

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MARYLAND
(Northern Division)

NATIONAL RAILROAD PASSENGER CORPORATION (AMTRAK) *

PLAINTIFF, *

v. *

Civil No. 1:23-CV-02158-JKB

.025 ACRES MORE OR LESS OF LAND LOCATED AT 1006 NORTH PAYSON STREET IN BALTIMORE CITY, MARYLAND, ET AL. *

DEFENDANTS. *

* * * * *

**NATIONAL RAILROAD PASSENGER CORPORATION’S
MOTION FOR SUMMARY JUDGMENT AND FOR OTHER RELIEF**

COMES NOW Plaintiff, National Railroad Passenger Corporation (“Amtrak”), by and through its undersigned counsel, and pursuant to Fed. R. Civ. P. 56, and moves for summary judgment in the captioned case. As discussed in detail in the accompanying Memorandum in Support of Amtrak’s Motion, which is incorporated by reference as if fully stated herein, Amtrak respectfully submits that there are no genuine disputes of material fact pending in this action and that Amtrak is entitled to judgment on all claims as a matter of law.

WHEREFORE, Amtrak respectfully requests that this Honorable Court enter summary judgment in its favor and execute an Order which shall:

- A. ORDER that Defendants have not raised any objection or defense to the condemnation by Amtrak pursuant to Fed. R. Civ. P. 71.1(e)(3);

- B. ORDER that the amount of just compensation to be paid by Amtrak for the following interests shall be in the following amounts, with said amounts having been previously deposited with the Court:
- i. \$52,000.00 for the fee simple property interest located at 1006 North Payson Street, Baltimore, Maryland 21217;
 - ii. \$56,652.00 for the fee simple property interest located at 1008 North Payson Street, Baltimore, Maryland 21217;
 - iii. \$85,000.00 for the fee simple property interest located at 1016 North Payson Street, Baltimore, Maryland 21217; and
 - iv. \$85,000.00 for the fee simple property interest located at 1002 North Payson Street, Baltimore, Maryland 21217;
- C. ORDER that there are no charges owed to or by Amtrak; and
- D. GRANT such other and further relief as this cause may require.
- A Proposed Order is filed with Plaintiff's instant Motion.

Respectfully submitted,

**COUNSEL FOR PLAINTIFF NATIONAL RAILROAD
PASSENGER CORPORATION**

/s/ Alejandro Camacho
Patricia McHugh Lambert, Federal Bar #02539
Alejandro Camacho, Federal Bar #30814
PESSIN KATZ LAW, P.A.
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Towson, MD 21204-2600
Telephone: 410-938-8800
Fax: 667-275-3059
plambert@pklaw.com
acamacho@pklaw.com

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on November 27, 2023, a copy of the foregoing was filed with the Clerk of the Court using the CM/ECF system, which will then send a notification of such filing to any party that has entered an appearance in this action. Service to the following parties shall be made via First Class Mail, postage prepaid:

Comptroller of Maryland C/O Kimberly B. Stephens, Esq. Compliance Division 301 West Preston Street, Room 410 Baltimore, Maryland 21201-2383	Maryland Department of Health C/O Benjamin A. Bor, Assistant Attorney General 300 W. Preston Street, Suite 302 Baltimore, Maryland 21201
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Service as to any party whose address is unknown to Plaintiff is also made by filing the foregoing with the Clerk of the Court using the CM/ECF system pursuant to Federal Rule of Civil Procedure 5(b)(2)(D).

/s/ Alejandro Camacho
Alejandro Camacho, Federal Bar #30814

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MARYLAND
(Northern Division)**

NATIONAL RAILROAD PASSENGER CORPORATION (AMTRAK) *

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**.025 ACRES MORE OR LESS OF LAND
LOCATED AT 1006 NORTH PAYSON
STREET IN BALTIMORE CITY,
MARYLAND, ET AL.** *

DEFENDANTS. *

* * * * *

**AMTRAK’S MEMORANDUM IN SUPPORT OF
MOTION FOR SUMMARY JUDGMENT AND FOR OTHER RELIEF**

I. INTRODUCTION

Plaintiff, National Railroad Passenger Corporation (“Amtrak”), filed a Complaint for Condemnation and Request for Possession (Compl., **ECF No. 1**) and Declaration of Taking (**ECF No. 5**), pursuant to its federal statutory authority under 49 U.S.C. § 24311(a), to acquire all interests by eminent domain of the following four property interests in fee simple absolute located at: 1006 North Payson Street, Baltimore, Maryland 21217 (the “First Subject Property Interest”); 1008 North Payson Street, Baltimore, Maryland 21217 (the “Second Subject Property Interest”); 1016 North Payson Street, Baltimore, Maryland 21217 (the “Third Subject Property Interest”); and 1002 North Payson Street, Baltimore, Maryland 21217 (the “Fourth Subject Property Interest”) (collectively, the “Subject Property Interests”). As will be set forth below, the instant Motion is for the purpose of resolving issues relating to just compensation and charges in this eminent

domain proceeding following a hearing pursuant to 49 U.S.C. § 24311(b)(2), (3).¹

II. PROCEDURAL BACKGROUND

Once Amtrak filed its Complaint,² and with the Court's permission pursuant to its Memorandum and Order (**ECF No. 21**), it deposited with the Court its estimated just compensation for the Subject Property Interests in the following amounts: \$52,000 for the First Subject Property Interest; \$56,652 for the Second Subject Property Interest; \$85,000 for the Third Subject Property Interest; and \$73,800 for the Fourth Subject Property Interest. Upon depositing the foregoing amounts of estimated just compensation, the Court in a Memorandum and Order (**ECF No. 40**) held that title to the Subject Property Interests vested in Amtrak, pursuant to 49 U.S.C. § 24311(b)(2). Amtrak and Defendant Steven Harris ("Mr. Harris") agreed by stipulation (**ECF No. 56**) to increase the estimated just compensation for the Fourth Subject Property Interest; with the Court's permission (**ECF No. 60**) and in accordance with the stipulation, Amtrak deposited an additional \$11,200 to bring the total of estimated just compensation for the Fourth Subject Property Interest to \$85,000.

Service was completed upon all Defendants and the time for filing an Answer averring "an objection or defense to the taking" of the Subject Property Interests ended by no later than October 10, 2023.³ Fed. R. Civ. P. 71.1(e)(2). Defendants Kenya Felton ("Ms. Felton"), Mayor and City Council of Baltimore City ("Baltimore City"), Office of the Comptroller of Maryland ("Comptroller"), Maryland Department of Health ("DOH"), and CitiMortgage Inc., for itself and

¹ As discussed below, Amtrak's Motion and Memorandum do not address to whom and in what amount the Court should award just compensation.

² On September 1, 2023, Amtrak filed a First Amended Complaint for Condemnation and Request for Possession (Am. Compl., **ECF No. 33**) to add three named Defendants and other minor changes. For purposes of this Memorandum, "Complaint" shall refer to both pleadings with specific citations provided as applicable.

³ The details respecting service are set forth in Amtrak's Status Report filed October 18, 2023 (**ECF No. 58**).

as successor to Associates Financial Services Company of Maryland, Inc., Citicorp Home Mortgage Services, Inc., and CitiFinancial Mortgage Company, Inc. (collectively, “Citi”) responded to the Complaint. As noted above, Mr. Harris entered into a stipulation with Amtrak regarding the proceedings. None of the other Defendants, nor anyone on their behalf, filed an Answer or entered an appearance.⁴ Importantly, none of the Defendants offered any objection or defense to Amtrak’s taking. Upon service being completed and time to respond having passed, the Court entered an Order (**ECF No. 62**) that Amtrak had authority pursuant to 49 U.S.C. § 24311 to acquire the Subject Property Interests by eminent domain and granted Amtrak immediate possession of the Subject Property Interests.

As described more fully herein, Amtrak now seeks entry of summary judgment on the issues of the valuation of the Subject Property Interests, the amount of just compensation, and the disposition of outstanding charges for the properties.

III. UNDISPUTED FACTS

As explained in the Complaint, Amtrak’s acquisition of the Subject Property Interests is necessary for the Frederick Douglass Tunnel Program (the “Program”), also known as the Baltimore and Potomac Tunnel Replacement Program, which will modernize and transform a four-mile section of Amtrak’s heavily traveled Northeast Corridor and replace the nearly 150-year-old Baltimore and Potomac Tunnel. *See generally* Amtrak, *Frederick Douglass Tunnel Program*, <https://www.amtrak.com/bptunnel> (last visited Nov. 27, 2023).⁵

The Subject Property Interests are described in detail in the appraisal reports for each

⁴ The Court dismissed Defendant Maryland Automobile Insurance Fund (“MAIF”) (**ECF No. 61**) as a party to this proceeding pursuant to Fed. R. Civ. P. 71.1(i)(2) after consideration of an unopposed Motion (**ECF No. 53**) showing MAIF no longer claimed an interest in this proceeding.

⁵ It is estimated that construction of the Program will require the acquisition of approximately several hundred properties – some by condemnation – over the course of the next five years.

property, attached hereto as **Exhibits 1, 2, 3, and 4**. As stated in the Affidavit of Mark Pomykacz, MAI, AI-GRS, ASA, attached hereto as **Exhibit 5**, all opinions set forth in the appraisal reports as it relates to valuation are based upon Mr. Pomykacz's knowledge, background, training and experience, personal observations, and are stated to a reasonable degree of professional certainty and probability in his field of expertise.⁶

As noted in the appraisal reports, the Subject Property Interests are in West Baltimore, consisting of three 1,120-square-foot parcels of land, or 0.026 acres, improved by rowhomes (First, Second, and Third Subject Property Interests) and one 1,107-square-foot parcel of land, or 0.025 acres, improved by a rowhome (Fourth Subject Property Interest). *See* Exs. 1–4, at *18. The Subject Property Interests were appraised via a sales comparison approach to find their respective fair market values, which Mr. Pomykacz opined were: First Subject Property Interest (1006 N. Payson Street) – \$52,000, *see* Ex. 1, at 3–6, 30–36; Second Subject Property Interest (1008 N. Payson Street) – \$55,000, *see* Ex. 2, at 3–6, 30–36; Third Subject Property Interest (1016 N. Payson Street) – \$85,000, *see* Ex. 3, at 3–6, 30–36; and Fourth Subject Property Interest (1002 N. Payson Street) – \$73,800, Ex. 4, at 3–6, 33–39.

On August 10, 2022, Amtrak filed a Motion to Deposit Plaintiff's Estimate of Just Compensation (**ECF No. 6**), in compliance with Fed. R. Civ. P. 71.1(j)(1). This Court entered a Memorandum and Order (**ECF No. 21**) on August 25, 2023, directing the Clerk of Court to accept funds into the Court Registry, reflecting Amtrak's estimated just compensation for the Subject Property Interests, which was received on or about August 30, 2023, in the combined sum of \$267,452. As noted in the Complaint, the amount of the estimated just compensation was based

⁶ Mr. Pomykacz's impressive credentials are contained in his *curriculum vitae*, attached hereto as an exhibit to Exhibit 5.

on appraisal reports commissioned for each of the Subject Property Interests, with \$1,652 added to the estimated just compensation of the Second Subject Property Interest (for a total of \$56,652) to account for redeeming the property's ground lease. Am. Compl. ¶¶ 64, 73, 78, 81, 94; *see* Exs. 1–4. An additional \$11,200 as estimated just compensation for the Fourth Subject Property Interest was later deposited with the Court's permission (**ECF No. 60**) into the Court Registry on or about October 25, 2023.

Only a few of the Defendants have filed responses to Amtrak's Complaint or First Amended Complaint—and none have asserted any objections or defenses.⁷ No other Defendants or interested parties have filed an Answer, Entry of Appearance, or any response to Amtrak's Complaint or First Amended Complaint.⁸

Amtrak moves this Court to find that the amount of just compensation is undisputed, has

⁷ On August 25, 2023, Ms. Felton, a person identified as potentially having an interest in the Second Subject Property Interest, filed a response captioned "Answer and Claim" (**ECF No. 23**) asserting entitlement to reimbursement for expenses and principal paid with interest in connection with her purchase of a tax sale certificate for the Second Subject Property Interest from Defendant Baltimore City, but did not object or assert a defense to the taking; Amtrak takes no position on whether Ms. Felton may share in the award to satisfy her claim. On August 30, 2023, Baltimore City filed a Notice of Appearance and Response to Complaint for Condemnation and Request for Possession (**ECF No. 24**) that expressly did not contest the taking of any of the Subject Property Interest. On September 8, 2023, the Comptroller filed a Response to Complaint (**ECF No. 38**), which in paragraph 1 states that it "does not contest Amtrak's condemnation authority or its right to seek and be awarded possession". On September 11, 2023, DOH entered a Notice of Appearance and Response to the Complaint (**ECF No. 39**), which did not contest the taking or Amtrak's possession of the Subject Property Interests. On September 26, 2023, Citi filed a Notice of Appearance and Response to Amtrak's First Amended Complaint (**ECF No. 52**) which did not contest the taking of the only property in which they held an interest, the First Subject Property Interest, and disclaimed any interest in the Subject Property Interests and the deposited funds with the Court. Finally, on October 17, 2023, Mr. Harris, through counsel, stipulated (**ECF No. 56**) to not contest Amtrak's taking authority nor the valuation of the Fourth Subject Property Interest, the only property in this proceeding that he has claimed an interest in.

⁸ The Ninth Circuit, in *United States v. 14.02 Acres of Land More or Less in Fresno Cnty.*, 547 F.3d 943 (9th Cir. 2008), considered a condemnor's continuing obligation to serve parties that have neither objected to the taking nor filed a notice of appearance, pursuant to Fed. R. Civ. P. 71.1. In interpreting this Rule, the Court stated, "[t]he only way to give effect to Rule 71.1(e)(1) is to interpret it as overriding the default requirement laid out in Rule 5, which mandates that 'a pleading filed after the original complaint' be served on 'every party.' Fed. R. Civ. P. 5(a)(1)(B). Otherwise, the Rule 71.1 option for non-objecting defendants to remain abreast of the case by filing a notice of appearance would be surplusage, for these defendants would be entitled to receive full service under Rule 5(a)(1)(B)." *Id.* at 954–55. The Court ultimately held that there was no requirement of the condemning party to serve its motion for summary judgment on the non-objecting defendants who had not filed a notice of appearance. *Id.*

been previously deposited with the Court, and is as follows:

1006 North Payson Street, Baltimore, Maryland 21217 – \$52,000.00;

1008 North Payson Street, Baltimore, Maryland 21217 – \$56,652.00;

1016 North Payson Street, Baltimore, Maryland 21217 – \$85,000.00;

1002 North Payson Street, Baltimore, Maryland 21217 – \$85,000.00.

To the extent that there are disputes as to whom and in what amount the award of the previously deposited just compensation should be paid for each of the Subject Property Interests, Amtrak takes no position on this issue.

IV. LEGAL STANDARDS

A. Summary Judgment Under Rules 56(a) and 71.1

Summary judgment shall be granted “if the movant shows that there is no genuine dispute as to any material fact and the movant is entitled to judgment as a matter of law.” Fed. R. Civ. P. 56(a). The moving party “bears the initial responsibility of informing the district court of the basis for its motion, and identifying those portions of the pleadings, depositions, answers to interrogatories, and admissions on file, together with the affidavits, if any, which it believes demonstrate the absence of a genuine issue of material fact.” *Celotex Corp. v. Catrett*, 477 U.S. 317, 323 (1986) (internal quotations omitted). “[T]he judge’s function is not . . . to weigh the evidence and determine the truth of the matter but to determine whether there is a genuine issue for trial.” *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 249 (1986).

The applicability of Rule 56 to a condemnation proceeding is provided by the express language of Rule 71.1. *See* Fed. R. Civ. P. 71.1(a) (“These rules [i.e., the Federal Rules of Civil Procedure] govern proceedings to condemn real and personal property by eminent domain, except as this rule provides otherwise.”). The Notes of the Advisory Committee on Rules for Rule 71.1’s

predecessor, Rule 71A, for subsection (a) provides that the rule “prescribes such specialized procedure as is required by condemnation proceedings, otherwise it utilizes the general framework of the Federal Rules where specific detail is unnecessary.” Neither Rule 71 nor 49 U.S.C. § 24311 contain any provisions that would render summary judgment an inappropriate procedural vehicle to determine valuation and other issues. *See* Fed. R. Civ. P. 71.1(h) (“In an action involving eminent domain under federal law, the court tries all issues, including compensation”); 49 U.S.C. § 24311(b)(2)(B) (“[T]he court may decide . . . the disposition of outstanding charges related to the property.”); 49 U.S.C. § 24311(b)(3) (“After a hearing, the court shall make a finding on the amount that is just compensation for the interest in the property and enter judgment awarding that amount and interest on it.”).

Federal district courts have utilized Rule 56 to find the amount of just compensation in condemnation proceedings “when there is no genuine issue of material fact regarding the fair market value of the property to be taken.” *See, e.g., Mountain Valley Pipeline, LLC v. 0.15 Acres of Land*, No. 7:19-cv-00181, 2020 U.S. Dist. LEXIS 10580, 2020 WL 365506, at *4-6 (W.D. Va. Jan. 22, 2020), *aff’d*, 827 F. App’x 346 (4th Cir. 2020); *see also Amtrak v. 4,945 Sq. Ft. of Land*, 1. F. Supp. 2d 79, 83 (D. Ma. 1998) (ordering further proceedings on valuation following a hearing on a motion for summary judgment by Amtrak as Amtrak did not move for summary judgment on valuation of the property interest being condemned).

B. Just Compensation

In accordance with 49 U.S.C. § 24311(b)(3), this Court is tasked with making “a finding on the amount that is just compensation for the interest in the property and enter judgment awarding that amount and interest on it. Fed. R. Civ. P. 71.1(d)(2)(A)(vi) provides that a defendant who fails to serve an answer “consent[s] to the taking and to the court’s authority to proceed with

the action and fix the compensation.”

C. Charges

Pursuant to 49 U.S.C. § 24311(b)(2)(B), this Court has the authority to “decide the disposition of outstanding charges related to the property.”

V. ARGUMENT

A. Valuation and the Amount of Just Compensation to be Paid is Not in Dispute.

Valuing the condemned property to fix the amount of just compensation to be paid by Amtrak, pursuant to 49 U.S.C. § 24311(b)(3) and Rule 71.1, is within the authority of this Court on summary judgment. Here, the undisputed facts demonstrate that the amount deposited by Amtrak should be determined to be the amount of just compensation to be paid for the property interests at issue.

“When the government uses its power of eminent domain to take private property rights, the Constitution requires it to pay ‘just compensation.’” *United States v. 269 Acres, More or Less, Located in Beaufort Cnty.*, 995 F.3d 152, 163 (4th Cir. 2021) (citing U.S. Const. amend. V). “Just compensation is the amount of money necessary to put a landowner in as good a pecuniary position, but no better, as if his property had not been taken.” *269 Acres*, 995 F.3d at 163. Federal law supplies the substantive law in a condemnation action by Amtrak, *Nat’l R.R. Passenger Corp. v. Two Parcels of Land*, 822 F.2d 1261, 1265-67 (2d Cir. 1987), which provides that the value of just compensation is “the fair market value of the property”. *269 Acres*, 995 F.3d at 163 (citations and internal quotations omitted). “Landowners bear the burden of establishing the fair market value of their property.” *Id.* at 164. “The best evidence of property value comes from comparable land sales, where the more similar the land is the more probative the sale price is.” *Id.*

Amtrak commissioned appraisals for each of the Subject Property Interests showing the

fair market value of each property. Final appraisal reports reflecting a valuation date of June 20, 2022 (First, Second, and Third Subject Property Interests) and June 30, 2022 (Fourth Subject Property Interest) were prepared by Federal Appraisal, LLC. *See* Exs. 1–4. Amtrak’s estimated just compensation deposited with the Court was based on the appraised value of the Subject Property Interests and Amtrak deposited the full amount of the appraised value for each of the Subject Property Interests. As indicated in the Affidavit of Mark Pomykacz, MAI, AI-GRS, ASA, *see* Ex. 5, all opinions set forth in the appraisal reports as it relates to valuation are based upon Mr. Pomykacz’s 37 years of knowledge, background, training and experience, as well as personal observations of the Subject Property Interests, and are stated to a reasonable degree of professional certainty and probability in his field of expertise. All of the appraisals of the Subject Property Interests reached a conclusion on valuation that was based on an analysis of the sales price of properties that were comparable to the Subject Property Interests.

Because Amtrak deposited no less than the appraised value of each the Subject Property Interests, and more than the appraised value for the Second and Fourth Subject Property Interests, Amtrak has paid the amount of Just Compensation for each of the Subject Property Interests as required by 49 U.S.C. § 24311 and is entitled to summary judgment.

B. Amtrak Does Not Owe or Seek Charges.

Establishing the amount of, and distributing, “outstanding charges” among the parties is within the authority of this Court pursuant to 49 U.S.C. § 24311(b)(2)(B). Here, Amtrak does not seek any charges against the Defendants and there are no charges attributable to Amtrak.

Case law on § 24311(b)(2)(B) is sparse. The origin § 24311(b)(2)(B) was a recodification and repeal by Congress in 1994 of 45 U.S.C. § 545(d)(5), *see* Pub. L. No. 103-272, §1(e), 108 Stat. 745, 915 (1994), that was not intended to be substantive. Section 545(d)(5) provided that “[t]he

court may make such orders in respect to encumbrances, liens, rents, taxes, assessments, insurance, and other charges, if any, as shall be just and equitable.” This language is still found today in the Declaration of Taking Act, 40 U.S.C. § 3114(d)(2), which has been held to provide wide latitude for determining and distributing charges that may accrue after the eminent domain action is filed. *See, e.g., United States v. Certain Land in City of Paterson, N.J.*, 322 F.2d 866, 870 (3d. Cir. 1963) (“The statute therefore confers broad discretion on a United States district court in the situation at bar. We need not define the exact bounds of this discretion.”); *John Hancock Mut. Life Ins. Co. v. Casey*, 147 F.2d 762, 766 (5th Cir. 1945) (finding that the District Court is not “obliged to follow the local law in construing a federal statute which provides the distribution in respect to encumbrances ‘shall be just and equitable.’”).

Amtrak is not seeking any charges in this proceeding. Further, Amtrak is unaware of any charges that are claimed to be owed by it. Amtrak takes no position on the Court’s determination of charges that may be asserted between the Defendants.

VI. CONCLUSION

For the foregoing reasons, Plaintiff, National Passenger Rail Corporation, respectfully requests that this Honorable Court grant the following relief, as well as such other and further relief that is just and appropriate: (1) enter summary judgment on the issue of valuation and find that the amount of just compensation for each of the Subject Property Interests has been deposited by Amtrak; and (2) enter an order that there are no charges to be paid to, or by, Amtrak in this proceeding.

Respectfully submitted,

**COUNSEL FOR PLAINTIFF NATIONAL RAILROAD
PASSENGER CORPORATION**

/s/ Alejandro Camacho

Patricia McHugh Lambert, Federal Bar #02539

Alejandro Camacho, Federal Bar #30814

PESSIN KATZ LAW, P.A.

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on November 27, 2023, a copy of the foregoing was filed with the Clerk of the Court using the CM/ECF system, which will then send a notification of such filing to any party that has entered an appearance in this action. Service to the following parties shall be made via First Class Mail, postage prepaid:

Comptroller of Maryland C/O Kimberly B. Stephens, Esq. Compliance Division 301 West Preston Street, Room 410 Baltimore, Maryland 21201-2383	Maryland Department of Health C/O Benjamin A. Bor, Assistant Attorney General 300 W. Preston Street, Suite 302 Baltimore, Maryland 21201
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Service as to any party whose address is unknown to Plaintiff is also made by filing the foregoing with the Clerk of the Court using the CM/ECF system pursuant to Federal Rule of Civil Procedure 5(b)(2)(D).

/s/ Alejandro Camacho

Alejandro Camacho, Federal Bar #30814

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FOR THE DISTRICT OF MARYLAND
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NATIONAL RAILROAD PASSENGER CORPORATION (AMTRAK) *

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Civil No. 1:23-CV-02158-JKB

.025 ACRES MORE OR LESS OF LAND LOCATED AT 1006 NORTH PAYSON STREET IN BALTIMORE CITY, MARYLAND, ET AL. *

DEFENDANTS. *

* * * * *

ORDER GRANTING NATIONAL RAILROAD PASSENGER CORPORATION’S MOTION FOR SUMMARY JUDGMENT AND FOR OTHER RELIEF

UPON CONSIDERATION of the Motion for Summary Judgment and for Other Relief of National Railroad Passenger Corporation (“Amtrak”), and any responses thereto and the applicable law, it is this ____ day of _____, 202__ hereby,

ORDERED that Amtrak’s Motion for Summary Judgment be, and hereby is, **GRANTED**; and it is further

ORDERED that that Defendants have not raised any objection or defense to the condemnation by Amtrak pursuant to Fed. R. Civ. P. 71.1(e)(3); and it is further

ORDERED that the amount of just compensation to be paid by Amtrak in acquisition of 1006 North Payson Street, Baltimore, Maryland 21217 shall be \$52,000.00, with said amount having been previously deposited with the Court; and it is further

ORDERED that the amount of just compensation to be paid by Amtrak in acquisition of 1008 North Payson Street, Baltimore, Maryland 21217 shall be \$56,652.00, with said amount

having been previously deposited with the Court; and it is further

ORDERED that the amount of just compensation to be paid by Amtrak in acquisition of 1016 North Payson Street, Baltimore, Maryland 21217 shall be \$85,000.00, with said amount having been previously deposited with the Court; and it is further

ORDERED that the amount of just compensation to be paid by Amtrak in acquisition of 1002 North Payson Street, Baltimore, Maryland 21217 shall be \$85,000.00, with said amount having been previously deposited with the Court; and it is further

ORDERED that there are no outstanding charges owed to or by Amtrak pursuant to 49 U.S.C. § 24311(b)(2)(B); and it is further

ORDERED that an award to the Defendants of the amount of just compensation for each property and determining the disposition of outstanding charges between the Defendants shall be made by separate judgment and order of this Court; and it is further

ORDERED that this Order shall not prejudice the rights of any Defendants to present evidence on the distribution of the amount of just compensation previously deposited with the Court for each property and share in the award, and the case will remain open for further proceedings regarding the issues of distribution of the award between the Defendants, interest and the disposition of outstanding charges (if any) between the Defendants.

BY THE COURT:

James K. Bredar
Chief Judge
United States District Court for the District of Maryland

Cc: All parties and counsel of record.

National Railroad Passenger Corporation (Amtrak) v. .025 Acres More or Less of Land Located
at 1006 North Payson Street in Baltimore City, Maryland, et al.

Case No.: 1:23-CV-02158-JKB

EXHIBIT INDEX

<u>EXHIBIT NO.</u>	<u>DESCRIPTION</u>
1	Federal Appraisals, LLC Appraisal Report – 1006 N. Payson Street
2	Federal Appraisals, LLC Appraisal Report – 1008 N. Payson Street
3	Federal Appraisals, LLC Appraisal Report – 1016 N. Payson Street
4	Federal Appraisals, LLC Appraisal Report – 1002 N. Payson Street
5	Affidavit of Mark F. Pomykacz, MAI, ASA, AI-GRS with Exhibit A

EXHIBIT 1

FEDERAL APPRAISAL LLC



APPRAISAL REPORT
ON
1006 N PAYSON STREET
1006 N PAYSON STREET, BALTIMORE, MD 21217

EFFECTIVE DATE: JUNE 20, 2022
REPORT DATE: SEPTEMBER 28, 2022
A CURRENT EFFECTIVE DATE

PREPARED FOR
PATRICIA MCHUGH LAMBERT
PRINCIPAL
PESSIN KATZ LAW, P.A.
901 DULANEY VALLEY ROAD, SUITE 500, TOWSON, MD
21204

PREPARED BY
MARK POMYKACZ, MAI, AI-GRS, ASA AND
KATHERINE TANTINAN, MAI
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FEDERAL APPRAISAL LLC



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- investor reporting
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- financing

nationally and internationally.

1 Transmittal & Executive Summary

As requested by our Client, we have appraised the 1006 N Payson Street, 1006 N Payson Street, Baltimore, MD 21217 ("Subject", "Property, or "Facility). Herein we present our report ("Appraisal" or "Report"). In this section, Section 1, we transmit the appraisal context and conclusions. Our Report follows this transmittal.

1.1 The Client and Other Intended Users

The scope of work completed for this Appraisal was specifically designed, and this Appraisal Report was specifically written for the Client's and the intended permitted users' specific use and purpose. No other uses or purposes are intended or permitted. Federal Appraisal LLC and the appraisers certifying this Appraisal offer and assume no professional responsibility to any third party that has obtained copies of our report, either with or without the Clients' (and other intended permitted users) consent or knowledge. Or that the Client and the other intended permitted users may choose to provide copies of our report to.

The Client ("Client") is:

Patricia McHugh Lambert
Principal

Pessin Katz Law, P.A.

901 Dulaney Valley Road, Suite 500, Towson, MD 21204

Other intended users:

Amtrak Law Department ("Amtrak")

1.2 Identification of the Subject

The Subject is more fully described in Section 6, Subject Property Description, beginning on page 18.

The Subject of this Appraisal is known as: 1006 N Payson Street

Its address is: 1006 N Payson Street, Baltimore, MD 21217

Its parcel number (or block and lot number) is: 16-05-0057-004

1.2.1 Interest Appraised and Level of Value

The interest appraised is a 100% interest in the fee simple estate in real property at the Subject.

Unless explicitly stated otherwise, we assume no easements, encroachments, other deed restrictions, building or use limitations, or other restrictions and limitations upon the use and enjoyment of the property beyond 1) typical governmental powers and utilities, and 2) requirements to maintain and operate the property for the purpose for which it is intended and/or improved. Lastly, we assume no environmental or engineering issues are negatively impacting the Property, except as noted herein.

1.2.2 Summary Description of the Subject Improvements

The Subject is currently improved with a two-story interior row home. It has been confirmed through public record that the structure was built in 1920 and was a three-bedroom, one-bathroom row home. The interior row home had two stories and an unfinished basement and was boarded up at the time of the inspection. It has been assumed that the property is in fair condition.

1.2.3 Summary Description of the Subject Land

The Subject site is approximately 1,120 square feet, or 0.026 acres, in size. It is rectangular in shape and has the dimensions of 14 feet by 80 feet. The land is flat and level. The Subject is zoned R-8 high density residential, allowing single-family and multi-family dwellings.

1.3 Use, Purpose and Scope of Appraisal

1.3.1 Use of the Appraisal

Federal understands the Client will use the Report to assist Amtrak in the determination of compensation to be offered to the property owner to acquire the property.

1.3.2 Purpose of Appraisal and Standard (Type) of Value

The objective of appraisals, sometimes described as the purpose of the appraisals, is typically to determine value. There are numerous types of value, each with its own definition. The various types of value are technically known as standards of value.

The purpose of this Appraisal is to determine the Market Value and Fair Market Value, which we assume is the same in this Appraisal, in fee simple, specifically defined in the following Standard of Value.

The Standard of Value for this Appraisal is market value/fair market value ("Value").

1.3.2.1 Definition and Source of the Standard of Value

The definition for the Standard of Value in this Appraisal is as follows:

Market Value: The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming the neither is under undue duress." Source: *The Dictionary of Real Estate Appraisal, 7th ed.* Chicago: Appraisal Institute, 2022. PDF. pg. 141

Fair market value: 1. In nontechnical usage, a term that is equivalent to the contemporary usage of market value. 2. As used in condemnation, litigation, income tax, and property tax situations, a term that is similar in concept to market value but may be defined explicitly by the relevant agency. Source: *The Dictionary of Real Estate Appraisal, 7th ed.* Chicago: Appraisal Institute, 2022. PDF

"Market Value: 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 value, after a reasonable exposure time on the open market, from a willing and reasonably knowledgeable seller to a willing and reasonably knowledgeable buyer, with neither compelled to buy or sell, giving due consideration to all available economic use of the property" Source: Uniform Appraisal Standards for Federal Land Acquisitions. The Appraisal Foundation, 2016. PDF. pg. 93.

1.3.3 Exposure Time

The exposure time estimated is related appraisal context and value conclusion made in the appraisal. The Client requires a Uniform Appraisal Standards for Federal Land Acquisitions (UASFLA) appraisal. The UASFLA mandates that "the marketing and exposure time is for a reasonable length of time to find a buyer who was reading, willing, and able to consummate a purchase on the date of valuation... Appraisers should not link opinions of market value for federal acquisitions to a specific exposure time."

Source: Uniform Appraisal Standards for Federal Land Acquisitions / Legal Foundations for Appraisal Standards 2016, page 95. Digital version.

Given this Client requirement, we have taken a jurisdictional exception to USPAP, and we have not opined to a specific exposure time.

1.3.4 Premise of Value

The premise of value is that the Property will be utilized to its highest and best use, which is a requirement of market value appraisals of real estate. The Appraisal may present alternative uses as part of appraisal processes to determine highest and best use.

1.3.5 Scope of Appraisal

Our Appraisal is intended to comply with Standards of the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation ("USPAP"), and with the standards and codes of ethics of the Appraisal Institute and the American Society of Appraisers, and the Uniform Appraisal Standards for Federal Land Acquisition ("UASFLA", AKA "Yellow Book") and with the Uniform Relocation Act ("URA"). The scope of the Appraisal is specifically designed, and we performed the research and analyses specifically necessary to estimate the Value of the Subject, for the Client's purpose and use as stated herein. Details on the processes, methods, research, and analyses considered and utilized in this Appraisal are presented throughout this Report. Our Report is presented as a narrative Appraisal Report format in accordance with USPAP, UASFLA, and URA. When necessary for compliance with local law and regulations, we may employ the jurisdictional exception rule of USPAP.

We have considered all three approaches to value in this Appraisal: the cost approach, the sales comparison approach, and the income approach. The cost approach was not employed in this Appraisal as this approach is not commonly utilized for asset types like the Subject. The sales comparison approach was employed as this approach is commonly utilized for asset types like the Subject and comparable data sales were found. The income approach was not employed as this approach is also commonly not utilized for this asset type.

1.4 Data Collection and Verification

We have utilized several information sources and databases for this appraisal. These sources may include one or more of the following:

- Local multiple listing services,
- Costar, LoopNet, Zillow, or other proprietary comparables databases,
- Assessors, local appraisers and brokers, attorneys,
- Site to Do Business,
- various handbooks (e.g., Marshall & Swift, Handy Whitman),
- various data publications (e.g., PWC Korpacz Surveys, CBRE reports),
- public sources (e.g., FEMA, Wetlands mapper, local city/town property records),
- and more.

We verify the data used in appraisals through public sources such as assessor's records, property record cards, and other government records and market participants, such as brokers and attorneys. Our verification process is limited by the scope of work needed for the Client's specific use and purpose of the Appraisal, and what is available within the appraiser's normal course of work.

1.4.1 Unit Rule and Adjustments

The Unit Rule from UASFLA requires consideration of the impacts from a partial taking on the value of any requisite larger parcel, the economic unit, from which a portion is taken. The Unit Rule only applies in the context of partial takings; full takings would necessarily preclude any remainder and the need for application of the Unit Rule. The Unit Rule mandates the appraisal of the larger parcel before the taking (the "before" appraisal), and the appraisal of any impacts to the remainder of that larger parcel after the taking (the "after, remainder" appraisal), when or if the taking of a portion of the larger unit causes irrevocable loss in value or damages to the remainder of the larger parcel, such as when the remainder does not have substantially the same economic function. The "unit" in the Unit Rule is the larger parcel that functions as a single economic unit.

The Subject is currently improved with a boarded-up row home on a residential lot and will be a full taking. Therefore, there is no partial taking to analyze, and no Before and After appraisal analysis necessary. The Larger Parcel is the entire Subject property.

1.4.2 Ordinary and Extraordinary Assumptions and Hypothetical Conditions

We have made various minor and significant ordinary assumptions, extraordinary assumptions, and hypothetical conditions in this Appraisal. The ordinary assumptions, extraordinary assumptions, and hypothetical conditions may be listed in various locations throughout the report. It is our intention to disclose extraordinary assumptions, hypothetical conditions, and to disclose many of the significant ordinary assumptions. We have deemed these assumptions and conditions as appropriate for the Client's use of the Appraisal, and we have made these assumptions and conditions for benefit of the appraisal process. The use of ordinary assumptions, extraordinary assumptions, and hypothetical conditions might have affected the assignment results. If any assumption or condition should be determined to be inappropriate, then our assignment results may require revision.

No hypothetical conditions were made in this Appraisal. Since we were not granted an interior inspection, and the building was boarded up when we conducted the exterior inspection, we have made the extraordinary assumption that the building interior is in fair condition. No other extraordinary assumptions were made in this Appraisal.

1.4.3 Effective Date and Date of Report

The Effective Date of an appraisal is also known as the date of appraisal or the date of value or valuation date. The 2022-2023 USPAP defines Effective Date as "the date to which an appraiser's analyses, opinions, and conclusions apply".

The date of Appraisal Report, also known as a Report Date, is the date the report is finalized, published, and delivered to the Client.

An appraisal can have either a retrospective, current, or prospective Effective Date, depending on whether the Effective Date is substantially earlier than the Report Date, or relatively close to the Report Date, substantially later than Report Date, respectively.

Another date that may be presented in an appraisal is the date on which the subject property is physically inspected.

The Report Date is: September 28, 2022.
The Effective Date is: June 20, 2022.
This Report Date is: A Current Effective Date
The Inspection Date is listed in Section 11, Certification, on page 36.

1.5 Highest and Best Use Conclusions

The highest and best use of the land, as if vacant and available for redevelopment, would be for development as a single-family dwelling, as is consistent with local zoning, subject to reasonably probable changes. This is consistent with adjacent property types (assuming no environmental or other issues). The use would be physically possible and legally permissible. The surrounding neighborhood is all residential row homes. The zoning legally allows residential dwellings with no setback limitations. However, given the very poor economics of the market area, it is not financially feasible to develop a single-family dwelling at this time. Therefore, the maximally productive use of the Subject may to be hold the Subject as vacant land, as an interim use, for future development.

The highest and best use of the Subject, as improved, as of the Effective Date, would be for continued use of the property, as a single-family dwelling, as this use is physically possible, legally permissible, economically feasible, and all other uses would not be maximally productive.

1.6 Appraisal Conclusions

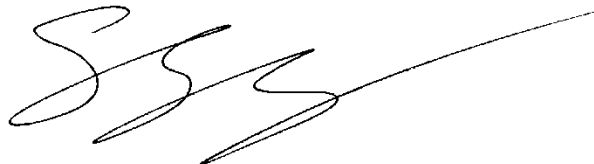
The value conclusions are presented in the following figure.

Figure 1-1, Value Conclusion via Sales Comparison Approach

\$52,000

Herein, we present our Appraisal Report.

Certified by:



Mark Pomykacz, MAI, AI-GRS, ASA
Managing Partner
State Certified General Real Estate Appraiser



Katherine Tantinan, MAI
Senior Manager
State Certified General Real Estate Appraiser
Maryland 34618

State	License number
Connecticut	RCG 00010448
New Hampshire	NHCG-1064
Virginia	4001017013
California	AG043987
Massachusetts	103483
Minnesota	40620869
Florida	RZ3225
Pennsylvania	GA001700R
Michigan	1201069583
Maryland	10807
Illinois	553.001871
Texas	TX 1380478 G
New York	46000000871
New Jersey	42RG00144500
Vermont	080.013424
Rhode Island	CCA.0020110
Iowa	CG03849
Washington DC	GA40000004
Colorado	CG200002994
Maine	CG3503
New Mexico	TP-5194
Ohio	202100667
Louisiana	G4888
Arizona	CGA-1034162
Virginia	4001018173
Tennessee	6164
as of	6/27/2022

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3 Appraisal Process

3.1 Appraisal Context

Most of the context of the Appraisal has been previously presented in the Transmittal & Executive Summary, Section 1 on page 1. Additional appraisal context is presented within, such as the Approaches to Value, Section 8 on page 27.

3.2 Appraisal Process and Methods

The appraisal process requires that appraisers must first establish the appraisal problem, the use and purpose, and scope of an appraisal. This step includes setting the appraisal context, such as the standard, definition and premise of value, the effective date of value, any hypothetical and extraordinary conditions, and others. Next, the market, industry, and economies are researched and analyzed. The appraisers also study the subject asset's legal rights and limitations, its physical qualities, and its financial qualities. Afterwards, the highest and best use of the asset is analyzed.

During these first phases and occasionally in later phases, the appraisers establish and refine the appraisal problem. The appraisal process concerning the appraisal context and appraisal problem is a general prescription concerning the issues to be addressed in the appraisal and the procedures to solve the appraisal problem and report on the solutions. Only after setting the appraisal context and appraisal problem are the various analyses, or approaches to value, conducted. There are three basic approaches in determining the value of an asset: the sales comparison approach, the cost approach, and the income approach, which are described as follows:

1. In the cost approach, value is indicated by the current cost of reproducing or replacing the improvements (including indirect costs and entrepreneurial incentive), less depreciation, plus land value.
2. In the sales comparison approach, value is indicated by analysis of sales of comparable properties appropriately adjusted for differences from the subject property.
3. In the income capitalization approach, value is indicated by the present value of a property's earning power, based on the capitalization of income.

Traditionally, specific appraisal techniques are applied within the three approaches to derive indications of value. One or more approaches to value may be used depending on which approaches are necessary to produce credible assignment results, given the intended use.¹

The principles and basic methodology involved in each approach are summarized later in this report.

After conducting the applicable approaches to value, the appraiser concludes the appraisal with a reconciliation process whereby the various indications of value are reviewed, and the merits of each of the completed approaches are analyzed.

When the appraisal assignment calls for it, various techniques such as allocations, residuals, or summations are finally made to or with the various elements or components of the concluded values from the three traditional approaches, to determine overall asset values or parts of a concluded overall value.

Finally, a report and a workfile are created to document the appraisal. Reports can be written or oral, form reports or free form narrative reports, and the narrative reports can be summary or extensive (also known as full narrative) reports.

3.3 Data Collection and Verification

We have utilized several information sources and databases for this appraisal. These sources may include one or more of the following:

- Local multiple listing services,
- Costar, LoopNet, Zillow, or other proprietary comparables databases,
- Assessors, local appraisers and brokers, attorneys,
- Site to Do Business,
- various handbooks (e.g., Marshall & Swift, Handy Whitman),
- various data publications (e.g., PWC Korpacz Surveys, CBRE reports),
- public sources (e.g., FEMA, Wetlands mapper, local city/town property records),
- and more.

We verify the data used in appraisals through public sources such as assessor's records, property record cards, and other government records and market participants, such as brokers and attorneys. Our verification process is limited by the scope of work needed for the Client's specific use and purpose of the Appraisal, and what is available within the appraiser's normal course of work.

¹ Excerpted and paraphrased from *The Appraisal of Real Estate, 15th ed.* Chicago: Appraisal Institute, 2020. PDF. pg. 42

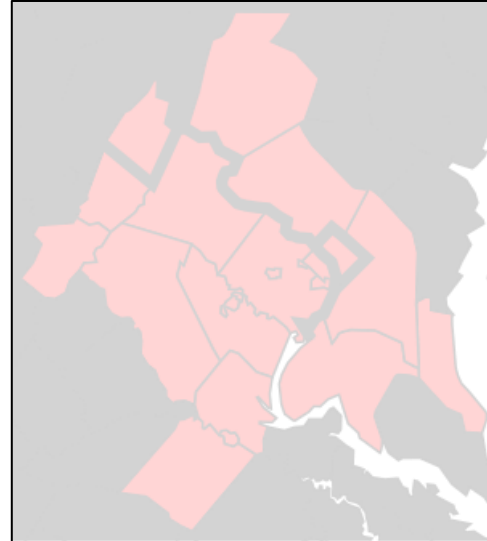
4 Market Area Description

The Subject is located in Baltimore, Maryland.

5.1 Baltimore Overview

Baltimore is the most populous city in the U.S. state of Maryland, as well as the 31st most populous city in the United States, with an estimated population of 586,131 in 2020. Baltimore was designated an independent city by the Constitution of Maryland in 1851, and today is the largest independent city in the United States. As of 2017, the population of the Baltimore metropolitan area was estimated to be just under 2.802 million, making it the 21st largest metropolitan area in the country. Baltimore is located about 40 miles northeast of Washington, D.C., making it a principal city in the Washington–Baltimore combined statistical area (CSA), the fourth-largest CSA in the nation, with a calculated 2018 population of 9,797,063.

With hundreds of identified districts, Baltimore has been dubbed a "city of neighborhoods". Many of Baltimore's neighborhoods have rich histories: the city is home to some of the earliest National Register Historic Districts in the nation, including Fell's Point, Federal Hill, and Mount Vernon. These were added to the National Register between 1969 and 1971, soon after historic preservation legislation was passed. Baltimore has more public statues and monuments per capita than any other city in the country. Nearly one third of the city's buildings (over 65,000) are designated as historic in the National Register, which is more than any other U.S. city.



5.2 Demographics

According to the United States Census, there were 593,490 people living in Baltimore City in 238,436 households as of July 1, 2019. The population decreased by 4.4% since the 2010 Census. Baltimore's population has declined at each census since its peak in 1950.

In 2009, the median household income was \$42,241 and the median income per capita was \$25,707, compared to the national median income of \$53,889 per household and \$28,930 per capita. In Baltimore, 23.7% of the population lived below the poverty line, compared to 13.5% nationwide.

Housing in Baltimore is relatively inexpensive for large, coastal cities of its size. The median sale price for homes in Baltimore in 2012 was \$95,000. Despite the housing collapse, and along with the national trends, Baltimore residents still face slowly increasing rent (up 3% in the summer of 2010). The homeless population in Baltimore is steadily increasing; it exceeded 4,000 people in 2011. The increase in the number of young homeless people was particularly severe.

As of 2015, life expectancy in Baltimore was 74 to 75 years, compared to the U.S. average of 78 to 80. Fourteen neighborhoods had lower life expectancies than North Korea. The life expectancy in Downtown/Seton Hill was comparable to that of Yemen.

5.3 Transportation

The city of Baltimore has a higher-than-average percentage of households without a car. In 2015, 30.7 percent of Baltimore households lacked a car, which decreased slightly to 28.9 percent in 2016. The national average was 8.7 percent in 2016. Baltimore averaged 1.65 cars per household in 2016, compared to a national average of 1.8.

The Interstate highways serving Baltimore are I-70, I-83 (the Jones Falls Expressway), I-95, I-395, I-695 (the Baltimore Beltway), I-795 (the Northwest Expressway), I-895 (the Harbor Tunnel Thruway), and I-97. The city's mainline Interstate highways—I-95, I-83, and I-70—do not directly connect to each other, and in the case of I-70 end at a park and ride lot just inside the city limits, because of freeway revolts in Baltimore. These revolts were led primarily by Barbara Mikulski, a former United States senator for Maryland, which resulted in the abandonment of the original plan. There are two tunnels traversing Baltimore Harbor within the city limits: the four-bore Fort McHenry Tunnel (opened in 1985 and serving I-95) and the two-bore Harbor Tunnel (opened in 1957 and serving I-895). The Baltimore Beltway crosses south of Baltimore Harbor over the Francis Scott Key Bridge.

The only U.S. Highways in the city are US 1, which bypasses downtown, and US 40, which crosses downtown from east to west. Both run along major surface streets; however, US 40 utilizes a small section of a freeway cancelled in the 1970s in the west side of the city originally intended for Interstate 170. State routes in the city also travel along surface streets, with the exception of Maryland Route 295, which carries the Baltimore–Washington Parkway.

Public transit in Baltimore is mostly provided by the Maryland Transit Administration (abbreviated "MTA Maryland") and Charm City Circulator. MTA Maryland operates a comprehensive bus network, including many local, express, and commuter buses, a light rail network connecting Hunt Valley in the north to BWI Airport and Cromwell (Glen Burnie) in the south, and a subway line between Owings Mills and Johns Hopkins Hospital. A proposed rail line, known as the Red Line, which would link the Social Security Administration to Johns Hopkins Bayview Medical Center and perhaps the Canton and Dundalk communities, was cancelled as of June 2015 by Governor Larry Hogan; a proposal to extend Baltimore's existing subway line to Morgan State University, known as the Green Line, is in the planning stages.



The Charm City Circulator (CCC), a shuttle bus service operated by Veolia Transportation for the Baltimore Department of Transportation, began operating in the downtown area in January 2010. Funded partly by a 16 percent increase in the city's parking fees, the circulator provides free bus service seven days a week, picking up passengers every 15 minutes at designated stops during service hours.

Baltimore also has a water taxi service, operated by Baltimore Water Taxi. The water taxi's six routes provide service throughout the city's harbor, and was purchased by Under Armour CEO Kevin Plank's Sagamore Ventures in 2016.

In June 2017, The BaltimoreLink started operating; it is the redesign of the region's initial bus system. The BaltimoreLink runs through downtown Baltimore every 10 minutes via color-coded, high-frequency CityLink routes.

Baltimore is a top destination for Amtrak along the Northeast Corridor. Baltimore's Penn Station is one of the busiest in the country. In FY 2014, Penn Station was ranked the seventh-busiest rail station in the United States by number of passengers served each year. The building sits on a raised "island" of sorts between two open trenches, one for the Jones Falls Expressway and the other for the tracks of the Northeast Corridor (NEC). The NEC approaches from the south through the two-track, 7,660 feet Baltimore and Potomac Tunnel, which opened in 1873 and whose 30 mph limit, sharp curves, and steep grades make it one of the NEC's worst bottlenecks. The NEC's northern approach is the 1873 Union Tunnel, which has one single-track bore and one double-track bore.

Baltimore is served by two airports, both operated by the Maryland Aviation Administration, which is part of the Maryland Department of Transportation. Baltimore–Washington International Thurgood Marshall Airport, generally known as "BWI", lies about 10 miles to the south of Baltimore in neighboring Anne Arundel County. The airport is named after Thurgood Marshall, a Baltimore native who was the first African American to serve on the Supreme Court of the United States. In terms of passenger traffic, BWI is the 22nd busiest airport in the United States. As of calendar year 2014, BWI is the largest, by passenger count, of three major airports serving the Baltimore–Washington Metropolitan Area. It is accessible by I-95 and the Baltimore–Washington Parkway via Interstate 195, the Baltimore Light Rail, and Amtrak and MARC Train at BWI Rail Station.

Baltimore is also served by Martin State Airport, a general aviation facility, to the northeast in Baltimore County. Martin State Airport is linked to downtown Baltimore by Maryland Route 150 (Eastern Avenue) and by MARC Train at its own station.

Water taxis also operate in the Inner Harbor. Governor Ehrlich participated in naming the port after Helen Delich Bentley during the 300th anniversary of the port.

In 2007, Duke Realty Corporation began a new development near the Port of Baltimore, named the Chesapeake Commerce Center. This new industrial park is located on the site of a former General Motors plant. The total project comprises 184 acres in eastern Baltimore City, and the site will yield 2,800,000 square feet of warehouse/distribution and office space. Chesapeake Commerce Center has direct access to two major Interstate highways (I-95 and I-895) and is located adjacent to two of the major Port of Baltimore terminals. The Port of Baltimore is one of two seaports on the U.S. East Coast with a 50-foot dredge to accommodate the largest shipping vessels.

Along with cargo terminals, the port also has a passenger cruise terminal, which offers year-round trips on several lines, including Royal Caribbean's Grandeur of the Seas and Carnival's Pride. Overall five cruise lines have operated out of the port to the Bahamas and the Caribbean, while some ships traveled to New England and Canada. The terminal has become an embarkation point where passengers have the opportunity to park and board next to the ship visible from Interstate 95. Passengers from Pennsylvania, New York and New Jersey make up a third of the volume, with travelers from Maryland, Virginia, the District and even Ohio and the Carolinas making up the rest.

