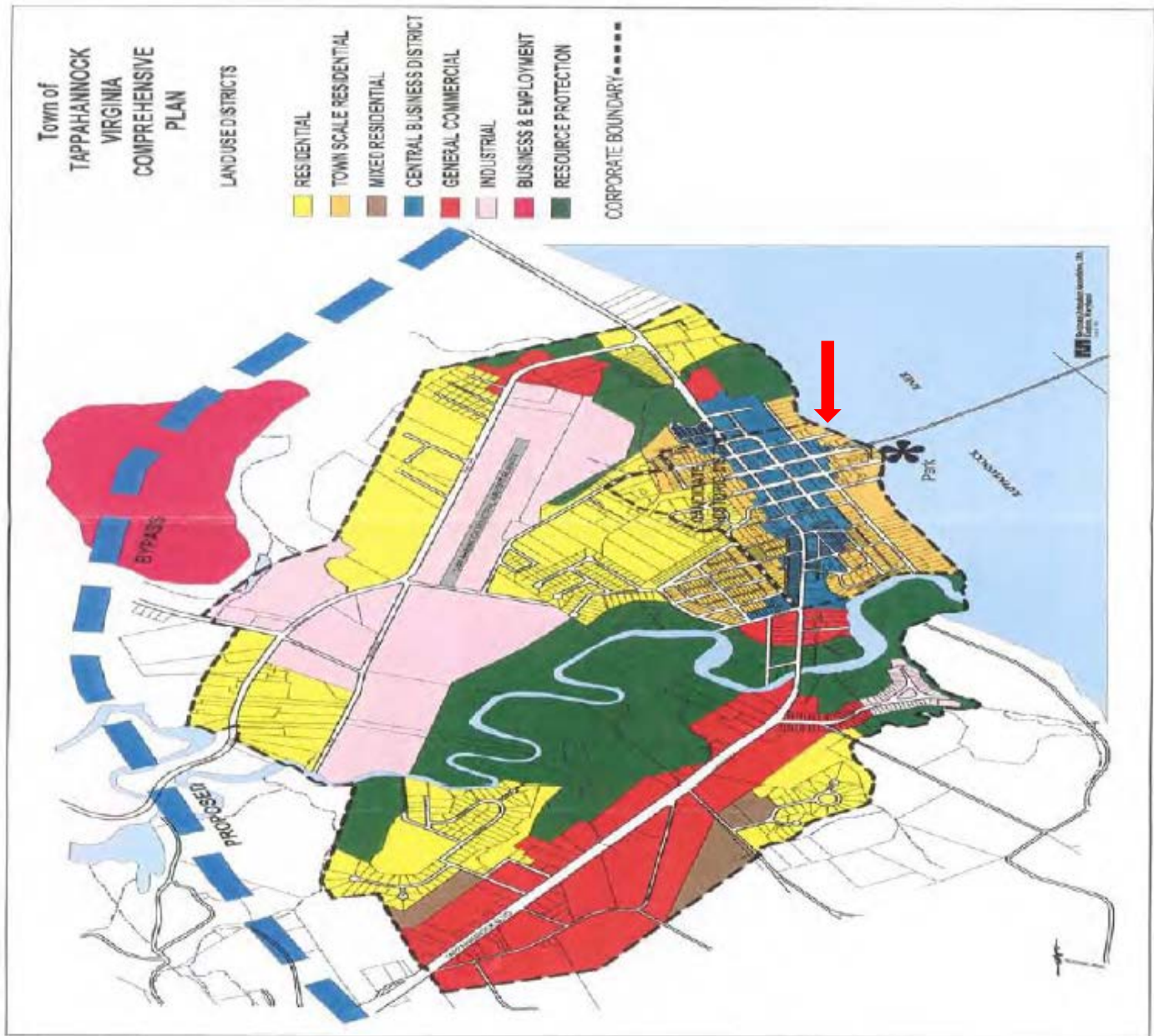
#### ZONING REQUIREMENTS

<b>Minimum Lot Area (SF)</b>	None
<b>Minimum Yard Setbacks</b>	
Front	Based on Site Plan
Rear	Based on Site Plan
Side	Based on Site Plan
<b>Maximum Building Height</b>	40 Feet
<b>Parking Requirement</b>	
Spaces Required	40
<b>Conforming Use</b>	Yes

Source: Town of Tappahannock Planning & Zoning Department



## ZONING MAP



The zoning official in the town of Tappahannock said the map above is closest thing the town has to a zoning map and confirmed that the June Parker Marina is zoned CC-1.

### ZONING CONCLUSIONS

Based on the interpretation of the zoning ordinance, the subject property is an outright permitted use that could be rebuilt if unintentionally destroyed. Detailed zoning studies are typically performed by a zoning or land use expert, including attorneys, land use planners, or architects. The depth of our analysis correlates directly with the scope of this assignment, and it considers all pertinent issues that have been discovered through our due diligence. Please note that this appraisal is not intended to be a detailed determination of compliance, as that determination is beyond the scope of this real estate appraisal assignment.

# Part III – Data Analysis and Conclusions – Before Acquisition

## A-14. Analysis of Highest and Best Use

### INTRODUCTION

The highest and best use of an improved property is defined as that reasonable and most probable use that will support its highest present value. The highest and best use, or most probable use, must be legally permissible, physically possible, financially feasible, and maximally productive. This section develops the highest and best use of the subject property As-Vacant and As-Improved.

#### *Larger Parcel*

As discussed earlier in Section A.10, the subject is not part of a larger parcel to be appraised and the entire 23,024 SF square foot, marina situated on and aggregate of 18.54±acre tract is proposed to be acquired. The subject is the larger parcel and this is considered in the following Highest & Best Use Analysis.

### AS-VACANT ANALYSIS

#### **Legal Factors**

The legal factors that possibly influence the highest and best use of the subject site are discussed in this section. Private restrictions, zoning, building codes, historic district controls, and environmental regulations are considered, if applicable to the subject site. Permitted uses of the subject's Central Commercial (CC-1) zoning were listed in the Zoning Analysis section. Overall, legal factors support a narrow range of marine-related uses as well as commercial, religious, educational and municipal uses for the subject site.

#### **Physical & Locational Factors**

Regarding physical characteristics, the subject site is irregular in shape and has generally level topography with average access and average exposure. The subject site has extensive water frontage on in an immediate area is developed with complementary residential and marine-related uses. Of the outright permitted uses, physical and locational features best support commercial use for the site's highest and best use as-vacant.

#### **Feasibility Factors**

Regarding financial feasibility of marina properties in the region, construction delivery trends were previously discussed in the Market Analysis section. In general, the Marina Market is experiencing a typical level of construction activity compared to historical norms. Based on this factor, as well as our analysis of other supply/demand factors that impact the feasibility of marina development, it is unlikely that a developer would undertake a speculative project for the next year or two.

#### **Maximally Productive**

The final test of maximum productivity is now applied to the uses that have passed the first three tests. Of the financially feasible uses, the maximally productive use is the use that produces the highest residual land value.

#### **As-Vacant Conclusion**

Based on the previous discussion, the subject's highest and best use as-vacant is concluded to be commercial use with an emphasis on hospitality related users such as restaurant, hotel, and marina uses.

## AS-IMPROVED ANALYSIS

### Legal Factors

The subject's Special Purpose (Marina) use is permitted outright by the CC-1 zoning. The legal factors influencing the highest and best use of the property support the subject's use.

### Physical & Locational Factors

The physical and location characteristics of the subject improvements have been previously discussed in this report. In summary, the subject's improvements were constructed in 1975 and have a remaining economic life of 20 years based on our estimate. The project is of average quality construction and in average condition, with adequate service amenities. The subject improvements sufficiently supported by site features including its irregular shape, generally level topography, average access and average exposure. Further, the subject's location supports the subject improvements with similar and homogeneous developments present in the subject's immediate market area. Physical and location factors influencing the highest and best use of the property support the subject's use.

### Alternative Uses & Feasibility Factors

In addition to legal and physical considerations, analysis of the subject property requires the treatment of two important issues: 1) consideration of alternative uses for the property; and 2) the marketability of the most probable use. The five possible alternative treatments of the property are demolition, expansion, renovation, conversion, and the subject's use as a marina.

- **Demolition** The subject improvements do not contribute significant value above the current land value. Therefore, demolition is applicable in this case. Values of marina properties in the region are trading around \$25,000 per slip, which, at 32 slips (22 floating and 10 stationary) would place the Subject improved value around \$800,000. Many of these marinas are vastly superior to the Subject improvements and it is unlikely that the Subject would trade for \$25,000 per slip. These marinas have proven income streams, equipment, FF&E, and management in-place. The business has experienced an operating loss for the previous two years primarily due to the right-of-way project over Ticknor's Creek which severely impeded the Subjects access and caused operating losses. Commercial land values regionally are ranging from \$1.83 - \$7.16 sq. ft. which if sold for land value would produce a significantly higher return to the land. Thus, the property is worth more as vacant land than it is as currently improved. According to VDOT, the Subject had a traffic count of 22,000 vehicles per day which locally makes it one of the highest traversed areas in the town of Tappahannock and Essex County.
- **Expansion** The subject property comprises approximately 18.54 acres (807,777 SF) and is improved with a **Special Purpose (Marina)**. Most of the subject site is tidal or marsh and does not contain additional site area for expansion; therefore, expansion of the subject is not considered a viable option.
- **Renovation** The subject property is approximately 42 years old and is in average condition. Renovation, in the form of capital expenditures, would not increase the rent levels or value appreciably. For this reason, renovation is not appropriate.
- **Conversion** Conversion is neither appropriate nor applicable to this property.
- **Continued Use "As-Is"** The final option is the continued use of the property "As-Is." This is legal, physically possible, and financially feasible. Therefore, continued use, as a **Special Purpose (Marina)** is not a viable option. The property should be razed and redeveloped with a new commercial use.

Among the five alternative uses, the subject's use marina use is not supported to be its Highest and Best Use. The property should be razed and redeveloped with some sort of commercial use to the highest density allowable.

### As-Improved Conclusion

Based on the previous discussion, the highest and best use of the subject property is concluded to be demolished and sold for its land value to be developed with a new use.

## A-15. Land Valuation

### INTRODUCTION

As previously discussed within the Valuation Methods section, the subject is valued as one marketable economic site in this appraisal. Land value is influenced by a number of factors; most prominent of which is development and use potential. These factors, as well as others, are considered in the following analysis.

### UNIT OF COMPARISON

The most relevant unit of comparison is the price per square foot. This indicator best reflects the analysis used by buyers and sellers in this market for land with similar utility and zoning in this marketplace.

### COMPARABLE SELECTION

A thorough search was made for similar land sales in terms of proximity to the subject, size, location, development potential, and date of sale. In selecting comparables, emphasis was placed on confirming recent sales of commercial sites that are similar to the subject property in terms of location and physical characteristics. Overall, the sales selected represent the best comparables available for this analysis. A complete write up for each Comparable Land Sale can be found in the ADDENDA of this report.

Section B-5 of the UASFLA states that...The admission into evidence of a sale of the property being acquired is extremely pertinent, and thus courts have sustained such admissions even when a considerable period of time has elapsed between the sale and the date of valuation.(162) Not only must the appraisal report include the latest sale of the property (regardless of when it was made) with whatever statement is deemed relevant to the value as of the effective date of appraisal and any adjustments made to reflect current value, but these Standards also require the reporting of **all sales of the subject property within 10 years of the date of valuation**. (See Section A-13e.)

As noted in the Sales History, the last transaction of the subject property was in 2003, approximately 12 years ago as an improved parcel. We were unable to incorporate use of the subject sale within the analysis due to the improved nature of the subject. Therefore, the subject sale is intentionally omitted.

## ADJUSTMENT PROCESS

Quantitative adjustments are made to the comparable sales. The following adjustments or general market trends were considered for the basis of valuation.

### Transactional Adjustments

Dollar adjustments to the comparable sales were considered and made when warranted for transactional adjustments in the sequence shown below:

Property Rights Transferred	The valuation of the subject site was completed on a fee simple basis. If warranted, leased fee, leasehold and/or partial interest land sales were adjusted accordingly.
Financing Terms	The subject site was valued on a cash equivalent basis. Adjustments were made to the comparables involving financing terms atypical of the marketplace.
Conditions of Sale	This adjustment accounts for extraordinary motivation on the part of the buyer or seller often associated with distressed sales and/or assemblages.
Expenditures After Purchase	Adjustments were applied if site conditions warranted expenditures on the part of the buyer to create a buildable site. Examples include costs for razing pre-existing structures, general site clearing and/or mitigation of environmental issues.
Market Conditions	Market conditions adjustments were based on a review of historical sale data, market participant interviews and review of current versus historical pricing. Based on my research, the following table summarizes the market conditions adjustment applied in this analysis.

MARKET CONDITIONS ADJUSTMENT			
Per Year As Of	April 2017	(As-Is)	0%

The market has exhibited value stability during the time from the oldest sale date up through the effective valuation date; therefore a market conditions adjustment is not warranted.

### Property Adjustments

Quantitative percentage adjustments are also made for location and physical characteristics such as size, shape, access, exposure, topography, zoning and overall utility. Where possible the adjustments applied are based on paired data or other statistical analysis. For example, location adjustments are based primarily on review of land values in the market areas for the comparables relative to the subject. It should be stressed that the adjustments are subjective in nature and are meant to illustrate my logic in deriving a value opinion for the subject site.

## PRESENTATION

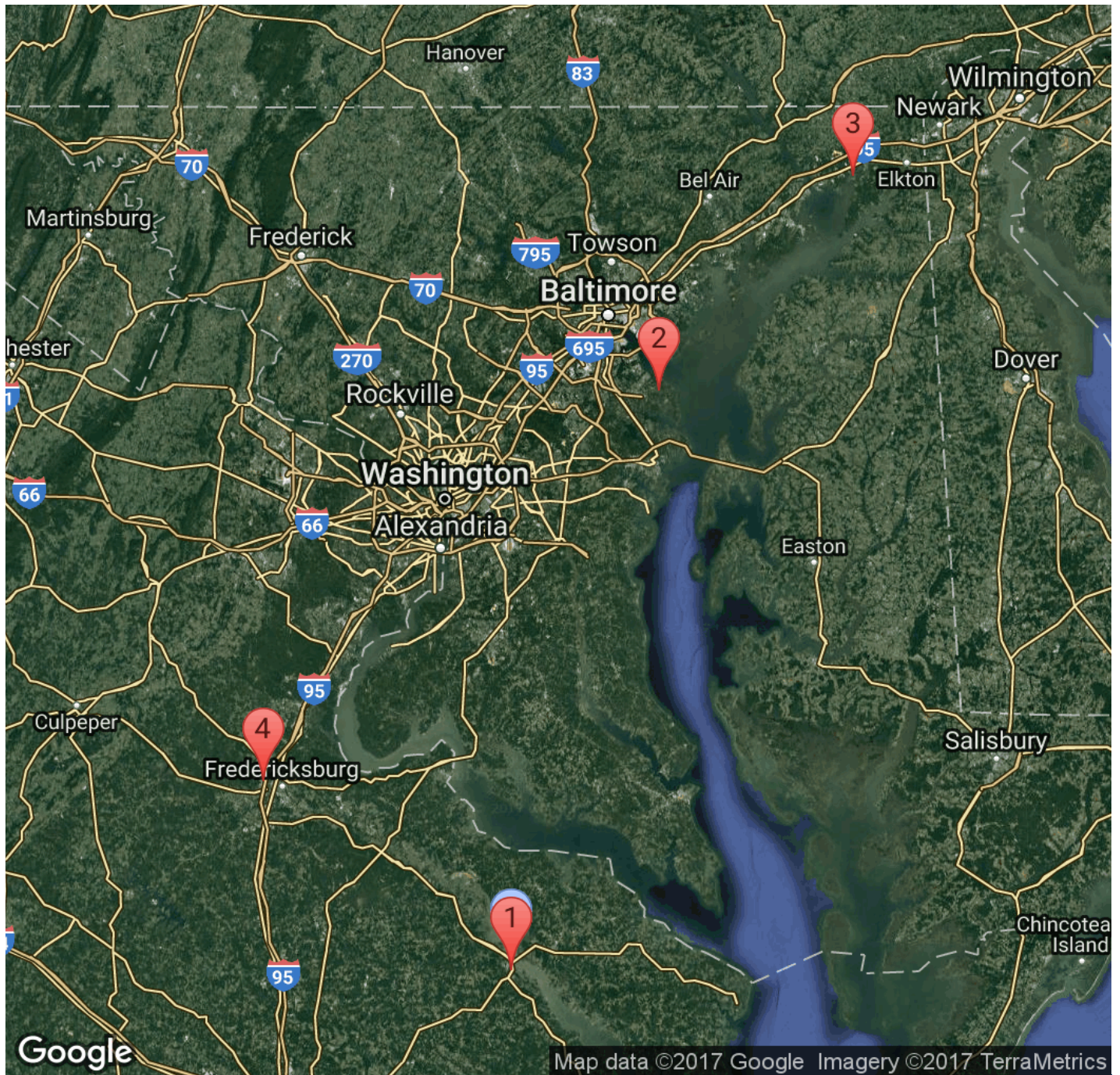
The following Land Sales Summation Table, Location Map and datasheets summarize the sales data used in this analysis. Following these items, the comparable land sales are adjusted for applicable elements of comparison and the opinion of site value is concluded. In this analysis we are only analyzing the upland portion of the suite as a larger parcel. The Subject has a gross site area of 807,777 SF (or 18.54-Acre) and is zoned CC-1 – “Central Commercial” by the Town of Tappahannock. The subject is comprised of a 4.52 acre upland parcel and an approximately 14.03 acre tidal portion. If the property were to be redeveloped, the utility would be mainly in the upland portions and the marsh proton would not contribute significantly to the value.



## LAND SALES SUMMATION TABLE

COMPARABLE	SUBJECT	COMPARABLE 1	COMPARABLE 2	COMPARABLE 3	COMPARABLE 4
<b>Name</b>	June Parker	TAPPAHANNOCK	Pleasure Cove	Avalon Marina	Noble Way
<b>Address</b>	531 Church Lane	TAPPAHANNOCK	1701 Poplar	20 Louisa Ln	Noble Way
<b>City</b>	Tappahannock	TAPPAHANNOCK	Pasadena	Charlestown	Fredericksburg
<b>State</b>	VA	VA	MD	MD	VA
<b>Zip</b>	22560	22560	21122	21914	22401
<b>County</b>	Essex	Essex	Anne Arundel	Cecil	Fredericksburg
<b>APN</b>	32B-1-1B, 32B-1-	37-132	03-000-	05-006023	319-L3
PHYSICAL INFORMATION					
<b>Useable SF</b>	196,891	84,376	1,181,347	236,966	477,853
<b>Location</b>	Average	Average	Average	Average	Good/Excellent
<b>Exposure</b>	Average	Average	Average	Average	Average
<b>Access</b>	Average	Average	Average	Average	Average
<b>Shape</b>	Irregular	Irregular	Irregular	Irregular	Irregular
<b>Site Utility Rating</b>	Average	Average	Average	Fair	Average
<b>Zoning</b>	CC-1	B-1	MB	RR	CH
<b>Corner</b>	No	No	No	No	No
<b>Topography</b>	Level	Generally Level	Generally Level	Generally Level	Generally Level
SALE INFORMATION					
<b>Date</b>		10/28/2016	12/31/2014	8/7/2015	1/13/2016
<b>Status</b>		Recorded	Recorded	Recorded	Recorded
<b>Rights Transferred</b>		Fee Simple	Fee Simple	Fee Simple	Fee Simple
<b>Transaction Price</b>		\$385,000	\$9,000,000	\$434,500	\$3,800,000
<b>Analysis Price</b>		\$385,000	\$6,169,348	\$434,500	\$3,800,000
<b>\$/SF Land</b>		\$4.56	\$5.22	\$1.83	\$7.95

# LAND SALES LOCATION MAP



### COMPARABLE KEY

COMP	DISTANCE	ADDRESS	SALE DATE	ACRES	SF	\$/SF
SUBJECT	-	531 Church Lane, Tappahannock, VA	-	4.5	196,891	\$6.00
No. 1	1.3 Miles	TAPPAHANNOCK BOULEVARD & HOBBS DR, TAPPAHANNOCK , VA	10/28/2016	1.9	84,376	\$4.56
No. 2	85.6 Miles	1701 Poplar Ridge Rd, Pasadena, MD	12/31/2014	27.1	1,181,347	\$5.22
No. 3	123.5 Miles	20 Louisa Ln, Charlestown, MD	8/7/2015	5.4	236,966	\$1.83
No. 4	43.9 Miles	Noble Way, Fredericksburg, VA	1/13/2016	11.0	477,853	\$7.95



## LAND SALES ADJUSTMENT TABLE

COMPARABLE	SUBJECT	COMPARABLE 1	COMPARABLE 2	COMPARABLE 3	COMPARABLE 4
<b>Name</b>	June Parker	TAPPAHANNOCK	Pleasure Cove	Avalon Marina	Noble Way
<b>Address</b>	531 Church Lane	TAPPAHANNOCK	1701 Poplar	20 Louisa Ln	Noble Way
<b>Acres</b>	4.52	1.94	27.12	5.44	10.97
<b>APN</b>	32B-1-1B, 32B-1-	37-132	03-000-04471915	05-006023	319-L3
<b>Useable SF</b>	196,891	84,376	1,181,347	236,966	477,853
<b>Location</b>	Average	Average	Average	Average	Good/Excellent
<b>Exposure</b>	Average	Average	Average	Average	Average
<b>Access</b>	Average	Average	Average	Average	Average
<b>Shape</b>	Irregular	Irregular	Irregular	Irregular	Irregular
<b>Site Utility Rating</b>	Average	Average	Average	Fair	Average
SALE INFORMATION					
<b>Date</b>		10/28/2016	12/31/2014	8/7/2015	1/13/2016
<b>Status</b>		Recorded	Recorded	Recorded	Recorded
<b>Rights Transferred</b>		Fee Simple	Fee Simple	Fee Simple	Fee Simple
<b>Analysis Price</b>		\$385,000	\$6,169,348	\$434,500	\$3,800,000
<b>Price/SF</b>		\$4.56	\$5.22	\$1.83	\$7.95
TRANSACTIONAL ADJUSTMENTS					
<b>Property Rights</b>		0%	0%	0%	0%
<b>Conditions of Sale</b>		0%	0%	20%	0%
<b>Financing</b>		0%	0%	0%	0%
<b>Expenditures After the Sale</b>		0%	0%	0%	0%
<b>Market Conditions<sup>1</sup></b>		0%	0%	0%	0%
<b>Subtotal Transactional Adj Price</b>		\$4.56	\$5.22	\$2.20	\$7.95
PROPERTY ADJUSTMENTS					
<b>Location</b>		0%	0%	0%	-20%
<b>Size</b>		-5%	10%	0%	10%
<b>Exposure</b>		0%	0%	0%	0%
<b>Access</b>		0%	0%	0%	0%
<b>Shape</b>		0%	0%	0%	0%
<b>Site Utility Rating</b>		0%	0%	20%	0%
<b>Subtotal Property Adjustment</b>		-5%	10%	20%	-10%
<b>TOTAL ADJUSTED PRICE</b>		<b>\$4.33</b>	<b>\$5.74</b>	<b>\$2.64</b>	<b>\$7.16</b>
STATISTICS	UNADJUSTED	ADJUSTED			
<b>LOW</b>	\$1.83	\$2.64			
<b>HIGH</b>	\$7.95	\$7.16			
<b>MEDIAN</b>	\$4.89	\$5.04			
<b>AVERAGE</b>	\$4.89	\$4.97			

<sup>1</sup> Market Conditions Adjustment: 0%

Date of Value (for adjustment calculations): 4/24/17

## LAND SALES ANALYSIS

### Introduction

The comparable land sales indicate an adjusted value range from \$2.64 to \$7.16/SF, with a median of \$5.04/SF and an average of \$4.97/SF. The range of total gross adjustment applied to the comparables was from 5% to 40%, with an average gross adjustment across all comparables of 21%. The level of total adjustment applied to the comparables is considered minimal, an indication that the dataset is applicable to the subject and increases the credibility of the analysis. The adjustment process for each comparable land sale is discussed in the following paragraphs.

### Discussion of Adjustments

Comparable 1 (\$4.33/SF as adjusted) did not require any transaction adjustments. This comparable required a total downward adjustment of -5% for property characteristics. This sale was chosen for its commercial zoning and proximity to the Subject being roughly two miles south. This property required a downward adjustment for size. The total gross adjustment applied to this comparable was 5%. The minimal amount of gross adjustments required for this comparable suggests it is similar to the subject, increasing its applicability for this analysis. Overall this comparable warrants primary consideration as a value indicator for the subject.

Comparable 2 (\$5.74/SF as adjusted) did not require any transaction adjustments. This comparable required a total upward adjustment of 10% for property characteristics. This comparable was chosen for its riparian rights. This property required an upward adjustment for size. The total gross adjustment applied to this comparable was 10%. The moderate level of gross adjustments required for this comparable indicates that it can be adequately relied upon for valuation of the subject. This comparable is given secondary consideration as a value indicator for the subject.

Comparable 3 (\$2.64/SF as adjusted) required a total upward transaction adjustment of 20%. This property sold at a sealed bid auction which warranted an upward adjustment for conditions of sale. This comparable required a total upward adjustment of 20% for property characteristics. This comparable was chosen for its riparian rights. This property has fair access to the water which decreased its utility rating and it was improved with an effectively vacant religious assembly at the time of sale. For these reasons a 20% adjustment was applied for site utility rating which is 10% for the riparian access and 10% for the structure. The total gross adjustment applied to this comparable was 40%. The moderate level of gross adjustments required for this comparable indicates that it can be adequately relied upon for valuation of the subject. This comparable is given minimal consideration as a value indicator for the subject.

Comparable 4 (\$7.16/SF as adjusted) did not require any transaction adjustments. This comparable required a total downward adjustment of -10% for property characteristics. This sale was chosen for its commercial zoning and proximity to the Subject as commercial highway zoning allows for more than its proposed use. This site is located in Fredericksburg which is superior to Tappahannock and a downward adjustment of 20% was applied for superior location. This sale required an upward adjustment for size. The total gross adjustment applied to this comparable was 30%. The minimal amount of gross adjustments required for this comparable suggests it is similar to the subject, increasing its applicability for this analysis. Overall this comparable warrants primary consideration as a value indicator for the subject.

### LAND VALUE CONCLUSION

The comparable land sales indicate an adjusted value range from \$2.64 to \$7.16/SF, with a median of \$5.04/SF and an average of \$4.97/SF. Based on the results of the preceding analysis, Comparable 1 (\$4.33/SF adjusted) and Comparable 4 (\$7.16/SF adjusted) are given primary consideration for the subject's opinion of land value.

The improved property is currently under contract for \$1,100,000 and a copy of the contract can be found in the Addenda of this report. The subject improvements do not contribute significant value above the current land value. Therefore, demolition is applicable in this case. Values of marina properties in the region are trading around \$25,000 per slip, which, at 32 slips (22 floating and 10 stationary) would place the Subject improved value around \$800,000. Many of these marinas are vastly superior to the Subject improvements and it is unlikely that the Subject would trade for \$25,000 per slip. These marinas have proven income streams, equipment, FF&E, and management in-place. The business has experienced an operating loss for the previous two years primarily due to the right-of-way project over Ticknor's Creek which severely impeded the Subjects access and caused operating losses. Commercial land values regionally are ranging from \$1.83 - \$7.16 sq. ft. and have an adjusted value ranging from \$2.64 to \$7.16 per sq. ft. Thus, the property is worth more as vacant land than it is as currently improved.

The following table summarizes the analysis of the comparables, reports the reconciled price per square foot value conclusion, and presents the concluded value of the subject site.

CALCULATION OF LAND VALUE								
COMP	ANALYSIS	ADJUSTMENT				NET	GROSS	OVERALL
	PRICE	TRANSACTIONAL <sup>1</sup>	ADJUSTED	PROPERTY <sup>2</sup>	FINAL	ADJ %	ADJ %	COMPARISON
1	\$4.56	0%	\$4.56	-5%	\$4.33	-5%	5%	PRIMARY
2	\$5.22	0%	\$5.22	10%	\$5.74	10%	10%	SECONDARY
3	\$1.83	20%	\$2.20	20%	\$2.64	44%	40%	MINIMAL
4	\$7.95	0%	\$7.95	-10%	\$7.16	-10%	30%	PRIMARY
<b>LOW</b>	<b>\$2.64</b>						<b>AVERAGE</b>	<b>\$4.97</b>
<b>HIGH</b>	<b>\$7.16</b>						<b>MEDIAN</b>	<b>\$5.04</b>
COMPONENT			SUBJECT SF	\$/SF CONCLUSION			VALUE	
<b>TOTAL PROPERTY</b>			<b>196,891</b>	<b>x</b>	<b>\$6.00</b>	<b>=</b>	<b>\$1,180,000</b>	
<b>Demolition Costs</b>							<b>(\$73,447)</b>	
<b>TOTAL ADJUSTED VALUE</b>							<b>\$1,110,000</b>	

<sup>1</sup>Cumulative <sup>2</sup>Additive

Rounded to nearest \$10,000



## A-16. Value Estimate by the Cost Approach

### INTRODUCTION

The Cost Approach is a set of procedures through which a value indication is derived for the fee simple interest in a property by estimating the current cost to construct a replacement for the existing structures, including an entrepreneurial incentive; deducting depreciation from the total cost; and adding the estimated land value. Adjustments may then be made to the indicated fee simple value of the subject property to reflect the value of the property interest being appraised.<sup>6</sup>

The cost approach is most applicable for real estate consisting of land and a new, or like new, building. This approach tends to lack reliability when there is a large degree of depreciation. Since the subject structure is substantially depreciated, the cost approach was not developed in this appraisal.

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<sup>6</sup> The Dictionary of Real Estate Appraisal, Fifth Edition, Appraisal Institute, Chicago, Illinois, 2010

## A-17. Value Estimate by the Sales Comparison Approach

### INTRODUCTION

The Sales Comparison Approach is based on the principle of substitution, which asserts that a buyer would not pay more for a property than the value of similar properties in the market. This approach analyzes comparable sales by applying transactional and property adjustments to bracket the subject property within an appropriate unit value comparison.

### UNIT OF COMPARISON

The most relevant unit of comparison is the price per slip. This indicator best reflects the analysis used by buyers and sellers in this market for improved properties with similar design and utility.

### COMPARABLE SELECTION

We completed a thorough search for similar improved sales in terms of property type, location, physical characteristics, and date of sale. In selecting comparables, emphasis was placed on confirming recent improved sales of properties that match the highest and best use, and buyer/seller profile of the subject property. Overall, the sales selected represent the best comparables available for this analysis.

### ADJUSTMENT PROCESS

Quantitative adjustments are made to the comparable sales. The following adjustments or general market trends were considered for the basis of valuation.

#### Transactional Adjustments

Dollar adjustments to the comparable sales were considered and made when warranted for transactional adjustments in the sequence shown below:

Property Rights Transferred	The valuation of the subject site was completed on a fee simple basis. If warranted, leased fee, leasehold and/or partial interest sales were adjusted accordingly.
Financing Terms	The subject property was valued on a cash equivalent basis. Adjustments were made to the comparables involving financing terms atypical of the marketplace.
Conditions of Sale	This adjustment accounts for extraordinary motivation on the part of the buyer or seller often associated with distressed sales.
Expenditures After Purchase	Adjustments were applied if physical conditions warranted expenditures on the part of the buyer to bring the comparable up to functional standards. Most often this adjustment accounts for costs associated with deferred maintenance.
Market Conditions	The market conditions adjustment is based on a comprehensive study of cap rates (a good measure of market change) that show marina properties have generally appreciated in value the past two years. This analysis applies a positive market conditions adjustment.

#### Property Adjustments

Quantitative percentage adjustments are also made for location and physical characteristics such as size, age, site and parking ratios, access, exposure, quality and condition, as well as other applicable elements of comparison. Where possible the adjustments applied are based on paired data or other statistical analysis. It should be stressed that the adjustments are subjective in nature and are meant to illustrate our logic in deriving a value opinion for the subject property.

## Physical/Locational

Physical adjustments are analyzed qualitatively and quantitatively and are based on observations made by the appraisers for the elements of comparison. Adjustments for physical and locational characteristics are generally subjective in nature. A general discussion of these and other factors will be discussed in the following pages.

PERCENTAGE ADJUSTMENT TABLE					
Date of Sale	0.42%/Month		(5%/Year)		
Category	Smaller	Similar	Larger		
No. Slips	-5%	0%	50%		
Category	Inferior	Sl. Inferior	Similar	Sl. Superior	Superior
Location	35%	25%	0%	-15%	-30%
Quality	35%	25%	0%	-15%	-30%
Condition	35%	25%	0%	-15%	-30%
Access	35%	25%	0%	-15%	-30%
Exposure	35%	25%	0%	-15%	-30%
Economic	35%	25%	0%	-15%	-30%

## PRESENTATION

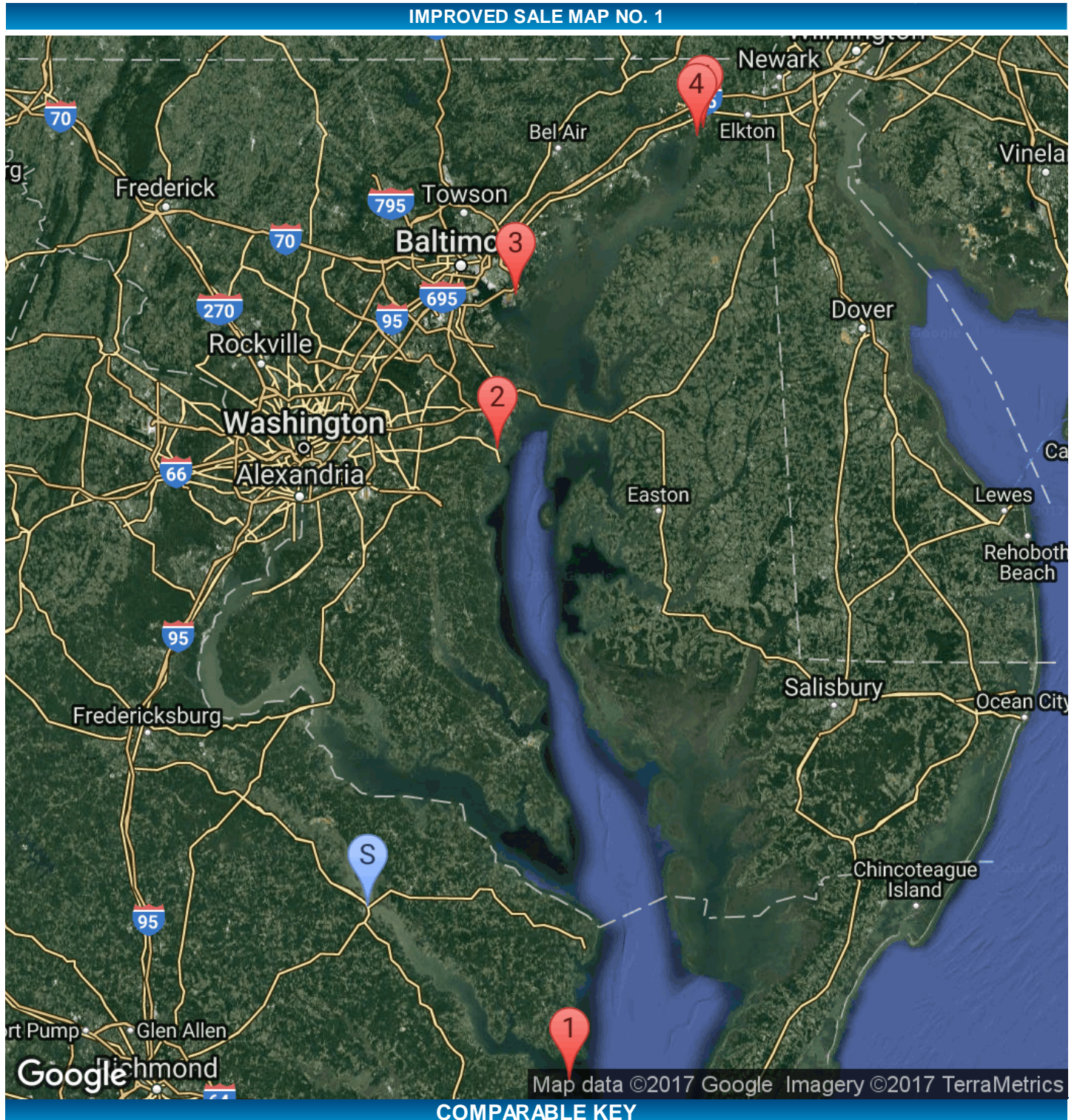
The following Sales Summation Table, Location Map and datasheets summarize the improved sales data. Following these items, the comparable sales are adjusted for applicable elements of comparison and the opinion of value by the Sales Comparison Approach is concluded.

## SALES COMPARABLE SUMMATION TABLE

		DATE	TRANS. PRICE	ANALYSIS PRICE	SLIPS	OCCUPANCY	BUYER	Confirmation
<b>Comparable 1</b>		STATUS	PRICE/SLIP	PRICE/SLIP	YEAR BUILT	CAP RATE	SELLER	Source
Norview Marina		4/9/2017	\$3,050,000	\$3,081,000	98	100.0%	Galahad Marine Props Of Va Lic	Brian Ferrara
18691 General Puller Hwy		Recorded	\$31,122	\$31,434	2007	9.00%	Norview Marina	Seller's Broker
Deltaville, VA	Comments	This is a marina that includes wet (98) and dry stack (182) boat slips as well as a service department with a 70 ton marina railway and service building. The marina includes fueling facilities and bath house w/showers. The wet slips include 74 covered. The marina has a permit from the VA Dept of Environmental Quality to discharge up to 20,000 GPD of treated sewage. It is sufficient to construct more than 100 residential units on the excess land. It was last renewed in 2013 for 5 years. All the basic amenities include store, bath house, laundry, fuel dock, pump out, 30/50/100 amp electric, wi-fi, CATV, repair and pool. It is located in Deltaville, a mid-point on the Chesapeake Bay. □						
		□						
<b>Comparable 2</b>		STATUS	PRICE/SLIP	PRICE/SLIP	YEAR BUILT	CAP RATE	BUYER	Confirmation
Anchor Yacht Basin		6/23/2016	\$3,200,000	\$3,360,000	125	-	Anchor Yacht Basin	Jeff Griesbauer
1048 Turkey Point Rd		Recorded	\$25,600	\$26,880	1966	8.84%	Dimitri & Efrosini Sfakiyanudis	Knowledgeable Third Party
Edgewater, MD	Comments	This is a 2 parcel marina property on roughly 1.76 acres offering 125 slips, 7 of which have lifts. It can accommodate boats to 80' with MLW draft of between 3' and 6'. The slips are fixed, wooden slips in good condition. 30/50 amp electric, individually metered. There is a main building with a store, office, restroom, service bay and storage area. There is also a smaller building about 500 SF previously used for boat sales. There is also a 904 SF uninhabitable single family home. The marina is located off of Selby Bay in Edgewater, MD approximately 5 miles from downtown Annapolis. There are no bridges or obstructions from the marina to the open waters of the Chesapeake Bay. This transaction was signed June 23, 2016 for \$3,200,000.						
<b>Comparable 3</b>		STATUS	PRICE/SLIP	PRICE/SLIP	YEAR BUILT	CAP RATE	BUYER	Confirmation
Young's Boat Yard		5/11/2017	\$1,440,000	\$1,442,000	120	-	Unknown	David Preston
7201 Waldman Ave		Under Contract	\$12,000	\$12,013	1985	10.00%	Young's Boat Yard, Inc.	Seller's Broker
Sparrows Point, MD	Comments	This is a 120 wet slip marina located on 5 parcels totaling 1.7 acres. It offers slips up to 45', 105 dry boat storage and recently went through rezoning from residential to Business Maritime Boatyard. Improvements include: 15 ton marine travel lift, boat ramp, boat trailer, dinghy and work rafts, and Captain Clean pump out. It is located in Sparrows Point, a quiet neighborhood area of Baltimore. This is a marina under contract which the broker stated will close around 10% cap rate. He could not disclose the exact details until closing. It was offered for \$1,800,000. The owner's residence is located directly across the street from the boatyard. It is not a part of this offering, however, the owners would be open to discussing the sale of the home in addition to the sale of the boatyard. Terms to be determined.						
<b>Comparable 4</b>		STATUS	PRICE/SLIP	PRICE/SLIP	YEAR BUILT	CAP RATE	BUYER	Confirmation
Shelter Cove Yacht Basin		9/1/2016	\$3,851,561	\$4,006,000	150	-	Galahad Marine	Jeff Griesbauer
230 Riverside Dr		Recorded	\$25,677.07	\$26,704	1962	9.00%	Shelter Cove Yacht Basin	Buyer's Broker
North East, MD	Comments	This is a 150 wet slip marina, 28 covered and 9 transient. The marina can accommodate boats with a max LOA of 50 feet, with a max beam of 12 feet. High/dry rack storage capacity for 100 boats with year around forklift service is also available. It is located in the upper Chesapeake Bay. This transaction was signed September 21, 2016 to Dominic Nicosia, represented by Jeff Griesbauer of MarinasForSale.com. He purchased the marina for \$3,851,561 or \$25.00/Slip.						
<b>Comparable 5</b>		STATUS	PRICE/SLIP	PRICE/SLIP	YEAR BUILT	CAP RATE	BUYER	Confirmation
McDaniel Yacht Basin		8/22/2016	\$5,000,000	\$5,000,000	200	-	Domenic Nicosia	Jeff Griesbauer
15 Grandview Ave		Recorded	\$25,000	\$25,000	1929	-	Norton's Shipyard & Marina	Buyer's Broker
North East, MD	Comments	McDaniel Yacht Basin was acquired by Dominic Nicosia in August 2016 from McDaniel Yacht Basin Inc. for a total consideration of \$5,000,000. This amounts to an acquisition price of \$25,000 per slip. This sale involved a single-asset transaction. Amenities include fuel, electricity, pump-out, heads and showers, laundry, pool, ship store, brokerage office, and a meeting facility. The overall capitalization rate at the time of sale was not available. This sale, which is located at 15 Grandview Avenue in North East, is a marina that features 200 wet slips. The property's original construction date was not available at the time of research. The interest conveyed was reported to be fee simple and the conditions of sale are understood to be arms-length.						



# SALES LOCATION MAP



COMP	DISTANCE	NAME	ADDRESS	OCC.	SALE DATE
SUBJECT	-	June Parker Marina	531 Church Lane, Tappahannock, VA	-	-
No. 1	39.4 Miles	Norview Marina	18691 General Puller Hwy, Deltaville, VA	100.0%	4/9/2017
No. 2	69.9 Miles	Anchor Yacht Basin	1048 Turkey Point Rd, Edgewater, MD		6/23/2016
No. 3	92.3 Miles	Young's Boat Yard	7201 Wladman Ave, Annapolis, MD		5/11/2017
No. 4	122.5 Miles	Shelter Cove Yacht Basin	230 Riverside Dr, North East, MD		9/1/2016
No. 5	124.0 Miles	McDaniel Yacht Basin	15 Grandview Ave, North East, MD		8/22/2016



## SALES COMPARABLE ADJUSTMENT GRID

COMPARABLES	Comparable 1	Comparable 2	Comparable 3	Comparable 4	Comparable 5
<b>Transaction Price:</b>	<b>\$3,050,000</b>	<b>\$3,200,000</b>	<b>\$1,440,000</b>	<b>\$3,851,561</b>	<b>\$5,000,000</b>
<b>Transaction Price/Slip:</b>	<b>\$31,122</b>	<b>\$25,600</b>	<b>\$12,000</b>	<b>\$25,677</b>	<b>\$25,000</b>
Conditions of Sale	None	None	None	None	None
% Adjustment	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Subtotal Price/Slip</b>	<b>\$31,122</b>	<b>\$25,600</b>	<b>\$12,000</b>	<b>\$25,677</b>	<b>\$25,000</b>
Date of Sale:	4/9/17	6/23/16	5/11/17	9/1/16	8/22/16
% Adjustment	1%	5%	0%	4%	0%
<b>Analysis Price/Slip</b>	<b>\$31,434</b>	<b>\$26,880</b>	<b>\$12,013</b>	<b>\$26,704</b>	<b>\$25,000</b>
Location:	Average	Average	Average/Good	Average	Average
Analysis:		Similar	Sl. Superior:	Similar	Similar
		0%	-15%	0%	0%
Year Built:	1975	2007	1966	1985	1962
Analysis:		New er	Similar	Sl. New er	Similar
					Older
Number of Slips:	32	98	125	120	150
Analysis:		Larger	Larger	Larger	Larger
		15%	15%	15%	20%
					25%
Quality:	Average	Average	Average	Average	Average
Analysis:		Superior	Superior	Similar	Superior
		-30%	-30%	0%	-30%
					-30%
Condition:	Average	Good	Average	Average	Average
Analysis:		Superior	Similar	Similar	Similar
		-10%	0%	0%	0%
					0%
Access	Average	Average	Average	Average	Average
Analysis:		Similar	Similar	Similar	Similar
		0%	0%	0%	0%
					0%
Exposure	Average	Average	Average	Average	Average
Analysis:		Similar	Similar	Similar	Similar
		0%	0%	0%	0%
					0%
Economic Adj.	Average	Average	Average	Average	Average
Analysis:		Similar	Similar	Similar	Superior
		-15%	0%	0%	-15%
					-15%
<b>Overall Indicator:</b>	<b>Good</b>	<b>Good</b>	<b>Good</b>	<b>Good</b>	<b>Good</b>
<b>Adj. Price/Slip:</b>	<b>\$18,860</b>	<b>\$18,816</b>	<b>\$13,815</b>	<b>\$20,028</b>	<b>\$20,000</b>

\*The analysis price is first adjusted for date of sale, and then multiplied by the total net adjustment % for the remaining categories.

## SALES COMPARABLE ANALYSIS

The following table illustrates how the subject property is bracketed by the comparables on an adjusted price per slip basis and displays the price per slip value conclusion. The comparables indicate an adjusted sale price range from \$13,815/Slip (Comparable 3) to \$20,000/Slip (Comparable 5). The average is \$18,776/Slip and the median is \$19,003/Slip.

**Sale # 1** - This Sale has 98 wet slips which is significantly more than the Subject's 32 slips and required an upward adjustment for quantity. The Subject is improved with one warehouse and one retail building which is inferior in regards to the quality of this marina and a downward adjustment was necessary. This marina was built in 2007 and required a downward adjustment for superior condition. This marina has covered slips which generate more revenue and a downward adjustment was applied for economic adjustment. The total gross adjustment applied to this comparable was -40%. The substantial level of net adjustments required for this comparable was justified due to the comparable's varying attributes. Considering these factors, this comparable is given primary consideration as a value indicator for the subject.

**Sale # 2** - This Marina was better located than the Subject with superior access to the residential base as well as linkages. This Sale has 125 wet slips which is significantly more than the Subject's 32 slips and required an upward adjustment for quantity. The Subject is improved with one warehouse and one retail building which is inferior in regards to the quality of this marina and a downward adjustment was necessary. The total gross adjustment applied to this comparable was -30%. The substantial level of net adjustments required for this comparable was justified due to the comparable's varying attributes. Considering these factors, this comparable is given primary consideration as a value indicator for the subject.

**Sale # 3** - This Sale has 120 wet slips which is significantly more than the Subject's 32 slips and required an upward adjustment for quantity. The total gross adjustment applied to this comparable was 15%. The substantial level of net adjustments required for this comparable was justified due to the comparable's varying attributes. Considering these factors, this comparable is given primary consideration as a value indicator for the subject.

**Sale # 4** - This Sale has 150 wet slips which is significantly more than the Subject's 32 slips and required an upward adjustment for quantity. The Subject is improved with one warehouse and one retail building which is inferior in regards to the quality of this marina and a downward adjustment was necessary. This marina has covered slips which generate more revenue and a downward adjustment was applied for economic adjustment. The total gross adjustment applied to this comparable was -25%. The substantial level of net adjustments required for this comparable was justified due to the comparable's varying attributes. Considering these factors, this comparable is given primary consideration as a value indicator for the subject.

**Sale # 5** - This Sale has 200 wet slips which is significantly more than the Subject's 32 slips and required an upward adjustment for quantity. The Subject is improved with one warehouse and one retail building which is inferior in regards to the quality of this marina and a downward adjustment was necessary. This marina has covered slips which generate more revenue and a downward adjustment was applied for economic adjustment. The total gross adjustment applied to this comparable was -20%. The substantial level of net adjustments required for this comparable was justified due to the comparable's varying attributes. Considering these factors, this comparable is given primary consideration as a value indicator for the subject.