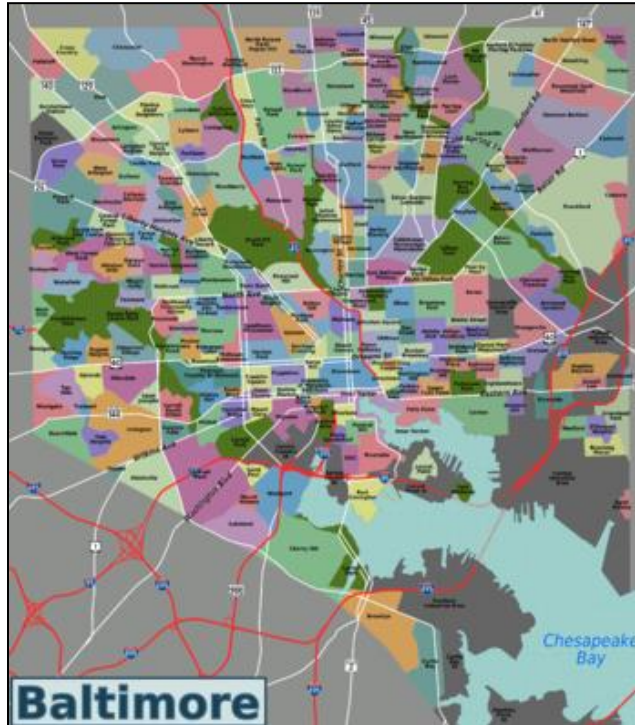
5.4 Geography

Baltimore is in north-central Maryland on the Patapsco River close to where it empties into the Chesapeake Bay. The city is also located on the fall line between the Piedmont Plateau and the Atlantic coastal plain, which divides Baltimore into "lower city" and "upper city". The city's elevation ranges from sea level at the harbor to 480 feet (150 m) in the northwest corner near Pimlico.

According to the 2010 Census, the city has a total area of 92.1 square miles, of which 80.9 sq mi is land and 11.1 square miles is water. The total area is 12.1 percent water.

Baltimore is almost surrounded by Baltimore County, but is politically independent of it. It is bordered by Anne Arundel County to the south.

4.1.1 Neighborhoods



A map of Baltimore with the official city-designated Baltimore neighborhoods, by the Baltimore City Dept. of Planning

Baltimore is officially divided into nine geographical regions: North, Northeast, East, Southeast, South, Southwest, West, Northwest, and Central, with each district patrolled by a respective Baltimore Police Department. Interstate 83 and Charles Street down to Hanover Street and Ritchie Highway serve as the east–west dividing line and Eastern Avenue to Route 40 as the north–south dividing line; however, Baltimore Street is north–south dividing line for the U.S. Postal Service. It is not uncommon for locals to divide the city simply by East or West Baltimore, using Charles Street or I-83 as a dividing line or into North and South using Baltimore Street as a dividing line.

4.1.2 Northwest Baltimore

Northwestern is bounded by the county line to the north and west, Gwynns Falls Parkway on the south and Pimlico Road on the east, is home to Pimlico Racecourse, Sinai Hospital, and the headquarters of the NAACP. Its neighborhoods are mostly residential and are dissected by Northern Parkway. The area has been the center of Baltimore's Jewish community since after World War II. Notable neighborhoods include Pimlico, Mount Washington, and Cheswolde, and Park Heights.

4.2 Economy

Once a predominantly industrial town, with an economic base focused on steel processing, shipping, auto manufacturing (General Motors Baltimore Assembly), and transportation, the city experienced deindustrialization which cost residents tens of thousands of low-skill, high-wage jobs. The city now relies on a low-wage service economy, which accounts for 31% of jobs in the city. Around the turn of the 20th century, Baltimore was the leading US manufacturer of rye whiskey and straw hats. It also led in refining of crude oil, brought to the city by pipeline from Pennsylvania.

As of March 2018, the U.S. Bureau of Labor Statistics calculates Baltimore's unemployment rate at 5.8% while one quarter of Baltimore residents (and 37% of Baltimore children) live in poverty. The 2012 closure of a major steel plant at Sparrows Point is expected to have a further impact on employment and the local economy. The Census Bureau reported in 2013 that 207,000 workers commute into Baltimore city each day. Downtown Baltimore is the primary economic asset within Baltimore City and the region with 29.1 million square feet of office space. The tech sector is rapidly growing as the Baltimore metro ranks 8th in the CBRE Tech Talent Report among 50 U.S. metro areas for high growth rate and number of tech professionals. Forbes ranked Baltimore fourth among America's "new tech hot spots". Almost a quarter of the jobs in the Baltimore region were in science, technology, engineering and math as of mid-2013, in part attributed to the city's extensive undergraduate and graduate schools; maintenance and repair experts were included in this count.

4.2.1 Port

The center of international commerce for the region is the World Trade Center Baltimore. It houses the Maryland Port Administration and U.S. headquarters for major shipping lines. Baltimore is ranked 9th for total dollar value of cargo and 13th for cargo tonnage for all U.S. ports. In 2014, total cargo moving through the port totaled 29.5 million tons, down from 30.3 million tons in 2013. The value of cargo traveling through the port in 2014 came to \$52.5 billion, down from \$52.6 billion in 2013. The Port of Baltimore generates \$3 billion in annual wages and salary, as well as supporting 14,630 direct jobs and 108,000 jobs connected to port work. In 2014, the port also generated more than \$300 million in taxes. It serves over 50 ocean carriers making nearly 1,800 annual visits. Among all U.S. ports, Baltimore is first in handling automobiles, light trucks, farm and construction machinery; and imported forest products, aluminum, and sugar. The port is second in coal exports. The Port of Baltimore's cruise industry, which offers year-round trips on several lines supports over 500 jobs and brings in over \$90 million to Maryland's economy annually. Growth at the port continues with the Maryland Port Administration plans to turn the southern tip of the former steel mill into a marine terminal, primarily for car and truck shipments, but also for anticipated new business coming to Baltimore after the completion of the Panama Canal expansion project.

Figure 5-1, Baltimore Unemployment Rate

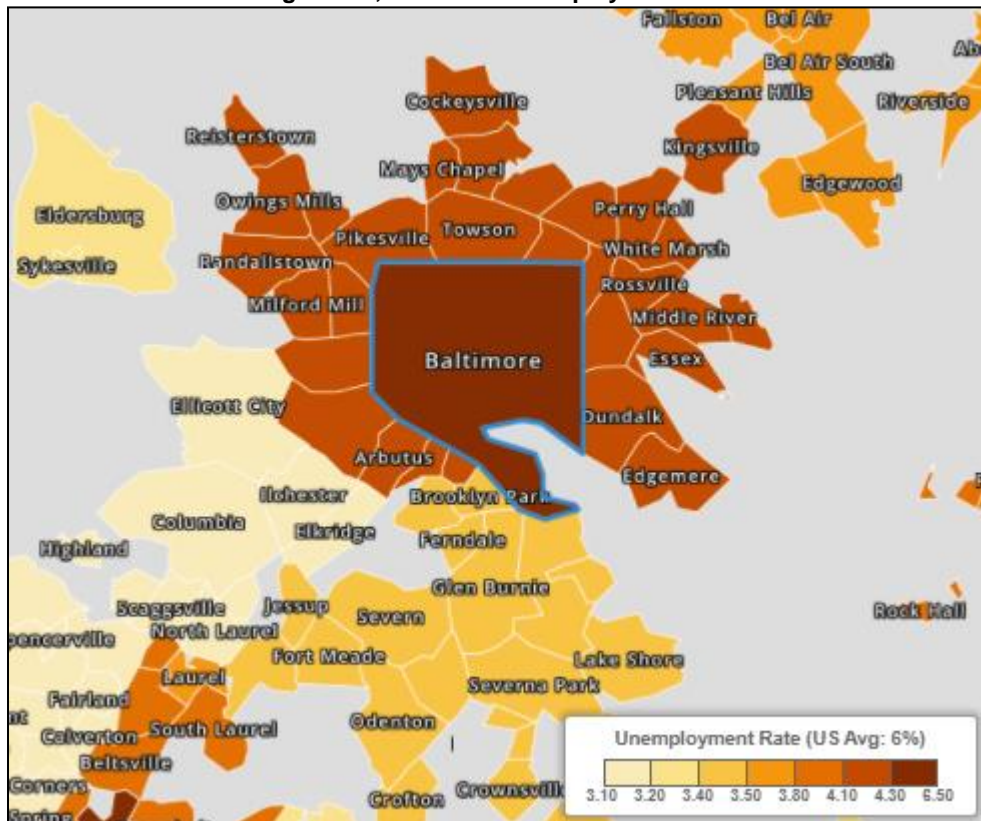


Figure 5-2, Baltimore Median Household Income

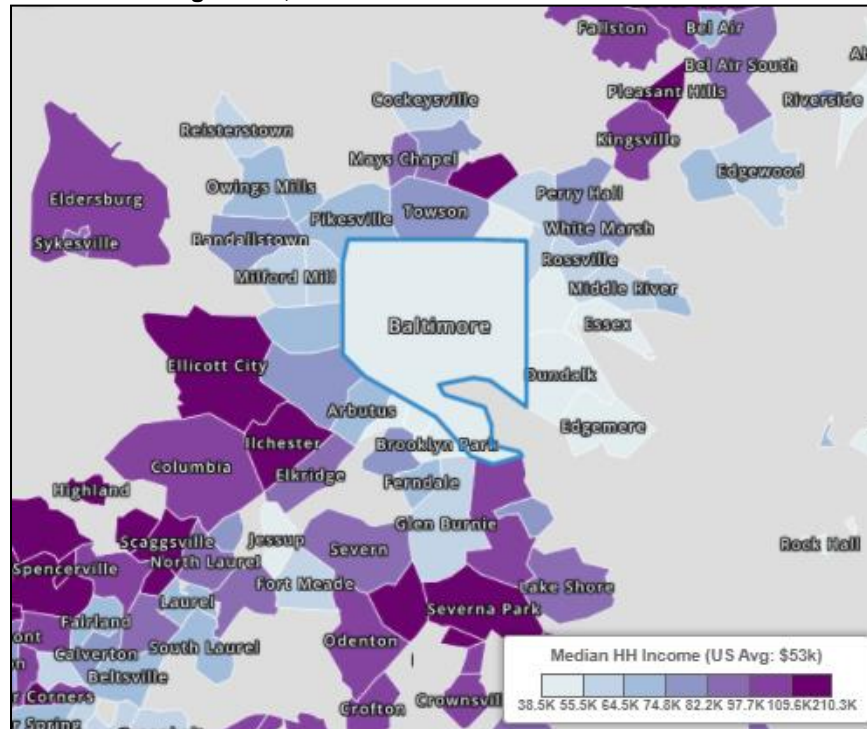
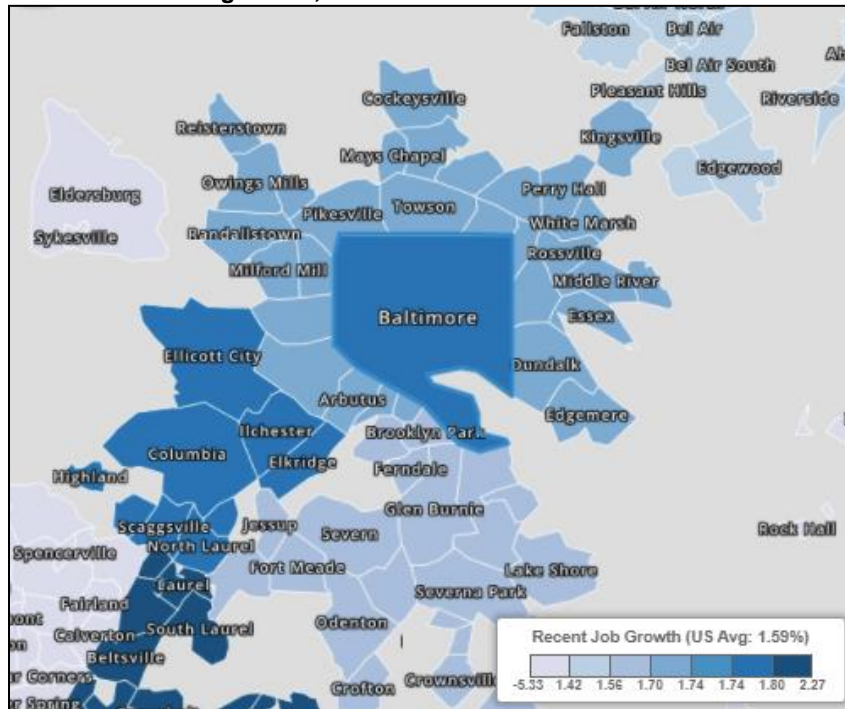


Figure 5-3, Baltimore Recent Job Growth



Additional demographic reports data including the latest Census regarding the Subject's market area run by Esri has been saved to the workfile.

5 Market/Industry Analysis

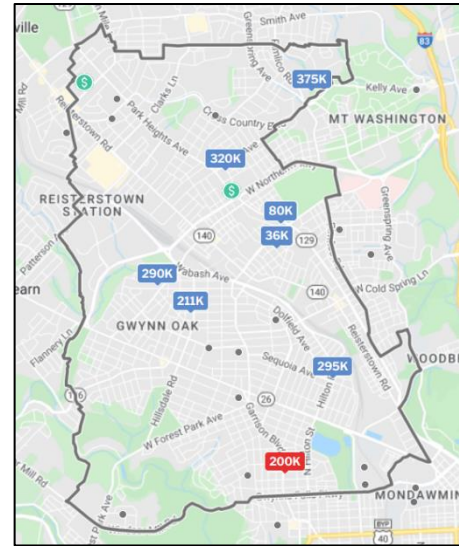
5.1 Single-Family Northwestern Baltimore Housing Market

Over the past five years the prices of single-family homes in the Northwestern Baltimore Housing Market have been steadily increasing. In March 2022, Northwestern Baltimore single-family home prices were up 11.1% compared to last year. The median price of a single-family home was \$280,000. Approximately eighty-three homes were sold with a median of forty-four days on market.

Currently approximately 44% of residential dwellings are owned, 36% are rented, and 20% are vacant. The annual residential turnover is approximately 15%. Approximately 41% of residents have 5+ years of residency with a median year in residency of 4.15.

Source: Redfin, Weichert

Our Subject is located in the Midtown Edmondson neighborhood. This neighborhood has not performed as well as other neighborhoods in Baltimore City.



Baltimore Metro Area March 2022 Market Overview

Baltimore Market Key Findings			
	March 2022	vs. March 2021	vs. Feb 2022
Median Sales Price	\$340.0K	▲ +7.9%	▲ +6.3%
Closed Sales	3,584	▼ -1.7%	▲ +37.9
New Pending Sales	4,348	▼ -8.8%	▲ +28.1%
New Listings	4,948	▼ -2.1%	▲ +43.3%
Median Days on Market	6	▼ -1	▼ -4
Showings	106,186	▼ -13.9%	▲ +20.5%
Months of Supply	0.7	▼ -8.0%	▲ 13.6%

Rising prices showed no signs of slowing in March with the spring market underway. The monthly median sale price jumped 8% from a year ago. Buyers should expect more price increases, as the median price of a new listing rose 6%. The market saw a seasonal rise in new listings. While buyers are hunting for homes, fewer showings took place than a year ago as inventory tightens. However, there are indications of how this year's market will be different than last year: lower home demand and inventory translated to lower new pending homes sales. There are also early signs that rising interest rates may be impacting the market as more inventory stayed up for sale at month-end. Condos had 'High' buyer demand, as sales rose 3%. Condos were also the only home type with more new listings than a year ago, growing faster than other housing types.

March	2022	Median	Sales	Price
	March '22	vs. March '21	vs. March '20	YTD '22 vs. YTD '21
Anne Arundel County	\$440.2K	7.6%	17.4%	\$425.0K 7.6%
Baltimore City	\$222.0K	12.0%	27.6%	\$210.0K 10.5%
Baltimore County	\$305.0K	9.7%	20.6%	\$300.0K 8.7%
Carroll County	\$404.3K	6.4%	22.5%	\$400.0K 10.0%
Harford County	\$329.9K	16.6%	25.3%	\$325.0K 14.0%
Howard County	\$522.5K	13.4%	22.9%	\$475.0K 6.7%
Baltimore Metro	\$340.0K	7.9%	16.4%	\$325.0K 6.4%

March 2022 Closed Sales

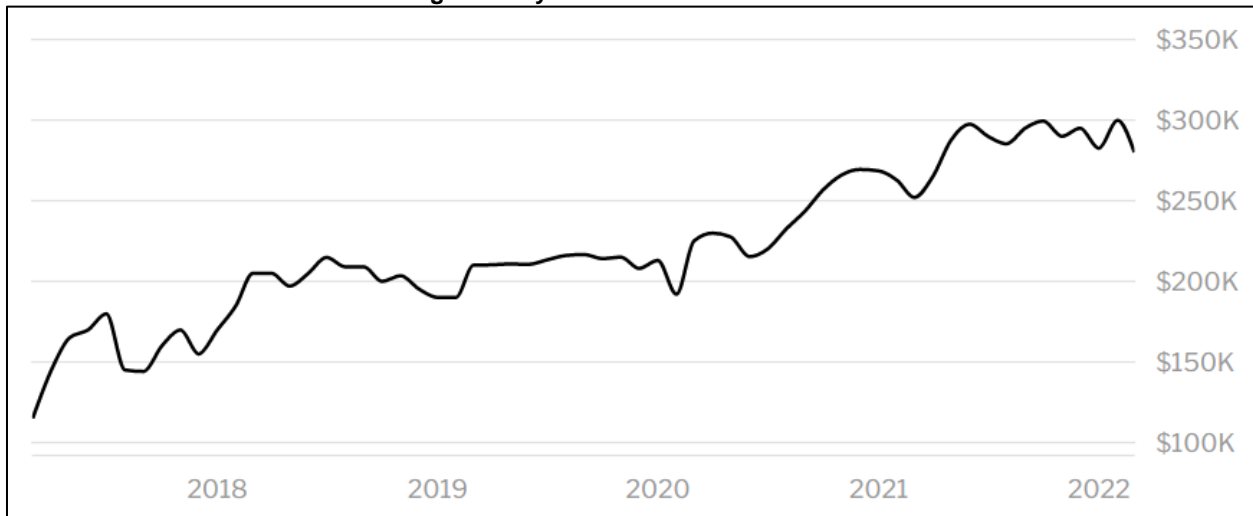
	March '22	vs. March '21	vs. March '20	YTD '22	vs. YTD '21
Anne Arundel County	839	-8.0%	-2.2%	1,989	-15.3%
Baltimore City	985	3.6%	42.1%	2,543	1.4%
Baltimore County	918	N/C	12.9%	2,395	-1.5%
Carroll County	194	15.5%	-4.4%	467	-2.9%
Harford County	318	-9.4%	6.0%	800	-12.1%
Howard County	330	-4.9%	2.2%	799	-10.4%
Baltimore Metro	3,584	-1.7%	12.4%	8,993	-6.0%

Baltimore Metro Ten Year Trends, Median Sales Price by Housing Type

	Med Sale \$	Detached: All	Attached: All	Townhomes	Condo / Co-op
Mar 2013	\$228.5K	\$290.0K	\$172.0K	\$164.0K	\$182.5K
Mar 2014	\$227.5K	\$300.0K	\$173.0K	\$165.4K	\$187.5K
Mar 2015	\$230.1K	\$285.0K	\$170.0K	\$163.8K	\$180.0K
Mar 2016	\$237.4K	\$290.5K	\$190.0K	\$186.0K	\$199.0K
Mar 2017	\$245.0K	\$306.5K	\$194.8K	\$189.0K	\$210.0K
Mar 2018	\$259.0K	\$325.0K	\$205.0K	\$205.0K	\$200.6K
Mar 2019	\$264.0K	\$329.9K	\$210.0K	\$210.8K	\$205.0K
Mar 2020	\$292.0K	\$371.0K	\$220.0K	\$225.0K	\$210.2K
Mar 2021	\$315.0K	\$396.0K	\$245.0K	\$250.0K	\$235.0K
Mar 2022	\$340.0K	\$430.0K	\$263.8K	\$261.0K	\$270.0K

Source: Bright MLS

Prices of Single-Family Homes from March 2017-March 2022



Source: Redfin.com

5.2 Baltimore City Interviews

For the purpose of this appraisal, we have spoken with various people who are familiar with the market area of Baltimore City, MD. Phone calls with each of these representatives have relayed similar opinions about values of residential homes and residential land and the poor health of the real estate market.

Kevin Jackson is the assessor who had last done the assessments in Midtown Edmonson, the neighborhood of where the Subject is located. He had relayed that there have been no effects on value due to COVID-19 in the neighborhood. A significant number of homes in the neighborhood are in poor to fair condition. Many sales in the area are distressed sales. Assessments for improved residential properties have been assessed at a maximum of \$7,000 to \$15,000. We assume that this is for row homes which are in occupiable condition. Furthermore, Mr. Jackson reports that values in Baltimore City vary by and block to block basis. The values can change drastically from turning a corner. Generally, blocks where more row homes are occupied are more desirable and higher in value than blocks with more unoccupied row homes, which further perpetuates differences in value.

Chad Hayes is the Western District Planner and City Planner Supervisor in the Department of Planning for the City of Baltimore. He has relayed that many of the sales in western Baltimore are sold both on the market through auction. There are not many individual vacant lot sales but when there is, they are usually sold to adjacent existing vacant lot owners. Mr. Hayes reports that there is limited development but he has shared information on four larger land acquisitions for residential development as follows. All of these developments are a few miles from the Subject and located in different neighborhoods. Values in Baltimore City vary by a block-to-block basis.

Pia Heslip is the Executive Director at One House At A Time, Inc, a nonprofit organization that assists with rehabilitating vacant and nuisance properties in Baltimore. Pia is familiar with auction sales of properties in Baltimore City of properties and overall trends in the area. She has shared that neighborhoods in Baltimore vary drastically and even on a block-by-block basis. Properties that sell with assistance from her organization often have tax liens on them. Once the property sells, the sale proceeds either pay off the lien amount in order for the property to sell free and clear, or Baltimore City is able to clear the amount of liens on the property.

Various appraisers, brokers, listing/selling agents have been contacted and interviewed to learn further competency on Baltimore's real estate market and during the verification process of sales data. Many have shared that Baltimore residential properties vary on a block-by-block basis. They have also stated that auction sales occur just as often as regular sales and generally reflect the same market value.

5.3 Market Industry Conclusion

The demographic and analytic information above shows a positive outlook for residential properties Baltimore City, MD. Market rents and sales for industrial properties are gradually increasing. However, the neighborhood, Midtown Edmonson, is increasing at a slower rate than other neighborhoods in Baltimore City as development has been slow overall. Most vacant lots are on hold in interim until the market recovers and is ready for development.

6 Subject Property Description**Property Name:** 1006 N Payson Street**Property Address:** 1006 N Payson Street, Baltimore, MD 21217**Parcel Number (block/lot):** 16-05-0057-004. A metes and bounds description was not available via public record.**Location/Cross Street:** The Subject is located on N Payson Street, between Mosher Street and Riggs Avenue.**6.1 Land Description****Summary Description:** The Subject site is approximately 1,120 square feet, or 0.026 acres, in size. It is rectangular in shape and has the dimensions of 14 feet by 80 feet. The land is flat and level. The Subject is zoned R-8 high density residential, allowing single-family and multi-family dwellings.

The Subject has fourteen feet of frontage along N Payson Street. The improvements have little set back from the sidewalk and the street. The property does not have on-site parking.

There are typical public utilities available for water, sewer, gas, and electricity. The Subject has no unusual soils. The minerals at the Subject are unknown and none have been reported. None are known to be in this vicinity. There are no major easements that would impact the value of the Property. There may be local utility easements that would be considered insignificant.

Parcel Shape/ Topography: Flat and level. Rectangular in shape.**Land Area:** 1,120 square feet, or 0.026 acres**Zoning/Use/ Approvals:** Zoning Class: R-8, High density residential
Zoning Class Description: The Subject is zoned R-8 high density residential, allowing single-family and multi-family dwellings. Zoning ordinance allows "traditional form of urban rowhouse. Continuous rowhouse development along full blocks built to or only modestly set back from the street. Also accommodates other residential types of a similar density. Limited non-residential uses." There is a minimum lot area of 750 feet for rowhouse uses and maximum yard coverage of 80 percent. There is no minimum setback requirement from the front, sides or rear of the property.**Wetlands/Other Use Restrictions:** We were not given a wetland survey to review. We assume no wetlands issues**Site Utility:** The site is adequate in shape and size for use and development as a single-family row home.**6.2 Improvement Description****Summary Description:** The Subject is currently improved with a two-story interior row home. It has been confirmed through public record that the structure was built in 1920 and was a three-bedroom, one-bathroom row home. The interior row home had two stories and an unfinished basement and was boarded up at the time of the inspection. It has been assumed that the property is in fair condition.**Building Type / Construction:** The Subject is an interior row home in fair condition. It is made with brick/masonry construction with low bearing masonry walls and a flat roof. The exterior walls are brick. There are no other site improvements.**6.3 Mechanical Detail****Heating Ventilation Air Conditioning (HVAC):** It has been reported by the assessor that row homes in this area do not have HVAC.

Plumbing: The plumbing system appeared to be in average condition.
Electrical Service: The electrical system appeared to be in average condition.

Security: None.

6.4 Deferred Maintenance and Detrimental Conditions

Overall Condition and Quality: The overall property condition was fair.
 The overall property quality was average for this class of property and market area.

Detrimental Conditions: None noted.

6.5 Environmental

Environmental Detriments: We know of no environmental, toxic, or hazardous substances issues at the Subject. None were reported to us by the Client or the site owners or managers. We observed no evidence of environmental, toxic, or hazardous substance issues during our inspection of this site. However, we are not trained to perform technical environmental inspections. This Appraisal assumes no environmental, toxic, or hazardous substances issues exist at the Subject.

6.6 Legal

Deed/Contract Restrictions: No other restrictions are known. ADA issues were not investigated. We assume that no ADA issues are negatively affecting the Property.

6.7 Adequacy

Physical: The land and building are in adequate condition for occupiable use.
Functional: No functional obsolescence was observed.
Economic: No economic obsolescence was observed.

6.8 Subject Transaction History

Property Owner: Yvette and George G Wormley

Sales History and Analysis: The Subject was not sold within the last ten years.
 According to public record, the last sale of the Subject was an arm’s length transaction of \$10,000 on June 26, 2003 from Samuella C. Scott. The Subject is not currently being offered for sale.

Leasing History and Analysis: The Subject is not currently leased to a tenant. We were not provided with a copy of the lease to analyze.

6.9 Property Tax History

Figure 6-1, Assessment History

	Base Value	Value Information		
		Value As of 01/01/2021	Phase-in Assessments	
			As of 07/01/2021	As of 07/01/2022
Land:	1,000	1,000		
Improvements	4,000	6,000		
Total:	5,000	7,000	5,667	6,333
Preferential Land:	0	0		

Based on the value conclusions of this report, we believe that the property owner benefits from a lower tax assessment.

Figure 6-2, Photographs of Subject

- 1) Front view of Subject. Picture taken facing west.

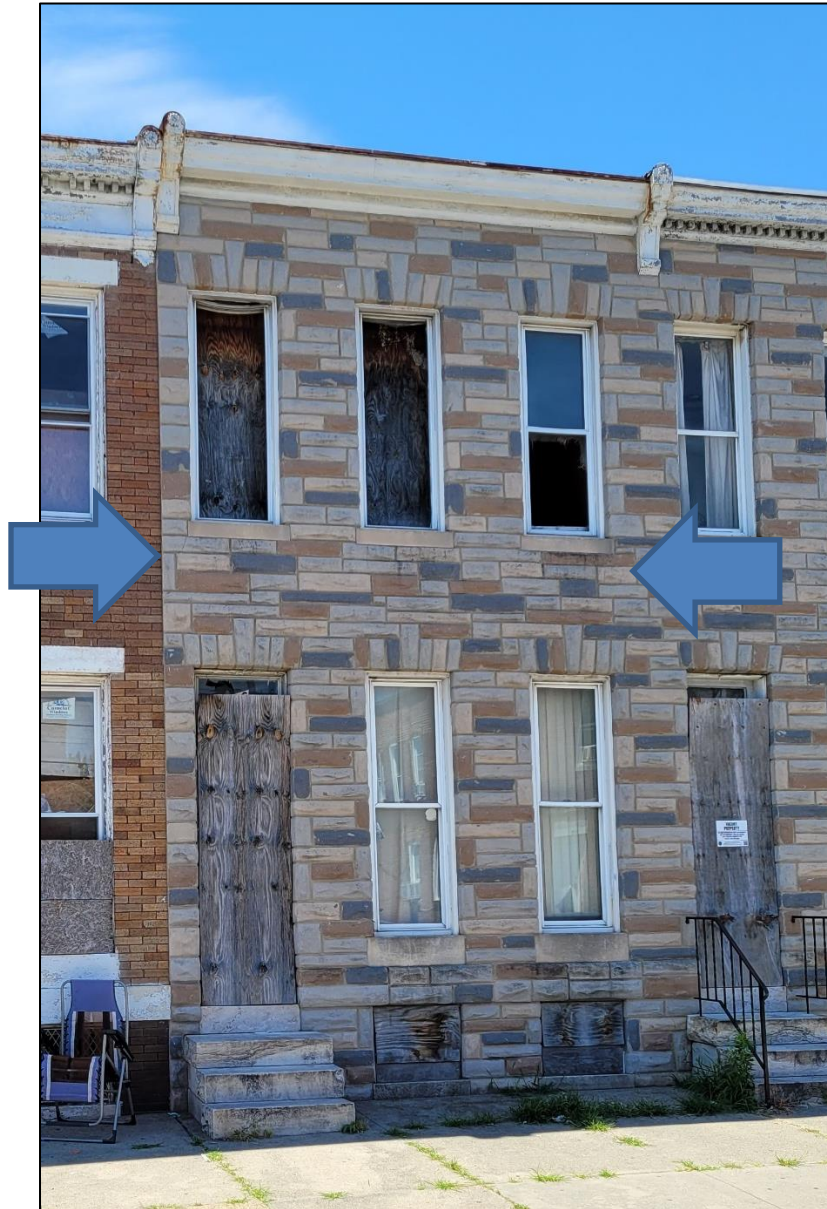


Figure 6-3, Street Views of Subject

- 2) Street view of Subject on the right side of the street. Picture taken facing south.



- 3) Street view of Subject on the left side of the street. Picture taken facing north.

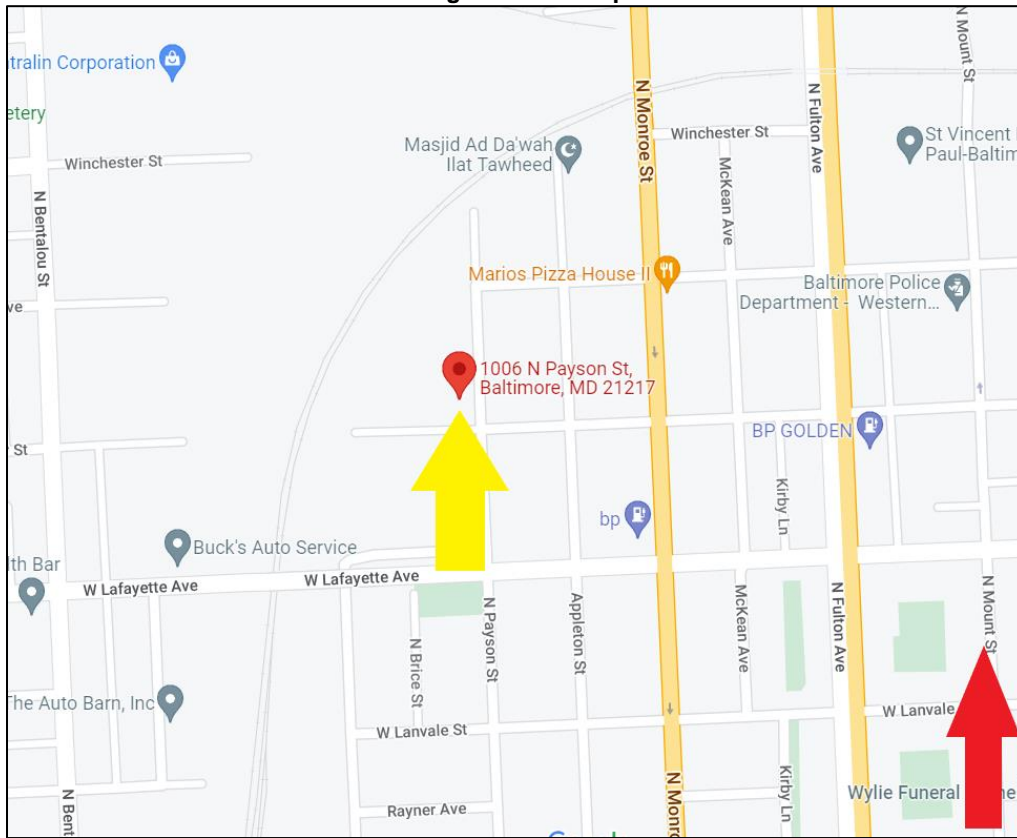


All photos were taken by Mark Pomykacz on June 20, 2022.

Plot Map



Figure 6-4, Location Maps
Neighborhood Map



Area Map

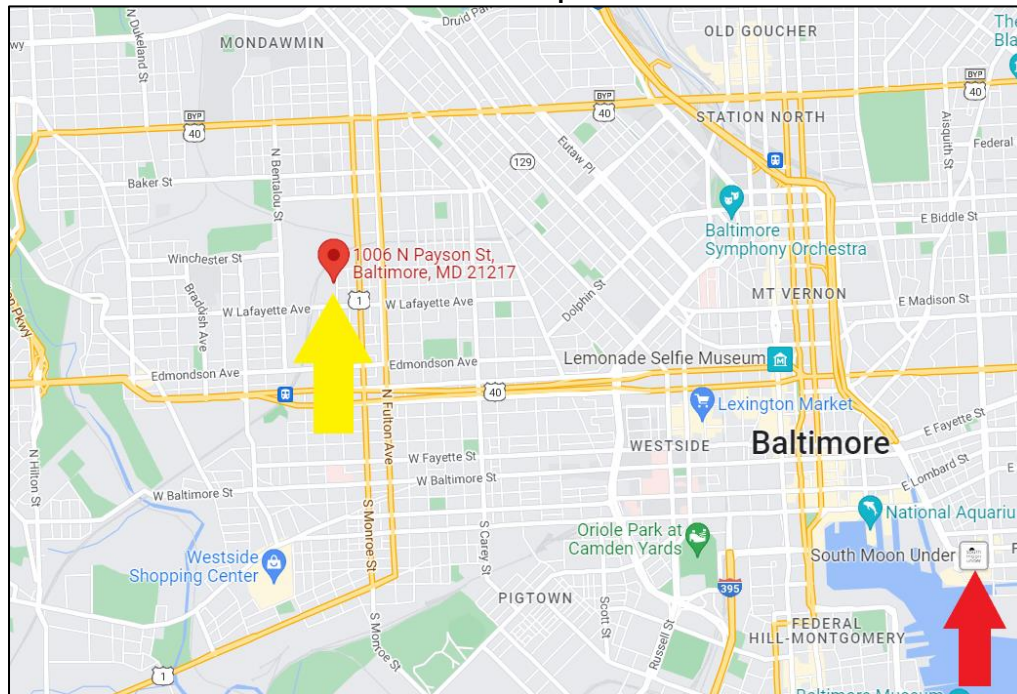


Figure 6-5, Satellite Photograph of Subject



Figure 6-6, Site Map/Survey of Subject/Tax Map

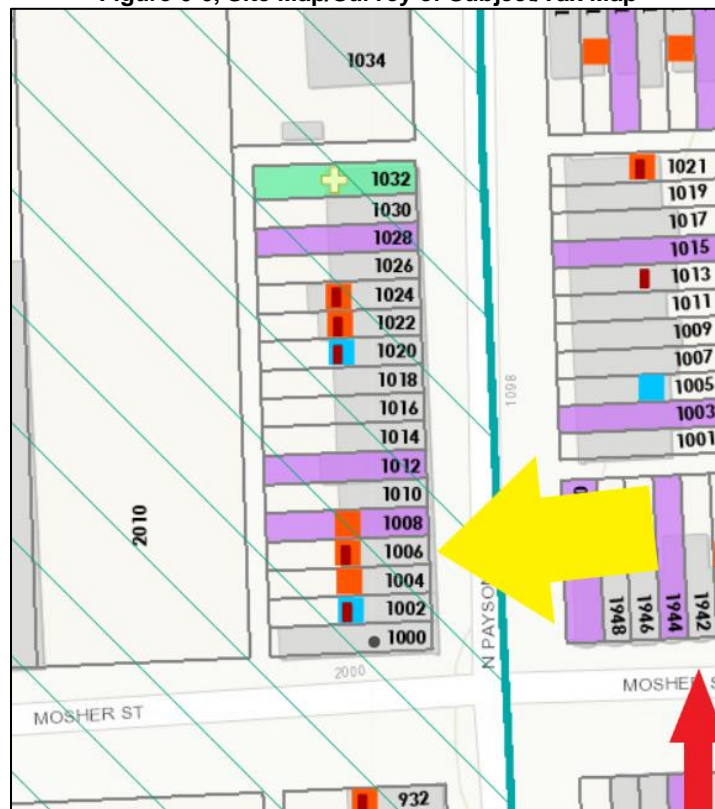


Figure 6-7, Wetlands Map of Subject



Figure 6-8, Flood Map of Subject



FEMA Flood Map 2400870017E, effective 2/2/2012. Map is unmapped by FEMA, however, no flooding known in the vicinity.

7 Highest and Best Use Analysis

In order to estimate the market value of a property, the appraiser must identify the highest and best use of the property, and must assume such highest and best use as the premise of value. Other types of value may assume other uses.

The 2022-23 Uniform Standards of Professional Appraisal Practice unequivocally states the imperative of appraising market value only under the assumption of the highest and best use, in Standards Rule 1-3 (b). An appraiser must analyze the relevant legal, physical, and economic factors to the extent necessary to support the appraiser's highest and best use conclusions(s). The highest and best use is the reasonably probable use of a property that results in the highest value. It must meet four criteria: legal permissibility, physical possibility, financial feasibility, and maximum productivity.

7.1 The Four Criteria

There are four basic criteria that are considered and analyzed in determining the highest and best use of a property:

1. **Physically possible.** What uses are physically possible given the constraints of the size and physical characteristics of the site?
2. **Legally permissible.** What uses are permitted by zoning or other restrictions (i.e. deed restrictions) on the property?
3. **Financially feasible.** Of the physically possible and legally permitted uses, which are financially feasible in that they will produce a net return to the property owner?
4. **Maximally productive.** Of the financially feasible uses, which use will produce the highest net return, or result in the highest present value of the property?

To utilize these four criteria effectively, they must be considered in terms of what is reasonably probable.

7.2 Highest and Best Use Conclusions

7.2.1 As if Vacant Land

When analyzing the Subject's highest and best use, we have considered the market demand² of parcels similar to the Subject, as this appraisal is intended to comply with UASFLA (Yellowbook) guidelines, Sections 2.3.3.1, 2.3.3.1.1 and 2.3.3.1.2.

The highest and best use of the land, as if vacant and available for redevelopment, would be for development as a single-family dwelling, as is consistent with local zoning, subject to reasonably probable changes. This is consistent with adjacent property types (assuming no environmental or other issues). The use would be physically possible and legally permissible. The surrounding neighborhood is all residential row homes. The zoning legally allows residential dwellings with no setback limitations. However, given the very poor economics of the market area, it is not financially feasible to develop a single-family dwelling at this time. Therefore, the maximally productive use of the Subject may to be hold the Subject as vacant land, as an interim use, for future development.

7.2.2 As Improved

The highest and best use of the Subject, as improved, as of the Effective Date, would be for continued use of the property, as a single-family dwelling, as this use is physically possible, legally permissible, economically feasible, and all other uses would not be maximally productive.

² Market Demand is further described in the Uniform Appraisal Standards for Federal Land Acquisitions, 2016 edition by the Appraisal Foundation under section 4.3.2.2 Market Demand.

8 Approaches to Value

There are three approaches to valuing real estate and other capital assets: the Cost Approach, the Sales Comparison Approach (sometimes referred to as the Market Data Approach), and the Income Approach. After completing all appropriate approaches, the appraiser reconciles the various indications to derive a value conclusion for the property. Fundamental underlying assumptions and basic methodology involved in each approach and the reconciliation are summarized in this section.

8.1 Application of the Three Approaches to Value

The valuation process is applied to develop a well-supported estimate of a defined value based on an analysis of pertinent general and specific data. Appraisers develop an opinion of property value with specific appraisal procedures which reflect three distinct methods of data analysis – cost, sales comparison, and income capitalization. One or more of these approaches are used in all estimates of value. The approaches employed depend on the type of property, the intended use of the appraisal, and the quality and quantity of data available for analysis.

All three approaches are applicable to many appraisal problems, but one or more of the approaches may have greater significance in a given assignment. For example, the sales comparison approach is usually emphasized in the valuation of single-unit residential properties. However, this approach may not be applicable to specialized properties such as garbage disposal plants because comparable data may not be available. The income capitalization approach is used to value most income producing properties, but it can be particularly unreliable in the market for commercial or industrial property where owner-occupants outbid investors. The income capitalization approach is not typically applied in valuing homes. The cost approach may be more applicable to new and special-purpose properties and less applicable in valuing properties with older improvements that suffer substantial depreciation, which can be difficult to estimate. Appraisers should apply all the approaches that are applicable and for which there is data. The alternative value indications derived can either support or refute one another.

When all three approaches have been used, the appraiser examines the three, separate indications. The relative dependability and applicability of each approach are considered in reconciling the value indications into a final estimate of value. In the reconciliation section of the report, the appraiser can explain variations among the indications produced by the different approaches and account for any inconsistencies between the value conclusions and methods applied.

8.2 Cost Approach

In the cost approach, the cost to develop a property is compared with the value of the existing property or a similarly developed property. When applicable, the cost approach reflects the thinking of market participants by recognizing that market participants sometimes relate value to cost. Market participants tend to judge the value of an existing structure by considering the prices of and incomes from similar assets and the cost to create a new building with comparable physical conditions and functional utility. Market participants adjust the prices they are willing to buy, sell or rent by estimating the costs to bring an existing structure up to the physical condition and functional utility they desire.

Cost Approach: A set of procedures through which a value indication is derived for the fee simple estate by estimating the current cost to construct a reproduction of (or replacement for) the existing structure, including an entrepreneurial incentive or profit; deducting depreciation from the total cost; and adding the estimated land value. Adjustments may then be made to the indicated value of the fee simple estate in the subject property to reflect the value of the property interest being appraised.

8.3 Sales Comparison Approach

The sales comparison approach is based on the principle of substitution, which states that buyers and sellers will not pay more for or sell for less than, respectively, what other similar properties sell for. The sales comparison approach is the process by which a market value estimate is derived by analyzing the sales of similar property and comparing these properties to the appraised property. Often property characteristics that differ between a subject property and comparable sales properties are analyzed in the sales comparison approach to determine the adjustments to be made to the prices of comparable property. The comparative techniques of analysis applied in the sales comparison approach are fundamental to the valuation process and are used in the other approaches as well.

Sales Comparison Approach: “The process of deriving a value indication for the subject property by comparing sales of similar properties to the property being appraised, identifying appropriate units of comparison, and making adjustments to the sale prices (or unit prices, as appropriate) of the comparable properties based on relevant, market derived elements of comparison. The sales comparison approach may be used to value improved properties, vacant land, or land being considered as though vacant when an adequate supply of comparable sales is available.”

8.4 Income Approach

The income capitalization approach is based on the principle of anticipation, which means that market participants desire property for their future benefits. For a property that generates income, the value of the property is derived from the anticipation of receiving the income.

Income Capitalization Approach: “Specific appraisal techniques applied to develop a value indication for a property based on its earning capability and calculated by the capitalization of property income.” The direct capitalization and yield capitalization or discounted cash flow (DCF) analysis fall under the income approach.

8.5 Reconciliation

The last phase of any valuation assignment in which two or more value indications are concluded is the reconciliation phase. In this phase, the various value indications are reconciled into a final value opinion, which may be either a final range of value or a single point estimate. Additionally, a reconciliation process may be needed at end of various appraisal analyses when a conclusion is needed from among more than one indication. For example, an appraisal may include a rental comparison analysis and various rental market surveys and averages. The appraiser may need to reconcile the comparison analysis with the surveys and averages to conclude a market rent which will be part of the formal income approach.

8.6 Approaches Applied in this Appraisal

In conformity with market forces and appraisal doctrine, we have attempted to employ the three traditional approaches to value: sales comparison, income, and cost approaches to estimate the market value of the Subject.

8.6.1 Unit Rule and Adjustments

Uniform Appraisal Standards for Federal Land Acquisitions (UASFLA Yellowbook) requires a determination and analysis of the larger parcel. The Subject will be a full taking of the fee simple interest. The Subject operates as its own economic unit and is therefore the larger parcel..

8.6.2 The Improved Property Sales Comparison Approach – Employed

The sales comparison approach is considered a reliable approach for appraising improved properties, in this market area and time. It is the traditional and customary approach to appraise improved properties, such as residential properties. Adequate reliable sales comparison data could be found, which credible and appropriate value conclusion could be made.

8.6.3 The Cost Approach – Not employed

After considering the cost approach we did not employ the cost approach in this Appraisal as it would not yield a reliable indication of value for this asset type at this time. The cost approach is typically not completed and relied upon in this market for this asset type. The issues with the cost methodology for this asset currently include difficulties estimating cost new, land value, physical depreciation, functional obsolescence and/or economic obsolescence. After full consideration, we did not employ the cost approach.

8.6.4 The Income Approach - Not employed

The income approach is not considered a reliable approach for appraising this kind of asset, in this market area and time. Adequate reliable income and expense data could not be found, without which credible and appropriate value conclusion could not be made. The income approach is typically not completed and relied upon in this market for this asset type. After full consideration, we did not employ the income approach.

9 Improved Property Sales Comparison Approach

9.1 Introduction

The sales comparison approach is a traditional appraisal technique that is most useful when a number of similar assets have been sold in the market, and when details on those assets and sale transactions are publicly available for analysis. This approach arrives at an estimate of value for a subject property by comparing the sale price of similar (comparable) assets. This is a classic example of the principle of substitution. When a purchaser could acquire a number of competing properties with similar utility and desirability, the purchaser will not choose to pay more to acquire the subject than the reasonable market value of a substitute property. Likewise, the seller of a property will understandably not accept an offer below the sale price obtained for similar properties.

Research for comparable assets that have sold rarely yields transactions that are identical to the subject property in all major value-impacting categories. For those sales not perfectly similar to the subject property, common, and standard appraisal practice requires a reconciliation of the differences between the major value-impacting characteristics of the subject property and those of the comparables. This reconciliation is known as the adjustment process.

9.2 Transaction/Comparable Data Universe

We have researched the market area for sales of properties with characteristics similar to the Subject. The search included a search of the sales databases such as CoStar, LoopNet, the local Multiple Listing Service, assessor's records, market participants and other sources.

The best sales comparables must be arms-length, recent, and similar to the subject in terms of physical, economic and locational characteristics. An important qualification of each comparable sale was the level of supporting data that is publicly available. It is common for a significant number of transactions to be excluded from the sales comparison approach. Common disqualifiers include a lack of supporting data and partial interest differences or being outside the geographic market area or being sales that date back to different market periods.

The sales are compared to the subject, and adjustments are applied for dissimilarities. Adjustments are made for differences, which include legal conditions of sale, the change in market conditions, location, quality, condition, size, zoning, and development potential, among other items. A "pairing process" is applied when practical to estimate the adjustments. The "pairing process" isolates the characteristic (dissimilarity) for which an adjustment is to be derived by comparing two sales, which are similar in all respects except for which an adjustment is to be derived. The "pairing process" is employed to extract objectively the appropriate adjustments directly from the marketplace. However, this method is not always reliable due to the difficulty in isolating a specific dissimilarity and because the other value differences may offset or compound the apparent adjustment indicated. Another method to estimate adjustments is to appeal to demographics and economic trends. For example, appraisers sometimes base time adjustments for office building sales on the trends in office space rental rates, and sometimes base location adjustments for commercial property on differences in rental rates in different locations. Consequently, we have augmented the paired sales analysis with our professional experience and reasoned judgment, supported, when possible, with other data, observations, and analysis.

9.3 Comparable Properties

We selected several recent sale transactions as the basis of comparison. The primary details on each of the comparables are show in Figure 9-3, Improved Property Sales Adjustment Grid, on page 33. Details of the comparable properties are found in Appendix Improved Property Sales Information.

9.4 Comparable Sales

Transactions chosen for inclusion and comparison in our analysis provided the best opportunity to make adjustments that would be critical to the Sales Comparison technique. Although it is difficult to make adjustments for all factors unique to each transaction, a discussion of the various types of adjustments considered for comparable sales analyses is included in our report.

9.5 Sales Comparison Adjustments

A comparable property must be a bona fide sale, recent, and similar to the Subject in terms of legal, economic, and physical characteristics. Physical characteristics include facility design and type, size, expected utility and production levels, efficiency rates, condition, and age, super adequacy, functional utility, quality, and remaining life. Legal and economic characteristics include terms of any contracts, income and expense rates, location, and market specifics. Adjustments fall into the following general categories, but numerous subcategories may exist and be useful: Property rights conveyed; Non-taxable realty/personal components of overall value; Financing terms; Conditions of sale; Market conditions; Physical characteristics; Location; Economic characteristics; and Use and utility.

9.5.1 Properties Rights Conveyed

A transaction price is always predicated on the interests conveyed. In determining the market value of the tangible assets at an asset, it is necessary to look at each comparable sale to determine the bundle of property rights, which of these rights have been conveyed, whether the individual rights in the bundle relate to real property, and whether the sale price includes real, business and/or personal property.

We noted no property rights issues that required adjustments.

9.5.2 Financing Terms

This adjustment, more commonly known as the cash equivalency adjustment, is a procedure whereby sale prices for comparable properties with atypical financing terms are adjusted to reflect cash settlements with more common, market-typical, financing terms. If the sales were assumed to be in cash to the seller, then no adjustment for cash equivalency would be required. If adjustments were necessary, they would probably be negative since special financing usually adds to the value of the comparable.

All of the sales are believed to be sales involving cash to the seller and required no adjustment for cash equivalency.

9.5.3 Conditions of Sale

This adjustment usually reflects the motivation of a buyer and seller and is required when a sale is considered to be non-arm's length. Most commonly this adjustment is needed when either the buyer or seller is under duress to transact quickly. As with financing terms, any divergence in the conditions of a sale is most likely to be considered in investment and business value analyses.

Our research indicates no evidence that the comparable sales are not arm's length transactions or that either the buyers nor the sellers were under duress. Additionally, our research indicates no evidence that any comparable was not available on the open market for an adequate period prior to sale. Furthermore, we have no evidence that any of the comparables were initiated by bankruptcies or liquidation proceedings that cause duress. All the comparable sales were considered arm's length transactions and no unusual motivations were observed except for Sale Four, which was a foreclosure auction. Therefore, a positive adjustment has been reflected in our grid.

9.5.4 Market Conditions (Date of Sale or Time Adjustment)

Market condition adjustments reflect changes in value over time due to fluctuations in the balance of supply, demand, and inflation.

To account for these differences, adjustments were made from the date of sale of each comparable, at a rate of +0.71% per month, or 8.50 percent annually.

This market conditions adjustment was derived from information found on Zillow Home Value Indexes, as shown in Figure 9-1.

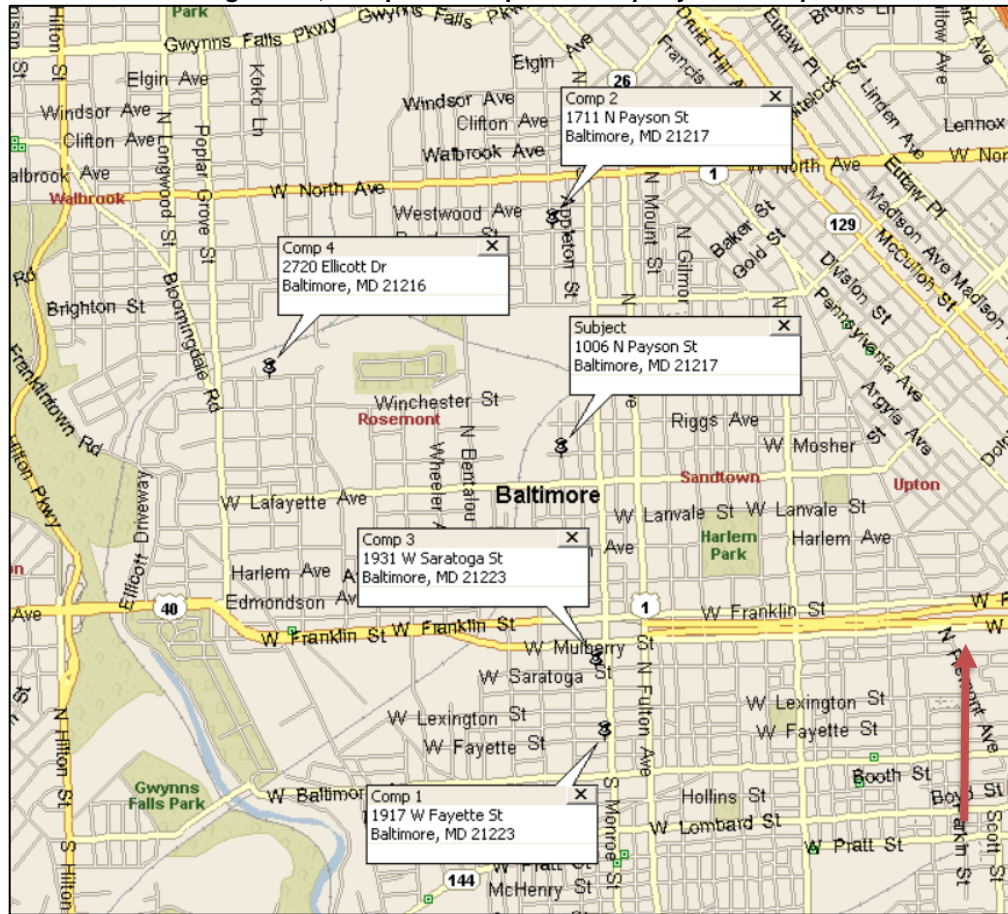
Figure 9-1, Zillow Home Value Index

Zillow Home Value Index							
Baltimore, MD - Single Family Homes							
Year	Month	Home Value Index	Percent Change	Year	Month	Home Value Index	Percent Change
2019	January	\$167,000		2021	January	\$181,000	0.6%
	February	\$169,000	1.2%		February	\$184,000	1.7%
	March	\$170,000	0.6%		March	\$187,000	1.6%
	April	\$170,000	0.0%		April	\$190,000	1.6%
	May	\$169,000	-0.6%		May	\$193,000	1.6%
	June	\$169,000	0.0%		June	\$197,000	2.1%
	July	\$170,000	0.6%		July	\$200,000	1.5%
	August	\$170,000	0.0%		August	\$202,000	1.0%
	September	\$168,000	-1.2%		September	\$204,000	1.0%
	October	\$166,000	-1.2%		October	\$204,000	0.0%
	November	\$165,000	-0.6%		November	\$205,000	0.5%
	December	\$166,000	0.6%		December	\$207,000	1.0%
2020	January	\$167,000	0.6%	2022	January	\$212,000	2.4%
	February	\$168,000	0.6%		February	\$216,000	1.9%
	March	\$169,000	0.6%		Average Change per Month		0.33%
	April	\$170,000	0.6%		Average Change per Year		3.95%
	May	\$170,000	0.0%		Concluded Annual Change		8.50%
	June	\$171,000	0.6%				
	July	\$171,000	0.0%				
	August	\$173,000	1.2%				
	September	\$174,000	0.6%				
	October	\$177,000	1.7%				
	November	\$178,000	0.6%				
	December	\$180,000	1.1%				

9.5.5 Location

The comparables are mapped in the following figure.

Figure 9-1, Comparable Improved Property Sales Map



Adjustments for location are necessary when the locational characteristics of a comparable property are different from those of the subject. Demand for other properties in some locations is higher because of the higher desire for that location.

We have adjusted for location where needed in our Adjustment Grid.

9.5.6 Physical Characteristics

Adjustments for physical characteristics are typically made for design, type, size, expected utility and production levels, condition, age, super adequacy, functional utility, and remaining life. Adjustments for facility condition, super adequacy, and functional utility are subject to depreciation. Because many physical characteristics of the facilities included in comparable sales are not released as public information, adjustments are based on the appraiser’s judgement, or these factors could not be adjusted for.

9.5.6.1 Age/Condition

As assets age they lose value. However sometimes renovations and repairs, or the lack thereof, can disconnect the actual age from the asset’s effective age. This is relative to the condition of other competing assets in the market area.

We have adjusted for age and condition in our Adjustment Grid where needed.

9.5.7 Quality/Design/Appeal

Quality addresses the materials and workmanship of the construction, the design, the functionality, and layout of the comparables and Subject. Quality, like the other general category of adjustments, can be broken down into smaller

subcategories, which we have done where appropriate. Additionally, quality addresses the functionality of the Subject and the comparables.

We have adjusted for quality in our Adjustment Grid where needed. See our Adjustment Grid for details on the category differences between the Subject and each comparable, and for the rate of adjustment.

9.5.7.1 Site Views/Appeal

Residential property values often have different site views and appeal to them depending on the surrounding neighborhood and environment.

We have adjusted for site views/appeal when necessary. See our Adjustment Grid for details on the category differences between the Subject and each comparable, and for the rate of adjustment.

9.5.7.2 Bedrooms/Bathrooms/Below Grade Area/Finish

A primary driver of value for residential properties is the number of bedrooms and bathrooms it has. Below grade (basement) space and finishes also contribute to the desirability and functionality of the property.

We have adjusted for these factors when necessary. See our Adjustment Grid for details on the category differences between the Subject and each comparable, and for the rate of adjustment.

9.5.8 Gross Living Area (Size, SF)

Typically, buyers pay premiums, on a dollar per square foot basis, for smaller properties relative to larger ones partly because the total investment is lower, and there are more buyers competing for the smaller properties. This is the result of the increased competition for the minimum resource desired. For example, many people want homes, and more of these buyers can afford smaller homes than larger ones. For these types of assets, as the size increases the value on a dollar per unit of comparison basis decreases. This is the most common condition of markets. Conversely, some assets become more efficient with size, and thus they have greater value than smaller assets of the same type, because of their reduced operating costs express on a dollar per unit of comparison.

This phenomenon follows a curve; as the size changes from one unit of measure to next, the incremental rate of change in value changes and can be plotted along an exponentially curved line. For this appraisal we have employed the following formula to compute the size adjustment: $\{[(\text{Subject size divided by comparable size}) \text{ to the exponential of } 0.35] \text{ minus } 1\}$ multiplied by -1 . Additionally, we have set a floor on the size of the negative adjustment at -35% . See our Adjustment Grid for details on the differences between the Subject and each comparable, and for the adjustment.

9.5.8.1 Storage/Decks, Patios, Porches/Garage

Additional amenities of residential properties such as additional storage space, enclosed patios, garage and parking spaces all affect the desirability and functionality of a property.

We have adjusted for these factors when necessary. See our Adjustment Grid for details on the category differences between the Subject and each comparable, and for the rate of adjustment.

9.6 Sales Adjustment Grids

The primary details on each comparables are show in the Figure 9-3, Improved Property Sales Adjustment Grid, on page 33. Details of the comparable properties are found in Appendix Improved Property Sales Information.

Figure 9-3, Improved Property Sales Adjustment Grid

	Subject	Comp 1		Comp 2		Comp 3		Comp 4	
Address	1006 N Payson St	1917 W Fayette St		1711 N Payson St		1931 W Saratoga St		2720 Ellicott Dr	
Town	Baltimore, MD	Baltimore, MD		Baltimore, MD		Baltimore, MD		Baltimore, MD	
Property Data									
Proximity To Subject (Miles)									
Data Source/Verification	BrightMLS	BrightMLS		BrightMLS		BrightMLS		BrightMLS	
Closing Date	Jun-2022	May-2022		Feb-2022		May-2022		Mar-2022	
Original List Price		\$49,900		\$25,000		\$25,000		\$35,000	
Sale Price (Active List Price)		\$50,000		\$56,100		\$50,000		\$55,000	
Unadjusted \$ / SF of GLA			\$29		\$45		\$29		\$44
Sale Price % of Original List			100.2%		224%		200%		157%
	<u>Description</u>	<u>Description</u>	<u>Adjustment</u>	<u>Description</u>	<u>Adjustment</u>	<u>Description</u>	<u>Adjustment</u>	<u>Description</u>	<u>Adjustment</u>
Type	SFH	SFH		SFH		SFH		SFH	
Interest Conveyed	Fee Simple	Fee Simple		Fee Simple		Fee Simple		Fee Simple	
Conditions of Sale		Brokered	\$0	Auction	\$0	Auction	\$0	Foreclosure Auction	\$2,000
Market Conditions			\$524		\$1,463		\$536		\$1,294
Location	Average	Average	\$0	Average	\$0	Average	\$0	Average	\$0
Site Views/Appeal	Average	Average	\$0	Average	\$0	Average	\$0	Average	\$0
Quality/Design and Appeal	Average	Average	\$0	Average	\$0	Average	\$0	Average	\$0
Year Built	1920	1900	\$0	1920	\$0	1920	\$0	1932	\$0
Condition	Fair	Fair	\$0	Poor	\$5,000	Fair	\$0	Fair	\$0
Bedrooms	3	3	\$0	3	\$0	3	\$0	3	\$0
Baths	1	1	\$0	1	\$0	1	\$0	1	\$0
Gross Living Area (SF)	1,176	1,700	-\$5,394	1,250	-\$1,162	1,700	-\$5,394	1,236	-\$934
Below Grade Area	Yes	Yes	\$0	Yes	\$0	Yes	\$0	Yes	\$0
Below Grade Finish	No	No	\$0	No	\$0	No	\$0	No	\$0
Functional Utility	Average	Average	\$0	Average	\$0	Average	\$0	Average	\$0
Storage	N/A	N/A	\$0	N/A	\$0	N/A	\$0	N/A	\$0
Decks/Patio/Porches	Yes	Yes	\$0	No	\$500	No	\$500	Yes	\$0
Garage	No	No	\$0	No	\$0	No	\$0	No	\$0
Net Adjustments (total)	-		-\$4,870		\$5,801		-\$4,359		\$2,359
Gross Adjustments			\$5,394		\$6,662		\$5,894		\$934
Adjusted Sale Price			\$45,130		\$61,901		\$45,641		\$57,359
Adjusted Sale Price PSF			\$27		\$50		\$27		\$46

Figure 9-4, Price Statistics

	Min	Max	Range	Average	Median
Unadjusted Price	\$50,000	\$56,100	\$6,100	\$52,775	\$52,500
Adjusted Price	\$45,130	\$61,901	\$16,771	\$52,508	\$51,500

9.7 Sales Comparison Approach Conclusions

Based on the sales comparison analysis, the indicated value of the improved property is as follows.

Figure 9-5, Improved Property Value, via Sales Approach

\$52,000

10 Reconciliation and Final Value Conclusion

There are two considerations one must weigh when applying various approaches to value. First, appraisers should use those approaches commonly utilized by market participants. Appropriateness, accuracy, and quantity of evidence are the criteria with which an appraiser forms a meaningful, defensible final value estimate.

Second, the inadequate or insufficient supply of market or subject data within a sub-market, or within a particular time frame, may necessitate the exclusion of approaches commonly employed in the larger market or at different points in time.

“In the final reconciliation, an appraiser reconsiders the entire appraisal, making sure that the data available and the analytical techniques and logic applied have led to consistent judgments. The appraiser checks the data to ensure that it is verified, applicable to the assignment, and sufficient to support a credible opinion of value. The value definition, the identified property rights, and the qualifying conditions imposed are carefully reconsidered to make sure that the procedures used in the analysis specifically address each of these items. The appraiser examines the differences in the conclusions derived from the various approaches, applies tests of reasonableness to these primary conclusions, and resolves any inconsistencies.”

10.1 The Improved Property Sales Comparison Approach – Employed

The sales comparison approach is considered a reliable approach for appraising this kind of asset, in this market area and time, and is commonly employed. The sales comparison approach was constructed in the customary fashion based on appropriately comparable assets. We successfully employed the sales comparison approach.

The sales comparison approach is considered a reliable approach for appraising this kind of asset, in this market area and time. Adequate reliable comparable sales could be found. The sales approach is typically completed and relied upon in this market for this asset type. After full consideration, we did employ the sales comparison approach.

Figure 10-1, Improved Property Value, As-Is, via Sales Approach

\$52,000

10.2 Final Conclusions of Market Value

We have reconciled with the sales approach for this Appraisal. The sales approach is typically used by appraisers to value residential properties.

Our final value conclusions are seen in the following figure:

Figure 10-2, Final Conclusion of Overall Market Value

\$52,000

11 Certification

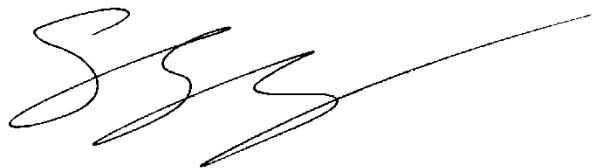
I certify that, to the best of my knowledge and belief:

1. The statements of fact contained in this Report are true and correct. Commensurate with the intended use of the Report, its type, definition and premise of value, and its scope of services, professional efforts have been made to verify such statements of facts.
2. The reported analyses, opinions, and conclusions contained herein are limited only by the assumptions and conditions reported in this Report, and are the undersigned's personal, impartial, and unbiased professional analyses, opinions and conclusions. The undersigned have no present or future interest in the asset(s) that is(are) the subject of this Report, and the undersigned have no personal interest with respect to the parties involved. The undersigned have no bias with respect to the asset(s) that is(are) subject of this Report, or to the parties and issues involved.
3. The undersigned's engagement in this Report was not contingent upon developing or reporting predetermined results. The undersigned's compensation for this Report 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 Report.
4. The reported analyses, opinions, and conclusions were developed, and this Report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice ("USPAP") of the Appraisal Foundation. USPAP requires that appraisal services be prepared specifically for their individualized intended use, type, definition and premise of value, and scope of services. The reported analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute, and the Principles of Appraisal Practice and Code of Ethics of the American Society of Appraisers. When applicable, the reported analyses, opinions, and conclusions were developed, and this Report has been prepared in conformity with ethics and standards of the International Valuation Standards, and the Uniform Appraisal Standards for Federal Land Acquisition ("Yellow Book"). The use of this Report is subject to the requirements of the Appraisal Institute, and American Society of Appraisers, relating to review by their respective duly authorized representatives.
5. This Report may rely upon the non-appraisal professional assistance, documents, reports and opinions from or of other professionals, such as engineers, accountants, attorneys, architects and economists. The undersigned believe that it is reasonable to rely on their professional assistance, documents, reports and opinions from or of the other professionals. Given the intended use of this Report, its type, definition and premise of value, and its scope of services, professional efforts have been made to confirm that it is reasonable to rely on such professional assistance, documents, reports and opinions. The efforts may be described elsewhere in this Report. The undersigned do not guarantee or certify the assistance, documents, report or opinions provided by the other professionals, unless they are listed below in item 9 of this certification.
6. As of the date of this Report, Mark Pomykacz, MAI, AI-GRS, ASA has completed the requirements of the continuing education program of the Appraisal Institute, and the American Society of Appraisers. As of the date of this Report, Katherine Tantinan, MAI has completed the requirements of the continuing education program of the Appraisal Institute.
7. The undersigned has not performed appraisal services on, and has not provided any other type of services regarding, the asset that is the subject of this Report, within the last 3 years.
8. The Subject of this Report was inspected on June 20, 2022. The following individuals personally inspected the asset: Mark Pomykacz. The building was boarded up as of June 20, 2022. A building interior inspection was not granted, and the inspection was limited to the exterior only. USPAP does not require a personal inspection by the appraiser. UASFLA does require a personal inspection by the appraiser.
9. No one provided significant appraisal assistance to undersigned
10. The value conclusions are presented in the following figure.

Figure 11-1, Value Conclusion as of Effective Date June 20, 2022

\$52,000

Certified by:



Mark Pomykacz, MAI, AI-GRS, ASA
 Managing Partner
 State Certified General Real Estate Appraiser
 Maryland 10807



Katherine Tantinan, MAI
 Senior Manager
 State Certified General Real Estate Appraiser
 Maryland 34618

State	License number
Connecticut	RCG 00010448
New Hampshire	NHCG-1064
Virginia	4001017013
California	AG043987
Massachusetts	103483
Minnesota	40620869
Florida	RZ3225
Pennsylvania	GA001700R
Michigan	1201069583
Maryland	10807
Illinois	553.001871
Texas	TX 1380478 G
New York	46000000871
New Jersey	42RG00144500
Vermont	080.013424
Rhode Island	CCA.0020110
Iowa	CG03849
Washington DC	GA40000004
Colorado	CG200002994
Maine	CG3503
New Mexico	TP-5194
Ohio	202100667
Louisiana	G4888
Arizona	CGA-1034162
Virginia	4001018173
Tennessee	6164
as of	6/27/2022

This certification was last updated January 11, 2021.

12 General Appraisal Assumptions and Limiting Conditions

This Report and the services provided are subject to the following general assumptions, disclaimers and limiting conditions. Other assumptions, disclaimers and limiting condition may be included at other locations in this Report.

In this section, the term Report or Study or Services can mean study, appraisal, research or analysis and any report or work product, services or deliverable about the study, appraisal, research, services or analysis. Further, the term "Federal" means Federal Appraisal, LLC and its employees(s), consultant(s), appraiser(s), and service provider(s).

Information and Data Sources

1. **Confidentiality.** It is understood and agreed that Federal's Services will be provided in accordance with the requirements of USPAP of the Appraisal Foundation, and the Services will comply with the Appraisal Institute's Code of Professional Ethics and Standards of Professional Practice and with The American Society of Appraisers' Principles of Appraisal Practice and Code of Ethics. These standards include confidentiality standards.
2. **Cooperation** Client shall cooperate with Federal in the performance by Federal of its Services, including, without limitation, providing Federal with reasonable facilities and timely access to data, information and personnel, and agents and representatives of Client. Client shall be responsible for the performance of its employees and agents and for the accuracy and completeness of all data and information provided to Federal for purposes of the performance by Federal of its Services.
3. **Client Representations.** The Client furnished or caused to be furnish to Federal such historical and other information as Federal may have requested. The Client recognizes and confirms that (a) Federal will use and rely on such information and on information available from generally recognized public sources (all such information being the "Information") in performing the Services without Federal having independently verified the same; (b) Federal does not assume responsibility for the accuracy or completeness of the Information; and (c) Federal will not make an appraisal of or conduct an audit of or otherwise provide any opinion, report, or other form of assurance with respect to such Information. In addition to providing required information, the Client will be responsible for providing historical and prospective financial statements and for providing information about and responding to document requests on a timely basis. Additionally, Federal may request and the Client agrees to supply a representation letter, in form and substance satisfactory to Federal which, among other things, confirming the Client's responsibility for the historical financial statements and for the underlying assumptions used in connection with any pro forma cash flows, the appropriateness of the prospective financial statements that the Client has prepared, and their active decision-making participation in the Service and the use of the Service.
4. The information on the financial, legal, and physical condition of the subject property or assets provided by the Client, the subject owner, or others, directly to Federal or to the public through various public disclosure methods is assumed to be reliable.
5. Other materials and information obtained from various professionally appropriate public and private sources are assumed to be reliable.
6. The information contained within this study was obtained from sources deemed to be reliable. Reasonable efforts, given the purpose, intended use, and scope of this study and work product, and the type, definition, and premise of value have been made to verify such information as reliable. However, no warranty or certification by Federal is given as to its reliability.
7. If substantive issues are later discovered in reports, documents, information, or data relied upon, then the reported opinions in this study may need to be revised accordingly.
8. Federal regularly utilizes numerous texts, manuals, documents, reports, and articles that are commonly utilized by its appraisal peers for services like those provided herein. Federal may not include all the references to these utilized sources within the Report or in the work file for the Report. These references may include:

The Appraisal of Real Estate, published by the Appraisal Institute
 The Dictionary of Real Estate Appraisal, published by the Appraisal Institute
 Valuing a Business, Pratt, Reilly, Schweih, published by McGraw Hill
 Cost of Capital, Pratt, Grabowski, published by Wiley
 Uniform Standards of Professional Appraisal Practice
 Marshall Valuation Service, Marshall & Swift
 CoStar Realty Information, various reports
 PWC Investor Survey (Korpacz)
 Energy Information Agency, various reports
 Federal Reserve, various reports
 Bureau of Labor Statistics, various reports
 Google Earth Pro
 IBIS World, various reports
 Site to Do Business (STDB), various reports
 Duff & Phelps Cost of Capital
 Garden State Multiple Listing Service (GSMLS)

Property Specific Assumptions, Disclaimers and Limiting Conditions

9. Federal does not provide legal, accounting, audit, engineering, architectural or environmental sciences services. Federal assumes no responsibility for matters of a legal nature, matters of title, matters of audit, matters of engineering, matters of environmental science, or matters of architecture. All legal, engineering, architectural, environment, accounting and financial information provided to and utilized by Federal is assumed to be reliable.
10. It is assumed that the title to the studied interest is marketable. It is assumed that there are no deed restrictions or other limitation on title that would make the Subject substantially more or less valuable, other than those that are specifically noted in this study. It is assumed that the legal descriptions as obtained from public records or as furnished are reliable. Federal has made no land survey and has completed no title search or report of the Subject. It is assumed that there are no issues concerning subsurface, water, mineral rights, air rights, or transferable development rights that would make the Subject substantially more or less valuable. It is assumed that there are no judgements, or pending or future litigation concerning the Subject.
11. Federal assumes that there are no hidden or unapparent conditions at the Subject land and/or improvements which would render the Subject more or less valuable. Federal assumes no responsibility for such conditions, or for engineering, environmental, legal, or architectural counseling which

might be required to discover such conditions. We assume that there are no ADA issues sufficient to render the Subject significantly more or less valuable.

12. Competent and responsible management and ownership are assumed.
13. It is assumed that there are no zoning or building code issues, or other federal, state or local regulation compliance issues concerning the Subject that would significantly increase or decrease the value of the interest being appraised, unless noted in this study.
14. Since Federal is not an engineering or architectural firm, Federal makes no representation as to quality, functionality, condition, limitations or size of the Subject, except that 1) Federal has relied upon what has been reported as the best available data where said data was provided by others to Federal who Federal believes to be an appropriate source of said data given the specific purpose, intended use, and scope of work in this study, and the type, definition and premise of value used in this study, and 2) if a visual inspection was conducted by Federal, then Federal has relied upon the visual inspection. Given the inherent limitations of Federal's visual inspection, if conducted, it is possible that important issues at the Subject may not be uncovered. Federal's visual inspection of the Subject is not an engineering, architectural, or environmental inspection, does not test building operations, and does not cover 100 percent of the building(s), machinery and equipment, or the site. Federal's visual inspection of the Subject, instead, samples the major components of the Asset.
15. This study assumes the Subject suffers no environmental or hazard issues, and that there are no contamination or health risks existing at or near the Subject.
16. If substantive issues are later discovered in any of the data relied upon, then the reported opinions in this study may need to be revised accordingly.
17. Client agrees that Client has reviewed these Appraisal Conditions upon receipt of the report and that Client's use of the appraisal constitutes acceptance of these Appraisal Conditions.

Publication, Distribution, Use of Study

18. The opinions proffered in this study are as of a specific date, for a specific client and users, a specific purpose and intended use, under a specific, limiting scope of work, and made under specific assumptions, disclaimers, limiting conditions, and certifications. Using the opinions proffered herein for any other use or purpose is unwise, inappropriate, and is prohibited unless authorized by Federal. The Client agrees that
 - a. The Client and other intended users are both explicitly named herein. The Client and the other intended users are the only parties to whom the appraisers and Federal Appraisal LLC have a professional responsibility to. The appraisers and Federal Appraisal LLC offer and assume no professional responsibility to any third parties that the Client and the other intended users may choose to provide copies of our report to.
 - b. Any advice or recommendations, written or oral, provided by Federal in connection with this engagement is exclusively for the Client and any intended users specifically named by Federal, and may not be disclosed to or relied upon by any third party (other than the Client's legal and tax counsel for the Client's stated purpose and use) without Federal's prior written consent;
 - c. Client will not refer to Federal by name or their services in any written materials relating to the Asset, including without limitation, any publicly filed documents without their prior written consent for each requested use or reference; and
 - d. Neither all nor part of the contents of this study, or copy thereof, shall be conveyed to the public through such forms or methods such as, but not limited to, advertising, public relations, news, sales, or any other media without prior written consent of Federal.
 - e. Nor shall Federal, or any professional organization of which Federal are a member or candidate, be identified without the prior written consent of Federal.
 - f. This study may not be utilized in any present or proposed, public or private syndication or public offering of any of the interests in the Subject unless prior written agreement has been obtained from Federal.
 - g. This study is intended to be utilized as a whole and may not be used in parts.
19. Possession of this study, or a copy thereof, does not give the holder the right of publication.
20. Disclosure of the contents of this study by Federal is governed by the orders, laws, by-laws and regulations of courts, state appraisal regulatory bodies, the Appraisal Institute and the American Society of Appraisers. Federal is authorized by the Client to disclose all or portions of this study and work files to authorized representatives of state appraisal regulatory bodies, the Appraisal Institute, the American Society of Appraisers, if such disclosure is required to enable Federal to comply with their respective by-laws and regulations now or hereafter in effect, or as may otherwise be required to be disclosed by Court Order or governing laws, rules and/or regulations.
21. Federal is not required to give testimony about this study or to provide other services to the Client concerning the Subject without agreement between the parties for compensation to Federal.

Study Analysis Type and Format Conditions

22. This study has been prepared in accordance with the requirements of USPAP of the Appraisal Foundation, the Appraisal Institute, and the American Society of Appraisers. Jurisdictional exceptions do apply. We have made a jurisdictional exception of not providing an opinion to exposure time, as directed by UASFLA (Yellowbook) regulations. This study will comply with and be subject to the Appraisal Institute's Code of Professional Ethics and Standards of Professional Practice and with The American Society of Appraisers' Principles of Appraisal Practice and Code of Ethics. The jurisdictional exception of not offering an opinion of exposure time has been taken.
23. Federal has determined the scope of work for this study based on its discussions with the Client, and their reported needs, their reported purpose and intended use of the study. The scope of the study is limited to the work necessary to provide for the Client's purpose and use of the study, and as such this study is not recommended for any other use.
24. USPAP of the Appraisal Foundation prescribes 2 types of appraisal reports, "Appraisal Reports", and Restricted Appraisal Reports. A Restricted Appraisal Report may be provided when the Client is the only intended user, or when additional intended users are identified by name, and not by types or categories. Federal intends that the use of all its reports is limited to the Client and intended users. When reports are restricted, Federal need not provide as extensive reporting that may be found in Appraisal Reports. The use of Restricted Appraisal Reports is limited to the Client and the named intended user(s). Federal warns that Restricted Appraisal Reports may not contain supporting rationale for all opinions and conclusions set forth in the Restricted Appraisal Reports.

Limit of Liability

25. Federal warrants that it has performed the services hereunder in good faith and in a professional appraisal manner. Federal disclaims all other warranties, either express or implied, including and without limitation: warranties of merchantability and fitness for a particular purpose.
26. Federal's aggregate share of liability to the Client and any third parties shall not exceed the total fees collected for the portion of the Proposed Services giving rise to such liability.
27. Any forecasts of income and expenses in this study are not predictions of the future and are created for valuation purposes. No representation is made that the model will coincide with actual future events. There will usually be differences between the forecasts and actual results because events and circumstances frequently do not occur as expected, and those differences may be material.
28. It is understood and agreed that Client and Federal are independent of the other and that neither is, nor shall be considered, an agent, distributor, or representative of the other. Neither party shall act or represent itself, directly or by implication, as an agent of the other or in any manner assume or create any obligation on behalf of, or in the name of, the other. Client acknowledges that the full independence and authority of Federal will be maintained throughout this engagement and that no assurances or guarantees of a value estimate or consulting recommendation have been made or are a condition of this engagement.
29. In providing this service, Federal establishes, and the Client understands and agrees, that Federal assumes no responsibility for the risks and rewards of the Client's and user's decisions based on, or results that are consequential to, the use of this study.
30. The Client will indemnify and hold harmless Federal and its appraisers and personnel from all claims, liabilities, losses, costs, demands, and reasonable expenses, such as reasonable legal fees and management and administrative costs relating to this engagement, except to the extent finally judicially determined to have resulted from the bad faith or intentional misconduct of Federal.

Statements of Qualifications and Personal Histories

31. Any statements of qualifications, resumes, personal, and/or company histories are presented in summary for marketing purposes and to assist the Client and intended users of the study with understanding the professional competency and experience of Federal. These statements of qualifications, resumes, and personal, and/or company histories are (1) not a complete listing of our professional experiences and qualifications, and (2) not a full disclosure of our professional, corporate, and personal interactions and relationships.

Ownership of Federal Properties.

32. Federal Technology and Copyrights. Federal has created, acquired or otherwise has rights in, connection with the performance of services hereunder, employ, provide, modify, create, acquire or otherwise obtain rights in, various concepts, ideas, methods, methodologies, procedures, processes, know-how, and techniques; (including and without limitation: models, templates, the generalized features of the structure, sequence and organization of software, user interfaces and screen designs, general purpose consulting and software tools, utilities and routines, and logic, coherence, and methods of operation of systems) (collectively, the "Federal Technology and Copyrights").
33. Ownership and Use of Deliverables. Except as provided below, upon full and final payment to Federal hereunder, the tangible items specified as deliverables or work product in the proposal, engagement letter or contract to which these terms are attached (the "Deliverables") will become the property of Client. To the extent that any Federal Technology and Copyrights are contained in any of the Deliverables, Federal hereby grants Client, upon full and final payment to Federal hereunder, a royalty-free, fully paid-up, worldwide, non-exclusive license to use such Federal Technology and Copyrights in connection with the Deliverables, and only for the Deliverables, and only for the Client's intended purpose and use as enumerated in the attached proposal, engagement letter, or contract.
34. Ownership of Federal Properties. To the extent that Federal utilizes any of its property (including and without limitation, the Federal Technology and Copyrights, or any hardware or software of Federal in connection with the performance of services hereunder, such property shall remain the property of Federal and, except for the license expressly granted in Paragraph 26 above, Client shall acquire no right or interest in such property. Notwithstanding anything herein to the contrary, the parties acknowledge and agree that (a) Federal will own all rights, title, and interest, including, without limitation, all rights under all copyright, patent and other intellectual property laws, in and to the Federal Technology and Copyrights and (b) Federal may employ, modify, disclose, and otherwise exploit the Federal Technology and Copyrights (including, without limitation, providing services or creating programming or materials for other Clients). Federal does not agree to any terms that may be construed as precluding or limiting in any way its right to (a) provide consulting or other services of any kind or nature whatsoever to any person or entity as Federal in its sole discretion deems appropriate or (b) develop for itself, or for others, materials that are competitive with those produced as a result of the services provided hereunder, irrespective of their similarity to the Deliverables.

Ordinary Assumptions, Extraordinary Assumptions and Hypothetical Conditions

35. Extraordinary Assumptions and Hypothetical Conditions, as defined by USPAP, will be disclosed at various points in this Study, if applicable in this Study. We have made, or may have made, various minor and significant, ordinary assumptions, extraordinary assumptions, and hypothetical conditions in this study. We have deemed these assumptions and conditions as appropriate and have made these assumptions and conditions for benefit of the analysis process. It is our intention to disclose extraordinary assumptions and hypothetical conditions and to disclose at least most of the significant ordinary assumptions. Their use might have affected assignment results. If any assumption or condition should be determined to be inappropriate, then our assignment results may require revision."

State Specific Required Clauses

36. Appraisers in Michigan are required to be licensed and are regulated by the Michigan Department of Consumer and Industry Services, P.O. Box 30018, Lansing, Michigan 48909. Michigan requires this statement appear in all appraisals, even those in other states.

Statement on Appraisal Conditions related to COVID-19

COVID-19 (Coronavirus) has impacted real estate and business markets and appraisals.

Federal Appraisal LLC ("Federal") remains committed to fully serve during the COVID-19 crisis. Federal has taken appropriate actions to combat the spread of COVID-19, to protect our professionals, clients, community, and our appraisals.

Many real estate and business values declined due to the impacts of COVID-19. COVID-19 is unprecedented in modern times. Given that COVID-19 is having a dramatic and sudden impact, and that appraisal indicators using historical data lag many months behind, when the impact to real estate and business values occurs, it may not be discernible in the market data for months. In addition to reflecting impacts that have occurred up to the date of

appraisal, since value is based on future expectations, appraisers may need to reflect in their appraisal analyses the impacts from COVID-19 through the end of the crisis and afterwards. As always, Federal will endeavor to properly reflect these conditions and changes as they exist and are understood as of the appropriate appraisal date, regardless of the lag in market data and the difficulties of forecasting the end of the impact from COVID-19. As always, Federal will endeavor to employ appropriate research and analyses to reflect, and Federal will endeavor to report thoroughly, all COVID-19 impacts. However, since the research, analyses, and measurement of these changes may be problematic as a result of the crisis, our appraisal clients and users are hereby notified and accept that this may impact the precision of appraisal results.

Since the impacts from COVID-19 will continue for some time and may lead to a recession, our appraisal clients and users are hereby notified and accept that, as time lapses from the appraisal date, actual future values and market conditions will likely diverge from the conclusions and opinions presented in our appraisals which are as of our specific appraisal date. Clients and users may require new appraisals after only a short period of time and that time period may be as short as months or even weeks.

Additionally, COVID-19 will impact the work process of appraisal during the crisis. COVID-19 has prompted new regulations and practices which conflict with older appraisal traditions. For example, social distancing will impact at least two aspects of practice: site inspections and appraiser interactions and meetings that impact appraisal schedules and timing.

During the crisis, appraisal inspections may be restricted to the essential, and may not be conducted even if traditionally conducted. Inspections are not required by appraisal ethics and standards unless traditionally conducted or required by contract or regulation. Federal will practice social distancing and will appropriately report the extent of our inspection work and the basis of our asset and property description and opinion. In modern times, effective alternatives to the traditional inspections are available, and traditional inspections are often less critical than in past decades. Generally during the COVID-19 crisis, Federal will endeavor to conduct traditional inspections as usual, but Federal may also limit inspections to business and building exterior-only inspections (AKA, drive-by or curb-side inspections). Alternatively, Federal may use other data and sources in order to establish assessments of interior conditions and qualities. Federal may make extraordinary appraisal assumptions based on reasonable and known facts concerning conditions and qualities. Such steps will be disclosed in each appraisal. We believe this will meet appraisal standards in good faith, according to best practices, standards and ethics, under the COVID-19 circumstances. If, at a later date, an ability to complete traditional interior inspections arise, then Federal will be available to complete inspections and revise our appraisal reports, if needed.

During the COVID-19 crisis, some appraiser interactions will impact appraisal schedules and timing. The nature of our work processes lends itself to the requirements of social distancing. Our practice is significantly, but not completely, intellectual and technology-based, requiring less person-to-person interaction than many businesses. All of our staff can, and regularly do, work remotely, with full computerization and telecommunication abilities. However, as social distancing is expressly designed to do, processes may be slowed down. Most notably, Federal wishes to advise its appraisal clients and users that despite our best efforts, social distancing between our professionals, our professionals and clients, and our professionals and third parties requisite for the completion of our work will likely result in slower processes, in some cases. Federal wishes to advise our clients and users that Federal will make all practical efforts to compensate for this issue, but at this time, Federal does not know and cannot assure what will result. Our appraisal clients and users accept that delays during the crisis may occur and Federal shall bare no responsibility for the effects of the delays.

As always, since appraisals are not assurances of future events, our appraisal forecasts may vary from actual future events. Credible and reliable appraisals are limited to reasonable opinions, descriptions, forecasts, and predictions based on appropriate research and analysis practically available and known or knowable as of the date of the appraisal report. Our appraisal clients and users are hereby notified, and our appraisal clients and users accept that traditional expectations for appraisals, concerning appraisal precision, inspections, scheduling, and timing may not be appropriate as Federal works through COVID-19. Federal will endeavor to compensate for the impacts, and Federal will report the appraisal steps taken and any steps not taken if they represent a departure from otherwise traditional practice. Our appraisal clients and users accept that Federal shall bare no responsibility for the effects of COVID-19. Our appraisal clients and users are hereby notified that these COVID-19 appraisal conditions, processes, steps, and hypothetical assumptions and extraordinary conditions may impact our appraisals and the opinions and values therein, and the impacts may be substantial.

These general appraisal assumptions and limiting conditions were last updated December 12, 2021.

13 Professional Qualifications

The included resumes are presented in summary for marketing purposes and to assist the intended readers of the report with understanding the professional competency and experience of the appraisers. These resumes are not (1) a complete listing of our professional experiences and qualifications and (2) a full disclosure of our professional, corporate, and personal interactions.

13.1 Resumes

13.1.1 Qualifications of Mark Pomykacz, MAI, ASA, AI-GRS

Mr. Pomykacz specializes in complex, non-traditional appraisal services, nationally and internationally for accountants, attorneys, the capital markets, corporations, and governments concerning development, acquisitions and dispositions, financing, investor reporting, litigation, tax and audit issues, and asset management. Mr. Pomykacz has over 35 years of experience in real estate, business appraisal, and advisory services. He has worked on numerous asset and property types including closely held businesses and public companies, infrastructure, power plants, utilities, corporate and investment real estate, vacant land, and special purpose properties. Mark has participated in arbitrations, judicial, and condemnation proceedings. Mark has written special purpose and consulting reports, appraisals, market and feasibility studies. His work is used by many Fortune 1,000 companies, Wall Street firms, banks, accounting and law firms, and various government agencies.

Throughout his career Mr. Pomykacz has performed hundreds of appraisals for condemnation complying with USPAP, USAFLA (Yellowbook) and URA standards.

Mr. Pomykacz is an MAI, Member of the Appraisal Institute and an AI-GRS, Appraisal Institute General Review Specialist. Mr. Pomykacz currently holds appraisal licenses in 29 states including the state of Maryland (License # 10807). He also holds a Bachelor of Arts in Political Science from Rutgers University, is a qualified Appraisal Institute instructor and has taught classes the New York University and the City University of New York, has lectured on many different appraisal topics at over 30 different conferences and symposiums, and has written 13 published articles on various appraisal topics.

Articles and Publications

"Benford's Law in Appraisal", The Appraisal Journal, Fall 2018

"The Appraisal of Power Plants", The Appraisal Journal, Summer 2014

This article won the 2014 Swango Award. The *Appraisal Journal's* Editorial Board presents the Swango Award to the best article published during the previous year on residential, general, or technology-related topics, or for original research of benefit to real estate analysts and valuers.

"Options in Real Estate Valuation", The Appraisal Journal, Summer 2013

Expert Testimony & Litigation

Date	List of Expert Witness and Litigation	Legal Reference
2/9/2022	Wood River Basin Refinery, Illinois	Wood River Basin Refinery LLC vs Madison County Board of Review
2/6/2022	Biodico Westside, California	Biodico Westside LLC vs Red Rock Ranch, Inc
2/2/2022	Kirkland Appraisals - Enel Solar Project, Lebanon, PA	Enel Solar Project, Lebanon, PA, Board of Supervisors
10/12/2021	Whitt Law - Morris Operation GE Hitachi	Morris Operation GE Hitachi vs. County Board of Review
10/1/2021	Jack Van Coevering - DTE Fermi, Michigan	DTE Electric Company vs Frenchtown Township and Michigan Department of Treasury
5/12/2021	Sigma - Riker Danzig - Lincoln Harbor Yacht Club	Lincoln Harbor Yacht Club Condominium Association, Inc vs 1500 Harbor Boulevard Urban Renewal, LLC
3/1/2020	Sigma -Margolis, Adwar	Margolis, Adwar vs. New York State Supreme Court
1/1/2020	MRV - Land Under MGM Grand Casino, Detroit MI	MGM Grand Casino, vs City of Detroit MI, Deposition
9/17/2019	Crystal Mall, Waterford, CT	Crystal Mall, LLC vs Town of Waterford
7/1/2019	Office of Minnesota Attorney General - Centerpoint Energy Minnegasco	Minnesota Attorney General vs Centerpoint Energy Minnegasco, Court
5/1/2019	MRV - Milford Water Co, MA Update	Milford Water Co, MA, Court
4/17/2019	Land under Rock Crushing Facility, Jersey City, NJ	State of New Jersey, Commissioner of Transportation vs. 394-396 St. Paul's Avenue, L.P. & E.M.C. Realty Corp
2/27/2019	Pullman & Comely LLC - Pratt & Whitney, E Hartford, CT Tax Appeal	Pratt & Whitney vs City of East Hartford, CT, Deposition
12/13/2018	Cogentrix Energy Power Management, LLC - Effingham Power Plant, GA	
7/13/2018	Jack Van Coevering - Review of New Covert Generating Station A	New Covert Generating Station vs City of , Court

13.1.2 Qualifications of Katherine Tantanin, MAI

At Federal Appraisal, LLC, Mrs. Tantanin has been providing appraisal and appraisal consulting services for commercial property types around the country since 2013. The properties include multi-family apartments, offices, retail, industrial and commercial spaces, residential buildings, and industrial developable land, as well as utilities and power-related property types. She has also worked on many special-purpose properties such as large research and development campuses, cold-storage facilities, malls, and summer camps. Her reports include USPAP-compliant full narratives and consulting reports and studies. Additionally, she has worked on many appraisals and reports compliant with government agencies such as Yellow Book, UASFLA, URA and Green Acres.

She has conducted appraisals in a wide variety of purpose and uses such as due diligence, gift and estate tax, and in particular, condemnation and property tax appeals for negotiations and litigation. Mrs. Tantanin often utilizes all three traditional approaches and techniques including the Sales Comparison Approach (for improved sales, vacant land, regression analysis, and rent comparability studies), the Income Approach (direct capitalization, discounted cash flow, and income shortfall), and the Cost Approach (reproduction, replacement, calculator method, segregated cost, and trended original cost).

Mrs. Tantanin currently holds her MAI designation with the Appraisal Institute and her General Certified Appraisal License. She has completed all of the appraisal classes, both general and advanced courses, with the Appraisal Institute, including USPAP and all three approaches to value. She is certified in the State of Maryland, Certified General Appraiser License # 34618. Mrs. Tantanin completed her degree with Rutgers State University, New Brunswick, New Jersey with a bachelor's in Mathematics. She is the Appraisal Institute Metro New Jersey Chapter Secretary serving for 2022 term and has been heavily involved in the Metro NJ chapter since 2019. Mrs. Tantanin has also co-written an article on Benford's Law published in the Appraisal Journal in 2017 and has recorded many appraisal videos for Federal Appraisal's YouTube channel explaining appraisal theory.

Articles and Publications

"Benford's Law in Appraisal", The Appraisal Journal, Fall 2018

14 Comparable Sales Information

Verifications of sales comparables.

Verification	Comp 1	Comp 2	Comp 3	Comp 4
Comparable Name				
Address	1917 W Fayette St	1711 N Payson St	1931 W Saratoga St	2720 Ellicott Dr
Name	Brian Leibowitz	Garett Kopich	Garett Kopich	Garett Kopich
Relationship	Listing Agent	Co-Worker of Listing Agent	Co-Worker of Listing Agent	Co-Worker of Listing Agent
Date	8-Jul-22	8-Jul-22	8-Jul-22	8-Jul-22
Contact	410-921-0205	410-365-3595	410-365-3595	410-365-3595
Notes	Arm's length, information on MLS is correct.	Arm's length, information on MLS is correct.	Arm's length, information on MLS is correct.	Arm's length, information on MLS is correct.

Sale One – 1917 W Fayette St

Comparable Name	Sale Comp 1
Address	1917 W Fayette St
City	Baltimore
Tax ID	0320150192 042
Type of Property	Interior row home
Ownership Interest	Fee Simple
Date Sold	05/02/2022
Sale Price	\$50,000
Lot Size (SF)	1066.50
Bedrooms:	3
Bathrooms:	1
Basement:	Yes, Full Unfinished
Year Built:	1900
Other Amenities:	Patio/Porch
Buyer	No deed available
Seller	Dominion Properties Llc
Use at Time of Sale	Single family dwelling





Sale Two – 1711 N Payson St

Comparable Name	Sale Comp 2
Address	1711 N Payson St
City	Baltimore
Tax ID	0315160007 074
Type of Property	Interior row home
Ownership Interest	Fee Simple
Date Sold	02/28/2022
Sale Price	\$56,100
Lot Size (SF)	1,306.80
Bedrooms:	3
Bathrooms:	1
Basement:	Full, Unfinished
Year Built:	1920
Other Amenities:	None
Buyer	Property Renovators LLC
Seller	Ella E. Ravnell
Use at Time of Sale	Single family dwelling





Sale Three – 1931 W Saratoga St

Comparable Name	Sale Comp 3
Address	1931 W Saratoga St
City	Baltimore
Tax ID	0320160162 081
Type of Property	Interior row home
Ownership Interest	Fee Simple
Date Sold	05/05/2022
Sale Price	\$50,000
Lot Size (SF)	Unknown
Bedrooms:	3
Bathrooms:	1
Basement:	Full, Unfinished
Year Built:	1920
Other Amenities:	None
Buyer	No deed available
Seller	Edward E Purvis & Sandra Y Purvis
Use at Time of Sale	Single family dwelling





Sale Four – 2720 Ellicott Dr

Comparable Name	Sale Comp 4
Address	2720 Ellicott Drive
City	Baltimore
Tax ID	0316222389 019
Type of Property	Interior row home
Ownership Interest	Fee Simple
Date Sold	03/11/2022
Sale Price	\$55,000
Lot Size (SF)	1,350
Bedrooms:	3
Bathrooms:	1
Basement:	Full, Unfinished
Year Built:	1932
Other Amenities:	Porch
Buyer	Dwayne Evans
Seller	2015 REO, LLC
Use at Time of Sale	Single family dwelling





15 Additional Subject Information

15.1 Certified Mail Receipts

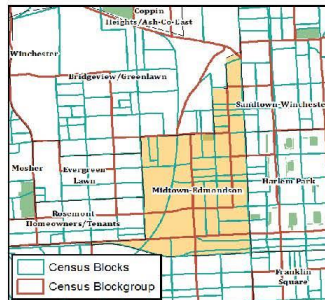
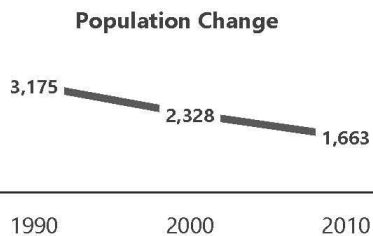
7021 0350 0000 4353 8328

U.S. Postal Service™ CERTIFIED MAIL® RECEIPT Domestic Mail Only	
For delivery information, visit our website at www.usps.com ®.	
Baltimore, MD 21217	
OFFICIAL USE	
Certified Mail Fee	\$3.75
Extra Services & Fees (check box, add fee as appropriate)	\$7.05
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<input type="checkbox"/> Return Receipt (electronic)	\$0.00
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00
<input type="checkbox"/> Adult Signature Required	\$0.00
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00
Postage	\$0.58
Total Postage and Fees	\$7.38
0002 1 Postmark Here 06/14/2022	
Sent To Yvette Wormley Street and Apt. No., or PO Box No. 1006 N Payson Street City, State, ZIP+4® Baltimore MD 21217	
PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions	

16 Additional Market Information

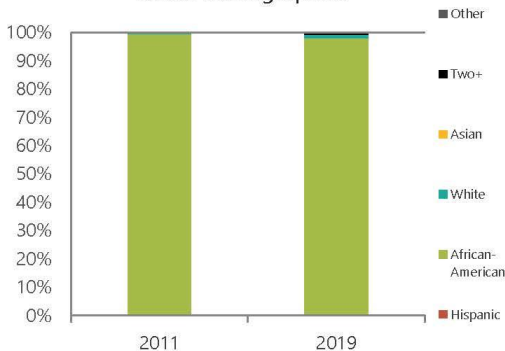
Midtown-Edmondson

Demographics



American Community Survey data is by 'block group.' It is allocated to the central neighborhood above based on how census 'block' population is distributed within each 'block group'.

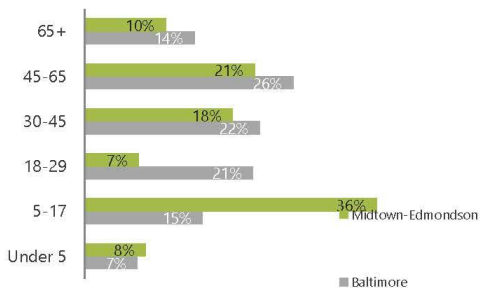
Racial Demographics



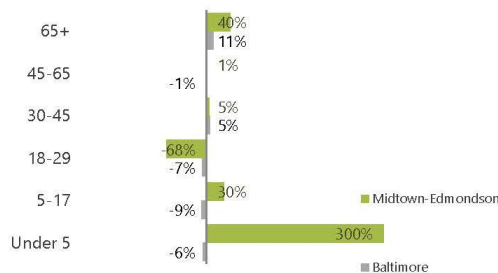
Age Pyramid 2019



Age Breakdown 2019



Percent Change in Age, 2011 to 2019



Source: American Community Survey - 5 Year Estimates. "2011" includes 2007-2011, and "2019" includes 2015-2019
 Data allocated to exact geography of area using estimates derived from Census block group proportions.

Midtown-Edmondson

Housing and Transportation

Household Size 3.23
Median Gross Rent 2019 \$1,087
Change Since 2011 \$92
% of Homeowners Over 65 24%

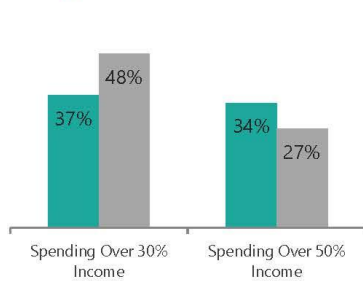
Housing Tenure 2019

■ Percent Owner ■ Percent Renter



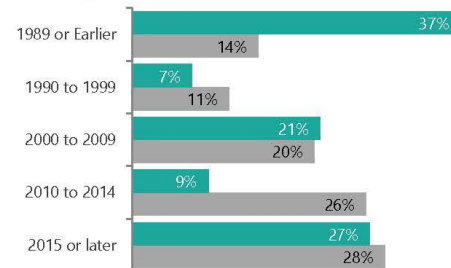
Percent of Households Rent Burdened

■ Midtown-Edmondson ■ Baltimore

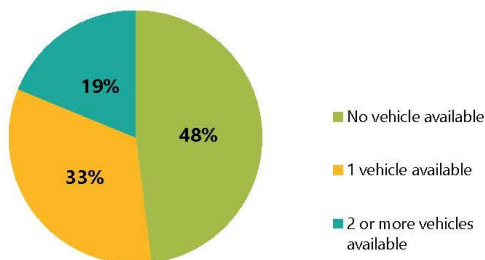


Length of Residence, as of 2018

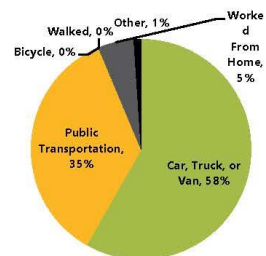
■ Midtown-Edmondson ■ Baltimore



Percent Vehicle Access 2019



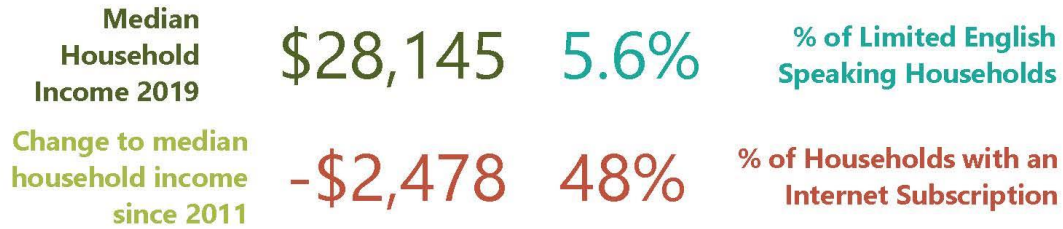
2019 Commuter Mode of Transportation



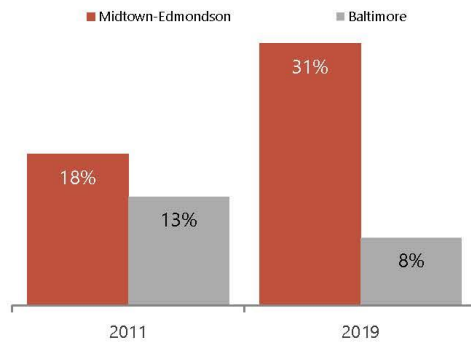
Source: American Community Survey - 5 Year Estimates. "2011" includes 2007-2011, and "2019" includes 2015-2019. Data allocated to exact geography of area using estimates derived from Census block group proportions.