Per interviews with Jeff Griesbauer a broker with Marinas For Sale the comparables used were to only that should be compared to the Subject marina. The presented data is deemed to be the best for comparison to the subject but it is the view of the appraisers that these properties do not reasonably capture the market value of the subject property and this is a principal weakness of this approach to value. In this instance, we place little emphasis on the indication from the pending subject sale. This is due to the location, quality and age of the Subject.

### SALES COMPARISON APPROACH CONCLUSION

The following table summarizes the analysis of the comparables, reports the reconciled price per slip value conclusion, and presents the concluded value of the subject property.

SUMMARY OF COMPARABLE ANALYSIS						
COMP. NO.	ANALYSIS \$/SLIP	ADJUSTMENTS			ADJUSTED \$/SLIP	
		TRANSACTIONAL	PROPERTY (NET)	PROPERTY (GROSS)		
1	\$31,122	1%	\$31,434	-40%	70%	\$18,860
2	\$25,600	5%	\$26,880	-30%	60%	\$18,816
3	\$12,000	0%	\$12,013	15%	15%	\$13,815
4	\$25,677	4%	\$26,704	-25%	65%	\$20,028
5	\$25,000	0%	\$25,000	-20%	70%	\$20,000
Statistical Analysis (Adjusted Price/Slip)						
Low	\$13,815			Median		\$18,860
High	\$20,028			Average		\$18,304
CALCULATION OF VALUE						
CONCLUDED PRICE/SLIP		NO. SLIPS		VALUE		
\$18,500		x	32	=	<b>\$590,000</b>	

\*This represents the subtotal of the remaining adjustment categories.

Rounded to nearest \$10,000

## A-18. Value Estimate by the Income Capitalization Approach

### INTRODUCTION

The first step in the Income Capitalization Approach is to give our opinion as to the subject's potential gross income, which is derived by comparing the subject property with other income properties having similar utility, in similar locations. The analysis is based upon the professional management of the property and results in a market value conclusion.

The following presentation summarizes the comparables most similar to the subject property. A Slip Rate Comparable Summation Chart is presented on the following pages. The analysis is conducted on a slip rent per day basis, reflecting typical market behavior. The slip rate is on a full service lease in which all expenses are paid by the owner.

### PRESENTATION

Five slip rate comparables will be used in this analysis. These properties are all in or near the Tappahannock market however they vary on their competitiveness with the subject because they vary in amenities. The comparable discussion will be based on rack rates. The comparable rates will be compared to the subject's rack rates. Regular rack rates are posted rates are generally similar to commercial rates, or slightly lower. In the following pages, information regarding each comparable is presented.

The subject's historical income and expenses will be analyzed and compared to income and expense comparables. Conclusions will be made for each income and expense category. Following these conclusions a pro forma operating statement will be presented.

### WET SLIP RATE COMPARABLE SUMMATION TABLE

SUBJECT	NUMBER SLIPS	DOCKAGE	WET SLIPS		RACK		AMENITIES	OVERALL INDICATOR
			IN SEASON	OFF-SEASON	INDOOR	OUTDOOR		
June Parker Marina 531 N. Church Lane Tappahannock, Virginia	32	< 26' 26' - 39' 40' +	\$100-\$150		\$200	\$150	Fuel, Restrooms, Pump out,	
<b>COMPARABLE 1</b>								
Garrett's Marina 339 Catchpenny Ln Tappahannock VA, 22560	3	< 26' 26' - 39' 40' +	\$375				Restrooms, Showers, Hauling, dry racks	Sl. Superior
<b>COMPARABLE 2</b>								
Urbanna Town Municipal Marina 210 Oyster Rd Urbanna VA, 23175	32	< 26' 26' - 39' 40' +	\$200-\$300				Restrooms, Showers, Pump out	Sl. Superior
<b>COMPARABLE 3</b>								
Sunset Point Marina 792 Burrells Marina Rd Urbanna VA, 23175	33	< 26' 26' - 39' 40' +	\$175				Restrooms, Showers, Pump out, Hauling	Sl. Superior
<b>COMPARABLE 4</b>								
Norview Marina 18691 General Puller Highway Deltaville, VA 23043	98	< 26' 26' - 39' 40' +	\$329-\$377				Fuel, Restrooms, Showers, Pump out, Concierge, Hauling, Travel lift, dry racks	Superior
<b>COMPARABLE 5</b>								
Remlik Marina 485 Burch Rd Urbanna VA 23175	84	< 26' 26' - 39' 40' +	\$150 \$200-\$233 \$250-\$270				Fuel, Restrooms, Showers, Pump out	Sl. Superior

#### Rack Rate Conclusion

The comparables indicate a narrow range of slip rates and varying slip types. The comparables have varying in-slip and common amenities and locational characteristics. Generally, the comparables bracket the subject property in construction quality, age, and amenities. Most of the comparables' rates are for double occupancy. Note that these rates are based on the published online rates for each comparable and for the subject. These figures do not necessarily represent the ASR of the comparable or subject because of discounts given.

Based on the physical and locational characteristics of the comparables, the subject's rack rates appear reasonable.



## INCOME & EXPENSE ANALYSIS

The preceding section addressed potential risks associated with the cash flow of the subject property. Having addressed potential risks, it is appropriate to analyze historical revenues and operating expenses. These are summarized in the following table. Also included on the table are the first year revenue and projected revenue on a stabilized basis:

### JUNE PARKER MARINA HISTORICAL INCOME & EXPENSE

	2014			2015			2016			2017 Budget		
	Total	Ratio	PAS	Total	Ratio	PAS	Total	Ratio	PAS	Total	Ratio	PAS
<b>Income</b>												
Slip Sales	\$25,548	20.8%	\$798	\$17,618	20.5%	\$551	\$13,672	20.6%	\$427	\$25,500	20.8%	\$797
Storage Sales	\$92,489	75.3%	\$2,890	\$57,768	67.2%	\$1,805	\$48,170	72.7%	\$1,505	\$92,489	75.6%	\$2,890
Other Sales	\$0	-	-	\$5,750	6.7%	\$180	\$0	-	-	-	-	-
Commercial Rents	\$4,800	3.9%	\$150	\$4,800	5.6%	\$150	\$4,400	6.6%	\$138	\$4,400	3.6%	\$138
<b>Total Income</b>	<b>\$122,837</b>	<b>100.0%</b>	<b>\$3,839</b>	<b>\$85,937</b>	<b>100.0%</b>	<b>\$2,686</b>	<b>\$66,242</b>	<b>100.0%</b>	<b>\$2,070</b>	<b>\$122,389</b>	<b>100.0%</b>	<b>\$3,825</b>
<b>Expenses</b>												
<b>Departmental</b>												
Slips	\$38,120	149.2%	\$1,191	\$34,944	198.3%	\$1,092	\$30,382	222.2%	\$949	\$30,382	119.1%	\$949
<b>Undistributed</b>												
Admin. & General	\$0	-	-	\$0	-	-	\$337	0.5%	\$11	\$320	0.3%	\$10
Marketing	\$279	0.2%	\$9	\$136	0.2%	\$4	\$0	-	-	\$128	0.1%	\$4
Utilities	\$8,181	6.7%	\$256	\$5,890	6.9%	\$184	\$5,872	8.9%	\$183	\$5,920	4.8%	\$185
Property Operation & Maintenance	\$2,710	2.2%	\$85	\$4,711	5.5%	\$147	\$1,116	1.7%	\$35	\$1,600	1.3%	\$50
Payroll	\$26,764	21.8%	\$836	\$31,569	36.7%	\$987	\$27,966	42.2%	\$874	\$30,597	25.0%	\$956
Management Fee	\$0	-	-	\$0	-	-	\$0	-	-	-	-	-
<b>Fixed</b>												
Taxes	\$7,871	6.4%	\$246	\$8,483	9.9%	\$265	\$8,548	12.9%	\$267	\$8,265	6.8%	\$258
Insurance	\$8,236	6.7%	\$257	\$8,811	10.3%	\$275	\$9,234	13.9%	\$289	\$8,960	7.3%	\$280
<b>Total Expenses</b>	<b>\$92,161</b>	<b>75.0%</b>	<b>\$2,880</b>	<b>\$94,544</b>	<b>110.0%</b>	<b>\$2,955</b>	<b>\$83,454</b>	<b>126.0%</b>	<b>\$2,608</b>	<b>\$86,172</b>	<b>70.4%</b>	<b>\$2,693</b>
<b>Net Operating Income</b>	<b>\$30,676</b>	<b>25.0%</b>	<b>\$959</b>	<b>(\$8,607)</b>	<b>-10.0%</b>	<b>(\$269)</b>	<b>(\$17,212)</b>	<b>-26.0%</b>	<b>(\$538)</b>	<b>\$36,217</b>	<b>29.6%</b>	<b>\$1,132</b>

## INCOME CONCLUSIONS

Income is derived from three main categories, Slips, mooring and boat rental, storage, and service. Each one is discussed below. The ratio (Ratio) represents the income as a percentage of the total income. Per available slip (PAS) represents the income per available slip. Per occupied slip (POS) represents the income available per occupied slip. Slip income is calculated by taking the total slips available per year multiplied by the concluded occupancy and ASR.

SLIP SALES			
#	AMOUNT	RATIO	PAS
2014	\$25,548	20.8%	\$798
2015	\$17,618	20.5%	\$551
2016	\$13,672	20.6%	\$427
2017 Budget	\$25,500	20.8%	\$797
<b>Income Conclusion:</b>	<b>\$25,500</b>	<b>11.6%</b>	<b>\$797</b>

This category is comprised of revenues derived from the rental of slips at the marina, net of any rebates and discounts. The subject's concluded income is bracketed and supported by the comparable data. The conclusion is based on the the 2014 estimate when the prior to the right-of-way project.

OTHER SALES			
#	AMOUNT	RATIO	PAS
2015	\$5,750	6.7%	\$180
<b>Income Conclusion:</b>	<b>\$5,750</b>	<b>2.6%</b>	<b>\$180</b>

Other income is generated by the sources such as boat and mooring rentals, parking rents, and retail shop sales. These outlets are both a source of income and an amenity for the sale of rooms. This expense is based on PAS. The subject's concluded income is bracketed and supported by the comparable data. The conclusion is based on \$2.00/PAS.

STORAGE SALES			
#	AMOUNT	RATIO	PAS
2014	\$92,489	75.3%	\$2,890
2015	\$57,768	67.2%	\$1,805
2016	\$48,170	72.7%	\$1,505
2017 Budget	\$92,489	75.6%	\$2,890
<b>Income Conclusion:</b>	<b>\$92,160</b>	<b>42.0%</b>	<b>\$2,880</b>

Storage income is generated by the warehouse and dry racks. This expense is based on PAS. The subject's concluded income is bracketed and supported by the comparable data. The conclusion is based on \$32.00/PAS.

COMMERCIAL RENTS			
#	AMOUNT	RATIO	PAS
2015	\$4,800	5.6%	\$150
2016	\$4,400	6.6%	\$138
2017 Budget	\$4,400	3.6%	\$138
<b>Income Conclusion:</b>	<b>\$4,400</b>	<b>2.0%</b>	<b>\$138</b>

Other income includes income generated from sources that do not fall under the categories of slips and storage sales. This category accounts for miscellaneous revenue such as office rental etc. This expense is based on PAS. The subject's concluded income is bracketed and supported by the comparable data. The conclusion is based on \$1.53/PAS.

### Analysis of Operating Expenses

The operating expenses for the subject property were presented previously.

### Conclusion of Operating Expenses

The expense conclusions made here will be used in the DCF for the subject in year 1. The expense category has been divided into departmental, undistributed, and fixed expenses as follows. Only the major expenses will be discussed. The ratio shown in each of the tables is the percentage of total sales, PAS is per available slip, and POS is per occupied slip.

SLIP SALES			
#	AMOUNT	RATIO	PAS
2014	\$25,548	20.8%	\$798
2015	\$17,618	20.5%	\$551
2016	\$13,672	20.6%	\$427
2017 Budget	\$25,500	20.8%	\$797
<b>Income Conclusion:</b>	<b>\$25,500</b>	<b>11.6%</b>	<b>\$797</b>

This category is comprised of revenues derived from the rental of slips at the marina, net of any rebates and discounts. The subject's concluded income is bracketed and supported by the comparable data. The conclusion is based on the the 2014 estimate when the prior to the right-of-way project.

ADMIN. & GENERAL			
#	AMOUNT	RATIO	PAS
2016	\$337	0.5%	\$11
2017 Budget	\$320	0.3%	\$10
<b>Expense Conclusion:</b>	<b>\$320</b>	<b>0.1%</b>	<b>\$10</b>

Administrative and general includes payroll and related expenses for the general manager, HR, training, security, clerical staff, controller and accounting staff. Other items in this category include office supplies, computer services, accounting and legal fees, bad debt expenses, travel insurance, non-guest transportation, entertainment and credit card commissions. This expense is based on a PAS basis. The subject's concluded expense is bracketed and supported by the expense comparable data. The conclusion is based on \$10/PAS.

MARKETING			
#	AMOUNT	RATIO	PAS
2014	\$279	0.2%	\$9
2015	\$136	0.2%	\$4
2016	\$0	-	-
2017 Budget	\$128	0.1%	\$4
<b>Expense Conclusion:</b>	<b>\$128</b>	<b>0.1%</b>	<b>\$4</b>

Advertising and marketing expenses include payroll and related expenses for the sales and marketing staff, direct sales expenses, advertising and promotion, travel expense for the sales staff and community projects. This expense category also includes advertising fees or assessments paid to the franchise company and the costs of any frequent guest stay programs. This expense is based on a PAS basis.

UTILITIES			
#	AMOUNT	RATIO	PAR
2014	\$8,181	6.7%	\$256
2015	\$5,890	6.9%	\$184
2016	\$5,872	8.9%	\$183
2017 Budget	\$5,920	4.8%	\$185
<b>Expense Conclusion:</b>	<b>\$5,920</b>	<b>2.7%</b>	<b>\$185</b>

Utility expenses include garbage, electricity, fuel (oil or gas), and water. This expense is based on a PAS basis. The subject's concluded expense is bracketed and supported by the expense comparable data. The conclusion is based on \$185/PAS.

PROPERTY OPERATION & MAINTENANCE			
#	AMOUNT	RATIO	PAS
2014	\$2,710	2.2%	\$85
2015	\$4,711	5.5%	\$147
2016	\$1,116	1.7%	\$35
2017 Budget	\$1,600	1.3%	\$50
<b>Expense Conclusion:</b>	<b>\$1,600</b>	<b>0.7%</b>	<b>\$50</b>

Property Operations and Maintenance includes related expenses for maintenance personnel, cost of maintenance supplies, cost of repairs and maintenance of the building, furniture and equipment and the site. This expense is based on a PAS basis. The subject's concluded expense is bracketed and supported by the comparable data. The conclusion is based on \$50/PAS.

PAYROLL			
#	AMOUNT	RATIO	PAS
2014	\$26,764	21.8%	\$836
2015	\$31,569	36.7%	\$987
2016	\$27,966	42.2%	\$874
2017 Budget	\$30,597	25.0%	\$956
<b>Expense Conclusion:</b>	<b>\$30,597</b>	<b>25.0%</b>	<b>\$956</b>

Franchise fees include only the royalty fees charged by franchise companies. This expense is based on the ratio to sales. The subject's concluded expense is bracketed and supported by the expense comparable data. The conclusion is based on 25.00% of total income.

<b>TAXES</b>			
<b>#</b>	<b>AMOUNT</b>	<b>RATIO</b>	<b>PAS</b>
2014	\$7,871	6.4%	\$246
2015	\$8,483	9.9%	\$265
2016	\$8,548	12.9%	\$267
2017 Budget	\$8,265	6.8%	\$258
<b>Expense Conclusion:</b>	<b>\$8,265</b>	<b>3.8%</b>	<b>\$258</b>

Property taxes include taxes on real estate, business and occupation, personal property, utilities and any other municipal taxes. The subject's current tax expense as shown in the Assessment and Tax Information section are \$8103. We have estimated the subject's taxes for the marina based on the actual taxes of the subject plus a 2% upward adjustment.

<b>INSURANCE</b>			
<b>#</b>	<b>AMOUNT</b>	<b>RATIO</b>	<b>PAS</b>
2014	\$8,236	6.7%	\$257
2015	\$8,811	10.3%	\$275
2016	\$9,234	13.9%	\$289
2017 Budget	\$8,960	7.3%	\$280
<b>Expense Conclusion:</b>	<b>\$8,960</b>	<b>4.1%</b>	<b>\$280</b>

Insurance costs include the cost of insuring the building and contents against fire, weather, sprinkler damage, plate glass breakage, and typically includes all insurance except for worker's compensation. This expense is based on a PAS basis. The subject's concluded expense is bracketed and supported by the expense comparable data. The conclusion is based on \$280/PAS.

The following table summarizes and restates the concluded amount for each of the expense categories.

<b>EXPENSE ANALYSIS &amp; CONCLUSIONS</b>			
<b>EXPENSES</b>	<b>AMOUNT</b>	<b>RATIO</b>	<b>PAS</b>
<b>Departmental</b>			
Slips	\$30,382	13.8%	\$949
Other	\$35,251	18.5%	\$1,102
Service	\$1,006	28.5%	\$31
<b>Undistributed</b>			
Admin. & General	\$320	0.1%	\$10
Marketing	\$128	0.1%	\$4
Utilities	\$5,920	2.7%	\$185
Property Operation & Maintenance	\$1,600	0.7%	\$50
Payroll	\$30,597	25.0%	\$956
Management Fee	\$2,196	1.0%	\$69
<b>Fixed</b>			
Taxes	\$8,265	3.8%	\$258
Insurance	\$8,960	4.1%	\$280
<b>Total Expenses</b>	<b>\$124,625</b>	<b>56.8%</b>	<b>\$3,895</b>



## INVESTMENT MARKET ANALYSIS

### Development of Capitalization Rate

The going-in capitalization rate, also known as overall rate (OAR), can be determined using several sources and methods. In developing our opinion of OAR, the following techniques were used:

- › Comparable Sales (Sales Comparison Approach)
- › Investor Surveys
- › Band of Investment Technique

### Comparable Sales

The following table presents a summary of the comparable sales used ahead in the Sales Comparison Approach, and the capitalization rates from each of those sales.

CAPITALIZATION RATE COMPARABLES								
NO.	NAME	CITY/STATE	YR BUILT	SALE DATE	NO. SLIPS	NOI/SLIP	\$/SLIP	CAP RATE
<b>SALES COMPARABLES</b>								
1	Norview Marina	Deltaville, VA	2007	April 2017	98	\$2,801	\$31,122	9.00%
2	Anchor Yacht Basin	Edgewater, MD	1966	June 2016	125	\$2,396	\$25,600	9.36%
3	Young's Boat Yard	Sparrows Point, MD	1985	May 2017	120	\$1,200	\$12,000	10.00%
4	Shelter Cove Yacht Basin	North East, MD	1962	September 2016	150	\$2,311	\$25,677	9.00%
							<b>LOW</b>	<b>9.00%</b>
							<b>HIGH</b>	<b>10.00%</b>
							<b>AVERAGE</b>	<b>9.34%</b>

The capitalization rates of the comparables present a narrow range from 9.00% to 10.00%, and average 9.34%. All except Sale 3 of the cited comparable data represents marinas of superior competitive quality to the subject property and marina's that will likely achieve a greater level of penetration estimated for the subject property.

### Investor Surveys

The potential investor pool for the subject asset includes national, regional and local investors. While all of these groups place emphasis on local cap rates, regional and national investors would also strongly consider national cap rate trends from investor surveys due to the potential to invest in other regions that are offering competitive rates of return.

	CAPITALIZATION RATE		
	LOW	HIGH	AVERAGE
PwC Real Estate Investor - 3Q 2015	7.5%	10.0%	8.8%
RealtyRates Investor Survey 3Q 2015	6.2%	17.0%	11.5%
Real Capital Analytics (US) - July 2015	3.2%	8.5%	13.2%
<b>Average</b>	<b>5.6%</b>	<b>11.8%</b>	<b>11.1%</b>

While the subject property is not an institutional-quality marina from a construction quality, or amenity standpoint, its high quality location render it comparable to investment quality assets and it is reasonable that an indication at or below the average indications from the investment surveys would be reasonable for the subject property.

### Band of Investment Technique

Because most properties are purchased with debt and equity capital, the overall capitalization rate must satisfy the market return requirements of both investment positions. Lenders must anticipate receiving a competitive interest rate commensurate with the perceived risk of the investment or they will not make funds available. Lenders also require that the principal amount of the loan be repaid through amortization payments. Similarly,

equity investors must anticipate receiving a competitive equity cash return commensurate with the perceived risk or they will invest their funds elsewhere.

To analyze the capitalization rate from a financial position, the Band of Investment Technique is used. Available financing information indicates the following terms:

<b>BAND OF INVESTMENTS ASSUMPTIONS</b>	
Loan Amortization Period	20 Years
Interest Rate	4.25%
Loan-to-Value Ratio	60%
Mortgage Constant	0.07431

Equity dividend rates vary depending upon motivations of buyers and financing terms. The previous terms and an appropriate equity dividend rate are used in the Band of Investments calculations, which are presented on the following chart.

<b>BAND OF INVESTMENTS CALCULATION</b>					
Mortgage Component	60%	x	0.074	=	0.045
Equity Component	40%	x	0.115	=	0.046
Indicated Capitalization Rate					0.091
<b>Capitalization Rate (Rounded):</b>					<b>9.06%</b>

## **DIRECT CAPITALIZATION**

This method analyzes the relationship of one year's stabilized net operating income to total property value. The stabilized net operating income is capitalized at a rate that implicitly considers expected growth in cash flow and growth in property value over a buyer's investment horizon. The implied value may be adjusted to account for non-stabilized conditions or required capital expenditures to reflect an as is value.

<b>CAPITALIZATION RATE CONCLUSIONS</b>			
<b>SOURCE</b>	<b>LOW</b>	<b>HIGH</b>	<b>AVERAGE</b>
Market Extraction Method	9.0%	10.0%	9.34%
Band Of Investments Calculation			9.06%
Market Participants	9.0%	10.0%	9.50%
<b>CAPITALIZATION RATE CONCLUSION</b>			<b>9.00%</b>

In this instance, information gleaned from the market data as supported from the market participants was emphasized. Both the sales and participant information reflected a typical indication approximate of 9.0% for marina going-concern operations. The following table shows the Prospective Market Value at Stabilization:

## DIRECT CAPITALIZATION SUMMATION TABLE

Slips Available:

2,880

Income	Ratio	PAS	Total		
Slip Sales	19.9%	\$797	\$25,500		
Storage Sales	72.2%	\$2,890	\$92,489		
Other Sales	4.5%	\$180	\$5,750		
Commercial Rents	3.4%	\$138	\$4,400		
<b>TOTAL INCOME</b>	<b>100.0%</b>	<b>\$4,004</b>	<b>\$128,139</b>		
<b>Expenses</b>					
<b>Departmental</b>					
Slips	119.1%	\$949	\$30,382		
<b>Undistributed</b>					
Admin. & General	0.2%	\$10	\$320		
Marketing	0.1%	\$4	\$128		
Utilities	4.6%	\$185	\$5,920		
Property Operation & Maintenance	1.2%	\$50	\$1,600		
Payroll	23.9%	\$956	\$30,597		
<b>Fixed</b>					
Taxes	6.5%	\$258	\$8,265		
Insurance	7.0%	\$280	\$8,960		
<b>TOTAL EXPENSES</b>	<b>67.2%</b>	<b>\$2,693</b>	<b>\$86,172</b>		
<b>NET OPERATING INCOME</b>	<b>32.8%</b>	<b>\$1,311</b>	<b>\$41,967</b>		
Valuation of Income	NOI	Divided by	Cap. Rate	Equals	Value
	\$41,967	÷	9.00%	=	\$466,296
<b>INDICATED VALUE (Rounded)</b>				<b>\$15,000/Rm</b>	<b>\$465,000</b>

### RECONCILIATION OF INCOME APPROACH VALUES

The direct capitalization method is also given strong emphasis because it recognizes that typical buyers consider income a major motivating factor in their decision making process. The value of the subject property by the Income Approach is indicated in the following table:

INCOME APPROACH VALUE CONCLUSION (AS-IS)	
Method	Value
Direct Capitalization	\$465,000
<b>Income Approach Conclusion</b>	<b>\$465,000</b>

## A-19. Correlation and Final Value Estimate

### INTRODUCTION

The Reconciliation of Value Conclusions is the final step in the appraisal process and involves the weighing of the individual valuation techniques in relationship to their substantiation by market data, and the reliability and applicability of each valuation technique to the subject property. Understanding the profiles of potential buyers and their typical reliance on each approach to value strongly influences the weighting process.

As previously discussed, the **Cost Approach** was not presented in this analysis. The exclusion of the Cost Approach does not diminish the credibility of the value conclusion. The price per slip method has been presented in the **Sales Comparison Approach**. There have been few recent sales of properties similar to the subject in the market area in the current market conditions, which decreases the validity of this approach. Recognizing the shifting market conditions, investors would typically give limited weight to the Sales Comparison Approach in determining value. Therefore, supporting weight is given to the Sales Comparison Approach in this analysis.

The **Income Approach** to value is generally considered to be the best and most accurate measure of the value of income-producing properties. In this analysis, the Direct Capitalization analysis was developed into a final Income Approach value. The value estimate by this approach best reflects the analysis that knowledgeable buyers and sellers carry out in their decision-making processes regarding this type of property. Insufficient Subject information was provided such as the rent roll to appropriately test the units of comparison to the local market conditions. The Subject has had two years of operational losses due to a right-of-way project which hindered turn radius of the entrance. This forced the appraisers to rely on dated information to appraise the going-concern. The Sales Comparison Approach was considered more reliable in this situation.

As detailed earlier, the **Sales Comparison Approach (Land Value)** has a higher return to the land than the **Going-Concern**. This is mainly due to sales prices regionally trading at \$25,000 per slip. Further, the income stream is unreliable due to the right-of-way taking which hindered access to the property. Regionally, many of these marina sales were vastly superior to the Subject improvements and the Sales Comparison Approach concluded \$590,000. These comparable marinas have proven income streams, equipment, FF&E, and management in-place. Most of the Subjects income appears to be in storage sales and the appraiser considered that a viable income stream may be possible with the addition of more dry storage as well. This, of course is a speculative idea as it is unknown if the property can accommodate additional dry storage due to the marsh land and not representative of the property as of the effective date of value. This was ultimately the reason only the upland acreage was considered appropriate for valuation purposes. The property is currently under contract for \$1,100,000 and the land valued at \$1,130,000 which is a higher return and the highest and best use of the property as of the effective date of value.

### PRESENTATION OF VALUE CONCLUSIONS

After considering all factors relevant to the valuation of the subject property, with primary emphasis on the Income Approach, the subject's concluded As-Is Market Value is presented in the following table:

ANALYSIS OF VALUE CONCLUSIONS			
Cost Approach			Not Presented
Improved Sales Comparison Approach			\$590,000
Income Approach			\$465,000
<b>As-Is Land Market Value</b>	<b>Fee Simple</b>	<b>May 19, 2017</b>	<b>\$1,130,000</b>

## Part IV – Factual Data – After Acquisition

This portion of The Uniform Appraisal Standards for Federal Land Acquisitions is not applicable as the subject is being acquired in its entirety and there is no remainder property. This section is intentionally omitted.

## Part V – Data Analysis and Conclusions – After Acquisition

This portion of The Uniform Appraisal Standards for Federal Land Acquisitions is not applicable as the subject is being acquired in its entirety and there is no remainder property. This section is intentionally omitted.

## Part VI – Acquisition Analysis

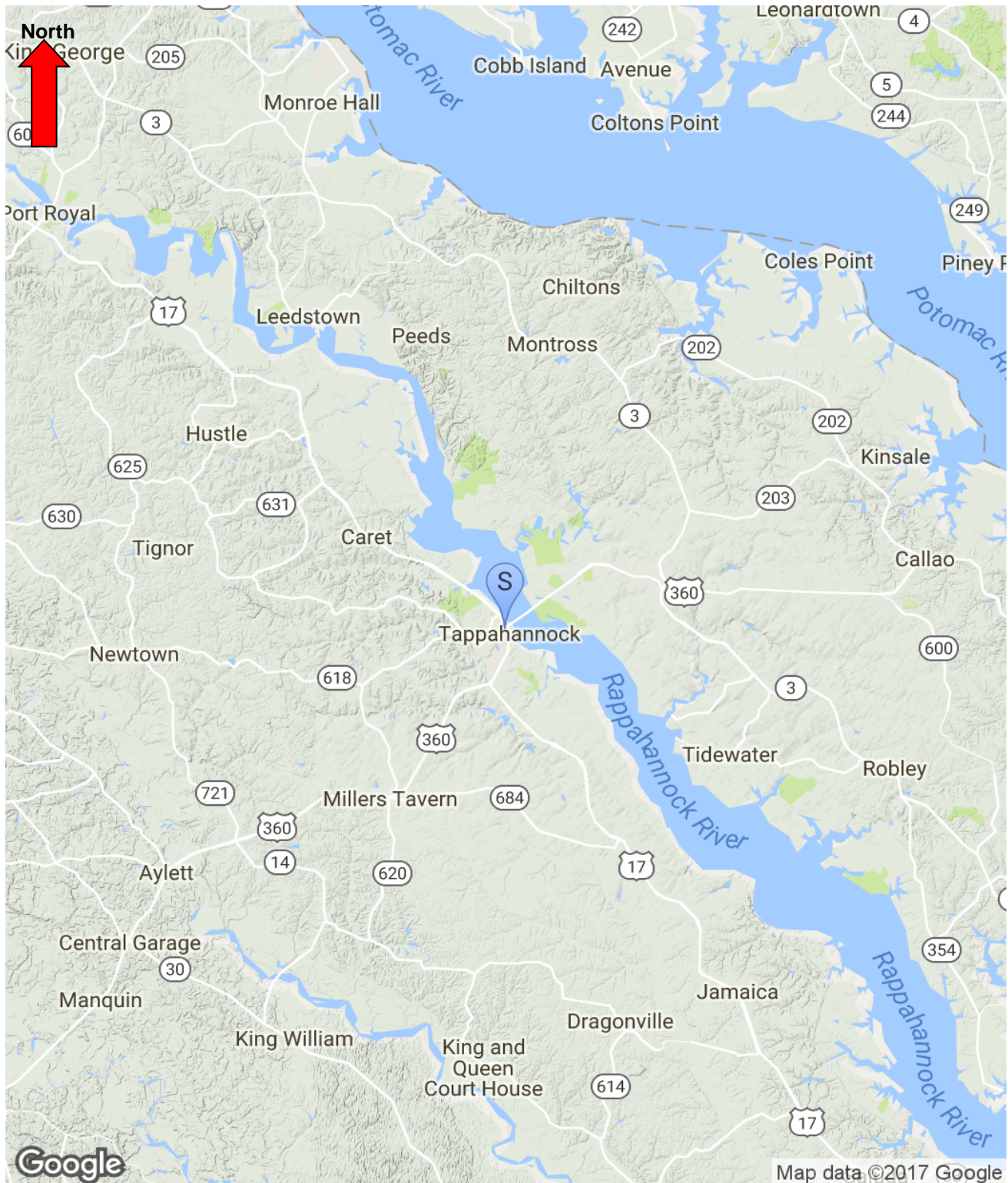
This portion of The Uniform Appraisal Standards for Federal Land Acquisitions is not applicable as the subject is being acquired in its entirety and there is no remainder property. This section is intentionally omitted.



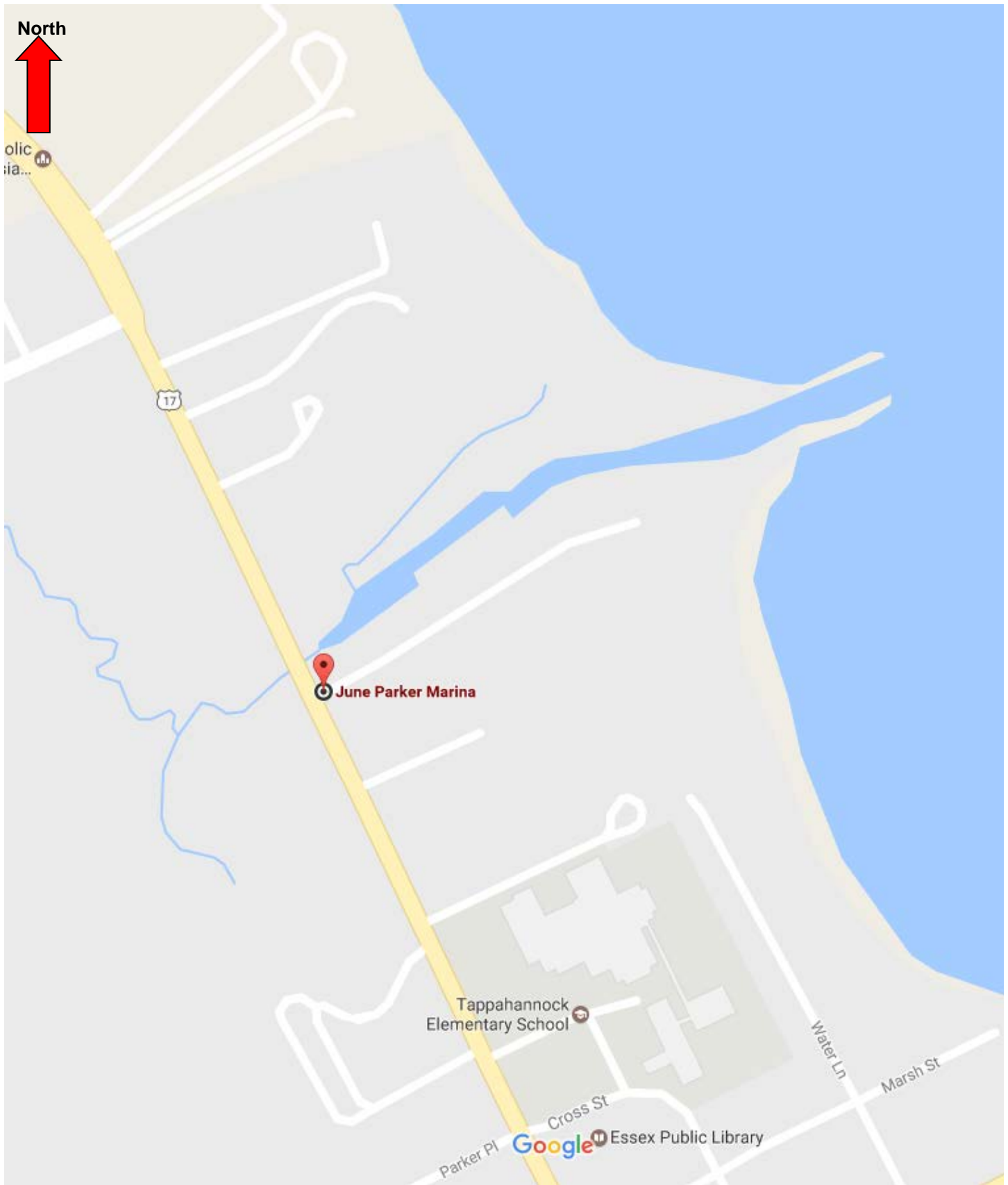
# Part VI – Exhibits and Addenda

## A.32. Location Maps

### Regional Map



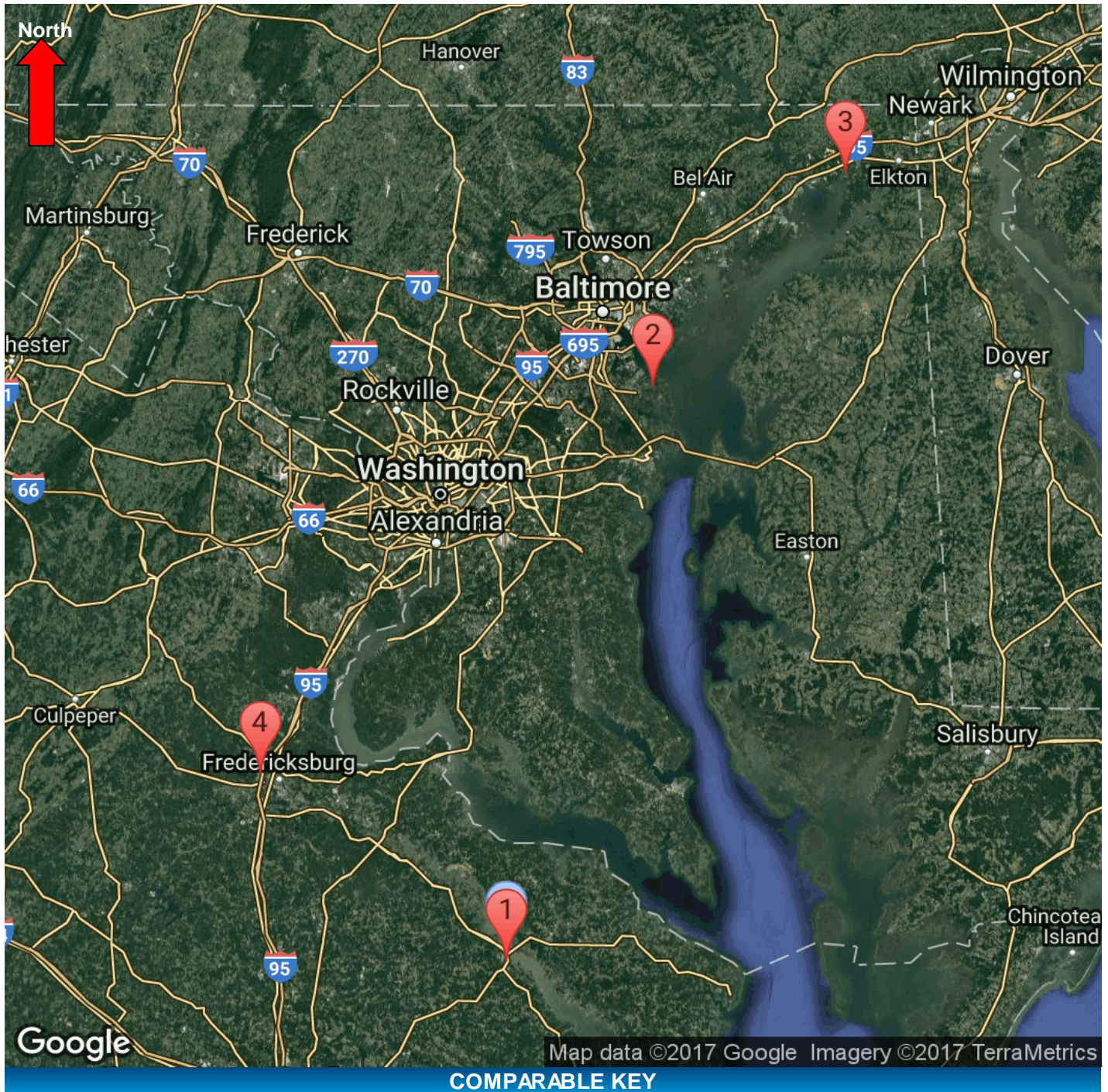
Vicinity Map





**A-33. Comparable Data Maps**

*Land Sales Comparables Map*

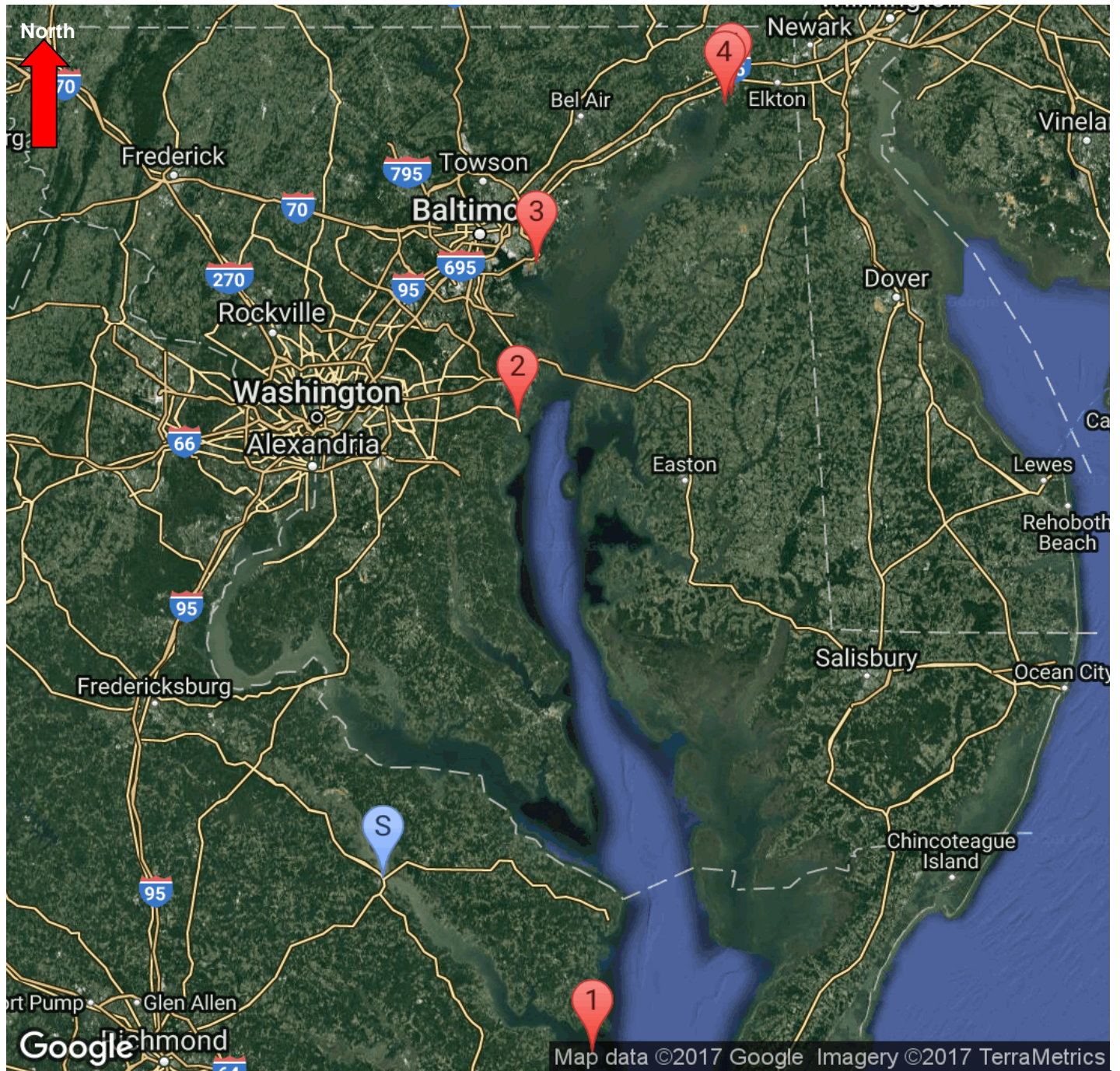


**COMPARABLE KEY**

COMP	DISTANCE	ADDRESS	SALE DATE	ACRES	SF	\$/SF
SUBJECT	-	531 Church Lane, Tappahannock, VA	-	4.5	196,891	\$6.00
No. 1	1.3 Miles	TAPPAHANNOCK BOULEVARD & HOBBS DR, TAPPAHANNOCK, VA	10/28/2016	1.9	84,376	\$4.56
No. 2	85.6 Miles	1701 Poplar Ridge Rd, Pasadena, MD	12/31/2014	27.1	1,181,347	\$5.22
No. 3	123.5 Miles	20 Louisa Ln, Charlestown, MD	8/7/2015	5.4	236,966	\$1.83
No. 4	43.9 Miles	Noble Way, Fredericksburg, VA	1/13/2016	11.0	477,853	\$7.95



Improved Sales Comparables Map

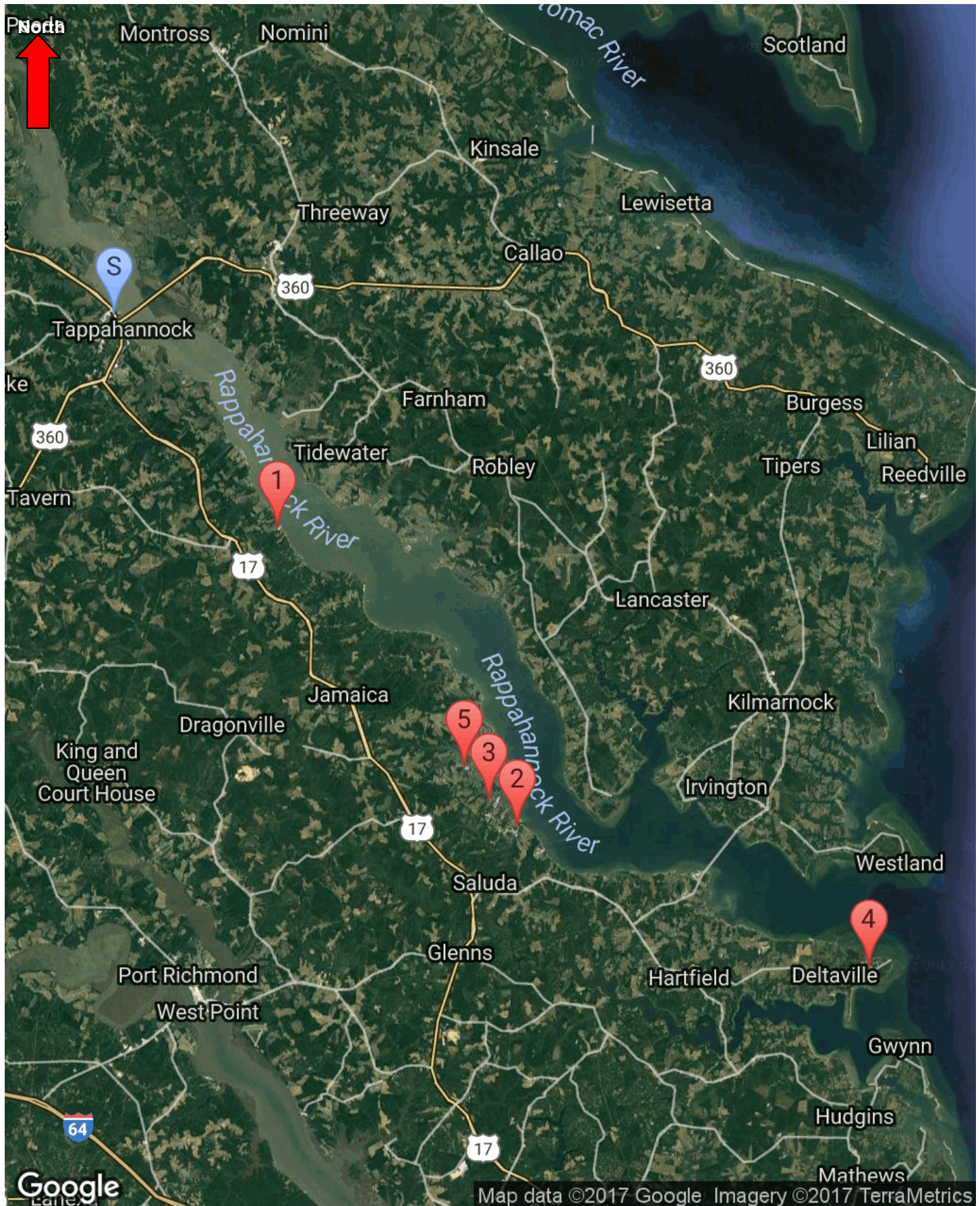


COMPARABLE KEY

COMP	DISTANCE	NAME	ADDRESS	OCC.	SALE DATE
SUBJECT	-	June Parker Marina	531 Church Lane, Tappahannock, VA		-
No. 1	39.4 Miles	Norview Marina	18691 General Puller Hwy, Deltaville, VA	100.0%	4/9/2017
No. 2	69.9 Miles	Anchor Yacht Basin	1048 Turkey Point Rd, Edgewater, MD		6/23/2016
No. 3	92.3 Miles	Young's Boat Yard	7201 Wladman Ave, Annapolis, MD		5/11/2017
No. 4	122.5 Miles	Shelter Cove Yacht Basin	230 Riverside Dr, North East, MD		9/1/2016
No. 5	124.0 Miles	McDaniel Yacht Basin	15 Grandview Ave, North East, MD		8/22/2016



Rent Comparables Map





## A-34. Detail of Comparative Data

### Land Sales Comparables

COMPARABLE 1	
LOCATION INFORMATION	
Name	TAPPAHANNOCK BOULEVARD & HOBBS DR
Address	TAPPAHANNOCK BOULEVARD & HOBBS DR
City, State, Zip Code	TAPPAHANNOCK , VA, 22560
County	Essex
MSA	Richmond, VA Metropolitan Statistical Area
APN	37-132
SALE INFORMATION	
Buyer	J&S Hotel
Seller	Cold Cheer LLC
Transaction Date	10/28/2016
Transaction Status	Recorded
Transaction Price	\$385,000
Analysis Price	\$385,000
Recording Number	270/489
Rights Transferred	Fee Simple
PHYSICAL INFORMATION	
Intended Use	Commercial
Location	Average
Site Size	Acres      SF
Net	1.94      84,376
Gross	1.94      84,376
Zoning	B-1
Shape	Irregular
Topography	Generally Level
Access	Average
Exposure	Average



TAPPAHANNOCK BOULEVARD & HOBBS DR		
ANALYSIS INFORMATION		
Price	<u>\$/Acre</u>	<u>\$/SF</u>
Gross	\$198,454	\$4.56
Net	\$198,454	\$4.56

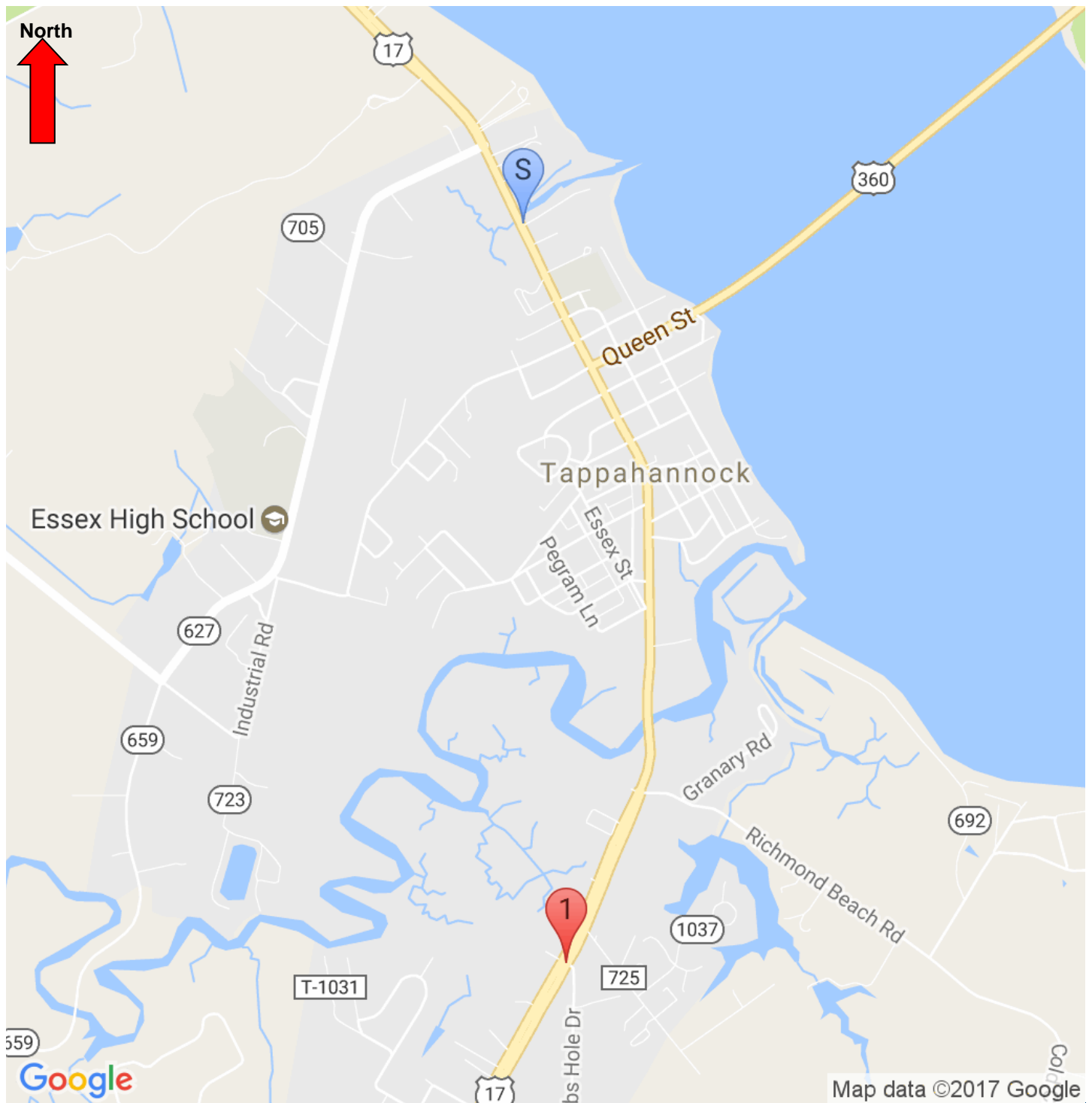
CONFIRMATION	
Name	Joe Buhrman
Company	Commonw ealth Commercial
Source	Seller's Broker
Date / Phone Number	05/11/2017      Confidential

**REMARKS**  
 This transaction was signed October 28, 2016 for \$385,000 and Joe Buhrman, the broker, confirmed the Sale and said there was an additional \$15,000 in consideration. The land is to be developed into a limited service hotel. This is a 1.937 acre, commercial/industrial vacant lot located at the intersection of Tappahannock Blvd and Hobbs Hole Drive.