Midtown-Edmondson

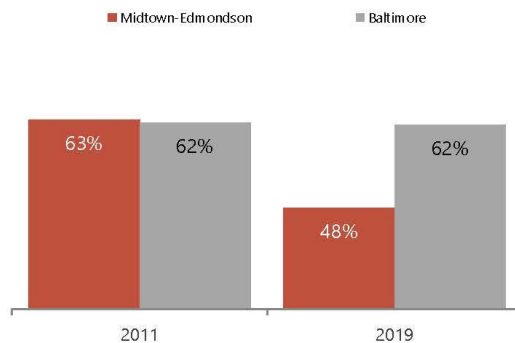
Education and Economics



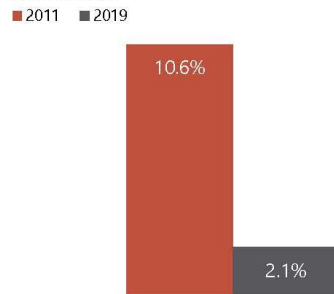
Percent Unemployment



Percent Laborforce Participation



Percent Households Receiving Public Assistance



Educational Attainment

	Midtown-Edmondson 2011	Baltimore 2011	Midtown-Edmondson 2019	Baltimore 2019
Less Than High School	33%	21%	26%	28%
HS Complete	39%	28%	35%	24%
Some College	23%	22%	26%	16%
College Complete	5%	13%	0%	15%
Beyond College	0%	12%	1%	15%

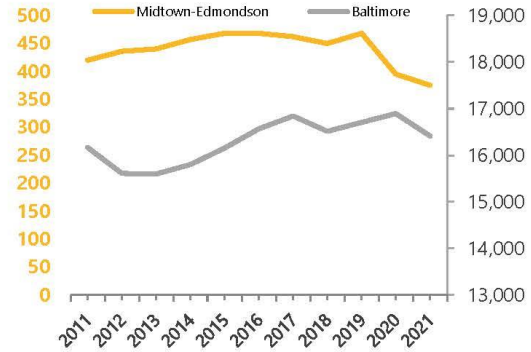
Source: American Community Survey - 5 Year Estimates. "2011" includes 2007-2011, and "2019" includes 2015-2019. Data allocated to exact geography of area using estimates derived from Census block group proportions.

Midtown-Edmondson

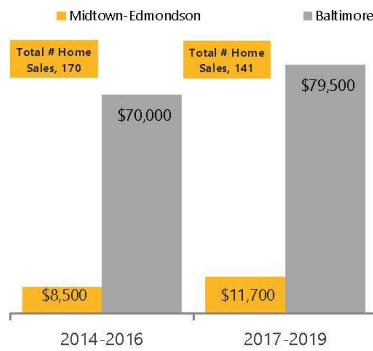
Development

City-owned Properties	102
City-owned Properties Sold (Disposition)	2
\$900 Citations (2018-2020)	5
Homebuying Incentives (2018-2020)	0
Filed Receiverships	28
Properties Being Acquired	18
VBN Rehabs (2018-2020)	24
Completed Demolitions (2018-2020)	101
Planned Demolitions	6

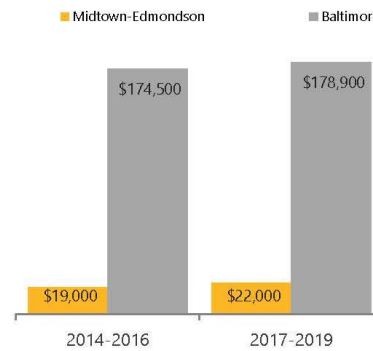
Vacant Building Notices



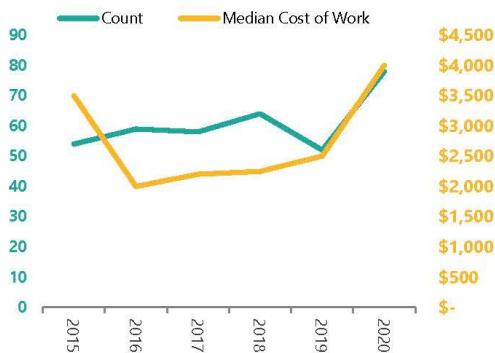
Median Sales Price



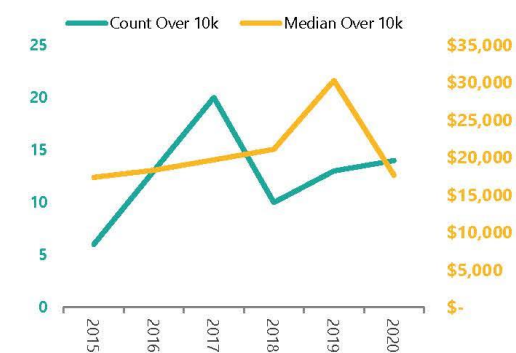
Upper Quartile Sales Price



Residential Permit Activity



Permit Activity Over \$10,000



Source: City Administrative Address data. This data is allocated to the exact geography shown on the map as no estimation is needed.

EXHIBIT 2

FEDERAL APPRAISAL LLC



APPRAISAL REPORT
ON
1008 N PAYSON STREET
1008 N PAYSON STREET, BALTIMORE, MD 21217

EFFECTIVE DATE: JUNE 20, 2022
REPORT DATE: OCTOBER 6, 2022
A CURRENT EFFECTIVE DATE

PREPARED FOR
PATRICIA MCHUGH LAMBERT
PRINCIPAL
Pessin Katz Law, P.A.
901 DULANEY VALLEY ROAD, SUITE 500, TOWSON, MD
21204

PREPARED BY
MARK POMYKACZ, MAI, AI-GRS, ASA AND
KATHERINE TANTINAN, MAI
FEDERAL APPRAISAL LLC
295 US HIGHWAY 22 EAST, SUITE 204E,
WHITEHOUSE STATION, NJ 08889

FEDERAL APPRAISAL LLC



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908.534-3595 phone 295 Route 22 East
908.823.0575 fax Suite 204E
info@federalappraisal.com Whitehouse Station, NJ 08889

Federal Appraisal LLC provides appraisal and valuation services,

concerning

- businesses
- infrastructure, power plants, and utilities
- commercial real estate
- machinery and equipment
- personal property

for various purposes and uses including

- legal and litigation
- accounting
- federal, state, and local tax
- development
- investment
- financing

covering conventional and complex topics such as

- tax reporting
- litigation
- investor reporting
- due diligence
- financing

nationally and internationally.

1 Transmittal & Executive Summary

As requested by our Client, we have appraised the 1008 N Payson Street, 1008 N Payson Street, Baltimore, MD 21217 ("Subject", "Property, or "Facility). Herein we present our report ("Appraisal" or "Report"). In this section, Section 1, we transmit the appraisal context and conclusions. Our Report follows this transmittal.

1.1 The Client and Other Intended Users

The scope of work completed for this Appraisal was specifically designed, and this Appraisal Report was specifically written for the Client's and the intended permitted users' specific use and purpose. No other uses or purposes are intended or permitted. Federal Appraisal LLC and the appraisers certifying this Appraisal offer and assume no professional responsibility to any third party that has obtained copies of our report, either with or without the Clients' (and other intended permitted users) consent or knowledge. Or that the Client and the other intended permitted users may choose to provide copies of our report to.

The Client ("Client") is:

Patricia McHugh Lambert
Principal

Pessin Katz Law, P.A.

901 Dulaney Valley Road, Suite 500, Towson, MD 21204

Other intended users:

Amtrak Law Department ("Amtrak")

1.2 Identification of the Subject

The Subject is more fully described in Section 6, Subject Property Description, beginning on page 18.

The Subject of this Appraisal is known as: 1008 N Payson Street

Its address is: 1008 N Payson Street, Baltimore, MD 21217

Its parcel number (or block and lot number) is: 16-05-0057-005

1.2.1 Interest Appraised and Level of Value

The interest appraised is a 100% interest in the fee simple estate in real property at the Subject.

Unless explicitly stated otherwise, we assume no easements, encroachments, other deed restrictions, building or use limitations, or other restrictions and limitations upon the use and enjoyment of the property beyond 1) typical governmental powers and utilities, and 2) requirements to maintain and operate the property for the purpose for which it is intended and/or improved. Lastly, we assume no environmental or engineering issues are negatively impacting the Property, except as noted herein.

1.2.2 Summary Description of the Subject Improvements

The Subject is currently improved with a two-story interior row home. It has been confirmed through public record that the structure was built in 1920 and was a three-bedroom, one-bathroom row home. The interior row home had two stories and an unfinished basement and was in average condition at the time of the inspection.

1.2.3 Summary Description of the Subject Land

The Subject property is approximately 1,120 square feet, or 0.026 acres, in size. It is rectangular in shape and has the dimensions of 14 feet 0 inches by 80 feet. The land is flat and level. The Subject is zoned R-8 high density residential, allowing single-family and multi-family dwellings.

1.3 Use, Purpose and Scope of Appraisal

1.3.1 Use of the Appraisal

Federal understands the Client will use the Report to assist Amtrak in the determination of compensation to be offered to the property owner to acquire the property.

1.3.2 Purpose of Appraisal and Standard (Type) of Value

The objective of appraisals, sometimes described as the purpose of the appraisals, is typically to determine value. There are numerous types of value, each with its own definition. The various types of value are technically known as standards of value.

The purpose of this Appraisal is to determine the Market Value and Fair Market Value, which we assume is the same in this Appraisal, in fee simple, specifically defined in the following Standard of Value.

The Standard of Value for this Appraisal is market value/fair market value ("Value").

1.3.2.1 Definition and Source of the Standard of Value

The definition for the Standard of Value in this Appraisal is as follows:

Market Value: The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming the neither is under undue duress." Source: *The Dictionary of Real Estate Appraisal, 7th ed.* Chicago: Appraisal Institute, 2022. PDF. pg. 141

Fair market value: 1. In nontechnical usage, a term that is equivalent to the contemporary usage of market value. 2. As used in condemnation, litigation, income tax, and property tax situations, a term that is similar in concept to market value but may be defined explicitly by the relevant agency. Source: *The Dictionary of Real Estate Appraisal, 7th ed.* Chicago: Appraisal Institute, 2022. PDF

"Market Value: 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 value, after a reasonable exposure time on the open market, from a willing and reasonably knowledgeable seller to a willing and reasonably knowledgeable buyer, with neither compelled to buy or sell, giving due consideration to all available economic use of the property" Source: Uniform Appraisal Standards for Federal Land Acquisitions. The Appraisal Foundation, 2016. PDF. pg. 93.

1.3.3 Exposure Time

The exposure time estimated is related appraisal context and value conclusion made in the appraisal. The Client requires a Uniform Appraisal Standards for Federal Land Acquisitions (UASFLA) appraisal. The UASFLA mandates that "the marketing and exposure time is for a reasonable length of time to find a buyer who was reading, willing, and able to consummate a purchase on the date of valuation... Appraisers should not link opinions of market value for federal acquisitions to a specific exposure time."

Source: Uniform Appraisal Standards for Federal Land Acquisitions / Legal Foundations for Appraisal Standards 2016, page 95. Digital version.

Given this Client requirement, we have taken a jurisdictional exception to USPAP, and we have not opined to a specific exposure time.

1.3.4 Premise of Value

The premise of value is that the Property will be utilized to its highest and best use, which is a requirement of market value appraisals of real estate. The Appraisal may present alternative uses as part of appraisal processes to determine highest and best use.

1.3.5 Scope of Appraisal

Our Appraisal is intended to comply with Standards of the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation ("USPAP"), and with the standards and codes of ethics of the Appraisal Institute and the American Society of Appraisers, and the Uniform Appraisal Standards for Federal Land Acquisition ("UASFLA", AKA "Yellow Book") and with the Uniform Relocation Act ("URA"). The scope of the Appraisal is specifically designed, and we performed the research and analyses specifically necessary to estimate the Value of the Subject, for the Client's purpose and use as stated herein. Details on the processes, methods, research, and analyses considered and utilized in this Appraisal are presented throughout this Report. Our Report is presented as a narrative Appraisal Report format in accordance with USPAP, UASFLA, and URA. When necessary for compliance with local law and regulations, we may employ the jurisdictional exception rule of USPAP.

We have considered all three approaches to value in this Appraisal: the cost approach, the sales comparison approach, and the income approach. The cost approach was not employed in this Appraisal as this approach is not commonly utilized for asset types like the Subject. The sales comparison approach was employed as this approach is commonly utilized for asset types like the Subject and comparable data sales were found. The income approach was not employed as this approach is also commonly utilized for this asset type.

1.4 Data Collection and Verification

We have utilized several information sources and databases for this appraisal. These sources may include one or more of the following:

- Local multiple listing services,
- Costar, LoopNet, Zillow, or other proprietary comparables databases,
- Assessors, local appraisers and brokers, attorneys,
- Site to Do Business,
- various handbooks (e.g., Marshall & Swift, Handy Whitman),
- various data publications (e.g., PWC Korpacz Surveys, CBRE reports),
- public sources (e.g., FEMA, Wetlands mapper, local city/town property records),
- and more.

We verify the data used in appraisals through public sources such as assessor's records, property record cards, and other government records and market participants, such as brokers and attorneys. Our verification process is limited by the scope of work needed for the Client's specific use and purpose of the Appraisal, and what is available within the appraiser's normal course of work.

1.4.1 Unit Rule and Adjustments

The Unit Rule from UASFLA requires consideration of the impacts from a partial taking on the value of any requisite larger parcel, the economic unit, from which a portion is taken. The Unit Rule only applies in the context of partial takings; full takings would necessarily preclude any remainder and the need for application of the Unit Rule. The Unit Rule mandates the appraisal of the larger parcel before the taking (the "before" appraisal), and the appraisal of any impacts to the remainder of that larger parcel after the taking (the "after, remainder" appraisal), when or if the taking of a portion of the larger unit causes irrevocable loss in value or damages to the remainder of the larger parcel, such as when the remainder does not have substantially the same economic function. The "unit" in the Unit Rule is the larger parcel that functions as a single economic unit.

The Subject is currently improved with a dilapidated row home on a residential lot and will be a full taking. Therefore, there is no partial taking to analyze, and no Before and After appraisal analysis necessary. The Larger Parcel is the entire Subject property.

1.4.2 Ordinary and Extraordinary Assumptions and Hypothetical Conditions

We have made various minor and significant ordinary assumptions, extraordinary assumptions, and hypothetical conditions in this Appraisal. The ordinary assumptions, extraordinary assumptions, and hypothetical conditions may be listed in various locations throughout the report. It is our intention to disclose extraordinary assumptions, hypothetical conditions, and to disclose many of the significant ordinary assumptions. We have deemed these assumptions and conditions as appropriate for the Client's use of the Appraisal, and we have made these assumptions and conditions for benefit of the appraisal process. The use of ordinary assumptions, extraordinary assumptions, and hypothetical conditions might have affected the assignment results. If any assumption or condition should be determined to be inappropriate, then our assignment results may require revision.

Due to the exterior condition of the Subject observed during the site inspection, we have made the extraordinary assumption that the interior of the property is in fair condition. No other hypothetical conditions or extraordinary assumptions were made in this Appraisal.

1.4.3 Effective Date and Date of Report

The Effective Date of an appraisal is also known as the date of appraisal or the date of value or valuation date. The 2022-2023 USPAP defines Effective Date as "the date to which an appraiser's analyses, opinions, and conclusions apply".

The date of Appraisal Report, also known as a Report Date, is the date the report is finalized, published, and delivered to the Client.

An appraisal can have either a retrospective, current, or prospective Effective Date, depending on whether the Effective Date is substantially earlier than the Report Date, or relatively close to the Report Date, substantially later than Report Date, respectively.

Another date that may be presented in an appraisal is the date on which the subject property is physically inspected.

The Report Date is: October 6, 2022.
The Effective Date is: June 20, 2022.
This Report Date is: A Current Effective Date
The Inspection Date is listed in Section 11, Certification, on page 36.

1.5 Highest and Best Use Conclusions

The highest and best use of the land, as if vacant and available for redevelopment, would be for development as a single-family dwelling, as is consistent with local zoning, subject to reasonably probable changes. This is consistent with adjacent property types (assuming no environmental or other issues). The use would be physically possible and legally permissible. However, given the very poor economics of the market area, it is not financially feasible to develop a single-family dwelling at this time. Therefore, the maximally productive use of the Subject may be hold the Subject as vacant land, as an interim use, for future development.

The highest and best use of the Subject, as improved, as of the Effective Date, would be for continued use of the property, as a single-family dwelling, as this use is physically possible, legally permissible, economically feasible, and all other uses would not be maximally productive. See Section 8.7.1 for the highest and best use.

1.6 Appraisal Conclusions


The value conclusions are presented in the following figure.

Figure 1-1, Value Conclusion via Sales Comparison Approach

\$55,000

Herein, we present our Appraisal Report.

Certified by:



Mark Pomykacz, MAI, AI-GRS, ASA
Managing Partner
State Certified General Real Estate Appraiser



Katherine Tantinan, MAI
Senior Manager
State Certified General Real Estate Appraiser
Maryland 34618

State	License number
Connecticut	RCG 00010448
New Hampshire	NHCG-1064
Virginia	4001017013
California	AG043987
Massachusetts	103483
Minnesota	40620869
Florida	RZ3225
Pennsylvania	GA001700R
Michigan	1201069583
Maryland	10807
Illinois	553.001871
Texas	TX 1380478 G
New York	46000000871
New Jersey	42RG00144500
Vermont	080.013424
Rhode Island	CCA.0020110
Iowa	CG03849
Washington DC	GA40000004
Colorado	CG200002994
Maine	CG3503
New Mexico	TP-5194
Ohio	202100667
Louisiana	G4888
Arizona	CGA-1034162
Virginia	4001018173
Tennessee	6164
as of	6/27/2022

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3 Appraisal Process

3.1 Appraisal Context

Most of the context of the Appraisal has been previously presented in the Transmittal & Executive Summary, Section 1 on page 1. Additional appraisal context is presented within, such as the Approaches to Value, Section 8 on page 27.

3.2 Appraisal Process and Methods

The appraisal process requires that appraisers must first establish the appraisal problem, the use and purpose, and scope of an appraisal. This step includes setting the appraisal context, such as the standard, definition and premise of value, the effective date of value, any hypothetical and extraordinary conditions, and others. Next, the market, industry, and economies are researched and analyzed. The appraisers also study the subject asset's legal rights and limitations, its physical qualities, and its financial qualities. Afterwards, the highest and best use of the asset is analyzed.

During these first phases and occasionally in later phases, the appraisers establish and refine the appraisal problem. The appraisal process concerning the appraisal context and appraisal problem is a general prescription concerning the issues to be addressed in the appraisal and the procedures to solve the appraisal problem and report on the solutions. Only after setting the appraisal context and appraisal problem are the various analyses, or approaches to value, conducted. There are three basic approaches in determining the value of an asset: the sales comparison approach, the cost approach, and the income approach, which are described as follows:

1. In the cost approach, value is indicated by the current cost of reproducing or replacing the improvements (including indirect costs and entrepreneurial incentive), less depreciation, plus land value.
2. In the sales comparison approach, value is indicated by analysis of sales of comparable properties appropriately adjusted for differences from the subject property.
3. In the income capitalization approach, value is indicated by the present value of a property's earning power, based on the capitalization of income.

Traditionally, specific appraisal techniques are applied within the three approaches to derive indications of value. One or more approaches to value may be used depending on which approaches are necessary to produce credible assignment results, given the intended use.¹

The principles and basic methodology involved in each approach are summarized later in this report.

After conducting the applicable approaches to value, the appraiser concludes the appraisal with a reconciliation process whereby the various indications of value are reviewed, and the merits of each of the completed approaches are analyzed.

When the appraisal assignment calls for it, various techniques such as allocations, residuals, or summations are finally made to or with the various elements or components of the concluded values from the three traditional approaches, to determine overall asset values or parts of a concluded overall value.

Finally, a report and a workfile are created to document the appraisal. Reports can be written or oral, form reports or free form narrative reports, and the narrative reports can be summary or extensive (also known as full narrative) reports.

3.3 Data Collection and Verification

We have utilized several information sources and databases for this appraisal. These sources may include one or more of the following:

- Local multiple listing services,
- Costar, LoopNet, Zillow, or other proprietary comparables databases,
- Assessors, local appraisers and brokers, attorneys,
- Site to Do Business,
- various handbooks (e.g., Marshall & Swift, Handy Whitman),
- various data publications (e.g., PWC Korpacz Surveys, CBRE reports),
- public sources (e.g., FEMA, Wetlands mapper, local city/town property records),
- and more.

We verify the data used in appraisals through public sources such as assessor's records, property record cards, and other government records and market participants, such as brokers and attorneys. Our verification process is limited by the scope of work needed for the Client's specific use and purpose of the Appraisal, and what is available within the appraiser's normal course of work.

¹ Excerpted and paraphrased from *The Appraisal of Real Estate, 15th ed.* Chicago: Appraisal Institute, 2020. PDF. pg. 42

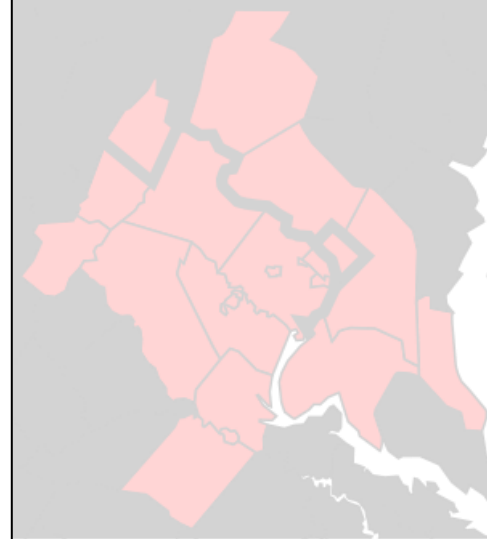
4 Market Area Description

The Subject is located in Baltimore, Maryland.

5.1 Baltimore Overview

Baltimore is the most populous city in the U.S. state of Maryland, as well as the 31st most populous city in the United States, with an estimated population of 586,131 in 2020. Baltimore was designated an independent city by the Constitution of Maryland in 1851, and today is the largest independent city in the United States. As of 2017, the population of the Baltimore metropolitan area was estimated to be just under 2.802 million, making it the 21st largest metropolitan area in the country. Baltimore is located about 40 miles northeast of Washington, D.C., making it a principal city in the Washington–Baltimore combined statistical area (CSA), the fourth-largest CSA in the nation, with a calculated 2018 population of 9,797,063.

With hundreds of identified districts, Baltimore has been dubbed a "city of neighborhoods". Many of Baltimore's neighborhoods have rich histories: the city is home to some of the earliest National Register Historic Districts in the nation, including Fell's Point, Federal Hill, and Mount Vernon. These were added to the National Register between 1969 and 1971, soon after historic preservation legislation was passed. Baltimore has more public statues and monuments per capita than any other city in the country. Nearly one third of the city's buildings (over 65,000) are designated as historic in the National Register, which is more than any other U.S. city.



5.2 Demographics

According to the United States Census, there were 593,490 people living in Baltimore City in 238,436 households as of July 1, 2019. The population decreased by 4.4% since the 2010 Census. Baltimore's population has declined at each census since its peak in 1950.

In 2009, the median household income was \$42,241 and the median income per capita was \$25,707, compared to the national median income of \$53,889 per household and \$28,930 per capita. In Baltimore, 23.7% of the population lived below the poverty line, compared to 13.5% nationwide.

Housing in Baltimore is relatively inexpensive for large, coastal cities of its size. The median sale price for homes in Baltimore in 2012 was \$95,000. Despite the housing collapse, and along with the national trends, Baltimore residents still face slowly increasing rent (up 3% in the summer of 2010). The homeless population in Baltimore is steadily increasing; it exceeded 4,000 people in 2011. The increase in the number of young homeless people was particularly severe.

As of 2015, life expectancy in Baltimore was 74 to 75 years, compared to the U.S. average of 78 to 80. Fourteen neighborhoods had lower life expectancies than North Korea. The life expectancy in Downtown/Seton Hill was comparable to that of Yemen.

5.3 Transportation

The city of Baltimore has a higher-than-average percentage of households without a car. In 2015, 30.7 percent of Baltimore households lacked a car, which decreased slightly to 28.9 percent in 2016. The national average was 8.7 percent in 2016. Baltimore averaged 1.65 cars per household in 2016, compared to a national average of 1.8.

The Interstate highways serving Baltimore are I-70, I-83 (the Jones Falls Expressway), I-95, I-395, I-695 (the Baltimore Beltway), I-795 (the Northwest Expressway), I-895 (the Harbor Tunnel Thruway), and I-97. The city's mainline Interstate highways—I-95, I-83, and I-70—do not directly connect to each other, and in the case of I-70 end at a park and ride lot just inside the city limits, because of freeway revolts in Baltimore. These revolts were led primarily by Barbara Mikulski, a former United States senator for Maryland, which resulted in the abandonment of the original plan. There are two tunnels traversing Baltimore Harbor within the city limits: the four-bore Fort McHenry Tunnel (opened in 1985 and serving I-95) and the two-bore Harbor Tunnel (opened in 1957 and serving I-895). The Baltimore Beltway crosses south of Baltimore Harbor over the Francis Scott Key Bridge.

The only U.S. Highways in the city are US 1, which bypasses downtown, and US 40, which crosses downtown from east to west. Both run along major surface streets; however, US 40 utilizes a small section of a freeway cancelled in



the 1970s in the west side of the city originally intended for Interstate 170. State routes in the city also travel along surface streets, with the exception of Maryland Route 295, which carries the Baltimore–Washington Parkway.

Public transit in Baltimore is mostly provided by the Maryland Transit Administration (abbreviated "MTA Maryland") and Charm City Circulator. MTA Maryland operates a comprehensive bus network, including many local, express, and commuter buses, a light rail network connecting Hunt Valley in the north to BWI Airport and Cromwell (Glen Burnie) in the south, and a subway line between Owings Mills and Johns Hopkins Hospital. A proposed rail line, known as the Red Line, which would link the Social Security Administration to Johns Hopkins Bayview Medical Center and perhaps the Canton and Dundalk communities, was cancelled as of June 2015 by Governor Larry Hogan; a proposal to extend Baltimore's existing subway line to Morgan State University, known as the Green Line, is in the planning stages.



The Charm City Circulator (CCC), a shuttle bus service operated by Veolia Transportation for the Baltimore Department of Transportation, began operating in the downtown area in January 2010. Funded partly by a 16 percent increase in the city's parking fees, the circulator provides free bus service seven days a week, picking up passengers every 15 minutes at designated stops during service hours.

Baltimore also has a water taxi service, operated by Baltimore Water Taxi. The water taxi's six routes provide service throughout the city's harbor, and was purchased by Under Armour CEO Kevin Plank's Sagamore Ventures in 2016.

In June 2017, The BaltimoreLink started operating; it is the redesign of the region's initial bus system. The BaltimoreLink runs through downtown Baltimore every 10 minutes via color-coded, high-frequency CityLink routes.

Baltimore is a top destination for Amtrak along the Northeast Corridor. Baltimore's Penn Station is one of the busiest in the country. In FY 2014, Penn Station was ranked the seventh-busiest rail station in the United States by number of passengers served each year. The building sits on a raised "island" of sorts between two open trenches, one for the Jones Falls Expressway and the other for the tracks of the Northeast Corridor (NEC). The NEC approaches from the south through the two-track, 7,660 feet Baltimore and Potomac Tunnel, which opened in 1873 and whose 30 mph limit, sharp curves, and steep grades make it one of the NEC's worst bottlenecks. The NEC's northern approach is the 1873 Union Tunnel, which has one single-track bore and one double-track bore.

Baltimore is served by two airports, both operated by the Maryland Aviation Administration, which is part of the Maryland Department of Transportation. Baltimore–Washington International Thurgood Marshall Airport, generally known as "BWI", lies about 10 miles to the south of Baltimore in neighboring Anne Arundel County. The airport is named after Thurgood Marshall, a Baltimore native who was the first African American to serve on the Supreme Court of the United States. In terms of passenger traffic, BWI is the 22nd busiest airport in the United States. As of calendar year 2014, BWI is the largest, by passenger count, of three major airports serving the Baltimore–Washington Metropolitan Area. It is accessible by I-95 and the Baltimore–Washington Parkway via Interstate 195, the Baltimore Light Rail, and Amtrak and MARC Train at BWI Rail Station.

Baltimore is also served by Martin State Airport, a general aviation facility, to the northeast in Baltimore County. Martin State Airport is linked to downtown Baltimore by Maryland Route 150 (Eastern Avenue) and by MARC Train at its own station.

Water taxis also operate in the Inner Harbor. Governor Ehrlich participated in naming the port after Helen Delich Bentley during the 300th anniversary of the port.

In 2007, Duke Realty Corporation began a new development near the Port of Baltimore, named the Chesapeake Commerce Center. This new industrial park is located on the site of a former General Motors plant. The total project comprises 184 acres in eastern Baltimore City, and the site will yield 2,800,000 square feet of warehouse/distribution and office space. Chesapeake Commerce Center has direct access to two major Interstate highways (I-95 and I-895) and is located adjacent to two of the major Port of Baltimore terminals. The Port of Baltimore is one of two seaports on the U.S. East Coast with a 50-foot dredge to accommodate the largest shipping vessels.

Along with cargo terminals, the port also has a passenger cruise terminal, which offers year-round trips on several lines, including Royal Caribbean's *Grandeur of the Seas* and *Carnival's Pride*. Overall five cruise lines have operated out of the port to the Bahamas and the Caribbean, while some ships traveled to New England and Canada. The terminal has become an embarkation point where passengers have the opportunity to park and board next to the ship visible from Interstate 95. Passengers from Pennsylvania, New York and New Jersey make up a third of the volume, with travelers from Maryland, Virginia, the District and even Ohio and the Carolinas making up the rest.

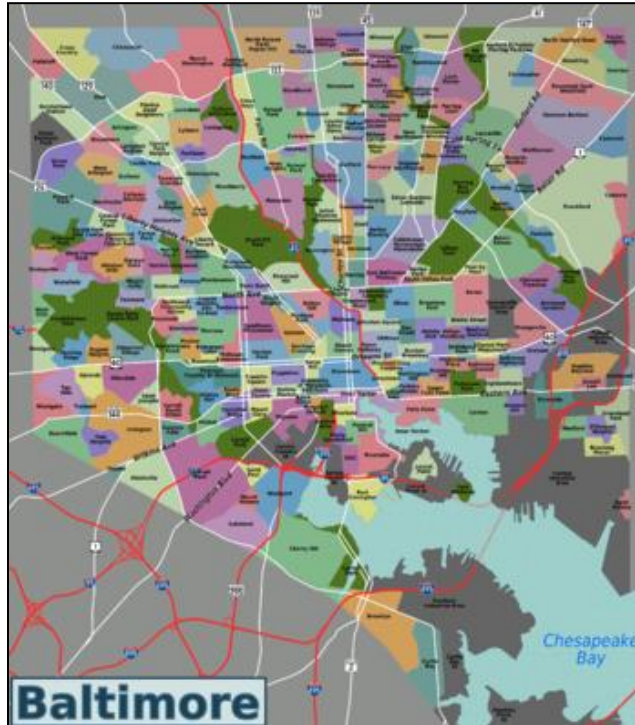
5.4 Geography

Baltimore is in north-central Maryland on the Patapsco River close to where it empties into the Chesapeake Bay. The city is also located on the fall line between the Piedmont Plateau and the Atlantic coastal plain, which divides Baltimore into "lower city" and "upper city". The city's elevation ranges from sea level at the harbor to 480 feet (150 m) in the northwest corner near Pimlico.

According to the 2010 Census, the city has a total area of 92.1 square miles, of which 80.9 sq mi is land and 11.1 square miles is water. The total area is 12.1 percent water.

Baltimore is almost surrounded by Baltimore County, but is politically independent of it. It is bordered by Anne Arundel County to the south.

4.1.1 Neighborhoods



A map of Baltimore with the official city-designated Baltimore neighborhoods, by the Baltimore City Dept. of Planning

Baltimore is officially divided into nine geographical regions: North, Northeast, East, Southeast, South, Southwest, West, Northwest, and Central, with each district patrolled by a respective Baltimore Police Department. Interstate 83 and Charles Street down to Hanover Street and Ritchie Highway serve as the east–west dividing line and Eastern Avenue to Route 40 as the north–south dividing line; however, Baltimore Street is north–south dividing line for the U.S. Postal Service. It is not uncommon for locals to divide the city simply by East or West Baltimore, using Charles Street or I-83 as a dividing line or into North and South using Baltimore Street as a dividing line.

4.1.2 Northwest Baltimore

Northwestern is bounded by the county line to the north and west, Gwynns Falls Parkway on the south and Pimlico Road on the east, is home to Pimlico Racecourse, Sinai Hospital, and the headquarters of the NAACP. Its neighborhoods are mostly residential and are dissected by Northern Parkway. The area has been the center of Baltimore's Jewish community since after World War II. Notable neighborhoods include Pimlico, Mount Washington, and Cheswolde, and Park Heights.

4.2 Economy

Once a predominantly industrial town, with an economic base focused on steel processing, shipping, auto manufacturing (General Motors Baltimore Assembly), and transportation, the city experienced deindustrialization which cost residents tens of thousands of low-skill, high-wage jobs. The city now relies on a low-wage service economy, which accounts for 31% of jobs in the city. Around the turn of the 20th century, Baltimore was the leading US manufacturer of rye whiskey and straw hats. It also led in refining of crude oil, brought to the city by pipeline from Pennsylvania.

As of March 2018, the U.S. Bureau of Labor Statistics calculates Baltimore's unemployment rate at 5.8% while one quarter of Baltimore residents (and 37% of Baltimore children) live in poverty. The 2012 closure of a major steel plant at Sparrows Point is expected to have a further impact on employment and the local economy. The Census Bureau reported in 2013 that 207,000 workers commute into Baltimore city each day. Downtown Baltimore is the primary economic asset within Baltimore City and the region with 29.1 million square feet of office space. The tech sector is rapidly growing as the Baltimore metro ranks 8th in the CBRE Tech Talent Report among 50 U.S. metro areas for high growth rate and number of tech professionals. Forbes ranked Baltimore fourth among America's "new tech hot spots". Almost a quarter of the jobs in the Baltimore region were in science, technology, engineering and math as of mid-2013, in part attributed to the city's extensive undergraduate and graduate schools; maintenance and repair experts were included in this count.

4.2.1 Port

The center of international commerce for the region is the World Trade Center Baltimore. It houses the Maryland Port Administration and U.S. headquarters for major shipping lines. Baltimore is ranked 9th for total dollar value of cargo and 13th for cargo tonnage for all U.S. ports. In 2014, total cargo moving through the port totaled 29.5 million tons, down from 30.3 million tons in 2013. The value of cargo traveling through the port in 2014 came to \$52.5 billion, down from \$52.6 billion in 2013. The Port of Baltimore generates \$3 billion in annual wages and salary, as well as supporting 14,630 direct jobs and 108,000 jobs connected to port work. In 2014, the port also generated more than \$300 million in taxes. It serves over 50 ocean carriers making nearly 1,800 annual visits. Among all U.S. ports, Baltimore is first in handling automobiles, light trucks, farm and construction machinery; and imported forest products, aluminum, and sugar. The port is second in coal exports. The Port of Baltimore's cruise industry, which offers year-round trips on several lines supports over 500 jobs and brings in over \$90 million to Maryland's economy annually. Growth at the port continues with the Maryland Port Administration plans to turn the southern tip of the former steel mill into a marine terminal, primarily for car and truck shipments, but also for anticipated new business coming to Baltimore after the completion of the Panama Canal expansion project.

Figure 5-1, Baltimore Unemployment Rate

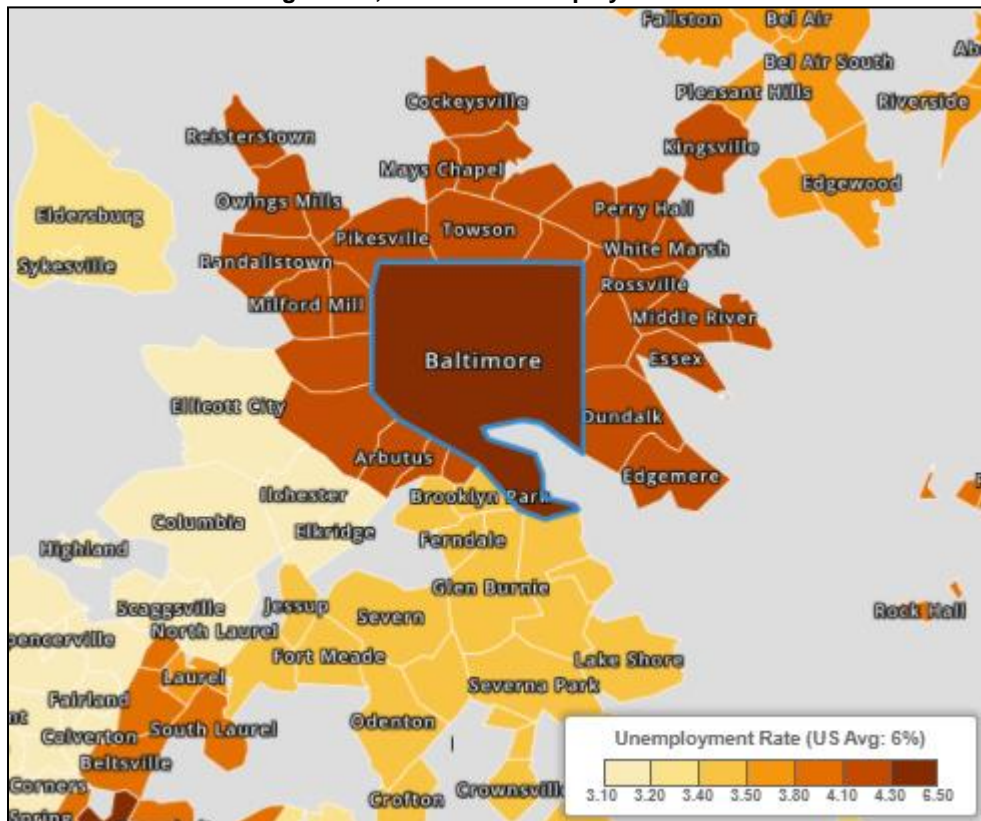


Figure 5-2, Baltimore Median Household Income

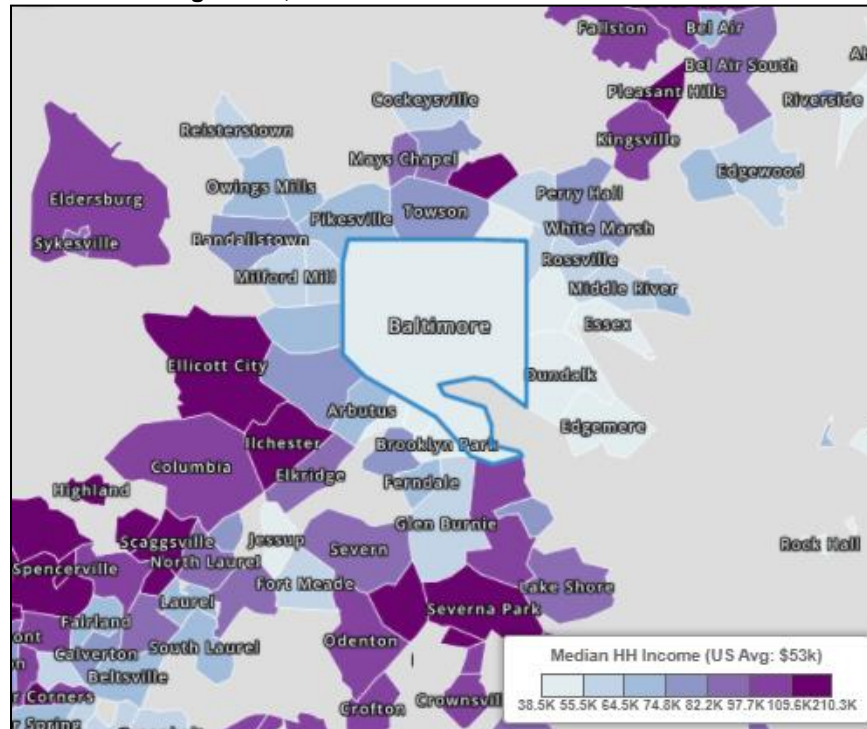
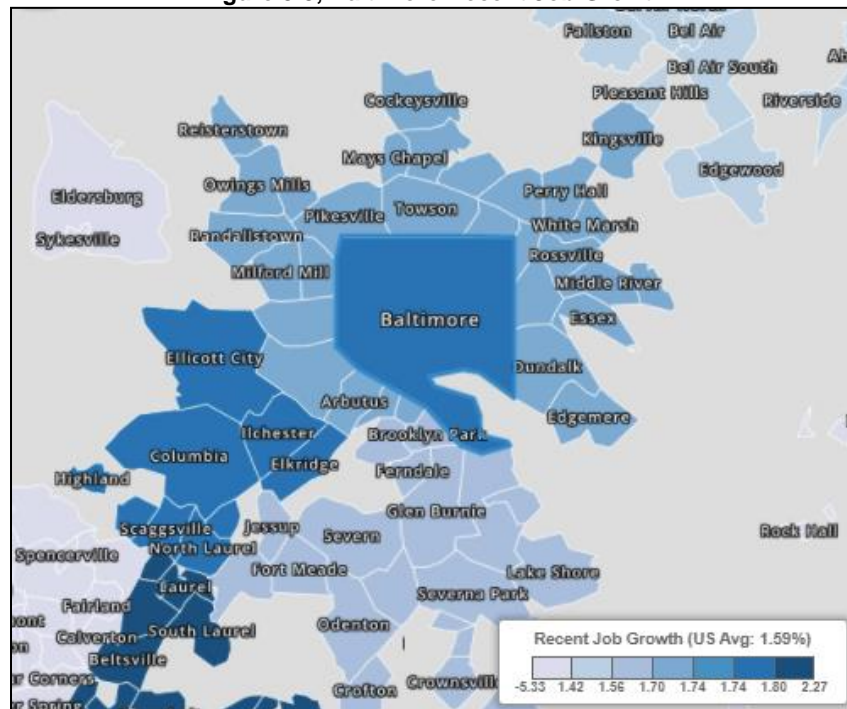


Figure 5-3, Baltimore Recent Job Growth



Additional demographic reports data including the latest Census regarding the Subject's market area run by Esri has been saved to the workfile.

5 Market/Industry Analysis

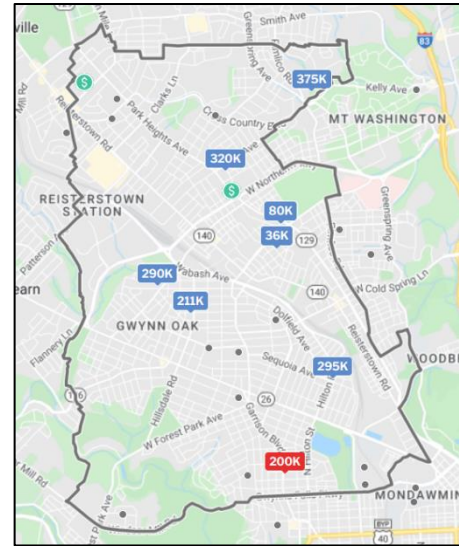
5.1 Single-Family Northwestern Baltimore Housing Market

Over the past five years the prices of single-family homes in the Northwestern Baltimore Housing Market have been steadily increasing. In March 2022, Northwestern Baltimore single-family home prices were up 11.1% compared to last year. The median price of a single-family home was \$280,000. Approximately eighty-three homes were sold with a median of forty-four days on market.

Currently approximately 44% of residential dwellings are owned, 36% are rented, and 20% are vacant. The annual residential turnover is approximately 15%. Approximately 41% of residents have 5+ years of residency with a median year in residency of 4.15.

Source: Redfin, Weichert

Our Subject is located in the Midtown Edmondson neighborhood. This neighborhood has not performed as well as other neighborhoods in Baltimore City.



Baltimore Metro Area March 2022 Market Overview

Baltimore Market Key Findings			
	March 2022	vs. March 2021	vs. Feb 2022
Median Sales Price	\$340.0K	▲ +7.9%	▲ +6.3%
Closed Sales	3,584	▼ -1.7%	▲ +37.9
New Pending Sales	4,348	▼ -8.8%	▲ +28.1%
New Listings	4,948	▼ -2.1%	▲ +43.3%
Median Days on Market	6	▼ -1	▼ -4
Showings	106,186	▼ -13.9%	▲ +20.5%
Months of Supply	0.7	▼ -8.0%	▲ 13.6%

Rising prices showed no signs of slowing in March with the spring market underway. The monthly median sale price jumped 8% from a year ago. Buyers should expect more price increases, as the median price of a new listing rose 6%. The market saw a seasonal rise in new listings. While buyers are hunting for homes, fewer showings took place than a year ago as inventory tightens. However, there are indications of how this year's market will be different than last year: lower home demand and inventory translated to lower new pending homes sales. There are also early signs that rising interest rates may be impacting the market as more inventory stayed up for sale at month-end. Condos had 'High' buyer demand, as sales rose 3%. Condos were also the only home type with more new listings than a year ago, growing faster than other housing types.

March	2022	Median	Sales	Price
	March '22	vs. March '21	vs. March '20	YTD '22 vs. YTD '21
Anne Arundel County	\$440.2K	7.6%	17.4%	\$425.0K 7.6%
Baltimore City	\$222.0K	12.0%	27.6%	\$210.0K 10.5%
Baltimore County	\$305.0K	9.7%	20.6%	\$300.0K 8.7%
Carroll County	\$404.3K	6.4%	22.5%	\$400.0K 10.0%
Harford County	\$329.9K	16.6%	25.3%	\$325.0K 14.0%
Howard County	\$522.5K	13.4%	22.9%	\$475.0K 6.7%
Baltimore Metro	\$340.0K	7.9%	16.4%	\$325.0K 6.4%

March 2022 Closed Sales

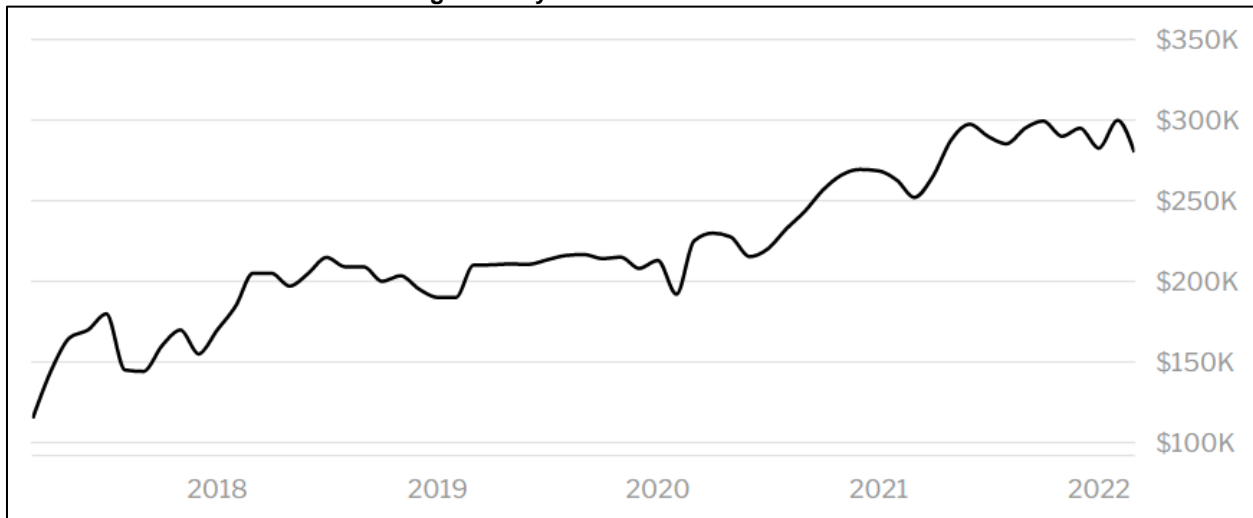
	March '22	vs. March '21	vs. March '20	YTD '22	vs. YTD '21
Anne Arundel County	839	-8.0%	-2.2%	1,989	-15.3%
Baltimore City	985	3.6%	42.1%	2,543	1.4%
Baltimore County	918	N/C	12.9%	2,395	-1.5%
Carroll County	194	15.5%	-4.4%	467	-2.9%
Harford County	318	-9.4%	6.0%	800	-12.1%
Howard County	330	-4.9%	2.2%	799	-10.4%
Baltimore Metro	3,584	-1.7%	12.4%	8,993	-6.0%

Baltimore Metro Ten Year Trends, Median Sales Price by Housing Type

	Med Sale \$	Detached: All	Attached: All	Townhomes	Condo / Co-op
Mar 2013	\$228.5K	\$290.0K	\$172.0K	\$164.0K	\$182.5K
Mar 2014	\$227.5K	\$300.0K	\$173.0K	\$165.4K	\$187.5K
Mar 2015	\$230.1K	\$285.0K	\$170.0K	\$163.8K	\$180.0K
Mar 2016	\$237.4K	\$290.5K	\$190.0K	\$186.0K	\$199.0K
Mar 2017	\$245.0K	\$306.5K	\$194.8K	\$189.0K	\$210.0K
Mar 2018	\$259.0K	\$325.0K	\$205.0K	\$205.0K	\$200.6K
Mar 2019	\$264.0K	\$329.9K	\$210.0K	\$210.8K	\$205.0K
Mar 2020	\$292.0K	\$371.0K	\$220.0K	\$225.0K	\$210.2K
Mar 2021	\$315.0K	\$396.0K	\$245.0K	\$250.0K	\$235.0K
Mar 2022	\$340.0K	\$430.0K	\$263.8K	\$261.0K	\$270.0K

Source: Bright MLS

Prices of Single-Family Homes from March 2017-March 2022



Source: Redfin.com

5.2 Baltimore City Interviews

For the purpose of this appraisal, we have spoken with various people who are familiar with the market area of Baltimore City, MD. Phone calls with each of these representatives have relayed similar opinions about values of residential homes and residential land and the poor health of the real estate market.

Kevin Jackson is the assessor who had last done the assessments in Midtown Edmonson, the neighborhood of where the Subject is located. He had relayed that there have been no effects on value due to COVID-19 in the neighborhood. A significant number of homes in the neighborhood are in poor to fair condition. Many sales in the area are distressed sales. Assessments for improved residential properties have been assessed at a maximum of \$7,000 to \$15,000. We assume that this is for row homes which are in occupiable condition. Furthermore, Mr. Jackson reports that values in Baltimore City vary by and block to block basis. The values can change drastically from turning a corner. Generally, blocks where more row homes are occupied are more desirable and higher in value than blocks with more unoccupied row homes, which further perpetuates differences in value.

Chad Hayes is the Western District Planner and City Planner Supervisor in the Department of Planning for the City of Baltimore. He has relayed that many of the sales in western Baltimore are sold both on the market through auction. There are not many individual vacant lot sales but when there is, they are usually sold to adjacent existing vacant lot owners. Mr. Hayes reports that there is limited development but he has shared information on four larger land acquisitions for residential development as follows. All of these developments are a few miles from the Subject and located in different neighborhoods. Values in Baltimore City vary by a block-to-block basis.

Pia Heslip is the Executive Director at One House At A Time, Inc, a nonprofit organization that assists with rehabilitating vacant and nuisance properties in Baltimore. Pia is familiar with auction sales of properties in Baltimore City of properties and overall trends in the area. She has shared that neighborhoods in Baltimore vary drastically and even on a block-by-block basis. Properties that sell with assistance from her organization often have tax liens on them. Once the property sells, the sale proceeds either pay off the lien amount in order for the property to sell free and clear, or Baltimore City is able to clear the amount of liens on the property.

Various appraisers, brokers, listing/selling agents have been contacted and interviewed to learn further competency on Baltimore's real estate market and during the verification process of sales data. Many have shared that Baltimore residential properties vary on a block-by-block basis. They have also stated that auction sales occur just as often as regular sales and generally reflect the same market value.

5.3 Market Industry Conclusion

The demographic and analytic information above shows a positive outlook for residential properties Baltimore City, MD. Market rents and sales for industrial properties are gradually increasing. However, the neighborhood, Midtown Edmonson, is increasing at a slower rate than other neighborhoods in Baltimore City as development has been slow overall. Most vacant lots are on hold in interim until the market recovers and is ready for development.

6 Subject Property Description**Property Name:** 1008 N Payson Street**Property Address:** 1008 N Payson Street, Baltimore, MD 21217**Parcel Number (block/lot):** 16-05-0057-005. A metes and bounds description was not available via public record.**Location/Cross Street:** The Subject is located on N Payson Street, between Mosher Street and Riggs Avenue.**6.1 Land Description****Summary Description:** The Subject property is approximately 1,120 square feet, or 0.026 acres, in size. It is rectangular in shape and has the dimensions of 14 feet 0 inches by 80 feet. The land is flat and level. The Subject is zoned R-8 high density residential, allowing single-family and multi-family dwellings.

The Subject has fourteen feet of frontage along N Payson Street. The improvements have little set back from the sidewalk and the street. The property does not have on-site parking.

There are typical public utilities available for water, sewer, gas, and electricity. The Subject has no unusual soils. The minerals at the Subject are unknown and none have been reported. None are known to be in this vicinity. There are no major easements that would impact the value of the Property. There may be local utility easements that would be considered insignificant.

Parcel Shape/ Topography: Flat and level.**Land Area:** 1,120 square feet, or 0.026 acres**Zoning/Use/ Approvals:** Zoning Class: R-8, High density residential
Zoning Class Description: The Subject is zoned R-8 high density residential, allowing single-family and multi-family dwellings. Zoning ordinance allows "traditional form of urban rowhouse. Continuous rowhouse development along full blocks built to or only modestly set back from the street. Also accommodates other residential types of a similar density. Limited non-residential uses." There is a minimum lot area of 750 feet for rowhouse uses and maximum yard coverage of 80 percent. There is no minimum setback requirement from the front, sides or rear of the property.**Wetlands/Other Use Restrictions:** We were not given a wetland survey to review. We assume no wetlands issues**Site Utility:** The site is adequate in shape and size for development as a single-family row home.**6.2 Improvement Description****Summary Description:** The Subject is currently improved with a two-story interior row home. It has been confirmed through public record that the structure was built in 1920 and was a three-bedroom, one-bathroom row home. The interior row home had two stories and an unfinished basement and was in average condition at the time of the inspection.**Building Type / Construction:** The Subject is an interior row home in average condition. It is made with brick/masonry construction with low bearing masonry walls and a flat roof. The exterior walls are brick. There are no other site improvements.**6.3 Mechanical Detail****Heating Ventilation Air Conditioning (HVAC):** It has been reported by the assessor that row homes in this area do not have HVAC.**Plumbing:** The plumbing system appeared to be in average condition.

Electrical Service: The electrical system appeared to be in average condition.

Security: None.

6.4 Deferred Maintenance and Detrimental Conditions

Overall Condition and Quality: The overall property condition was average occupiable.

The overall property quality was average for this class of property and market area.

Detrimental Conditions: None noted.

6.5 Environmental

Environmental Detriments: We know of no environmental, toxic, or hazardous substances issues at the Subject. None were reported to us by the Client or the site owners or managers. We observed no evidence of environmental, toxic, or hazardous substance issues during our inspection of this site. However, we are not trained to perform technical environmental inspections. This Appraisal assumes no environmental, toxic, or hazardous substances issues exist at the Subject.

6.6 Legal

Deed/Contract Restrictions: No other restrictions are known. ADA issues were not investigated. We assume that no ADA issues are negatively affecting the Property.

6.7 Adequacy

Physical: The land and building are not in adequate condition for occupiable use.

Functional: No functional obsolescence was observed.

Economic: No economic obsolescence was observed.

6.8 Subject Transaction History

Property Owner: William Jennings

Sales History and Analysis: The Subject was not sold within the last ten years.

The last sale of the Subject was an arm's length transaction of \$45,600 on August 16, 2011 from G.M.G Realty Inc. The Subject is not currently being offered for sale.

Leasing History and Analysis: The Subject is currently leased to a tenant. We were not provided with a copy of the lease to analyze.

6.9 Property Tax History

Figure 6-1, Assessment History

Year	Land	Building	Annual Assessment
			Ttl Taxable
2022	\$1,000	\$6,000	\$7,000
2021	\$3,000	\$12,000	\$7,000
2020	\$3,000	\$12,000	\$15,000

Based on the value conclusions of this report, we believe that the property owner benefits from a lower tax assessment.

Figure 6-2, Photographs of Subject

- 1) Front view of Subject. Picture taken facing east.



Figure 6-3, Street Views of Subject

- 2) Street view of Subject on the right side of the street. Picture taken facing south.



- 3) Street view of Subject on the left side of the street. Picture taken facing west.

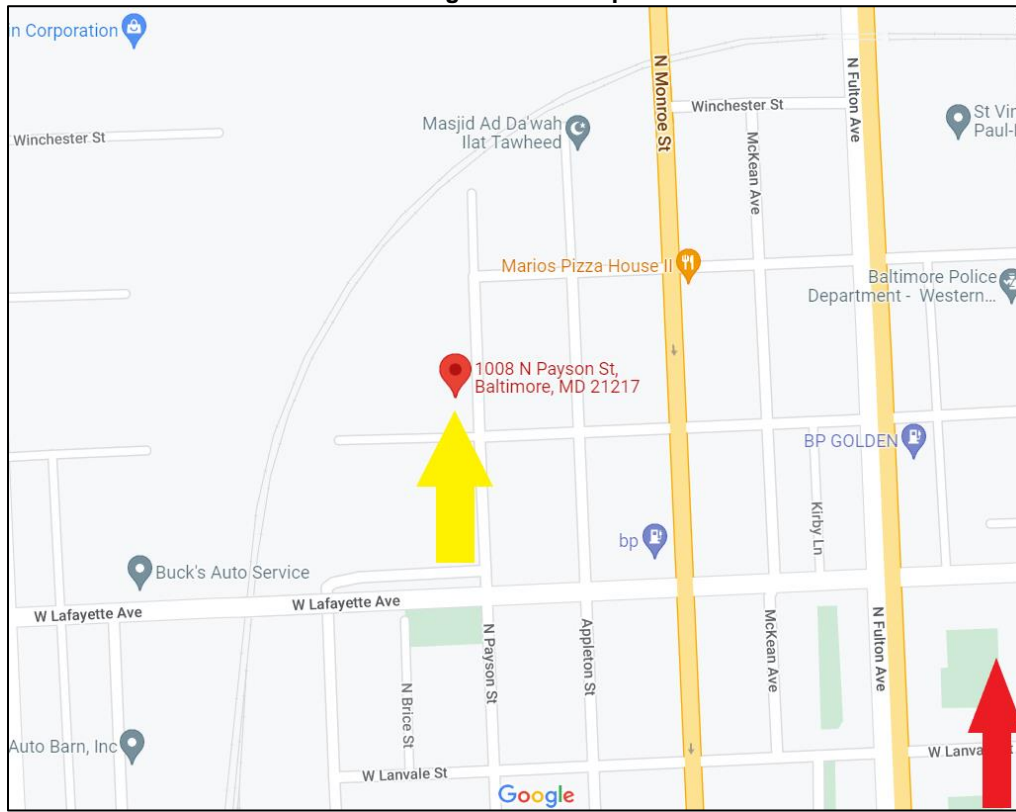


All photos were taken by Mark Pomykacz on June 20, 2022.

Plot Map



Figure 6-4, Location Maps
Neighborhood Map



Area Map

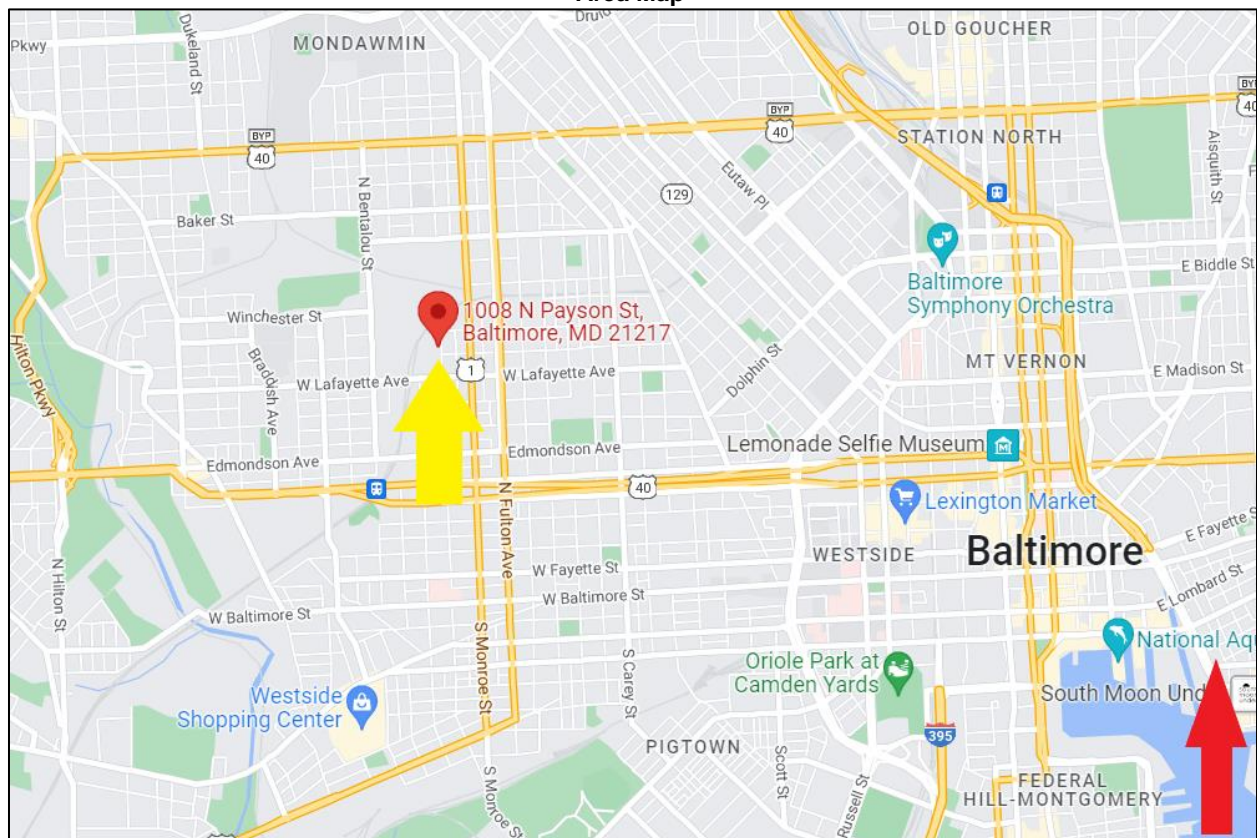


Figure 6-5, Satellite Photograph of Subject



Figure 6-6, Site Map/Survey of Subject/Tax Map



Figure 6-7, Wetlands Map of Subject



Figure 6-8, Flood Map of Subject



FEMA Flood Map 2400870017E, effective 2/2/2012. Map is unmapped by FEMA, however, no flooding known in the vicinity.

7 Highest and Best Use Analysis

In order to estimate the market value of a property, the appraiser must identify the highest and best use of the property, and must assume such highest and best use as the premise of value. Other types of value may assume other uses.

The 2022-23 Uniform Standards of Professional Appraisal Practice unequivocally states the imperative of appraising market value only under the assumption of the highest and best use, in Standards Rule 1-3 (b). An appraiser must analyze the relevant legal, physical, and economic factors to the extent necessary to support the appraiser's highest and best use conclusions(s). The highest and best use is the reasonably probable use of a property that results in the highest value. It must meet four criteria: legal permissibility, physical possibility, financial feasibility, and maximum productivity.

7.1 The Four Criteria

There are four basic criteria that are considered and analyzed in determining the highest and best use of a property:

1. **Physically possible.** What uses are physically possible given the constraints of the size and physical characteristics of the site?
2. **Legally permissible.** What uses are permitted by zoning or other restrictions (i.e. deed restrictions) on the property?
3. **Financially feasible.** Of the physically possible and legally permitted uses, which are financially feasible in that they will produce a net return to the property owner?
4. **Maximally productive.** Of the financially feasible uses, which use will produce the highest net return, or result in the highest present value of the property?

To utilize these four criteria effectively, they must be considered in terms of what is reasonably probable.

7.2 Highest and Best Use Conclusions

7.2.1 As if Vacant Land

When analyzing the Subject's highest and best use, we have considered the market demand² of parcels similar to the Subject, as this appraisal is intended to comply with UASFLA (Yellowbook) guidelines, Sections 2.3.3.1, 2.3.3.1.1 and 2.3.3.1.2.

The highest and best use of the land, as if vacant and available for redevelopment, would be for development as a single-family dwelling, as is consistent with local zoning, subject to reasonably probable changes. This is consistent with adjacent property types (assuming no environmental or other issues). The use would be physically possible and legally permissible. The surrounding neighborhood is all residential row homes. The zoning legally allows residential dwellings with no setback limitations. However, given the very poor economics of the market area, it is not financially feasible to develop a single-family dwelling at this time. Therefore, the maximally productive use of the Subject may to be hold the Subject as vacant land, as an interim use, for future development.

7.2.2 As Improved

The highest and best use of the Subject, as improved, as of the Effective Date, would be for continued use of the property, as a single-family dwelling, as this use is physically possible, legally permissible, economically feasible, and all other uses would not be maximally productive.

² Market Demand is further described in the Uniform Appraisal Standards for Federal Land Acquisitions, 2016 edition by the Appraisal Foundation under section 4.3.2.2 Market Demand.

8 Approaches to Value

There are three approaches to valuing real estate and other capital assets: the Cost Approach, the Sales Comparison Approach (sometimes referred to as the Market Data Approach), and the Income Approach. After completing all appropriate approaches, the appraiser reconciles the various indications to derive a value conclusion for the property. Fundamental underlying assumptions and basic methodology involved in each approach and the reconciliation are summarized in this section.

8.1 Application of the Three Approaches to Value

The valuation process is applied to develop a well-supported estimate of a defined value based on an analysis of pertinent general and specific data. Appraisers develop an opinion of property value with specific appraisal procedures which reflect three distinct methods of data analysis – cost, sales comparison, and income capitalization. One or more of these approaches are used in all estimates of value. The approaches employed depend on the type of property, the intended use of the appraisal, and the quality and quantity of data available for analysis.

All three approaches are applicable to many appraisal problems, but one or more of the approaches may have greater significance in a given assignment. For example, the sales comparison approach is usually emphasized in the valuation of single-unit residential properties. However, this approach may not be applicable to specialized properties such as garbage disposal plants because comparable data may not be available. The income capitalization approach is used to value most income producing properties, but it can be particularly unreliable in the market for commercial or industrial property where owner-occupants outbid investors. The income capitalization approach is not typically applied in valuing homes. The cost approach may be more applicable to new and special-purpose properties and less applicable in valuing properties with older improvements that suffer substantial depreciation, which can be difficult to estimate. Appraisers should apply all the approaches that are applicable and for which there is data. The alternative value indications derived can either support or refute one another.

When all three approaches have been used, the appraiser examines the three, separate indications. The relative dependability and applicability of each approach are considered in reconciling the value indications into a final estimate of value. In the reconciliation section of the report, the appraiser can explain variations among the indications produced by the different approaches and account for any inconsistencies between the value conclusions and methods applied.

8.2 Cost Approach

In the cost approach, the cost to develop a property is compared with the value of the existing property or a similarly developed property. When applicable, the cost approach reflects the thinking of market participants by recognizing that market participants sometimes relate value to cost. Market participants tend to judge the value of an existing structure by considering the prices of and incomes from similar assets and the cost to create a new building with comparable physical conditions and functional utility. Market participants adjust the prices they are willing to buy, sell or rent by estimating the costs to bring an existing structure up to the physical condition and functional utility they desire.

Cost Approach: A set of procedures through which a value indication is derived for the fee simple estate by estimating the current cost to construct a reproduction of (or replacement for) the existing structure, including an entrepreneurial incentive or profit; deducting depreciation from the total cost; and adding the estimated land value. Adjustments may then be made to the indicated value of the fee simple estate in the subject property to reflect the value of the property interest being appraised.

8.3 Sales Comparison Approach

The sales comparison approach is based on the principle of substitution, which states that buyers and sellers will not pay more for or sell for less than, respectively, what other similar properties sell for. The sales comparison approach is the process by which a market value estimate is derived by analyzing the sales of similar property and comparing these properties to the appraised property. Often property characteristics that differ between a subject property and comparable sales properties are analyzed in the sales comparison approach to determine the adjustments to be made to the prices of comparable property. The comparative techniques of analysis applied in the sales comparison approach are fundamental to the valuation process and are used in the other approaches as well.

Sales Comparison Approach: “The process of deriving a value indication for the subject property by comparing sales of similar properties to the property being appraised, identifying appropriate units of comparison, and making adjustments to the sale prices (or unit prices, as appropriate) of the comparable properties based on relevant, market derived elements of comparison. The sales comparison approach may be used to value improved properties, vacant land, or land being considered as though vacant when an adequate supply of comparable sales is available.”

8.4 Income Approach

The income capitalization approach is based on the principle of anticipation, which means that market participants desire property for their future benefits. For a property that generates income, the value of the property is derived from the anticipation of receiving the income.

Income Capitalization Approach: “Specific appraisal techniques applied to develop a value indication for a property based on its earning capability and calculated by the capitalization of property income.” The direct capitalization and yield capitalization or discounted cash flow (DCF) analysis fall under the income approach.

8.5 Reconciliation

The last phase of any valuation assignment in which two or more value indications are concluded is the reconciliation phase. In this phase, the various value indications are reconciled into a final value opinion, which may be either a final range of value or a single point estimate. Additionally, a reconciliation process may be needed at end of various appraisal analyses when a conclusion is needed from among more than one indication. For example, an appraisal may include a rental comparison analysis and various rental market surveys and averages. The appraiser may need to reconcile the comparison analysis with the surveys and averages to conclude a market rent which will be part of the formal income approach.

8.6 Approaches Applied in this Appraisal

In conformity with market forces and appraisal doctrine, we have attempted to employ the three traditional approaches to value: sales comparison, income, and cost approaches to estimate the market value of the Subject.

8.6.1 Unit Rule and Adjustments

Uniform Appraisal Standards for Federal Land Acquisitions (UASFLA Yellowbook) requires a determination and analysis of the larger parcel. The Subject will be a full taking of the fee simple interest and therefore, no determination of larger parcel is necessary. The Subject operates as its own economic unit.

8.6.2 The Improved Property Sales Comparison Approach – Employed

The sales comparison approach is considered a reliable approach for appraising improved properties, in this market area and time. It is the traditional and customary approach to appraise improved properties, such as warehouse/industrial properties. Adequate reliable sales comparison data could be found, which credible and appropriate value conclusion could be made.

8.6.3 The Cost Approach – Not employed

After considering the cost approach we did not employ the cost approach in this Appraisal as it would not yield a reliable indication of value for this asset type at this time. The cost approach is typically not completed and relied upon in this market for this asset type. The issues with the cost methodology for this asset currently include difficulties estimating cost new, land value, physical depreciation, functional obsolescence and/or economic obsolescence.

8.6.4 The Income Approach - Not employed

The income approach is not considered a reliable approach for appraising this kind of asset, in this market area and time. Adequate reliable income and expense data could not be found, without which credible and appropriate value conclusion could not be made. The income approach is typically not completed and relied upon in this market for this asset type. After full consideration, we did not employ the income approach.

9 Improved Property Sales Comparison Approach

9.1 Introduction

The sales comparison approach is a traditional appraisal technique that is most useful when a number of similar assets have been sold in the market, and when details on those assets and sale transactions are publicly available for analysis. This approach arrives at an estimate of value for a subject property by comparing the sale price of similar (comparable) assets. This is a classic example of the principle of substitution. When a purchaser could acquire a number of competing properties with similar utility and desirability, the purchaser will not choose to pay more to acquire the subject than the reasonable market value of a substitute property. Likewise, the seller of a property will understandably not accept an offer below the sale price obtained for similar properties.

Research for comparable assets that have sold rarely yields transactions that are identical to the subject property in all major value-impacting categories. For those sales not perfectly similar to the subject property, common, and standard appraisal practice requires a reconciliation of the differences between the major value-impacting characteristics of the subject property and those of the comparables. This reconciliation is known as the adjustment process.

9.2 Transaction/Comparable Data Universe

We have researched the market area for sales of properties with characteristics similar to the Subject. The search included a search of the sales databases such as CoStar, LoopNet, the local Multiple Listing Service, assessor's records, market participants and other sources.

The best sales comparables must be arms-length, recent, and similar to the subject in terms of physical, economic and locational characteristics. An important qualification of each comparable sale was the level of supporting data that is publicly available. It is common for a significant number of transactions to be excluded from the sales comparison approach. Common disqualifiers include a lack of supporting data and partial interest differences or being outside the geographic market area or being sales that date back to different market periods.

The sales are compared to the subject, and adjustments are applied for dissimilarities. Adjustments are made for differences, which include legal conditions of sale, the change in market conditions, location, quality, condition, size, zoning, and development potential, among other items. A "pairing process" is applied when practical to estimate the adjustments. The "pairing process" isolates the characteristic (dissimilarity) for which an adjustment is to be derived by comparing two sales, which are similar in all respects except for which an adjustment is to be derived. The "pairing process" is employed to extract objectively the appropriate adjustments directly from the marketplace. However, this method is not always reliable due to the difficulty in isolating a specific dissimilarity and because the other value differences may offset or compound the apparent adjustment indicated. Another method to estimate adjustments is to appeal to demographics and economic trends. For example, appraisers sometimes base time adjustments for office building sales on the trends in office space rental rates, and sometimes base location adjustments for commercial property on differences in rental rates in different locations. Consequently, we have augmented the paired sales analysis with our professional experience and reasoned judgment, supported, when possible, with other data, observations, and analysis.

9.3 Comparable Properties

We selected several recent sale transactions as the basis of comparison. The primary details on each of the comparables are show in Figure 9-3, Improved Property Sales Adjustment Grid, on page 33. Details of the comparable properties are found in Appendix Improved Property Sales Information.

9.4 Comparable Sales

Transactions chosen for inclusion and comparison in our analysis provided the best opportunity to make adjustments that would be critical to the Sales Comparison technique. Although it is difficult to make adjustments for all factors unique to each transaction, a discussion of the various types of adjustments considered for comparable sales analyses is included in our report.

9.5 Sales Comparison Adjustments

A comparable property must be a bona fide sale, recent, and similar to the Subject in terms of legal, economic, and physical characteristics. Physical characteristics include facility design and type, size, expected utility and production levels, efficiency rates, condition, and age, super adequacy, functional utility, quality, and remaining life. Legal and economic characteristics include terms of any contracts, income and expense rates, location, and market specifics. Adjustments fall into the following general categories, but numerous subcategories may exist and be useful: Property rights conveyed; Non-taxable realty/personal components of overall value; Financing terms; Conditions of sale; Market conditions; Physical characteristics; Location; Economic characteristics; and Use and utility.

9.5.1 Properties Rights Conveyed

A transaction price is always predicated on the interests conveyed. In determining the market value of the tangible assets at an asset, it is necessary to look at each comparable sale to determine the bundle of property rights, which of these rights have been conveyed, whether the individual rights in the bundle relate to real property, and whether the sale price includes real, business and/or personal property.

We noted no property rights issues that required adjustments.

9.5.2 Financing Terms

This adjustment, more commonly known as the cash equivalency adjustment, is a procedure whereby sale prices for comparable properties with atypical financing terms are adjusted to reflect cash settlements with more common, market-typical, financing terms. If the sales were assumed to be in cash to the seller, then no adjustment for cash equivalency would be required. If adjustments were necessary, they would probably be negative since special financing usually adds to the value of the comparable.

All of the sales are believed to be sales involving cash to the seller and required no adjustment for cash equivalency.

9.5.3 Conditions of Sale

This adjustment usually reflects the motivation of a buyer and seller and is required when a sale is considered to be non-arm's length. Most commonly this adjustment is needed when either the buyer or seller is under duress to transact quickly. As with financing terms, any divergence in the conditions of a sale is most likely to be considered in investment and business value analyses.

Our research indicates no evidence that the comparable sales are not arm's length transactions or that either the buyers nor the sellers were under duress. Additionally, our research indicates no evidence that any comparable was not available on the open market for an adequate period prior to sale. Furthermore, we have no evidence that any of the comparables were initiated by bankruptcies or liquidation proceedings that cause duress. All the comparable sales were considered arm's length transactions and no unusual motivations were observed except for Sale Two. It was reported during the verification process that the seller's financing impacted the conditions of the sale. Therefore, a negative adjustment has been reflected in our grid.

9.5.4 Market Conditions (Date of Sale or Time Adjustment)

Market condition adjustments reflect changes in value over time due to fluctuations in the balance of supply, demand, and inflation.

To account for these differences, adjustments were made from the date of sale of each comparable, at a rate of +0.71% per month, or 8.50 percent annually.

This market conditions adjustment was derived from information found on Zillow Home Value Indexes, as shown in Figure 9-1 .

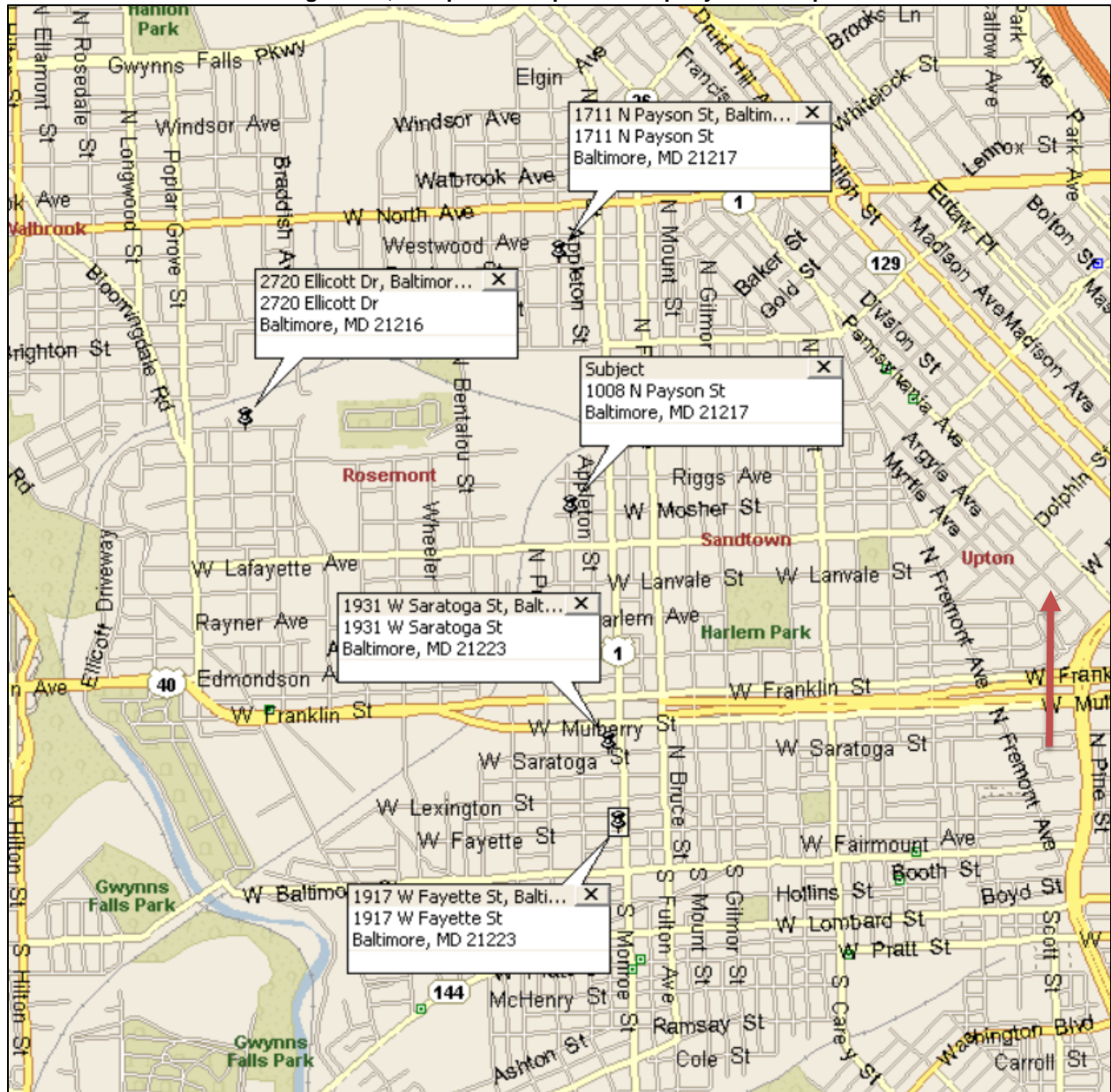
Figure 9-1, Zillow Home Value Index

Zillow Home Value Index							
Baltimore, MD - Single Family Homes							
Year	Month	Home Value Index	Percent Change	Year	Month	Home Value Index	Percent Change
2019	January	\$167,000		2021	January	\$181,000	0.6%
	February	\$169,000	1.2%		February	\$184,000	1.7%
	March	\$170,000	0.6%		March	\$187,000	1.6%
	April	\$170,000	0.0%		April	\$190,000	1.6%
	May	\$169,000	-0.6%		May	\$193,000	1.6%
	June	\$169,000	0.0%		June	\$197,000	2.1%
	July	\$170,000	0.6%		July	\$200,000	1.5%
	August	\$170,000	0.0%		August	\$202,000	1.0%
	September	\$168,000	-1.2%		September	\$204,000	1.0%
	October	\$166,000	-1.2%		October	\$204,000	0.0%
	November	\$165,000	-0.6%		November	\$205,000	0.5%
	December	\$166,000	0.6%		December	\$207,000	1.0%
2020	January	\$167,000	0.6%	2022	January	\$212,000	2.4%
	February	\$168,000	0.6%		February	\$216,000	1.9%
	March	\$169,000	0.6%			Average Change per Month	0.33%
	April	\$170,000	0.6%			Average Change per Year	3.95%
	May	\$170,000	0.0%			Concluded Annual Change	8.50%
	June	\$171,000	0.6%				
	July	\$171,000	0.0%				
	August	\$173,000	1.2%				
	September	\$174,000	0.6%				
	October	\$177,000	1.7%				
	November	\$178,000	0.6%				
	December	\$180,000	1.1%				

9.5.5 Location

The comparables are mapped in the following figure.

Figure 9-1, Comparable Improved Property Sales Map



Adjustments for location are necessary when the locational characteristics of a comparable property are different from those of the subject. Demand for other properties in some locations is higher because of the higher desire for that location.

We have adjusted for location where needed in our Adjustment Grid.

9.5.6 Physical Characteristics

Adjustments for physical characteristics are typically made for design, type, size, expected utility and production levels, condition, age, super adequacy, functional utility, and remaining life. Adjustments for facility condition, super adequacy, and functional utility are subject to depreciation. Because many physical characteristics of the facilities included in comparable sales are not released as public information, adjustments are based on the appraiser's judgement, or these factors could not be adjusted for.

9.5.6.1 Age/Condition

As assets age they lose value. However sometimes renovations and repairs, or the lack thereof, can disconnect the actual age from the asset's effective age. This is relative to the condition of other competing assets in the market area.

We have adjusted for age and condition in our Adjustment Grid where needed.

9.5.7 Quality/Design/Appeal

Quality addresses the materials and workmanship of the construction, the design, the functionality, and layout of the comparables and Subject. Quality, like the other general category of adjustments, can be broken down into smaller subcategories, which we have done where appropriate. Additionally, quality addresses the functionality of the Subject and the comparables.

We have adjusted for quality in our Adjustment Grid where needed. See our Adjustment Grid for details on the category differences between the Subject and each comparable, and for the rate of adjustment.

9.5.7.1 Site Views/Appeal

Residential property values often have different site views and appeal to them depending on the surrounding neighborhood and environment.

We have adjusted for site views/appeal when necessary. See our Adjustment Grid for details on the category differences between the Subject and each comparable, and for the rate of adjustment.

9.5.7.2 Bedrooms/Bathrooms/Below Grade Area/Finish

A primary driver of value for residential properties is the number of bedrooms and bathrooms it has. Below grade (basement) space and finishes also contribute to the desirability and functionality of the property.

We have adjusted for these factors when necessary. See our Adjustment Grid for details on the category differences between the Subject and each comparable, and for the rate of adjustment.

9.5.8 Gross Living Area (Size, SF)

Typically, buyers pay premiums, on a dollar per square foot basis, for smaller properties relative to larger ones partly because the total investment is lower, and there are more buyers competing for the smaller properties. This is the result of the increased competition for the minimum resource desired. For example, many people want homes, and more of these buyers can afford smaller homes than larger ones. For these types of assets, as the size increases the value on a dollar per unit of comparison basis decreases. This is the most common condition of markets. Conversely, some assets become more efficient with size, and thus they have greater value than smaller assets of the same type, because of their reduced operating costs express on a dollar per unit of comparison.

This phenomenon follows a curve; as the size changes from one unit of measure to next, the incremental rate of change in value changes and can be plotted along an exponentially curved line. For this appraisal we have employed the following formula to compute the size adjustment: $\{[(\text{Subject size divided by comparable size}) \text{ to the exponential of } 0.35] \text{ minus } 1\}$ multiplied by -1 . Additionally, we have set a floor on the size of the negative adjustment at -35% . See our Adjustment Grid for details on the differences between the Subject and each comparable, and for the adjustment.

9.5.8.1 Storage/Decks, Patios, Porches/Garage

Additional amenities of residential properties such as additional storage space, enclosed patios, garage and parking spaces all affect the desirability and functionality of a property.

We have adjusted for these factors when necessary. See our Adjustment Grid for details on the category differences between the Subject and each comparable, and for the rate of adjustment.

9.6 Sales Adjustment Grids

The primary details on each comparables are show in the Figure 9-3, Improved Property Sales Adjustment Grid, on page 33. Details of the comparable properties are found in Appendix Improved Property Sales Information.

Figure 9-3, Improved Property Sales Adjustment Grid

	Subject	Comp 1		Comp 2		Comp 3		Comp 4	
Address	1008 N Payson St	1917 W Fayette St		1711 N Payson St		1931 W Saratoga St		2720 Ellicott Dr	
Town	Baltimore, MD	Baltimore, MD		Baltimore, MD		Baltimore, MD		Baltimore, MD	
Property Data									
Proximity To Subject (Miles)									
Data Source/Verification	BrightMLS	BrightMLS		BrightMLS		BrightMLS		BrightMLS	
Closing Date	Jun-2022	May-2022		Feb-2022		May-2022		Mar-2022	
Original List Price		\$49,900		\$25,000		\$25,000		\$35,000	
Sale Price (Active List Price)		\$50,000		\$56,100		\$50,000		\$55,000	
Unadjusted \$ / SF of GLA			\$29		\$45		\$29		\$44
Sale Price % of Original List			100.2%		224%		200%		157%
	<u>Description</u>	<u>Description</u>	<u>Adjustment</u>	<u>Description</u>	<u>Adjustment</u>	<u>Description</u>	<u>Adjustment</u>	<u>Description</u>	<u>Adjustment</u>
Type	SFH	SFH		SFH		SFH		SFH	
Interest Conveyed	Fee Simple	Fee Simple		Fee Simple		Fee Simple		Fee Simple	
Conditions of Sale		Brokered	\$0	Auction	\$0	Auction	\$0	Forclosure Auction	\$2,000
Market Conditions			\$524		\$1,463		\$536		\$1,294
Location	Average	Average	\$0	Average	\$0	Average	\$0	Average	\$0
Site Views/Appeal	Average	Average	\$0	Average	\$0	Average	\$0	Average	\$0
Quality/Design and Appeal	Average	Average	\$0	Average	\$0	Average	\$0	Average	\$0
Year Built	1920	1900	\$0	1920	\$0	1920	\$0	1932	\$0
Condition	Fair	Fair	\$0	Poor	\$5,000	Fair	\$0	Fair	\$0
Bedrooms	3	3	\$0	3	\$0	3	\$0	3	\$0
Baths	1	1	\$0	1	\$0	1	\$0	1	\$0
Gross Living Area (SF)	1,380	1,700	-\$3,294	1,250	\$2,042	1,700	-\$3,294	1,236	\$2,243
Below Grade Area	Yes	Yes	\$0	Yes	\$0	Yes	\$0	Yes	\$0
Below Grade Finish	No	No	\$0	No	\$0	No	\$0	No	\$0
Functional Utility	Average	Average	\$0	Average	\$0	Average	\$0	Average	\$0
Storage	N/A	N/A	\$0	N/A	\$0	N/A	\$0	N/A	\$0
Decks/Patio/Porches	Yes	Yes	\$0	No	\$500	No	\$500	Yes	\$0
Garage	No	No	\$0	No	\$0	No	\$0	No	\$0
Net Adjustments (total)	-		-\$2,770		\$9,005		-\$2,259		\$5,536
Gross Adjustments			\$3,818		\$9,005		\$4,330		\$5,536
Adjusted Sale Price			\$47,230		\$65,105		\$47,741		\$60,536
Adjusted Sale Price PSF			\$28		\$52		\$28		\$49

Figure 9-4, Price Statistics

	Min	Max	Range	Average	Median
Unadjusted Price	\$50,000	\$56,100	\$6,100	\$52,775	\$52,500
Adjusted Price	\$47,230	\$65,105	\$17,875	\$55,153	\$54,139
Unadjusted Price Per SF	\$29	\$45	\$15	\$37	\$37
Adjusted Price Per SF	\$28	\$52	\$24	\$39	\$39

9.7 Sales Comparison Approach Conclusions

Based on the sales comparison analysis, the indicated value of the improved property is as follows.

Figure 9-5, Improved Property Value, via Sales Approach
\$55,000

10 Reconciliation and Final Value Conclusion

There are two considerations one must weigh when applying various approaches to value. First, appraisers should use those approaches commonly utilized by market participants (the buyers and sellers of power plants). Appropriateness, accuracy, and quantity of evidence are the criteria with which an appraiser forms a meaningful, defensible final value estimate.

Second, the inadequate or insufficient supply of market or subject data within a sub-market, or within a particular time frame, may necessitate the exclusion of approaches commonly employed in the larger market or at different points in time.

“In the final reconciliation, an appraiser reconsiders the entire appraisal, making sure that the data available and the analytical techniques and logic applied have led to consistent judgments. The appraiser checks the data to ensure that it is verified, applicable to the assignment, and sufficient to support a credible opinion of value. The value definition, the identified property rights, and the qualifying conditions imposed are carefully reconsidered to make sure that the procedures used in the analysis specifically address each of these items. The appraiser examines the differences in the conclusions derived from the various approaches, applies tests of reasonableness to these primary conclusions, and resolves any inconsistencies.”

10.1 The Improved Property Sales Comparison Approach – Employed

The sales comparison approach is considered a reliable approach for appraising this kind of asset, in this market area and time, and is commonly employed. The sales comparison approach was constructed in the customary fashion based on appropriately comparable assets. We successfully employed the sales comparison approach.

The sales comparison approach is considered a reliable approach for appraising this kind of asset, in this market area and time. Adequate reliable comparable sales could be found. The sales approach is typically completed and relied upon in this market for this asset type. After full consideration, we did employ the sales comparison approach.

Figure 10-1, Improved Property Value, As-Is, via Sales Approach

\$55,000

10.2 Final Conclusions of Market Value

We have reconciled with the sales approach for this Appraisal. The sales approach is typically used by appraisers to value residential properties.

Our final value conclusions are seen in the following figure:

Figure 10-2, Final Conclusion of Overall Market Value

\$55,000

11 Certification

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

1. The statements of fact contained in this Report are true and correct. Commensurate with the intended use of the Report, its type, definition and premise of value, and its scope of services, professional efforts have been made to verify such statements of facts.
2. The reported analyses, opinions, and conclusions contained herein are limited only by the assumptions and conditions reported in this Report, and are the undersigned's personal, impartial, and unbiased professional analyses, opinions and conclusions. The undersigned have no present or future interest in the asset(s) that is(are) the subject of this Report, and the undersigned have no personal interest with respect to the parties involved. The undersigned have no bias with respect to the asset(s) that is(are) subject of this Report, or to the parties and issues involved.
3. The undersigned's engagement in this Report was not contingent upon developing or reporting predetermined results. The undersigned's compensation for this Report 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 Report.
4. The reported analyses, opinions, and conclusions were developed, and this Report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice ("USPAP") of the Appraisal Foundation. USPAP requires that appraisal services be prepared specifically for their individualized intended use, type, definition and premise of value, and scope of services. The reported analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute, and the Principles of Appraisal Practice and Code of Ethics of the American Society of Appraisers. When applicable, the reported analyses, opinions, and conclusions were developed, and this Report has been prepared in conformity with ethics and standards of the International Valuation Standards, and the Uniform Appraisal Standards for Federal Land Acquisition ("Yellow Book"). The use of this Report is subject to the requirements of the Appraisal Institute, and American Society of Appraisers, relating to review by their respective duly authorized representatives.
5. This Report may rely upon the non-appraisal professional assistance, documents, reports and opinions from or of other professionals, such as engineers, accountants, attorneys, architects and economists. The undersigned believe that it is reasonable to rely on their professional assistance, documents, reports and opinions from or of the other professionals. Given the intended use of this Report, its type, definition and premise of value, and its scope of services, professional efforts have been made to confirm that it is reasonable to rely on such professional assistance, documents, reports and opinions. The efforts may be described elsewhere in this Report. The undersigned do not guarantee or certify the assistance, documents, report or opinions provided by the other professionals, unless they are listed below in item 9 of this certification.
6. As of the date of this Report, Mark Pomykacz, MAI, AI-GRS, ASA has completed the requirements of the continuing education program of the Appraisal Institute, and the American Society of Appraisers. As of the date of this Report, Katherine Tantanin, MAI has completed the requirements of the continuing education program of the Appraisal Institute.
7. The undersigned has not performed appraisal services on, and has not provided any other type of services regarding, the asset that is the subject of this Report, within the last 3 years.
8. The Subject of this Report was inspected on June 21, 2022. The following individuals personally inspected the asset: Mark Pomykacz. USPAP does not require a personal inspection by the appraiser. UASFLA does require a personal inspection by the appraiser.
9. No one provided significant appraisal assistance to undersigned
10. The value conclusions are presented in the following figure.

Figure 11-1, Value Conclusion as of Effective Date June 30, 2022

\$55,000

Certified by:



Mark Pomykacz, MAI, AI-GRS, ASA
 Managing Partner
 State Certified General Real Estate Appraiser
 Maryland 10807



Katherine Tantanin, MAI
 Senior Manager
 State Certified General Real Estate Appraiser
 Maryland 34618

State	License number
Connecticut	RCG 00010448
New Hampshire	NHCG-1064
Virginia	4001017013
California	AG043987
Massachusetts	103483
Minnesota	40620869
Florida	RZ3225
Pennsylvania	GA001700R
Michigan	1201069583
Maryland	10807
Illinois	553.001871
Texas	TX 1380478 G
New York	46000000871
New Jersey	42RG00144500
Vermont	080.013424
Rhode Island	CCA.0020110
Iowa	CG03849
Washington DC	GA40000004
Colorado	CG200002994
Maine	CG3503
New Mexico	TP-5194
Ohio	202100667
Louisiana	G4888
Arizona	CGA-1034162
Virginia	4001018173
Tennessee	6164
as of	6/27/2022

This certification was last updated January 11, 2021.

12 General Appraisal Assumptions and Limiting Conditions

This Report and the services provided are subject to the following general assumptions, disclaimers and limiting conditions. Other assumptions, disclaimers and limiting condition may be included at other locations in this Report.

In this section, the term Report or Study or Services can mean study, appraisal, research or analysis and any report or work product, services or deliverable about the study, appraisal, research, services or analysis. Further, the term "Federal" means Federal Appraisal, LLC and its employees(s), consultant(s), appraiser(s), and service provider(s).

Information and Data Sources

1. **Confidentiality.** It is understood and agreed that Federal's Services will be provided in accordance with the requirements of USPAP of the Appraisal Foundation, and the Services will comply with the Appraisal Institute's Code of Professional Ethics and Standards of Professional Practice and with The American Society of Appraisers' Principles of Appraisal Practice and Code of Ethics. These standards include confidentiality standards.
2. **Cooperation** Client shall cooperate with Federal in the performance by Federal of its Services, including, without limitation, providing Federal with reasonable facilities and timely access to data, information and personnel, and agents and representatives of Client. Client shall be responsible for the performance of its employees and agents and for the accuracy and completeness of all data and information provided to Federal for purposes of the performance by Federal of its Services.
3. **Client Representations.** The Client furnished or caused to be furnish to Federal such historical and other information as Federal may have requested. The Client recognizes and confirms that (a) Federal will use and rely on such information and on information available from generally recognized public sources (all such information being the "Information") in performing the Services without Federal having independently verified the same; (b) Federal does not assume responsibility for the accuracy or completeness of the Information; and (c) Federal will not make an appraisal of or conduct an audit of or otherwise provide any opinion, report, or other form of assurance with respect to such Information. In addition to providing required information, the Client will be responsible for providing historical and prospective financial statements and for providing information about and responding to document requests on a timely basis. Additionally, Federal may request and the Client agrees to supply a representation letter, in form and substance satisfactory to Federal which, among other things, confirming the Client's responsibility for the historical financial statements and for the underlying assumptions used in connection with any pro forma cash flows, the appropriateness of the prospective financial statements that the Client has prepared, and their active decision-making participation in the Service and the use of the Service.
4. The information on the financial, legal, and physical condition of the subject property or assets provided by the Client, the subject owner, or others, directly to Federal or to the public through various public disclosure methods is assumed to be reliable.
5. Other materials and information obtained from various professionally appropriate public and private sources are assumed to be reliable.
6. The information contained within this study was obtained from sources deemed to be reliable. Reasonable efforts, given the purpose, intended use, and scope of this study and work product, and the type, definition, and premise of value have been made to verify such information as reliable. However, no warranty or certification by Federal is given as to its reliability.
7. If substantive issues are later discovered in reports, documents, information, or data relied upon, then the reported opinions in this study may need to be revised accordingly.
8. Federal regularly utilizes numerous texts, manuals, documents, reports, and articles that are commonly utilized by its appraisal peers for services like those provided herein. Federal may not include all the references to these utilized sources within the Report or in the work file for the Report. These references may include:

The Appraisal of Real Estate, published by the Appraisal Institute
 The Dictionary of Real Estate Appraisal, published by the Appraisal Institute
 Valuing a Business, Pratt, Reilly, Schweih, published by McGraw Hill
 Cost of Capital, Pratt, Grabowski, published by Wiley
 Uniform Standards of Professional Appraisal Practice
 Marshall Valuation Service, Marshall & Swift
 CoStar Realty Information, various reports
 PWC Investor Survey (Korpacz)
 Energy Information Agency, various reports
 Federal Reserve, various reports
 Bureau of Labor Statistics, various reports
 Google Earth Pro
 IBIS World, various reports
 Site to Do Business (STDB), various reports
 Duff & Phelps Cost of Capital
 Garden State Multiple Listing Service (GSMLS)

Property Specific Assumptions, Disclaimers and Limiting Conditions

9. Federal does not provide legal, accounting, audit, engineering, architectural or environmental sciences services. Federal assumes no responsibility for matters of a legal nature, matters of title, matters of audit, matters of engineering, matters of environmental science, or matters of architecture. All legal, engineering, architectural, environment, accounting and financial information provided to and utilized by Federal is assumed to be reliable.
10. It is assumed that the title to the studied interest is marketable. It is assumed that there are no deed restrictions or other limitation on title that would make the Subject substantially more or less valuable, other than those that are specifically noted in this study. It is assumed that the legal descriptions as obtained from public records or as furnished are reliable. Federal has made no land survey and has completed no title search or report of the Subject. It is assumed that there are no issues concerning subsurface, water, mineral rights, air rights, or transferable development rights that would make the Subject substantially more or less valuable. It is assumed that there are no judgements, or pending or future litigation concerning the Subject.
11. Federal assumes that there are no hidden or unapparent conditions at the Subject land and/or improvements which would render the Subject more or less valuable. Federal assumes no responsibility for such conditions, or for engineering, environmental, legal, or architectural counseling which

might be required to discover such conditions. We assume that there are no ADA issues sufficient to render the Subject significantly more or less valuable.

12. Competent and responsible management and ownership are assumed.
13. It is assumed that there are no zoning or building code issues, or other federal, state or local regulation compliance issues concerning the Subject that would significantly increase or decrease the value of the interest being appraised, unless noted in this study.
14. Since Federal is not an engineering or architectural firm, Federal makes no representation as to quality, functionality, condition, limitations or size of the Subject, except that 1) Federal has relied upon what has been reported as the best available data where said data was provided by others to Federal who Federal believes to be an appropriate source of said data given the specific purpose, intended use, and scope of work in this study, and the type, definition and premise of value used in this study, and 2) if a visual inspection was conducted by Federal, then Federal has relied upon the visual inspection. Given the inherent limitations of Federal's visual inspection, if conducted, it is possible that important issues at the Subject may not be uncovered. Federal's visual inspection of the Subject is not an engineering, architectural, or environmental inspection, does not test building operations, and does not cover 100 percent of the building(s), machinery and equipment, or the site. Federal's visual inspection of the Subject, instead, samples the major components of the Asset.
15. This study assumes the Subject suffers no environmental or hazard issues, and that there are no contamination or health risks existing at or near the Subject.
16. If substantive issues are later discovered in any of the data relied upon, then the reported opinions in this study may need to be revised accordingly.
17. Client agrees that Client has reviewed these Appraisal Conditions upon receipt of the report and that Client's use of the appraisal constitutes acceptance of these Appraisal Conditions.

Publication, Distribution, Use of Study

18. The opinions proffered in this study are as of a specific date, for a specific client and users, a specific purpose and intended use, under a specific, limiting scope of work, and made under specific assumptions, disclaimers, limiting conditions, and certifications. Using the opinions proffered herein for any other use or purpose is unwise, inappropriate, and is prohibited unless authorized by Federal. The Client agrees that
 - a. The Client and other intended users are both explicitly named herein. The Client and the other intended users are the only parties to whom the appraisers and Federal Appraisal LLC have a professional responsibility to. The appraisers and Federal Appraisal LLC offer and assume no professional responsibility to any third parties that the Client and the other intended users may choose to provide copies of our report to.
 - b. Any advice or recommendations, written or oral, provided by Federal in connection with this engagement is exclusively for the Client and any intended users specifically named by Federal, and may not be disclosed to or relied upon by any third party (other than the Client's legal and tax counsel for the Client's stated purpose and use) without Federal's prior written consent;
 - c. Client will not refer to Federal by name or their services in any written materials relating to the Asset, including without limitation, any publicly filed documents without their prior written consent for each requested use or reference; and
 - d. Neither all nor part of the contents of this study, or copy thereof, shall be conveyed to the public through such forms or methods such as, but not limited to, advertising, public relations, news, sales, or any other media without prior written consent of Federal.
 - e. Nor shall Federal, or any professional organization of which Federal are a member or candidate, be identified without the prior written consent of Federal.
 - f. This study may not be utilized in any present or proposed, public or private syndication or public offering of any of the interests in the Subject unless prior written agreement has been obtained from Federal.
 - g. This study is intended to be utilized as a whole and may not be used in parts.
19. Possession of this study, or a copy thereof, does not give the holder the right of publication.
20. Disclosure of the contents of this study by Federal is governed by the orders, laws, by-laws and regulations of courts, state appraisal regulatory bodies, the Appraisal Institute and the American Society of Appraisers. Federal is authorized by the Client to disclose all or portions of this study and work files to authorized representatives of state appraisal regulatory bodies, the Appraisal Institute, the American Society of Appraisers, if such disclosure is required to enable Federal to comply with their respective by-laws and regulations now or hereafter in effect, or as may otherwise be required to be disclosed by Court Order or governing laws, rules and/or regulations.
21. Federal is not required to give testimony about this study or to provide other services to the Client concerning the Subject without agreement between the parties for compensation to Federal.