All that certain lot or parcel of land, together with all improvements thereon, and all rights, ways, and privileges thereunto appertaining, situate, lying and being in the Town of Tappahannock, Essex County, Virginia, designated as "New Tax Parcel 132 84,427.45 Square Feet 1.938 Acres" as shown on plat of survey by Howard G. McIlvried, Land Surveyor, dated June 15, 2009, entitled "**AutoZone Lot Line Revision Plat – U.S. Route 17 & Winston Road – Town of Tappahannock, County of Essex, State of Virginia**", a copy of which plat survey is of record in the Office of the Clerk of the Circuit Court of Essex County, Virginia, in Plat Book 24 at Pages 184-185. Further reference is made of plat of survey by Howard G. McIlvried, Land Surveyor, dated May 10, 2010, entitled "**Public Right-of-Way Dedication Plat – U.S. Route 17 & Winston Road – Town of Tappahannock, County of Essex, State of Virginia**", a copy of which plat of survey is of record in the aforesaid Clerk's Office in Plat Book 24 at Pages 198-199, whereon the subject property is designated as "New Tax Parcel 132 84,390.22 Square Feet 1.937 Acres".

Being the same property conveyed unto Cold Cheer, LLC, a Virginia Limited Liability Company by Deed from Patricia Ann Grimes dated October 24, 2002, recorded October 28, 2002, in Deed Book 270, Page 489 in the Clerk's Office of the circuit Court of Essex, Virginia. Being the same property conveyed to Cold Cheer, LLC a Virginia Limited Liability Company in Deed from Alexander F. Dillard, Jr., Special Commissioner, dated October 24, 2002, recorded October 28, 2002 in Deed Book 270, Page 491 in the Clerk's Office of the Circuit Court of Essex, Virginia.





**COMPARABLE KEY**

COMPARABLE	LABEL	DISTANCE FROM SUBJECT	ADDRESS
SUBJECT	S	-	June Parker Marina, ,
COMPARABLE 1	1	1.7 Miles	TAPPAHANNOCK BOULEVARD & HOBBS DR, Tappahan

**COMPARABLE 2**

**LOCATION INFORMATION**

Name	Pleasure Cove Marina
Address	1701 Poplar Ridge Rd
City, State, Zip Code	Pasadena, MD, 21122
County	Anne Arundel
MSA	Baltimore-Tow son, MD
APN	03-000-04471915

**SALE INFORMATION**

Buyer	Suntex Ventures, LLC
Seller	Pleasure Cove Marina
Transaction Date	12/31/2014
Transaction Status	Recorded
Transaction Price	\$9,000,000
Analysis Price	\$6,169,348
Recording Number	27935-0042
Rights Transferred	Fee Simple

**PHYSICAL INFORMATION**

Intended Use	Commercial	
Location	Average	
Site Size	Acres	SF
Net	27.12	1,181,347
Gross	27.12	
Zoning	MB	
Shape	Irregular	
Topography	Generally Level	
Access	Average	
Exposure	Average	



**PLEASURE COVE MARINA**

**ANALYSIS INFORMATION**

Price	<u>\$/Acre</u>	<u>\$/SF</u>
Gross	\$227,483	\$5.22
Net	\$227,483	\$5.22

**CONFIRMATION**

Name	Donna Associate	
Company	Suntex Ventires LLC	
Source	Buyer's Representative	
Date / Phone Number	05/16/2017	Confidential

**REMARKS**

This land sales transaction closed on December 31, 2014 to Suntex Ventures, LLC for \$9,000,000. Donna, an Associate of Suntex confirmed the sales date, price and SF of the land acreage. According to RealQuest, this property was improved with roughly 128,666 SF of building area which are mostly low cost boat storage buildings and dry racks estimated at approximately \$22.00 SF per Marshall and Swift. The residual value is in the land which is the extracted Sales price of \$6,169,348 or \$5.22 SF. This is a 27.12 acre marina located just 15 minutes from Annapolis and Baltimore.

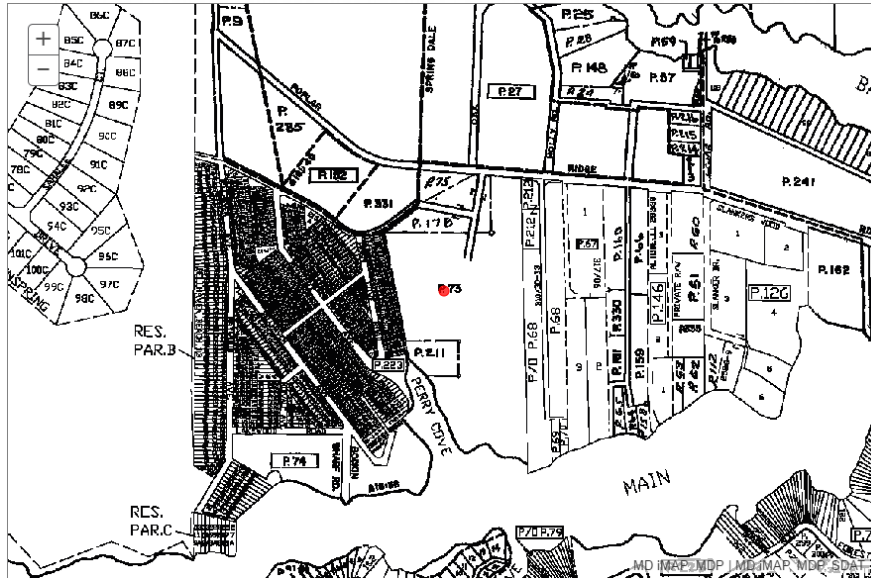


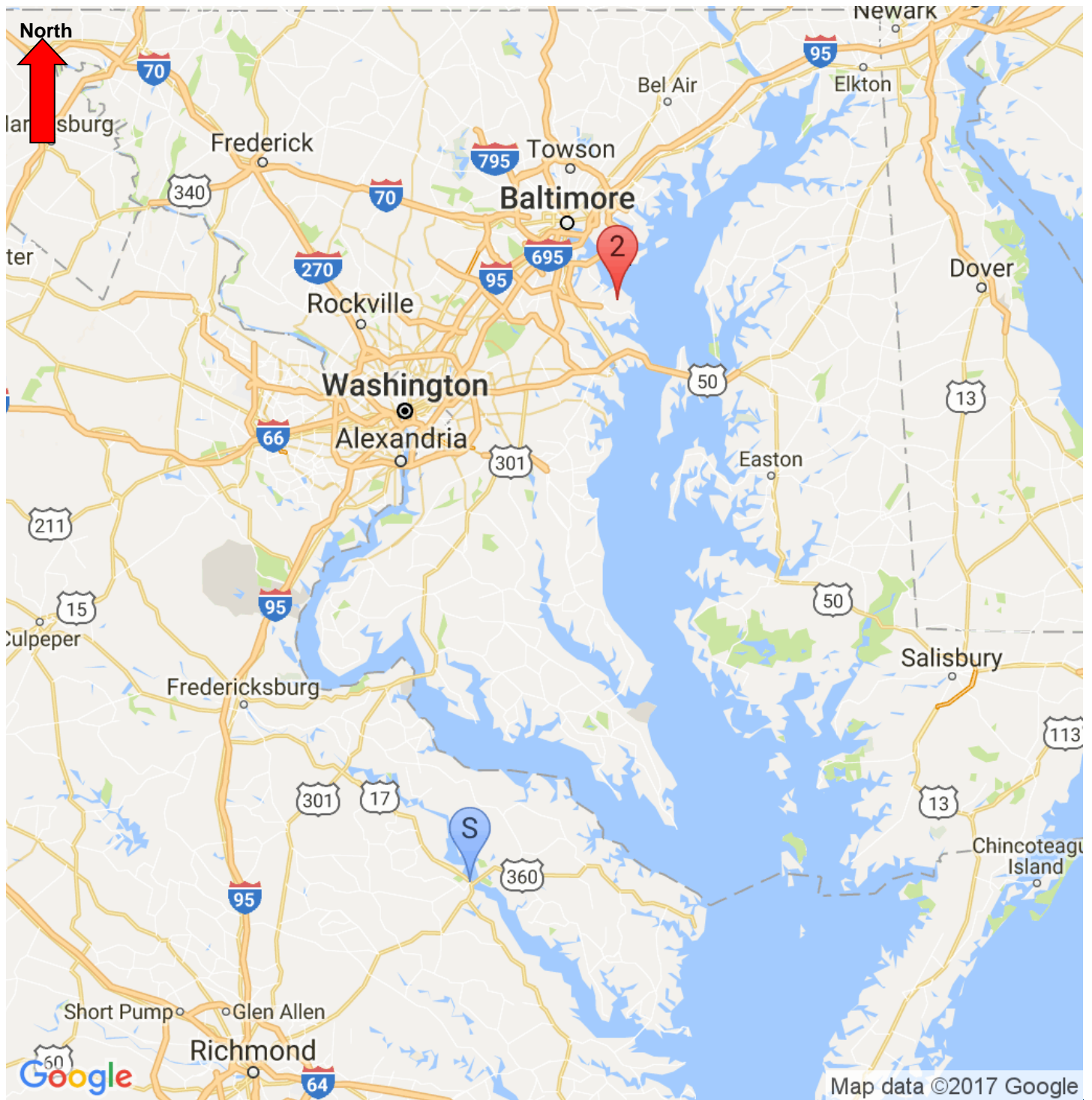
Street Address: 1701 Poplar Ridge Road, Pasadena, Maryland

Beginning for the same at a point at a point on the southernmost side of Poplar Ridge Road, said point also being in the westernmost line of the "Phebus Property" as shown on a plat recorded among the Land Records of Anne Arundel County, Maryland in Plat Book 310 Page 30; thence leaving Poplar Ridge Road and binding on the said westernmost line of the "Phebus Property", with the bearings now being referred to the Maryland State Grid Meridian NAD 83:

- 1) South 01 degrees 34 minutes 17 seconds East 1761.80 feet, more or less, to a point at the shoreline of Main Creek; thence running along the shoreline of Main Creek
- 2) North 48 degrees 50 minutes 37 seconds West 32.10 feet, more or less, to a point; thence
- 3) South 22 degrees 57 minutes 27 seconds West 4.25 feet, more or less, to a point; thence
- 4) North 43 degrees 43 minutes 52 seconds West 14.35 feet, more or less, to a point; thence
- 5) North 03 degrees 37 minutes 51 seconds West 37.55 feet, more or less, to a point; thence
- 6) North 88 degrees 21 minutes 41 seconds West 72.51 feet, more or less, to a point; thence
- 7) South 04 degrees 01 minutes 07 seconds West 3.98 feet, more or less, to a point; thence
- 8) South 89 degrees 52 minutes 49 seconds West 70.94 feet, more or less, to a point; thence
- 9) North 01 degrees 19 minutes 28 seconds East 53.22 feet, more or less, to a point; thence
- 10) North 79 degrees 48 minutes 21 seconds West 193.14 feet, more or less, to a point; thence
- 11) North 87 degrees 58 minutes 19 seconds West 60.09 feet, more or less, to a point; thence
- 12) North 72 degrees 30 minutes 08 seconds West 21.61 feet, more or less, to a point; thence
- 13) North 67 degrees 11 minutes 49 seconds West 51.39 feet, more or less, to a point; thence
- 14) North 29 degrees 27 minutes 19 seconds West 189.42 feet, more or less, to a point; thence
- 15) North 21 degrees 20 minutes 00 seconds West 37.72 feet, more or less, to a point; thence
- 16) North 13 degrees 04 minutes 46 seconds East 12.99 feet, more or less, to a point; thence
- 17) North 04 degrees 30 minutes 45 seconds West 56.03 feet, more or less, to a point; thence
- 18) North 31 degrees 54 minutes 07 seconds East 13.24 feet, more or less, to a point; thence
- 19) North 15 degrees 49 minutes 53 seconds West 40.00 feet, more or less, to a point in the fifth line of the conveyance from Jayne S. Laliberte to Gerald Herson dated March 5, 1996 recorded among the Land Records of Anne Arundel County, Maryland in deed Liber 7354 Folio 29; thence leaving the shoreline of Main Creek and binding reversely on the said fifth line of the aforementioned conveyance to Gerald Herson
- 20) North 88 degrees 09 minutes 42 seconds East 172.43 feet, more or less, to a point at the end of the fourth line of the aforementioned conveyance to Gerald Herson; thence binding reversely on the said fourth line, as well as the third line of the aforementioned conveyance to Gerald Herson
- 21) North 01 degrees 21 minutes 44 seconds West 200.14 feet to a point at the end of the second line of the aforementioned conveyance to Gerald Herson; thence binding reversely on the said second line of the aforementioned conveyance to Gerald Herson

EXHIBIT A, Legal Description of Land - Page 1  
553-262/Pleasure Cove Marina - MD





**COMPARABLE KEY**

COMPARABLE	LABEL	DISTANCE FROM SUBJECT	ADDRESS
SUBJECT	S	-	June Parker Marina, ,
COMPARABLE 2	2	85.3 Miles	1701 Poplar Ridge Rd, Pasadena, MD

**COMPARABLE 3**

**LOCATION INFORMATION**

Name	Avalon Marina
Address	20 Louisa Ln
City, State, Zip Code	Charlestown, MD, 21914
County	Cecil
MSA	Philadelphia-Camden-Wilmington, PA-NJ-DE
APN	05-006023

**SALE INFORMATION**

Buyer	Town of Charlestown
Seller	8 Louisa Partners, LLC.
Transaction Date	08/7/2015
Transaction Status	Recorded
Transaction Price	\$434,500
Analysis Price	\$434,500
Recording Number	03764-0335
Rights Transferred	Fee Simple
Marketing Time	2 Months

**PHYSICAL INFORMATION**

Intended Use	Commercial	
Location	Average	
Site Size	Acres	SF
Net	5.44	236,966
Gross	5.44	236,966
Zoning	RR	
Shape	Irregular	
Topography	Generally Level	
Access	Average	
Exposure	Average	



**AVALON MARINA**

**ANALYSIS INFORMATION**

Price	<u>\$/Acre</u>	<u>\$/SF</u>
Gross	\$79,871	\$1.83
Net	\$79,871	\$1.83

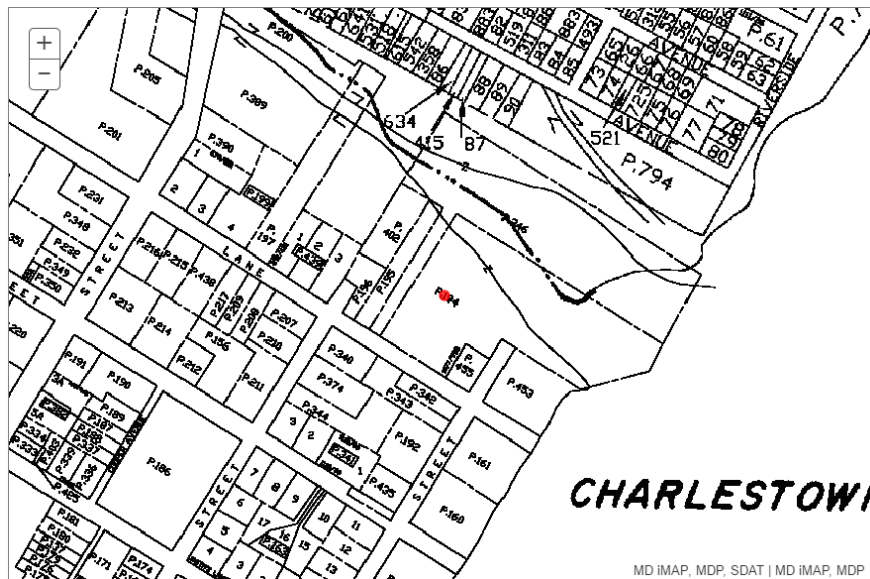
**CONFIRMATION**

Name	Nally Steeves	
Company	Max Spann Real Estate & Auction Company	
Source	Seller's Broker	
Date / Phone Number	05/16/2017	Confidential

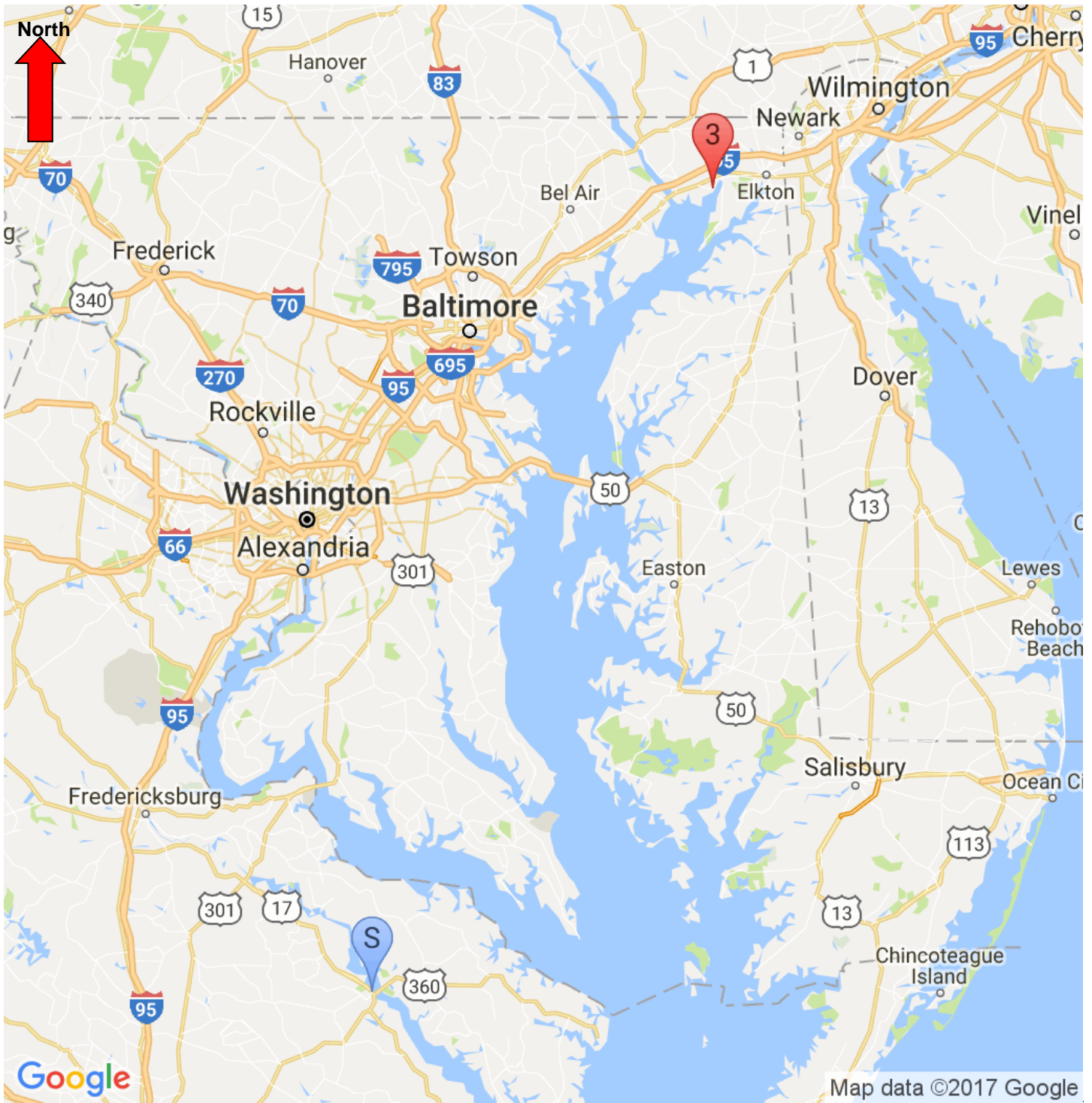
**REMARKS**

This transaction was signed August 7, 2015 to The Town of Charlestown for \$434,500 or \$1.83/SF. It was sold at a sealed bid auction according to the listing broker, Nally Steeves. This is a 5.44 acre commercial land property. It can be developed into single family home with pier or develop as 108 slip marina or potential residential redevelopment. It is located at the top of the Chesapeake Bay with panoramic views. All utilities are on site, water, sewer, gas and electric. It is minutes from I-95, and convenient from all metro area, Baltimore, Wilmington, Philadelphia and Cherry Hill NJ.

BEGINNING for the same at a stake at the intersection formed by the Northwest side of Water Street and the Northeast side of Louisa Lane, as shown Sheet No. 3 of a plat of Charlestown, recorded among the Land Records of Cecil County in Plat Book R.R.C. No. 1, folio 42, said stake being North 55 degrees West 50 feet from a concrete monument at the West corner of Lot No. 7, as shown on said plat, and running thence from the point of beginning by and with the Northeast side of Louisa Lane, North 55 degrees 00 minutes West 319.68 feet to a stake; thence leaving Louisa Lane and binding on lands leased to Marcus G. Good, et ux., and recorded among said Land Records in Liber W.A.S. No. 268, folio 475, as hereinbefore referred to, North 35 degrees 00 minutes East 440 feet to a stake in the edge of a marsh; thence South 55 degrees 00 minutes East 743.12 feet to a point on the first or South 30 degree 00 minute West line of the Town of Charlestown; thence South 30 degrees 00 minutes West 93.73 feet to a stake; thence with the second Town line, South 78 degrees 00 minutes West 214.5 feet to a stake; thence with the third Town line North 55 degrees 00 minutes West 285.34 feet to a stake; thence by and with the Northwest side of Water Street, South 35 degrees 00 minutes West 189.75 feet to the point of beginning: Containing approximately 5.44 acres of land, more or less.







**COMPARABLE KEY**

COMPARABLE	LABEL	DISTANCE FROM SUBJECT	ADDRESS
SUBJECT	S	-	June Parker Marina, ,
COMPARABLE 3	3	123.3 Miles	20 Louisa Ln, Charlestown, MD

**COMPARABLE 4**

**LOCATION INFORMATION**

Name	Noble Way
Address	Noble Way
City, State, Zip Code	Fredericksburg, VA, 22401
County	Fredericksburg City
MSA	Washington-Arlington-Alexandria, DC-VA-M
APN	319-L3

**SALE INFORMATION**

Buyer	Hamptons At Noble Lp
Seller	Noble Auto Park
Transaction Date	01/13/2016
Transaction Status	Recorded
Transaction Price	\$3,800,000
Analysis Price	\$3,800,000
Recording Number	121
Rights Transferred	Fee Simple

**PHYSICAL INFORMATION**

Intended Use	Commercial	
Location	Good/Excellent	
Site Size	Acres	SF
Net	10.97	477,853
Gross	10.97	477,853
Zoning	CH	
Shape	Irregular	
Topography	Generally Level	
Access	Average	
Exposure	Average	



**NOBLE WAY**

**ANALYSIS INFORMATION**

Price	<u>\$/Acre</u>	<u>\$/SF</u>
Gross	\$346,399	\$7.95
Net	\$346,399	\$7.95

**CONFIRMATION**

Name	Confidential	
Company	Confidential	
Source	Buyer	
Date / Phone Number	05/22/2017	Confidential

**REMARKS**

This transaction was signed January 13, 2016 for \$3,800,000 or \$7.95/SF. This is a 10.97 acre, commercial land property located in Fredericksburg, VA. It is zoned Commercial Highway. The property is currently developed with multi-family units however being that it is in close proximity to I-95 it could have easily been a hotel site. The Commercial-Highway (C-H) District is established to provide locations on heavily traveled collector and arterial highways for those commercial and service uses which are oriented to the automobile and require good access but not dependence on adjacent uses or pedestrian trade.

**EXHIBIT A****LEGAL DESCRIPTION OF THE PROPERTY**

All that certain lot or parcel of land, together with all buildings and improvements thereon and privileges and appurtenances thereunto belonging, situate, lying and being in the City of Fredericksburg, Virginia, off the south side of Fall Hill Avenue, designated as Lot 3, containing 10.974 acres, more or less, pursuant to Deed of Subdivision, Dedication and Easement dated September 9, 2005, and recorded on September 20, 2005, as Document No. 05-3417, and as set forth on Plat of Subdivision for Property Line Vacation, R.O.W., Dedication and Easements, prepared by Bagby, Caldwell & Associates, P.C., dated April 8, 2005, recorded with said Deed of Subdivision, and also recorded in Plat Book 13, pages 95 through 99, inclusive, all in the Clerk's Office of the Circuit Court of the City of Fredericksburg, Virginia.

TOGETHER WITH AND SUBJECT TO the non-exclusive use of a certain variable width private ingress/egress easement from the right of way for Fall Hill Avenue over and across Lots 1, 2 and 3 as shown on sheet 2 of the aforesaid plat of survey. Said easement shall be for the purpose of ingress and egress to the property herein conveyed and all other lots of Noble Auto Park, LLC together with the right to construct, maintain, repair and reconstruct a hard surface roadway with curb and gutter within the easement area.

AND FURTHER TOGETHER WITH AND SUBJECT TO the nonexclusive use of those certain 20 foot private storm drainage easements and variable width private storm drainage easement over and under Lots 1, 2 and 3 as shown on sheet 3 of the aforesaid plat. Said easements shall be for the purpose of the construction, maintenance, repair or replacement of underground storm drainage pipes, storm water collection, retention and management facilities and associated facilities.

AND FURTHER TOGETHER WITH AND SUBJECT TO the nonexclusive use of the variable width private storm drainage easement in the southern corner of the property as shown on the aforesaid sheet 3 of the plat. Said easement shall be for the purpose of construction, maintenance, repair or replacement of underground and/or above-ground storm water collection, retention and management facilities and associated facilities.

AND FURTHER TOGETHER WITH AND SUBJECT TO the nonexclusive use of certain 20 foot water line easements and other public water line easements as the same are shown on sheet 4 of the aforesaid plat.

Said easements shall be for the purpose of construction, maintenance, repair or replacement of underground water lines and associated facilities.

AND FURTHER TOGETHER WITH AND SUBJECT TO the nonexclusive use of the sanitary sewer easement running over Lots 1, 2 and 3 as the same is shown on sheet 5 of the aforesaid plat. The purpose of the easement shall be the construction, maintenance, repair or replacement of underground sewer collection and transmission pipes and associated facilities to serve Lots 1, 2 and 3 of the Grantors property and any subdivision thereof and such other assigns or successors

in title of Noble Auto Park, LLC as may hereafter be conveyed the nonexclusive use of easements.

The use of all of the foregoing easements shall be in common with all other owners of the Lot 1, Lot 2 and Lot 3 of the property of the Grantor and any subdivisions thereof and by such other successors or assigns of Noble Auto Park, LLC as may hereafter be conveyed the non-exclusive use of such easements, and further subject to such dedications hereinbefore or hereafter made by Noble Auto Park, LLC or its successors or assigns to the City of Fredericksburg or any governmental or utility entity.

The Grantor and/or Noble Auto Park, LLC further reserves unto themselves and their successors or assigns the right and option to dedicate to public use or public street purposes all or portions of the variable width private ingress/egress easement without the necessity of any owner or other party having any interest in Lots 1, 2 or 3 or any subdivisions thereof, joining in or being necessary parties to any such dedication or dedications.

The Grantor and/or Noble Auto Park, LLC, their successors or assigns, further reserve unto themselves, the right and privilege to grant easements or rights of way over, under or across the variable width private ingress/egress easement within 15 feet of any lot line or the edge of such ingress and egress easement.

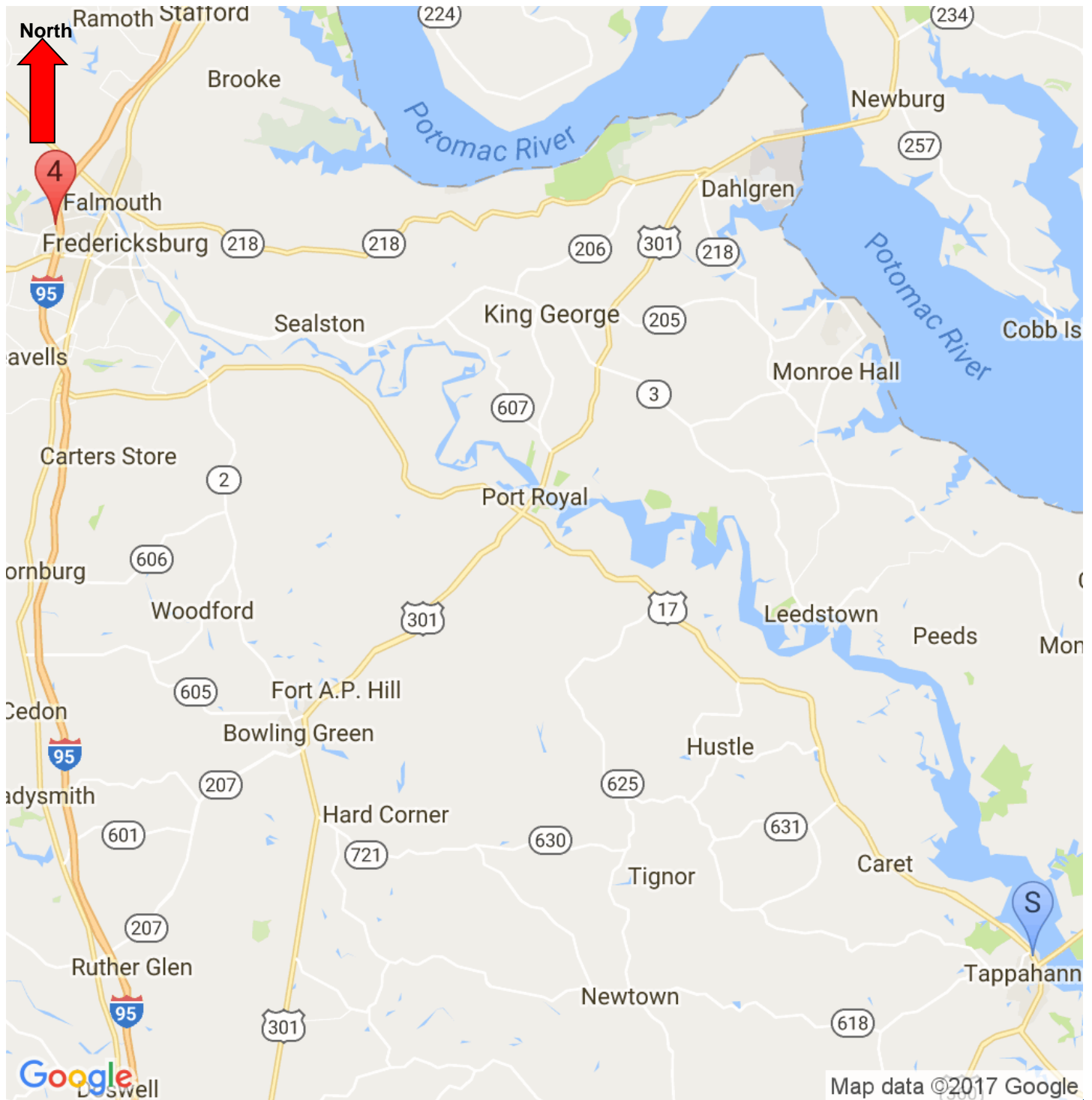
The above described easements are as supplemented in the Supplemental Deed of Dedication and Easement recorded as Instrument No. 070004112, as amended by the First Amendment to Supplemental Deed of Dedication and Easement dated November 23, 2015 recorded as Instrument No. 150003013.

TOGETHER WITH the non-exclusive fifteen foot (15') wide utility easement, for the use and benefit of the Property, for the construction, installation, maintenance, repair and reconstruction of utilities, public facilities, communication facilities, lighting structures, stormwater, water, sewer or other facilities all as more particularly described and granted in that certain First Amendment to Supplemental Deed of Dedication and Easement dated November 23, 2015, and recorded as Document Number 150003013 in the Clerk's Office of the Circuit Court of the City of Fredericksburg, Virginia.

AND BEING part of the property conveyed to Noble Auto Park, LLC, a Virginia limited liability company, from William K. Noble, by Deed dated September 9, 2005, and recorded September 20, 2005, as Document No. 050003419, in the Clerk's Office of the Circuit Court of the City of Fredericksburg, Virginia.







**COMPARABLE KEY**

COMPARABLE	LABEL	DISTANCE FROM SUBJECT	ADDRESS
SUBJECT	S	-	June Parker Marina, ,
COMPARABLE 4	4	43.6 Miles	Noble Way, Fredericksburg, VA

Improved Sales Comparables

**COMPARABLE 1**

**LOCATION INFORMATION**

Name	Norview Marina
Address	18691 General Puller Hwy
City, State, Zip Code	Deltaville, VA, 23043
County	Middlesex
APN	41-67-1, 67 & 59-4

**SALE INFORMATION**

Seller	Norview Marina
Transaction Date	04/9/2017
Transaction Status	Recorded
Transaction Price	\$3,050,000
Analysis Price	\$3,050,000

**PHYSICAL INFORMATION**

Number of Buildings	6
Quality	Average
Condition	Average
Appeal	Average
Site Size	36.0 Acres (1,568,160 SF)
Zoning	WC Waterfront Commercial
Shape	Other
Topography	Other
Access	Average
Exposure	Average



**NORVIEW MARINA**



**ANALYSIS INFORMATION**

Price per Slip \$31,122

Capitalization Rate 9.00%

**CONFIRMATION**

Name	Jeff Griesbauer	
Company	MarinasForSale.com	
Source	Seller's Broker	
Date / Phone Number	05/12/2017	Confidential

**REMARKS**

This is a marina that includes wet (98) and dry stack (182) boat slips as well as a service department with a 70 ton marina railway and service building. The marina includes fueling facilities and bath house w/showers. The wet slips include 74 covered. The marina has a permit from the VA Dept of Environmental Quality to discharge up to 20,000 GPD of treated sewage. It is sufficient to construct more than 100 residential units on the excess land. It was last renewed in 2013 for 5 years. All the basic amenities include store, bath house, laundry, fuel dock, pump out, 30/50/100 amp electric, w-i-fi, CATV, repair and pool. It is located in Deltaville, a mid-point on the Chesapeake Bay. □

□  
This transaction was signed April 9, 2017 for Norview Marina for \$3,050,000. NOI was around \$229,000 per seller's books. Calculating a cap rate is a little complicated according to Andrew Cantor, the sellers broker, because the property was 60% occupied (not stabilized) and the purchase price included 14 acres of excess (non-marina operation) land for future development of residential (currently 14 single-family), but likely to be rezoned for higher density of 60 or 70 units (quads probably). If you assume the value of the land is \$500,000, then the cap rate is 9%.

PARCEL I: ALL THAT certain tract or parcel of land containing 11.944 acres (which includes 1.904 acres of submerged land) together with all improvements thereon, situate, lying and being along VSH Route #33, Pinetop Magisterial District, Middlesex County, Virginia, and being shown and described as "Parcel A, 11.944 Acres" on that certain plat of survey made by Charles R. Pruett, Land Surveyor, dated March 5, 1991, which plat of survey is recorded in the Clerk's Office of the Circuit Court for Middlesex County in Deed Book 200, Page 419 and Plat Book 10, Page 303 and is by this reference expressly made a part hereof for a further and more particular description of the property conveyed.

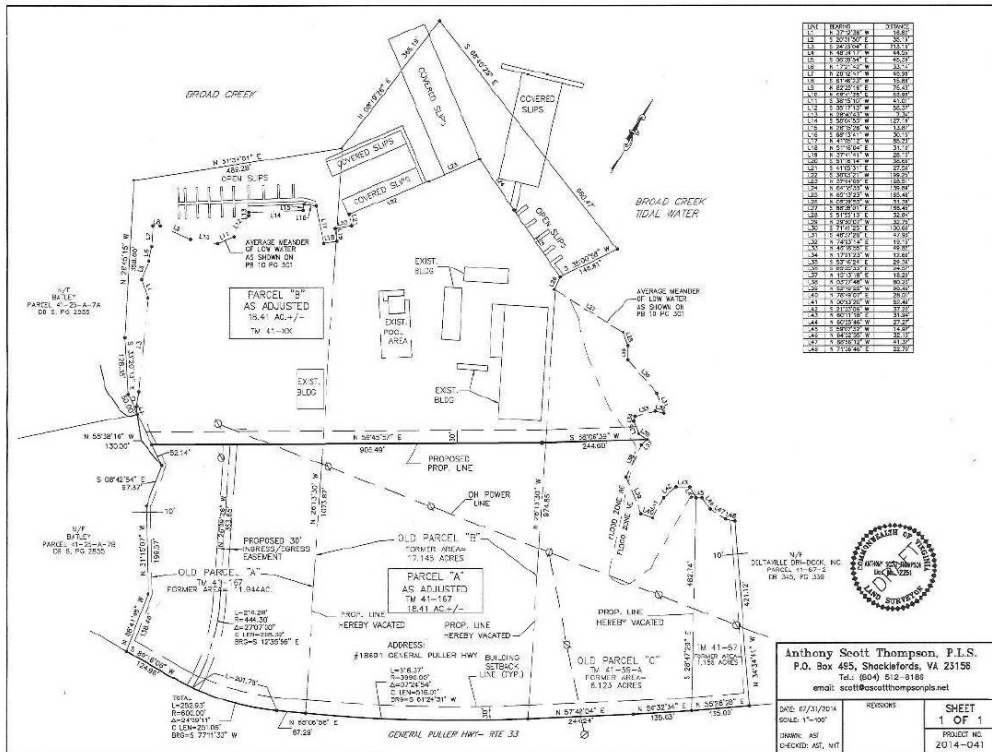
PARCEL II: ALL THAT certain tract or parcel of land containing 17.145 acres (which includes 3.190 acres of submerged land), together with all improvements thereon, situate, lying and being along VSH Route #33, Pinetop Magisterial District, Middlesex County, Virginia and being shown and described as "Parcel B, 17.145 Acres" on that certain plat of survey made by Charles R. Pruett, Land Surveyor, dated March 5, 1991, which plat of survey is recorded in the Clerk's Office of the Circuit Court for Middlesex County in Deed Book 200, Page 419 and Plat Book 10, Page 303 and is by this reference expressly made a part hereof for a more particular description of the property conveyed.

PARCEL III: ALL THAT certain tract or parcel of land containing 6.123 acres, together with any improvements thereon, situate along VSH Route #33, Pinetop Magisterial District, Middlesex County, Virginia, and being shown and designated as "Parcel C-6.123 Acres", on that certain plat of survey made by Charles R. Pruett, Land Surveyor, dated March 5, 1991, entitled "Boundary Survey of the Land of Norview Marina Associates, Inc.", which plat of survey is recorded in the Clerk's Office of the Circuit Court for Middlesex County in Deed Book 200, Page 419 and Plat Book 10, Page 303 and is by this reference expressly made a part hereof for a further and more particular description of the property conveyed.

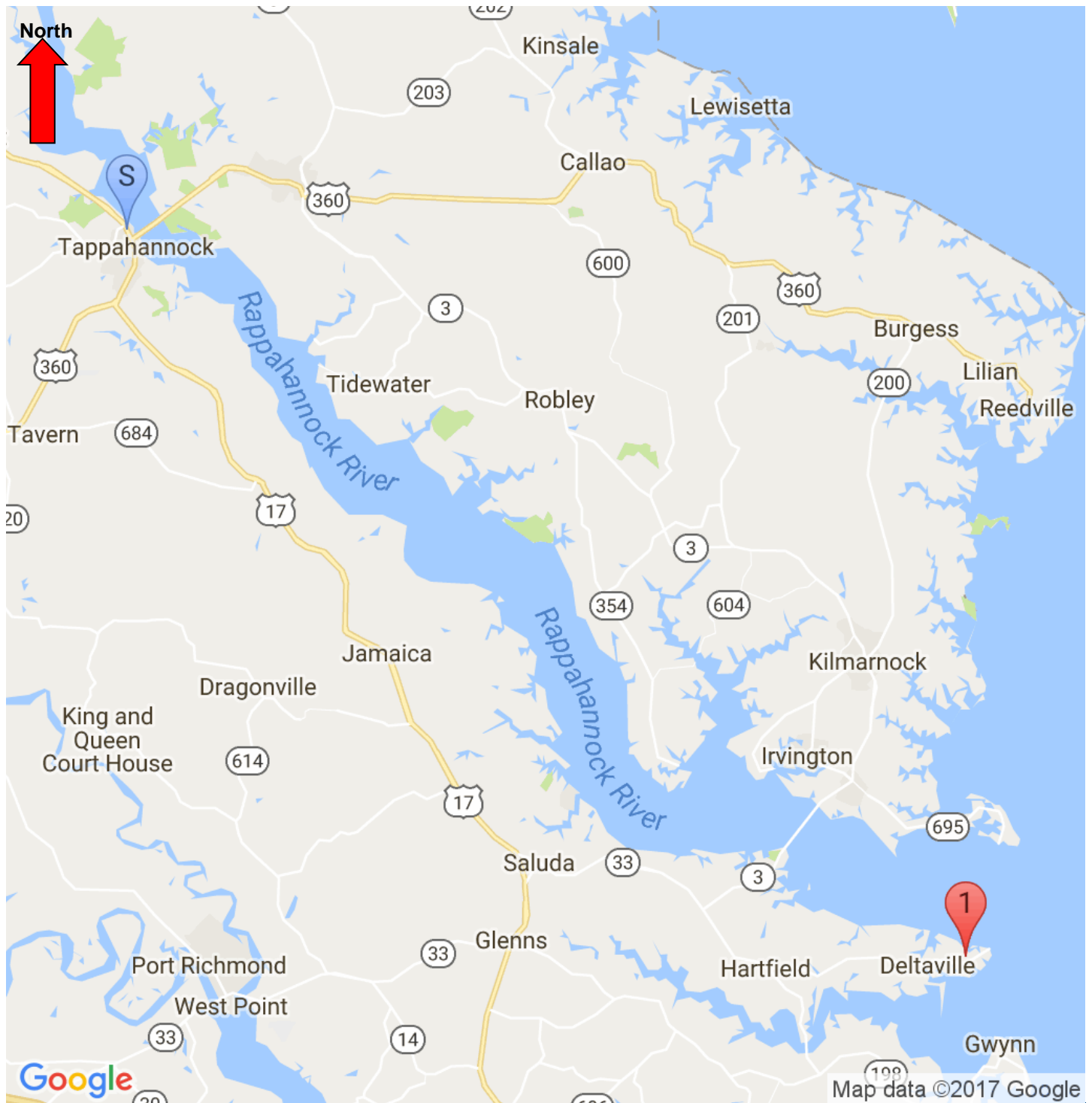
PARCEL IV: ALL THAT certain lot, piece or parcel of land, together with all improvements thereon situate, lying and being in Middlesex County, Virginia, known and designated as Lot Numbered ONE (1), containing 1.155 acres, as shown on that certain plat entitled, "BOUNDARY SURVEY LOT 1 JEREMIAH JACKSON ESTATE, PINETOP MAGISTERIAL DISTRICT, MIDDLESEX COUNTY, VIRGINIA", as shown on that certain plat attached to that certain Deed dated May 9, 1994 and duly recorded in the Clerk's Office of the Circuit Court for Middlesex County, Virginia in Deed Book 233, Page 116, to which reference is here made.

IT BEING the same property conveyed to Norview Acquisition, LLC, a Virginia limited liability company, by deed from Norview Marina Associates, LLC, a Virginia corporation, recorded in the Clerk's Office of the Circuit Court for Middlesex County, Virginia, on January 10, 2005, in Book 405, Page 391.

CLERK'S OFFICE OF THE CIRCUIT COURT OF MIDDLESEX COUNTY, VIRGINIA  
 APR 12, 2017 AT 11:38 AM  
 \$1777.00 GRANTOR TAX WAS PAID AS REQUIRED BY SECTION 6.2 OF THE VA. CODE  
 STATE: \$1738.00 LOCAL: \$1738.50  
 MIDDLESEX COUNTY, VIRGINIA  
 5000E







**COMPARABLE KEY**

COMPARABLE	LABEL	DISTANCE FROM SUBJECT	ADDRESS
SUBJECT	S	-	June Parker Marina, ,
COMPARABLE 1	1	39.7 Miles	18691 General Puller Hwy, Deltaville, VA



**COMPARABLE 2**

**LOCATION INFORMATION**

Name	Anchor Yacht Basin
Address	1048 Turkey Point Rd
City, State, Zip Code	Edgewater, MD, 20137
County	Anne Arundel
MSA	Baltimore-Towson, MD
APN	01-000-00161650

**SALE INFORMATION**

Seller	Anchor Yacht Basin
Transaction Date	06/23/2016
Transaction Status	Recorded
Transaction Price	\$3,200,000
Analysis Price	\$3,200,000
Recording Number	29914-0013
Rights Transferred	Fee Simple

**PHYSICAL INFORMATION**

Gross Building Area (GBA)	5,206
Leasable Area (NRA)	5,206
Number of Buildings	1
Year Built	1966
No. of Floors	1
Quality	Average
Condition	Average
Appeal	Average
Site Size	1.8 Acres (76,666 SF)
Shape	Irregular
Topography	Generally Level
Access	Average
Exposure	Average
Site Coverage (SF)/Ratio	6.8%



**ANCHOR YACHT BASIN**



Google, U.S. Geological Survey, USDA Farm Service Agency

**ANALYSIS INFORMATION**

Price per Slip \$25,600

Capitalization Rate

**CONFIRMATION**

Name	Jeff Griesbauer	
Company	MarinasForSale.com	
Source	Know ledgeable Third Party	
Date / Phone Number	05/10/2017	Confidential

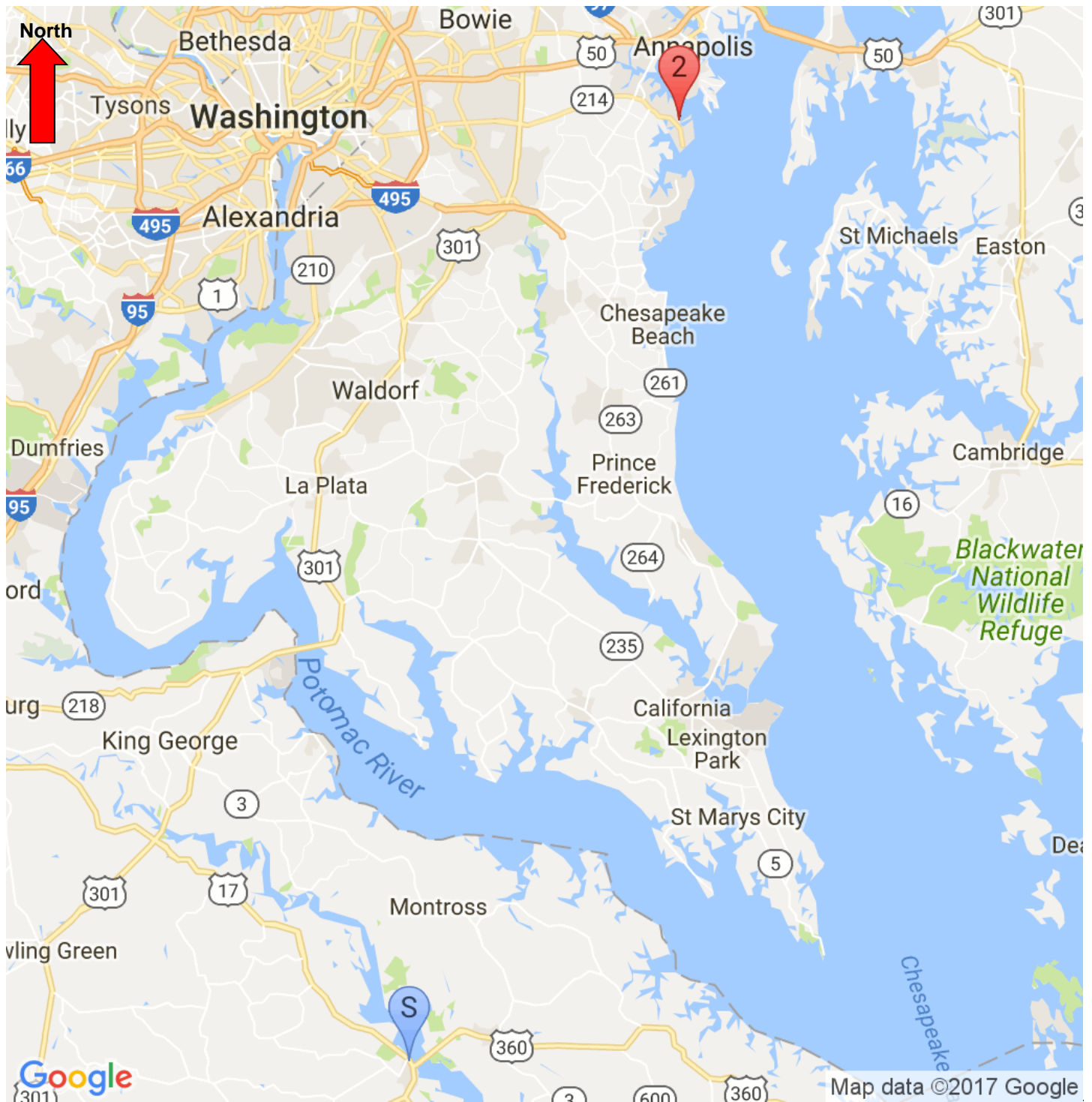
**REMARKS**

This is a 2 parcel marina property on roughly 1.76 acres offering 125 slips, 7 of which have lifts. It can accommodate boats to 80' with MLW draft of between 3' and 6'. The slips are fixed, wooden slips in good condition. 30/50 amp electric, individually metered. There is a main building with a store, office, restroom, service bay and storage area. There is also a smaller building about 500 SF previously used for boat sales. There is also a 904 SF uninhabitable single family home. The marina is located off of Selby Bay in Edgewater, MD approximately 5 miles from downtown Annapolis. There are no bridges or obstructions from the marina to the open waters of the Chesapeake Bay. This transaction was signed June 23, 2016 for \$3,200,000.

ALL THAT LOT OF GROUND situate in Anne Arundel County: Beginning for the same at a pipe set on the north side of Turkey Point Road, 30 foot County Road, said pipe marks the southeast corner of Parcel Two described in the conveyance from Richard F. Popham and Ruth C. Popham, his wife, to Joseph A. Papetti and Mary Jo Papetti, his wife, by Deed dated March 2, 1965, and recorded among the Land Records of Anne Arundel County in Liber LNP 1839, folio 321; said pipe also marks the beginning of the conveyance from Alice P. Martines, widow, to Helen B. Mueller, James W. Lewis and Robert J. Vallandingham, by Deed dated June 3, 1965, and recorded among the Land Records of Anne Arundel County in Liber LNP 1866, folio 373; thence from the place of beginning so fixed and running with the north side of said road, South 77° 28' West 176.12 feet to a pipe found; thence leaving said road and running with the west line, as now surveyed, of Parcel One in the above mentioned conveyance to Papetti, North 09° 34' East 152.13 feet to a monument found at the end of the North 87° 07' West 141.16 foot line of the conveyance to Mueller, et al; thence running with the lines, reversely, of said conveyance to Mueller, et al, and with the lines, as now surveyed, of Parcels One and Two in the conveyance to Papetti, South 87° 07' East 141.16 feet to a pipe set; thence South 03° 09' East 104.90 feet to the place of beginning. Containing 0.45 of an acre, more or less, as surveyed by J. R. McCrone, Jr., Inc., Registered Surveyors, in June, 1965, and described in July, 1965.







**COMPARABLE KEY**

COMPARABLE	LABEL	DISTANCE FROM SUBJECT	ADDRESS
SUBJECT	S	-	June Parker Marina, ,
COMPARABLE 2	2	69.6 Miles	1048 Turkey Point Rd, Edgewater, MD



**COMPARABLE 3**

**LOCATION INFORMATION**

Name	Young's Boat Yard
Address	7201 Waldman Ave
City, State, Zip Code	Sparrow s Point, MD, 21219
County	Baltimore
MSA	Baltimore-Tow son, MD
APN	15-1525450144

**SALE INFORMATION**

Seller	Young's Boat Yard, Inc.
Transaction Date	05/11/2017
Transaction Status	In Contract
Analysis Price	\$1,440,000

**PHYSICAL INFORMATION**

Gross Building Area (GBA)	5,000
Leasable Area (NRA)	5,000
Year Built	1945
Quality	Average
Condition	Average
Appeal	Average
Site Size	1.7 Acres (74,052 SF)
Zoning	Business Maritime Boatyard
Access	Average
Exposure	Average
Site Coverage (SF)/Ratio	6.8%



**YOUNG'S BOAT YARD**



**ANALYSIS INFORMATION**

Price per Slip	\$12,000
Capitalization Rate	10.00%

**CONFIRMATION**

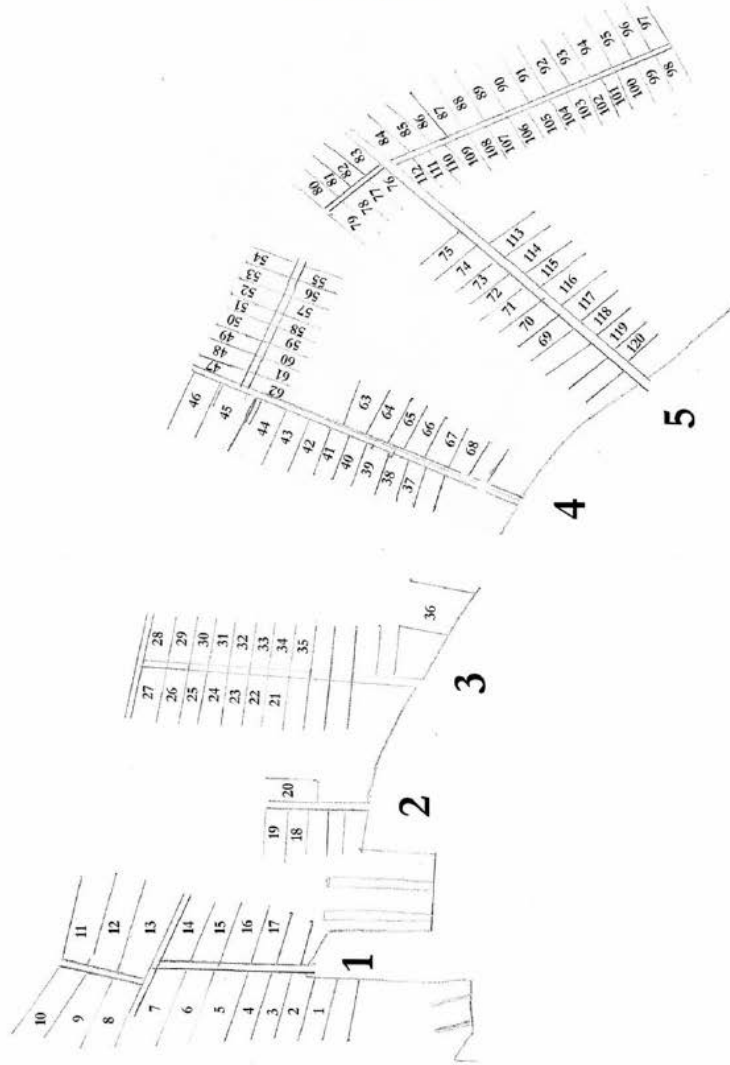
Name	James Foley, CCIM
Company	CB Richard Ellis
Source	Seller's Broker
Date / Phone Number	05/11/2017 +1 615 248 1126

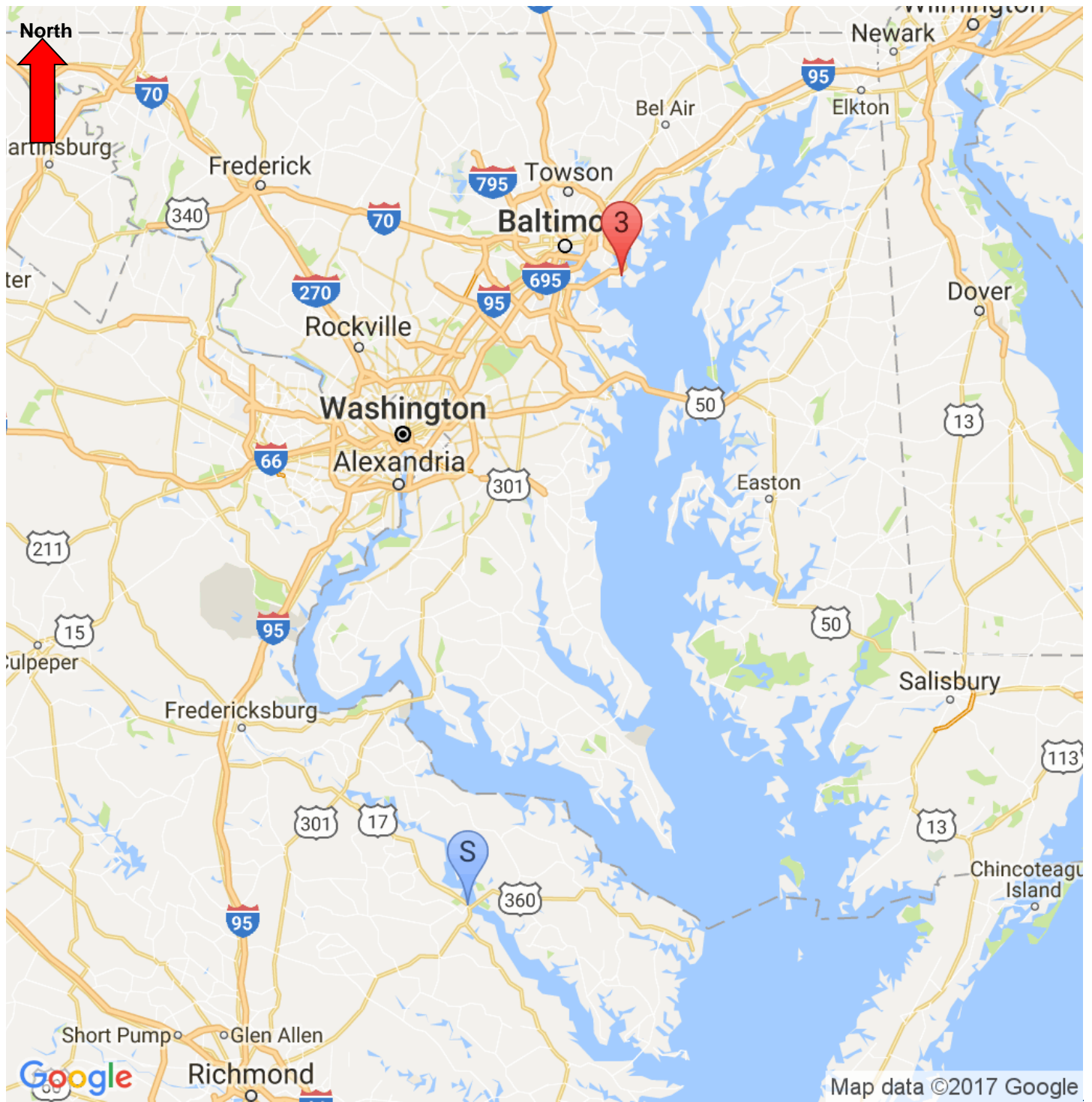
**REMARKS**

This is a 120 wet slip marina located on 5 parcels totaling 1.7 acres. It offers slips up to 45', 105 dry boat storage and recently went through rezoning from residential to Business Maritime Boatyard. Improvements include: 15 ton marine travel lift, boat ramp, boat trailer, dinghy and work rafts, and Captain Clean pump out. It is located in Sparrow's Point, a quiet neighborhood area of Baltimore. This is a marina under contract which the broker stated will close around 10% cap rate. He could not disclose the exact details until closing. It was offered for \$1,800,000. The owner's residence is located directly across the street from the boatyard. It is not a part of this offering, however, the owners would be open to discussing the sale of the home in addition to the sale of the boatyard. Terms to be determined.



Slip Layout





**COMPARABLE KEY**

COMPARABLE	LABEL	DISTANCE FROM SUBJECT	ADDRESS
SUBJECT	S	-	June Parker Marina, ,
COMPARABLE 3	3	92.0 Miles	7201 Waldman Ave, Sparrows Point, MD



**COMPARABLE 4**

**LOCATION INFORMATION**

Name	Shelter Cove Yacht Basin
Address	230 Riverside Dr
City, State, Zip Code	North East, MD, 21901
County	Cecil
MSA	Baltimore-Tow son, MD
APN	05-050030

**SALE INFORMATION**

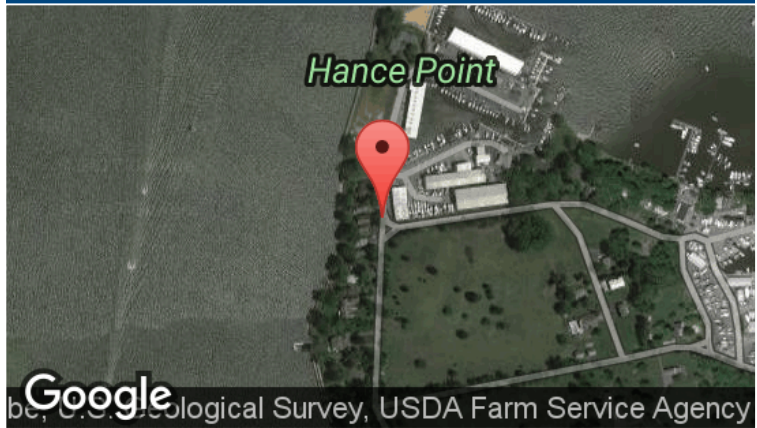
Buyer	Galahad Marine
Seller	Shelter Cove Yacht Basin
Transaction Date	09/1/2016
Transaction Status	Recorded
Transaction Price	\$3,851,561
Analysis Price	\$3,851,561

**PHYSICAL INFORMATION**

Gross Building Area (GBA)	32,070
Leasable Area (NRA)	32,070
Year Built	1962
Quality	Average
Condition	Average
Appeal	Average
Site Size	15.5 Acres (673,438 SF)
Access	Average
Exposure	Average
Site Coverage (SF)/Ratio	4.8%



**SHELTER COVE YACHT BASIN**



**ANALYSIS INFORMATION**

Price per Slip \$25,677

Capitalization Rate

**CONFIRMATION**

Name	Jeff Griesbauer
Company	MarinasForSale.com
Source	Buyer's Broker
Date / Phone Number	05/11/2017 <span style="float: right;">Confidential</span>

**REMARKS**

This is a 150 wet slip marina, 28 covered and 9 transient. The marina can accommodate boats with a max LOA of 50 feet, with a max beam of 12 feet. High/dry rack storage capacity for 100 boats with year around forklift service is also available. It is located in the upper Chesapeake Bay. This transaction was signed September 21, 2016 to Dominic Nicosia, represented by Jeff Griesbauer of MarinasForSale.com. He purchasd the marina for \$3,851,561 or \$25.00/Slip.

## EXHIBIT A

Four Parcels of Land, Surveyed for Shelter Cove Yacht Basin and Marina, Inc., Located on Sunset Drive, Fifth Election District, Cecil County, Maryland

**TRACT No. 1**

A 1517 Square Foot Parcel of Land, Located on Riverside Drive described as follows;

BEGINNING for the same at a 1" iron pipe heretofore set on the westerly side of a thirty-foot-wide right of way for access as shown on the said plat recorded in Liber PC 1116, folio 29 and 30 and as shown on the plat entitled "Shelter Cove" as recorded among the land records of Cecil County in Liber WAS 67, folio 27 and 28 at the beginning of the fourth or North 84°30' West 47.8 foot line of that tract or parcel of land conveyed by Earle B. Melrath and Elizabeth Melrath, his wife, unto The Hance's Point Utilities Company by a deed dated May 16, 1957 and recorded among the Land Records of Cecil County, Maryland in Liber WAS 47, folio 293. Said point of beginning bears coordinates, referenced to the Maryland Coordinate System (NAD83/2007) of North 691079.9019 and East 1603064.3376. Thence, from the point of beginning, binding on a part of said fourth course, as now surveyed,

1) South 87°28'38" West 43.94 feet to a point lying North 87°28'38" East 1.36 feet from a 2" iron pipe heretofore set at the end of said fourth course. Thence, binding on the third fourth and fifth courses of that tract or parcel of land conveyed by The Hance's Point Utilities Company to Holcombe E. Grier and Hannah C. Kinney, his wife by a deed dated May 22, 2008 as recorded among the land records of Cecil County in Liber WLB 2513, folio 505,

2) South 04°58'52" East 4.73 feet to the northwesternmost corner of an existing masonry pump house building. Thence, binding on the westerly face of said building,

3) South 08°18'26" East 17.65 feet to the southwesternmost corner,

4) South 45°06'36" East 29.60 feet to a pin and cap ("FWA-4") to intersect the second course of the aforesaid conveyance unto The Hance's Point Utilities Company. Thence, binding on a part of the second and on third courses of said conveyance,

5) North 81°06'40" East 20.76 feet to intersect the westerly side of a thirty-foot-wide right of way for access as shown on the said plat recorded in Liber PC 1116, folio 29 and 30 and as shown on the plat entitled "Shelter Cove" as recorded among the land records of Cecil County in Liber WAS 67, folio 27 and 28. Thence, binding thereon,

6) North 01°57'48" East 39.91 feet to the point of beginning hereof.

CONTAINING 1517 square feet (0.0348 acre) of land, more or less.

TRACT No. 1 BEING that tract or parcel of land conveyed by Woodlan T. Jackson, Trustee for Hance's Point Utilities Company to Shelter Cove Yacht Basin and Marina, Inc. by a deed dated August 9, 2016 as recorded among the land records of Cecil County in Liber CMN 3930, folio 146.

**TRACT No. 2**

A 1.5482 Acre Parcel of Land, Located on Riverside Drive described as follows;

**BOOK: 3951 PAGE: 271**

BEGINNING for the same at an iron pipe heretofore set on the westerly side of Riverside Drive Extended at the beginning of the second or North 85°833'00" West 43.94 feet line of that parcel of land conveyed by Holcombe E. Grier and Hannah C. Kinney, his wife, unto Shelter Cove Yacht Basin and Marina, Inc. by a deed dated May 22, 2008 and recorded among the Land Records of Cecil County, Maryland in Liber WLB 2513, folio 489. Said point bears coordinates, referenced to the Maryland Coordinate System (NAD83/2007) of North 691079.9019 and East 1603064.3376. Thence, leaving Riverside Drive Extended and binding on the second and third courses of the said conveyance by Grier,

1) South 87°28'38" West 43.94 feet,

2) North 06°38'01" West 19.33 feet to a one-inch pipe heretofore set at the beginning of the second or South 46°30' West 26 feet line of that tract or parcel of land conveyed by Earle B. Melrath and Elizabeth Melrath to Shelter Cove Yacht Basin and Marina, Inc. by a deed dated December 31, 1963 and recorded among the Land Records of Cecil County, Maryland in Liber WAS 146, folio 504. Thence, binding on a part of said course,

3) South 47°04'40" West 13.08 feet to the end of the third or South 85°33'00" East 115.80 feet line of that parcel of land conveyed by Shelter Cove Yacht Basin and Marina, Inc. to Holcombe E. Grier and Hannah C. Kinney, his wife by a deed dated May 22, 2008 and recorded among the Land Records of Cecil County, Maryland in Liber WLB 2513, folio 497. Thence, binding thereon,

4) South 87°28'38" West 114.55 feet to a point along the Northeast River and near a stone seawall. Thence binding along the fourth through the sixth courses of the outline of the said land conveyed to Shelter Cove Yacht Basin and Marina, Inc. as recorded in Liber WAS 146, folio 504 and binding along a part of the second course of the outline of the lands conveyed by John F. Fleuhr, Jr. to Shelter Cove Yacht Basin and Marina, Inc. by a deed dated January 16, 1980 as recorded among the land records of Cecil County in Liber NDS 50, folio 673 and also binding near and along the said seawall for the Northeast River, the following four courses, as now surveyed,

5) North 01°11'38" East 111.47 feet,

6) North 16°49'13" East 127.33 feet,

7) North 18°38'38" East 120.70 feet,

8) North 14°28'11" East 47.15 feet. Thence, leaving the North East River and binding on the division line between Parcel 112 and Parcel 349 as shown on Sheet 1 of 2 of the plat entitled "Addition of Land Survey, Land of Woodland T. Jackson and Shelter Cove Yacht Basin and Marina, Inc." as recorded among the land records of Cecil County in Plat Cabinet 1116, folio 29,

9) South 71°46'38" East 167.58 feet to a pin and cap now set to intersect the said westerly side of Riverside Drive Extended. Thence, binding thereon and on the division line between the said Parcel 349 and Parcel 243,

10) South 12°27'38" West 332.50 feet to a pin heretofore set with a cap marked 'American Eng',

11) South 19°10'53" West 20.75 feet to the point of beginning hereof.

CONTAINING 1.5482 acres (67438 square feet) of land, more or less.

TRACT 2 BEING the following, combined;

**BOOK: 3951 PAGE: 272**

a) a part of that tract or parcel of land conveyed by Earle B. Melrath and Elizabeth Melrath, his wife, unto Shelter Cove Yacht Basin and Marina, Inc. by a deed dated December 31, 1973 and recorded among the Land Records of Cecil County, Maryland in Liber WAS 146, folio 504.

b) a part of that tract or parcel of land conveyed by John F. Fleuhr, Jr. unto Shelter Cove Yacht Basin and Marina, Inc. by a deed dated January 16, 1980 and recorded among the Land Records of Cecil County, Maryland in Liber NDS 50, folio 673.

c) all of that tract or parcel of land conveyed by Holcombe E. Grier and Hannah C. Kinney, his wife, unto Shelter Cove Yacht Basin and Marina, Inc. by a deed dated May 22, 2008 and recorded among the Land Records of Cecil County, Maryland in Liber WLB 2513, folio 489.

MORE PARTICULARLY BEING all of Tax Map 36, Parcel 349, containing 1.5482 acres of land, more or less (451240 square feet) as shown on a plat entitled "Addition of Land Survey, Land of Shelter Cove Yacht Basin and Marina, Inc." as recorded among the Land Records of Cecil County in Liber PC 1116, folio 29 and 30.

**TRACT No. 3**

A 10.3659 Acre Parcel of Land, Located at 230 Riverside Drive described as follows;

BEGINNING for the same at PK nail heretofore set in the seawall along the Northeast River located at the end of the first or South 34°00' East 30 foot line as described in a deed from John J. Schiedel and Anna Martha Schiedel to Shelter Cove Yacht Basin and Marina, Inc. dated October 30, 1959 and recorded among the Land Records of Cecil County, Maryland in Liber WAS 83, folio 534. Said point of beginning bears coordinates, referenced to the Maryland Coordinate System (NAD83/2007) of North 691244.1898 and East 1603841.3153. Thence, leaving the Northeast River and binding along the second and third courses as described in the said conveyance and reversely along the first through the third courses as described in a deed from Shelter Cove Yacht Basin and Marina, Inc. unto John J. Schiedel and Anna Martha Schiedel, dated October 30, 1959 and recorded among the aforesaid land records in Liber WAS 83, folio 530, the following four courses as now surveyed,

- 1) South 16°32'31" West 179.29 feet,
- 2) South 67°28'58" West 103.44 feet to an iron pipe heretofore set,
- 3) South 04°45'02" East 139.55 feet to an iron pipe heretofore set,
- 4) South 32°08'52" East 33.00 feet to a magnetic nail heretofore set in the northerly side of Sunset Drive. Thence binding along the said northerly side of Sunset Drive as shown on a subdivision plat entitled "Shelter Cove" and recorded among the aforesaid land records in Liber WAS 67, folio 28, the following two courses as now surveyed,
- 5) South 80°42'21" West 608.00 feet to an iron pin and cap now set,
- 6) North 80°15'19" West 29.75 feet to a magnetic nail now set in the easterly side of Riverside Drive as shown on the aforesaid subdivision plat for "Shelter Cove". Thence binding along said easterly side of Riverside Drive, the following two courses as now surveyed,
- 7) North 16°45'19" West 33.21 feet to a railroad spike now set,



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- 8) North  $01^{\circ}57'48''$  East 191.07 feet to a magnetic nail now set. Thence leaving the easterly side of Riverside Drive and crossing said Riverside Drive,
- 9) South  $79^{\circ}57'44''$  West 30.68 feet to a railroad spike now set along the westerly side of Riverside Drive at the beginning of the first or South  $87^{\circ}00'$  West 194.5 feet course of that tract or parcel of land conveyed by Earle B. Melrath and Elizabeth Melrath to E. Gordon Melrath and Mildred Melrath, his wife by a deed dated May 16, 1957 as recorded among the land records of Cecil County in Liber WAS 47, folio 289. Thence, on a part of said first course,
- 10) South  $79^{\circ}58'27''$  West 22.86 feet to the end of the sixth or South  $44^{\circ}$  West 41 feet course of that parcel of land conveyed by Shelter Cove Yacht Basin and Marina, Inc. to Howard H. Rogers and Freda P. Rogers by a deed dated August 3, 1959 as recorded among the land records of Cecil County in Liber WAS 83, folio 497. Thence, binding reversely on a part of said sixth courses,
- 11) North  $38^{\circ}11'03''$  East 20.86 feet to the beginning of the second or North  $11^{\circ}56'21''$  West 0.80 feet line of that parcel of land conveyed by Holcombe E. Grier and Hannah C. Kinney, his wife, unto Shelter Cove Yacht Basin and Marina, Inc. by a deed dated May 22, 2008 and recorded among the Land Records of Cecil County, Maryland in Liber WLB 2513, folio 489. Thence, binding on the second through the sixth courses of said conveyance,
- 12) North  $18^{\circ}54'43''$  West 0.80 feet
- 13) North  $04^{\circ}16'34''$  West 20.87 feet to a magnetized nail now set,
- 14) North  $07^{\circ}16'38''$  East 5.21 feet to a magnetized nail now set,
- 15) North  $46^{\circ}10'57''$  West 11.12 feet to a pin and cap now set,
- 16) North  $81^{\circ}06'40''$  East 20.76 feet to intersect the westerly side of Riverside Drive. Thence, binding thereon,
- 17) North  $01^{\circ}57'48''$  East 39.91 feet to a one-inch pipe heretofore set. Thence, on the division line between Parcel 243 and Parcel 349 as shown on Sheet 1 of 2 of the plat entitled "Addition of Land Survey, Land of Woodland T. Jackson and Shelter Cove Yacht Basin and Marina, Inc." as recorded among the land records of Cecil County in Plat Cabinet 1116, folio 29 and 30, two courses;
- 18) North  $19^{\circ}10'53''$  East 20.75 feet,
- 19) North  $12^{\circ}27'38''$  East 332.50 feet to a pin and cap now set. Thence, binding on the division between Parcel 243 and Parcel 112 as shown on the last mentioned plat, two courses;
- 20) North  $63^{\circ}48'57''$  East 124.70 feet to a pin and cap now set,
- 21) North  $00^{\circ}49'05''$  West 142.53 feet to a pin and cap now set along the seawall for the Northeast River. Thence binding along said seawall as now surveyed,
- 29) South  $64^{\circ}42'20''$  East 586.04 feet,
- 30) South  $33^{\circ}57'58''$  East 175.80 feet to the point of beginning hereof.
- CONTAINING 10.3659 acres (451540 square feet) of land, more or less.

TRACT 3 BEING the following, combined;

a) a part of that tract or parcel of land conveyed by Earl B. Melrath and Elizabeth Melrath, his wife, unto Shelter Cove Yacht Basin and Marina, Inc. by a deed dated October 14, 1958 and recorded among the Land Records of Cecil County, Maryland in Liber WAS 67, folio 24.

b) a part of that tract or parcel of land conveyed by Mildred K. Melrath and E. Gordon Melrath unto Shelter Cove Yacht Basin and Marina, Inc. by a deed dated December 1, 1958 and recorded among the Land Records of Cecil County, Maryland in Liber WAS 68, folio 405.

c) a part of that tract or parcel of land conveyed by Elizabeth Melrath, widow, unto Shelter Cove Yacht Basin and Marina, Inc. by a deed dated June 29, 1975 and recorded among the Land Records of Cecil County, Maryland in Liber WAS 174, folio 300.

d) all of that tract or parcel of land conveyed by John J. Schiedel and Anna Martha Schiedel, his wife, unto Shelter Cove Yacht Basin and Marina, Inc. by a deed dated October 30, 1959 and recorded among the Land Records of Cecil County, Maryland in Liber WAS 83, folio 534.

e) all of that tract or parcel of land conveyed by Holcombe E. Grier and Hannah C. Kinney, his wife, unto Shelter Cove Yacht Basin and Marina, Inc. by a deed dated May 22, 2008 and recorded among the Land Records of Cecil County, Maryland in Liber WLB 2513, folio 481.

**TRACT No. 4**

3.4571 Acre Parcel of Land, Located on Shelter Cove Road, Fifth Election District, Cecil County, Maryland

BEGINNING for the same at a point at the intersection of the southwesterly side of Sunset Drive with the westerly side of Wingate Road at the beginning of that tract or parcel of land conveyed by Mary N. Gardner and Austin T. Gardner to Shelter Cove Yacht Basin and Marina, Inc. by a deed dated August 22, 1960 as recorded among the land records of Harford County in Liber WAS 95, folio 255. Said point of beginning bears coordinates, referenced to the Maryland Coordinate System (NAD83/2007) of North 690666.8865 and East 1604368.9736. Thence, from the point of beginning, binding on the westerly side of Wingate Road and binding on the first or South 06°00' East 162 feet line of said conveyance, as now surveyed;

1) South 14°22'58" East 162.00 feet to intersect the second or North 85°43'58" East 237.32 feet line of Parcel No. 2 of those tracts or parcels of land conveyed by Jean I. Northrop, as attorney-in-fact for Mary N. Gardner to Ross B. Cameron, Jr. and Catherine H. Cameron by a deed dated August 7, 1987 as recorded among the land records of Cecil County in Liber NDS 207, folio 77. Thence, binding on the second course of the conveyance unto Shelter Cove and reversely on the second course unto Cameron,

2) South 78°07'02" West 211.00 feet to intersect the fourth or South 03°30'00" East 363.70 feet line of that tract or parcel of land conveyed by Shelter Cove Yacht Basin and Marina, Inc. to Ronald L. Bamberger and Betty Lou Bamberger, his wife by a deed dated July 31, 1973 as recorded among the land records of Cecil County in Liber WAS 323, folio 551. Thence, binding reversely of said fourth courses,

3) North 12°00'09" West 103.11 feet to intersect the third or South 85°52'47" West 150.00 feet line of that tract or parcel of land conveyed by Shelter Cove Yacht Basin and Marina, Inc. to Ronald L. Bamberger and Betty Lou Bamberger, his wife by a deed dated January 31, 1964 as recorded among the land records of Cecil County in Liber WAS 149, folio 156 at a point lying North 77°25'55" East 146.70

feet from a ½" iron pipe heretofore set at the end of said third line. Thence, binding reversely on a part of said line, and reversely on the second and first lines of said conveyance, the three following courses;

4) North 77°25'55" East 3.30 feet,

5) North 20°44'12" West 65.50 feet,

6) North 68°56'52" West 200.19 feet to a point on the easterly side of Shelter Cove Road. Thence, binding reversely on the fourth course of the conveyance recorded in Liber WAS 149, folio 156,

7) South 20°59'22" East 177.59 feet to the aforementioned ½" iron pipe at the end of the said third line. Thence, binding reversely on the second course of the aforesaid conveyance recorded in Liber WAS 323, folio 551,

8) South 19°20'13" East 361.26 feet to intersect the northerly right of way line of Hance's Point Road, also known as Shannah Drive, a thirty foot wide right of way heretofore laid out. Thence, binding thereon as conveyed by Harry L. Wilson and Katharine H. Wilson, his wife, David L. Green and Eva L. Green, his wife and Hance's Point Land Company, Inc. to the County Commissioners of Cecil County by a deed dated April 23, 1935 as recorded among the land records of Cecil County in Liber SRA 24, folio 310,

9) South 77°42'21" West 29.88 feet to intersect the third or South 10°47'24" East 151.33 feet line of that tract or parcel of land conveyed by Shelter Cove Yacht Basin and Marina, Inc. to Ronald L. Bamberger and Betty Lou Bamberger, his wife by a deed dated April 4, 1977 as recorded among the land records of Cecil County in Liber WAS 374, folio 651. Thence, leaving Hance's Point Road and binding reversely on said third line and a part of the second line, the two following courses,

10) North 19°54'52" West 148.52 feet,

11) South 78°07'02" West 21.83 feet to the end of the third or South 12°32'30" East 114 feet line of that tract or parcel of land conveyed by Shelter Cove Yacht Basin and Marina, Inc. to Sara Kathryn Miller and Betty Lou Bamberger by a deed dated November 24, 1964 as recorded among the land records of Cecil County in Liber WAS 173, folio 16. Thence, binding thereon and on the third or South 12°32'30" East 114 feet line of that tract or parcel of land conveyed by Shelter Cove Yacht Basin and Marina, Inc. to William M. Gibson and Constance L. Gibson, his wife, by a deed dated November 24, 1964 as recorded among the land records of Cecil County in Liber WAS 164, folio 171.

12) North 20°55'28" West 228.00 feet. Thence, binding reversely on the second line of the last mentioned conveyance,

13) South 78°07'02" West 131.67 feet to intersect the twenty-sixth or South 03¼°East 43 perches line of that tract or parcel of land conveyed by Hance's Point Land Company, Inc. to Harry L. Wilson and Katharine H. Wilson, his wife, by a deed dated June 22, 1931 as recorded among the land records of Cecil County in Liber SRA 14, folio 109. Thence, binding reversely on a part of said course and on the twenty-fifth reversely through the twenty-third courses of said conveyance, the four following courses;

14) North 11°52'58" West 331.93 feet to appoint on the southerly side of Sunset Drive. Thence, binding along the southerly side of Sunset Drive, the three following courses;

15) North 80°42'21" East 139.08 feet,

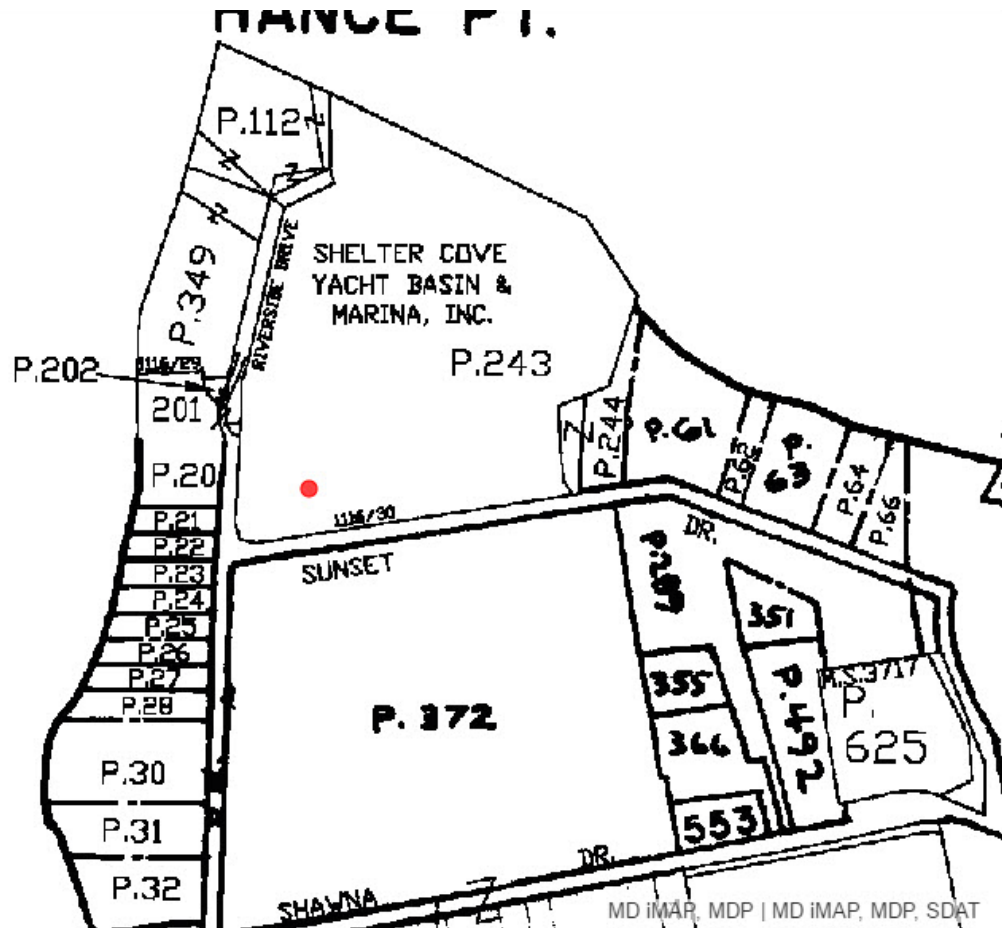
16) South 69°36'12" East 448.00 feet,

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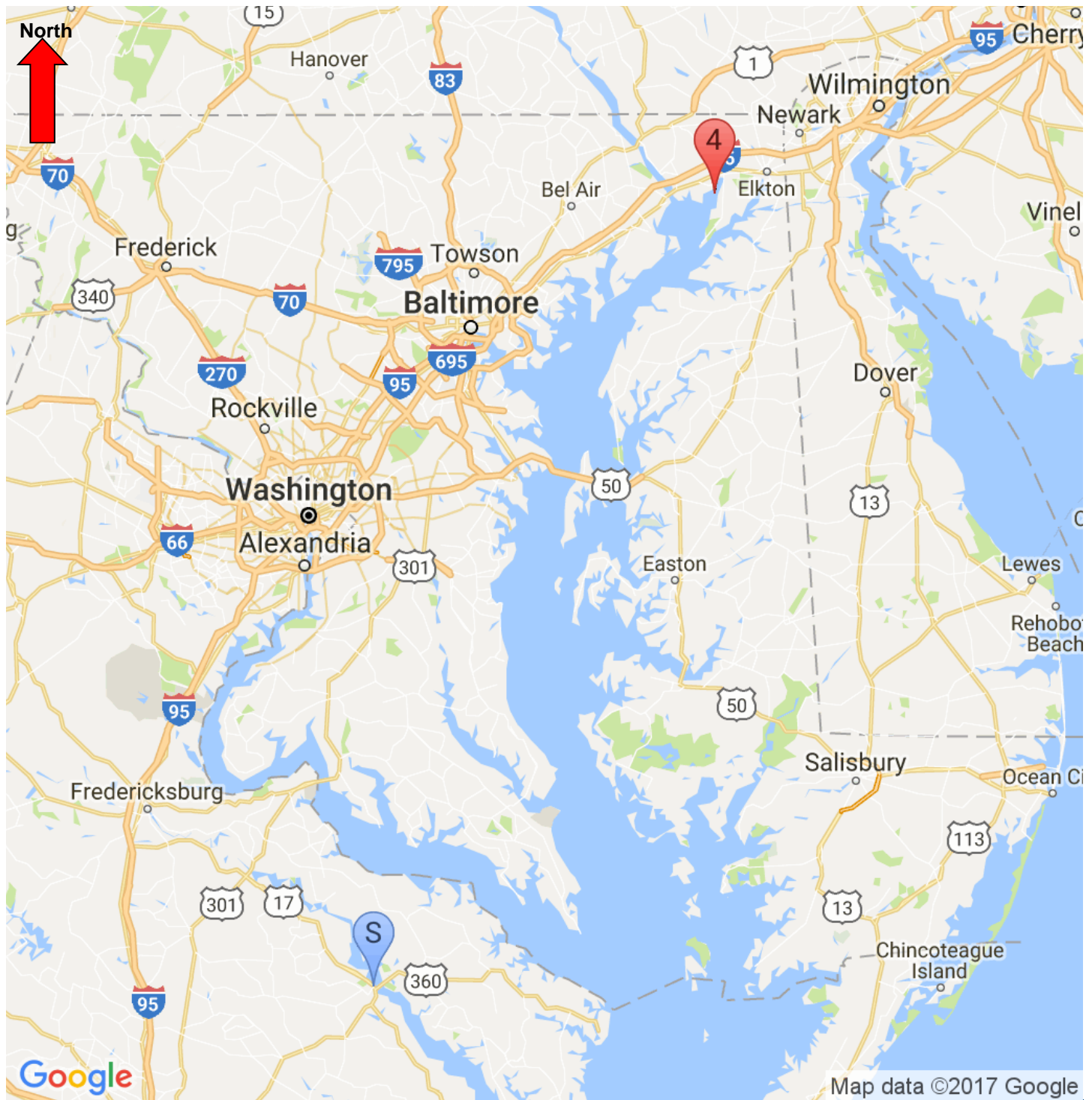
17) South 45°19'42" East 47.60 feet to the point of beginning hereof.

CONTAINING 3.4571 acres (150591 square feet) of land, more or less.

TRACT No. 4 BEING the remainder of tract or parcel of land conveyed by Mary N. Gardner and Austin T. Gardner to Shelter Cove Yacht Basin and Marina, Inc. by a deed dated August 22, 1960 as recorded among the land records of Harford County in Liber WAS 95, folio 255.







**COMPARABLE KEY**

COMPARABLE	LABEL	DISTANCE FROM SUBJECT	ADDRESS
SUBJECT	S	-	June Parker Marina, ,
COMPARABLE 4	4	122.2 Miles	230 Riverside Dr, North East, MD

**COMPARABLE 5**

**LOCATION INFORMATION**

Name	McDaniel Yacht Basin
Address	15 Grandview Ave
City, State, Zip Code	North East, MD, 21901
County	Cecil
MSA	Philadelphia-Camden-Wilmington, PA-NJ-DE-MD
APN	05-041244

**SALE INFORMATION**

Buyer	Domenic Nicosia
Seller	McDaniel Yacht Basin Inc
Transaction Date	08/22/2016
Transaction Status	Recorded
Transaction Price	\$5,000,000
Analysis Price	\$5,000,000
Recording Number	3937-0147

**PHYSICAL INFORMATION**

Gross Building Area (GBA)	10,000
Leasable Area (NRA)	10,000
Quality	Average
Condition	Average
Appeal	Average
Site Size	19.2 Acres (836,788 SF)
Shape	Irregular
Topography	Generally Level
Access	Average
Exposure	Average
Site Coverage (SF)/Ratio	1.2%



**MCDANIEL YACHT BASIN**



Google, U.S. Geological Survey, USDA Farm Service Agency

**ANALYSIS INFORMATION**

Price per Slip \$25,000

Capitalization Rate

**CONFIRMATION**

Name	Jeff Griesbauer
Company	MarinasForSale.com
Source	Buyer's Broker
Date / Phone Number	05/12/2017 <span style="float: right;">Confidential</span>

**REMARKS**

McDaniel Yacht Basin was acquired by Domenic Nicosia in August 2016 from McDaniel Yacht Basin Inc. for a total consideration of \$5,000,000. This amounts to an acquisition price of \$25,000 per slip. This sale involved a single-asset transaction. Amenities include fuel, electricity, pump-out, heads and showers, laundry, pool, ship store, brokerage office, and a meeting facility. The overall capitalization rate at the time of sale was not available. This sale, which is located at 15 Grandview Avenue in North East, is a marina that features 200 wet slips. The property's original construction date was not available at the time of research. The interest conveyed was reported to be fee simple and the conditions of sale are understood to be arms-length.