Study Analysis Type and Format Conditions

22. This study has been prepared in accordance with the requirements of USPAP of the Appraisal Foundation, the Appraisal Institute, and the American Society of Appraisers. Jurisdictional exceptions do apply. We have made a jurisdictional exception of not providing an opinion to exposure time, as directed by UASFLA (Yellowbook) regulations. This study will comply with and be subject to the Appraisal Institute's Code of Professional Ethics and Standards of Professional Practice and with The American Society of Appraisers' Principles of Appraisal Practice and Code of Ethics. The jurisdictional exception of not offering an opinion of exposure time has been taken.
23. Federal has determined the scope of work for this study based on its discussions with the Client, and their reported needs, their reported purpose and intended use of the study. The scope of the study is limited to the work necessary to provide for the Client's purpose and use of the study, and as such this study is not recommended for any other use.
24. USPAP of the Appraisal Foundation prescribes 2 types of appraisal reports, "Appraisal Reports", and Restricted Appraisal Reports. A Restricted Appraisal Report may be provided when the Client is the only intended user, or when additional intended users are identified by name, and not by types or categories. Federal intends that the use of all its reports is limited to the Client and intended users. When reports are restricted, Federal need not provide as extensive reporting that may be found in Appraisal Reports. The use of Restricted Appraisal Reports is limited to the Client and the named intended user(s). Federal warns that Restricted Appraisal Reports may not contain supporting rationale for all opinions and conclusions set forth in the Restricted Appraisal Reports.

Limit of Liability

25. Federal warrants that it has performed the services hereunder in good faith and in a professional appraisal manner. Federal disclaims all other warranties, either express or implied, including and without limitation: warranties of merchantability and fitness for a particular purpose.
26. Federal's aggregate share of liability to the Client and any third parties shall not exceed the total fees collected for the portion of the Proposed Services giving rise to such liability.
27. Any forecasts of income and expenses in this study are not predictions of the future and are created for valuation purposes. No representation is made that the model will coincide with actual future events. There will usually be differences between the forecasts and actual results because events and circumstances frequently do not occur as expected, and those differences may be material.
28. It is understood and agreed that Client and Federal are independent of the other and that neither is, nor shall be considered, an agent, distributor, or representative of the other. Neither party shall act or represent itself, directly or by implication, as an agent of the other or in any manner assume or create any obligation on behalf of, or in the name of, the other. Client acknowledges that the full independence and authority of Federal will be maintained throughout this engagement and that no assurances or guarantees of a value estimate or consulting recommendation have been made or are a condition of this engagement.
29. In providing this service, Federal establishes, and the Client understands and agrees, that Federal assumes no responsibility for the risks and rewards of the Client's and user's decisions based on, or results that are consequential to, the use of this study.
30. The Client will indemnify and hold harmless Federal and its appraisers and personnel from all claims, liabilities, losses, costs, demands, and reasonable expenses, such as reasonable legal fees and management and administrative costs relating to this engagement, except to the extent finally judicially determined to have resulted from the bad faith or intentional misconduct of Federal.

Statements of Qualifications and Personal Histories

31. Any statements of qualifications, resumes, personal, and/or company histories are presented in summary for marketing purposes and to assist the Client and intended users of the study with understanding the professional competency and experience of Federal. These statements of qualifications, resumes, and personal, and/or company histories are (1) not a complete listing of our professional experiences and qualifications, and (2) not a full disclosure of our professional, corporate, and personal interactions and relationships.

Ownership of Federal Properties.

32. Federal Technology and Copyrights. Federal has created, acquired or otherwise has rights in, connection with the performance of services hereunder, employ, provide, modify, create, acquire or otherwise obtain rights in, various concepts, ideas, methods, methodologies, procedures, processes, know-how, and techniques; (including and without limitation: models, templates, the generalized features of the structure, sequence and organization of software, user interfaces and screen designs, general purpose consulting and software tools, utilities and routines, and logic, coherence, and methods of operation of systems) (collectively, the "Federal Technology and Copyrights").
33. Ownership and Use of Deliverables. Except as provided below, upon full and final payment to Federal hereunder, the tangible items specified as deliverables or work product in the proposal, engagement letter or contract to which these terms are attached (the "Deliverables") will become the property of Client. To the extent that any Federal Technology and Copyrights are contained in any of the Deliverables, Federal hereby grants Client, upon full and final payment to Federal hereunder, a royalty-free, fully paid-up, worldwide, non-exclusive license to use such Federal Technology and Copyrights in connection with the Deliverables, and only for the Deliverables, and only for the Client's intended purpose and use as enumerated in the attached proposal, engagement letter, or contract.
34. Ownership of Federal Properties. To the extent that Federal utilizes any of its property (including and without limitation, the Federal Technology and Copyrights, or any hardware or software of Federal in connection with the performance of services hereunder, such property shall remain the property of Federal and, except for the license expressly granted in Paragraph 26 above, Client shall acquire no right or interest in such property. Notwithstanding anything herein to the contrary, the parties acknowledge and agree that (a) Federal will own all rights, title, and interest, including, without limitation, all rights under all copyright, patent and other intellectual property laws, in and to the Federal Technology and Copyrights and (b) Federal may employ, modify, disclose, and otherwise exploit the Federal Technology and Copyrights (including, without limitation, providing services or creating programming or materials for other Clients). Federal does not agree to any terms that may be construed as precluding or limiting in any way its right to (a) provide consulting or other services of any kind or nature whatsoever to any person or entity as Federal in its sole discretion deems appropriate or (b) develop for itself, or for others, materials that are competitive with those produced as a result of the services provided hereunder, irrespective of their similarity to the Deliverables.

Ordinary Assumptions, Extraordinary Assumptions and Hypothetical Conditions

35. Extraordinary Assumptions and Hypothetical Conditions, as defined by USPAP, will be disclosed at various points in this Study, if applicable in this Study. We have made, or may have made, various minor and significant, ordinary assumptions, extraordinary assumptions, and hypothetical conditions in this study. We have deemed these assumptions and conditions as appropriate and have made these assumptions and conditions for benefit of the analysis process. It is our intention to disclose extraordinary assumptions and hypothetical conditions and to disclose at least most of the significant ordinary assumptions. Their use might have affected assignment results. If any assumption or condition should be determined to be inappropriate, then our assignment results may require revision."

State Specific Required Clauses

36. Appraisers in Michigan are required to be licensed and are regulated by the Michigan Department of Consumer and Industry Services, P.O. Box 30018, Lansing, Michigan 48909. Michigan requires this statement appear in all appraisals, even those in other states.

Statement on Appraisal Conditions related to COVID-19

COVID-19 (Coronavirus) has impacted real estate and business markets and appraisals.

Federal Appraisal LLC ("Federal") remains committed to fully serve during the COVID-19 crisis. Federal has taken appropriate actions to combat the spread of COVID-19, to protect our professionals, clients, community, and our appraisals.

Many real estate and business values declined due to the impacts of COVID-19. COVID-19 is unprecedented in modern times. Given that COVID-19 is having a dramatic and sudden impact, and that appraisal indicators using historical data lag many months behind, when the impact to real estate and business values occurs, it may not be discernible in the market data for months. In addition to reflecting impacts that have occurred up to the date of

appraisal, since value is based on future expectations, appraisers may need to reflect in their appraisal analyses the impacts from COVID-19 through the end of the crisis and afterwards. As always, Federal will endeavor to properly reflect these conditions and changes as they exist and are understood as of the appropriate appraisal date, regardless of the lag in market data and the difficulties of forecasting the end of the impact from COVID-19. As always, Federal will endeavor to employ appropriate research and analyses to reflect, and Federal will endeavor to report thoroughly, all COVID-19 impacts. However, since the research, analyses, and measurement of these changes may be problematic as a result of the crisis, our appraisal clients and users are hereby notified and accept that this may impact the precision of appraisal results.

Since the impacts from COVID-19 will continue for some time and may lead to a recession, our appraisal clients and users are hereby notified and accept that, as time lapses from the appraisal date, actual future values and market conditions will likely diverge from the conclusions and opinions presented in our appraisals which are as of our specific appraisal date. Clients and users may require new appraisals after only a short period of time and that time period may be as short as months or even weeks.

Additionally, COVID-19 will impact the work process of appraisal during the crisis. COVID-19 has prompted new regulations and practices which conflict with older appraisal traditions. For example, social distancing will impact at least two aspects of practice: site inspections and appraiser interactions and meetings that impact appraisal schedules and timing.

During the crisis, appraisal inspections may be restricted to the essential, and may not be conducted even if traditionally conducted. Inspections are not required by appraisal ethics and standards unless traditionally conducted or required by contract or regulation. Federal will practice social distancing and will appropriately report the extent of our inspection work and the basis of our asset and property description and opinion. In modern times, effective alternatives to the traditional inspections are available, and traditional inspections are often less critical than in past decades. Generally during the COVID-19 crisis, Federal will endeavor to conduct traditional inspections as usual, but Federal may also limit inspections to business and building exterior-only inspections (AKA, drive-by or curb-side inspections). Alternatively, Federal may use other data and sources in order to establish assessments of interior conditions and qualities. Federal may make extraordinary appraisal assumptions based on reasonable and known facts concerning conditions and qualities. Such steps will be disclosed in each appraisal. We believe this will meet appraisal standards in good faith, according to best practices, standards and ethics, under the COVID-19 circumstances. If, at a later date, an ability to complete traditional interior inspections arise, then Federal will be available to complete inspections and revise our appraisal reports, if needed.

During the COVID-19 crisis, some appraiser interactions will impact appraisal schedules and timing. The nature of our work processes lends itself to the requirements of social distancing. Our practice is significantly, but not completely, intellectual and technology-based, requiring less person-to-person interaction than many businesses. All of our staff can, and regularly do, work remotely, with full computerization and telecommunication abilities. However, as social distancing is expressly designed to do, processes may be slowed down. Most notably, Federal wishes to advise its appraisal clients and users that despite our best efforts, social distancing between our professionals, our professionals and clients, and our professionals and third parties requisite for the completion of our work will likely result in slower processes, in some cases. Federal wishes to advise our clients and users that Federal will make all practical efforts to compensate for this issue, but at this time, Federal does not know and cannot assure what will result. Our appraisal clients and users accept that delays during the crisis may occur and Federal shall bare no responsibility for the effects of the delays.

As always, since appraisals are not assurances of future events, our appraisal forecasts may vary from actual future events. Credible and reliable appraisals are limited to reasonable opinions, descriptions, forecasts, and predictions based on appropriate research and analysis practically available and known or knowable as of the date of the appraisal report. Our appraisal clients and users are hereby notified, and our appraisal clients and users accept that traditional expectations for appraisals, concerning appraisal precision, inspections, scheduling, and timing may not be appropriate as Federal works through COVID-19. Federal will endeavor to compensate for the impacts, and Federal will report the appraisal steps taken and any steps not taken if they represent a departure from otherwise traditional practice. Our appraisal clients and users accept that Federal shall bare no responsibility for the effects of COVID-19. Our appraisal clients and users are hereby notified that these COVID-19 appraisal conditions, processes, steps, and hypothetical assumptions and extraordinary conditions may impact our appraisals and the opinions and values therein, and the impacts may be substantial.

These general appraisal assumptions and limiting conditions were last updated December 12, 2021.

13 Professional Qualifications

The included resumes are presented in summary for marketing purposes and to assist the intended readers of the report with understanding the professional competency and experience of the appraisers. These resumes are not (1) a complete listing of our professional experiences and qualifications and (2) a full disclosure of our professional, corporate, and personal interactions.

13.1 Resumes

13.1.1 Qualifications of Mark Pomykacz, MAI, ASA, AI-GRS

Mr. Pomykacz specializes in complex, non-traditional appraisal services, nationally and internationally for accountants, attorneys, the capital markets, corporations, and governments concerning development, acquisitions and dispositions, financing, investor reporting, litigation, tax and audit issues, and asset management. Mr. Pomykacz has over 35 years of experience in real estate, business appraisal, and advisory services. He has worked on numerous asset and property types including closely held businesses and public companies, infrastructure, power plants, utilities, corporate and investment real estate, vacant land, and special purpose properties. Mark has participated in arbitrations, judicial, and condemnation proceedings. Mark has written special purpose and consulting reports, appraisals, market and feasibility studies. His work is used by many Fortune 1,000 companies, Wall Street firms, banks, accounting and law firms, and various government agencies.

Throughout his career Mr. Pomykacz has performed hundreds of appraisals for condemnation complying with USPAP, USAFLA (Yellowbook) and URA standards.

Mr. Pomykacz is an MAI, Member of the Appraisal Institute and an AI-GRS, Appraisal Institute General Review Specialist. Mr. Pomykacz currently holds appraisal licenses in 29 states including the state of Maryland (License # 10807). He also holds a Bachelor of Arts in Political Science from Rutgers University, is a qualified Appraisal Institute instructor and has taught classes the New York University and the City University of New York, has lectured on many different appraisal topics at over 30 different conferences and symposiums, and has written 13 published articles on various appraisal topics.

Articles and Publications

"Benford's Law in Appraisal", The Appraisal Journal, Fall 2018

"The Appraisal of Power Plants", The Appraisal Journal, Summer 2014

This article won the 2014 Swango Award. The *Appraisal Journal's* Editorial Board presents the Swango Award to the best article published during the previous year on residential, general, or technology-related topics, or for original research of benefit to real estate analysts and valuers.

"Options in Real Estate Valuation", The Appraisal Journal, Summer 2013

Expert Testimony & Litigation

Date	List of Expert Witness and Litigation	Legal Reference
2/9/2022	Wood River Basin Refinery, Illinois	Wood River Basin Refinery LLC vs Madison County Board of Review
2/6/2022	Biodico Westside, California	Biodico Westside LLC vs Red Rock Ranch, Inc
2/2/2022	Kirkland Appraisals - Enel Solar Project, Lebanon, PA	Enel Solar Project, Lebanon, PA, Board of Supervisors
10/12/2021	Whitt Law – Morris Operation GE Hitachi	Morris Operation GE Hitachi vs , County Board of Review
10/1/2021	Jack Van Coevering - DTE Fermi, Michigan	DTE Electric Company vs Frenchtown Township and Michigan Department of Treasury
5/12/2021	Sigma - Riker Danzig - Lincoln Harbor Yacht Club	Lincoln Harbor Yacht Club Condominium Association, Inc vs 1500 Harbor Boulevard Urban Renewal, LLC
3/1/2020	Sigma -Margolis , Adwar	Margolis, Adwar vs , New York State Supreme Court
1/1/2020	MRV - Land Under MGM Grand Casino, Detroit MI	MGM Grand Casino, vs City of Detroit MI, Deposition
9/17/2019	Crystal Mall, Waterford, CT	Crystal Mall, LLC vs Town of Waterford
7/1/2019	Office of Minnesota Attorney General - Centerpoint Energy Minnegasco	Minnesota Attorney General vs Centerpoint Energy Minnegasco, Court
5/1/2019	MRV - Milford Water Co, MA Update	Milford Water Co, MA, Court
4/17/2019	Land under Rock Crushing Facility, Jersey City, NJ	State of New Jersey, Commissioner of Transportation vs. 394-396 St. Paul's Avenue, L.P. & E.M.C. Realty Corp
2/27/2019	Pullman & Comely LLC - Pratt & Whitney, E Hartford, CT Tax Appeal	Pratt & Whitney vs City of East Hartford, CT, Deposition
12/13/2018	Cogentrix Energy Power Management, LLC - Effingham Power Plant, GA	
7/13/2018	Jack Van Coevering - Review of New Covert Generating Station A	New Covert Generating Station vs City of , Court

13.1.2 Qualifications of Katherine Tantanin, MAI

At Federal Appraisal, LLC, Mrs. Tantanin has been providing appraisal and appraisal consulting services for commercial property types around the country since 2013. The properties include multi-family apartments, offices, retail, industrial and commercial spaces, residential buildings, and industrial developable land, as well as utilities and power-related property types. She has also worked on many special-purpose properties such as large research and development campuses, cold-storage facilities, malls, and summer camps. Her reports include USPAP-compliant full narratives and consulting reports and studies. Additionally, she has worked on many appraisals and reports compliant with government agencies such as Yellow Book, UASFLA, URA and Green Acres.

She has conducted appraisals in a wide variety of purpose and uses such as due diligence, gift and estate tax, and in particular, condemnation and property tax appeals for negotiations and litigation. Mrs. Tantanin often utilizes all three traditional approaches and techniques including the Sales Comparison Approach (for improved sales, vacant land, regression analysis, and rent comparability studies), the Income Approach (direct capitalization, discounted cash flow, and income shortfall), and the Cost Approach (reproduction, replacement, calculator method, segregated cost, and trended original cost).

Mrs. Tantanin currently holds her MAI designation with the Appraisal Institute and her General Certified Appraisal License. She has completed all of the appraisal classes, both general and advanced courses, with the Appraisal Institute, including USPAP and all three approaches to value. She is certified in the State of Maryland, Certified General Appraiser License # 34618. Mrs. Tantanin completed her degree with Rutgers State University, New Brunswick, New Jersey with a bachelor's in Mathematics. She is the Appraisal Institute Metro New Jersey Chapter Secretary serving for 2022 term and has been heavily involved in the Metro NJ chapter since 2019. Mrs. Tantanin has also co-written an article on Benford's Law published in the Appraisal Journal in 2017 and has recorded many appraisal videos for Federal Appraisal's YouTube channel explaining appraisal theory.

Articles and Publications

"Benford's Law in Appraisal", The Appraisal Journal, Fall 2018

14 Comparable Sales Information

Verifications of sales comparables.

Verification				
Comparable Name	Comp 1	Comp 2	Comp 3	Comp 4
Address	1917 W Fayette St	1711 N Payson St	1931 W Saratoga St	2720 Ellicott Dr
Name	Brian Leibowitz	Garett Kopich	Garett Kopich	Garett Kopich
Relationship	Listing Agent	Co-Worker of Listing Agent	Co-Worker of Listing Agent	Co-Worker of Listing Agent
Date	8-Jul-22	8-Jul-22	8-Jul-22	8-Jul-22
Contact	410-921-0205	410-365-3595	410-365-3595	410-365-3595
Notes	Arm's length, information on MLS is correct.	Arm's length, information on MLS is correct.	Arm's length, information on MLS is correct.	Arm's length, information on MLS is correct.

Sale One – 1917 W Fayette St

Comparable Name	Sale Comp 1
Address	1917 W Fayette St
City	Baltimore
Tax ID	0320150192 042
Type of Property	Interior row home
Ownership Interest	Fee Simple
Date Sold	05/02/2022
Sale Price	\$50,000
Lot Size (SF)	1066.50
Bedrooms:	3
Bathrooms:	1
Basement:	Yes, Full Unfinished
Year Built:	1900
Other Amenities:	Patio/Porch
Buyer	No deed available
Seller	Dominion Properties Llc
Use at Time of Sale	Single family dwelling





Photo was taken by Mark Pomykacz on June 29, 2022.

Sale Two – 1711 N Payson St

Comparable Name	Sale Comp 2
Address	1711 N Payson St
City	Baltimore
Tax ID	0315160007 074
Type of Property	Interior row home
Ownership Interest	Fee Simple
Date Sold	02/28/2022
Sale Price	\$56,100
Lot Size (SF)	1,306.80
Bedrooms:	3
Bathrooms:	1
Basement:	Full, Unfinished
Year Built:	1920
Other Amenities:	None
Buyer	Property Renovestors LLC
Seller	Ella E. Ravnell
Use at Time of Sale	Single family dwelling





Photo was taken by Mark Pomykacz on June 29, 2022.

Sale Three – 1931 W Saratoga St

Comparable Name	Sale Comp 3
Address	1931 W Saratoga St
City	Baltimore
Tax ID	0320160162 081
Type of Property	Interior row home
Ownership Interest	Fee Simple
Date Sold	05/05/2022
Sale Price	\$50,000
Lot Size (SF)	Unknown
Bedrooms:	3
Bathrooms:	1
Basement:	Full, Unfinished
Year Built:	1920
Other Amenities:	None
Buyer	No deed available
Seller	Edward E Purvis & Sandra Y Purvis
Use at Time of Sale	Single family dwelling





Photo was taken by Mark Pomykacz on June 29, 2022.

Sale Four – 2720 Ellicott Dr

Comparable Name	Sale Comp 4
Address	2720 Ellicott Drive
City	Baltimore
Tax ID	0316222389 019
Type of Property	Interior row home
Ownership Interest	Fee Simple
Date Sold	03/11/2022
Sale Price	\$55,000
Lot Size (SF)	1,350
Bedrooms:	3
Bathrooms:	1
Basement:	Full, Unfinished
Year Built:	1932
Other Amenities:	Porch
Buyer	Dwayne Evans
Seller	2015 REO, LLC
Use at Time of Sale	Single family dwelling





Photo was taken by Mark Pomykacz on June 29, 2022.

15 Additional Subject Information

15.1 Certified Mail Receipts

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com®.

Baltimore, MD 21217

Certified Mail Fee **\$3.75**

Extra Services & Fees (check box, add fee as appropriate)

<input type="checkbox"/> Return Receipt (hardcopy)	\$ <u>0.00</u>
<input type="checkbox"/> Return Receipt (electronic)	\$ <u>0.00</u>
<input type="checkbox"/> Certified Mail Restricted Delivery	\$ <u>0.00</u>
<input type="checkbox"/> Adult Signature Required	\$ <u>0.00</u>
<input type="checkbox"/> Adult Signature Restricted Delivery	\$ <u>0.00</u>

Postage **\$0.58**

Total Postage and Fees \$4.33

WHITEHOUSE NJ 08888

MAY 26 2022

Postmark Here

05/26/2022

Sent To *Maurice Throver c/o Rep of 1008 N Payson*

Street and Apt. No., or PO Box No. *1008 N Payson St*

City, State, ZIP+4® *Baltimore, MD 21217*

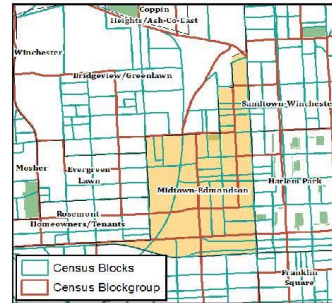
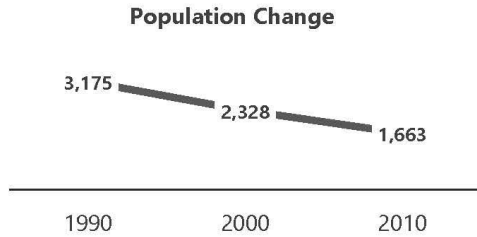
PS Form 3800, April 2015 PSN 7530-02-000-9047

See Reverse for Instructions

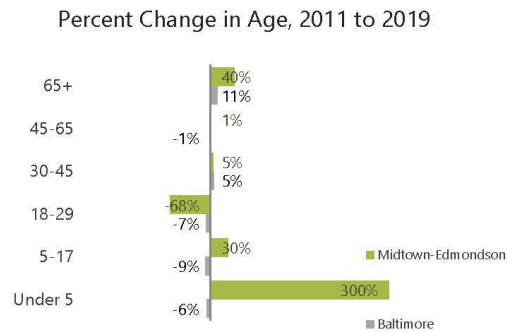
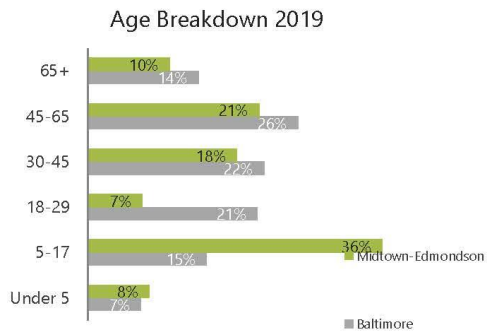
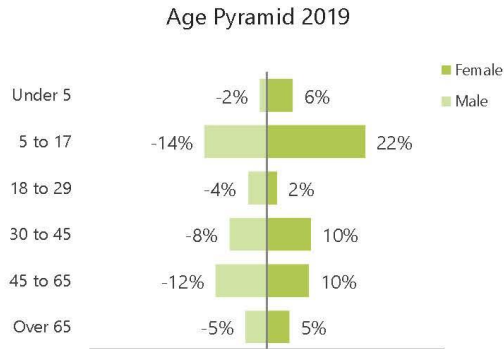
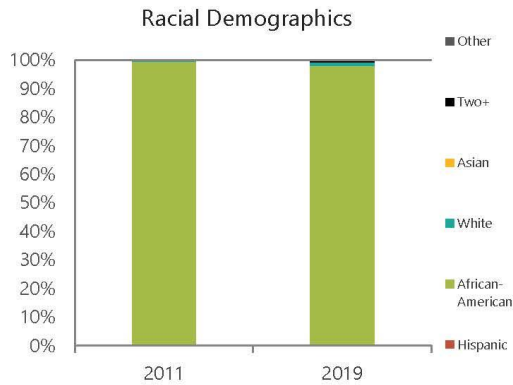
16 Additional Market Information

Midtown-Edmondson

Demographics



American Community Survey data is by 'block group.' It is allocated to the central neighborhood above based on how census 'block' population is distributed within each 'block group'.



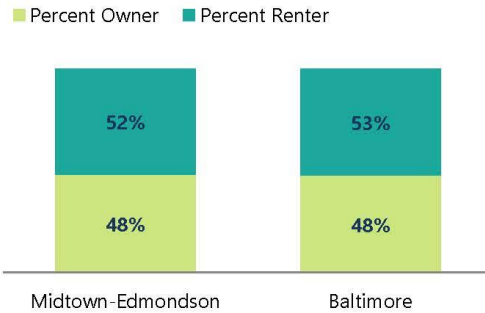
Source: American Community Survey - 5 Year Estimates. "2011" includes 2007-2011, and "2019" includes 2015-2019. Data allocated to exact geography of area using estimates derived from Census block group proportions.

Midtown-Edmondson

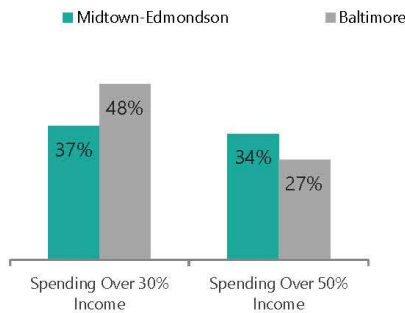
Housing and Transportation

Household Size 3.23
Median Gross Rent 2019 \$1,087
Change Since 2011 \$92
% of Homeowners Over 65 24%

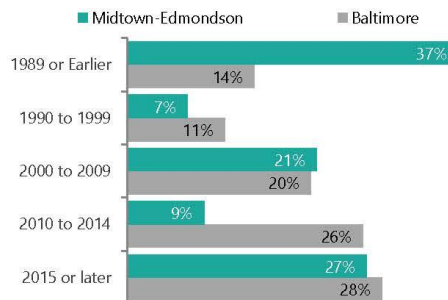
Housing Tenure 2019



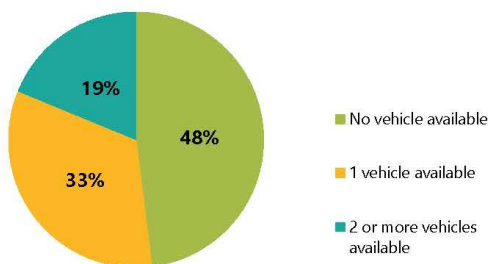
Percent of Households Rent Burdened



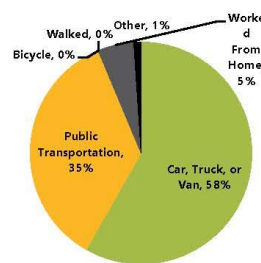
Length of Residence, as of 2018



Percent Vehicle Access 2019



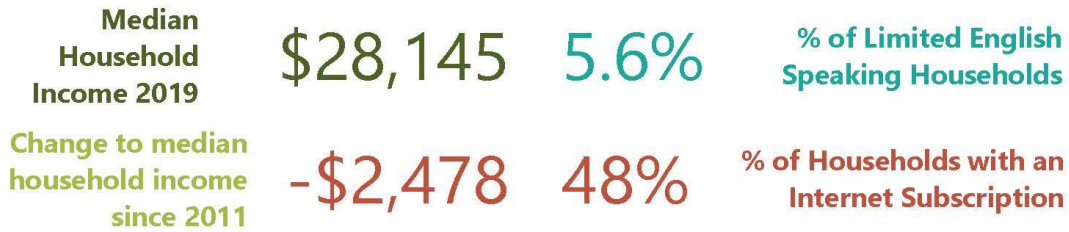
2019 Commuter Mode of Transportation



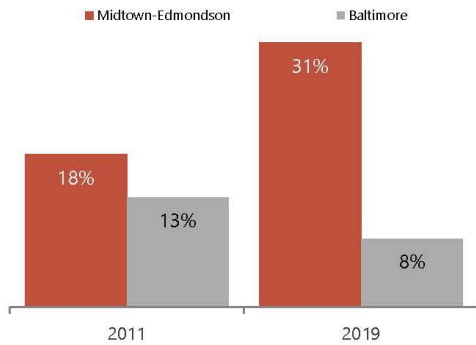
Source: American Community Survey - 5 Year Estimates. "2011" includes 2007-2011, and "2019" includes 2015-2019. Data allocated to exact geography of area using estimates derived from Census block group proportions.

Midtown-Edmondson

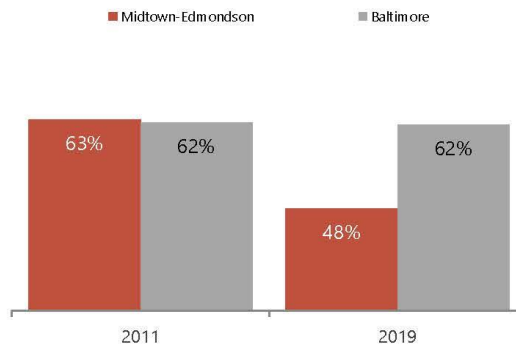
Education and Economics



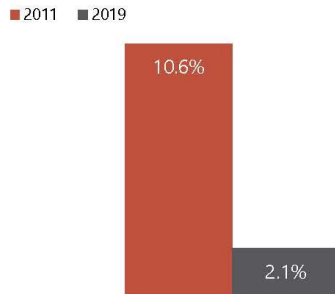
Percent Unemployment



Percent Laborforce Participation



Percent Households Receiving Public Assistance



Educational Attainment

	Midtown-Edmondson 2011	Baltimore 2011	Midtown-Edmondson 2019	Baltimore 2019
Less Than High School	33%	21%	26%	28%
HS Complete	39%	28%	35%	24%
Some College	23%	22%	26%	16%
College Complete	5%	13%	0%	15%
Beyond College	0%	12%	1%	15%

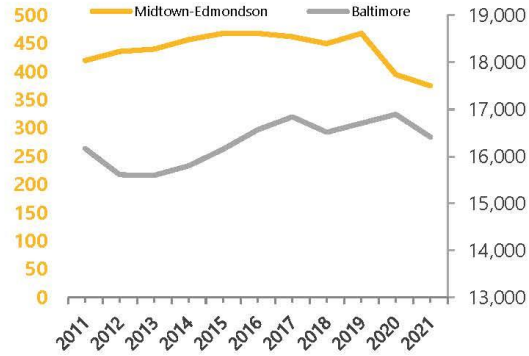
Source: American Community Survey - 5 Year Estimates. "2011" includes 2007-2011, and "2019" includes 2015-2019
 Data allocated to exact geography of area using estimates derived from Census block group proportions.

Midtown-Edmondson

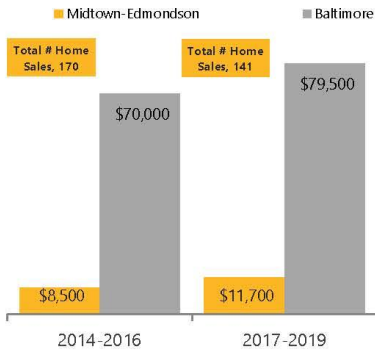
Development

City-owned Properties	102
City-owned Properties Sold (Disposition)	2
\$900 Citations (2018-2020)	5
Homebuying Incentives (2018-2020)	0
Filed Receiverships	28
Properties Being Acquired	18
VBN Rehab (2018-2020)	24
Completed Demolitions (2018-2020)	101
Planned Demolitions	6

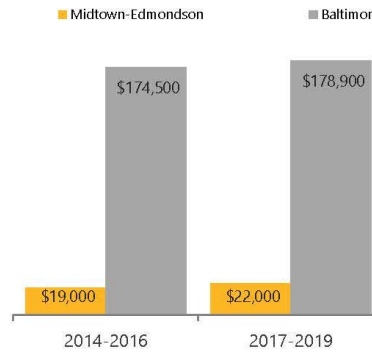
Vacant Building Notices



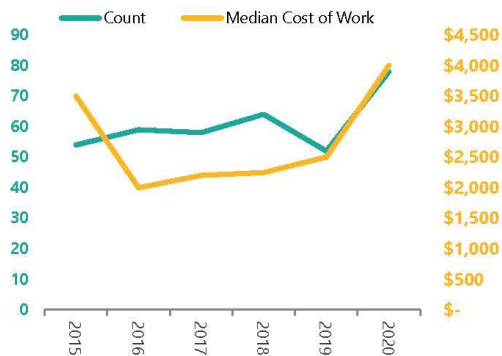
Median Sales Price



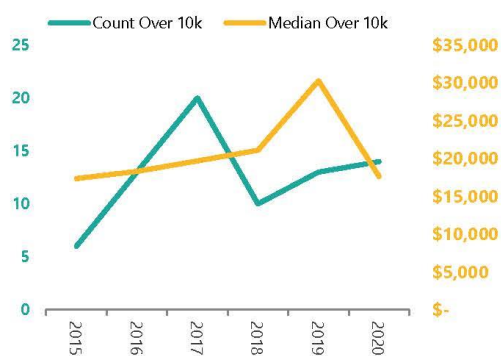
Upper Quartile Sales Price



Residential Permit Activity



Permit Activity Over \$10,000



Source: City Administrative Address data. This data is allocated to the exact geography shown on the map as no estimation is needed.

EXHIBIT 3



APPRAISAL REPORT
ON
1016 N PAYSON STREET
1016 N PAYSON STREET, BALTIMORE, MD 21217

EFFECTIVE DATE: JUNE 20, 2022
REPORT DATE: SEPTEMBER 8, 2022
A CURRENT EFFECTIVE DATE

PREPARED FOR
PATRICIA MCHUGH LAMBERT
PRINCIPAL
Pessin Katz Law, P.A.
901 DULANEY VALLEY ROAD, SUITE 500, TOWSON, MD
21204

PREPARED BY
MARK POMYKACZ, MAI, AI-GRS, ASA AND
KATHERINE TANTINAN, MAI
FEDERAL APPRAISAL LLC
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WHITEHOUSE STATION, NJ 08889

FEDERAL APPRAISAL LLC



www.federalappraisal.com
908.534-3595 phone 295 Route 22 East
908.823.0575 fax Suite 204E
info@federalappraisal.com Whitehouse Station, NJ 08889

Federal Appraisal LLC provides appraisal and valuation services,

concerning

- businesses
- infrastructure, power plants, and utilities
- commercial real estate
- machinery and equipment
- personal property

for various purposes and uses including

- legal and litigation
- accounting
- federal, state, and local tax
- development
- investment
- financing

covering conventional and complex topics such as

- tax reporting
- litigation
- investor reporting
- due diligence
- financing

nationally and internationally.

1 Transmittal & Executive Summary

As requested by our Client, we have appraised the 1016 N Payson Street, 1016 N Payson Street, Baltimore, MD 21217 ("Subject", "Property, or "Facility). Herein we present our report ("Appraisal" or "Report"). In this section, Section 1, we transmit the appraisal context and conclusions. Our Report follows this transmittal.

1.1 The Client and Other Intended Users

The scope of work completed for this Appraisal was specifically designed, and this Appraisal Report was specifically written for the Client's and the intended permitted users' specific use and purpose. No other uses or purposes are intended or permitted. Federal Appraisal LLC and the appraisers certifying this Appraisal offer and assume no professional responsibility to any third party that has obtained copies of our report, either with or without the Clients' (and other intended permitted users) consent or knowledge. Or that the Client and the other intended permitted users may choose to provide copies of our report to.

The Client ("Client") is:

Patricia McHugh Lambert
Principal

Pessin Katz Law, P.A.

901 Dulaney Valley Road, Suite 500, Towson, MD 21204

Other intended users:

Amtrak Law Department ("Amtrak")

1.2 Identification of the Subject

The Subject is more fully described in Section 6, Subject Property Description, beginning on page 18.

The Subject of this Appraisal is known as: 1016 N Payson Street

Its address is: 1016 N Payson Street, Baltimore, MD 21217

Its parcel number (or block and lot number) is: 16-05-0057-009

1.2.1 Interest Appraised and Level of Value

The interest appraised is a 100% interest in the fee simple estate in real property at the Subject.

Unless explicitly stated otherwise, we assume no easements, encroachments, other deed restrictions, building or use limitations, or other restrictions and limitations upon the use and enjoyment of the property beyond 1) typical governmental powers and utilities, and 2) requirements to maintain and operate the property for the purpose for which it is intended and/or improved. Lastly, we assume no environmental or engineering issues are negatively impacting the Property, except as noted herein.

1.2.2 Summary Description of the Subject Improvements

The Subject is currently improved with a two-story interior row home interior row home. It has been confirmed through public record that the structure was built in 1920 and was a three-bedroom, one-bathroom row home. The interior row home had two stories and an unfinished basement and was in average condition at the time of the inspection.

1.2.3 Summary Description of the Subject Land

The Subject property is approximately 1,120 square feet, or 0.026 acres, in size. It is rectangular in shape and has the dimensions of 14 feet by 80 feet. The land is flat and level. The Subject is zoned R-8 high density residential, allowing single-family and multi-family dwellings.

1.3 Use, Purpose and Scope of Appraisal

1.3.1 Use of the Appraisal

Federal understands the Client will use the Report to assist Amtrak in the determination of compensation to be offered to the property owner to acquire the property.

1.3.2 Purpose of Appraisal and Standard (Type) of Value

The objective of appraisals, sometimes described as the purpose of the appraisals, is typically to determine value. There are numerous types of value, each with its own definition. The various types of value are technically known as standards of value.

The purpose of this Appraisal is to determine the Market Value and Fair Market Value, which we assume is the same in this Appraisal, in fee simple, specifically defined in the following Standard of Value.

The Standard of Value for this Appraisal is market value/fair market value ("Value").

1.3.2.1 Definition and Source of the Standard of Value

The definition for the Standard of Value in this Appraisal is as follows:

Market Value: The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming the neither is under undue duress." Source: *The Dictionary of Real Estate Appraisal, 7th ed.* Chicago: Appraisal Institute, 2022. PDF. pg. 141

Fair market value: 1. In nontechnical usage, a term that is equivalent to the contemporary usage of market value. 2. As used in condemnation, litigation, income tax, and property tax situations, a term that is similar in concept to market value but may be defined explicitly by the relevant agency. Source: *The Dictionary of Real Estate Appraisal, 7th ed.* Chicago: Appraisal Institute, 2022. PDF

"Market Value: 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 value, after a reasonable exposure time on the open market, from a willing and reasonably knowledgeable seller to a willing and reasonably knowledgeable buyer, with neither compelled to buy or sell, giving due consideration to all available economic use of the property" Source: Uniform Appraisal Standards for Federal Land Acquisitions. The Appraisal Foundation, 2016. PDF. pg. 93.

1.3.3 Exposure Time

The exposure time estimated is related appraisal context and value conclusion made in the appraisal. The Client requires a Uniform Appraisal Standards for Federal Land Acquisitions (UASFLA) appraisal. The UASFLA mandates that "the marketing and exposure time is for a reasonable length of time to find a buyer who was reading, willing, and able to consummate a purchase on the date of valuation... Appraisers should not link opinions of market value for federal acquisitions to a specific exposure time."

Source: Uniform Appraisal Standards for Federal Land Acquisitions / Legal Foundations for Appraisal Standards 2016, page 95. Digital version.

Given this Client requirement, we have taken a jurisdictional exception to USPAP, and we have not opined to a specific exposure time.

1.3.4 Premise of Value

The premise of value is that the Property will be utilized to its highest and best use, which is a requirement of market value appraisals of real estate. The Appraisal may present alternative uses as part of appraisal processes to determine highest and best use.

1.3.5 Scope of Appraisal

Our Appraisal is intended to comply with Standards of the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation ("USPAP"), and with the standards and codes of ethics of the Appraisal Institute and the American Society of Appraisers, and the Uniform Appraisal Standards for Federal Land Acquisition ("UASFLA", AKA "Yellow Book") and with the Uniform Relocation Act ("URA"). The scope of the Appraisal is specifically designed, and we performed the research and analyses specifically necessary to estimate the Value of the Subject, for the Client's purpose and use as stated herein. Details on the processes, methods, research, and analyses considered and utilized in this Appraisal are presented throughout this Report. Our Report is presented as a narrative Appraisal Report format in accordance with USPAP, UASFLA, and URA. When necessary for compliance with local law and regulations, we may employ the jurisdictional exception rule of USPAP.

We have considered all three approaches to value in this Appraisal: the cost approach, the sales comparison approach, and the income approach. The cost approach was not employed in this Appraisal as this approach is not commonly utilized for asset types like the Subject. The sales comparison approach was employed as this approach is commonly utilized for asset types like the Subject and comparable data sales were found. The income approach was not employed as this approach is also commonly utilized for this asset type.

1.4 Data Collection and Verification

We have utilized several information sources and databases for this appraisal. These sources may include one or more of the following:

- Local multiple listing services,
- Costar, LoopNet, Zillow, or other proprietary comparables databases,
- Assessors, local appraisers and brokers, attorneys,
- Site to Do Business,
- various handbooks (e.g., Marshall & Swift, Handy Whitman),
- various data publications (e.g., PWC Korpacz Surveys, CBRE reports),
- public sources (e.g., FEMA, Wetlands mapper, local city/town property records),
- and more.

We verify the data used in appraisals through public sources such as assessor's records, property record cards, and other government records and market participants, such as brokers and attorneys. Our verification process is limited by the scope of work needed for the Client's specific use and purpose of the Appraisal, and what is available within the appraiser's normal course of work.

1.4.1 Unit Rule and Adjustments

The Unit Rule from UASFLA requires consideration of the impacts from a partial taking on the value of any requisite larger parcel, the economic unit, from which a portion is taken. The Unit Rule only applies in the context of partial takings; full takings would necessarily preclude any remainder and the need for application of the Unit Rule. The Unit Rule mandates the appraisal of the larger parcel before the taking (the "before" appraisal), and the appraisal of any impacts to the remainder of that larger parcel after the taking (the "after, remainder" appraisal), when or if the taking of a portion of the larger unit causes irrevocable loss in value or damages to the remainder of the larger parcel, such as when the remainder does not have substantially the same economic function. The "unit" in the Unit Rule is the larger parcel that functions as a single economic unit.

The Subject is currently improved with a dilapidated row home on a residential lot and will be a full taking. Therefore, there is no partial taking to analyze, and no Before and After appraisal analysis necessary. The Larger Parcel is the entire Subject property.

1.4.2 Ordinary and Extraordinary Assumptions and Hypothetical Conditions

We have made various minor and significant ordinary assumptions, extraordinary assumptions, and hypothetical conditions in this Appraisal. The ordinary assumptions, extraordinary assumptions, and hypothetical conditions may be listed in various locations throughout the report. It is our intention to disclose extraordinary assumptions, hypothetical conditions, and to disclose many of the significant ordinary assumptions. We have deemed these assumptions and conditions as appropriate for the Client's use of the Appraisal, and we have made these assumptions and conditions for benefit of the appraisal process. The use of ordinary assumptions, extraordinary assumptions, and hypothetical conditions might have affected the assignment results. If any assumption or condition should be determined to be inappropriate, then our assignment results may require revision.

No hypothetical conditions or extraordinary assumptions were made in this Appraisal.

1.4.3 Effective Date and Date of Report

The Effective Date of an appraisal is also known as the date of appraisal or the date of value or valuation date. The 2022-2023 USPAP defines Effective Date as "the date to which an appraiser's analyses, opinions, and conclusions apply".

The date of Appraisal Report, also known as a Report Date, is the date the report is finalized, published, and delivered to the Client.

An appraisal can have either a retrospective, current, or prospective Effective Date, depending on whether the Effective Date is substantially earlier than the Report Date, or relatively close to the Report Date, substantially later than Report Date, respectively.

Another date that may be presented in an appraisal is the date on which the subject property is physically inspected.

The Report Date is: September 8, 2022.
The Effective Date is: June 20, 2022.
This Report Date is: A Current Effective Date
The Inspection Date is listed in Section 11, Certification, on page 36.

1.5 Highest and Best Use Conclusions

The highest and best use of the land, as if vacant and available for redevelopment, would be for development as a single-family dwelling, as is consistent with local zoning, subject to reasonably probable changes. This is consistent with adjacent property types (assuming no environmental or other issues). The use would be physically possible and legally permissible. However, given the very poor economics of the market area, it is not financially feasible to develop a single-family dwelling at this time. Therefore, the maximally productive use of the Subject may be hold the Subject as vacant land, as an interim use, for future development.

The highest and best use of the Subject, as improved, as of the Effective Date, would be for demolition of the current improvements and to be developed into a single-family dwelling, as this use is physically possible, legally permissible, economically feasible, and all other uses would not be maximally productive. See Section 8.7.1 for the highest and best use of the land.

1.6 Appraisal Conclusions

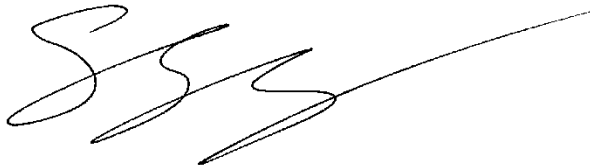
The value conclusions are presented in the following figure.

Figure 1-1, Value Conclusion via Sales Comparison Approach

\$85,000

Herein, we present our Appraisal Report.

Certified by:



Mark Pomykacz, MAI, AI-GRS, ASA
Managing Partner
State Certified General Real Estate Appraiser

Katherine Tantinan, MAI
Senior Manager
State Certified General Real Estate Appraiser
Maryland 34618

State	License number
Connecticut	RCG 00010448
New Hampshire	NHCG-1064
Virginia	4001017013
California	AG043987
Massachusetts	103483
Minnesota	40620869
Florida	RZ3225
Pennsylvania	GA001700R
Michigan	1201069583
Maryland	10807
Illinois	553.001871
Texas	TX 1380478 G
New York	46000000871
New Jersey	42RG00144500
Vermont	080.013424
Rhode Island	CCA.0020110
Iowa	CG03849
Washington DC	GA40000004
Colorado	CG200002994
Maine	CG3503
New Mexico	TP-5194
Ohio	202100667
Louisiana	G4888
Arizona	CGA-1034162
Virginia	4001018173
Tennessee	6164
as of	6/27/2022

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3 Appraisal Process

3.1 Appraisal Context

Most of the context of the Appraisal has been previously presented in the Transmittal & Executive Summary, Section 1 on page 1. Additional appraisal context is presented within, such as the Approaches to Value, Section 8 on page 27.

3.2 Appraisal Process and Methods

The appraisal process requires that appraisers must first establish the appraisal problem, the use and purpose, and scope of an appraisal. This step includes setting the appraisal context, such as the standard, definition and premise of value, the effective date of value, any hypothetical and extraordinary conditions, and others. Next, the market, industry, and economies are researched and analyzed. The appraisers also study the subject asset's legal rights and limitations, its physical qualities, and its financial qualities. Afterwards, the highest and best use of the asset is analyzed.

During these first phases and occasionally in later phases, the appraisers establish and refine the appraisal problem. The appraisal process concerning the appraisal context and appraisal problem is a general prescription concerning the issues to be addressed in the appraisal and the procedures to solve the appraisal problem and report on the solutions. Only after setting the appraisal context and appraisal problem are the various analyses, or approaches to value, conducted. There are three basic approaches in determining the value of an asset: the sales comparison approach, the cost approach, and the income approach, which are described as follows:

1. In the cost approach, value is indicated by the current cost of reproducing or replacing the improvements (including indirect costs and entrepreneurial incentive), less depreciation, plus land value.
2. In the sales comparison approach, value is indicated by analysis of sales of comparable properties appropriately adjusted for differences from the subject property.
3. In the income capitalization approach, value is indicated by the present value of a property's earning power, based on the capitalization of income.

Traditionally, specific appraisal techniques are applied within the three approaches to derive indications of value. One or more approaches to value may be used depending on which approaches are necessary to produce credible assignment results, given the intended use.¹

The principles and basic methodology involved in each approach are summarized later in this report.

After conducting the applicable approaches to value, the appraiser concludes the appraisal with a reconciliation process whereby the various indications of value are reviewed, and the merits of each of the completed approaches are analyzed.

When the appraisal assignment calls for it, various techniques such as allocations, residuals, or summations are finally made to or with the various elements or components of the concluded values from the three traditional approaches, to determine overall asset values or parts of a concluded overall value.

Finally, a report and a workfile are created to document the appraisal. Reports can be written or oral, form reports or free form narrative reports, and the narrative reports can be summary or extensive (also known as full narrative) reports.

3.3 Data Collection and Verification

We have utilized several information sources and databases for this appraisal. These sources may include one or more of the following:

- Local multiple listing services,
- Costar, LoopNet, Zillow, or other proprietary comparables databases,
- Assessors, local appraisers and brokers, attorneys,
- Site to Do Business,
- various handbooks (e.g., Marshall & Swift, Handy Whitman),
- various data publications (e.g., PWC Korpacz Surveys, CBRE reports),
- public sources (e.g., FEMA, Wetlands mapper, local city/town property records),
- and more.

We verify the data used in appraisals through public sources such as assessor's records, property record cards, and other government records and market participants, such as brokers and attorneys. Our verification process is limited by the scope of work needed for the Client's specific use and purpose of the Appraisal, and what is available within the appraiser's normal course of work.

¹ Excerpted and paraphrased from *The Appraisal of Real Estate, 15th ed.* Chicago: Appraisal Institute, 2020. PDF. pg. 42

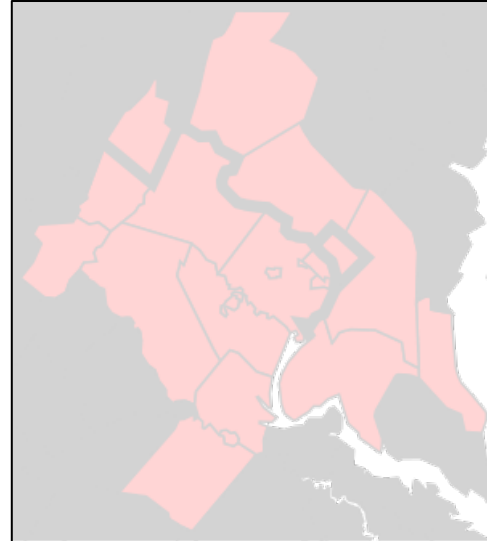
4 Market Area Description

The Subject is located in Baltimore, Maryland.

5.1 Baltimore Overview

Baltimore is the most populous city in the U.S. state of Maryland, as well as the 31st most populous city in the United States, with an estimated population of 586,131 in 2020. Baltimore was designated an independent city by the Constitution of Maryland in 1851, and today is the largest independent city in the United States. As of 2017, the population of the Baltimore metropolitan area was estimated to be just under 2.802 million, making it the 21st largest metropolitan area in the country. Baltimore is located about 40 miles northeast of Washington, D.C., making it a principal city in the Washington–Baltimore combined statistical area (CSA), the fourth-largest CSA in the nation, with a calculated 2018 population of 9,797,063.