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## EXHIBIT A - DEED

All that certain piece, parcel or tract of land situate in the Fifth Election District, Cecil County, Maryland being all of the lands described in a deed from McDaniel Enterprises, Inc., a corporation of the State of Delaware to McDaniel's Yacht Basin, Inc., a corporation of the State of Maryland recorded in the Land Records for Cecil County, Maryland in Liber W.A.S. 113, folio 439, and more particularly described as follows to wit:

Beginning at a concrete monument found on the Westerly side of Hances Point Road (a.k.a. Old Route 272), said point further being located at the division line of lands now or formerly of Edwards Manor Section III, Inc. (see D.W.L. 3657, folio 99) and the herein described lands:

From the POINT OF BEGINNING; along the westernmost side of the aforementioned Hances Point Road;

1. South 36° 20' 16" West a distance of 741.00 to a point at the intersection of Hances Point Road and Grandview Avenue, thence leaving Hances Point Road and binding on the northerly side of Grandview Avenue the following two courses and distances;
2. North 67° 34' 03" West for a distance of 782.34 feet to a point of curvature, thence;
3. By an arc of a curve to the left having a radius of 480.00 feet, an arc distance of 309.93 feet to a capped rebar found, and scribed by a chord of North 86° 03' 54" West, 304.57 feet, thence, leaving Grandview Avenue and binding on the northeasternmost outline of lands now or formerly of the Life Estate of Lou Ann Keyser (W.L.B. 1555, folio 105) the following five courses and distances;
4. North 14° 25' 37" West for a distance of 108.20 feet to a capped rebar found, thence;
5. North 75° 34' 23" East for a distance of 10.00 feet to a capped rebar found, thence;
6. North 19° 27' 51" West for a distance of 89.97 feet to a point, thence;
7. North 47° 05' 05" West for a distance of 31.69 feet to a point, thence;
8. North 14° 25' 37" West for a distance of 21.03 feet passing over a concrete wall to a point on the approximate mean high water line of the Northeast River; thence with same the following four courses and distances;
9. North 21° 36' 42" East for a distance of 7.79 feet to a point, thence;
10. North 32° 09' 47" East for a distance of 15.50 feet to a point, thence;
11. North 39° 51' 53" East for a distance of 25.22 feet to a point, thence;
12. North 58° 46' 55" East for a distance of 18.23 feet to a point on an existing bulkhead, thence, with same the following eight courses and distances;
13. North 32° 03' 59" East for a distance of 5.72 feet to a point, thence;
14. North 50° 25' 22" East for a distance of 12.76 feet to a point, thence;
15. South 39° 57' 07" East for a distance of 81.20 feet to a point, thence;
16. North 72° 10' 42" East for a distance of 71.26 feet to a point, thence;
17. North 69° 16' 33" East for a distance of 65.93 feet to a point, thence;
18. North 12° 16' 13" West for a distance of 86.36 feet to a point, thence;
19. South 81° 15' 51" West for a distance of 23.84 feet to a point, thence;
20. North 09° 26' 46" West for a distance of 46.19 feet to a point on the title line of deed record W.A.S. 113, folio 439, thence with same;

{38984687;2}



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21. North 50° 25' 22" East for a distance of 125.61 feet to a point on an existing bulkhead thence with same the following fifty five (55) courses and distances;
22. South 15° 38' 03" East for a distance of 179.94 feet to a point, thence;
23. North 81° 58' 49" East for a distance of 35.86 feet to a point, thence;
24. South 05° 33' 24" East for a distance of 9.82 feet to a point, thence;
25. North 82° 13' 32" East for a distance of 27.94 feet to a point, thence;
26. South 77° 16' 44" East for a distance of 17.69 feet to a point, thence;
27. North 38° 59' 38" East for a distance of 3.05 feet to a point, thence;
28. North 82° 04' 44" East for a distance of 22.14 feet to a point, thence;
29. North 80° 08' 43" East for a distance of 27.43 feet to a point, thence;
30. North 83° 46' 31" East for a distance of 17.15 feet to a point, thence;
31. North 84° 30' 28" East for a distance of 31.16 feet to a point, thence;
32. South 04° 19' 13" East for a distance of 7.01 feet to a point, thence;
33. South 73° 27' 00" West for a distance of 3.40 feet to a point, thence;
34. South 02° 55' 24" East for a distance of 31.78 feet to a point, thence;
35. South 82° 14' 50" East for a distance of 11.30 feet to a point, thence;
36. North 41° 18' 44" East for a distance of 4.65 feet to a point, thence;
37. South 86° 38' 42" East for a distance of 19.16 feet to a point, thence;
38. North 08° 43' 49" East for a distance of 15.84 feet to a point, thence;
39. North 73° 29' 10" West for a distance of 3.23 feet to a point, thence;
40. North 13° 27' 39" East for a distance of 103.01 feet to a point, thence;
41. South 71° 57' 30" East for a distance of 40.46 feet to a point, thence;
42. South 67° 56' 25" East for a distance of 58.64 feet to a point, thence;
43. South 14° 58' 12" West for a distance of 48.46 feet to a point, thence;
44. South 14° 13' 33" West for a distance of 58.54 feet to a point, thence;
45. South 76° 41' 57" East for a distance of 88.87 feet to a point, thence;
46. North 13° 18' 03" East for a distance of 10.00 feet to a point, thence;
47. South 77° 34' 06" East for a distance of 124.31 feet to a point, thence;
48. South 75° 52' 41" East for a distance of 45.45 feet to a point, thence;
49. North 43° 35' 24" East for a distance of 4.02 feet to a point, thence;
50. South 57° 11' 19" East for a distance of 101.55 feet to a point, thence;
51. South 42° 43' 09" East for a distance of 124.29 feet to a point, thence;
52. South 06° 14' 39" West for a distance of 8.11 feet to a point, thence;
53. South 42° 28' 51" East for a distance of 96.34 feet to a point, thence;
54. South 40° 38' 48" East for a distance of 78.89 feet to a point, thence;
55. North 56° 40' 45" East for a distance of 42.75 feet to a point, thence;
56. North 36° 15' 35" East for a distance of 16.39 feet to a point, thence;
57. North 07° 38' 26" East for a distance of 81.52 feet to a point, thence;
58. North 29° 35' 13" West for a distance of 70.31 feet to a point, thence;
59. North 28° 05' 44" West for a distance of 45.88 feet to a point, thence;
60. South 57° 42' 57" West for a distance of 4.84 feet to a point, thence;
61. North 30° 51' 57" West for a distance of 50.39 feet to a point, thence;
62. North 32° 06' 32" West for a distance of 68.71 feet to a point, thence;
63. North 41° 31' 44" West for a distance of 97.06 feet to a point, thence;
64. North 57° 46' 17" West for a distance of 46.55 feet to a point, thence;
65. North 71° 35' 59" West for a distance of 120.50 feet to a point, thence;

(38984687;2)



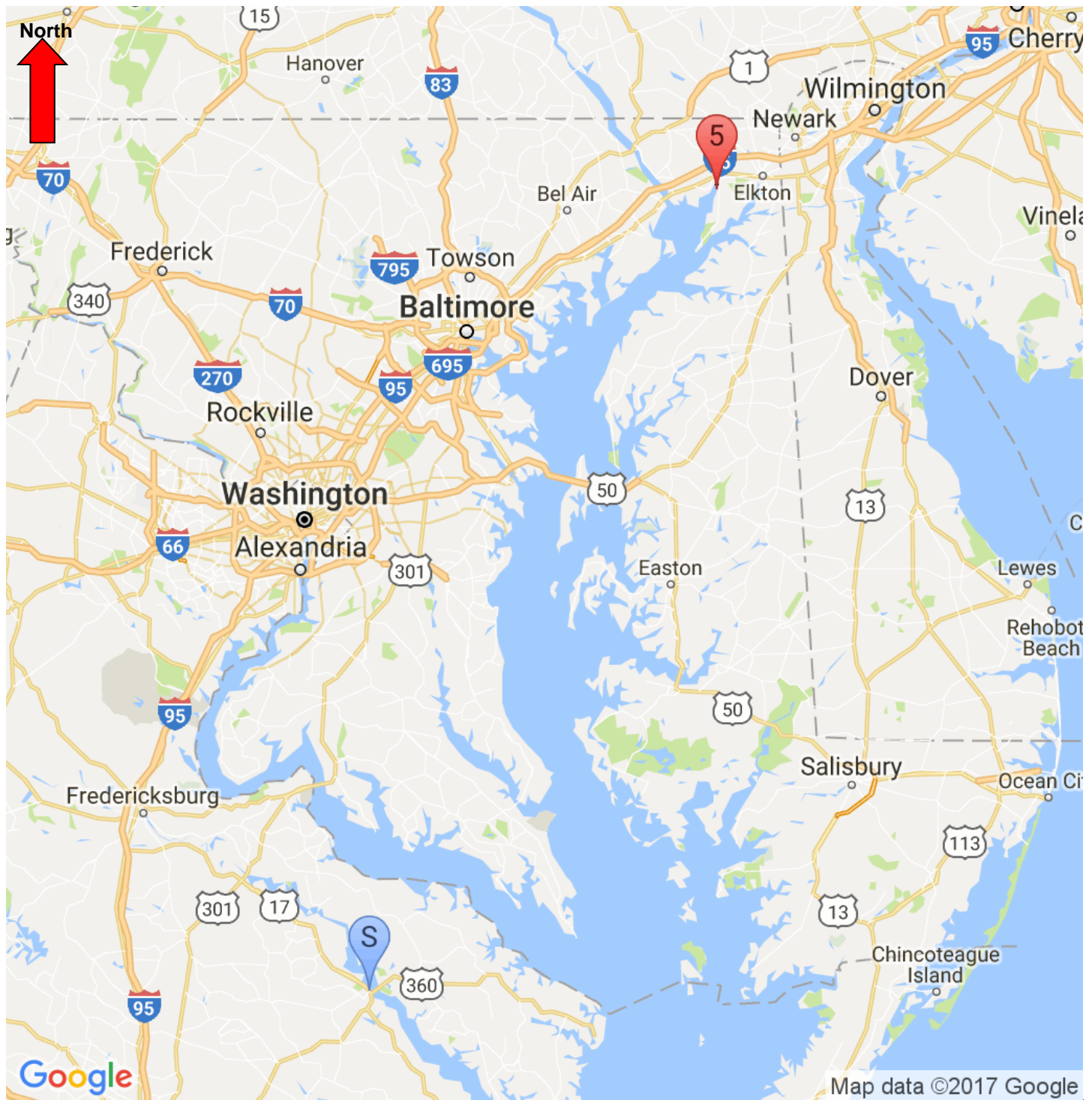
66. North 67° 01' 08" West for a distance of 113.42 feet to a point, thence;
67. North 67° 36' 28" West for a distance of 51.36 feet to a point, thence;
68. South 22° 52' 05" West for a distance of 26.57 feet to a point, thence;
69. North 80° 51' 31" West for a distance of 47.45 feet to a point, thence;
70. North 64° 44' 26" West for a distance of 104.06 feet to a point, thence;
71. South 38° 31' 05" West for a distance of 10.35 feet to a point, thence;
72. North 62° 13' 56" West for a distance of 29.04 feet to a point, thence;
73. North 32° 46' 27" East for a distance of 54.38 feet to a point, thence;
74. North 55° 57' 37" West for a distance of 98.09 feet to a point, thence;
75. South 50° 51' 47" West for a distance of 15.11 feet to a point, thence;
76. North 47° 49' 43" West for a distance of 66.91 feet to a point on the aforementioned title line, thence, with same;
77. North 50° 25' 22" East for a distance of 76.90 feet to a point on the approximate mean high water line of the Northeast River; thence with same the following twelve (12) courses and distances;
78. North 84° 55' 37" East for a distance of 15.41 feet to a point, thence;
79. North 68° 30' 16" East for a distance of 20.17 feet to a point, thence;
80. South 63° 18' 41" East for a distance of 9.33 feet to a point, thence;
81. North 87° 43' 56" East for a distance of 13.75 feet to a point, thence;
82. North 68° 51' 34" East for a distance of 22.50 feet to a point, thence;
83. North 68° 09' 35" East for a distance of 18.63 feet to a point, thence;
84. North 45° 45' 35" East for a distance of 16.21 feet to a point, thence;
85. North 57° 57' 37" East for a distance of 16.44 feet to a point, thence;
86. North 68° 53' 11" East for a distance of 12.47 feet to a point, thence;
87. North 81° 29' 36" East for a distance of 11.81 feet to a point, thence;
88. North 54° 59' 09" East for a distance of 16.43 feet to a point, thence;
89. North 40° 38' 11" East for a distance of 24.82 feet to a point on the southernmost outline of lands now or formerly of Florence G. Brown (see W.L.B. 914, folio 483), thence, with same;
90. South 49° 21' 49" East for a distance of 206.59 feet to an iron pipe found on the westernmost right of way line of West Shady Beach Road (private 40' wide R.O.W.), thence binding on the southernmost terminus of West Shady Beach Road and the southernmost outline of the aforementioned Edwards Manor Section III, Inc. lands;
91. South 65° 05' 44" East for a distance of 781.20 feet to the POINT OF BEGINNING;

Containing in all 15.719 acres of land, be they the same, more or less.

SUBJECT to Easements recorded among the Land Records of Cecil County, Maryland in Liber WLB 1183, folio 7 and Liber WLB 2433, folio 461.

15 Grandview Avenue, North East, MD 21901





**COMPARABLE KEY**

COMPARABLE	LABEL	DISTANCE FROM SUBJECT	ADDRESS
SUBJECT	S	-	June Parker Marina, ,
COMPARABLE 5	5	123.8 Miles	15 Grandview Ave, North East, MD



Marina Rent Comparables

**COMPARABLE 1**

Name	Garrett's Marina
Address	339 Catchpenny Lane
City, State, Zip Code	Tappahannock, VA 22560
County	Essex
APN	54-1-B
Number of Buildings	6
Quality	Average
Condition	Average
Appeal	Average
Site Size	10.30 Acres (448,668 SF)
Zoning	R-2
Shape	Other
Topography	Other
Access	Average
Exposure	Average



**CONFIRMATION**

Source	Garrett's Marina
Date / Phone Number	05/12/2017 (804) 443-0190

**REMARKS**

This marina has 3 wet slips and mostly consists of dry storage. In partnership with Garrett's Marina Boat Storage (formerly Harborside Storage) it is a full service marina offering boat slips, storage, gas dock, service and parts. For years we have been the leading retailer of new and used boats in our area. Primarily Dry stack storage, open dry stack, covered in water, outside in trailer, 3 total slips covered, charges \$375/month flat fee inc water/elec up to 30' (3' low tide water).

TENANT NAME	RATE TYPE	SIZE	START DATE	TERM	LEASE RATE
Listing	Monthly	20<	TBD	1	\$375







**COMPARABLE KEY**

COMPARABLE	LABEL	DISTANCE FROM SUBJECT	ADDRESS
SUBJECT	S	-	June Parker Marina, ,
COMPARABLE 1	1	10.7 Miles	339 Catchpenny Lane, Tappahannock, VA

**COMPARABLE 2**

Name	Urbanna Town Municipal Marina
Address	210 Oyster Road
City, State, Zip Code	Urbanna, VA 23175
County	Middlesex
APN	20-A-15 F
Number of Buildings	1
Quality	Average
Condition	Average
Appeal	Average
Shape	Other
Topography	Other
Access	Average
Exposure	Average



**CONFIRMATION**

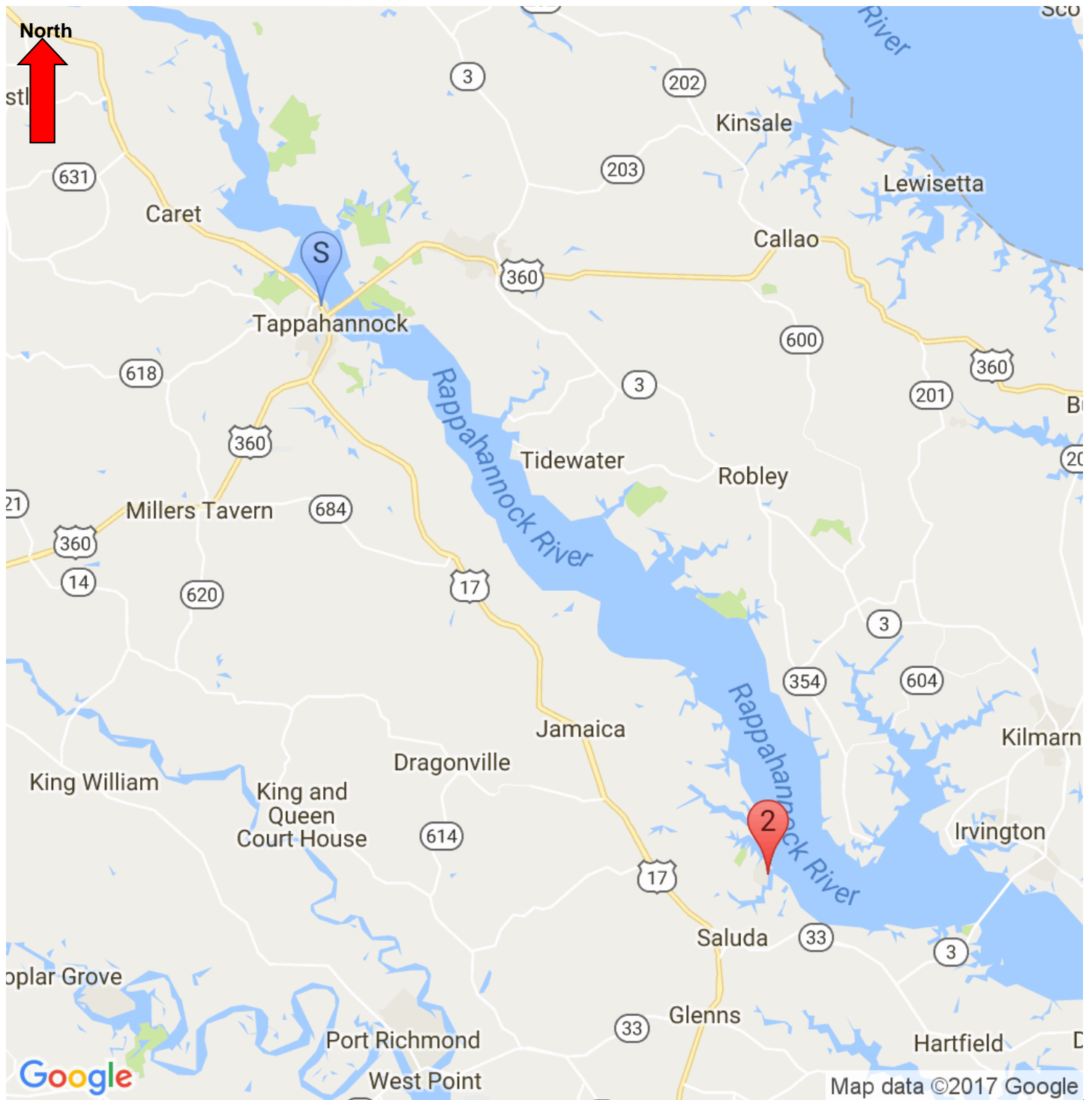
Source	Urbanna Town Municipal Marina
Date / Phone Number	5/12/2017 (804) 758-5440

**REMARKS**

This Marina provides restrooms, showers, and pump out service. Transient \$1.75/ft, mth\$300yr \$2400 inc elec & w ater season is April to Nov, in water storage only no dry storage. 32 slips total, 15 transient slips 1 27' w ide mega slip, long dock for boats over 90', 16 slips can accommodate 40' push 45' if needed.

TENANT NAME	RATE TYPE	SIZE	START DATE	TERM	LEASE RATE
Listing	Monthly	20<	TBD	1	\$200-\$300





**COMPARABLE KEY**

COMPARABLE	LABEL	DISTANCE FROM SUBJECT	ADDRESS
SUBJECT	S	-	June Parker Marina, ,
COMPARABLE 2	2	25.9 Miles	210 Oyster Road, Urbanna, VA



**COMPARABLE 3**

Name	Sunset Point Marina
Address	792 Burrells Marina Road
City, State, Zip Code	Urbanna, VA 23175
County	Middlesex
APN	19-231
Number of Buildings	1
Quality	Average
Condition	Average
Appeal	Average
Site Size	2.38 Acres (103,673 SF)
Zoning	LDR
Shape	Other
Topography	Other
Access	Average
Exposure	Average



**CONFIRMATION**

Source	Sunset Point Marina
Date / Phone Number	5/12/2017 (804) 338-6096

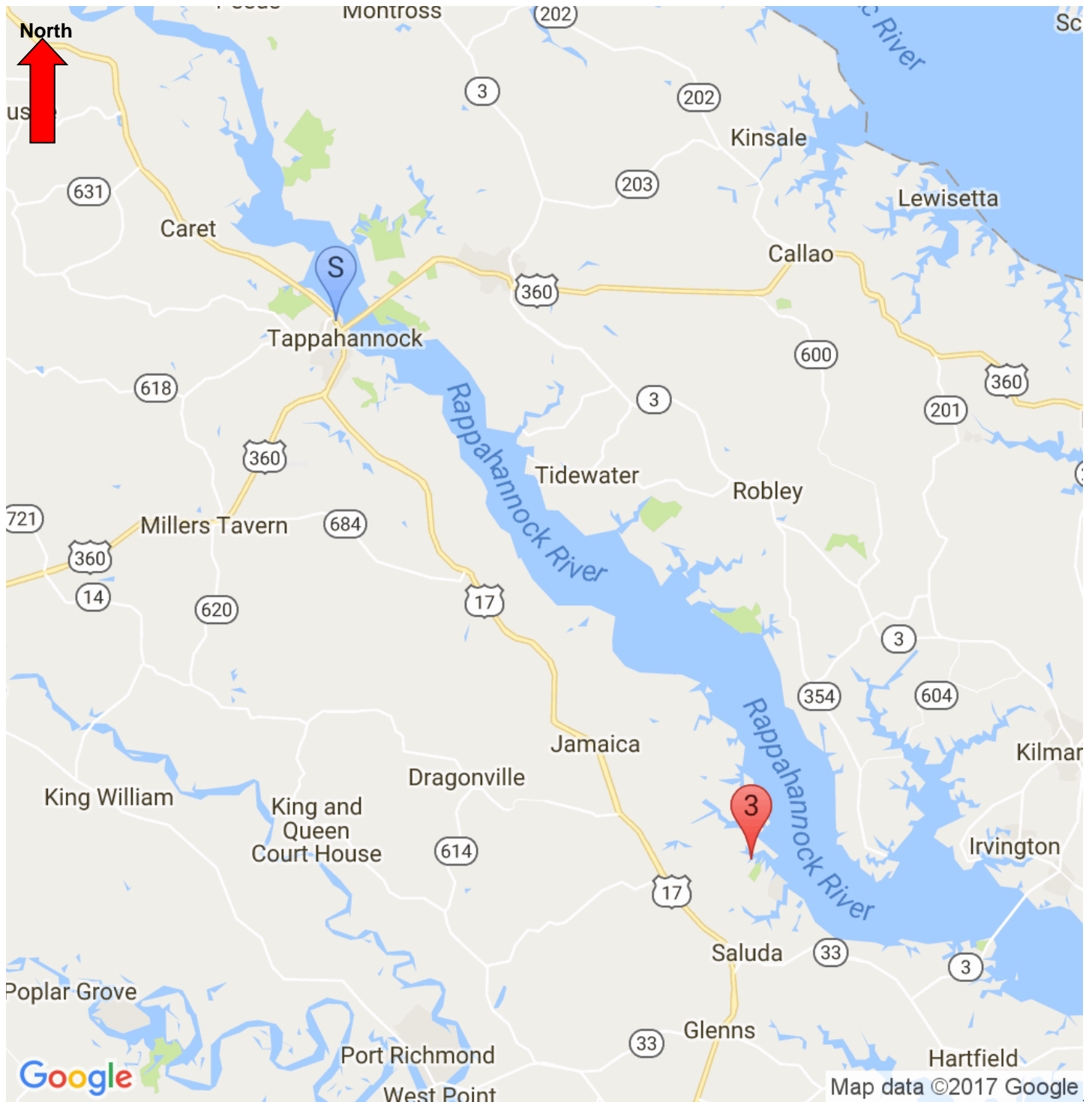
**REMARKS**

This marina features 33 slips and has the following amenities Boat Ramp, Bathrooms with showers, Railway Access, Pump-Out capabilities, WIFI, Water on dock, Fishing Charters, Yard Storage, Separately metered Electricity, No Wake Zone, Picnic tables, Fire pit and propane grill, and Fish Cleaning Station. There are 33 total slips, inc 4 liveaboards 29 transient up to 50' on Robinsons cove off Rappahannock river (well protected) Charges by 6 month \$175/month inc water you pay elec, liveaboards \$185/month inc pump out & water you pay elec, (if liveaboards have smaller 2nd boat \$250/month total for both.

TENANT NAME	RATE TYPE	SIZE	START DATE	TERM	LEASE RATE
Listing	Monthly	20<	TBD	1	\$175







**COMPARABLE KEY**

COMPARABLE	LABEL	DISTANCE FROM SUBJECT	ADDRESS
SUBJECT	S	-	June Parker Marina, ,
COMPARABLE 3	3	24.4 Miles	792 Burrells Marina Road, Urbanna, VA

**COMPARABLE 4**

Name	Norview Marina
Address	18691 General Puller Hwy
City, State, Zip Code	Deltaville, VA 23043
County	Middlesex
APN	41-67-1, 67 & 59-4
Number of Buildings	6
Quality	Average
Condition	Average
Appeal	Average
Site Size	36.0 Acres (1,568,160 SF)
Zoning	WC Waterfront Commercial
Shape	Other
Topography	Other
Access	Average
Exposure	Average



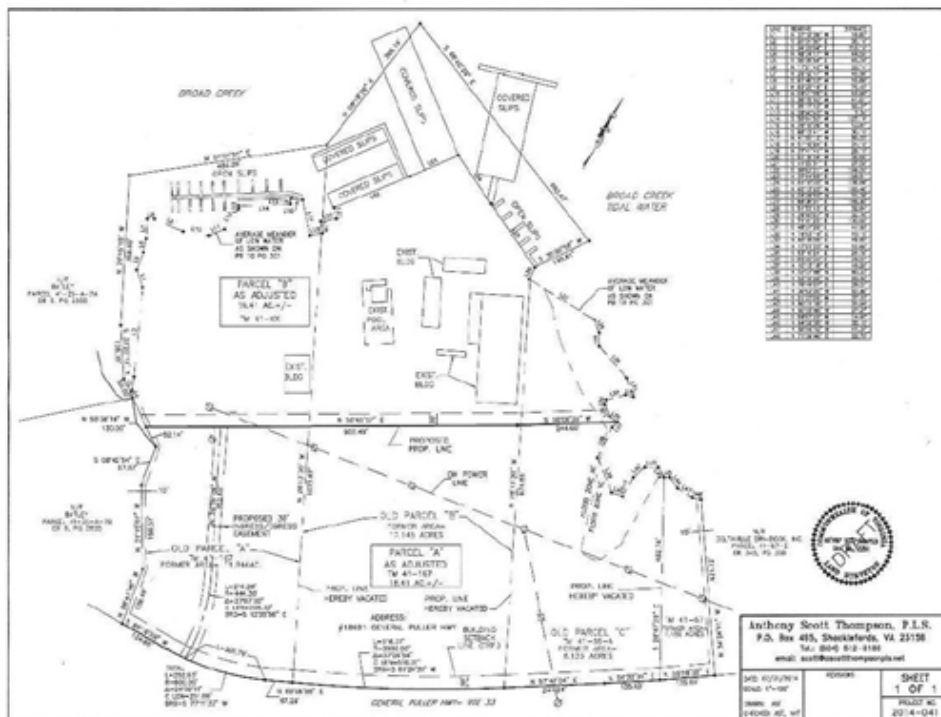
**CONFIRMATION**

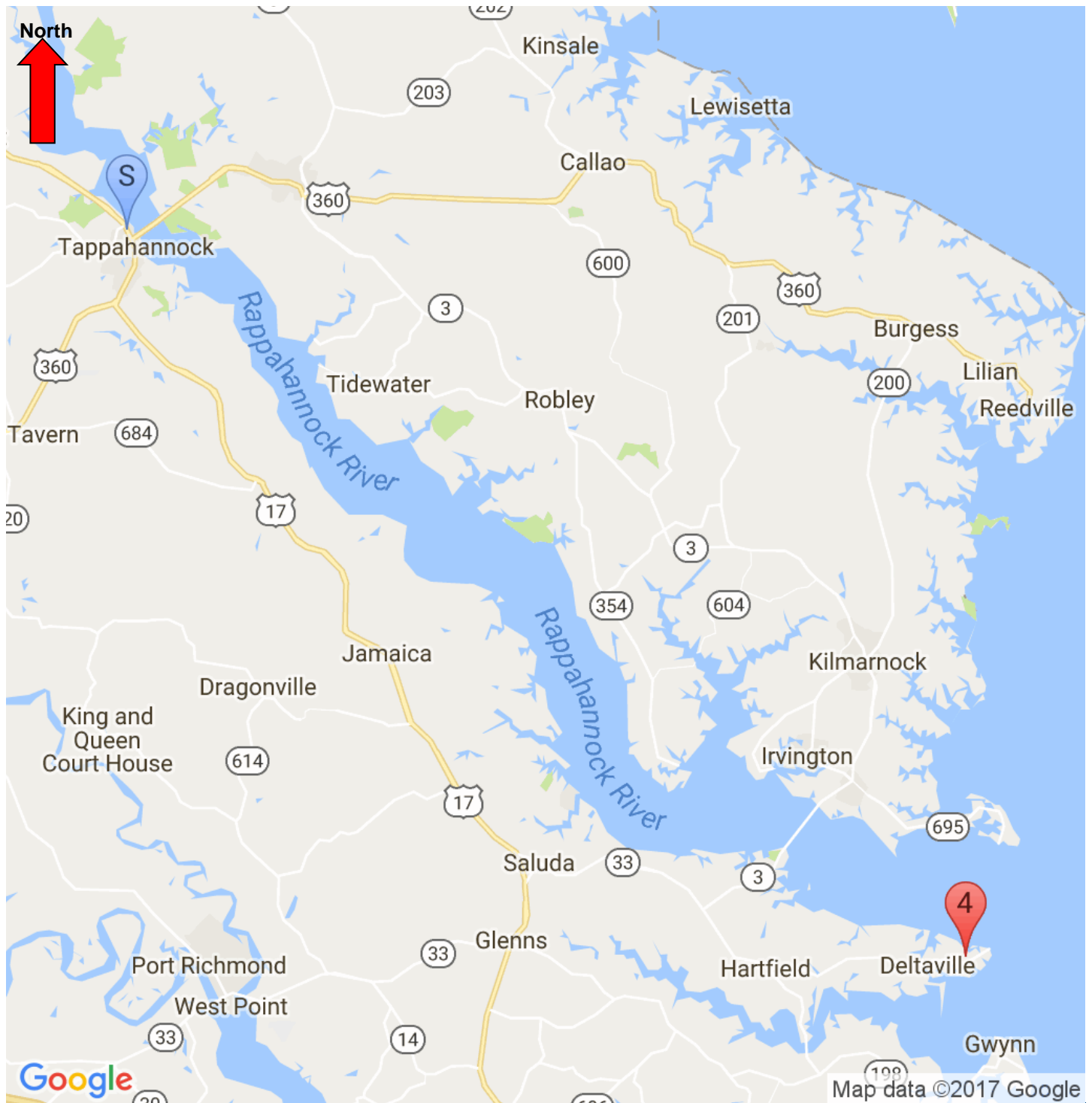
Source	Norview Marina
Date / Phone Number	5/12/2017 (804) 776-6463

**REMARKS**

This is a marina that includes wet (98) and dry stack (182) boat slips as well as a service department with a 70 ton marina railway and service building. The marina includes fueling facilities and bath house w/showers. The wet slips include 74 covered. The marina has a permit from the VA Dept of Environmental Quality to discharge up to 20,000 GPD of treated sewage. It is sufficient to construct more than 100 residential units on the excess land. It was last renewed in 2013 for 5 years. All the basic amenities include store, bath house, laundry, fuel dock, pump out, 30/50/100 amp electric, wi-fi, CATV, repair and pool. It is located in Deltaville, a mid-point on the Chesapeake Bay

TENANT NAME	RATE TYPE	SIZE	START DATE	TERM	LEASE RATE
Listing	Monthly	20<	TBD	1	\$329-\$377





**COMPARABLE KEY**

COMPARABLE	LABEL	DISTANCE FROM SUBJECT	ADDRESS
SUBJECT	S	-	June Parker Marina, ,
COMPARABLE 4	4	39.7 Miles	18691 General Puller Hwy, Deltaville, VA



**COMPARABLE 5**

**PHYSICAL INFORMATION**

Name	Remlik Marina
Address	485 Burch Road
City, State, Zip Code	Urbanna
County	Middlesex
APN	14A-1-8
Number of Buildings	1
Quality	Average
Condition	Average
Appeal	Average
Site Size	4.42 Acres ( 192,361 SF)
Zoning	WC Waterfront Commercial
Shape	Other
Topography	Other
Access	Average
Exposure	Average



**CONFIRMATION**

Source	Remlik Marina
Date / Phone Number	5/12/2017 (804) 758-5450

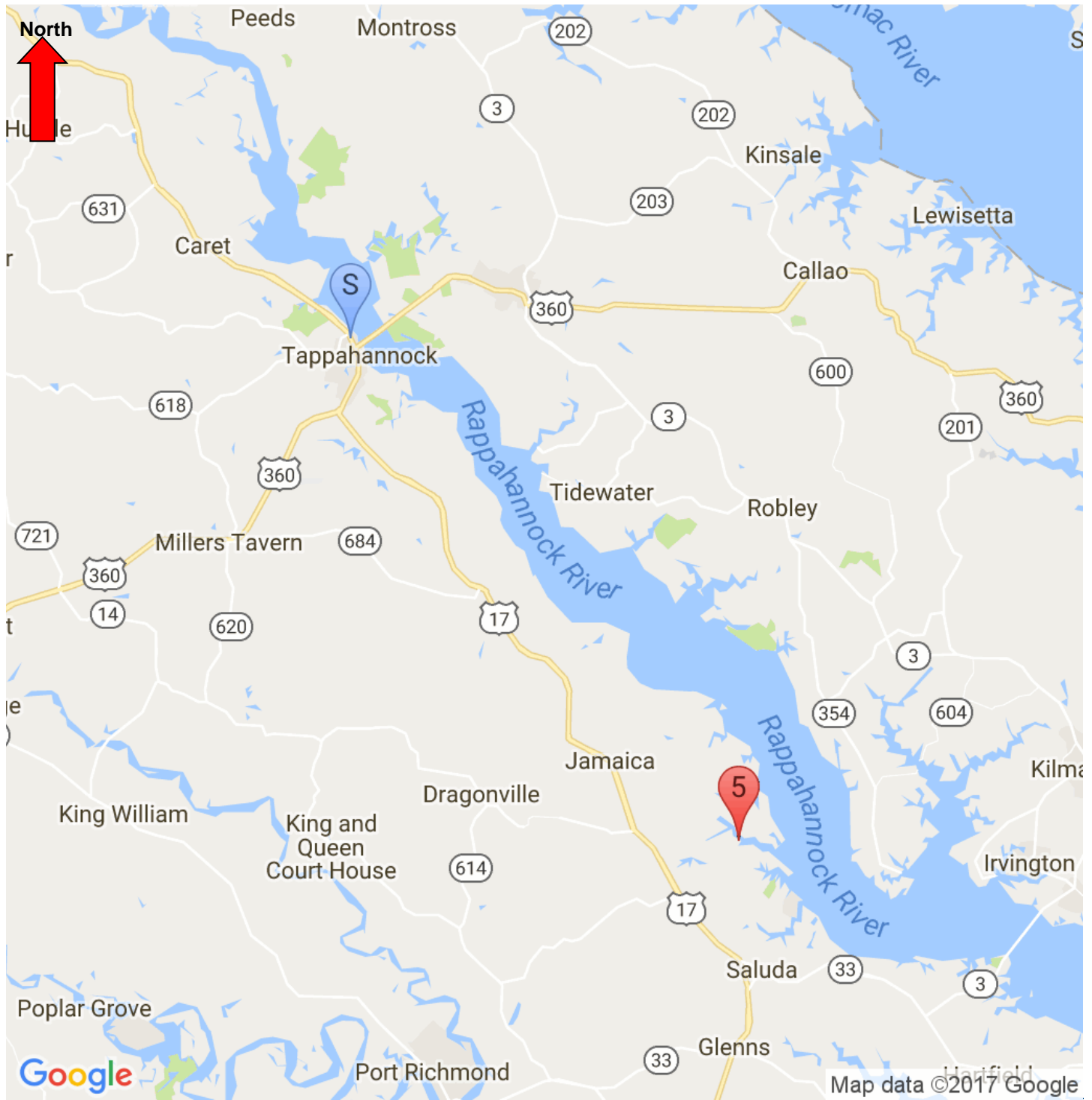
**REMARKS**

This marina features 84 covered and open slips accommodating boats up to 50 feet in length. The marina features Boat Ramp, Bathrooms with showers, Pump-Out capabilities, Picnic tables, Pool with deck, Fire pit and propane grill, and Fish Cleaning Station. Additionally, the Ship store sells Ice, Fuel and Oil.

TENANT NAME	RATE TYPE	SIZE	START DATE	TERM	LEASE RATE
Listing	Monthly	20<	TBD	1	\$150-\$270





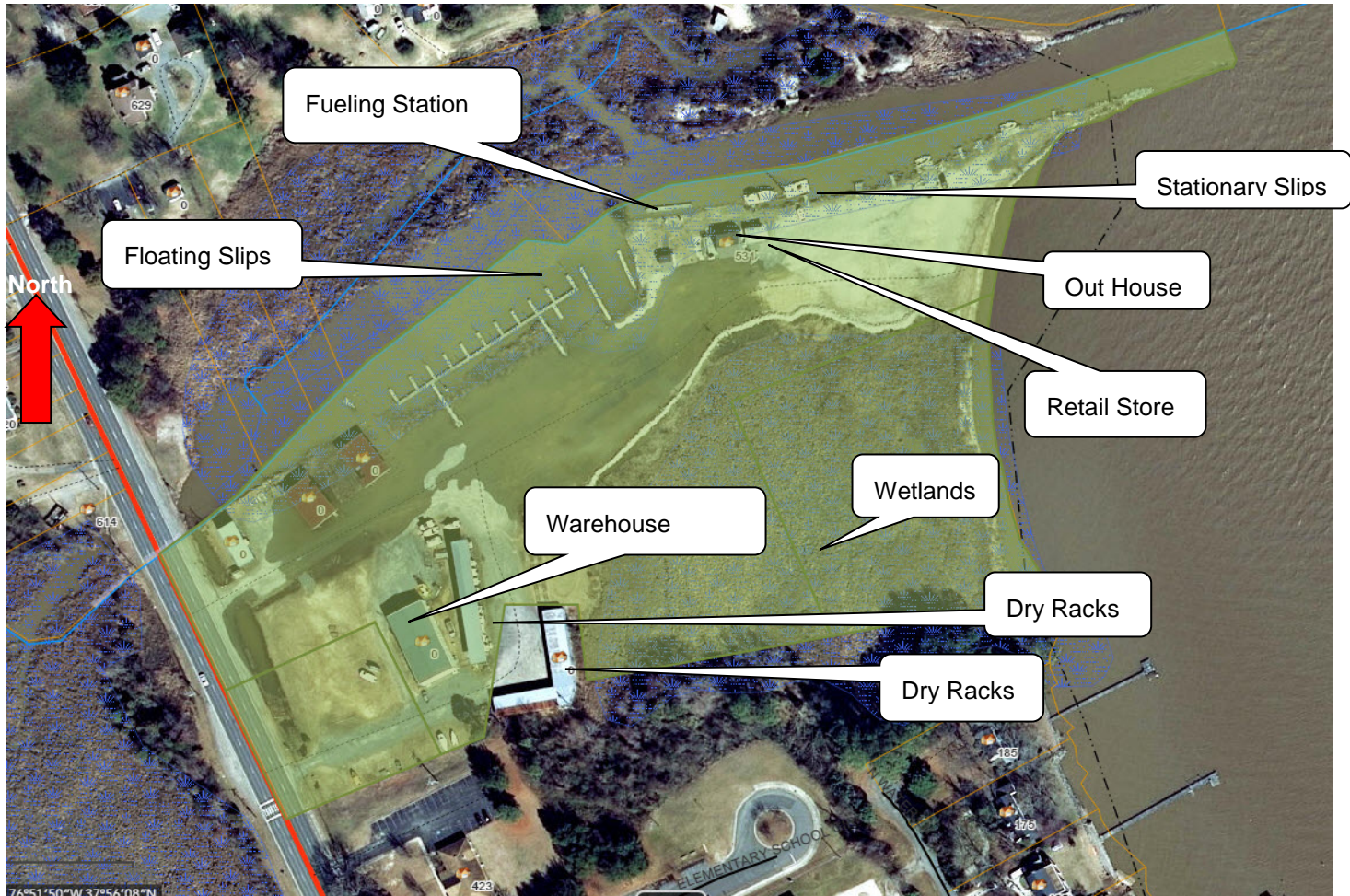


**COMPARABLE KEY**

COMPARABLE	LABEL	DISTANCE FROM SUBJECT	ADDRESS
SUBJECT	S	-	June Parker Marina, ,
COMPARABLE 5	5	22.8 Miles	485 Burch Road, Urbanna, VA

**A-35. Plot Plan**

*Aerial Layout*



The subject is a complete acquisition, no takings are discussed. Additionally, a survey was available to the appraisers for actual dimensions. Therefore, the tax parcel is displayed above as taken from public records. The green highlight is the subject parcel. An access easement is assumed for the dry racks on the Tappahannock Elementary School Parcel to the south # 32B 2 8.

*Directional Photos*

Please reference Photos 9 through 22 in Section A-6. Photographs of the Subject Property portion of this report.

**A-36. Floor Plan**

No Floor Plans Were provided to the appraisers.



A-37. Title Evidence Report

A-37. Title Evidence Report



LOAN POLICY NUMBER 112-01-551420

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B AND THE CONDITIONS AND STIPULATIONS, LAWYERS-TITLE INSURANCE CORPORATION, a Virginia corporation, herein called the Company, insures, as of Date of Policy shown in Schedule A, against loss or damage, not exceeding the Amount of Insurance stated in Schedule A, sustained or incurred by the insured by reason of:

- 1. Title to the estate or interest described in Schedule A being vested other than as stated therein;
2. Any defect in or lien or encumbrance on the title;
3. Unmarketability of the title;
4. Lack of a right of access to and from the land;
5. The invalidity or unenforceability of the lien of the insured mortgage upon the title;
6. The priority of any lien or encumbrance over the lien of the insured mortgage;
7. Lack of priority of the lien of the insured mortgage over any statutory lien for services, labor or material;
8. The invalidity or unenforceability of any assignment of the insured mortgage, provided the assignment is shown in Schedule A, or the failure of the assignment shown in Schedule A to vest title to the insured mortgage in the named insured assignee free and clear of all liens.

The Company will also pay the costs, attorneys' fees and expenses incurred in defense of the title or the lien of the insured mortgage, as insured, but only to the extent provided in the Conditions and Stipulations.

IN WITNESS WHEREOF the Company has caused this policy to be signed and sealed, to be valid when Schedule A is countersigned by an authorized officer or agent of the Company, all in accordance with its By-Laws.

Attest:

[Signature]

Secretary

By:

Lawyers Title Insurance Corporation

[Signature]

President

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

- 1. (a) Any law, ordinance or governmental regulation... (b) Any governmental police power not excluded by (a) above...
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy...
3. Defects, liens, encumbrances, adverse claims or other matters...
4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy...
5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof...
6. Any statutory lien for services, labor or materials...
7. Any claim, which arises out of the transaction creating the interest of the mortgage insured by this policy...

## CONDITIONS AND STIPULATIONS

## 1. DEFINITION OF TERMS.

The following terms when used in this policy mean:

(a) "insured": the insured named in Schedule A. The term "insured" also includes

(i) the owner of the indebtedness secured by the insured mortgage and each successor in ownership of the indebtedness except a successor who is an obligor under the provisions of Section 12(c) of these Conditions and Stipulations (reserving, however, all rights and defenses as to any successor that the Company would have had against any predecessor insured, unless the successor acquired the indebtedness as a purchaser for value without knowledge of the asserted defect, lien, encumbrance, adverse claim or other matter insured against by this policy as affecting title to the estate or interest in the land);

(ii) any governmental agency or governmental instrumentality which is an insurer or guarantor under an insurance contract or guaranty insuring or guaranteeing the indebtedness secured by the insured mortgage, or any part thereof, whether named as an insured herein or not;

(iii) the parties designated in Section 2(a) of these Conditions and Stipulations.

(b) "insured claimant": an insured claiming loss or damage.

(c) "knowledge" or "known": actual knowledge, not constructive knowledge or notice which may be imputed to an insured by reason of the public records as defined in this policy or any other records which impart constructive notice of matters affecting the land.

(d) "land": the land described or referred to in Schedule A, and improvements affixed thereto which by law constitute real property. The term "land" does not include any property beyond the lines of the area described or referred to in Schedule A, nor any right, title, interest, estate or easement in abutting streets, roads, avenues, alleys, lanes, ways or waterways, but nothing herein shall modify or limit the extent to which a right of access to and from the land is insured by this policy.

(e) "mortgage": mortgage, deed of trust, trust deed, or other security instrument.

(f) "public records": records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without knowledge. With respect to Section 1(a)(iv) of the Exclusions From Coverage, "public records" shall also include environmental protection liens filed in the records of the clerk of the United States district court for the district in which the land is located.

(g) "unmarketability of the title": an alleged or apparent matter affecting the title to the land, not excluded or excepted from coverage, which would entitle a purchaser of the estate or interest described in Schedule A or the insured mortgage to be released from the obligation to purchase by virtue of a contractual condition requiring the delivery of marketable title.

## 2. CONTINUATION OF INSURANCE.

(a) **After Acquisition of Title.** The coverage of this policy shall continue in force as of Date of Policy in favor of (i) an insured who acquires all or any part of the estate or interest in the land by foreclosure, trustee's sale, conveyance in lieu of foreclosure, or other legal manner which discharges the lien of the insured mortgage; (ii) a transferee of the estate or interest so acquired from an insured corporation, provided the transferee is the parent or wholly-owned subsidiary of the insured corporation, and their corporate successors by operation of law and not by purchase, subject to any rights or defenses the Company may have against any predecessor insureds; and (iii) any governmental agency or governmental instrumentality which acquires all or any part of the estate or interest pursuant to a contract of insurance or guaranty insuring or guaranteeing the indebtedness secured by the insured mortgage.

(b) **After Conveyance of Title.** The coverage of this policy shall continue in force as of Date of Policy in favor of an insured only so long as the insured retains an estate or interest in the land, or holds an indebtedness secured by a purchase money mortgage given by a purchaser from the insured, or only so long as the insured shall have liability by reason of covenants of warranty made by the insured in any transfer or conveyance of the estate or interest. This policy shall not continue in force in favor of any purchaser from the insured of either (i) an estate or interest in the land, or (ii) an indebtedness secured by a purchase money mortgage given to the insured.

(c) **Amount of Insurance.** The amount of insurance after the acquisition or after the conveyance shall in neither event exceed the least of:

(i) the amount of insurance stated in Schedule A;

(ii) the amount of the principal of the indebtedness secured by the insured mortgage as of Date of Policy, interest thereon, expenses of foreclosure, amounts advanced pursuant to the insured mortgage to assure compliance with laws or to protect the lien of the insured mortgage prior to the time of acquisition of the estate or interest in the land and secured thereby and reasonable amounts expended to prevent deterioration of improvements, but reduced by the amount of all payments made; or

(iii) the amount paid by any governmental agency or governmental instrumentality, if the agency or instrumentality is the insured claimant, in the acquisition of the estate or interest in satisfaction of its insurance contract or guaranty.

## 3. NOTICE OF CLAIM TO BE GIVEN BY INSURED CLAIMANT.

The insured shall notify the Company promptly in writing (i) in case of any litigation as set forth in Section 4(a) below, (ii) in case knowledge shall come to an insured hereunder of any claim of title or interest which is adverse to the title to the estate or interest or the lien of the insured mortgage, as insured, and which might cause loss or damage for which the Company may be liable by virtue of this policy, or (iii) if title to the estate or interest or the lien of the insured mortgage, as insured, is rejected as unmarketable. If prompt notice shall not be given to the Company, then as to the insured all liability of the Company shall terminate with regard to the matter or matters for which prompt notice is required; provided, however, that failure to notify the Company shall in no case prejudice the rights of any insured under this policy unless the Company shall be prejudiced by the failure and then only to the extent of the prejudice.

## 4. DEFENSE AND PROSECUTION OF ACTIONS; DUTY OF INSURED CLAIMANT TO COOPERATE.

(a) Upon written request by the insured and subject to the options contained in Section 6 of these Conditions and Stipulations, the Company, at its own cost and without unreasonable delay, shall provide for the defense of an insured in litigation in which any third party asserts a claim adverse to the title or interest as insured, but only as to those stated causes of action alleging a defect, lien or encumbrance or other matter insured against by this policy. The Company shall have the right to select counsel of its choice (subject to the right of the insured to object for reasonable cause) to represent the insured as to those stated causes of action and shall not be liable for and will not pay the fees of any other counsel. The Company will not pay any fees, costs or expenses incurred by the insured in the defense of those causes of action which allege matters not insured against by this policy.

(b) The Company shall have the right, at its own cost, to institute and prosecute any action or proceeding or to do any other act which in its opinion may be necessary or desirable to establish the title to the estate or interest or the lien of the insured mortgage, as insured, or to prevent or reduce loss or damage to the insured. The Company may take any appropriate action under the terms of this policy, whether or not it shall be liable hereunder, and shall not thereby concede liability or waive any provision of this policy. If the Company shall exercise its rights under this paragraph, it shall do so diligently.