With hundreds of identified districts, Baltimore has been dubbed a "city of neighborhoods". Many of Baltimore's neighborhoods have rich histories: the city is home to some of the earliest National Register Historic Districts in the nation, including Fell's Point, Federal Hill, and Mount Vernon. These were added to the National Register between 1969 and 1971, soon after historic preservation legislation was passed. Baltimore has more public statues and monuments per capita than any other city in the country. Nearly one third of the city's buildings (over 65,000) are designated as historic in the National Register, which is more than any other U.S. city.



5.2 Demographics

According to the United States Census, there were 593,490 people living in Baltimore City in 238,436 households as of July 1, 2019. The population decreased by 4.4% since the 2010 Census. Baltimore's population has declined at each census since its peak in 1950.

In 2009, the median household income was \$42,241 and the median income per capita was \$25,707, compared to the national median income of \$53,889 per household and \$28,930 per capita. In Baltimore, 23.7% of the population lived below the poverty line, compared to 13.5% nationwide.

Housing in Baltimore is relatively inexpensive for large, coastal cities of its size. The median sale price for homes in Baltimore in 2012 was \$95,000. Despite the housing collapse, and along with the national trends, Baltimore residents still face slowly increasing rent (up 3% in the summer of 2010). The homeless population in Baltimore is steadily increasing; it exceeded 4,000 people in 2011. The increase in the number of young homeless people was particularly severe.

As of 2015, life expectancy in Baltimore was 74 to 75 years, compared to the U.S. average of 78 to 80. Fourteen neighborhoods had lower life expectancies than North Korea. The life expectancy in Downtown/Seton Hill was comparable to that of Yemen.

5.3 Transportation

The city of Baltimore has a higher-than-average percentage of households without a car. In 2015, 30.7 percent of Baltimore households lacked a car, which decreased slightly to 28.9 percent in 2016. The national average was 8.7 percent in 2016. Baltimore averaged 1.65 cars per household in 2016, compared to a national average of 1.8.

The Interstate highways serving Baltimore are I-70, I-83 (the Jones Falls Expressway), I-95, I-395, I-695 (the Baltimore Beltway), I-795 (the Northwest Expressway), I-895 (the Harbor Tunnel Thruway), and I-97. The city's mainline Interstate highways—I-95, I-83, and I-70—do not directly connect to each other, and in the case of I-70 end at a park and ride lot just inside the city limits, because of freeway revolts in Baltimore. These revolts were led primarily by Barbara Mikulski, a former United States senator for Maryland, which resulted in the abandonment of the original plan. There are two tunnels traversing Baltimore Harbor within the city limits: the four-bore Fort McHenry Tunnel (opened in 1985 and serving I-95) and the two-bore Harbor Tunnel (opened in 1957 and serving I-895). The Baltimore Beltway crosses south of Baltimore Harbor over the Francis Scott Key Bridge.

The only U.S. Highways in the city are US 1, which bypasses downtown, and US 40, which crosses downtown from east to west. Both run along major surface streets; however, US 40 utilizes a small section of a freeway cancelled in



the 1970s in the west side of the city originally intended for Interstate 170. State routes in the city also travel along surface streets, with the exception of Maryland Route 295, which carries the Baltimore–Washington Parkway.

Public transit in Baltimore is mostly provided by the Maryland Transit Administration (abbreviated "MTA Maryland") and Charm City Circulator. MTA Maryland operates a comprehensive bus network, including many local, express, and commuter buses, a light rail network connecting Hunt Valley in the north to BWI Airport and Cromwell (Glen Burnie) in the south, and a subway line between Owings Mills and Johns Hopkins Hospital. A proposed rail line, known as the Red Line, which would link the Social Security Administration to Johns Hopkins Bayview Medical Center and perhaps the Canton and Dundalk communities, was cancelled as of June 2015 by Governor Larry Hogan; a proposal to extend Baltimore's existing subway line to Morgan State University, known as the Green Line, is in the planning stages.



The Charm City Circulator (CCC), a shuttle bus service operated by Veolia Transportation for the Baltimore Department of Transportation, began operating in the downtown area in January 2010. Funded partly by a 16 percent increase in the city's parking fees, the circulator provides free bus service seven days a week, picking up passengers every 15 minutes at designated stops during service hours.

Baltimore also has a water taxi service, operated by Baltimore Water Taxi. The water taxi's six routes provide service throughout the city's harbor, and was purchased by Under Armour CEO Kevin Plank's Sagamore Ventures in 2016.

In June 2017, The BaltimoreLink started operating; it is the redesign of the region's initial bus system. The BaltimoreLink runs through downtown Baltimore every 10 minutes via color-coded, high-frequency CityLink routes.

Baltimore is a top destination for Amtrak along the Northeast Corridor. Baltimore's Penn Station is one of the busiest in the country. In FY 2014, Penn Station was ranked the seventh-busiest rail station in the United States by number of passengers served each year. The building sits on a raised "island" of sorts between two open trenches, one for the Jones Falls Expressway and the other for the tracks of the Northeast Corridor (NEC). The NEC approaches from the south through the two-track, 7,660 feet Baltimore and Potomac Tunnel, which opened in 1873 and whose 30 mph limit, sharp curves, and steep grades make it one of the NEC's worst bottlenecks. The NEC's northern approach is the 1873 Union Tunnel, which has one single-track bore and one double-track bore.

Baltimore is served by two airports, both operated by the Maryland Aviation Administration, which is part of the Maryland Department of Transportation. Baltimore–Washington International Thurgood Marshall Airport, generally known as "BWI", lies about 10 miles to the south of Baltimore in neighboring Anne Arundel County. The airport is named after Thurgood Marshall, a Baltimore native who was the first African American to serve on the Supreme Court of the United States. In terms of passenger traffic, BWI is the 22nd busiest airport in the United States. As of calendar year 2014, BWI is the largest, by passenger count, of three major airports serving the Baltimore–Washington Metropolitan Area. It is accessible by I-95 and the Baltimore–Washington Parkway via Interstate 195, the Baltimore Light Rail, and Amtrak and MARC Train at BWI Rail Station.

Baltimore is also served by Martin State Airport, a general aviation facility, to the northeast in Baltimore County. Martin State Airport is linked to downtown Baltimore by Maryland Route 150 (Eastern Avenue) and by MARC Train at its own station.

Water taxis also operate in the Inner Harbor. Governor Ehrlich participated in naming the port after Helen Delich Bentley during the 300th anniversary of the port.

In 2007, Duke Realty Corporation began a new development near the Port of Baltimore, named the Chesapeake Commerce Center. This new industrial park is located on the site of a former General Motors plant. The total project comprises 184 acres in eastern Baltimore City, and the site will yield 2,800,000 square feet of warehouse/distribution and office space. Chesapeake Commerce Center has direct access to two major Interstate highways (I-95 and I-895) and is located adjacent to two of the major Port of Baltimore terminals. The Port of Baltimore is one of two seaports on the U.S. East Coast with a 50-foot dredge to accommodate the largest shipping vessels.

Along with cargo terminals, the port also has a passenger cruise terminal, which offers year-round trips on several lines, including Royal Caribbean's Grandeur of the Seas and Carnival's Pride. Overall five cruise lines have operated out of the port to the Bahamas and the Caribbean, while some ships traveled to New England and Canada. The terminal has become an embarkation point where passengers have the opportunity to park and board next to the ship visible from Interstate 95. Passengers from Pennsylvania, New York and New Jersey make up a third of the volume, with travelers from Maryland, Virginia, the District and even Ohio and the Carolinas making up the rest.

5.4 Geography

Baltimore is in north-central Maryland on the Patapsco River close to where it empties into the Chesapeake Bay. The city is also located on the fall line between the Piedmont Plateau and the Atlantic coastal plain, which divides Baltimore into "lower city" and "upper city". The city's elevation ranges from sea level at the harbor to 480 feet (150 m) in the northwest corner near Pimlico.

According to the 2010 Census, the city has a total area of 92.1 square miles, of which 80.9 sq mi is land and 11.1 square miles is water. The total area is 12.1 percent water.

Baltimore is almost surrounded by Baltimore County, but is politically independent of it. It is bordered by Anne Arundel County to the south.

4.1.1 Neighborhoods



A map of Baltimore with the official city-designated Baltimore neighborhoods, by the Baltimore City Dept. of Planning

Baltimore is officially divided into nine geographical regions: North, Northeast, East, Southeast, South, Southwest, West, Northwest, and Central, with each district patrolled by a respective Baltimore Police Department. Interstate 83 and Charles Street down to Hanover Street and Ritchie Highway serve as the east–west dividing line and Eastern Avenue to Route 40 as the north–south dividing line; however, Baltimore Street is north–south dividing line for the U.S. Postal Service. It is not uncommon for locals to divide the city simply by East or West Baltimore, using Charles Street or I-83 as a dividing line or into North and South using Baltimore Street as a dividing line.

4.1.2 Northwest Baltimore

Northwestern is bounded by the county line to the north and west, Gwynns Falls Parkway on the south and Pimlico Road on the east, is home to Pimlico Racecourse, Sinai Hospital, and the headquarters of the NAACP. Its neighborhoods are mostly residential and are dissected by Northern Parkway. The area has been the center of Baltimore's Jewish community since after World War II. Notable neighborhoods include Pimlico, Mount Washington, and Cheswolde, and Park Heights.

4.2 Economy

Once a predominantly industrial town, with an economic base focused on steel processing, shipping, auto manufacturing (General Motors Baltimore Assembly), and transportation, the city experienced deindustrialization which cost residents tens of thousands of low-skill, high-wage jobs. The city now relies on a low-wage service economy, which accounts for 31% of jobs in the city. Around the turn of the 20th century, Baltimore was the leading US manufacturer of rye whiskey and straw hats. It also led in refining of crude oil, brought to the city by pipeline from Pennsylvania.

As of March 2018, the U.S. Bureau of Labor Statistics calculates Baltimore's unemployment rate at 5.8% while one quarter of Baltimore residents (and 37% of Baltimore children) live in poverty. The 2012 closure of a major steel plant at Sparrows Point is expected to have a further impact on employment and the local economy. The Census Bureau reported in 2013 that 207,000 workers commute into Baltimore city each day. Downtown Baltimore is the primary economic asset within Baltimore City and the region with 29.1 million square feet of office space. The tech sector is rapidly growing as the Baltimore metro ranks 8th in the CBRE Tech Talent Report among 50 U.S. metro areas for high growth rate and number of tech professionals. Forbes ranked Baltimore fourth among America's "new tech hot spots". Almost a quarter of the jobs in the Baltimore region were in science, technology, engineering and math as of mid-2013, in part attributed to the city's extensive undergraduate and graduate schools; maintenance and repair experts were included in this count.

4.2.1 Port

The center of international commerce for the region is the World Trade Center Baltimore. It houses the Maryland Port Administration and U.S. headquarters for major shipping lines. Baltimore is ranked 9th for total dollar value of cargo and 13th for cargo tonnage for all U.S. ports. In 2014, total cargo moving through the port totaled 29.5 million tons, down from 30.3 million tons in 2013. The value of cargo traveling through the port in 2014 came to \$52.5 billion, down from \$52.6 billion in 2013. The Port of Baltimore generates \$3 billion in annual wages and salary, as well as supporting 14,630 direct jobs and 108,000 jobs connected to port work. In 2014, the port also generated more than \$300 million in taxes. It serves over 50 ocean carriers making nearly 1,800 annual visits. Among all U.S. ports, Baltimore is first in handling automobiles, light trucks, farm and construction machinery; and imported forest products, aluminum, and sugar. The port is second in coal exports. The Port of Baltimore's cruise industry, which offers year-round trips on several lines supports over 500 jobs and brings in over \$90 million to Maryland's economy annually. Growth at the port continues with the Maryland Port Administration plans to turn the southern tip of the former steel mill into a marine terminal, primarily for car and truck shipments, but also for anticipated new business coming to Baltimore after the completion of the Panama Canal expansion project.

Figure 5-1, Baltimore Unemployment Rate

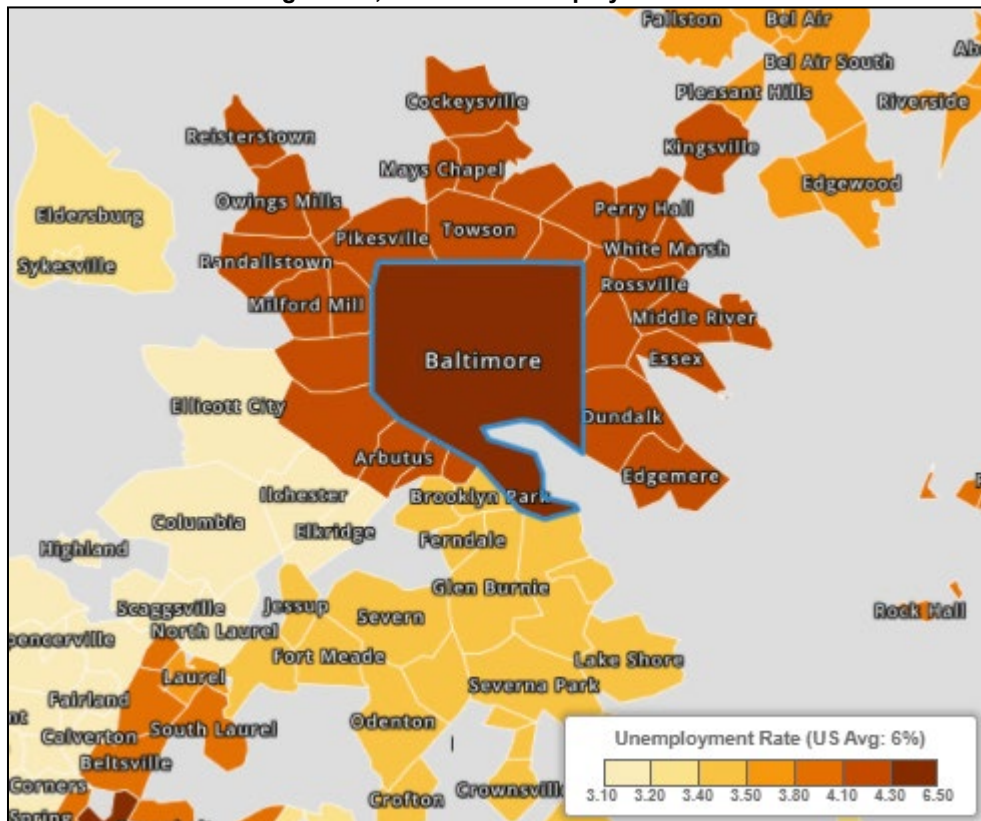


Figure 5-2, Baltimore Median Household Income

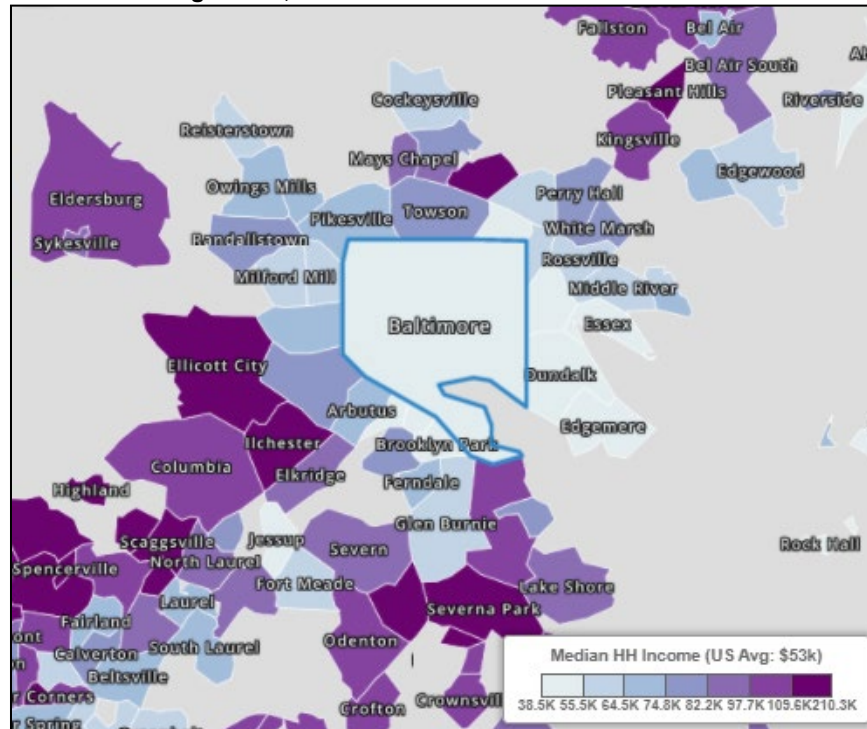
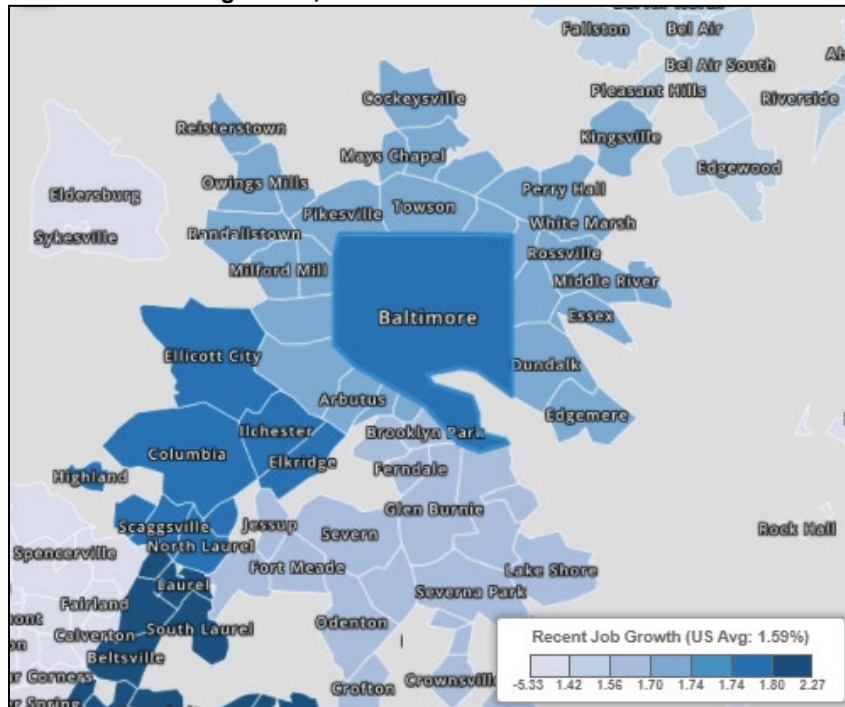


Figure 5-3, Baltimore Recent Job Growth



Additional demographic reports data including the latest Census regarding the Subject's market area run by Esri has been saved to the workfile.

5 Market/Industry Analysis

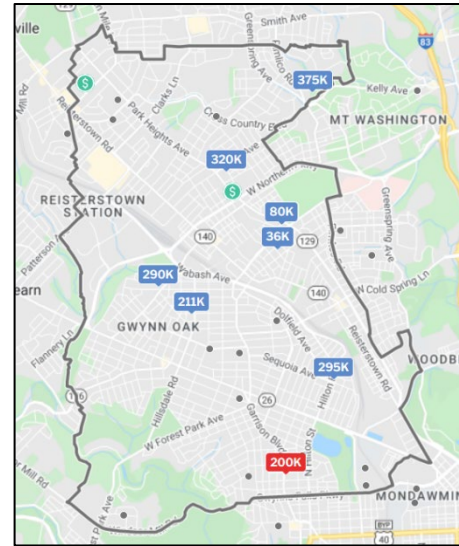
5.1 Single-Family Northwestern Baltimore Housing Market

Over the past five years the prices of single-family homes in the Northwestern Baltimore Housing Market have been steadily increasing. In March 2022, Northwestern Baltimore single-family home prices were up 11.1% compared to last year. The median price of a single-family home was \$280,000. Approximately eighty-three homes were sold with a median of forty-four days on market.

Currently approximately 44% of residential dwellings are owned, 36% are rented, and 20% are vacant. The annual residential turnover is approximately 15%. Approximately 41% of residents have 5+ years of residency with a median year in residency of 4.15.

Source: Redfin, Weichert

Our Subject is located in the Midtown Edmondson neighborhood. This neighborhood has not performed as well as other neighborhoods in Baltimore City.



Baltimore Metro Area March 2022 Market Overview

Baltimore Market Key Findings			
	March 2022	vs. March 2021	vs. Feb 2022
Median Sales Price	\$340.0K	▲ +7.9%	▲ +6.3%
Closed Sales	3,584	▼ -1.7%	▲ +37.9
New Pending Sales	4,348	▼ -8.8%	▲ +28.1%
New Listings	4,948	▼ -2.1%	▲ +43.3%
Median Days on Market	6	▼ -1	▼ -4
Showings	106,186	▼ -13.9%	▲ +20.5%
Months of Supply	0.7	▼ -8.0%	▲ 13.6%

Rising prices showed no signs of slowing in March with the spring market underway. The monthly median sale price jumped 8% from a year ago. Buyers should expect more price increases, as the median price of a new listing rose 6%. The market saw a seasonal rise in new listings. While buyers are hunting for homes, fewer showings took place than a year ago as inventory tightens. However, there are indications of how this year's market will be different than last year: lower home demand and inventory translated to lower new pending homes sales. There are also early signs that rising interest rates may be impacting the market as more inventory stayed up for sale at month-end. Condos had 'High' buyer demand, as sales rose 3%. Condos were also the only home type with more new listings than a year ago, growing faster than other housing types.

March	2022	Median	Sales	Price
	March '22	vs. March '21	vs. March '20	YTD '22 vs. YTD '21
Anne Arundel County	\$440.2K	7.6%	17.4%	\$425.0K 7.6%
Baltimore City	\$222.0K	12.0%	27.6%	\$210.0K 10.5%
Baltimore County	\$305.0K	9.7%	20.6%	\$300.0K 8.7%
Carroll County	\$404.3K	6.4%	22.5%	\$400.0K 10.0%
Harford County	\$329.9K	16.6%	25.3%	\$325.0K 14.0%
Howard County	\$522.5K	13.4%	22.9%	\$475.0K 6.7%
Baltimore Metro	\$340.0K	7.9%	16.4%	\$325.0K 6.4%

March 2022 Closed Sales

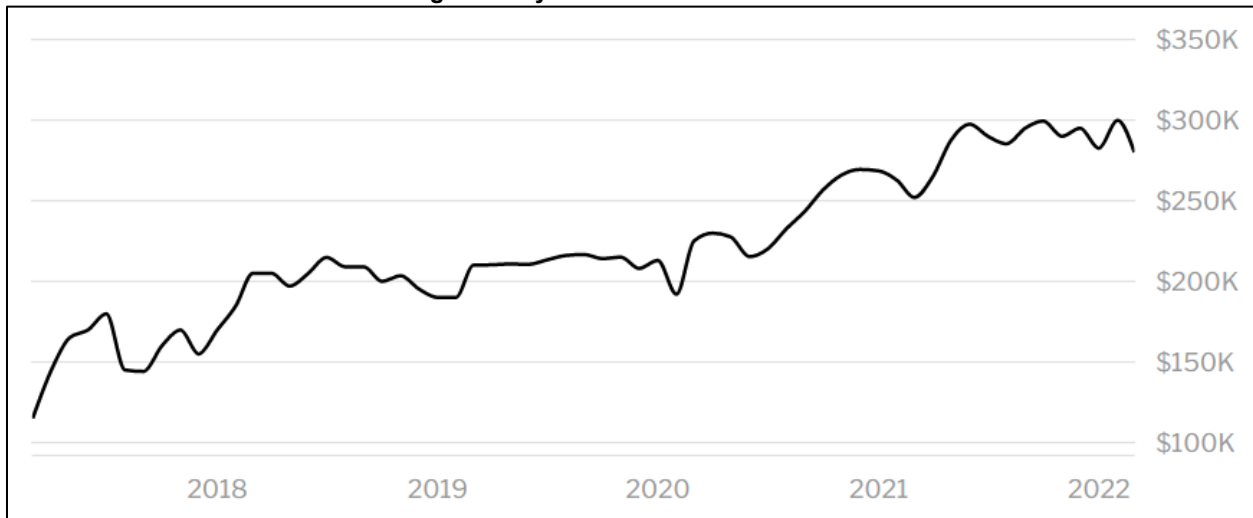
	March '22	vs. March '21	vs. March '20	YTD '22	vs. YTD '21
Anne Arundel County	839	-8.0%	-2.2%	1,989	-15.3%
Baltimore City	985	3.6%	42.1%	2,543	1.4%
Baltimore County	918	N/C	12.9%	2,395	-1.5%
Carroll County	194	15.5%	-4.4%	467	-2.9%
Harford County	318	-9.4%	6.0%	800	-12.1%
Howard County	330	-4.9%	2.2%	799	-10.4%
Baltimore Metro	3,584	-1.7%	12.4%	8,993	-6.0%

Baltimore Metro Ten Year Trends, Median Sales Price by Housing Type

	Med Sale \$	Detached: All	Attached: All	Townhomes	Condo / Co-op
Mar 2013	\$228.5K	\$290.0K	\$172.0K	\$164.0K	\$182.5K
Mar 2014	\$227.5K	\$300.0K	\$173.0K	\$165.4K	\$187.5K
Mar 2015	\$230.1K	\$285.0K	\$170.0K	\$163.8K	\$180.0K
Mar 2016	\$237.4K	\$290.5K	\$190.0K	\$186.0K	\$199.0K
Mar 2017	\$245.0K	\$306.5K	\$194.8K	\$189.0K	\$210.0K
Mar 2018	\$259.0K	\$325.0K	\$205.0K	\$205.0K	\$200.6K
Mar 2019	\$264.0K	\$329.9K	\$210.0K	\$210.8K	\$205.0K
Mar 2020	\$292.0K	\$371.0K	\$220.0K	\$225.0K	\$210.2K
Mar 2021	\$315.0K	\$396.0K	\$245.0K	\$250.0K	\$235.0K
Mar 2022	\$340.0K	\$430.0K	\$263.8K	\$261.0K	\$270.0K

Source: Bright MLS

Prices of Single-Family Homes from March 2017-March 2022



Source: Redfin.com

5.2 Baltimore City Interviews

For the purpose of this appraisal, we have spoken with various people who are familiar with the market area of Baltimore City, MD. Phone calls with each of these representatives have relayed similar opinions about values of residential homes and residential land and the poor health of the real estate market.

Kevin Jackson is the assessor who had last done the assessments in Midtown Edmonson, the neighborhood of where the Subject is located. He had relayed that there have been no effects on value due to COVID-19 in the neighborhood. A significant number of homes in the neighborhood are in poor to fair condition. Many sales in the area are distressed sales. Assessments for improved residential properties have been assessed at a maximum of \$7,000 to \$15,000. We assume that this is for row homes which are in occupiable condition. Furthermore, Mr. Jackson reports that values in Baltimore City vary by and block to block basis. The values can change drastically from turning a corner. Generally, blocks where more row homes are occupied are more desirable and higher in value than blocks with more unoccupied row homes, which further perpetuates differences in value.

Chad Hayes is the Western District Planner and City Planner Supervisor in the Department of Planning for the City of Baltimore. He has relayed that many of the sales in western Baltimore are sold both on the market through auction. There are not many individual vacant lot sales but when there is, they are usually sold to adjacent existing vacant lot owners. Mr. Hayes reports that there is limited development but he has shared information on four larger land acquisitions for residential development as follows. All of these developments are a few miles from the Subject and located in different neighborhoods. Values in Baltimore City vary by a block-to-block basis.

Pia Heslip is the Executive Director at One House At A Time, Inc, a nonprofit organization that assists with rehabilitating vacant and nuisance properties in Baltimore. Pia is familiar with auction sales of properties in Baltimore City of properties and overall trends in the area. She has shared that neighborhoods in Baltimore vary drastically and even on a block-by-block basis. Properties that sell with assistance from her organization often have tax liens on them. Once the property sells, the sale proceeds either pay off the lien amount in order for the property to sell free and clear, or Baltimore City is able to clear the amount of liens on the property.

Various appraisers, brokers, listing/selling agents have been contacted and interviewed to learn further competency on Baltimore's real estate market and during the verification process of sales data. Many have shared that Baltimore residential properties vary on a block-by-block basis. They have also stated that auction sales occur just as often as regular sales and generally reflect the same market value.

5.3 Market Industry Conclusion

The demographic and analytic information above shows a positive outlook for residential properties Baltimore City, MD. Market rents and sales for industrial properties are gradually increasing. However, the neighborhood, Midtown Edmonson, is increasing at a slower rate than other neighborhoods in Baltimore City as development has been slow overall. Most vacant lots are on hold in interim until the market recovers and is ready for development.

6 Subject Property Description**Property Name:** 1016 N Payson Street**Property Address:** 1016 N Payson Street, Baltimore, MD 21217**Parcel Number (block/lot):** 16-05-0057-009. A metes and bounds description was not available via public record.**Location/Cross Street:** The Subject is located on N Payson Street, between Riggs Avenue and Mosher Street.**6.1 Land Description****Summary Description:** The Subject property is approximately 1,120 square feet, or 0.026 acres, in size. It is rectangular in shape and has the dimensions of 14 feet by 80 feet. The land is flat and level. The Subject is zoned R-8 high density residential, allowing single-family and multi-family dwellings.

The Subject has fourteen feet of frontage along N Payson Street. The improvements have little set back from the sidewalk and the street. The property does not have on-site parking.

There are typical public utilities available for water, sewer, gas, and electricity. The Subject has no unusual soils. The minerals at the Subject are unknown and none have been reported. None are known to be in this vicinity. There are no major easements that would impact the value of the Property. There may be local utility easements that would be considered insignificant.

Parcel Shape/ Topography: Flat and level.**Land Area:** 1,120 square feet, or 0.026 acres**Zoning/Use/ Approvals:** Zoning Class: R-8, High density residential
Zoning Class Description: The Subject is zoned R-8 high density residential, allowing single-family and multi-family dwellings. Zoning ordinance allows "traditional form of urban rowhouse. Continuous rowhouse development along full blocks built to or only modestly set back from the street. Also accommodates other residential types of a similar density. Limited non-residential uses." There is a minimum lot area of 750 feet for rowhouse uses and maximum yard coverage of 80 percent. There is no minimum setback requirement from the front, sides or rear of the property.**Wetlands/Other Use Restrictions:** We were not given a wetland survey to review. We assume no wetlands issues**Site Utility:** The site is adequate in shape and size for development as a single-family row home.**6.2 Improvement Description****Summary Description:** The Subject is currently improved with a two-story interior row home interior row home. It has been confirmed through public record that the structure was built in 1920 and was a three-bedroom, one-bathroom row home. The interior row home had two stories and an unfinished basement and was in average condition at the time of the inspection.**Building Type / Construction:** The Subject is an interior row home in average condition. It is made with brick/masonry construction with low bearing masonry walls and a flat roof. The exterior walls are brick. There are no other site improvements.**6.3 Mechanical Detail****Heating Ventilation Air Conditioning (HVAC):** It has been reported by the assessor that row homes in this area do not have HVAC.

Plumbing: The plumbing system appeared to be in average condition.
Electrical Service: The electrical system appeared to be in average condition.

Security: None.

6.4 Deferred Maintenance and Detrimental Conditions

Overall Condition and Quality: The overall property condition was average occupiable.
 The overall property quality was average for this class of property and market area.

Detrimental Conditions: None noted.

6.5 Environmental

Environmental Detriments: We know of no environmental, toxic, or hazardous substances issues at the Subject. None were reported to us by the Client or the site owners or managers. We observed no evidence of environmental, toxic, or hazardous substance issues during our inspection of this site. However, we are not trained to perform technical environmental inspections. This Appraisal assumes no environmental, toxic, or hazardous substances issues exist at the Subject.

6.6 Legal

Deed/Contract Restrictions: No other restrictions are known. ADA issues were not investigated. We assume that no ADA issues are negatively affecting the Property.

6.7 Adequacy

Physical: The land and building are in adequate condition for occupiable use.
Functional: No functional obsolescence was observed.
Economic: No economic obsolescence was observed.

6.8 Subject Transaction History

Property Owner: Rob Owens

Sales History and Analysis: The Subject was sold twice within the last ten years.
 The last sale of the Subject was a non-arm's length transaction of \$11,000 on September 17, 2019 from Valens, LLC. On the same date, the Subject was sold in a non-arm's length transaction of \$3,328 from Corporate Express Services LLC. The Subject is not currently being offered for sale.

Leasing History and Analysis: The Subject is currently leased to a tenant. We were not provided with a copy of the lease to analyze.

6.9 Property Tax History

**Figure 6-1, Assessment History
 Value Information**

	Base Value	Value As of 01/01/2021	Phase-in Assessments	
			As of 07/01/2022	As of 07/01/2023
Land:	3,000	3,000		
Improvements	12,000	12,000		
Total:	15,000	15,000	15,000	15,000
Preferential Land:	0	0		

Based on the value conclusions of this report, we believe that the property owner benefits from a lower tax assessment.

Figure 6-2, Photographs of Subject

- 1) Front view of Subject (row house with the green door). Picture taken facing west.



Figure 6-3, Street Views of Subject

2) Street view of Subject on the right side of the street. Picture taken facing south.



3) Street view of Subject on the left side of the street. Picture taken facing north.

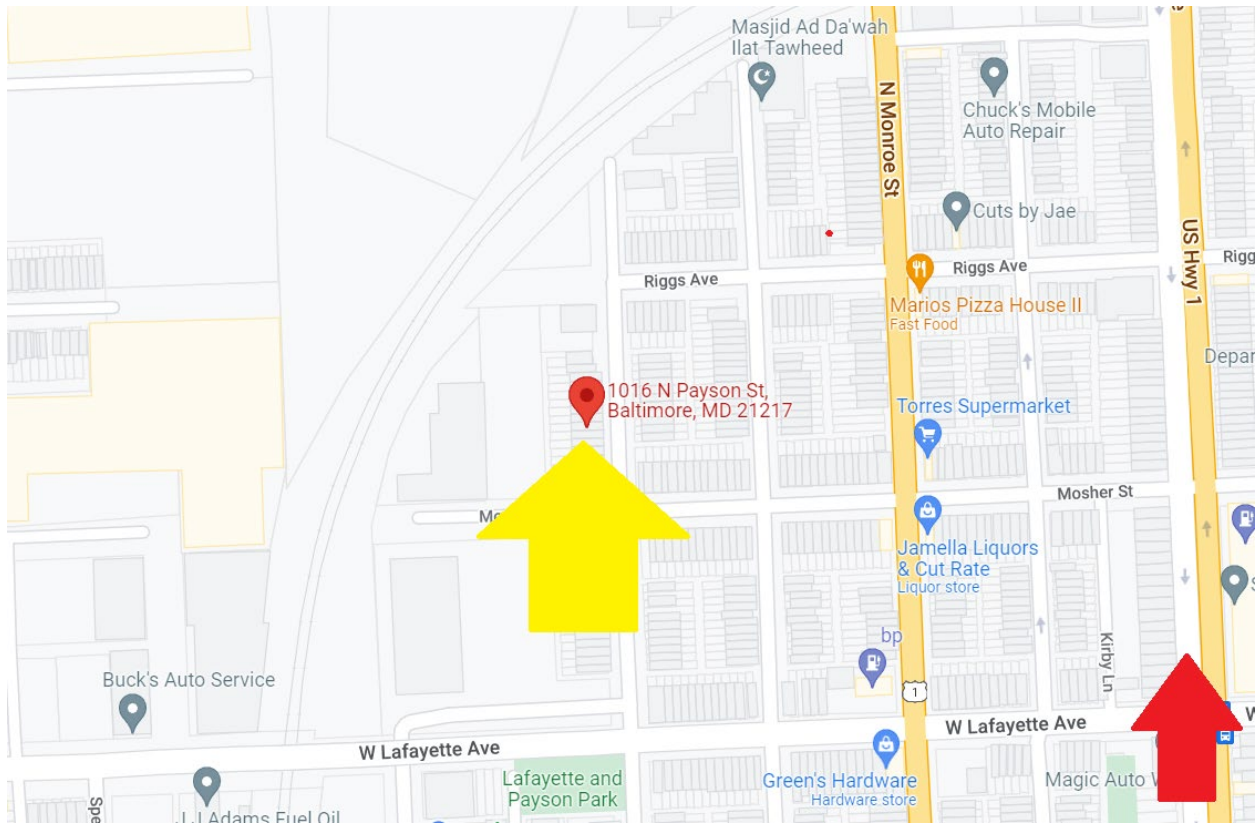


All photos were taken by Mark Pomykacz on June 30, 2022.

Plot Map



Figure 6-4, Location Maps
Neighborhood Map



Area Map

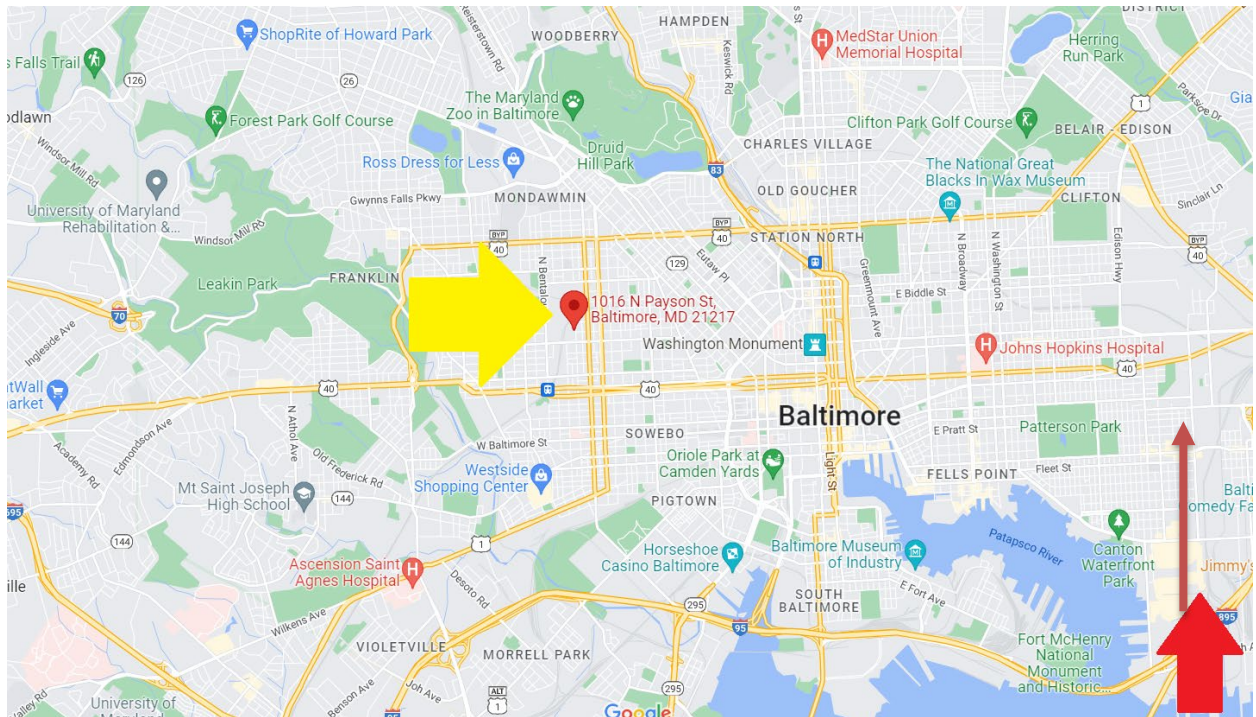


Figure 6-5, Satellite Photograph of Subject

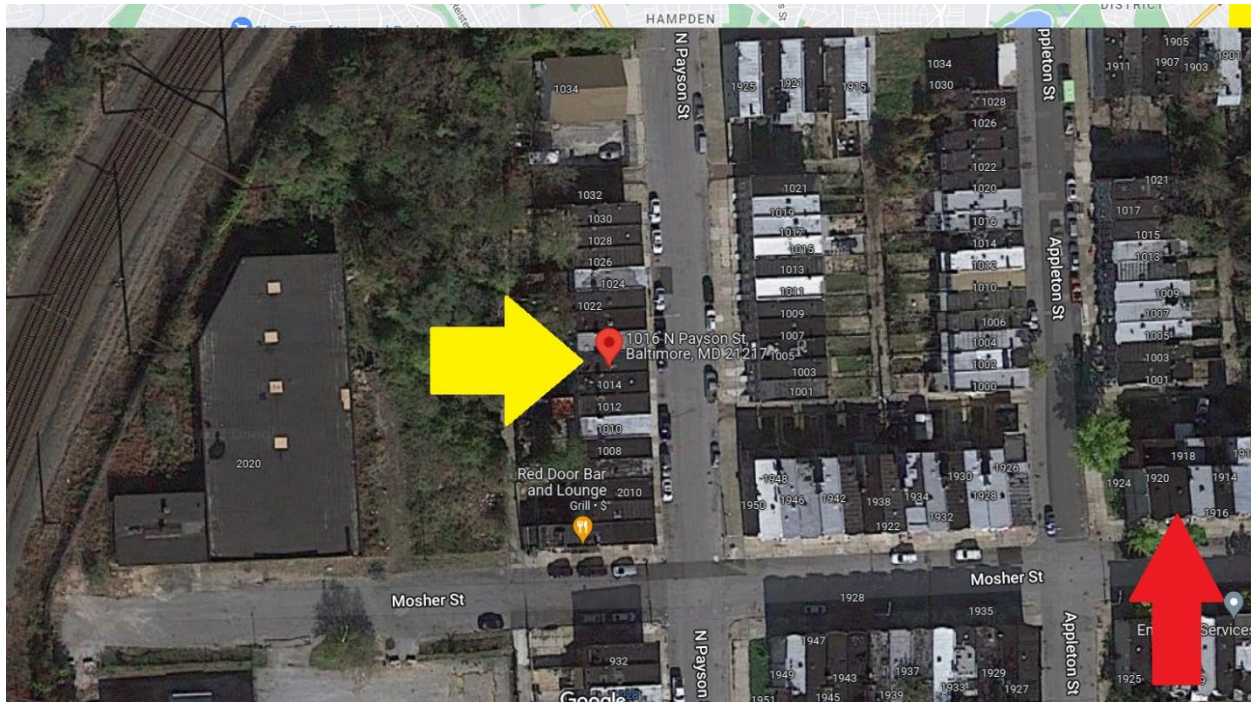


Figure 6-6, Site Map/Survey of Subject/Tax Map

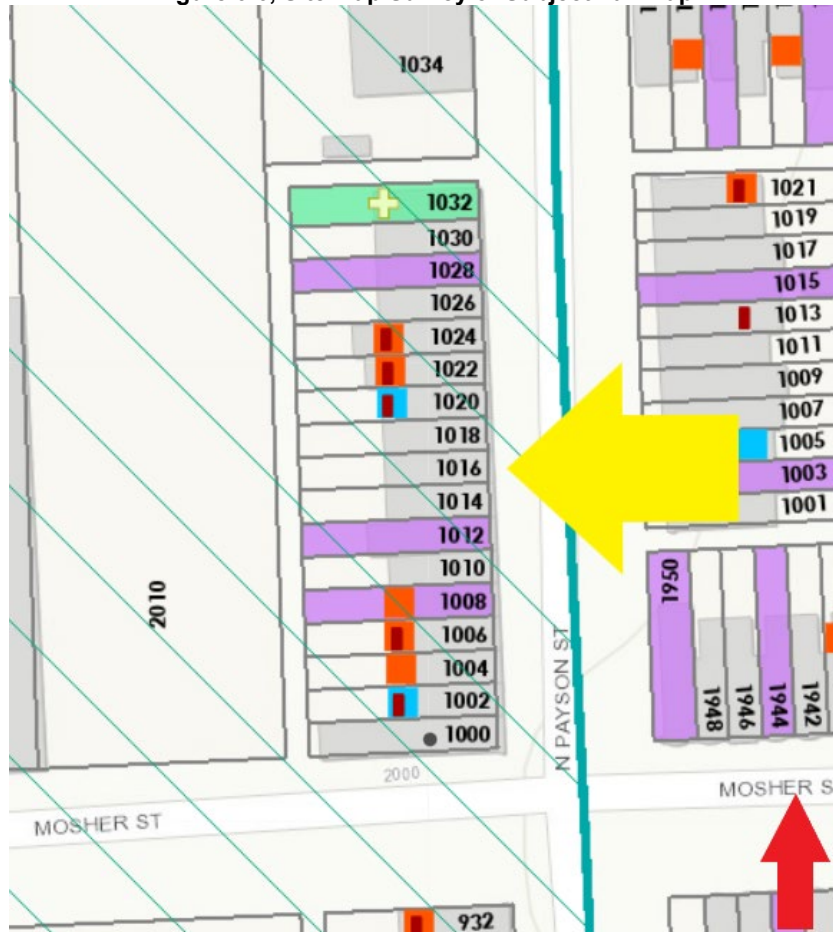


Figure 6-7, Wetlands Map of Subject



Figure 6-8, Flood Map of Subject



FEMA Flood Map 2400870017E, effective 2/2/2012. Map is unmapped by FEMA, however, no flooding known in the vicinity.

7 Highest and Best Use Analysis

In order to estimate the market value of a property, the appraiser must identify the highest and best use of the property, and must assume such highest and best use as the premise of value. Other types of value may assume other uses.

The 2022-23 Uniform Standards of Professional Appraisal Practice unequivocally states the imperative of appraising market value only under the assumption of the highest and best use, in Standards Rule 1-3 (b). An appraiser must analyze the relevant legal, physical, and economic factors to the extent necessary to support the appraiser's highest and best use conclusions(s). The highest and best use is the reasonably probable use of a property that results in the highest value. It must meet four criteria: legal permissibility, physical possibility, financial feasibility, and maximum productivity.

7.1 The Four Criteria

There are four basic criteria that are considered and analyzed in determining the highest and best use of a property:

1. **Physically possible.** What uses are physically possible given the constraints of the size and physical characteristics of the site?
2. **Legally permissible.** What uses are permitted by zoning or other restrictions (i.e. deed restrictions) on the property?
3. **Financially feasible.** Of the physically possible and legally permitted uses, which are financially feasible in that they will produce a net return to the property owner?
4. **Maximally productive.** Of the financially feasible uses, which use will produce the highest net return, or result in the highest present value of the property?

To utilize these four criteria effectively, they must be considered in terms of what is reasonably probable.

7.2 Highest and Best Use Conclusions

7.2.1 As if Vacant Land

When analyzing the Subject's highest and best use, we have considered the market demand² of parcels similar to the Subject, as this appraisal is intended to comply with UASFLA (Yellowbook) guidelines, Sections 2.3.3.1, 2.3.3.1.1 and 2.3.3.1.2.

The highest and best use of the land, as if vacant and available for redevelopment, would be for development as a single-family dwelling, as is consistent with local zoning, subject to reasonably probable changes. This is consistent with adjacent property types (assuming no environmental or other issues). The use would be physically possible and legally permissible. The surrounding neighborhood is all residential row homes. The zoning legally allows residential dwellings with no setback limitations. However, given the very poor economics of the market area, it is not financially feasible to develop a single-family dwelling at this time. Therefore, the maximally productive use of the Subject may to be hold the Subject as vacant land, as an interim use, for future development.

7.2.2 As Improved

The highest and best use of the Subject, as improved, as of the Effective Date, would be for continued use of the property, as a single-family dwelling, as this use is physically possible, legally permissible, economically feasible, and all other uses would not be maximally productive.

² Market Demand is further described in the Uniform Appraisal Standards for Federal Land Acquisitions, 2016 edition by the Appraisal Foundation under section 4.3.2.2 Market Demand.

8 Approaches to Value

There are three approaches to valuing real estate and other capital assets: the Cost Approach, the Sales Comparison Approach (sometimes referred to as the Market Data Approach), and the Income Approach. After completing all appropriate approaches, the appraiser reconciles the various indications to derive a value conclusion for the property. Fundamental underlying assumptions and basic methodology involved in each approach and the reconciliation are summarized in this section.

8.1 Application of the Three Approaches to Value

The valuation process is applied to develop a well-supported estimate of a defined value based on an analysis of pertinent general and specific data. Appraisers develop an opinion of property value with specific appraisal procedures which reflect three distinct methods of data analysis – cost, sales comparison, and income capitalization. One or more of these approaches are used in all estimates of value. The approaches employed depend on the type of property, the intended use of the appraisal, and the quality and quantity of data available for analysis.

All three approaches are applicable to many appraisal problems, but one or more of the approaches may have greater significance in a given assignment. For example, the sales comparison approach is usually emphasized in the valuation of single-unit residential properties. However, this approach may not be applicable to specialized properties such as garbage disposal plants because comparable data may not be available. The income capitalization approach is used to value most income producing properties, but it can be particularly unreliable in the market for commercial or industrial property where owner-occupants outbid investors. The income capitalization approach is not typically applied in valuing homes. The cost approach may be more applicable to new and special-purpose properties and less applicable in valuing properties with older improvements that suffer substantial depreciation, which can be difficult to estimate. Appraisers should apply all the approaches that are applicable and for which there is data. The alternative value indications derived can either support or refute one another.

When all three approaches have been used, the appraiser examines the three, separate indications. The relative dependability and applicability of each approach are considered in reconciling the value indications into a final estimate of value. In the reconciliation section of the report, the appraiser can explain variations among the indications produced by the different approaches and account for any inconsistencies between the value conclusions and methods applied.

8.2 Cost Approach

In the cost approach, the cost to develop a property is compared with the value of the existing property or a similarly developed property. When applicable, the cost approach reflects the thinking of market participants by recognizing that market participants sometimes relate value to cost. Market participants tend to judge the value of an existing structure by considering the prices of and incomes from similar assets and the cost to create a new building with comparable physical conditions and functional utility. Market participants adjust the prices they are willing to buy, sell or rent by estimating the costs to bring an existing structure up to the physical condition and functional utility they desire.

Cost Approach: A set of procedures through which a value indication is derived for the fee simple estate by estimating the current cost to construct a reproduction of (or replacement for) the existing structure, including an entrepreneurial incentive or profit; deducting depreciation from the total cost; and adding the estimated land value. Adjustments may then be made to the indicated value of the fee simple estate in the subject property to reflect the value of the property interest being appraised.

8.3 Sales Comparison Approach

The sales comparison approach is based on the principle of substitution, which states that buyers and sellers will not pay more for or sell for less than, respectively, what other similar properties sell for. The sales comparison approach is the process by which a market value estimate is derived by analyzing the sales of similar property and comparing these properties to the appraised property. Often property characteristics that differ between a subject property and comparable sales properties are analyzed in the sales comparison approach to determine the adjustments to be made to the prices of comparable property. The comparative techniques of analysis applied in the sales comparison approach are fundamental to the valuation process and are used in the other approaches as well.

Sales Comparison Approach: “The process of deriving a value indication for the subject property by comparing sales of similar properties to the property being appraised, identifying appropriate units of comparison, and making adjustments to the sale prices (or unit prices, as appropriate) of the comparable properties based on relevant, market derived elements of comparison. The sales comparison approach may be used to value improved properties, vacant land, or land being considered as though vacant when an adequate supply of comparable sales is available.”

8.4 Income Approach

The income capitalization approach is based on the principle of anticipation, which means that market participants desire property for their future benefits. For a property that generates income, the value of the property is derived from the anticipation of receiving the income.

Income Capitalization Approach: “Specific appraisal techniques applied to develop a value indication for a property based on its earning capability and calculated by the capitalization of property income.” The direct capitalization and yield capitalization or discounted cash flow (DCF) analysis fall under the income approach.

8.5 Reconciliation

The last phase of any valuation assignment in which two or more value indications are concluded is the reconciliation phase. In this phase, the various value indications are reconciled into a final value opinion, which may be either a final range of value or a single point estimate. Additionally, a reconciliation process may be needed at end of various appraisal analyses when a conclusion is needed from among more than one indication. For example, an appraisal may include a rental comparison analysis and various rental market surveys and averages. The appraiser may need to reconcile the comparison analysis with the surveys and averages to conclude a market rent which will be part of the formal income approach.

8.6 Approaches Applied in this Appraisal

In conformity with market forces and appraisal doctrine, we have attempted to employ the three traditional approaches to value: sales comparison, income, and cost approaches to estimate the market value of the Subject.