(c) Whenever the Company shall have brought an action or interposed defense as required or permitted by the provisions of this policy, the Company may pursue any litigation to final determination by a court of competent jurisdiction and expressly reserves the right, in its sole discretion, to appeal from any adverse judgment or order.

(d) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding, the insured shall secure to the Company the right to so prosecute or provide defense in the action or proceeding, and all appeals therein, and permit the Company to use, at its option, the name of the insured for this purpose. Whenever requested by the Company, the insured, at the Company's expense, shall give the Company all reasonable aid (i) in any action or proceeding, securing evidence, obtaining witnesses, prosecuting or defending the action or proceeding, or effecting settlement, and (ii) in any other lawful act which in the opinion of the Company may be necessary or desirable to establish the title to the estate or interest or the lien of the insured mortgage, as insured. If the Company is prejudiced by the failure of the insured to furnish the required cooperation, the Company's obligations to the insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such cooperation.

## 5. PROOF OF LOSS OR DAMAGE.

In addition to and after the notices required under Section 3 of these Conditions and Stipulations have been provided the Company, a proof of loss or damage signed and sworn to by the insured claimant shall be furnished to the Company within 90 days after the insured claimant shall ascertain the facts giving rise to the loss or damage. The proof of loss or damage shall describe the defect in, or lien or encumbrance on the title, or other matter insured against by this policy which constitutes the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage. If the Company is prejudiced by the failure of the insured claimant to provide the required proof of loss or damage, the Company's obligations to the insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such proof of loss or damage.

In addition, the insured claimant may reasonably be required to submit to examination under oath by any authorized representative of the Company and shall produce for examination, inspection and copying, at such reasonable times and places as may be designated by any authorized representative of the Company, all records, books, ledgers, checks, correspondence and memoranda, whether bearing a date before or after Date of Policy, which reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the insured claimant shall grant its permission, in writing, for a authorized representative of the Company to

*continued on next page of cover sheet*



IMPORTANT INFORMATION TO POLICYHOLDERS

**In the event you need to contact someone about this policy for any reason, please contact your agent.** If you have additional questions, you may contact the insurance company issuing this policy at the following address and telephone number: Lawyers Title Insurance Corporation, 6630 West Broad Street, Richmond, Virginia 23230, Telephone 804-281-6817.

If you have been unable to contact or obtain satisfaction from the company or the agent, you may contact the Virginia Bureau of Insurance at: Property and Casualty Division, Bureau of Insurance, P.O. Box 1157, Richmond, Virginia 23209, Instate toll-free calls 1-800-552-7945; Out-of-state calls 804-786-3741.

Written correspondence is preferable so that a record of your inquiry is maintained. When contacting your agent, company or Bureau of Insurance, have your policy number available.

Form 45-20

035 9 045 0209/2

# Lawyers Title Insurance Corporation

NATIONAL HEADQUARTERS  
RICHMOND, VIRGINIA

### SCHEDULE A

### LOAN POLICY

CASE NUMBER	DATE OF POLICY	AMOUNT OF INSURANCE	ENDORSEMENTS	POLICY NUMBER
NN93-69	February 22, 1993 2:25 P.M.	\$425,000.00		112-01-551420

1. Name of insured:

Bank of Essex

2. The estate or interest in the land which is encumbered by the insured mortgage is:

Fee Simple

3. Title to the estate or interest in the land is vested in:

June Parker Oil Company, Incorporated

4. The insured mortgage and assignments thereof, if any, are described as follows:

Deed of Trust from June Parker Oil Company, Incorporated to Alexander F. Dillard, Jr. and Earl R. Johnston, Trustees, dated February 22, 1993, recorded February 22, 1993 in the Clerk's Office, Circuit Court, Essex County, Virginia in Deed Book 194, Page 334. To secure Bank of Essex in the original amount of \$425,000.00.

5. The land referred to in this policy is described as follows:

See sheet attached hereto and made a part hereof.

APPROVED ATTORNEY: Alexander P. Dillard, Jr.

Lawyers Title/Middle Peninsula  
Northern Neck Agy. Inc.



Courtesy/Agent Authorized Officer or Agent

Saluda, Virginia

Issued at (Location)

Policy 112 Ltho in U.S.A.  
035-0-112-0000/1

This Policy is invalid unless the cover  
sheet and Schedule B are attached.

ALTA Loan Policy (4-6-90)

**ORIGINAL**



**Lawyers Title Insurance Corporation**

**LOAN POLICY**

CASE NUMBER
NN93-69

**SCHEDULE B  
PART I**

POLICY NUMBER
112-01-551420

**EXCEPTIONS FROM COVERAGE**

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. Taxes for the year 1993, not yet due and payable.
2. Such state of facts as would be disclosed by an accurate survey and inspection of the premises.

**APPLICABLE TO PARCELS ONE THROUGH FOUR:**

3. Easement granted VEPCO by instrument recorded in Deed Book 95, Page 301.
4. Easement granted VEPCO by instrument recorded in Deed Book 166, Page 756.
5. Easement granted VEPCO by instrument recorded in Deed Book 183, Page 26.

**APPLICABLE TO PARCEL FIVE:**

6. Restrictions, Covenants, Easements, Conditions and Assessments appearing of record.

NOTE: Imposed by instrument recorded October 16, 1945, in Deed Book 85, Page 616.

**APPLICABLE TO PARCELS FIVE AND SIX:**

7. Utility easement of record and easements which would be apparent by a current inspection of the premises.

**PART II**

In addition to the matters set forth in Part I of this Schedule, the title to the estate or interest in the land described or referred to in Schedule A is subject to the following matters, if any be shown, but the Company insures that these matters are subordinate to the lien or charge of the insured mortgage upon the estate or interest:

NONE



## EXHIBIT "A"

PARCEL ONE: All that certain tract or parcel of land lying in the Town of Tappahannock, Central Magisterial District of Essex County, Virginia, together with all improvements thereon situate and appurtenances thereto belonging or in anywise appertaining, consisting of 14.6 acres, more or less, but conveyed in gross and not by the acre, being all of Parcel A shown on a certain plat of survey made by Tomlin & Keyser, Certified Land Surveyors, dated October 27, 1976, of record in the Clerk's Office of the Circuit Court of said County in Plat Book 11, Page 42, LESS and EXCEPT 0.079 acre designated as Parcel P-2 on a certain plat of survey dated July 22, 1987, made by Jerry R. Marion, Certified Land Surveyor, of record in said Clerk's Office in Deed Book 166, Page 229, and further LESS and EXCEPT a small portion of Parcel P-3 shown on the plat last mentioned, which said parcels were conveyed unto the Essex County School Board by deed from June Parker Oil Co., Inc., dated June 27, 1987, of record in said Clerk's Office in Deed Book 166, Page 230.

PARCEL TWO: All that certain tract or parcel of land lying in the Town of Tappahannock, Central Magisterial District of Essex County, Virginia, together with all improvements thereon situate and appurtenances thereto belonging or in anywise appertaining, consisting of 3.07 acres, more or less, but conveyed in gross and not by the acre, being all of Parcel B shown on the Tomlin & Keyser plat dated October 27, 1976 above mentioned LESS and EXCEPT a part of Parcel P-3 shown on the Jerry L. Marion plat dated July 22, 1987, hereinabove referred to, which was conveyed unto the Essex County School Board by deed from June Parker Oil Co., Inc. hereinabove referred to.

PARCEL THREE: All that certain tract or parcel of land lying in the Town of Tappahannock, Central Magisterial District of Essex County, Virginia, together with all improvements thereon situate and appurtenances thereto belonging or in anywise appertaining, consisting of 0.517 acre, more or less, but conveyed in gross and not by the acre, designated as Parcel C on the Tomlin & Keyser plat dated October 27, 1976, hereinabove referred to.

PARCELS ONE, TWO and THREE are all of the land conveyed unto June Parker Oil Co., Inc. by deed from John W. Ware, Jr., Trustee, U/A John J. McDonald, Jr., dated September 23, 1986, of record in said Clerk's Office in Deed Book 161, Page 653 LESS and EXCEPT Parcels P-2 and P-3 shown on the Jerry R. Marion plat dated July 22, 1987 hereinabove referred to.



PARCEL FOUR: All that certain lot or parcel of land lying in the Town of Tappahannock, Central Magisterial District of Essex County, Virginia, together with all improvements thereon situate and appurtenances thereto belonging or in anywise appertaining, consisting of 0.341 acre, more or less, but conveyed in gross and not by the acre, designated as Parcel P-1 on the Jerry R. Marion plat dated July 22, 1987, hereinabove referred to; being all of the land conveyed unto June Parker Oil Co., Inc. by deed from Essex County Board of Supervisors, dated July 27, 1987, of record in said Clerk's Office in Deed Book 166, Page 227.

The southern boundary of all of the land hereby conveyed is described according to the plat made by Jerry R. Marion, C.L.S., dated July 22, 1987, hereinabove referred to, as follows: Beginning at an iron rod on the northeast side of U. S. Route 17, corner the land of the Essex County Board of Supervisors, thence along the boundary with the Essex County Board of Supervisors N 68° 00' 00" E 150.00 feet to a pin and 37.85 feet to an iron rod, N 84° 22' 09" E 162.90 feet to a point corner the land hereinabove described, the Essex County Board of Supervisors and the Essex County School Board, thence continuing along the same course in the boundary with the Essex County School Board 107.03 feet to an iron rod, N 81° 00' 00" E 176.00 feet to an iron rod, N 81° 48' 16" E 222.68 feet to a found concrete marker, S 78° 14' 00" E 148.00 feet to a found concrete marker, and N 66° 16' 00" E approximately 30 feet to low water mark of Rappahannock River.

PARCEL FIVE: All that certain lot or parcel of land lying in the Town of Tappahannock, Essex County, Virginia, together with all improvements thereon situate and appurtenances thereto belonging or in anywise appertaining, fronting 150 feet on the west side of U.S. Routes 17 and 360 and extending back therefrom between parallel lines 150 feet to a 20 foot alley in the rear, being Lots Number 31, 32, 33, 34, 35, and 36 on a certain plat of survey of "Wright Triangle", made by T. H. Warner, Surveyor, dated April 20, 1934, of record in the Clerk's Office of the Circuit Court of said County in Plat Book 4, Page 97.

PARCEL SIX: All that certain lot or parcel of land lying in the Town of Tappahannock, Essex County, Virginia, together with all improvements thereon situate and appurtenances thereto belonging or in anywise appertaining, designated as Lot A on a certain plat of survey made by T. H. Warner, Surveyor, dated June 15, 1962, of record in said Clerk's Office in Plat Book 7, Page 80, fronting 64.6 feet on Essex Street and extending back therefrom northward to a 20 foot alley in the rear, being all of Lot 102 and a part of Lot 103 on the plat of "Wright Triangle" referred to above.

PARCELS FIVE AND SIX being Parcels 1 and 2 in a certain deed from Nathan Parker, Jr. and wife to June Parker Oil Company, Inc., dated June 30, 1982, of record in said Clerk's office in Deed Book 148, Page 605.

LELAND ASSOCIATES, P.C.  
ATTORNEYS AT LAW  
FAIRHURST, VIRGINIA 22180

**CONDITIONS AND STIPULATIONS—CONTINUED**

examine, inspect and copy all records, books, papers, checks, correspondence and memoranda in the custody or control of a third party, which reasonably pertain to the loss or damage. All information designated as confidential by the insured claimant provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of the insured claimant to submit for examination under oath, produce other reasonably requested information or grant permission to secure reasonably necessary information from third parties as required in this paragraph, unless prohibited by law or governmental regulation, shall terminate any liability of the Company under this policy as to that claim.

**6. OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS; TERMINATION OF LIABILITY.**

In case of a claim under this policy, the Company shall have the following additional options:

**(a) To Pay or Tender Payment of the Amount of Insurance or to Purchase the Indebtedness.**

(i) to pay or tender payment of the amount of insurance under this policy together with any costs, attorneys' fees and expenses incurred by the insured claimant, which were authorized by the Company, up to the time of payment or tender of payment and which the Company is obligated to pay; or

(ii) to purchase the indebtedness secured by the insured mortgage for the amount owing thereon together with any costs, attorneys' fees and expenses incurred by the insured claimant which were authorized by the Company up to the time of purchase and which the Company is obligated to pay.

If the Company offers to purchase the indebtedness as herein provided, the owner of the indebtedness shall transfer, assign, and convey the indebtedness and the insured mortgage, together with any collateral security, to the Company upon payment therefor.

Upon the exercise by the Company of either of the options provided for in paragraphs a(i) or (ii), all liability and obligations to the insured under this policy, other than to make the payment required in those paragraphs, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, and the policy shall be surrendered to the Company for cancellation.

**(b) To Pay or Otherwise Settle With Parties Other than the Insured or With the Insured Claimant.**

(i) to pay or otherwise settle with other parties for or in the name of an insured claimant any claim insured against under this policy, together with any costs, attorneys' fees and expenses incurred by the insured claimant which were authorized by the Company up to the time of payment and which the Company is obligated to pay; or

(ii) to pay or otherwise settle with the insured claimant the loss or damage provided for under this policy, together with any costs, attorneys' fees and expenses incurred by the insured claimant which were authorized by the Company up to the time of payment and which the Company is obligated to pay.

Upon the exercise by the Company of either of the options provided for in paragraphs b(i) or (ii), the Company's obligations to the insured under this policy for the claimed loss or damage, other than the payments required to be made, shall terminate, including any liability or obligation to defend, prosecute or continue any litigation.

**7. DETERMINATION AND EXTENT OF LIABILITY.**

This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the insured claimant who has suffered loss or damage by reason of matters insured against by this policy and only to the extent herein described.

(a) The liability of the Company under this policy shall not exceed the least of:

(i) the Amount of Insurance stated in Schedule A, or, if applicable, the amount of insurance as defined in Section 2(c) of these Conditions and Stipulations;

(ii) the amount of the unpaid principal indebtedness secured by the insured mortgage as limited or provided under Section 8 of these Conditions and Stipulations or as reduced under Section 9 of these Conditions and Stipulations, at the time the loss or damage insured against by this policy occurs, together with interest thereon; or

(iii) the difference between the value of the insured estate or interest as insured and the value of the insured estate or interest subject to the defect, lien or encumbrance insured against by this policy.

(b) In the event the insured has acquired the estate or interest in the manner described in Section 2(a) of these Conditions and Stipulations or has conveyed the title, then the liability of the Company shall continue as set forth in Section 7(a) of these Conditions and Stipulations.

(c) The Company will pay only those costs, attorneys' fees and expenses incurred in accordance with Section 4 of these Conditions and Stipulations.

**8. LIMITATION OF LIABILITY.**

(a) If the Company establishes the title, or removes the alleged defect, lien or encumbrance, or cures the lack of a right of access to or from the land, or cures the claim of unmarketability of title, or otherwise establishes the lien of the insured mortgage, all as insured, in a reasonably diligent manner by any method, including litigation and the completion of any appeals therefrom, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused thereby.

(b) In the event of any litigation, including litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals therefrom, adverse to the title or to the lien of the insured mortgage, as insured.

(c) The Company shall not be liable for loss or damage to any insured for liability voluntarily assumed by the insured in settling any claim or suit without the prior written consent of the Company.

(d) The Company shall not be liable for: (i) any indebtedness created subsequent to Date of Policy except for advances made to protect the lien of the insured mortgage and secured thereby and reasonable amounts expended to prevent deterioration of improvements; or (ii) construction loan advances made subsequent to Date of Policy for the purpose of financing in whole or in part the construction of an improvement to the land which at Date of Policy were secured by the insured mortgage and which the insured was and continued to be obligated to advance at and after Date of Policy.

**9. REDUCTION OF INSURANCE; REDUCTION OR TERMINATION OF LIABILITY.**

(a) All payments under this policy, except payments made for costs, attorneys' fees and expenses, shall reduce the amount of the insurance pro tanto. However, any payments made prior to the acquisition of title to the estate or interest as provided in Section 2(a) of these Conditions and Stipulations shall not reduce pro tanto the amount of the insurance afforded under this policy except to the extent that the payments reduce the amount of the indebtedness secured by the insured mortgage.

(b) Payment in part by any person of the principal of the indebtedness, or any other obligation secured by the insured mortgage, or any voluntary partial satisfaction or release of the insured mortgage, to the extent of the payment, satisfaction or release, shall reduce the amount of insurance pro tanto. The amount of insurance may thereafter be increased by accruing interest and advances made to protect the lien of the insured mortgage and secured thereby, with interest thereon, provided in no event shall the amount of insurance be greater than the Amount of Insurance stated in Schedule A.

(c) Payment in full by any person or the voluntary satisfaction or release of the insured mortgage shall terminate all liability of the Company except as provided in Section 2(a) of these Conditions and Stipulations.

**10. LIABILITY NONCUMULATIVE.**

If the insured acquires title to the estate or interest in satisfaction of the indebtedness secured by the insured mortgage, or any part thereof, it is expressly understood that the amount of insurance under this policy shall be reduced by any amount the Company may pay under any policy insuring a mortgage to which exception is taken in Schedule B or to which the insured has agreed, assumed, or taken subject, or which is hereafter executed by an insured and which is a charge or lien on the estate or interest described or referred to in Schedule A, and the amount so paid shall be deemed a payment under this policy.

**11. PAYMENT OF LOSS.**

(a) No payment shall be made without producing this policy for endorsement of the payment unless the policy has been lost or destroyed, in which case proof of loss or destruction shall be furnished to the satisfaction of the Company.

(b) When liability and the extent of loss or damage has been definitely fixed in accordance with these Conditions and Stipulations, the loss or damage shall be payable within 30 days thereafter.

**12. SUBROGATION UPON PAYMENT OR SETTLEMENT.****(a) The Company's Right of Subrogation.**

Whenever the Company shall have settled and paid a claim under this policy, all right of subrogation shall vest in the Company unaffected by any act of the insured claimant.

The Company shall be subrogated to and be entitled to all rights and remedies which the insured claimant would have had against any person or property in respect to the claim had this policy not been issued. If requested by the Company, the insured claimant shall transfer to the Company all rights and remedies against any person or property necessary in order to perfect this right of subrogation. The insured claimant shall permit the Company to sue, compromise or settle in the name of the insured claimant and to use the name of the insured claimant in any transaction or litigation involving these rights or remedies.

If a payment on account of a claim does not fully cover the loss of the

*continued on remainder of cover sheet*

CONDITIONS AND STIPULATIONS—CONTINUED

insured claimant, the Company shall be subrogated to all rights and remedies of the insured claimant after the insured claimant shall have recovered its principal, interest, and costs of collection.

(b) The Insured's Rights and Limitations.

Notwithstanding the foregoing, the owner of the indebtedness secured by the insured mortgage, provided the priority of the lien of the insured mortgage or its enforceability is not affected, may release or substitute the personal liability of any debtor or guarantor, or extend or otherwise modify the terms of payment, or release a portion of the estate or interest from the lien of the insured mortgage, or release any collateral security for the indebtedness.

When the permitted acts of the insured claimant occur and the insured has knowledge of any claim of title or interest adverse to the title to the estate or interest or the priority or enforceability of the lien of the insured mortgage, as insured, the Company shall be required to pay only that part of any losses insured against by this policy which shall exceed the amount, if any, lost to the Company by reason of the impairment by the insured claimant of the Company's right of subrogation.

(c) The Company's Rights Against Non-Insured Obligor.

The Company's right of subrogation against non-insured obligors shall exist and shall include, without limitation, the rights of the insured to indemnities, guaranties, other policies of insurance or bonds, notwithstanding any terms or conditions contained in those instruments which provide for subrogation rights by reason of this policy.

The Company's right of subrogation shall not be avoided by acquisition of the insured mortgage by an obligor (except an obligor described in Section 1(a)(ii) of these Conditions and Stipulations) who acquires the insured mortgage as a result of an indemnity, guarantee, other policy of insurance, or bond and the obligor will not be an insured under this policy, notwithstanding Section 1(a)(i) of these Conditions and Stipulations.

13. ARBITRATION

Unless prohibited by applicable law, either the Company or the insured may demand arbitration pursuant to the Title Insurance Arbitration Rules of the American Arbitration Association. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the insured arising out of or relating to this policy, any service of the Company in connection with its issuance or the breach of a policy provision or other obligation. All arbitrable matters when the Amount of Insurance is \$1,000,000

or less shall be arbitrated at the option of either the Company or the insured. All arbitrable matters when the Amount of Insurance is in excess of \$1,000,000 shall be arbitrated only when agreed to by both the Company and the insured. Arbitration pursuant to this policy and under the Rules in effect on the date the demand for arbitration is made or, at the option of the insured, the Rules in effect at Date of Policy shall be binding upon the parties. The award may include attorneys' fees only if the laws of the state in which the land is located permit a court to award attorneys' fees to a prevailing party. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court having jurisdiction thereof.

The law of the situs of the land shall apply to an arbitration under the Title Insurance Arbitration Rules.

A copy of the Rules may be obtained from the Company upon request.

14. LIABILITY LIMITED TO THIS POLICY; POLICY ENTIRE CONTRACT.

(a) This policy together with all endorsements, if any, attached hereto by the Company is the entire policy and contract between the insured and the Company. In interpreting any provision of this policy, this policy shall be construed as a whole.

(b) Any claim of loss or damage, whether or not based on negligence, and which arises out of the status of the lien of the insured mortgage or of the title to the estate or interest covered hereby or by any action asserting such claim, shall be restricted to this policy.

(c) No amendment of or endorsement to this policy can be made except by a writing endorsed hereon or attached hereto signed by either the President, a Vice President, the Secretary, an Assistant Secretary, or validating officer or authorized signatory of the Company.

15. SEVERABILITY.

In the event any provision of this policy is held invalid or unenforceable under applicable law, the policy shall be deemed not to include that provision and all other provisions shall remain in full force and effect.

16. NOTICES, WHERE SENT.

All notices required to be given the Company and any statement in writing required to be furnished the Company shall include the number of this policy and shall be addressed to the Company at its Corporate Headquarters 6630 West Broad Street, Richmond, Virginia 23230. Mailing Address: P.O. Box 27567, Richmond, Virginia 23261.

POLICY OF TITLE INSURANCE

A WORD OF THANKS . . .

As we make your policy a part of our permanent records, we want to express our appreciation of this evidence of your faith in Lawyers Title Insurance Corporation.

There is no recurring premium.

This policy provides valuable title protection and we suggest you keep it in a safe place where it will be readily available for future reference.

If you have any questions about the protection provided by this policy, contact the office that issued your policy or you may write to:

Consumer Affairs Department  
Lawyers Title Insurance Corporation  
P.O. Box 27567  
Richmond, Virginia 23261

# Lawyers Title Insurance Corporation

NATIONAL HEADQUARTERS  
RICHMOND, VIRGINIA



## COMMITMENT OR BINDER ENDORSEMENT

Re: JUNE PARKER OIL COMPANY, INC.

Case No. NN93-69

The Commitment or Binder in the above matter is hereby amended in the following respects:

### Schedule B - Section 2 - Exceptions

The following is added as an exception:

APPLICABLE TO PARCEL FIVE

8. Restrictions, Covenants, Easements, Conditions and Assessments appearing of record.

NOTE: Imposed by instrument recorded October 16, 1945 in Deed Book 85, Page 616.

The total liability of the Company under said commitment or binder and under this and any prior endorsements thereto shall not exceed, in the aggregate, the amount of liability stated on the face of said commitment or binder as the same may be specifically amended in dollar amount by this or any prior endorsements, and the costs which the Company is obligated to pay under the Conditions and Stipulations of the policy committed for by said commitment or binder.

This endorsement is made a part of said commitment or binder and is subject to the schedules, terms, Conditions and Stipulations therein and in the policy committed for, except as modified by the provisions hereof.

Nothing herein contained shall be construed as extending or changing the effective date of the aforesaid commitment or binder unless otherwise expressly stated.

IN WITNESS WHEREOF, the Company has caused this Endorsement to be signed and sealed as of the 19th day of February, 1993, to be valid when countersigned by an authorized officer or agent of the Company, all in accordance with its By-Laws.

Issued at Saluda, Virginia

COUNTERSIGNED:  
Lawyers Title/Middle Peninsula-Northern Neck Agency, Inc.

Authorized Officer or Agent



Lawyers Title Insurance Corporation

By:   
President

Attest:   
Secretary



# Lawyers Title Insurance Corporation

NATIONAL HEADQUARTERS  
RICHMOND, VIRGINIA

## SCHEDULE A COMMITMENT FOR TITLE INSURANCE

1. Effective Date : February 17, 1993 at 12:00 Noon

Case No. NN93-69

2. Policy or policies to be issued:

(a)

- ALTA Owner's Policy - (4-6-90)
- ALTA Residential Title Insurance Policy - (6-1-87)

Proposed insured:

Amount \$ \_\_\_\_\_

(b) ALTA Loan Policy - (4-6-90).

Proposed insured:

Bank of Essex

Amount \$ 425,000.00

(c)

Proposed insured:

Amount \$ \_\_\_\_\_

3. Title to the Fee Simple estate or interest in the land described or referred to in this Commitment is at the effective date hereof vested in:


June Parker Oil Company, Inc.

4. The land referred to in this Commitment is described as follows:

See sheet attached hereto and made a part hereof.

APPROVED ATTORNEY: ALEXANDER F. DILLARD, JR.

Countersigned at Saluda, Virginia  
Lawyers Title/Middle Peninsula-Northern Neck Agy., Inc.

  
\_\_\_\_\_  
Authorized Officer or Agent

Commitment No. NN93-69  
Schedule A—Page 1

## EXHIBIT "A"

PARCEL ONE: All that certain tract or parcel of land lying in the Town of Tappahannock, Central Magisterial District of Essex County, Virginia, together with all improvements thereon situate and appurtenances thereto belonging or in anywise appertaining, consisting of 14.6 acres, more or less, but conveyed in gross and not by the acre, being all of Parcel A shown on a certain plat of survey made by Tomlin & Keyser, Certified Land Surveyors, dated October 27, 1976, of record in the Clerk's Office of the Circuit Court of said County in Plat Book 11, Page 42, LESS and EXCEPT 0.079 acre designated as Parcel P-2 on a certain plat of survey dated July 22, 1987, made by Jerry R. Marion, Certified Land Surveyor, of record in said Clerk's Office in Deed Book 166, Page 229, and further LESS and EXCEPT a small portion of Parcel P-3 shown on the plat last mentioned, which said parcels were conveyed unto the Essex County School Board by deed from June Parker Oil Co., Inc., dated June 27, 1987, of record in said Clerk's Office in Deed Book 166, Page 230.

PARCEL TWO: All that certain tract or parcel of land lying in the Town of Tappahannock, Central Magisterial District of Essex County, Virginia, together with all improvements thereon situate and appurtenances thereto belonging or in anywise appertaining, consisting of 3.07 acres, more or less, but conveyed in gross and not by the acre, being all of Parcel B shown on the Tomlin & Keyser plat dated October 27, 1976 above mentioned LESS and EXCEPT a part of Parcel P-3 shown on the Jerry L. Marion plat dated July 22, 1987, hereinabove referred to, which was conveyed unto the Essex County School Board by deed from June Parker Oil Co., Inc. hereinabove referred to.

PARCEL THREE: All that certain tract or parcel of land lying in the Town of Tappahannock, Central Magisterial District of Essex County, Virginia, together with all improvements thereon situate and appurtenances thereto belonging or in anywise appertaining, consisting of 0.517 acre, more or less, but conveyed in gross and not by the acre, designated as Parcel C on the Tomlin & Keyser plat dated October 27, 1976, hereinabove referred to.

PARCELS ONE, TWO and THREE are all of the land conveyed unto June Parker Oil Co., Inc. by deed from John W. Ware, Jr., Trustee, U/A John J. McDonald, Jr., dated September 23, 1986, of record in said Clerk's Office in Deed Book 161, Page 653 LESS and EXCEPT Parcels P-2 and P-3 shown on the Jerry R. Marion plat dated July 22, 1987 hereinabove referred to.

SECOIA & S, P. C.  
1175 41 LAW  
61, VIRGINIA 2240

PARCEL FOUR: All that certain lot or parcel of land lying in the Town of Tappahannock, Central Magisterial District of Essex County, Virginia, together with all improvements thereon situate and appurtenances thereto belonging or in anywise appertaining, consisting of 0.341 acre, more or less, but conveyed in gross and not by the acre, designated as Parcel P-1 on the Jerry R. Marion plat dated July 22, 1987, hereinabove referred to; being all of the land conveyed unto June Parker Oil Co., Inc. by deed from Essex County Board of Supervisors, dated July 27, 1987, of record in said Clerk's Office in Deed Book 166, Page 227.

The southern boundary of all of the land hereby conveyed is described according to the plat made by Jerry R. Marion, C.L.S., dated July 22, 1987, hereinabove referred to, as follows: Beginning at an iron rod on the northeast side of U. S. Route 17, corner the land of the Essex County Board of Supervisors, thence along the boundary with the Essex County Board of Supervisors N 68° 00' 00" E 150 feet to a pin and 37.85 feet to an iron rod, N 84° 22' 09" E 162.90 feet to a point corner the land hereinabove described, the Essex County Board of Supervisors and the Essex County School Board, thence continuing along the same course in the boundary with the Essex County School Board 107.03 feet to an iron rod, N 81° 00' 00" E 176.00 feet to an iron rod, N 81° 48' 16" E 222.68 feet to a found concrete marker, S 78° 14' 00" E 148.00 feet to a found concrete marker, and N 66° 16' 00" E approximately 30 feet to low water mark of Rappahannock River.

PARCEL FIVE: All that certain lot or parcel of land lying in the Town of Tappahannock, Essex County, Virginia, together with all improvements thereon situate and appurtenances thereto belonging or in anywise appertaining, fronting 150 feet on the west side of U.S. Routes 17 and 360 and extending back therefrom between parallel lines 150 feet to a 20 foot alley in the rear, being Lots Number 31, 32, 33, 34, 35, and 36 on a certain plat of survey of "Wright Triangle", made by T. H. Warner, Surveyor, dated April 20, 1934, of record in the Clerk's Office of the Circuit Court of said County in Plat Book 4, Page 97.

PARCEL SIX: All that certain lot or parcel of land lying in the Town of Tappahannock, Essex County, Virginia, together with all improvements thereon situate and appurtenances thereto belonging or in anywise appertaining, designated as Lot A on a certain plat of survey made by T. H. Warner, Surveyor, dated June 15, 1962, of record in said Clerk's Office in Plat Book 7, Page 80, fronting 64.6 feet on Essex Street and extending back therefrom northward to a 20 foot alley in the rear, being all of Lot 102 and a part of Lot 103 on the plat of "Wright Triangle" referred to above.

PARCELS FIVE AND SIX being Parcels 1 and 2 in a certain deed from Nathan Parker, Jr. and wife to June Parker Oil Company, Inc., dated June 30, 1982, of record in said Clerk's office in Deed Book 148, Page 603.

# Lawyers Title Insurance Corporation

National Headquarters  
Richmond, Virginia

## SCHEDULE B—Section 1

### Requirements

The following are the requirements to be complied with:

Item (a) Payment to or for the account of the grantors or mortgagors of the full consideration for the estate or interest to be insured.

Item (b) Proper instrument(s) creating the estate or interest to be insured must be executed and duly filed for record, to-wit:

Deed of Trust from June Parker Oil Company, Inc. securing your loan.

NOTE: Corporate resolutions authorizing above referenced corporate transaction and conveyance must be furnished or certified as proper by approved attorney.

Item (c) Certification by approved attorney statutory period for filing mechanics' and materialmen's liens has expired, or receipt of satisfactory executed "Owners (Sellers) Affidavit as to Mechanic's Liens and Possession" (LTIC Form 45-6).

Item (d) Satisfaction and release of record of Deed of Trust from June Parker Oil Company, Inc. to Alexander F. Dillard, Jr. and Earl R. Johnston, Trustees, dated May 25, 1988, recorded in Deed Book 169, Page 771. Secures Bank of Essex in the amount of \$ 200,000.00.

Item (e) Satisfaction and release of record of Deed of Trust from June Parker Oil Company, Inc. to Alexander F. Dillard, Jr. and Emory L. Carlton, Trustees, dated November 8, 1989, recorded in Deed Book 176, Page 105. Secures Bank of Essex in the amount of \$ 200,000.00.

This commitment is invalid unless the Insuring Provisions and Schedules A and B are attached.

Schedule B-Section 1-Page 1-Commitment No. NN93-69

Form No. 91-88 (B-1)  
035-1-088-0001/8

ORIGINAL



# Lawyers Title Insurance Corporation

NATIONAL HEADQUARTERS

RICHMOND, VIRGINIA

SCHEDULE B—Section 2

Exceptions

The policy or policies to be issued will contain exceptions to the following unless the same are disposed of to the satisfaction of the Company:

- 1. Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the public records or attaching subsequent to the effective date hereof but prior to the date the proposed insured acquires for value of record the estate or interest or mortgage thereon covered by this Commitment.
- 2. Taxes for the year 1993, not yet due and payable.
- 3. Such state of facts as would be disclosed by an accurate survey and inspection of the premises.

APPLICABLE TO PARCELS ONE THROUGH FOUR

- 4. Easement granted VEPCO by instrument recorded in Deed Book 95, Page 301.
- 5. Easement granted VEPCO by instrument recorded in Deed Book 166, Page 756.
- 6. Easement granted VEPCO by instrument recorded in Deed Book 183, Page 26.

APPLICABLE TO PARCELS FIVE AND SIX

- 7. Utility easement of record and easements which would be apparent by a current inspection of the premises.

NOTE: If policy is to be issued in support of a mortgage loan, attention is directed to the fact that the Company can assume no liability under its policy, the closing instructions, or Insured Closing Service for compliance with the requirements of any consumer credit protection or truth in lending law in connection with said mortgage loan.

This commitment is invalid unless the Insuring Provisions and Schedules A and B are attached.

Schedule B-Section 2-Page 1-Commitment No. NN93-69

Form No. 91-88 (B-2)  
035-1-088-0004/1

ORIGINAL

# Lawyers Title Insurance Corporation

NATIONAL HEADQUARTERS  
RICHMOND, VIRGINIA

## COMMITMENT FOR TITLE INSURANCE

LAWYERS TITLE INSURANCE CORPORATION, a Virginia corporation, herein called the Company, for valuable consideration, hereby commits to issue its policy or policies of title insurance, as identified in Schedule A, in favor of the proposed Insured named in Schedule A, as owner or mortgagee of the estate or interest covered hereby in the land described or referred to in Schedule A, upon payment of the premiums and charges therefor, all subject to the provisions of Schedules A and B and to the Conditions and Stipulations hereof.

This Commitment shall be effective only when the identity of the proposed Insured and the amount of the policy or policies committed for have been inserted in Schedule A hereof by the Company, either at the time of the issuance of this Commitment or by subsequent endorsement.

This Commitment is preliminary to the issuance of such policy or policies of title insurance and all liability and obligations hereunder shall cease and terminate six (6) months after the effective date hereof or when the policy or policies committed for shall issue, whichever first occurs, provided that the failure to issue such policy or policies is not the fault of the Company. This Commitment shall not be valid or binding until countersigned by an authorized officer or agent.

IN WITNESS WHEREOF, the Company has caused this Commitment to be signed and sealed, to become valid when countersigned by an authorized officer or agent of the Company, all in accordance with its By-Laws. This Commitment is effective as of the date shown in Schedule A as Effective Date.

### CONDITIONS AND STIPULATIONS

1. The term "mortgage," when used herein, shall include deed of trust, trust deed, or other security instrument.
2. If the proposed Insured has or acquires actual knowledge of any defect, lien, encumbrance, adverse claim or other matter affecting the estate or interest or mortgage thereon covered by this Commitment other than those shown in Schedule B hereof, and shall fail to disclose such knowledge to the Company in writing, the Company shall be relieved from liability for any loss or damage resulting from any act of reliance hereon to the extent the Company is prejudiced by failure to so disclose such knowledge. If the proposed Insured shall disclose such knowledge to the Company, or if the Company otherwise acquires actual knowledge of any such defect, lien, encumbrance, adverse claim or other matter, the Company at its option may amend Schedule B of this Commitment accordingly, but such amendment shall not relieve the Company from liability previously incurred pursuant to paragraph 3 of these Conditions and Stipulations.
3. Liability of the Company under this Commitment shall be only to the named proposed Insured and such parties included under the definition of Insured in the form of policy or policies committed for and only for actual loss incurred in reliance hereon in undertaking in good faith (a) to comply with the requirements hereof, or (b) to eliminate exceptions shown in Schedule B, or (c) to acquire or create the estate or interest or mortgage thereon covered by this Commitment. In no event shall such liability exceed the amount stated in Schedule A for the policy or policies committed for and such liability is subject to the insuring provisions and the Conditions and Stipulations and the Exclusions from Coverage of the form of policy or policies committed for in favor of the proposed Insured which are hereby incorporated by reference and are made a part of this Commitment except as expressly modified herein.
4. Any action or actions or rights of action that the proposed Insured may have or may bring against the Company arising out of the status of the title to the estate or interest or the status of the mortgage thereon covered by this Commitment must be based on and are subject to the provisions of this Commitment.

Lawyers Title Insurance Corporation

By: *Marvin C. Bowling, Jr.*  
President

Attest: *[Signature]*  
Secretary



**A-38. Other Pertinent Exhibits****JUNE PARKER OIL COMPANY, INC  
FINANCIAL STATEMENTS****DECEMBER 31, 2014****LESLIE E. TAYLOR, CPA, P.C.***Certified Public Accountant*

300 DUKE STREET  
TAPPAHANNOCK, VA 22560  
804-443-3002

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**JUNE PARKER OIL COMPANY, INC**  
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LESLIE E. TAYLOR, CPA, P.C.  
*A Professional Corporation*  
CERTIFIED PUBLIC ACCOUNTANTS

ACCOUNTANT'S COMPILATION REPORT


TO MANAGEMENT  
JUNE PARKER OIL COMPANY, INC.  
TAPPAHANNOCK, VA 22560

MANAGEMENT IS RESPONSIBLE FOR THE ACCOMPANYING INCOME STATEMENT OF JUNE PARKER OIL COMPANY, INC. (AN S-CORPORATION) FOR THE YEAR ENDED DECEMBER 31, 2014. I DID NOT AUDIT OR REVIEW THE FINANCIAL STATEMENT NOR WAS I REQUIRED TO PERFORM ANY PROCEDURES TO VERIFY THE ACCURACY OR COMPLETENESS OF THE INFORMATION PROVIDED BY MANAGEMENT. ACCORDINGLY I DO NOT EXPRESS AN OPINION, A CONCLUSION, NOR PROVIDE ANY FORM OF ASSURANCE ON THE FINANCIAL STATEMENT.

THE FINANCIAL STATEMENT IS PREPARED IN ACCORDANCE WITH THE INCOME TAX BASIS OF ACCOUNTING, WHICH IS A BASIS OF ACCOUNTING OTHER THAN ACCOUNTING PRINCIPLES GENERALLY ACCEPTED IN THE UNITED STATES OF AMERICA.

MANAGEMENT HAS ELECTED TO OMIT SUBSTANTIALLY ALL OF THE DISCLOSURES ORDINARILY INCLUDED IN THE FINANCIAL STATEMENT PREPARED IN ACCORDANCE WITH THE INCOME TAX BASIS OF ACCOUNTING. IF THE OMITTED DISCLOSURES WERE INCLUDED IN THE FINANCIAL STATEMENT, THEY MIGHT INFLUENCE THE USER'S CONCLUSIONS ABOUT THE COMPANY'S ASSETS, LIABILITIES, EQUITY, REVENUES, AND EXPENSES. ACCORDINGLY, THE FINANCIAL STATEMENT IS NOT DESIGNED FOR THOSE WHO ARE NOT INFORMED ABOUT SUCH MATTERS.

I AM NOT INDEPENDENT WITH RESPECT TO JUNE PARKER OIL COMPANY, INC.

  
LESLIE E. TAYLOR, CPA, P.C.  
TAPPAHANNOCK, VA 22560

MAY 17, 2017

**JUNE PARKER OIL COMPANY, INC**  
**MARINA DIVISION**  
**STATEMENT OF REVENUES AND EXPENSES**  
**INCOME TAX BASIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**

	<b>YEAR TO DATE</b>
<b><u>REVENUES</u></b>	
SALES-MARINA	\$ 92,489.51
RENTAL INCOME-SLIP RENTAL	\$ 25,548.49
RENTAL INCOME-OFFICE BUILDING	\$ 4,800.00
<b>TOTAL REVENUES</b>	<b>\$ 122,838.00</b>
<b><u>COST OF SALES</u></b>	
WAGES-MARINA	\$ 26,764.84
PURCHASES-MARINA	\$ 35,977.99
SMALL TOOLS-MARINA	\$ 2,143.71
<b>TOTAL COST OF SALES</b>	<b>\$ 64,886.54</b>
<b>GROSS PROFIT</b>	<b>\$ 57,951.46</b>
<b><u>EXPENSES</u></b>	
ADVERTISING-MARINA	\$ 279.25
DEPRECIATION-MARINA	\$ 7,055.99
INSURANCE-MARINA	\$ 8,236.00
INTEREST-MARINA	\$ 10,760.98
MAINTENANCE-MARINA	\$ 2,710.79
OTHER TAXES-MARINA	\$ 7,871.68
TELEPHONE-MARINA	\$ 1,881.39
UTILITIES-MARINA	\$ 6,299.65
<b>TOTAL EXPENSES</b>	<b>\$ 45,095.73</b>
<b>NET INCOME</b>	<b>\$ 12,855.73</b>

**JUNE PARKER OIL COMPANY, INC  
FINANCIAL STATEMENTS  
DECEMBER 31, 2015**

**LESLIE E. TAYLOR, CPA, P.C.**

*Certified Public Accountant*

300 DUKE STREET  
TAPPAHANNOCK, VA 22560  
804-443-3002

**JUNE PARKER OIL COMPANY, INC**  
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TAPPAHANNOCK, VA 22560

MANAGEMENT IS RESPONSIBLE FOR THE ACCOMPANYING INCOME STATEMENT OF JUNE PARKER OIL COMPANY, INC. (AN S-CORPORATION) FOR THE YEAR ENDED DECEMBER 31, 2015. I DID NOT AUDIT OR REVIEW THE FINANCIAL STATEMENT NOR WAS I REQUIRED TO PERFORM ANY PROCEDURES TO VERIFY THE ACCURACY OR COMPLETENESS OF THE INFORMATION PROVIDED BY MANAGEMENT. ACCORDINGLY I DO NOT EXPRESS AN OPINION, A CONCLUSION, NOR PROVIDE ANY FORM OF ASSURANCE ON THE FINANCIAL STATEMENT.

THE FINANCIAL STATEMENT IS PREPARED IN ACCORDANCE WITH THE INCOME TAX BASIS OF ACCOUNTING, WHICH IS A BASIS OF ACCOUNTING OTHER THAN ACCOUNTING PRINCIPLES GENERALLY ACCEPTED IN THE UNITED STATES OF AMERICA.

MANAGEMENT HAS ELECTED TO OMIT SUBSTANTIALLY ALL OF THE DISCLOSURES ORDINARILY INCLUDED IN THE FINANCIAL STATEMENT PREPARED IN ACCORDANCE WITH THE INCOME TAX BASIS OF ACCOUNTING. IF THE OMITTED DISCLOSURES WERE INCLUDED IN THE FINANCIAL STATEMENT, THEY MIGHT INFLUENCE THE USER'S CONCLUSIONS ABOUT THE COMPANY'S ASSETS, LIABILITIES, EQUITY, REVENUES, AND EXPENSES. ACCORDINGLY, THE FINANCIAL STATEMENT IS NOT DESIGNED FOR THOSE WHO ARE NOT INFORMED ABOUT SUCH MATTERS.

I AM NOT INDEPENDENT WITH RESPECT TO JUNE PARKER OIL COMPANY, INC.

  
LESLIE E. TAYLOR, CPA, P.C.  
TAPPAHANNOCK, VA 22560

MAY 17, 2017

**JUNE PARKER OIL COMPANY, INC**  
**MARINA DIVISION**  
**STATEMENT OF REVENUES AND EXPENSES**  
**INCOME TAX BASIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	<b>YEAR TO DATE</b>
<b><u>REVENUES</u></b>	
SALES-MARINA	\$ 57,768.08
RENTAL INCOME-SLIP RENTAL	\$ 17,618.13
LAND RENT-MARINA	\$ 5,750.00
RENTAL INCOME-OFFICE BUILDING	\$ 4,800.00
<b>TOTAL REVENUES</b>	<b>\$ 85,936.21</b>
<b><u>COST OF SALES</u></b>	
WAGES-MARINA	\$ 31,569.15
PURCHASES-MARINA	\$ 33,931.98
SMALL TOOLS-MARINA	\$ 1,013.88
<b>TOTAL COST OF SALES</b>	<b>\$ 66,515.01</b>
<b>GROSS PROFIT</b>	<b>\$ 19,421.20</b>
<b><u>EXPENSES</u></b>	
ADVERTISING-MARINA	\$ 136.25
DEPRECIATION-MARINA	\$ 7,055.99
INSURANCE-MARINA	\$ 8,811.03
INTEREST-MARINA	\$ 5,601.52
MAINTENANCE-MARINA	\$ 4,711.35
OTHER TAXES-MARINA	\$ 8,483.02
TELEPHONE-MARINA	\$ 1,254.82
UTILITIES-MARINA	\$ 4,636.15
<b>TOTAL EXPENSES</b>	<b>\$ 40,690.13</b>
<b>NET INCOME</b>	<b>\$ (21,268.93)</b>

**JUNE PARKER OIL COMPANY, INC  
FINANCIAL STATEMENTS**

**DECEMBER 31, 2016**

**LESLIE E. TAYLOR, CPA, P.C.**

*Certified Public Accountant*

300 DUKE STREET  
TAPPAHANNOCK, VA 22560  
804-443-3002

**JUNE PARKER OIL COMPANY, INC**  
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LESLIE E. TAYLOR, CPA, P.C.  
*A Professional Corporation*  
CERTIFIED PUBLIC ACCOUNTANTS

ACCOUNTANT'S COMPILATION REPORT


TO MANAGEMENT  
JUNE PARKER OIL COMPANY, INC.  
TAPPAHANNOCK, VA 22560

MANAGEMENT IS RESPONSIBLE FOR THE ACCOMPANYING INCOME STATEMENT OF JUNE PARKER OIL COMPANY, INC. (AN S-CORPORATION) FOR THE YEAR ENDED DECEMBER 31, 2016. I DID NOT AUDIT OR REVIEW THE FINANCIAL STATEMENT NOR WAS I REQUIRED TO PERFORM ANY PROCEDURES TO VERIFY THE ACCURACY OR COMPLETENESS OF THE INFORMATION PROVIDED BY MANAGEMENT. ACCORDINGLY I DO NOT EXPRESS AN OPINION, A CONCLUSION, NOR PROVIDE ANY FORM OF ASSURANCE ON THE FINANCIAL STATEMENT.

THE FINANCIAL STATEMENT IS PREPARED IN ACCORDANCE WITH THE INCOME TAX BASIS OF ACCOUNTING, WHICH IS A BASIS OF ACCOUNTING OTHER THAN ACCOUNTING PRINCIPLES GENERALLY ACCEPTED IN THE UNITED STATES OF AMERICA.

MANAGEMENT HAS ELECTED TO OMIT SUBSTANTIALLY ALL OF THE DISCLOSURES ORDINARILY INCLUDED IN THE FINANCIAL STATEMENT PREPARED IN ACCORDANCE WITH THE INCOME TAX BASIS OF ACCOUNTING. IF THE OMITTED DISCLOSURES WERE INCLUDED IN THE FINANCIAL STATEMENT, THEY MIGHT INFLUENCE THE USER'S CONCLUSIONS ABOUT THE COMPANY'S ASSETS, LIABILITIES, EQUITY, REVENUES, AND EXPENSES. ACCORDINGLY, THE FINANCIAL STATEMENT IS NOT DESIGNED FOR THOSE WHO ARE NOT INFORMED ABOUT SUCH MATTERS.

I AM NOT INDEPENDENT WITH RESPECT TO JUNE PARKER OIL COMPANY, INC.

  
LESLIE E. TAYLOR, CPA, P.C.  
TAPPAHANNOCK, VA 22560

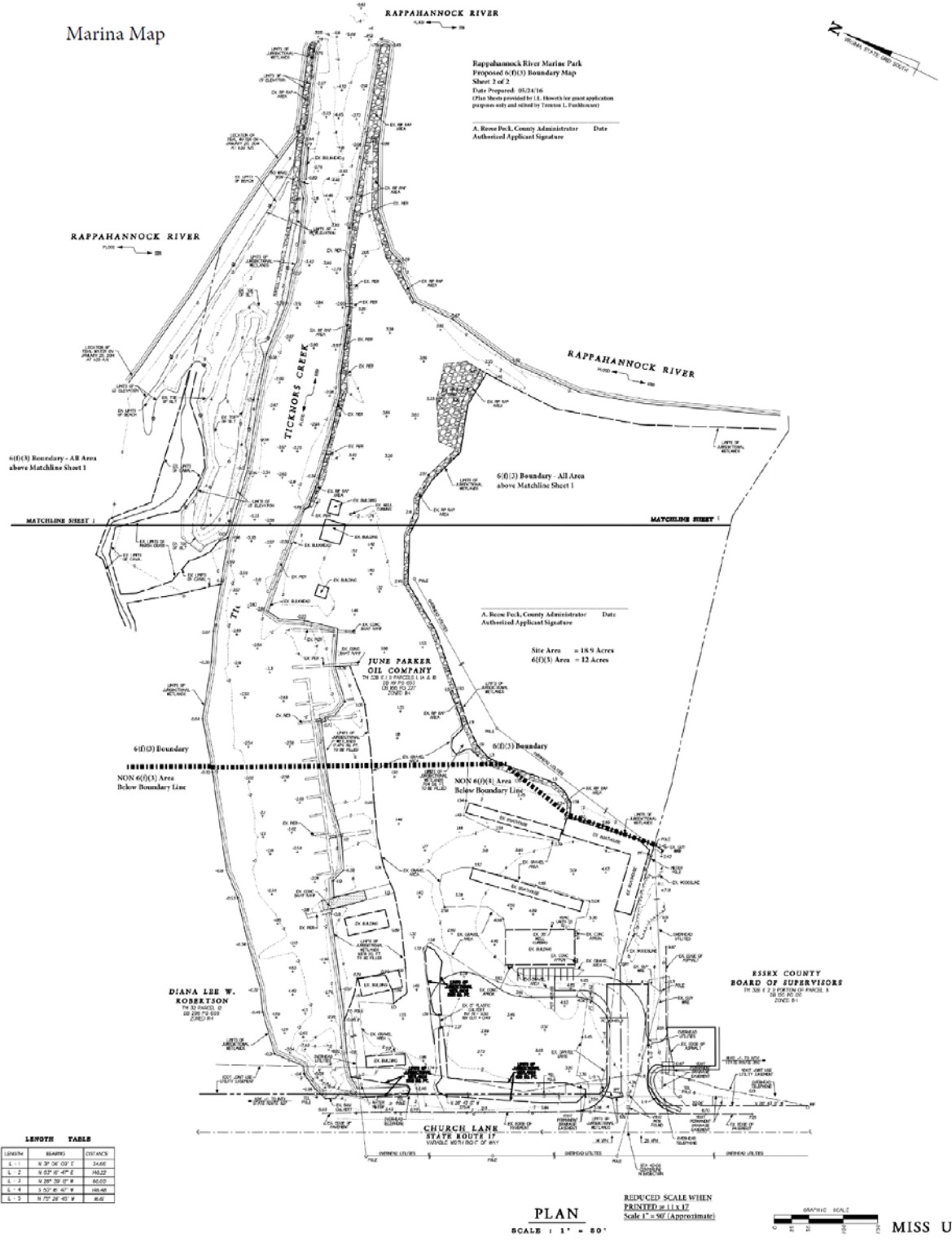
MAY 17, 2017

**JUNE PARKER OIL COMPANY, INC**  
**MARINA DIVISION**  
**STATEMENT OF REVENUES AND EXPENSES**  
**INCOME TAX BASIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

	<b>YEAR TO DATE</b>
<b><u>REVENUES</u></b>	
SALES-MARINA	\$ 48,170.76
RENTAL INCOME-SLIP RENTAL	\$ 13,672.99
RENTAL INCOME-OFFICE BUILDING	\$ 4,400.00
<b>TOTAL REVENUES</b>	<b>\$ 66,243.75</b>
<b><u>COST OF SALES</u></b>	
WAGES-MARINA	\$ 27,966.99
PURCHASES-MARINA	\$ 28,848.23
SMALL TOOLS-MARINA	\$ 1,534.80
<b>TOTAL COST OF SALES</b>	<b>\$ 58,350.02</b>
<b>GROSS PROFIT</b>	<b>\$ 7,893.73</b>
<b><u>EXPENSES</u></b>	
DEPRECIATION-MARINA	\$ 6,941.97
INSURANCE-MARINA	\$ 9,234.45
INTEREST-MARINA	\$ 8,837.02
MAINTENANCE-MARINA	\$ 1,116.12
OTHER TAXES-MARINA	\$ 8,547.79
TELEPHONE-MARINA	\$ 790.85
UTILITIES-MARINA	\$ 5,080.69
MISC. EXPENSES-MARINA	\$ 336.59
<b>TOTAL EXPENSES</b>	<b>\$ 40,885.48</b>
<b>NET INCOME</b>	<b>\$ (32,991.75)</b>

Site Map

Marina Map



Subject Transfer

Return Vs: F. Adam Cherry III, Attorney at Law, 14 E. Main St., Richmond, VA 23219

Cert of Take

RW-35 COT  
Revised 4/12

TAX MAP #32B-2-8

# 140000875

UPC 86463  
Parcel 002

PREPARED BY VDOT  
UNDER SUPERVISION OF THE  
OFFICE OF THE ATTORNEY GENERAL

Exempted from recordation taxes  
under Sections 58.1-811(A) (3),  
58.1-811(C)(5), 58.1-3315, 25.1-418,  
42.1-70, 17.1-266, and 17.1-279(E)

No. C-613003

\$6,200.00

AMENDED CERTIFICATE OF TAKE

This is to certify that \$6,200.00, which sum has been paid into Court, is estimated by the Commissioner of Highways to be the fair value of the land hereinafter described, or interest therein, and damages to the remainder, if any, owned in whole or in part by JUNE PARKER OIL COMPANY, INC., a Virginia corporation, ("Landowner"), which the said Commissioner of Highways has directed to be taken in conjunction with the construction, reconstruction, alteration, maintenance and repair of Route 17, State Primary System, and for all other purposes incidental thereto, identified as Project 0017-028-564, RW201, as shown on Sheets 3, 3A, 3D, 3V, 4, 4A, and 4V of plans for said Project on file with the Department of Transportation. The amount above specified, or so much thereof as may be directed by the Court, will be paid by the Clerk thereof, pursuant to the order of the Circuit Court of the County of Essex, as provided by Title 33.1, Chapter 1, Article 7 of the 1950 Code of Virginia, as amended. The land, or interest therein, taken lies in Essex County, and is described as follows:

Parcel 002

Being as shown on Sheets 3V and 4V of the plans for Route 17, State Highway Project 0017-028-564, C501 beginning on the Northeast (right) side of Route 17 Construction baseline from the lands now or formerly belonging to Essex County Board of Supervisors opposite approximate Station 816+80 to the lands now or formerly belonging to Diana Lee W. Robertson



R/W-35 COT  
Revised 4/12

opposite approximate Station 821+60, containing 0.314 acre, more or less, and being the perpetual right and easement over, under, through, upon and across the said area, to install, construct, operate, maintain, inspect, improve, relocate, alter, replace or remove one or more of the following, which shall collectively be referred to as "Utility Facilities".

(a) communication systems, including, but not limited to telephone, cable television and high speed internet services, consisting of buried cables, buried wires, posts, terminals, pedestals, vaults, conduits, manholes, handholes, and related above-ground facilities including, but not limited to, cables, wires, poles, posts, terminals, location markers, cabinets, equipment housings, remote terminal units, and other appurtenances as may be from time to time required;

(b) electrical systems for transmitting and distributing electric power by one or more circuits, telephone and other communications systems relating thereto, and street lighting, consisting of wires, conduits, poles, cables, transformers, transformer enclosures, concrete pads, manholes, handholes, connection boxes, accessories and appurtenances desirable in connection therewith;

(c) water systems for transmitting and distributing water, consisting of various size pipes, mains, service pipes, valves, manholes, water meters, vaults and appurtenances; and

(d) sanitary sewer systems for the collection and transmission of sewage, consisting of various size sewer pipes and lines, service pipes, manholes, valve boxes and appurtenances;

and including the right of reasonable egress and ingress to these utility facilities;

Together with the temporary right and easement to use the additional area shown as being required for the proper construction of cut and/or fill slopes containing 0.307 acre, more or less. Said temporary construction easement will terminate at such time as the construction of the aforesaid project is completed.

The source being property acquired by the landowner from John W. Ware, Jr., Trustee, under the Agreement of John J. McDonald, Jr., dated December 7, 1982, by deed dated September 23, 1986, and recorded September 26, 1986, in Deed Book 161, Page 653 in the office of the Circuit Court of said County.

The utility easements and utility facilities installed thereon as hereinabove described are subject to the following conditions:

1. The Commissioner, his agents, permittees, successors or assigns, and the respective owners of the utility facilities ("Utility Owners") shall have full and free use of the said easement and right of way for the purposes named, and shall have all rights and privileges reasonably necessary to exercise use of the easement and right of way as their interests are set forth herein, including the right of reasonable ingress to and egress from this easement over the remaining land of the Landowner by such private roads as may now or hereafter exist on the property of the Landowner. The right, however, is reserved to Landowner to shift, relocate, close or abandon such private roads at any time. If there are no public

R/W-35 COT  
Revised 4/12

or private roads reasonably convenient to the easement, then the Commissioner, his agents, permittees, successors or assigns, and the Utility Owners shall have such right of reasonable ingress and egress over the lands of the Landowner adjacent to the easement.

2. The Commissioner, his agents, permittees, successors and assigns, and the Utility Owners, shall each conduct their operations within the easement area in a manner that does not materially interfere with or is otherwise inconsistent with the other easements, rights of way or interests in land acquired hereunder. Any material interference or inconsistency between users of any joint utility easement created hereunder that is not otherwise resolved by the text of this Certificate shall be resolved in favor of the entity that held, prior to the recording date of this Certificate, the first in time easement, right of way, other interest in land or occupancy of land under a claim of right or with the apparent acquiescence of the Landowner. Notwithstanding the foregoing, should the operations of the Commissioner, his agents, permittees, successors or assigns necessitate material interference with the easements, rights of way or interests of land acquired hereunder, the Commissioner, his agents, permittees, successors or assigns shall, in accord with applicable law, have the right and obligation to provide a replacement easement to, or pay the relocation costs of, the affected entity, to the extent necessary to resolve such interference, provided the affected entity held an easement, right of way, other interest in land or occupancy of land under a claim of right or with the apparent acquiescence of the Landowner prior to the recording date of this Certificate.
3. The Commissioner, his agents, permittees, successors and assigns, and the Utility Owners, shall have the right to trim, cut and remove trees, shrubbery, fences, structures, or other obstructions or facilities inside and outside the boundaries of the easement deemed to interfere with the proper and efficient use of the easement for the purposes named and/or the safe and proper operation of the utility facilities; provided, however, the Commissioner, his agents, permittees, successors or assigns, or the Utility Owners, at their own expense, shall restore, as nearly as possible, the property to its original condition, including the back-filling of trenches, the replacement of curbing and asphalt pavement and the reseeding of grass areas, but not the replacement of structures, trees, or other obstructions. The right to trim, cut and remove trees or shrubbery inside the boundaries of the easement shall be in accordance with each Utility Owner's trimming specification, e.g., in compliance with the National Electric Safety Code; Virginia State Corporation Commission Guidelines on Tree-Trimming; the Virginia Overhead High Voltage Safety Act, Va. Code §§ 59.1-406 - 59.1-414; ANSI A-300 and ANSI Z-133. Outside the boundaries of the easement, the Utility Owners may only trim, cut and remove trees or shrubbery (including but not limited to weak, diseased and/or dead vegetation) which pose a danger to the safe and reliable operation of the utility facilities in order to eliminate the hazard. All trees and limbs cut by the Commissioner, his agents, permittees, successors and assigns, or the Utility Owners, shall remain the property of Landowner.

R/W-35 COT  
Revised 4/12

4. The Commissioner, his agents, permittees, successors or assigns, and the Utility Owners shall, consistent with the purposes named, have the right to inspect, rebuild, repair, remove and relocate their respective utility facilities or any part thereof, within the easement area, and may make such changes, alterations, substitutions, additions in and to, or extensions of its facilities as it deems advisable, and consistent with the purposes named, without the prior consent of the Landowner.
5. The Commissioner, his agents, permittees, successors or assigns, and the Utility Owners shall, subject to the rights acquired herein, repair damage to roads, fences, or other improvements (a) inside the boundaries of the easement and right of way and (b) outside the boundaries of the easement caused by the Commissioner, his agents, permittees, successors or assigns, or the Utility Owners in the process of the construction, inspection, and maintenance of facilities by the Commissioner, his agents, permittees, successors or assigns, and the Utility Owners, or in the exercise of their right of ingress and egress, provided that Landowner gives written notice thereof to Commissioner, his agents, permittees, successors or assigns, or the Utility Owners, as appropriate, within sixty (60) days after such damage occurs.
6. The communications, electrical, water and sanitary sewer systems constructed hereunder are and shall remain the property of the Commissioner, his agents, permittees, successors or assigns, and the Utility Owners. The Commissioner, his agents, permittees, successors or assigns, and the Utility Owners shall, consistent with the purposes named, have the right to inspect, rebuild, repair, remove and relocate their individual utility facilities or any part thereof, within the easement area, and may make such changes, alterations, substitutions, additions in and to, or extensions of their utility facilities as they deem advisable, and consistent with the purposes named, without the prior consent of the Landowner. In making any such changes, alterations, substitutions, additions in and to, or extensions of its utility facilities after the initial installations for the Project herein described, the Commissioner, his agents, permittees, successors and assigns, and the Utility Owners shall not install any above ground pole, cabinet, transformer, fence or appurtenance within any existing paved parking area or entrance way without the prior consent of the Landowner; such consent shall not be unreasonably withheld. Manholes, vaults, handholes and similar types of appurtenances can be installed under paved areas and sidewalks provided they are load-bearing and are set flush with the existing pavement or sidewalk.
7. The Landowner, his successors and assigns, may use the easement for any reasonable purpose not inconsistent with the rights hereby acquired, provided such use does not interfere with the Commissioner, his agents, permittees, successors or assigns, or the Utility Owners, in their exercise of any of the rights acquired hereunder. Landowner shall not have the right to construct any building, structure, or other above-ground obstruction or to change the existing ground elevation, or to impound any water, on the easement; provided, however, Landowner may construct on the easement fences, landscaping (subject,





R/W-35 COT  
Revised 4/12

however to the tree trimming rights in Paragraph 3 hereof ), paving, sidewalks, curbing, gutters, street signs, and below-ground obstructions as long as said fences, landscaping, paving, sidewalks, curbing, gutters, street signs and below-ground obstructions do not interfere with the Commissioner, his agents, permittees, successors or assigns, or the Utility Owners, in their exercise of any of its rights acquired hereunder. In the event such use by the Landowner does interfere with the exercise of any of the rights acquired by the Commissioner, his agents, permittees, successors or assigns, or the Utility Owners hereunder, the Commissioner, his agents, permittees, successors or assigns, and the Utility Owners may, in their reasonable discretion, relocate such of its utility facilities as may be practicable to a new site designated by Landowner and acceptable to the Commissioner, his agents, permittees, successors or assigns, and the Utility Owners. In the event any such utility facilities are so relocated, Landowner shall reimburse the Commissioner, his agents, permittees, successors or assigns, or the Utility Owners for the cost thereof and convey to the Commissioner, his agents, permittees, successors or assigns, and the Utility Owners an equivalent easement at the new site.

8. The Commissioner shall have the right to assign or permit usage of this easement, or portions thereof, said assignment and usage to be only for the purposes and subject to the limitations set forth herein.

The Amended Certificate No. C-613003 dated March 13, 2014, amends Certificate No. C-613003 dated March 6, 2013, in the name of June Parker Oil Company, Inc., a Virginia corporation, recorded as Instrument No. LR130000314 on March 13, 2013.

For an additional description of the land, or interest therein, taken, reference is made to photocopy of said Sheets 3 and 4, showing outlined in ORANGE the temporary construction easement, and outlined in PINK the permanent VDOT utility easement, and recorded simultaneously herewith in the State Highway Plat Book 9, Pages 131-137.

R/W-35 COT  
Revised 4/12

Dated at Richmond, Virginia

March 13, 2014

Commissioner of Highways

By: *Richard R. Bennett*  
State Director, Right of Way & Utilities

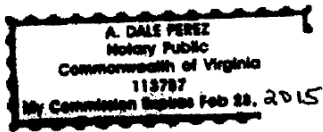
Copy for: Commissioner of Highways  
Attorney At Law

COMMONWEALTH OF VIRGINIA

City of Richmond

The foregoing instrument was acknowledged before me this 13<sup>th</sup> day of March, 2014, by Richard R. Bennett, State Director, Right of Way & Utilities.

My Commission expires February 28, 2015  
*A. Dale Perez*  
Notary Public



INSTRUMENT #140000875  
RECORDED IN THE CLERK'S OFFICE OF  
COUNTY OF ESSEX ON  
AUGUST 27, 2014 AT 02:10PM  
*Opyn D. Andrews, RP, Clerk*  
GAYLE J. ASHWORTH, CLERK  
RECORDED BY: ADA

Cert of Take

Gm# 140000525

VIRGINIA:

CLR# 140000874

IN THE CIRCUIT COURT OF ESSEX COUNTY

In the matter of Certificate No. C-613003,	)	
filed by the Commissioner of Highways in	)	
the Circuit Court of Essex County,	)	
and recorded as Instrument No. 130000314	)	Case No. CL14000092-00
relating to the acquisition of land and easements	)	
for highway construction purposes	)	
by the Commonwealth of Virginia from	)	
June Parker Oil Company, Inc.	)	

**ORDER ALLOWING AMENDMENT OF CERTIFICATE**

This day came the Petitioner, Commissioner of Highways ("Petitioner"), by counsel upon its Petition To Amend Certificate of Take C-613003, dated March 6, 2013 and recorded March 13, 2013 as Instrument Number 130000314 in the Clerk's Office of the Circuit Court of Essex County, to eliminate the permanent drainage easement, to reduce the size of the temporary construction easement and to return to petitioner a portion of the funds deposited under the Certificate of Take No. C-613003; and it appearing that no new land is being added to the Certificate, but rather the Certificated land is being reduced, leave is hereby granted Petitioner, for good cause shown, to amend the Certificate in accordance with the terms of the Amended Certificate No. C-613003 tendered to the Court with the sketch of this Order, and it is hereby ordered that the Clerk shall record this Order immediately followed by said Amended Certificate among the land records in the customary manner, along with the amended plan sheets attached thereto for recordation in the State Highway Plat Book and Index both this Order and Amended Certificate under the names of **COMMISSIONER OF HIGHWAYS**

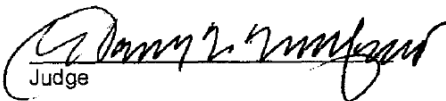
and **COMMONWEALTH OF VIRGINIA** as both Grantor and Grantee, and **JUNE PARKER OIL COMPANY, INC.** as both Grantor and Grantee. It is further Ordered that said Amended Certificate, No. C-613003, dated March 13, 2014, with the plan sheets attached and made a part thereof, hereby amends, replaces and supersedes the original Certificate No. C-613003, dated March 6, 2013 and recorded on March 13, 2013 as Instrument No. 130000314.

It further being represented that no funds under the original Certificate have been previously withdrawn, and that the Clerk is holding such funds in an account for the credit of this cause, it is ORDERED that the Clerk shall draw thereon a check in the amount of \$112,920.00, payable to "Commonwealth of Virginia," leaving a balance in the account of \$6,200.00, and mail such check, along with a certified copy of this Order to F. Adam Cherry, III, as counsel for the Petitioner, at Randolph, Boyd, Cherry and Vaughan, 14 East Main Street, Richmond, Virginia 23219.

The Clerk shall also mail a certified copy of this Order to the landowner, June Parker Oil Company, Inc., P.O. Box 625, Tappahannock, Virginia 22560.

ENTER

*August 27, 2014.*

  
Judge



I ask for this:



Francis A. Cherry, Jr. (VSB #12595)  
F. Adam Cherry, III (VSB #70890)  
Randolph, Boyd, Cherry and Vaughan  
14 East Main Street  
Richmond, Virginia 23219  
Phone: (804) 643-6611  
Fax: (804) 783-2765

*Counsel for Petitioner*

INSTRUMENT #140000874  
RECORDED IN THE CLERK'S OFFICE OF  
COUNTY OF ESSEX ON  
AUGUST 27, 2014 AT 02:09PM  
*Agreed Address By Clerk*  
GAYLE J. ASHWORTH, CLERK  
RECORDED BY: ADA

Cert of Take

# 130000314

R/W-35 COT  
Revised 4/12

TAX MAP ~~822-20~~ 32 B-1-1 + 1A  
G-PIN #N/A

UPC 86463  
Parcel 001

PREPARED BY VDOT  
UNDER SUPERVISION OF THE  
OFFICE OF THE ATTORNEY GENERAL

Exempted from recordation taxes  
under Sections 58.1-811(A) (3),  
58.1-811(C)(5), 58.1-3315, 25.1-418,  
42.1-70, 17.1-266, and 17.1-279(E)

No. C-613003

\$119,120.00

CERTIFICATE OF TAKE

This is to certify that \$119,120.00, which sum has been paid into Court, is estimated by the Commissioner of Highways to be the fair value of the land hereinafter described, or interest therein, and damages to the remainder, if any, owned in whole or in part by JUNE PARKER OIL COMPANY, INC., a Virginia corporation, ("Landowner"), which the said Commissioner of Highways has directed to be taken in conjunction with the construction, reconstruction, alteration, maintenance and repair of Route 17, State Primary System, and for all other purposes incidental thereto, identified as Project 0017-028-564, RW201, as shown on Sheets 3, 3A, 3D, 3V, 4, 4A, and 4V of plans for said Project on file with the Department of Transportation. The amount above specified, or so much thereof as may be directed by the Court, will be paid by the Clerk thereof, pursuant to the order of the Circuit Court of the County of Essex, as provided by Title 33.1, Chapter 1, Article 7 of the 1950 Code of Virginia, as amended. The land, or interest therein, taken lies in Essex County, and is described as follows:

Parcel 002

Being as shown on Sheets 3V and 4V of the plans for Route 17, State Highway Project 0017-028-564, RW201 and beginning on the northeast (right) side of Route 17 construction centerline from the lands now or formerly belonging to Essex County Board of Supervisors opposite approximate Station 816+80 to a point in the lands of the landowner opposite

RETURN TO:  
VDOT R/W DIVISION  
87 DEACON ROAD  
FREDERICKSBURG, VA 22405

R/W-35 COT  
Revised 4/12

approximate Station 817+92, containing 1,002 square feet, more or less, and being the permanent right and easement to use the said area shown as being required for the proper construction and maintenance of drainage facilities;

Together with a VDOT utility easement and beginning on the Northeast (right) side of Route 17 Construction centerline from the lands now or formerly belonging to Essex County Board of Supervisors opposite approximate Station 816+80 to the lands now or formerly belonging to Diana Lee W. Robertson opposite approximate Station 821+60, containing 13,678 square feet, more or less, and being the perpetual right and easement over, under, through, upon and across the said area, to install, construct, operate, maintain, inspect, improve, relocate, alter, replace or remove one or more of the following, which shall collectively be referred to as "Utility Facilities":

(a) communication systems, including, but not limited to telephone, cable television and high speed internet services, consisting of buried cables, buried wires, posts, terminals, pedestals, vaults, conduits, manholes, handholes, and related above-ground facilities including, but not limited to, cables, wires, poles, posts, terminals, location markers, cabinets, equipment housings, remote terminal units, and other appurtenances as may be from time to time required;

(b) electrical systems for transmitting and distributing electric power by one or more circuits, telephone and other communications systems relating thereto, and street lighting, consisting of wires, conduits, poles, cables, transformers, transformer enclosures, concrete pads, manholes, handholes, connection boxes, accessories and appurtenances desirable in connection therewith;

(c) water systems for transmitting and distributing water, consisting of various size pipes, mains, service pipes, valves, manholes, water meters, vaults and appurtenances; and

(d) sanitary sewer systems for the collection and transmission of sewage, consisting of various size sewer pipes and lines, service pipes, manholes, valve boxes and appurtenances;

and including the right of reasonable egress and ingress to these Utility Facilities;

Together with the temporary right and easement to use the additional areas shown as being required for the proper construction of cut and/or fill slopes and entrance containing 21,214 square feet, more or less. Said temporary easements will terminate at such time as the construction of the aforesaid project is completed.

The source being property acquired by the landowner from John W. Ware, Jr., Trustee, under the Agreement of John J. McDonald, Jr., dated December 7, 1982, by deed dated September 23, 1986, and recorded September 26, 1986, in Deed Book 161, Page 653 in the office of the Circuit Court of said County

The utility easements and utility facilities installed thereon as hereinabove described are subject to the following conditions:

RW-35 COT  
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1. The Commissioner, his agents, permittees, successors or assigns, and the respective owners of the utility facilities ("Utility Owners") shall have full and free use of the said easement and right of way for the purposes named, and shall have all rights and privileges reasonably necessary to exercise use of the easement and right of way as their interests are set forth herein, including the right of reasonable ingress to and egress from this easement over the remaining land of the Landowner by such private roads as may now or hereafter exist on the property of the Landowner. The right, however, is reserved to Landowner to shift, relocate, close or abandon such private roads at any time. If there are no public or private roads reasonably convenient to the easement, then the Commissioner, his agents, permittees, successors or assigns, and the Utility Owners shall have such right of reasonable ingress and egress over the lands of the Landowner adjacent to the easement.
2. The Commissioner, his agents, permittees, successors and assigns, and the Utility Owners, shall each conduct their operations within the easement area in a manner that does not materially interfere with or is otherwise inconsistent with the other easements, rights of way or interests in land acquired hereunder. Any material interference or inconsistency between users of any joint utility easement created hereunder that is not otherwise resolved by the text of this Certificate shall be resolved in favor of the entity that held, prior to the recording date of this Certificate, the first in time easement, right of way, other interest in land or occupancy of land under a claim of right or with the apparent acquiescence of the Landowner. Notwithstanding the foregoing, should the operations of the Commissioner, his agents, permittees, successors or assigns necessitate material interference with the easements, rights of way or interests of land acquired hereunder, the Commissioner, his agents, permittees, successors or assigns shall, in accord with applicable law, have the right and obligation to provide a replacement easement to, or pay the relocation costs of, the affected entity, to the extent necessary to resolve such interference, provided the affected entity held an easement, right of way, other interest in land or occupancy of land under a claim of right or with the apparent acquiescence of the Landowner prior to the recording date of this Certificate.
3. The Commissioner, his agents, permittees, successors and assigns, and the Utility Owners, shall have the right to trim, cut and remove trees, shrubbery, fences, structures, or other obstructions or facilities inside and outside the boundaries of the easement deemed to interfere with the proper and efficient use of the easement for the purposes named and/or the safe and proper operation of the utility facilities; provided, however, the Commissioner, his agents, permittees, successors or assigns, or the Utility Owners, at their own expense, shall restore, as nearly as possible, the property to its original condition, including the back-filling of trenches, the replacement of curbing and asphalt pavement and the reseeded of grass areas, but not the replacement of structures, trees, or other obstructions. The right to trim, cut and remove trees or shrubbery inside the boundaries of the easement shall be in accordance with each Utility Owner's



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trimming specification, e.g., in compliance with the National Electric Safety Code; Virginia State Corporation Commission Guidelines on Tree-Trimming; the Virginia Overhead High Voltage Safety Act, Va. Code §§ 59.1-406 - 59.1-414; ANSI A-300 and ANSI Z-133. Outside the boundaries of the easement, the Utility Owners may only trim, cut and remove trees or shrubbery (including but not limited to weak, diseased and/or dead vegetation) which pose a danger to the safe and reliable operation of the utility facilities in order to eliminate the hazard. All trees and limbs cut by the Commissioner, his agents, permittees, successors and assigns, or the Utility Owners, shall remain the property of Landowner.

4. The Commissioner, his agents, permittees, successors or assigns, and the Utility Owners shall, consistent with the purposes named, have the right to inspect, rebuild, repair, remove and relocate their respective utility facilities or any part thereof, within the easement area, and may make such changes, alterations, substitutions, additions in and to, or extensions of its facilities as it deems advisable, and consistent with the purposes named, without the prior consent of the Landowner.
5. The Commissioner, his agents, permittees, successors or assigns, and the Utility Owners shall, subject to the rights acquired herein, repair damage to roads, fences, or other improvements (a) inside the boundaries of the easement and right of way and (b) outside the boundaries of the easement caused by the Commissioner, his agents, permittees, successors or assigns, or the Utility Owners in the process of the construction, inspection, and maintenance of facilities by the Commissioner, his agents, permittees, successors or assigns, and the Utility Owners, or in the exercise of their right of ingress and egress, provided that Landowner gives written notice thereof to Commissioner, his agents, permittees, successors or assigns, or the Utility Owners, as appropriate, within sixty (60) days after such damage occurs.
6. The communications, electrical, water and sanitary sewer systems constructed hereunder are and shall remain the property of the Commissioner, his agents, permittees, successors or assigns, and the Utility Owners. The Commissioner, his agents, permittees, successors or assigns, and the Utility Owners shall, consistent with the purposes named, have the right to inspect, rebuild, repair, remove and relocate their individual utility facilities or any part thereof, within the easement area, and may make such changes, alterations, substitutions, additions in and to, or extensions of their utility facilities as they deem advisable, and consistent with the purposes named, without the prior consent of the Landowner. In making any such changes, alterations, substitutions, additions in and to, or extensions of its utility facilities after the initial installations for the Project herein described, the Commissioner, his agents, permittees, successors and assigns, and the Utility Owners shall not install any above ground pole, cabinet, transformer, fence or appurtenance within any existing paved parking area or entrance way without the prior consent of the Landowner; such consent shall not be unreasonably withheld. Manholes, vaults, handholes and similar types of

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appurtenances can be installed under paved areas and sidewalks provided they are load-bearing and are set flush with the existing pavement or sidewalk.

7. The Landowner, his successors and assigns, may use the easement for any reasonable purpose not inconsistent with the rights hereby acquired, provided such use does not interfere with the Commissioner, his agents, permittees, successors or assigns, or the Utility Owners, in their exercise of any of the rights acquired hereunder. Landowner shall not have the right to construct any building, structure, or other above-ground obstruction or to change the existing ground elevation, or to impound any water, on the easement; provided, however, Landowner may construct on the easement fences, landscaping (subject, however to the tree trimming rights in Paragraph 3 hereof ), paving, sidewalks, curbing, gutters, street signs, and below-ground obstructions as long as said fences, landscaping, paving, sidewalks, curbing, gutters, street signs and below-ground obstructions do not interfere with the Commissioner, his agents, permittees, successors or assigns, or the Utility Owners, in their exercise of any of its rights acquired hereunder. In the event such use by the Landowner does interfere with the exercise of any of the rights acquired by the Commissioner, his agents, permittees, successors or assigns, or the Utility Owners hereunder, the Commissioner, his agents, permittees, successors or assigns, and the Utility Owners may, in their reasonable discretion, relocate such of its utility facilities as may be practicable to a new site designated by Landowner and acceptable to the Commissioner, his agents, permittees, successors or assigns, and the Utility Owners. In the event any such utility facilities are so relocated, Landowner shall reimburse the Commissioner, his agents, permittees, successors or assigns, or the Utility Owners for the cost thereof and convey to the Commissioner, his agents, permittees, successors or assigns, and the Utility Owners an equivalent easement at the new site.
8. The Commissioner shall have the right to assign or permit usage of this easement, or portions thereof, said assignment and usage to be only for the purposes and subject to the limitations set forth herein.

For an additional description of the land, or interest therein, taken, reference is made to photocopy of said Sheets 3 and 4, showing outlined in GREEN the permanent drainage easement, outlined in ORANGE the temporary construction easements, and outlined in PINK the permanent VDOT utility easement, and recorded simultaneously herewith in the State Highway Plat Book 9, Page s 101 - 107

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Dated at Richmond, Virginia

March 6, 2013

Commissioner of Highways

By: *Richard R. Bennett*  
State Director, Right of Way & Utilities

Copy for: Commissioner of Highways  
Attorney At Law

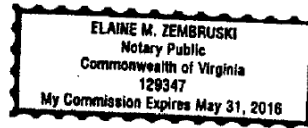
COMMONWEALTH OF VIRGINIA

City of Richmond

The foregoing instrument was acknowledged before me this 6<sup>th</sup> day of March  
\_\_\_\_\_, 2013, by Richard R. Bennett, State Director, Right of Way & Utilities.

My Commission expires May 31, 2016

*Elaine M. Zembruski*  
Notary Public



INSTRUMENT #130000314  
RECORDED IN THE CLERK'S OFFICE OF  
COUNTY OF ESSEX ON  
MARCH 13, 2013 AT 11:53AM  
*Agnes D. Andrews, Esq. Clerk*  
GAYLE J. ASHWORTH, CLERK  
RECORDED BY: ADA

**REAL ESTATE PURCHASE AGREEMENT**

THIS REAL ESTATE PURCHASE AGREEMENT ("Agreement") is hereby entered into as of the Effective Date (as defined below), by and between **ESSEX COUNTY**, a political subdivision of the Commonwealth of Virginia ("Buyer") and **JUNE PARKER OIL CO., INC.** ("Seller").

**RECITALS:**

A. Seller is the owner of certain real property located in Essex County, Virginia, described as Tax Map Nos. 32B 1 1 (containing 14.7 acres, more or less), 32B 1 1A (containing .517 acres, more or less), and 32B 1 1B (containing 3.4 acres, more or less), being all of the real property conveyed to the June Parker Oil Co., Inc. by Deed dated September 23, 1986, recorded in the Clerk's Office of the Circuit Court of Essex County, Virginia, in Deed Book 161, Page 653 (said real property, together with all improvements and fixtures thereon and all rights, privileges, easements, benefits and agreements appurtenant thereto, is hereinafter referred to as the "Property").

B. Seller desires to sell the Property and Buyer desires to purchase the Property in accordance with the terms and conditions hereinafter set forth.

**AGREEMENT:**

**NOW, THEREFORE**, in consideration of the mutual rights and obligations hereunder and the Deposit (as hereinafter defined), Buyer hereby agrees to buy and Seller hereby agrees to sell the Property upon the terms and conditions hereinafter set forth.

1. Deposit. Within five (5) business days after the Effective Date, Buyer shall deliver to Sands Anderson PC (the "Escrow Agent") a deposit in the amount of Three Thousand Dollars and No Cents (\$3,000.00) (the "Deposit"). Unless this Agreement is terminated as provided herein, within five (5) business days after the end of the Feasibility Period (hereafter defined), Buyer shall deliver to the Escrow Agent an additional deposit in the amount of Three Thousand Dollars and No Cents (\$3,000.00), which additional funds shall become part of the Deposit. If the Buyer has not terminated this Agreement as provided herein Three Thousand Dollars and No Cents (\$3,000.00) of the then total of Six Thousand Dollars and No Cents (\$6,000.00) Deposit shall be immediately paid by Escrow Agent to Seller and is non-refundable except for the refund set forth hereafter in "Paragraph 9. Title."

2. Purchase Price; Payment. The purchase price for the Property (the "Purchase Price") shall be One Million, One Hundred Thousand Dollars and No Cents (\$1,100,000.00). The entire Purchase Price for the Property shall be due and payable by Buyer in cash or by certified or bank cashier's check or wire transfer of funds at Closing. The Deposit (non-refundable and the amount held by the Escrow Agent) shall be applied to the Purchase Price at Closing.



3. Investigation of Property. Within five (5) business days after the Effective Date, Seller shall furnish to Buyer copies of all documents, plats, studies, test results, reports and all other materials relating to the Property in Seller's possession or control (unless already in Buyer's possession), including, but not limited to, leases, plats, plans, surveys, environmental reports, title materials, soils reports, zoning notices and approvals and any restrictive covenants (collectively, "Seller's Materials"). Commencing on the Effective Date and for the entire term of this Agreement, Buyer shall have complete access to the Property for the purpose of conducting, at its sole cost and expense, surveys, examinations, measurements, soil borings, soil analyses, engineering tests and studies, environmental tests and studies, economic and/or topographic tests, studies, and such other activities (collectively, the "Studies") as Buyer deems necessary related to planning the use of the Property and in determining whether the Property is suitable for its intended use. Buyer shall repair and remain responsible for any damage to the Property on account of the Studies. All contractors of Buyer performing the Studies shall furnish to Buyer certificates of insurance for general liability and workers compensation, with the Buyer to immediately furnish copies thereof to Seller.

4. Feasibility. For a period of one hundred twenty (120) days after the Effective Date (the "Feasibility Period"), Buyer shall have the right to terminate this Agreement for any reason. If Buyer elects to terminate this Agreement during the Feasibility Period, Buyer shall provide Seller with notice of termination on or before the final day of the Feasibility Period, Seller shall be entitled to the Deposit, copies of the Studies shall be provided to Seller within ten (10) days, and the parties shall have no further rights or obligations under this Agreement. Except as required by the Virginia Freedom of Information Act, Virginia Code § 2.2-3700, *et seq.* ("FOIA"), the Studies shall be confidential.

5. Closing Date. In the event all of the conditions precedent to Buyer's obligations hereunder have been satisfied or waived, closing under the terms of this Agreement ("Closing") shall be held at the offices of the Escrow Agent on or before December 31, 2017 (the "Closing Date") unless Seller and Buyer agree in writing to an alternate date. Buyer may extend the Closing Date to June 1, 2018 by payment on or before December 31, 2017 of an additional Five Thousand Dollars and No Cents (\$5,000.00) to the Escrow Agent, which additional funds shall become part of the Deposit. Immediately thereafter Three Thousand Dollars and No Cents (\$3,000.00) of the then total of Eight Thousand Dollars and No Cents (\$8,000.00) Deposit shall be immediately paid by Escrow Agent to Seller and is non-refundable except for the refund set forth hereafter in "Paragraph 9. Title."

6. Conveyance. Seller shall convey the Property by Special Warranty Deed, with full English Covenants of Title (the "Deed") to Buyer or to such person or entity as Buyer may designate prior to or at Closing. Seller agrees to deliver the form of the Deed to Buyer at least ten (10) business days prior to the Closing Date. In addition, Seller shall assign any and all leases affecting the Property.

7. Expenses. Seller shall pay the cost of the preparation of the Deed, FIRPTA, 1099, standard form Owner's Affidavit required by the Escrow Agent, state and local Grantor's Tax, and the fees of Seller's attorney. Buyer shall pay the expenses of examination of title, survey and

the title insurance premium, if any, and all recording fees and other Closing costs ordinarily paid by Buyer for similar transactions.

8. Taxes. Real estate taxes shall be: (a) paid by Seller up to and through the Closing Date, (b) prorated between Buyer and Seller at Closing to adjust for any prepaid or unpaid real estate taxes as of the Closing Date, and (c) paid by Buyer thereafter.

9. Title. Seller shall convey fee simple title to the Property to Seller free and clear of all liens, claims and encumbrances, except as otherwise noted herein. Notwithstanding any other provision of this Agreement, Seller shall be unconditionally obligated to cure or remove: (a) liens securing a mortgage, deed of trust and any ancillary encumbrances, including but not limited to, assignments of leases, rents or proceeds and UCC-1 financing statements; and (b) all judgment liens, liens, attachments and any other matters evidencing monetary encumbrances (other than liens for non-delinquent property taxes); and (c) any other title defects provided that the cumulative cost of such removal does not exceed One Thousand Dollars and No Cents (\$1,000.00). Buyer may terminate this Agreement on account of any title defect uncured by Seller and shall then be entitled to a full refund of the Deposit (non-refundable and the amount held by the Escrow Agent).

10. Representations and Warranties of Seller. Seller represents and warrants to Buyer that the following are true, accurate and complete as of the Effective Date and will be true, accurate and complete as of Closing:

- A. Except as otherwise provided herein, after the Effective Date, Seller shall not grant any easements and/or rights-of-way over or through the Property or further encumber the Property without the prior written consent of Buyer, which consent may be withheld by Buyer in its sole discretion, nor shall Seller construct or install on the Property any improvements or permit (exclusive of natural disasters beyond Seller's control) any existing improvements, natural deposits, resources, or vegetation thereon to be wasted, removed, sold, or in any way encumbered without the prior written consent of Buyer, which consent may be withheld by Buyer in its sole discretion.
- B. Except as disclosed to Buyer in writing, or given by Buyer, Seller has not received notice of any violations of law or municipal ordinances, orders, or requirements noted or issued by any governmental department or authority having jurisdiction over or affecting the Property, nor does Seller have any knowledge of the same. Seller shall be required to comply with any such notices, orders, or requirements noted or issued prior to the Closing Date.
- C. All bills and claims for labor performed and materials furnished to or for the benefit of the Property for all periods prior to the Closing Date (other than on account of the Studies) have been (or prior to the Closing Date will be) paid in full, and there are not now, nor shall there be on the Closing Date, mechanics' liens or materialmen's liens, whether or not perfected, on or affecting any portion of the Property, and if there shall be any such liens, Seller shall obtain the release

of the same on or before the Closing Date. In connection therewith, Seller agrees, at Closing, to execute any affidavits and/or customary indemnity agreements which may be required by Buyer's title insurance company in order for Buyer to obtain from such title insurance company an owner's policy of title insurance covering the Property without exception for mechanics' liens or rights of parties in possession.

- D. To Seller's best information, knowledge and belief, there is no pending or threatened condemnation or similar proceeding affecting the Property or any part thereof, other than the eminent domain claims currently pending in the Essex County Circuit Court, related to the modifications to U.S. Route 17 on the Property (the "Condemnation Lawsuit"), identified as: Case No. CL14000092-00 - Amended Certificate Take; and Case No. CL14000092-01 - *Commissioner of Highways vs. June Parker Oil Co., Inc.* Buyer and Owner agree (a) that the Purchase Price reflects and contemplates the Condemnation Lawsuit; (b) that Seller reserves any and all rights to prosecute and collect any just compensation in the Condemnation Lawsuit; (c) that Buyer hereby waives any and all right, claim or interest in such compensation and shall execute a written waiver of such claims if required by VDOT; (d) that Buyer shall not hold Seller responsible for changes in conditions to the Property or otherwise imposed by the VDOT construction and/or project involved in the Condemnation Lawsuit; and (e) that Seller's reservation related to the Condemnation Lawsuit shall forever survive closing.
- E. Seller has the power to enter into this Agreement and to consummate the transaction contemplated herein and the execution of this Agreement, the consummation of the transaction contemplated herein does not violate any agreement, contract, or other instrument to which Seller is a party or is bound, and Seller is the owner of and lawfully seized of the Property as of the date of this Agreement and will continue to own and be so seized to the Closing Date.
- F. No special assessments have been levied or are threatened or pending against all or any part of the Property and Seller has no knowledge of any intended assessments. If any special assessments are levied, threatened, or pending prior to the Closing Date, Buyer may terminate this Agreement, in which event the Deposit (the amount held by the Escrow Agent) shall be returned to Buyer and thereupon neither party shall have any further rights or obligations one to the other hereunder, unless Buyer, at its option, elects to accept the payment of the same out of the Seller's proceeds from Closing to the extent such assessments are owed up to and through the Closing Date.
- G. Except as disclosed to Buyer in writing, or to which Buyer is a party, other than the Condemnation Lawsuit, there are no legal actions, suits, zoning or rezoning actions, or other legal or administrative proceedings pending or threatened against Seller or the Property, and Seller is not aware of any facts which might result in any such action, suit or other proceedings, and there is no action, suit, proceeding, or claim affecting Seller or the Property relating to or arising out of the ownership,

operation, use or occupancy of the Property pending in any court or by or before any federal, state, county, or municipal department, commission, board, bureau, agency or other governmental instrumentality, nor, to the best knowledge of Seller, has any such action, suit, proceeding, or claim been threatened or asserted.

- H. As to any leases of the Property, (i) each such lease is valid, binding and enforceable in accordance with its terms, is in full force and effect, and may be freely assigned to Buyer; (ii) the rights of Seller under such leases are free and clear of all liens; (iii) Seller has performed in all material respects all the obligations required to be performed by it under such leases; (iv) there has been no threatened cancellation or termination of any of such leases and there are no outstanding disputes thereunder; (v) each of such leases was entered into on an arm's-length basis; and (vi) no event, act or omission has occurred which (with or without notice, lapse of time or the happening or occurrence of any other event) would result in a material default by Seller thereunder. There are no parties in possession of any portion of the Property, other than Seller, as lessees, tenants at will or at sufferance, trespassers or otherwise except as expressly provided on such leases.
- I. There are no contracts, commitments, proffers, rights of first refusal, obligations, leases or other agreements of any kind that relate to the Property, except as expressly disclosed herein.

All of the representations, warranties, and covenants of Seller contained in this Agreement or in any document delivered to Buyer pursuant to the terms of this Agreement shall be true and correct in all material respects at the Closing Date, just as though the same were made at such time. Seller shall inform Buyer immediately if any of the foregoing representations and warranties is or becomes untrue or misleading. Buyer shall have the right to require Seller to execute a certificate at Closing confirming the accuracy of the representations and warranties contained in this Agreement.

In the event that, prior to Closing, Buyer learns that any of the representations and warranties set forth in this Paragraph 10 or in Paragraph 11 below are not true and correct in any respect, then Buyer, at its option, may either: (a) terminate this Agreement by delivery of notice thereof to Seller and thereupon the Deposit (the amount held by the Escrow Agent) shall be returned to Buyer and the parties hereto shall have no further rights or obligations to one another hereunder, or (b) waive the breach of such representations and warranties and proceed to Closing hereunder.

11. Environmental Representations and Warranties of Seller. As used herein, and in any of the other documents executed in connection with this Agreement, "Hazardous Substances" shall mean and include all hazardous and toxic substances, wastes or materials, any pollutants or contaminants (including, without limitation, asbestos, petroleum products, PCBs, lead and raw materials which include hazardous constituents), or other similar substances, or materials which are included under or regulated by any local, state or federal law, rule or regulation pertaining to environmental regulation, contamination or clean-up, including, without limitation, "CERCLA",



"RCRA", or state super lien or environmental clean-up statutes (all such laws, rules and regulations being referred to collectively as "Environmental Laws"). The provisions, covenants, and warranties of this section regarding Hazardous Substances shall survive Closing and the delivery of any deed.

- A. Seller has disclosed, and Buyer is aware: (i) that there are currently operating above ground gasoline storage tanks located on the Property that are surrounded by a cement wall, (ii) that there are currently operating underground pipes connecting those tanks to dispenser pumps, and (iii) that there was one underground storage tank removed from the Property in the 1980s.
- B. Seller represents and warrants, to the best of its knowledge: (i) that it has no actual knowledge of the use, presence, or disposal on the Property of Hazardous Substances except for the storage and sale of petroleum products typical in the everyday operation of a boat marina; (ii) that it has no actual knowledge of the violation of any Environmental Laws on or with regard to the Property; (iii) that it has no actual knowledge of contamination of the Property from such substances as may have been used, disposed of, or stored on neighboring tracts; and (iv) that it has no reason to suspect that any of the foregoing has occurred, either during or prior to its ownership of the Property.
- C. Seller further represents and warrants that it has not received any notice, summons, citation, directive, letter or other communication, written or oral, from any agency or department of the Commonwealth of Virginia or the United States Government concerning any violation of Environmental Law or any contamination, release, spill, leakage, disposal, pumping, pouring, emitting, emptying or dumping of Hazardous Substances on or near the Property.
- D. Seller shall immediately remove and remediate any Hazardous Substances (except as properly contained in the aforesaid above ground storage tanks, underground piping and dispenser pumps), USTs, and/or water or soil contamination on the Property in accord with a written plan of remediation approved by Buyer in writing and in advance, to the satisfaction of Buyer and of any relevant regulatory agency.

12. Seller Default. If Seller refuses, fails, or is unable to perform, in any material respect, any of its covenants hereunder when performance is required or as of the Closing Date, or if any of Seller's representations should be false in any material respect when made and Buyer shall become aware of same on or prior to the Closing Date ("Seller Default"), then Buyer shall give Seller notice of such Seller Default on or prior to the Closing Date and Seller shall have five (5) business days from the date of receipt of such notice to cure such Seller Default and the Closing Date shall be extended accordingly. If Seller fails to cure such Seller Default within such five (5) business day period, then Buyer may elect to: (i) pursue specific performance of all of Seller's duties and obligations under this Agreement; (ii) terminate this Agreement whereupon the Deposit (the amount held by the Escrow Agent) shall be returned to Buyer, and Buyer shall be entitled to recover from Seller all costs and expenses incurred by Buyer subsequent to its

execution of this Agreement for its investigation of the Property up to an amount equal to the sum of the non-refundable Deposit paid to Seller by the Escrow Agent; or (iii) waive such Seller Default and proceed to Closing.

13. Buyer Default. If Buyer refuses, fails, or is unable to perform, in any material respect, any of its covenants hereunder when performance is required or as of the Closing Date, or if any of Buyer's representations should be false in any material respect when made and Seller shall become aware of same on or prior to the Closing Date ("Buyer Default"), then Seller shall give Buyer notice of such Buyer Default on or prior to the Closing Date and Buyer shall have five (5) business days from the date of receipt of such notice to cure such Buyer Default and the Closing Date shall be extended accordingly. If Buyer fails to cure such Buyer Default within such five (5) business day period then Seller may elect to: (i) pursue specific performance of all of Buyer's duties and obligations under this Agreement; or (ii) terminate this Agreement whereupon the Deposit (the amount held by the Escrow Agent) shall be paid to Seller, and Seller shall be entitled to recover from Buyer all costs and expenses incurred by Seller subsequent to its execution of this Agreement in connection with this Agreement; or (iii) waive such Buyer Default and proceed to Closing. Except as otherwise expressly provided in this Agreement, in the event either party disputes in writing the other party's right to the Deposit, the Escrow Agent shall have the right to file an interpleader action to determine the rightful recipient.

14. Parties Bound. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns.

15. Applicable Law. This Agreement shall be construed in accordance with the laws of the Commonwealth of Virginia.

16. Commission. Seller and Buyer each warrant to the other that they have dealt with no agent or broker with respect to the transaction contemplated by this Agreement.

17. Conditions Precedent to Closing. The obligation of Buyer under this Agreement to purchase the Property from Seller is subject to the satisfaction, as of Closing, of each of the following conditions:

- A. Seller shall represent and warrant to Buyer that Seller is not a "foreign person" within the meaning of Section 1445 of the Internal Revenue Code of 1986, and Seller shall furnish Buyer with an affidavit to this effect complying with the provisions of Section 1445 of the Internal Revenue Code of 1986.
- B. Buyer shall have received a grant in the amount of Four Hundred Thousand Dollars and No Cents (\$400,000.00) from the Land and Water Conservation Fund administered by the Department of Conservation of the Commonwealth of Virginia.
- C. On the Closing Date, there shall be no injunction or similar order preventing the performance of this Agreement.

- D. Seller shall have delivered to Buyer and to Escrow Agent such documentary and other evidence as Buyer's title company may reasonably require evidencing the authority of the person or persons who are executing the various documents on behalf of Seller in connection with this Agreement.
- E. The representations and warranties of Seller contained in this Agreement shall be true at Closing as though such representations and warranties were made at such time.
- F. All of the material obligations of Seller under this Agreement to be performed from and after the Effective Date through the Closing Date shall have been performed by Seller.
- G. There shall be no contamination of the Property by Hazardous Substances and no violations of Environmental Law, and the Property shall not have been damaged by fire, flood or natural disaster.

In the event any of the above conditions precedent are not satisfied, Buyer shall have the right, in addition to all other remedies available to it at law or in equity, to terminate this Agreement whereupon the Deposit (the amount held by the Escrow Agent) shall be returned to Buyer.

18. Possession. Exclusive possession of the Property shall be delivered to Buyer at Closing, subject only to leases disclosed in "Paragraph 3. Investigation of Property" and any lease any boat slip and boat storage leases of the Property acceptable to Buyer.

19. Merger. The provisions of Sections 10 and 11 of this Agreement shall not survive closing hereunder and the execution and delivery of the Deed shall merge at Closing.

20. Entire Agreement. This Agreement contains the full and final agreement between the parties hereto with respect to the sale and purchase of the Property. Buyer and Seller shall not be bound by any terms, conditions, statements, warranties, or representations, oral or written, not contained herein. No change or modification of this Agreement shall be valid unless the same is in writing and is signed by the parties hereto. No waiver of any of the provisions of this Agreement shall be valid unless the same is in writing and is signed by the party against which it is sought to be enforced.

21. Notices. All notices, demands, or other communications that may be necessary or proper hereunder shall be in writing and shall be deemed to be delivered: (i) the same day if delivered by hand, (ii) one (1) day following deposit with a nationally recognized overnight courier service (costs prepaid), (iii) the same day when sent by confirmed facsimile or (iv) when received following deposit of same in a U.S. Postal Service receptacle, postage prepaid as registered or certified mail, return receipt requested. The parties agree that they shall also supply email addresses for copies of correspondence, delivery of documents and facilitation of correspondence related to the transactions contemplated hereby. A party may elect (via email or otherwise) to have notices, demands and other communications sent by email and upon such

election, all email correspondence shall be deemed a writing and delivered upon confirmed transmission. Notices shall be addressed as follows:

**TO BUYER:** County Administrator  
Delivery:  
Essex County  
County Administration Building - Rooms 101 and 102  
202 South Church Lane  
Tappahannock, VA 22560  
Mail:  
P.O. Box 1079  
Tappahannock, VA 22560  
(804) 443-4331 Phone  
(804) 445-8023 Fax

**WITH A COPY TO:** Andrew R. McRoberts, Esquire  
Sands Anderson P.C.  
1111 East Main Street, Suite 2400  
P.O. Box 1998  
Richmond, VA 23218-1998  
(804) 783-7211 Direct  
(804) 648-1636 Main  
(804) 783-7291 Fax

**TO OWNER:** June Parker Oil Co., Inc.  
P.O. Box 625  
Tappahannock, Virginia 22560

**WITH A COPY TO:** John W. Ware, Jr.  
P.O. Box 85  
318 Prince Street  
Tappahannock, VA 22560  
(804) 443-5661 Phone  
(804) 443-0560 Fax  
jw@jwareatty.com

Any party hereto may change its address for notice purposes hereunder by delivering notice thereof to the other parties in accordance with the foregoing. Rejection or refusal to accept, or the inability to deliver because of a changed address of which no notice was given shall not affect the validity of notice given in accordance with this Paragraph.

22. Assignment. Buyer and Seller may assign this Agreement in whole or in part with the prior consent of the other, provided such consent shall not be unreasonably withheld.

24. Condemnation. Seller agrees to keep Buyer informed of the Condemnation Lawsuit, and to give Buyer prompt notice of any actual or threatened taking of all or any portion



of the Property by condemnation or eminent domain prior to the Closing Date hereunder. In the event that prior to Closing hereunder there shall occur a taking by condemnation or eminent domain, other than as presently expected through the Condemnation Lawsuit, of all or any portion of the Property or a proposed conveyance to a condemning authority in lieu of condemnation, then Buyer, at its option, may either (i) terminate this Agreement by delivery of notice thereof to Seller, and thereupon the Deposit (the amount held by the Escrow Agent) shall be returned to Buyer and the parties hereto shall have no further rights or obligations hereunder, or (ii) proceed to Closing hereunder, in which event Seller shall assign to Buyer at Closing all interest of Seller in and to any condemnation proceeds that may be payable to Seller on account of such condemnation and thereupon Buyer shall control all negotiations and proceedings undertaken with the condemning authority with respect to the Property. Buyer shall receive a credit at Closing in the amount of any condemnation proceeds paid to Seller with respect to the Property prior to the Closing Date. Notwithstanding the foregoing, this paragraph shall not apply to the Condemnation Lawsuit or any proceeds from the Condemnation Lawsuit.

25. Headings. The paragraph headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

26. Weekends and Holidays. Any date specified in this Agreement for the performance of an obligation or expiration of a time period which is a Saturday, Sunday or a legal holiday shall be extended to the first regular business day after such date which is not a Saturday, Sunday or a legal holiday.

27. Counterpart Originals. This Agreement may be executed in multiple original counterparts, each of which shall be an original, but all of which shall constitute one and the same agreement.

28. Litigation. In the event that any party is required to resort to litigation to enforce its rights under this Agreement, Seller and Buyer agree that any judgment awarded to the prevailing party may include all litigation expenses of the substantially prevailing party, including, without limitation, actual attorneys' fees and court costs.

29. Seller's Counsel. Seller acknowledges and agrees that Seller has had the opportunity to review this Agreement with counsel and therefore this Agreement shall not be construed against either party.

30. Tax-Exempt Exchange. The parties agree that the Seller's rights under the Agreement are assignable prior to Closing in order to structure an exchange of the Property under Internal Revenue Code Section 1031. The Buyer agrees to reasonably cooperate in such exchange with the Seller so long as Buyer does not incur any further cost or liability. Seller shall be responsible for fees and costs charged by the Intermediary. The qualifying exchange is not to be construed to relieve the parties from their respective obligations under the Agreement in the event the exchange is not made or does not qualify for an exchange.

31. Effective Date. Buyer and Seller agree that the date this Agreement shall be binding and effective (the "Effective Date") is the later of the dates each party caused this

Agreement to be executed as evidenced in the signature blocks below; provided, however, that failure to enter a date next to a signature block by either party shall not invalidate such signature and shall be construed as a waiver of that party's right to dispute the Effective Date as determined by the date entered next to the other party's signature block.

**(SPACE LEFT INTENTIONALLY BLANK. TURN TO NEXT PAGE FOR SIGNATURES)**

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the dates set forth below.

**JUNE PARKER OIL CO., INC.**

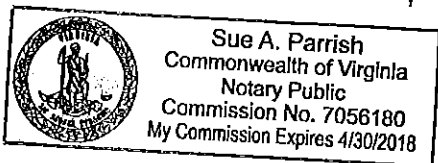
By: Nathan Parker III  
Name: NATHAN PARKER, III  
Title: PRESIDENT  
Date: MAY 1, 2017

COMMONWEALTH OF VIRGINIA  
~~CITY/COUNTY OF~~ Essex

The foregoing instrument was acknowledged before me this 1st day of May, 2017, by Nathan Parker, III, the President of June Parker Oil Co., Inc. on behalf of same.

Sue A. Parrish  
Notary Public

My Commission Expires: April 30, 2018 Notary Identification No.: 7056180



**ESSEX COUNTY**

By: Timothy L. Wilson  
Name: TIMOTHY L. WILSON  
Title: COUNTY ADMINISTRATOR  
Date: 5-12-17

COMMONWEALTH OF VIRGINIA  
~~CITY/COUNTY OF~~ Essex

The foregoing instrument was acknowledged before me this 12<sup>th</sup> day of May, 2017, by Timothy L. Wilson the County Administrator of the ESSEX COUNTY on behalf of same.

Juanita Shantell Sydney  
Notary Public

My Commission Expires: March 31, 2018 Notary Identification No.: 7609502

## A-39. Qualifications of Appraiser(s)

### A-39. Qualifications of Appraiser(s)



## Tony Essa, MAI

VALUATION SERVICES DIRECTOR  
Valuation & Advisory Services



[tony.essa@colliers.com](mailto:tony.essa@colliers.com)

#### EDUCATION AND QUALIFICATIONS

Florida State University  
B.S. Applied Economics & Political Science

#### STATE CERTIFICATION

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Virginia  
Washington DC

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Anthony Essa, MAI, has been in the commercial real estate valuation industry since 2006. Mr. Essa currently serves as a Valuation Services Director in Washington, D.C. for Colliers International Valuation & Advisory Services. Prior to joining Colliers International, he worked in different markets, including Michigan, Colorado, and Florida, and has provided valuations for a variety of property types. His experience includes acquisition, disposition, consulting, development valuation and consultation, feasibility studies, foreclosure/REO, highest and best use analysis, litigation/litigation support, market analysis, portfolio valuation and analysis.

#### EXPERIENCE

Valuation Services Director  
Colliers International  
Valuation & Advisory Services  
October 2016 - Present

Commercial Real Estate Appraiser  
Chapman & Associates  
October 2011 – September 2016  
Sarasota, Florida Area

Commercial Real Estate Appraiser  
ValueNet, Inc.  
June 2011 – October 2011  
Sarasota, Florida Area

Commercial Real Estate Appraiser  
Bonnie Roerig & Associates  
November 2007 – January 2009  
Greater Denver Area

Commercial Real Estate Appraiser  
Professional Appraisal Services  
April 2006 – August 2007

#### PROFESSIONAL AFFILIATIONS AND ACCREDITATIONS

Member - Appraisal Institute

#### APPRAISAL INSTITUTE COURSES

Basic Appraisal Principles  
Basic Appraisal Procedures  
15 Hour National USPAP  
Florida Real Estate Law  
Business Practices and Ethics  
Real Estate Finance, Statistics & Valuation Modeling  
Apartment Appraisal Concepts and Applications  
General Applications  
Basic Income Capitalization  
Advanced Income Capitalization  
General Market Analysis & Highest and Best Use  
Advanced Sales Comparison and Cost Approaches  
Report Writing and Valuation Analysis  
Advanced Applications  
General Income II  
General Appraiser Sales Approach  
General Appraiser Site & Cost Approach  
Advanced Market Analysis and Highest & Best Use  
Advanced Concepts & Case Studies  
Small Hotel/Motel Valuation  
Quantitative Analysis

#### OTHER RELATED COURSES

Residential Site Value and Cost Approach  
Residential Market Analysis & Highest and Best Use  
General Report Writing  
Environmental Contamination of Income Properties  
Ad Valorem Tax Counseling  
The Nuts and Bolts of Green Building for Appraisers  
Fundamentals of Going Concerns  
REO and Foreclosures  
ARGUS Enterprise Training

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COMMONWEALTH of VIRGINIA

Department of Professional and Occupational Regulation  
9960 Mayland Drive, Suite 400, Richmond, VA 23233  
Telephone: (804) 367-8500

EXPIRES ON  
10-31-2018

NUMBER  
4001017466

REAL ESTATE APPRAISER BOARD

CERTIFIED GENERAL REAL ESTATE APPRAISER



ANTHONY B ESSA  
6645 GLADES WAY  
SARASOTA, FL 34321



*Jay W. DeBoer*  
Jay W. DeBoer, Director

Status can be verified at <http://www.dpor.virginia.gov>

(SEE REVERSE SIDE FOR PRIVILEGES AND INSTRUCTIONS)

DPOR-LIC (05/2015)  
(DETACH HERE)



COMMONWEALTH of VIRGINIA  
Department of Professional and Occupational Regulation

REAL ESTATE APPRAISER BOARD  
CERTIFIED GENERAL REAL ESTATE APPRAISER  
NUMBER: 4001017466 EXPIRES: 10-31-2018

ANTHONY B ESSA  
6645 GLADES WAY  
SARASOTA, FL 34321



(FOLD)



## Michael G. Miller MAI, SRA, AI-GRS, CCIM, FRICS

EXECUTIVE MANAGING DIRECTOR | MID-ATLANTIC REGION  
Valuation & Advisory Services



[michael.g.miller@colliers.com](mailto:michael.g.miller@colliers.com)

### EDUCATION AND QUALIFICATIONS

Virginia Commonwealth University, Richmond, Virginia  
*Master's Degree in Business Administration with a concentration in Real Estate and Urban Land Development*

Virginia Polytechnic Institute & State University, Blacksburg, Virginia  
*Bachelor of Science Degree in Agriculture Economics*

### STATE CERTIFICATION

Connecticut  
Delaware  
Maryland  
Massachusetts  
New Jersey  
New York  
North Carolina  
Pennsylvania  
South Carolina  
Virginia  
Washington DC  
West Virginia

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Michael G. Miller, MAI, SRA, AI-GRS, CCIM, FRICS joined Colliers International Valuation & Advisory Services in Richmond, VA in October 2014. He has 38 years of experience in the public/private sector of real estate appraisal. Mike previously worked for USDA and U.S. Department of HUD. He has served as Chairman of Virginia Housing Development Authority, Board of Visitors of Virginia Tech, Vice Chairman of the Virginia Real Estate Appraiser Board, and former President of Virginia Tech Agricultural and Life Science Alumni Organization. Mike also serves on National Committees for the Appraisal Institute & is currently on the Finance Committee for the Appraisal Institute.

### EXPERIENCE

Executive Managing Director | Mid-Atlantic Region, Colliers International Valuation & Advisory Services, Richmond, 2014-present; Washington DC 2015-present

President & CEO, MGMiller Valuations, Richmond, 1990-2014

### PROFESSIONAL MEMBERSHIPS AND ACCREDITATIONS

MAI, AI-GRS, SRA Appraisal Institute

CCIM, Certified Commercial Investment Member Institute

FRICS, Fellow of The Royal Institution of Chartered Surveyors

Realtor Member of Association of Realtors National, State and Local

Past member of the Regional Ethics and Counseling Panel for Appraisal Institute

Capstone Program Advisor Lead/ E-demo Advisor / Demonstration Report Grader / Research Paper Grader/ Thesis Grader for the Appraisal Institute

### RECENT OFFICES HELD & HONORS

Chair of the Demonstration Appraisal Grading Panel for Appraisal Institute (2010-2014)

Member of the General Demonstration Report Panel for the Appraisal Institute, Chicago, IL (2003-Present)

Virginia Real Estate Appraiser Board (2010-2018) and (2000-2004)

Vice Chair, Virginia Real Estate Appraiser Board (2013-present)

Board of Directors, Commercial Realtors, Richmond Association of Realtors (2009-2012)

VCU Real Estate Circle of Excellence (2009-Present)

Property Use Classification System Project Team, Appraisal Institute (June 2010-2014)

Admissions and Designation Qualification Committee; Designation Member, Appraisal Institute (2011-2014)

Development Team for Litigation Text Community, Appraisal Institute

Charter Member of Advisory Board, Virginia Tech Real Estate Program

Chair, Real Estate Curriculum Committee, Virginia Tech Real Estate Program

National University Relations Panel Member for the Appraisal Institute (2014-present)

Finance Committee for the Appraisal Institute (2015-present)

Strategic Planning Panel of the Appraisal Institute (2015)

Appraisal Institute 2014 Outstanding Service Award

Virginia Tech College of Agriculture Hall of Fame Aware 2010 for Outstanding Leadership in their Profession and Service to the University

## Michael G. Miller MAI, SRA, AI-GRS, CCIM, FRICS

EXECUTIVE MANAGING DIRECTOR | MID-ATLANTIC REGION  
Valuation & Advisory Services

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### APPRAISAL INSTITUTE COURSES

Real Estate Appraisal, Virginia Tech  
Courses 101 & 102, Society of Real Estate Appraisers  
Capitalization Theory and Techniques Part A & B, Appraisal Institute  
Apartment Appraisal Course 330, Appraisal Institute  
Standards of Professional Practice Parts A, B & C, Appraisal Institute  
Advanced Income Capitalization Course 510, Appraisal Institute  
Highest and Best Use & Market Analysis Course 520, Appraisal Institute  
Advanced Sales Comparison & Cost Approach 530, Appraisal Institute  
Real Estate Brokerage, Mosley Flint  
Real Estate Development, Virginia Commonwealth University School of Business  
Investment Analysis for Commercial Investment Real Estate CI 104, CCIM Institute  
Real Estate Feasibility, Virginia Commonwealth University School of Business  
Urban Land Development, Virginia Commonwealth University School of Business  
Report Writing and Valuation Analysis Course 540, Appraisal Institute  
Advanced Applications Course 550, Appraisal Institute  
Taxation of Property Transactions, Virginia Commonwealth University School of Business  
Market Analysis for Commercial Investment Real Estate CI 102, CCIM Institute  
Real Property Investment Law, Virginia Commonwealth University School of Business  
Valuation of Conservation Easements, Appraisal Institute  
The Appraiser as an expert Witness: Preparation & Testimony, Appraisal Institute  
Litigation Appraising: Specialized Topics & Applications, Appraisal Institute  
Fundamentals of Separating Real Property, Personal Property, & Intangibles  
Real Estate Finance Statistics & Valuation Modeling  
Practical Regression Using Microsoft Excel

### APPRAISAL COURSES & SEMINARS TAUGHT

Virginia Tech and Virginia Commonwealth University Guest Lecturer on Appraising  
Seminars on Rural Appraising for Virginia Association of Realtors  
Approved to teach Appraisal Procedures for Appraisal Institute



COMMONWEALTH of VIRGINIA

Department of Professional and Occupational Regulation

9960 Mayland Drive, Suite 400, Richmond, VA 23233

Telephone: (804) 367-8500

EXPIRES ON  
12-31-2017

NUMBER  
4001000654

REAL ESTATE APPRAISER BOARD

CERTIFIED GENERAL REAL ESTATE APPRAISER



MICHAEL G MILLER  
PO BOX 8667  
RICHMOND, VA 23226



*Jay W. DeBoer*  
Jay W. DeBoer, Director

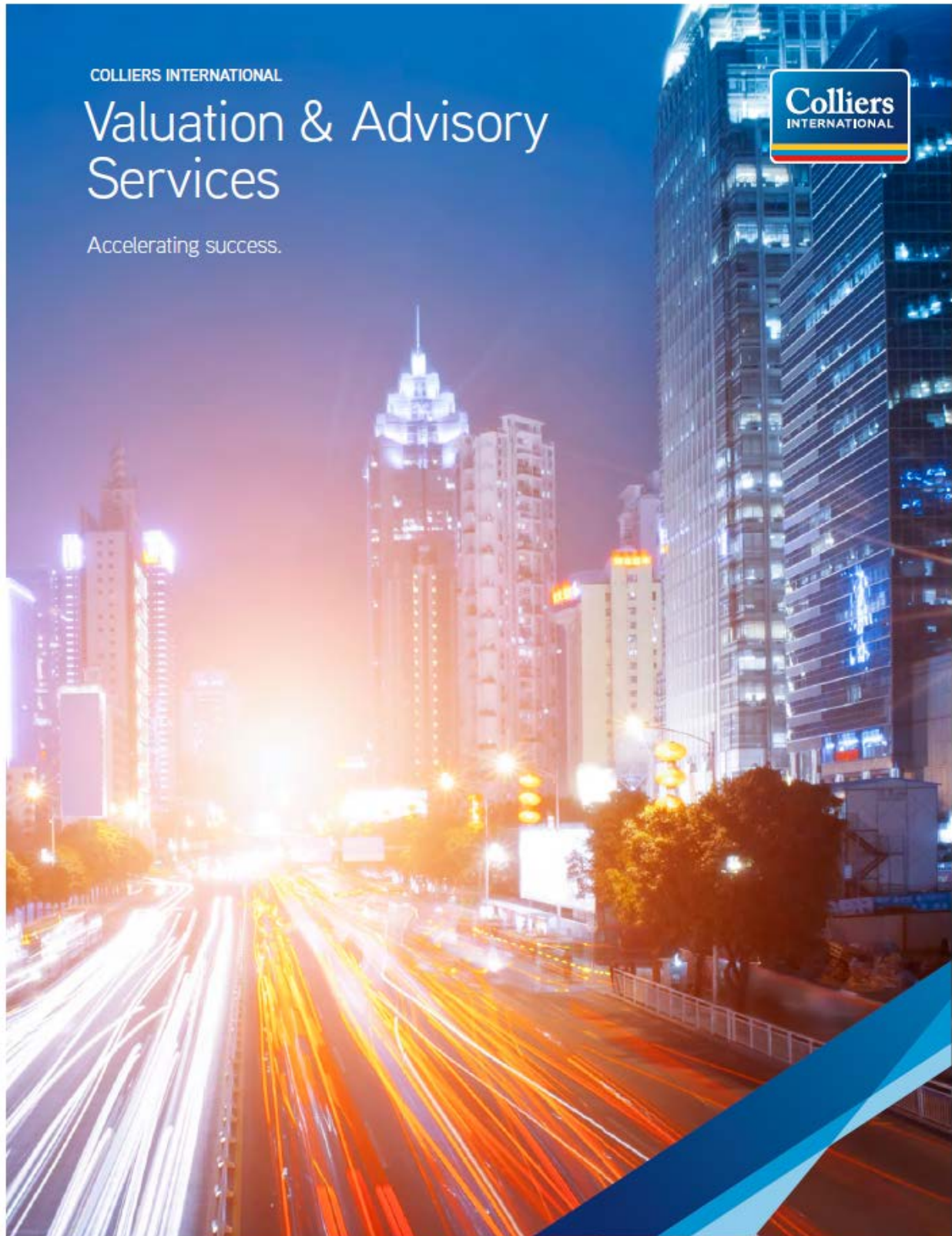
Status can be verified at <http://www.dpor.virginia.gov>

(SEE REVERSE SIDE FOR PRIVILEGES AND INSTRUCTIONS)

DPOR-LIC (05/2015)



*Qualifications of Colliers International Valuation & Advisory Services*





## Valuation & Advisory Services

### Valuation & Advisory Services Offered

[Single Asset Valuation](#)  
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[Institutional Asset Valuation](#)  
[Loan Pool Valuation](#)  
[Appraisal Review](#)  
[Appraisal Management](#)  
[Lease and Cost Analysis](#)  
[Insurance Valuation](#)  
[Arbitration & Consulting](#)  
[Feasibility Studies](#)  
[Investment Analysis](#)  
[Highest and Best Use Studies](#)  
[Tax Appeals](#)  
[Litigation Support](#)  
[Segregated-Cost Analysis](#)

### Experience That Counts

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[Industrial](#)  
[Retail](#)  
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[Mixed-Use Properties](#)  
[Senior Housing](#)  
[Land](#)  
[Self-Storage](#)  
[Manufactured Housing](#)  
[Net Lease](#)  
[Hospitality](#)  
[Health Care](#)  
[Subdivisions](#)  
[Embassies & Consulates](#)  
[GSA Properties](#)  
[Special Use Properties](#)  
[Telecommunications](#)

Real estate valuations play a pivotal role in today's business climate. An accurate and well supported opinion of property value can mean the difference between reaching a critical goal—securing a loan, closing a sale, reporting to investors, choosing the best asset—or failing to achieve it altogether.

Colliers Valuation & Advisory Services' reports are designed to deliver insight into a property's fundamentals, its competition and the overall market dynamics affecting value. A solid valuation report can be a strategic asset for investors, lenders and owners, provided that it addresses both a property's unique characteristics and the most current market conditions.

Commitment to high-end client service, coupled with Colliers International's unparalleled market intelligence and resources, differentiates us as the firm of choice in the real estate industry.

### PROFESSIONALS

Our professionals share a commitment to deliver the highest level of service and consistent results. We go the extra mile for our clients, whether this means meeting a tight deadline or working with a complex and challenging property.

### TECHNOLOGY

Our unmatched report creation technology speeds appraisals through the pipeline. This secure, centralized production system generates a wide range of reports and high volume portfolio orders without delays.

### INFORMATION

Today's business climate places valuation in a more pivotal position than ever before. All our appraisals are evaluated and approved by an experienced review team to ensure our clients receive concise and timely appraisals. With clear, prompt reporting and a comprehensive, big picture approach, Colliers International's Valuation and Advisory reports give our clients the information they need to make better business decisions.





Colliers International



Real estate advisors in more than 485 offices in 62 countries.

 Founding member of the World Green Building Council

 Member of World Economic Forum

 Named Top 100 service provider more times than any other real estate firm

 The second-most-recognized commercial real estate brand

VALUATION & ADVISORY SERVICES P. 3

CMAS US OFFICES



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**AMERICAS LEADERSHIP**

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## Colliers Glossary of Terms

## Valuation Glossary

Valuation &amp; Advisory Services



## CONTACT DETAILS

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

These definitions were extracted from the following sources or publications:

*The Dictionary of Real Estate Appraisal*, Fifth Edition, Appraisal Institute, Chicago, Illinois, 2010 (*Dictionary*).

*Uniform Standards of Professional Appraisal Practice*, 2014-2015 Edition (USPAP).

*The Appraisal of Real Estate*, Fourteenth Edition, Appraisal Institute, Chicago, Illinois, 2013 (*14<sup>th</sup> Edition*).

*Marshall Valuation Service*, Marshall & Swift, Los Angeles, California (*MVS*).

**Absolute Net Lease**

A lease in which the tenant pays all expenses including structural maintenance, building reserves, and management; often a long-term lease to a credit tenant. (*Dictionary*)

**Ad Valorem Tax**

A real estate tax based on the assessed value of the property, which is not necessarily equivalent to its market value. (*14<sup>th</sup> Edition*)

**Aggregate of Retail Values (ARV)**

The sum of the separate and distinct market value opinions for each of the units in a condominium; subdivision development, or portfolio of properties, as of the date of valuation. The aggregate of retail values does not represent an opinion of value; it is simply the total of multiple market value conclusions. (*Dictionary*)

**Arm's-length Transaction**

A transaction between unrelated parties who are each acting in his or her own best interest. (*Dictionary*)

**As-Is Market Value**

The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date. (*Dictionary*)

**Assessed Value**

The value of a property according to the tax rolls in ad valorem taxation; may be higher or lower than market value, or based on an assessment ratio that is a percentage of market value. (*14<sup>th</sup> Edition*)

**Average Daily Room Rate (ADR)**

In the lodging industry, total guest room revenue divided by the total number of occupied rooms. (*Dictionary*)

**Band of Investment**

A technique in which the capitalization rates attributable to components of a capital investment are weighted and combined to derive a weighted-average rate attributable to the total investment. (*Dictionary*)

**Cash-Equivalent Price**

The price of a property with above- or below-market financing expressed in terms of the price that would have been paid in an all-cash sale. (*Dictionary*)

**Common Area**

The total area within a property that is not designed for sale or rental but is available for common use by all owners, tenants, or their invitees, e.g., parking and its appurtenances, malls, sidewalks, landscaped areas, recreation areas, public toilets, truck and service facilities. (*Dictionary*)

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# Valuation Glossary

Valuation & Advisory Services

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## CONTACT DETAILS

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FAX +1 206 682 7938

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Suite 4800  
Seattle, WA 98101

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### Contract Rent

The actual rental income specified in a lease. *(14th Edition)*

### Cost Approach

A set of procedures through which a value indication is derived for the fee simple interest in a property by estimating the current cost to construct a reproduction of (or replacement for) the existing structure, including an entrepreneurial incentive; deducting depreciation from the total cost; and adding the estimated land value. Adjustments may then be made to the indicated fee simple value of the subject property to reflect the value of the property interest being appraised. *(14th Edition)*

### Curable Functional Obsolescence

An element of depreciation; a curable defect caused by a flaw in the structure, materials, or design, which can be practically and economically corrected. *(Dictionary)*

### Debt Coverage Ratio (DCR)

The ratio of net operating income to annual debt service, which measures the relative ability of a property to meet its debt service out of net operating income; also called *debt service coverage ratio (DSCR)*. *(Dictionary)*

### Deferred Maintenance

Needed repairs or replacement of items that should have taken place during the course of normal maintenance. *(Dictionary)*

### Depreciation

In appraising, a loss in property value from any cause; the difference between the cost of an improvement on the effective date of the appraisal and the market value of the improvement on the same date. *(Dictionary)*

### Direct Costs

Expenditures for the labor and materials used in the construction of improvements; also called *hard costs*. *(Dictionary)*

### Discounted Cash Flow (DCF) Analysis

The procedure in which a discount rate is applied to a set of projected income streams and a reversion. The analyst specifies the quantity, variability, timing, and duration of the income streams and the quantity and timing of the reversion, and discounts each to its present value at a specified yield rate. *(Dictionary)*

### Discount Rate

An interest rate used to convert future payments or receipts into present value; usually considered to be a synonym for *yield rate*. *(Dictionary)*

### Disposition Value

The most probable price that a specified interest in real property is likely to bring under all of the following conditions:

1. Consummation of a sale within a future exposure time specified by the client.
2. The property is subjected to market conditions prevailing as of the date of valuation.
3. Both the buyer and seller are acting prudently and knowledgeably.
4. The seller is under compulsion to sell.
5. The buyer is typically motivated.
6. Both parties are acting in what they consider their best interests.
7. An adequate marketing effort will be made during the exposure time specified by the client.

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8. Payment will be made in cash in U.S. dollars or in terms of financial arrangements comparable thereto.

9. The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

This definition can also be modified to provide for valuation with specified financing terms. *(Dictionary)*

#### Easement

The right to use another's land for a stated purpose. Access or right-of-way easements may be acquired by private parties or public utilities. Governments may be the beneficiaries of easements placed on privately owned land that is dedicated to conservation, open space, or preservation. *(14<sup>th</sup> Edition)*

#### Economic Life

The period over which improvements to real property contribute to property value. *(Dictionary)*

#### Effective Age

The age of property that is based on the amount of observed deterioration and obsolescence it has sustained, which may be different from its chronological age. *(Dictionary)*

#### Effective Date

The date on which the analyses, opinions, and advice in an appraisal, review, or consulting service apply. *(Dictionary)*

#### Effective Gross Income (EGI)

The anticipated income from all operations of the real property after an allowance is made for vacancy and collection losses and an addition is made for any other income. *(Dictionary)*

#### Effective Gross Income Multiplier (EGIM)

The ratio between the sale price (or value) of a property and its effective gross income. *(Dictionary)*

#### Effective Rent

The rental rate net of financial concessions such as periods of free rent during the lease term and above or below-market tenant improvements (TIs). *(14<sup>th</sup> Edition)*

#### Eminent Domain

The right of government to take private property for public use upon the payment of just compensation. The Fifth Amendment of the U.S. Constitution, also known as the *takings clause*, guarantees payment of just compensation upon appropriation of private property. *(Dictionary)*

#### Entrepreneurial Incentive

The amount an entrepreneur expects to receive for his or her contribution to a project. Entrepreneurial incentive may be distinguished from entrepreneurial profit (often called *developer's profit*) in that it is the expectation of future profit actually earned on a development or improvement. *(Dictionary)*

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## Entrepreneurial Profit

A market-derived figure that represents the amount an entrepreneur receives for his or her contribution to a project and risk; the difference between the total cost of a property (cost of development) and its market value (property value after completion), which represents the entrepreneur's compensation for the risk and expertise associated with development. An entrepreneur is motivated by the prospect of future value enhancement (i.e., the entrepreneurial incentive). An entrepreneur who successfully creates value through new development, expansion, renovation, or an innovative change of use is rewarded by entrepreneurial profit. Entrepreneurs may also fail and suffer losses. (*Dictionary*)

## Excess Land

Land that is not needed to serve or support the existing improvement. The highest and best use of the excess land may or may not be the same as the highest and best use of the improved parcel. Excess land may have the potential to be sold separately and is valued separately. (*Dictionary*)

## Excess Rent

The amount by which contract rent exceeds market rent at the time of the appraisal; created by a lease favorable to the landlord (lessor) and may reflect unusual management, unknowledgeable or unusually motivated parties, a lease execution in an earlier, stronger rental market, or an agreement of the parties. Due to the higher risk inherent in the receipt of excess rent, it may be calculated separately and capitalized or discounted at a higher rate in the income capitalization approach. (*14<sup>th</sup> Edition*)

## Expense Stop

A clause in a lease that limits the landlord's expense obligation, which results in the lessee paying any operating expenses above a stated level or amount. (*Dictionary*)

## Exposure Time

The estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective opinion based on an analysis of past events assuming a competitive and open market. (*Dictionary*)

## External Obsolescence

An element of depreciation; a diminution in value caused by negative externalities and generally incurable on the part of the owner, landlord, or tenant. (*Dictionary*)

## Extraordinary Assumption

An assumption, directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser's opinions or conclusions. Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property such as market conditions or trends; or about the integrity of data used in an analysis. An extraordinary assumption may be used in an assignment only if:

- It is required to properly develop credible opinions and conclusions;
- The appraiser has a reasonable basis for the extraordinary assumption;
- Use of the extraordinary assumption results in a credible analysis; and
- The appraiser complies with the disclosure requirements set forth in USPAP for extraordinary assumptions. (USPAP)



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### Fair Market Value

A term that is, in concept, similar to market value in general usage; used mainly in condemnation, litigation, income tax, and property tax situations. When an appraisal assignment involves developing an opinion of fair market value, the appropriate, requisite, and precise definition of the term depends on the use of the appraisal and the applicable jurisdiction. *(Dictionary)*

### Feasibility Analysis

A study of the cost-benefit relationship of an economic endeavor. *(USPAP)*

### Fee Simple Estate

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power and escheat. *(Dictionary)*

### Floor Area Ratio (FAR)

The relationship between the above-ground floor area of a building, as described by the building code, and the area of the plot on which it stands; in planning and zoning, often expressed as a decimal, e.g., a ratio of 2.0 indicates that the permissible floor area of a building is twice the total land area. *(Dictionary)*

### Functional Obsolescence

The impairment of functional capacity of a property according to market tastes and standards. *(Dictionary)*

### Functional Utility

The ability of a property or building to be useful and to perform the function for which it is intended according to current market tastes and standards; the efficiency of a building's use in terms of architectural style, design and layout, traffic patterns, and the size and type of rooms. *(Dictionary)*

### Furniture, Fixtures, and Equipment (FF&E)

Business trade fixtures and personal property, exclusive of inventory. *(Dictionary)*

### Going-concern Value

1. The market value of all the tangible and intangible assets of an established and operating business with an indefinite life, as if sold in aggregate; more accurately termed the *market value of the going concern*.
2. The value of an operating business enterprise. Goodwill may be separately measured but is an integral component of going-concern value when it exists and is recognizable. *(Dictionary)*

### Gross Building Area (GBA)

Total floor area of a building, excluding unenclosed areas, measured from the exterior of the walls of the above-grade area. This includes mezzanines and basements if and when typically included in the region. *(Dictionary)*

### Gross Leasable Area (GLA) - Commercial

Total floor area designed for the occupancy and exclusive use of tenants, including basements and mezzanines; measured from the center of joint partitioning to the outside wall surfaces. *(Dictionary)*

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## Gross Living Area (GLA) - Residential

Total area of finished, above-grade residential area; calculated by measuring the outside perimeter of the structure and includes only finished, habitable, above-grade living space. (Finished basements and attic areas are not generally included in total gross living area. Local practices, however, may differ.) *(Dictionary)*

## Highest & Best Use

The reasonably probable and legal use of vacant land or an improved property that is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity. Alternatively, the probable use of land or improved property—specific with respect to the user and timing of the use—that is adequately supported and results in the highest present value. *(Dictionary)*

## Highest and Best Use of Land or a Site as Though Vacant

Among all reasonable, alternative uses, the use that yields the highest present land value, after payments are made for labor, capital, and coordination. The use of a property based on the assumption that the parcel of land is vacant or can be made vacant by demolishing any improvements. *(Dictionary)*

## Highest and Best Use of Property as Improved

The use that should be made of a property as it exists. An existing improvement should be renovated or retained as is so long as it continues to contribute to the total market value of the property, or until the return from a new improvement would more than offset the cost of demolishing the existing building and constructing a new one. *(Dictionary)*

## Hypothetical Condition

A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis. Hypothetical conditions are contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis. *(USPAP)*

## Income Capitalization Approach

In the income capitalization approach, an appraiser analyzes a property's capacity to generate future benefits and capitalizes the income into an indication of present value. The principle of anticipation is fundamental to this approach. Techniques and procedures from this approach are used to analyze comparable sales data and to measure obsolescence in the cost approach. *(14th Edition)*

## Incurable Functional Obsolescence

An element of depreciation; a defect caused by a deficiency or superadequacy in the structure, materials, or design that cannot be practically or economically corrected. *(Dictionary)*

## Indirect Costs

Expenditures or allowances for items other than labor and materials that are necessary for construction, but are not typically part of the construction contract. Indirect costs may include administrative costs; professional fees; financing costs and the interest paid on construction loans; taxes and the builder's or developer's all-risk insurance during construction; and marketing, sales, and lease-up costs incurred to achieve occupancy or sale. *(Dictionary)*

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### Insurable Value

Value used by insurance companies as the basis for insurance. Often considered to be replacement or reproduction cost plus allowances for debris removal or demolition less deterioration and non-insurable items. Sometimes cash value or market value, but often entirely a cost concept. *(MVS)*

### Liquidation Value

The most probable price that a specified interest in real property should bring under the following conditions:

1. Consummation of a sale within a short time period.
2. The property is subjected to market conditions prevailing as of the date of valuation.
3. Both the buyer and seller are acting prudently and knowledgeably.
4. The seller is under extreme compulsion to sell.
5. The buyer is typically motivated.
6. Both parties are acting in what they consider to be their best interests.
7. A normal marketing effort is not possible due to the brief exposure time.
8. Payment will be made in cash in U.S. dollars or in terms of financial arrangements comparable thereto.
9. The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

This definition can also be modified to provide for valuation with specified financing terms. *(Dictionary)*

### Interim Use

The temporary use to which a site or improved property is put until it is ready to be put to its future highest and best use. *(Dictionary)*

### Leased Fee Interest

A freehold (ownership interest) where the possessory interest has been granted to another party by creation of a contractual landlord-tenant relationship. *(Dictionary)*

### Leasehold Interest

The tenant's possessory interest created by a lease. *(Dictionary)*

### Legally Nonconforming Use

A use that was lawfully established and maintained, but no longer conforms to the use regulations of the current zoning in the zone where it is located; also known as a *grandfathered use*. *(Dictionary)*

### Market Study

A macroeconomic analysis that examines the general market conditions of supply, demand, and pricing or the demographic of demand for a specific area or property type. A market study may also include analyses of construction and absorption trends. *(Dictionary)*

### Marketability Study

A microeconomic study that examines the marketability of a given property or class of properties, usually focusing on the market segment(s) in which the property is likely to generate demand. Marketability studies are useful in determining a specific highest and best use, testing development proposals, and projecting an appropriate tenant mix. *(Dictionary)*

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## Market Analysis

A process for examining the demand for and supply of a property type and the geographic market area for that property type. *(Dictionary)*

## Market Area

The area associated with a subject property that contains its direct competition. *(Dictionary)*

## Market Rent

The most probable rent that a property should bring in a competitive and open market reflecting all conditions and restrictions of the lease agreement, including permitted uses, use restrictions, expense obligations, term, concessions, renewal and purchase options, and tenant improvements (TIs). *(14th Edition)*

## Market Value

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. buyer and seller are typically motivated;
2. both parties are well informed or well advised, and acting in what they consider their own best interests;

3. a reasonable time is allowed for exposure in the open market;

4. payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and

5. the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale. *(Office of Comptroller of the Currency (OCC), Title 12 of the Code of Federal Regulation, Part 34, Subpart C - Appraisals, 34.42 (g); Office of Thrift Supervision (OTS), 12 CFR 564.2 (g); This is also compatible with the RTC, FDIC, FRS and NCUA definitions of market value.)*

## Net Operating Income (NOI)

The actual or anticipated net income that remains after all operating expenses are deducted from effective gross income but before mortgage debt service and book depreciation are deducted. Note: This definition mirrors the convention used in corporate finance and business valuation for EBITDA (earnings before interest, taxes, depreciation, and amortization). *(14th Edition)*

## Obsolescence

One cause of depreciation; an impairment of desirability and usefulness caused by new inventions, changes in design, improved processes for production, or external factors that make a property less desirable and valuable for a continued use; may be either functional or external. *(Dictionary)*



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### Off-site Costs

Costs incurred in the development of a project, excluding actual building construction costs, e.g., the costs of streets, sidewalks, curbing, traffic signals, and water and sewer mains; also called *common costs* or *off-site improvement costs*. (*Dictionary*)

### On-site Costs

Costs incurred for the actual construction of buildings and improvements on a particular site. (*Dictionary*)

### Overage Rent

The percentage rent paid over and above the guaranteed minimum rent or base rent; calculated as a percentage of sales in excess of a specified breakeven sales volume. (*14<sup>th</sup> Edition*)

### Overall Capitalization Rate (OAR)

An income rate for a total real property interest that reflects the relationship between a single year's net operating income expectancy and the total property price or value. (*Dictionary*)

### Potential Gross Income (PGI)

The total income attributable to real property at full occupancy before vacancy and operating expenses are deducted. (*Dictionary*)

### Potential Gross Income Multiplier (PGIM)

The ratio between the sale price (or value) of a property and its annual potential gross income. (*Dictionary*)

### Present Value (PV)

The value of a future payment or series of future payments discounted to the current date or to time period zero. (*Dictionary*)

### Parking Ratio

The ratio of parking area or parking spaces to an economic or physical unit of comparison. Minimum required parking ratios for various land uses are often stated in zoning ordinances. (*Dictionary*)

### Prospective Opinion of Value

A value opinion effective as of a specified future date. The term does not define a type of value. Instead, it identifies a value opinion as effective at some specific future date. An opinion of value as of a prospective date is frequently sought in connection with projects that are proposed, under construction, or under conversion to a new use, or those that have not achieved sellout or a stabilized level of long-term occupancy. (*Dictionary*)

### Qualitative Analysis

The process of accounting for differences (such as between comparable properties and the subject property) that are not quantified; may be combined with quantitative analysis. (*Dictionary*)

### Quantitative Adjustment

In the sale comparison approach, the process of making numerical adjustments to the sale prices of comparable properties, including data analysis techniques (paired data analysis, grouped data analysis, and secondary data analysis), statistical analysis, graphic analysis, trend analysis, cost analysis (cost-to-cure, depreciated cost), and capitalization of rent differences; usually precedes qualitative analysis. (*Dictionary*)

### Rentable Area

The amount of space on which the rent is based; calculated according to local practice. (*Dictionary*)

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## Replacement Cost

The estimated cost to construct, at current prices as of the effective appraisal date, a substitute for the building being appraised, using modern materials and current standards, design, and layout. (*Dictionary*)

## Reproduction Cost

The estimated cost to construct, at current prices as of the effective date of the appraisal, an exact duplicate or replica of the building being appraised, using the same materials, construction standards, design, layout, and quality of workmanship and embodying all the deficiencies, superadequacies, and obsolescence of the subject building. (*Dictionary*)

## Retrospective Value Opinion

A value opinion effective as of a specified historical date. The term does not define a type of value. Instead, it identifies a value opinion as being effective at some specific prior date. Value as of a historical date is frequently sought in connection with property tax appeals, damage models, lease renegotiation, deficiency judgments, estate tax, and condemnation. Inclusion of the type of value with this term is appropriate, e.g., "retrospective market value opinion." (*Dictionary*)

## Sales Comparison Approach

The process of deriving a value indication for the subject property by comparing market information for similar properties with the property being appraised, identifying appropriate units of comparison, and making qualitative comparisons with or quantitative adjustments to the sale prices (or unit prices, as appropriate) of the comparable properties based on relevant, market-derived elements of comparison.

## Scope of Work

The type and extent of research and analysis in an appraisal or appraisal review assignment. Scope of work includes, but is not limited to:

The extent to which the property is identified;

The extent to which tangible property is inspected;

The type and extent of data researched; and

The type and extent of analysis applied to arrive at opinions or conclusions. (*USPAP*)

## Shopping Center Types

**Neighborhood Shopping Center:** The smallest type of shopping center, generally with a gross leasable area of between 30,000 and 100,000 square feet. Typical anchors include supermarkets. Neighborhood shopping centers offer convenience goods and personal services and usually depend on a market population support of 3,000 to 40,000 people.

**Community Shopping Center:** A shopping center of 100,000 to 400,000 square feet that usually contains one junior department store, a variety store, discount or department store. A community shopping center generally has between 20 and 70 retail tenants and a market population support of 40,000 to 150,000 people.

**Regional Shopping Center:** A shopping center of 300,000 to 900,000 square feet that is built around one or two full-line department stores of approximately 200,000 square feet each plus small tenant spaces. This type of center is typically supported by a minimum population of 150,000 people.

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## Shopping Center Types (cont.)

**Super-Regional Center:** A large center of 600,000 to 2.0 million square feet anchored by three or more full-line department stores. This type of center is typically supported by a population area of 300,000 people. (14<sup>th</sup> Edition)

## Superadequacy

An excess in the capacity or quality of a structure or structural component; determined by market standards. (Dictionary)

## Surplus Land

Land that is not currently needed to support the existing improvement but cannot be separated from the property and sold off. Surplus land does not have an independent highest and best use and may or may not contribute value to the improved parcel. (Dictionary)

## Tenant Improvements (TIs)

1. Fixed improvements to the land or structures installed for use by a lessee.
2. The original installation of finished tenant space in a construction project; subject to periodic change for succeeding tenants. (Dictionary)

## Triple Net Lease

A lease in which the tenant assumes all expenses (fixed and variable) of operating a property except that the landlord is responsible for structural maintenance, building reserves, and management. Also called *NNN*, *triple net lease*, or *fully net lease*. (Dictionary)

## Usable Area

The area that is actually used by the tenants measured from the inside of the exterior walls to the inside of walls separating the space from hallways and common areas. (Dictionary)

## Useful Life

The period of time over which a structure or a component of a property may reasonably be expected to perform the function for which it was designed. (Dictionary)

## Vacancy and Collection Loss

A deduction from potential gross income (PGI) made to reflect income deductions due to vacancies, tenant turnover, and non-payment of rent; also called *vacancy and credit loss* or *vacancy and contingency loss*. Often vacancy and collection loss is expressed as a percentage of potential gross income and should reflect the competitive market. Its treatment can differ according to the interest being appraised, property type, capitalization method, and whether the property is at stabilized occupancy. (Dictionary)

## Yield Capitalization

A method used to convert future benefits into present value by 1) discounting each future benefit at an appropriate yield rate, or 2) developing an overall rate that explicitly reflects the investment's income pattern, holding period, value change, and yield rate. (Dictionary)





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