8.6.1 Unit Rule and Adjustments

Uniform Appraisal Standards for Federal Land Acquisitions (UASFLA Yellowbook) requires a determination and analysis of the larger parcel. The Subject will be a full taking of the fee simple interest and therefore, no determination of larger parcel is necessary. The Subject operates as its own economic unit.

8.6.2 The Improved Property Sales Comparison Approach – Employed

The sales comparison approach is considered a reliable approach for appraising improved properties, in this market area and time. It is the traditional and customary approach to appraise improved properties, such as warehouse/industrial properties. Adequate reliable sales comparison data could be found, which credible and appropriate value conclusion could be made.

8.6.3 The Cost Approach – Not employed

After considering the cost approach we did not employ the cost approach in this Appraisal as it would not yield a reliable indication of value for this asset type at this time. The cost approach is typically not completed and relied upon in this market for this asset type. The issues with the cost methodology for this asset currently include difficulties estimating cost new, land value, physical depreciation, functional obsolescence and/or economic obsolescence.

8.6.4 The Income Approach - Not employed

The income approach is not considered a reliable approach for appraising this kind of asset, in this market area and time. Adequate reliable income and expense data could not be found, without which credible and appropriate value conclusion could not be made. The income approach is typically not completed and relied upon in this market for this asset type. After full consideration, we did not employ the income approach.

9 Improved Property Sales Comparison Approach

9.1 Introduction

The sales comparison approach is a traditional appraisal technique that is most useful when a number of similar assets have been sold in the market, and when details on those assets and sale transactions are publicly available for analysis. This approach arrives at an estimate of value for a subject property by comparing the sale price of similar (comparable) assets. This is a classic example of the principle of substitution. When a purchaser could acquire a number of competing properties with similar utility and desirability, the purchaser will not choose to pay more to acquire the subject than the reasonable market value of a substitute property. Likewise, the seller of a property will understandably not accept an offer below the sale price obtained for similar properties.

Research for comparable assets that have sold rarely yields transactions that are identical to the subject property in all major value-impacting categories. For those sales not perfectly similar to the subject property, common, and standard appraisal practice requires a reconciliation of the differences between the major value-impacting characteristics of the subject property and those of the comparables. This reconciliation is known as the adjustment process.

9.2 Transaction/Comparable Data Universe

We have researched the market area for sales of properties with characteristics similar to the Subject. The search included a search of the sales databases such as CoStar, LoopNet, the local Multiple Listing Service, assessor's records, market participants and other sources.

The best sales comparables must be arms-length, recent, and similar to the subject in terms of physical, economic and locational characteristics. An important qualification of each comparable sale was the level of supporting data that is publicly available. It is common for a significant number of transactions to be excluded from the sales comparison approach. Common disqualifiers include a lack of supporting data and partial interest differences or being outside the geographic market area or being sales that date back to different market periods.

The sales are compared to the subject, and adjustments are applied for dissimilarities. Adjustments are made for differences, which include legal conditions of sale, the change in market conditions, location, quality, condition, size, zoning, and development potential, among other items. A "pairing process" is applied when practical to estimate the adjustments. The "pairing process" isolates the characteristic (dissimilarity) for which an adjustment is to be derived by comparing two sales, which are similar in all respects except for which an adjustment is to be derived. The "pairing process" is employed to extract objectively the appropriate adjustments directly from the marketplace. However, this method is not always reliable due to the difficulty in isolating a specific dissimilarity and because the other value differences may offset or compound the apparent adjustment indicated. Another method to estimate adjustments is to appeal to demographics and economic trends. For example, appraisers sometimes base time adjustments for office building sales on the trends in office space rental rates, and sometimes base location adjustments for commercial property on differences in rental rates in different locations. Consequently, we have augmented the paired sales analysis with our professional experience and reasoned judgment, supported, when possible, with other data, observations, and analysis.

9.3 Comparable Properties

We selected several recent sale transactions as the basis of comparison. The primary details on each of the comparables are show in Figure 9-3, Improved Property Sales Adjustment Grid, on page 33. Details of the comparable properties are found in Appendix Improved Property Sales Information.

9.4 Comparable Sales

Transactions chosen for inclusion and comparison in our analysis provided the best opportunity to make adjustments that would be critical to the Sales Comparison technique. Although it is difficult to make adjustments for all factors unique to each transaction, a discussion of the various types of adjustments considered for comparable sales analyses is included in our report.

9.5 Sales Comparison Adjustments

A comparable property must be a bona fide sale, recent, and similar to the Subject in terms of legal, economic, and physical characteristics. Physical characteristics include facility design and type, size, expected utility and production levels, efficiency rates, condition, and age, super adequacy, functional utility, quality, and remaining life. Legal and economic characteristics include terms of any contracts, income and expense rates, location, and market specifics. Adjustments fall into the following general categories, but numerous subcategories may exist and be useful: Property rights conveyed; Non-taxable realty/personal components of overall value; Financing terms; Conditions of sale; Market conditions; Physical characteristics; Location; Economic characteristics; and Use and utility.

9.5.1 Properties Rights Conveyed

A transaction price is always predicated on the interests conveyed. In determining the market value of the tangible assets at an asset, it is necessary to look at each comparable sale to determine the bundle of property rights, which of these rights have been conveyed, whether the individual rights in the bundle relate to real property, and whether the sale price includes real, business and/or personal property.

We noted no property rights issues that required adjustments.

9.5.2 Financing Terms

This adjustment, more commonly known as the cash equivalency adjustment, is a procedure whereby sale prices for comparable properties with atypical financing terms are adjusted to reflect cash settlements with more common, market-typical, financing terms. If the sales were assumed to be in cash to the seller, then no adjustment for cash equivalency would be required. If adjustments were necessary, they would probably be negative since special financing usually adds to the value of the comparable.

All of the sales are believed to be sales involving cash to the seller and required no adjustment for cash equivalency.

9.5.3 Conditions of Sale

This adjustment usually reflects the motivation of a buyer and seller and is required when a sale is considered to be non-arm's length. Most commonly this adjustment is needed when either the buyer or seller is under duress to transact quickly. As with financing terms, any divergence in the conditions of a sale is most likely to be considered in investment and business value analyses.

Our research indicates no evidence that the comparable sales are not arm's length transactions or that either the buyers nor the sellers were under duress. Additionally, our research indicates no evidence that any comparable was not available on the open market for an adequate period prior to sale. Furthermore, we have no evidence that any of the comparables were initiated by bankruptcies or liquidation proceedings that cause duress. All the comparable sales were considered arm's length transactions and no unusual motivations were observed except for Sale Two. It was reported during the verification process that the seller's financing impacted the conditions of the sale. Therefore, a negative adjustment has been reflected in our grid.

9.5.4 Market Conditions (Date of Sale or Time Adjustment)

Market condition adjustments reflect changes in value over time due to fluctuations in the balance of supply, demand, and inflation.

To account for these differences, adjustments were made from the date of sale of each comparable, at a rate of +0.71% per month, or 8.50 percent annually.

This market conditions adjustment was derived from information found on Zillow Home Value Indexes, as shown in Figure 9-1 .

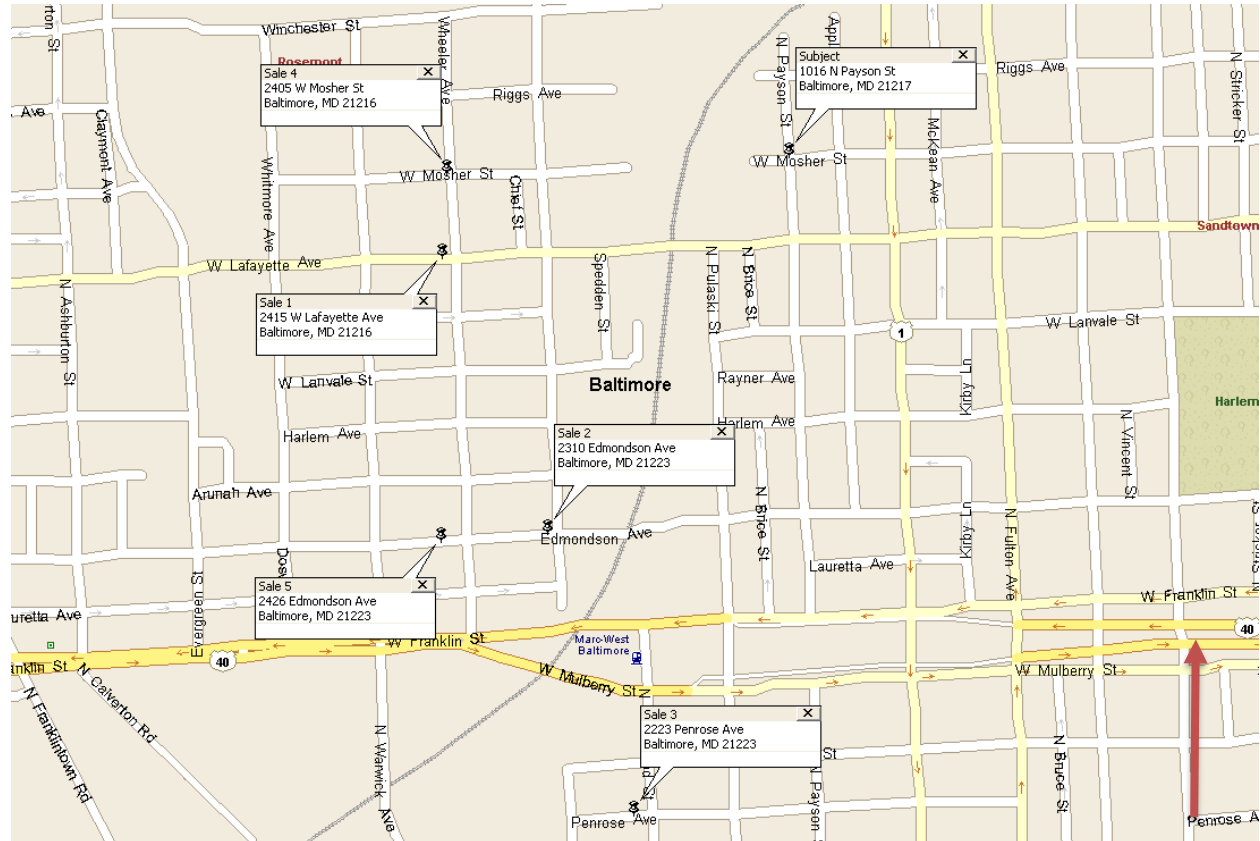
Figure 9-1, Zillow Home Value Index

Zillow Home Value Index							
Baltimore, MD - Single Family Homes							
Year	Month	Home Value Index	Percent Change	Year	Month	Home Value Index	Percent Change
2019	January	\$167,000		2021	January	\$181,000	0.6%
	February	\$169,000	1.2%		February	\$184,000	1.7%
	March	\$170,000	0.6%		March	\$187,000	1.6%
	April	\$170,000	0.0%		April	\$190,000	1.6%
	May	\$169,000	-0.6%		May	\$193,000	1.6%
	June	\$169,000	0.0%		June	\$197,000	2.1%
	July	\$170,000	0.6%		July	\$200,000	1.5%
	August	\$170,000	0.0%		August	\$202,000	1.0%
	September	\$168,000	-1.2%		September	\$204,000	1.0%
	October	\$166,000	-1.2%		October	\$204,000	0.0%
	November	\$165,000	-0.6%		November	\$205,000	0.5%
	December	\$166,000	0.6%		December	\$207,000	1.0%
2020	January	\$167,000	0.6%	2022	January	\$212,000	2.4%
	February	\$168,000	0.6%		February	\$216,000	1.9%
	March	\$169,000	0.6%			Average Change per Month	0.33%
	April	\$170,000	0.6%			Average Change per Year	3.95%
	May	\$170,000	0.0%			Concluded Annual Change	8.50%
	June	\$171,000	0.6%				
	July	\$171,000	0.0%				
	August	\$173,000	1.2%				
	September	\$174,000	0.6%				
	October	\$177,000	1.7%				
	November	\$178,000	0.6%				
	December	\$180,000	1.1%				

9.5.5 Location

The comparables are mapped in the following figure.

Figure 9-1, Comparable Improved Property Sales Map



Adjustments for location are necessary when the locational characteristics of a comparable property are different from those of the subject. Demand for other properties in some locations is higher because of the higher desire for that location.

We have adjusted for location where needed in our Adjustment Grid.

9.5.6 Physical Characteristics

Adjustments for physical characteristics are typically made for design, type, size, expected utility and production levels, condition, age, super adequacy, functional utility, and remaining life. Adjustments for facility condition, super adequacy, and functional utility are subject to depreciation. Because many physical characteristics of the facilities included in comparable sales are not released as public information, adjustments are based on the appraiser's judgement, or these factors could not be adjusted for.

9.5.6.1 Age/Condition

As assets age they lose value. However sometimes renovations and repairs, or the lack thereof, can disconnect the actual age from the asset's effective age. This is relative to the condition of other competing assets in the market area.

We have adjusted for age and condition in our Adjustment Grid where needed.

9.5.7 Quality/Design/Appeal

Quality addresses the materials and workmanship of the construction, the design, the functionality, and layout of the comparables and Subject. Quality, like the other general category of adjustments, can be broken down into smaller subcategories, which we have done where appropriate. Additionally, quality addresses the functionality of the Subject and the comparables.

We have adjusted for quality in our Adjustment Grid where needed. See our Adjustment Grid for details on the category differences between the Subject and each comparable, and for the rate of adjustment.

9.5.7.1 Site Views/Appeal

Residential property values often have different site views and appeal to them depending on the surrounding neighborhood and environment.

We have adjusted for site views/appeal when necessary. See our Adjustment Grid for details on the category differences between the Subject and each comparable, and for the rate of adjustment.

9.5.7.2 Bedrooms/Bathrooms/Below Grade Area/Finish

A primary driver of value for residential properties is the number of bedrooms and bathrooms it has. Below grade (basement) space and finishes also contribute to the desirability and functionality of the property.

We have adjusted for these factors when necessary. See our Adjustment Grid for details on the category differences between the Subject and each comparable, and for the rate of adjustment.

9.5.8 Gross Living Area (Size, SF)

Typically, buyers pay premiums, on a dollar per square foot basis, for smaller properties relative to larger ones partly because the total investment is lower, and there are more buyers competing for the smaller properties. This is the result of the increased competition for the minimum resource desired. For example, many people want homes, and more of these buyers can afford smaller homes than larger ones. For these types of assets, as the size increases the value on a dollar per unit of comparison basis decreases. This is the most common condition of markets. Conversely, some assets become more efficient with size, and thus they have greater value than smaller assets of the same type, because of their reduced operating costs express on a dollar per unit of comparison.

This phenomenon follows a curve; as the size changes from one unit of measure to next, the incremental rate of change in value changes and can be plotted along an exponentially curved line. For this appraisal we have employed the following formula to compute the size adjustment: $\{[(\text{Subject size divided by comparable size}) \text{ to the exponential of } 0.35] \text{ minus } 1\}$ multiplied by -1 . Additionally, we have set a floor on the size of the negative adjustment at -35% . See our Adjustment Grid for details on the differences between the Subject and each comparable, and for the adjustment.

9.5.8.1 Storage/Decks, Patios, Porches/Garage

Additional amenities of residential properties such as additional storage space, enclosed patios, garage and parking spaces all affect the desirability and functionality of a property.

We have adjusted for these factors when necessary. See our Adjustment Grid for details on the category differences between the Subject and each comparable, and for the rate of adjustment.

9.6 Sales Adjustment Grids

The primary details on each comparables are show in the Figure 9-3, Improved Property Sales Adjustment Grid, on page 33. Details of the comparable properties are found in Appendix Improved Property Sales Information.

Figure 9-3, Improved Property Sales Adjustment Grid

	Subject	Comp 1		Comp 2		Comp 3		Comp 4		Comp 5	
Address	1016 N Payson St	2415 W Lafayette Ave		2310 Edmondson Ave		2223 Penrose Ave		2405 W Mosher St		2426 Edmondson Ave	
Town	Baltimore, MD	Baltimore, MD		Baltimore, MD		Baltimore, MD		Baltimore, MD		Baltimore, MD	
Property Data											
Proximity To Subject (Miles)		0.4		0.6		0.8		0.5		0.7	
Data Source/Verification	Title Search	Bright MLS		Bright MLS		Bright MLS		Bright MLS		Bright MLS	
Closing Date	Jun-2022	May-2022		Apr-2022		Apr-2022		Apr-2022		Apr-2022	
Original List Price		\$135,000		\$99,000		\$69,000		\$130,000		\$120,000	
Sale Price (Active List Price)		\$90,000		\$125,000		\$69,000		\$105,000		\$120,000	
Unadjusted \$ / SF of GLA		\$49		\$71		\$53		\$88		\$75	
Sale Price % of Original List		66.7%		126%		100%		81%		100%	
	<u>Description</u>	<u>Description</u>	<u>Adjustment</u>	<u>Description</u>	<u>Adjustment</u>	<u>Description</u>	<u>Adjustment</u>	<u>Description</u>	<u>Adjustment</u>	<u>Description</u>	<u>Adjustment</u>
Type	SFH (Row Home)	SFH (Row Home)		SFH (Row Home)		SFH (Row Home)		SFH (Row Home)		SFH (Row Home)	
Interest Conveyed	Fee Simple	Fee Simple		Fee Simple		Fee Simple		Fee Simple		Fee Simple	
Monthly Maintenance/HOA Fee	\$0		\$0		\$0		\$0		\$0		\$0
Market Conditions			\$838		\$1,717		\$948		\$1,443		\$1,649
Location	Average	Average	\$0	Average	\$0	Average	\$0	Average	\$0	Average	\$0
Site Views/Appeal	Average	Average+	-\$5,000	Average+	-\$5,000	Average+	-\$5,000	Average+	-\$5,000	Average+	-\$5,000
Quality/Design and Appeal	Average	Average	\$0	Average	\$0	Average	\$0	Average	\$0	Average	\$0
Year Built	1920	1927	\$0	1909	\$0	1925	\$0	1927	\$0	1925	\$0
Condition	Average	Average	\$0	Average+	-\$10,000	Average	\$0	Average	\$0	Average+	-\$10,000
Bedrooms	3	3	\$0	3	\$0	3	\$0	3	\$0	3	\$0
Baths	1	2	-\$5,000	1.5	-\$5,000	1.5	-\$5,000	1.5	-\$5,000	1.5	-\$5,000
Gross Living Area (SF)	1,176	1,836	-\$11,324	1,770	-\$14,682	1,290	-\$2,134	1,200	-\$735	1,610	-\$11,322
Below Grade Area	588	870	\$0	978	\$0	630	\$0	600	\$0	805	\$0
Below Grade Finish	0	360	-\$2,000	0	\$0	300	\$0	300	\$0	0	\$0
Functional Utility	Average	Average	\$0	Average	\$0	Average	\$0	Average	\$0	Average	\$0
Storage	Basement	Basement	\$0	Basement	\$0	Basement	\$0	Basement	\$0	Basement	\$0
Decks/Patio/Porches	None	Porch	-\$1,000	Porch	-\$1,000	Porch	-\$1,000	Porch	-\$1,000	N/A	\$0
Garage	N/A	Detached Garage	-\$1,500	Street Parking	\$0	Street Parking	\$0	Street Parking	\$0	Street Parking	\$0
Net Adjustments (total)	-		-\$24,985		-\$33,965		-\$12,186		-\$10,292		-\$29,673
Gross Adjustments			\$16,662		\$27,400		\$7,814		\$9,708		\$22,971
Adjusted Sale Price			\$65,015		\$91,035		\$56,814		\$94,708		\$90,327
Adjusted Sale Price PSF			\$35		\$51		\$44		\$79		\$56

Figure 9-4, Price Statistics

	Min	Max	Range	Average	Median
Unadjusted Price	\$69,000	\$125,000	\$56,000	\$101,800	\$105,000
Adjusted Price	\$56,814	\$94,708	\$37,894	\$79,580	\$90,327
Unadjusted Price Per SF	\$49	\$88	\$38	\$67	\$71
Adjusted Price Per SF	\$35	\$79	\$44	\$53	\$51

9.7 Sales Comparison Approach Conclusions

Based on the sales comparison analysis, the indicated value of the improved property is as follows.

Figure 9-5, Improved Property Value, via Sales Approach
\$85,000

10 Reconciliation and Final Value Conclusion

There are two considerations one must weigh when applying various approaches to value. First, appraisers should use those approaches commonly utilized by market participants (the buyers and sellers of power plants). Appropriateness, accuracy, and quantity of evidence are the criteria with which an appraiser forms a meaningful, defensible final value estimate.

Second, the inadequate or insufficient supply of market or subject data within a sub-market, or within a particular time frame, may necessitate the exclusion of approaches commonly employed in the larger market or at different points in time.

“In the final reconciliation, an appraiser reconsiders the entire appraisal, making sure that the data available and the analytical techniques and logic applied have led to consistent judgments. The appraiser checks the data to ensure that it is verified, applicable to the assignment, and sufficient to support a credible opinion of value. The value definition, the identified property rights, and the qualifying conditions imposed are carefully reconsidered to make sure that the procedures used in the analysis specifically address each of these items. The appraiser examines the differences in the conclusions derived from the various approaches, applies tests of reasonableness to these primary conclusions, and resolves any inconsistencies.”

10.1 The Improved Property Sales Comparison Approach – Employed

The sales comparison approach is considered a reliable approach for appraising this kind of asset, in this market area and time, and is commonly employed. The sales comparison approach was constructed in the customary fashion based on appropriately comparable assets. We successfully employed the sales comparison approach.

The sales comparison approach is considered a reliable approach for appraising this kind of asset, in this market area and time. Adequate reliable comparable sales could be found. The sales approach is typically completed and relied upon in this market for this asset type. After full consideration, we did employ the sales comparison approach.

Figure 10-1, Improved Property Value, As-Is, via Sales Approach

\$85,000

10.2 Final Conclusions of Market Value

We have reconciled with the sales approach for this Appraisal. The sales approach is typically used by appraisers to value residential properties.

Our final value conclusions are seen in the following figure:

Figure 10-2, Final Conclusion of Overall Market Value

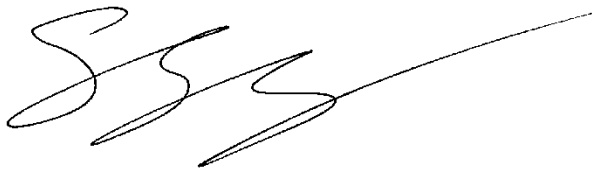
\$85,000

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

1. The statements of fact contained in this Report are true and correct. Commensurate with the intended use of the Report, its type, definition and premise of value, and its scope of services, professional efforts have been made to verify such statements of facts.
2. The reported analyses, opinions, and conclusions contained herein are limited only by the assumptions and conditions reported in this Report, and are the undersigned's personal, impartial, and unbiased professional analyses, opinions and conclusions. The undersigned have no present or future interest in the asset(s) that is(are) the subject of this Report, and the undersigned have no personal interest with respect to the parties involved. The undersigned have no bias with respect to the asset(s) that is(are) subject of this Report, or to the parties and issues involved.
3. The undersigned's engagement in this Report was not contingent upon developing or reporting predetermined results. The undersigned's compensation for this Report 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 Report.
4. The reported analyses, opinions, and conclusions were developed, and this Report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice ("USPAP") of the Appraisal Foundation. USPAP requires that appraisal services be prepared specifically for their individualized intended use, type, definition and premise of value, and scope of services. The reported analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute, and the Principles of Appraisal Practice and Code of Ethics of the American Society of Appraisers. When applicable, the reported analyses, opinions, and conclusions were developed, and this Report has been prepared in conformity with ethics and standards of the International Valuation Standards, and the Uniform Appraisal Standards for Federal Land Acquisition ("Yellow Book"). The use of this Report is subject to the requirements of the Appraisal Institute, and American Society of Appraisers, relating to review by their respective duly authorized representatives.
5. This Report may rely upon the non-appraisal professional assistance, documents, reports and opinions from or of other professionals, such as engineers, accountants, attorneys, architects and economists. The undersigned believe that it is reasonable to rely on their professional assistance, documents, reports and opinions from or of the other professionals. Given the intended use of this Report, its type, definition and premise of value, and its scope of services, professional efforts have been made to confirm that it is reasonable to rely on such professional assistance, documents, reports and opinions. The efforts may be described elsewhere in this Report. The undersigned do not guarantee or certify the assistance, documents, report or opinions provided by the other professionals, unless they are listed below in item 9 of this certification.
6. As of the date of this Report, Mark Pomykacz, MAI, AI-GRS, ASA has completed the requirements of the continuing education program of the Appraisal Institute, and the American Society of Appraisers. As of the date of this Report, Katherine Tantinan, MAI has completed the requirements of the continuing education program of the Appraisal Institute.
7. The undersigned has not performed appraisal services on, and has not provided any other type of services regarding, the asset that is the subject of this Report, within the last 3 years.
8. The Subject of this Report was inspected via curbside on June 30, 2022. The following individuals personally inspected the asset: Mark Pomykacz. USPAP does not require a personal inspection by the appraiser. UASFLA does require a personal inspection by the appraiser. We had contacted the property owner/representative and did not receive a response.
9. No one provided significant appraisal assistance to undersigned
10. The value conclusions are presented in the following figure.

Figure 11-1, Value Conclusion as of Effective Date June 30, 2022**\$85,000**

Certified by:




Mark Pomykacz, MAI, AI-GRS, ASA
 Managing Partner
 State Certified General Real Estate Appraiser
 Maryland 10807

Katherine Tantinan, MAI
 Senior Manager
 State Certified General Real Estate Appraiser
 Maryland 34618

<u>State</u>	<u>License number</u>
Connecticut	RCG 00010448
New Hampshire	NHCG-1064
Virginia	4001017013
California	AG043987
Massachusetts	103483
Minnesota	40620869
Florida	RZ3225
Pennsylvania	GA001700R
Michigan	1201069583
Maryland	10807
Illinois	553.001871
Texas	TX 1380478 G
New York	46000000871
New Jersey	42RG00144500
Vermont	080.013424
Rhode Island	CCA.0020110
Iowa	CG03849
Washington DC	GA40000004
Colorado	CG200002994
Maine	CG3503
New Mexico	TP-5194
Ohio	202100667
Louisiana	G4888
Arizona	CGA-1034162
Virginia	4001018173
Tennessee	6164
as of	6/27/2022

This certification was last updated January 11, 2021.

12 General Appraisal Assumptions and Limiting Conditions

This Report and the services provided are subject to the following general assumptions, disclaimers and limiting conditions. Other assumptions, disclaimers and limiting condition may be included at other locations in this Report.

In this section, the term Report or Study or Services can mean study, appraisal, research or analysis and any report or work product, services or deliverable about the study, appraisal, research, services or analysis. Further, the term "Federal" means Federal Appraisal, LLC and its employees(s), consultant(s), appraiser(s), and service provider(s).

Information and Data Sources

1. **Confidentiality.** It is understood and agreed that Federal's Services will be provided in accordance with the requirements of USPAP of the Appraisal Foundation, and the Services will comply with the Appraisal Institute's Code of Professional Ethics and Standards of Professional Practice and with The American Society of Appraisers' Principles of Appraisal Practice and Code of Ethics. These standards include confidentiality standards.
2. **Cooperation** Client shall cooperate with Federal in the performance by Federal of its Services, including, without limitation, providing Federal with reasonable facilities and timely access to data, information and personnel, and agents and representatives of Client. Client shall be responsible for the performance of its employees and agents and for the accuracy and completeness of all data and information provided to Federal for purposes of the performance by Federal of its Services.
3. **Client Representations.** The Client furnished or caused to be furnish to Federal such historical and other information as Federal may have requested. The Client recognizes and confirms that (a) Federal will use and rely on such information and on information available from generally recognized public sources (all such information being the "Information") in performing the Services without Federal having independently verified the same; (b) Federal does not assume responsibility for the accuracy or completeness of the Information; and (c) Federal will not make an appraisal of or conduct an audit of or otherwise provide any opinion, report, or other form of assurance with respect to such Information. In addition to providing required information, the Client will be responsible for providing historical and prospective financial statements and for providing information about and responding to document requests on a timely basis. Additionally, Federal may request and the Client agrees to supply a representation letter, in form and substance satisfactory to Federal which, among other things, confirming the Client's responsibility for the historical financial statements and for the underlying assumptions used in connection with any pro forma cash flows, the appropriateness of the prospective financial statements that the Client has prepared, and their active decision-making participation in the Service and the use of the Service.
4. The information on the financial, legal, and physical condition of the subject property or assets provided by the Client, the subject owner, or others, directly to Federal or to the public through various public disclosure methods is assumed to be reliable.
5. Other materials and information obtained from various professionally appropriate public and private sources are assumed to be reliable.
6. The information contained within this study was obtained from sources deemed to be reliable. Reasonable efforts, given the purpose, intended use, and scope of this study and work product, and the type, definition, and premise of value have been made to verify such information as reliable. However, no warranty or certification by Federal is given as to its reliability.
7. If substantive issues are later discovered in reports, documents, information, or data relied upon, then the reported opinions in this study may need to be revised accordingly.
8. Federal regularly utilizes numerous texts, manuals, documents, reports, and articles that are commonly utilized by its appraisal peers for services like those provided herein. Federal may not include all the references to these utilized sources within the Report or in the work file for the Report. These references may include:

The Appraisal of Real Estate, published by the Appraisal Institute
 The Dictionary of Real Estate Appraisal, published by the Appraisal Institute
 Valuing a Business, Pratt, Reilly, Schwehs, published by McGraw Hill
 Cost of Capital, Pratt, Grabowski, published by Wiley
 Uniform Standards of Professional Appraisal Practice
 Marshall Valuation Service, Marshall & Swift
 CoStar Realty Information, various reports
 PWC Investor Survey (Korpacz)
 Energy Information Agency, various reports
 Federal Reserve, various reports
 Bureau of Labor Statistics, various reports
 Google Earth Pro
 IBIS World, various reports
 Site to Do Business (STDB), various reports
 Duff & Phelps Cost of Capital
 Garden State Multiple Listing Service (GSMLS)

Property Specific Assumptions, Disclaimers and Limiting Conditions

9. Federal does not provide legal, accounting, audit, engineering, architectural or environmental sciences services. Federal assumes no responsibility for matters of a legal nature, matters of title, matters of audit, matters of engineering, matters of environmental science, or matters of architecture. All legal, engineering, architectural, environment, accounting and financial information provided to and utilized by Federal is assumed to be reliable.
10. It is assumed that the title to the studied interest is marketable. It is assumed that there are no deed restrictions or other limitation on title that would make the Subject substantially more or less valuable, other than those that are specifically noted in this study. It is assumed that the legal descriptions as obtained from public records or as furnished are reliable. Federal has made no land survey and has completed no title search or report of the Subject. It is assumed that there are no issues concerning subsurface, water, mineral rights, air rights, or transferable development rights that would make the Subject substantially more or less valuable. It is assumed that there are no judgements, or pending or future litigation concerning the Subject.
11. Federal assumes that there are no hidden or unapparent conditions at the Subject land and/or improvements which would render the Subject more or less valuable. Federal assumes no responsibility for such conditions, or for engineering, environmental, legal, or architectural counseling which

might be required to discover such conditions. We assume that there are no ADA issues sufficient to render the Subject significantly more or less valuable.

12. Competent and responsible management and ownership are assumed.
13. It is assumed that there are no zoning or building code issues, or other federal, state or local regulation compliance issues concerning the Subject that would significantly increase or decrease the value of the interest being appraised, unless noted in this study.
14. Since Federal is not an engineering or architectural firm, Federal makes no representation as to quality, functionality, condition, limitations or size of the Subject, except that 1) Federal has relied upon what has been reported as the best available data where said data was provided by others to Federal who Federal believes to be an appropriate source of said data given the specific purpose, intended use, and scope of work in this study, and the type, definition and premise of value used in this study, and 2) if a visual inspection was conducted by Federal, then Federal has relied upon the visual inspection. Given the inherent limitations of Federal's visual inspection, if conducted, it is possible that important issues at the Subject may not be uncovered. Federal's visual inspection of the Subject is not an engineering, architectural, or environmental inspection, does not test building operations, and does not cover 100 percent of the building(s), machinery and equipment, or the site. Federal's visual inspection of the Subject, instead, samples the major components of the Asset.
15. This study assumes the Subject suffers no environmental or hazard issues, and that there are no contamination or health risks existing at or near the Subject.
16. If substantive issues are later discovered in any of the data relied upon, then the reported opinions in this study may need to be revised accordingly.
17. Client agrees that Client has reviewed these Appraisal Conditions upon receipt of the report and that Client's use of the appraisal constitutes acceptance of these Appraisal Conditions.

Publication, Distribution, Use of Study

18. The opinions proffered in this study are as of a specific date, for a specific client and users, a specific purpose and intended use, under a specific, limiting scope of work, and made under specific assumptions, disclaimers, limiting conditions, and certifications. Using the opinions proffered herein for any other use or purpose is unwise, inappropriate, and is prohibited unless authorized by Federal. The Client agrees that
 - a. The Client and other intended users are both explicitly named herein. The Client and the other intended users are the only parties to whom the appraisers and Federal Appraisal LLC have a professional responsibility to. The appraisers and Federal Appraisal LLC offer and assume no professional responsibility to any third parties that the Client and the other intended users may choose to provide copies of our report to.
 - b. Any advice or recommendations, written or oral, provided by Federal in connection with this engagement is exclusively for the Client and any intended users specifically named by Federal, and may not be disclosed to or relied upon by any third party (other than the Client's legal and tax counsel for the Client's stated purpose and use) without Federal's prior written consent;
 - c. Client will not refer to Federal by name or their services in any written materials relating to the Asset, including without limitation, any publicly filed documents without their prior written consent for each requested use or reference; and
 - d. Neither all nor part of the contents of this study, or copy thereof, shall be conveyed to the public through such forms or methods such as, but not limited to, advertising, public relations, news, sales, or any other media without prior written consent of Federal.
 - e. Nor shall Federal, or any professional organization of which Federal are a member or candidate, be identified without the prior written consent of Federal.
 - f. This study may not be utilized in any present or proposed, public or private syndication or public offering of any of the interests in the Subject unless prior written agreement has been obtained from Federal.
 - g. This study is intended to be utilized as a whole and may not be used in parts.
19. Possession of this study, or a copy thereof, does not give the holder the right of publication.
20. Disclosure of the contents of this study by Federal is governed by the orders, laws, by-laws and regulations of courts, state appraisal regulatory bodies, the Appraisal Institute and the American Society of Appraisers. Federal is authorized by the Client to disclose all or portions of this study and work files to authorized representatives of state appraisal regulatory bodies, the Appraisal Institute, the American Society of Appraisers, if such disclosure is required to enable Federal to comply with their respective by-laws and regulations now or hereafter in effect, or as may otherwise be required to be disclosed by Court Order or governing laws, rules and/or regulations.
21. Federal is not required to give testimony about this study or to provide other services to the Client concerning the Subject without agreement between the parties for compensation to Federal.

Study Analysis Type and Format Conditions

22. This study has been prepared in accordance with the requirements of USPAP of the Appraisal Foundation, the Appraisal Institute, and the American Society of Appraisers. Jurisdictional exceptions do apply. We have made a jurisdictional exception of not providing an opinion to exposure time, as directed by UASFLA (Yellowbook) regulations. This study will comply with and be subject to the Appraisal Institute's Code of Professional Ethics and Standards of Professional Practice and with The American Society of Appraisers' Principles of Appraisal Practice and Code of Ethics. The jurisdictional exception of not offering an opinion of exposure time has been taken.
23. Federal has determined the scope of work for this study based on its discussions with the Client, and their reported needs, their reported purpose and intended use of the study. The scope of the study is limited to the work necessary to provide for the Client's purpose and use of the study, and as such this study is not recommended for any other use.
24. USPAP of the Appraisal Foundation prescribes 2 types of appraisal reports, "Appraisal Reports", and Restricted Appraisal Reports. A Restricted Appraisal Report may be provided when the Client is the only intended user, or when additional intended users are identified by name, and not by types or categories. Federal intends that the use of all its reports is limited to the Client and intended users. When reports are restricted, Federal need not provide as extensive reporting that may be found in Appraisal Reports. The use of Restricted Appraisal Reports is limited to the Client and the named intended user(s). Federal warns that Restricted Appraisal Reports may not contain supporting rationale for all opinions and conclusions set forth in the Restricted Appraisal Reports.

Limit of Liability

25. Federal warrants that it has performed the services hereunder in good faith and in a professional appraisal manner. Federal disclaims all other warranties, either express or implied, including and without limitation: warranties of merchantability and fitness for a particular purpose.
26. Federal's aggregate share of liability to the Client and any third parties shall not exceed the total fees collected for the portion of the Proposed Services giving rise to such liability.
27. Any forecasts of income and expenses in this study are not predictions of the future and are created for valuation purposes. No representation is made that the model will coincide with actual future events. There will usually be differences between the forecasts and actual results because events and circumstances frequently do not occur as expected, and those differences may be material.
28. It is understood and agreed that Client and Federal are independent of the other and that neither is, nor shall be considered, an agent, distributor, or representative of the other. Neither party shall act or represent itself, directly or by implication, as an agent of the other or in any manner assume or create any obligation on behalf of, or in the name of, the other. Client acknowledges that the full independence and authority of Federal will be maintained throughout this engagement and that no assurances or guarantees of a value estimate or consulting recommendation have been made or are a condition of this engagement.
29. In providing this service, Federal establishes, and the Client understands and agrees, that Federal assumes no responsibility for the risks and rewards of the Client's and user's decisions based on, or results that are consequential to, the use of this study.
30. The Client will indemnify and hold harmless Federal and its appraisers and personnel from all claims, liabilities, losses, costs, demands, and reasonable expenses, such as reasonable legal fees and management and administrative costs relating to this engagement, except to the extent finally judicially determined to have resulted from the bad faith or intentional misconduct of Federal.

Statements of Qualifications and Personal Histories

31. Any statements of qualifications, resumes, personal, and/or company histories are presented in summary for marketing purposes and to assist the Client and intended users of the study with understanding the professional competency and experience of Federal. These statements of qualifications, resumes, and personal, and/or company histories are (1) not a complete listing of our professional experiences and qualifications, and (2) not a full disclosure of our professional, corporate, and personal interactions and relationships.

Ownership of Federal Properties.

32. Federal Technology and Copyrights. Federal has created, acquired or otherwise has rights in, connection with the performance of services hereunder, employ, provide, modify, create, acquire or otherwise obtain rights in, various concepts, ideas, methods, methodologies, procedures, processes, know-how, and techniques; (including and without limitation: models, templates, the generalized features of the structure, sequence and organization of software, user interfaces and screen designs, general purpose consulting and software tools, utilities and routines, and logic, coherence, and methods of operation of systems) (collectively, the "Federal Technology and Copyrights").
33. Ownership and Use of Deliverables. Except as provided below, upon full and final payment to Federal hereunder, the tangible items specified as deliverables or work product in the proposal, engagement letter or contract to which these terms are attached (the "Deliverables") will become the property of Client. To the extent that any Federal Technology and Copyrights are contained in any of the Deliverables, Federal hereby grants Client, upon full and final payment to Federal hereunder, a royalty-free, fully paid-up, worldwide, non-exclusive license to use such Federal Technology and Copyrights in connection with the Deliverables, and only for the Deliverables, and only for the Client's intended purpose and use as enumerated in the attached proposal, engagement letter, or contract.
34. Ownership of Federal Properties. To the extent that Federal utilizes any of its property (including and without limitation, the Federal Technology and Copyrights, or any hardware or software of Federal in connection with the performance of services hereunder, such property shall remain the property of Federal and, except for the license expressly granted in Paragraph 26 above, Client shall acquire no right or interest in such property. Notwithstanding anything herein to the contrary, the parties acknowledge and agree that (a) Federal will own all rights, title, and interest, including, without limitation, all rights under all copyright, patent and other intellectual property laws, in and to the Federal Technology and Copyrights and (b) Federal may employ, modify, disclose, and otherwise exploit the Federal Technology and Copyrights (including, without limitation, providing services or creating programming or materials for other Clients). Federal does not agree to any terms that may be construed as precluding or limiting in any way its right to (a) provide consulting or other services of any kind or nature whatsoever to any person or entity as Federal in its sole discretion deems appropriate or (b) develop for itself, or for others, materials that are competitive with those produced as a result of the services provided hereunder, irrespective of their similarity to the Deliverables.

Ordinary Assumptions, Extraordinary Assumptions and Hypothetical Conditions

35. Extraordinary Assumptions and Hypothetical Conditions, as defined by USPAP, will be disclosed at various points in this Study, if applicable in this Study. We have made, or may have made, various minor and significant, ordinary assumptions, extraordinary assumptions, and hypothetical conditions in this study. We have deemed these assumptions and conditions as appropriate and have made these assumptions and conditions for benefit of the analysis process. It is our intention to disclose extraordinary assumptions and hypothetical conditions and to disclose at least most of the significant ordinary assumptions. Their use might have affected assignment results. If any assumption or condition should be determined to be inappropriate, then our assignment results may require revision."

State Specific Required Clauses

36. Appraisers in Michigan are required to be licensed and are regulated by the Michigan Department of Consumer and Industry Services, P.O. Box 30018, Lansing, Michigan 48909. Michigan requires this statement appear in all appraisals, even those in other states.

Statement on Appraisal Conditions related to COVID-19

COVID-19 (Coronavirus) has impacted real estate and business markets and appraisals.

Federal Appraisal LLC ("Federal") remains committed to fully serve during the COVID-19 crisis. Federal has taken appropriate actions to combat the spread of COVID-19, to protect our professionals, clients, community, and our appraisals.

Many real estate and business values declined due to the impacts of COVID-19. COVID-19 is unprecedented in modern times. Given that COVID-19 is having a dramatic and sudden impact, and that appraisal indicators using historical data lag many months behind, when the impact to real estate and business values occurs, it may not be discernible in the market data for months. In addition to reflecting impacts that have occurred up to the date of

appraisal, since value is based on future expectations, appraisers may need to reflect in their appraisal analyses the impacts from COVID-19 through the end of the crisis and afterwards. As always, Federal will endeavor to properly reflect these conditions and changes as they exist and are understood as of the appropriate appraisal date, regardless of the lag in market data and the difficulties of forecasting the end of the impact from COVID-19. As always, Federal will endeavor to employ appropriate research and analyses to reflect, and Federal will endeavor to report thoroughly, all COVID-19 impacts. However, since the research, analyses, and measurement of these changes may be problematic as a result of the crisis, our appraisal clients and users are hereby notified and accept that this may impact the precision of appraisal results.

Since the impacts from COVID-19 will continue for some time and may lead to a recession, our appraisal clients and users are hereby notified and accept that, as time lapses from the appraisal date, actual future values and market conditions will likely diverge from the conclusions and opinions presented in our appraisals which are as of our specific appraisal date. Clients and users may require new appraisals after only a short period of time and that time period may be as short as months or even weeks.

Additionally, COVID-19 will impact the work process of appraisal during the crisis. COVID-19 has prompted new regulations and practices which conflict with older appraisal traditions. For example, social distancing will impact at least two aspects of practice: site inspections and appraiser interactions and meetings that impact appraisal schedules and timing.

During the crisis, appraisal inspections may be restricted to the essential, and may not be conducted even if traditionally conducted. Inspections are not required by appraisal ethics and standards unless traditionally conducted or required by contract or regulation. Federal will practice social distancing and will appropriately report the extent of our inspection work and the basis of our asset and property description and opinion. In modern times, effective alternatives to the traditional inspections are available, and traditional inspections are often less critical than in past decades. Generally during the COVID-19 crisis, Federal will endeavor to conduct traditional inspections as usual, but Federal may also limit inspections to business and building exterior-only inspections (AKA, drive-by or curb-side inspections). Alternatively, Federal may use other data and sources in order to establish assessments of interior conditions and qualities. Federal may make extraordinary appraisal assumptions based on reasonable and known facts concerning conditions and qualities. Such steps will be disclosed in each appraisal. We believe this will meet appraisal standards in good faith, according to best practices, standards and ethics, under the COVID-19 circumstances. If, at a later date, an ability to complete traditional interior inspections arise, then Federal will be available to complete inspections and revise our appraisal reports, if needed.

During the COVID-19 crisis, some appraiser interactions will impact appraisal schedules and timing. The nature of our work processes lends itself to the requirements of social distancing. Our practice is significantly, but not completely, intellectual and technology-based, requiring less person-to-person interaction than many businesses. All of our staff can, and regularly do, work remotely, with full computerization and telecommunication abilities. However, as social distancing is expressly designed to do, processes may be slowed down. Most notably, Federal wishes to advise its appraisal clients and users that despite our best efforts, social distancing between our professionals, our professionals and clients, and our professionals and third parties requisite for the completion of our work will likely result in slower processes, in some cases. Federal wishes to advise our clients and users that Federal will make all practical efforts to compensate for this issue, but at this time, Federal does not know and cannot assure what will result. Our appraisal clients and users accept that delays during the crisis may occur and Federal shall bare no responsibility for the effects of the delays.

As always, since appraisals are not assurances of future events, our appraisal forecasts may vary from actual future events. Credible and reliable appraisals are limited to reasonable opinions, descriptions, forecasts, and predictions based on appropriate research and analysis practically available and known or knowable as of the date of the appraisal report. Our appraisal clients and users are hereby notified, and our appraisal clients and users accept that traditional expectations for appraisals, concerning appraisal precision, inspections, scheduling, and timing may not be appropriate as Federal works through COVID-19. Federal will endeavor to compensate for the impacts, and Federal will report the appraisal steps taken and any steps not taken if they represent a departure from otherwise traditional practice. Our appraisal clients and users accept that Federal shall bare no responsibility for the effects of COVID-19. Our appraisal clients and users are hereby notified that these COVID-19 appraisal conditions, processes, steps, and hypothetical assumptions and extraordinary conditions may impact our appraisals and the opinions and values therein, and the impacts may be substantial.

These general appraisal assumptions and limiting conditions were last updated December 12, 2021.

13 Professional Qualifications

The included resumes are presented in summary for marketing purposes and to assist the intended readers of the report with understanding the professional competency and experience of the appraisers. These resumes are not (1) a complete listing of our professional experiences and qualifications and (2) a full disclosure of our professional, corporate, and personal interactions.

13.1 Resumes

13.1.1 Qualifications of Mark Pomykacz, MAI, ASA, AI-GRS

Mr. Pomykacz specializes in complex, non-traditional appraisal services, nationally and internationally for accountants, attorneys, the capital markets, corporations, and governments concerning development, acquisitions and dispositions, financing, investor reporting, litigation, tax and audit issues, and asset management. Mr. Pomykacz has over 35 years of experience in real estate, business appraisal, and advisory services. He has worked on numerous asset and property types including closely held businesses and public companies, infrastructure, power plants, utilities, corporate and investment real estate, vacant land, and special purpose properties. Mark has participated in arbitrations, judicial, and condemnation proceedings. Mark has written special purpose and consulting reports, appraisals, market and feasibility studies. His work is used by many Fortune 1,000 companies, Wall Street firms, banks, accounting and law firms, and various government agencies.

Throughout his career Mr. Pomykacz has performed hundreds of appraisals for condemnation complying with USPAP, USAFLA (Yellowbook) and URA standards.

Mr. Pomykacz is an MAI, Member of the Appraisal Institute and an AI-GRS, Appraisal Institute General Review Specialist. Mr. Pomykacz currently holds appraisal licenses in 29 states including the state of Maryland (License # 10807). He also holds a Bachelor of Arts in Political Science from Rutgers University, is a qualified Appraisal Institute instructor and has taught classes the New York University and the City University of New York, has lectured on many different appraisal topics at over 30 different conferences and symposiums, and has written 13 published articles on various appraisal topics.

Articles and Publications

"Benford's Law in Appraisal", The Appraisal Journal, Fall 2018

"The Appraisal of Power Plants", The Appraisal Journal, Summer 2014

This article won the 2014 Swango Award. The *Appraisal Journal's* Editorial Board presents the Swango Award to the best article published during the previous year on residential, general, or technology-related topics, or for original research of benefit to real estate analysts and valuers.

"Options in Real Estate Valuation", The Appraisal Journal, Summer 2013

Expert Testimony & Litigation

Date	List of Expert Witness and Litigation	Legal Reference
2/9/2022	Wood River Basin Refinery, Illinois	Wood River Basin Refinery LLC vs Madison County Board of Review
2/6/2022	Bioldico Westside, California	Bioldico Westside LLC vs Red Rock Ranch, Inc
2/2/2022	Kirkland Appraisals - Enel Solar Project, Lebanon, PA	Enel Solar Project, Lebanon, PA, Board of Supervisors
10/12/2021	Whitt Law – Morris Operation GE Hitachi	Morris Operation GE Hitachi vs , County Board of Review
10/1/2021	Jack Van Coevering - DTE Fermi, Michigan	DTE Electric Company vs Frenchtown Township and Michigan Department of Treasury
5/12/2021	Sigma - Riker Danzig - Lincoln Harbor Yacht Club	Lincoln Harbor Yacht Club Condominium Association, Inc vs 1500 Harbor Boulevard Urban Renewal, LLC
3/1/2020	Sigma -Margolis, Adwar	Margolis, Adwar vs , New York State Supreme Court
1/1/2020	MRV - Land Under MGM Grand Casino, Detroit MI	MGM Grand Casino, vs City of Detroit MI, Deposition
9/17/2019	Crystal Mall, Waterford, CT	Crystal Mall, LLC vs Town of Waterford
7/1/2019	Office of Minnesota Attorney General - Centerpoint Energy Minnegasco	Minnesota Attorney General vs Centerpoint Energy Minnegasco, Court
5/1/2019	MRV - Milford Water Co, MA Update	Milford Water Co, MA, Court
4/17/2019	Land under Rock Crushing Facility, Jersey City, NJ	State of New Jersey, Commissioner of Transportation vs. 394-396 St. Paul's Avenue, L.P. & E.M.C. Realty Corp
2/27/2019	Pullman & Comely LLC - Pratt & Whitney, E Hartford, CT Tax Appeal	Pratt & Whitney vs City of East Hartford, CT, Deposition
12/13/2018	Cogentrix Energy Power Management, LLC - Effingham Power Plant, GA	
7/13/2018	Jack Van Coevering - Review of New Covert Generating Station A	New Covert Generating Station vs City of , Court

13.1.2 Qualifications of Katherine Tantanin, MAI

At Federal Appraisal, LLC, Mrs. Tantanin has been providing appraisal and appraisal consulting services for commercial property types around the country since 2013. The properties include multi-family apartments, offices, retail, industrial and commercial spaces, residential buildings, and industrial developable land, as well as utilities and power-related property types. She has also worked on many special-purpose properties such as large research and development campuses, cold-storage facilities, malls, and summer camps. Her reports include USPAP-compliant full narratives and consulting reports and studies. Additionally, she has worked on many appraisals and reports compliant with government agencies such as Yellow Book, UASFLA, URA and Green Acres.

She has conducted appraisals in a wide variety of purpose and uses such as due diligence, gift and estate tax, and in particular, condemnation and property tax appeals for negotiations and litigation. Mrs. Tantanin often utilizes all three traditional approaches and techniques including the Sales Comparison Approach (for improved sales, vacant land, regression analysis, and rent comparability studies), the Income Approach (direct capitalization, discounted cash flow, and income shortfall), and the Cost Approach (reproduction, replacement, calculator method, segregated cost, and trended original cost).

Mrs. Tantanin currently holds her MAI designation with the Appraisal Institute and her General Certified Appraisal License. She has completed all of the appraisal classes, both general and advanced courses, with the Appraisal Institute, including USPAP and all three approaches to value. She is certified in the State of Maryland, Certified General Appraiser License # 34618. Mrs. Tantanin completed her degree with Rutgers State University, New Brunswick, New Jersey with a bachelor's in Mathematics. She is the Appraisal Institute Metro New Jersey Chapter Secretary serving for 2022 term and has been heavily involved in the Metro NJ chapter since 2019. Mrs. Tantanin has also co-written an article on Benford's Law published in the Appraisal Journal in 2017 and has recorded many appraisal videos for Federal Appraisal's YouTube channel explaining appraisal theory.

Articles and Publications

"Benford's Law in Appraisal", The Appraisal Journal, Fall 2018

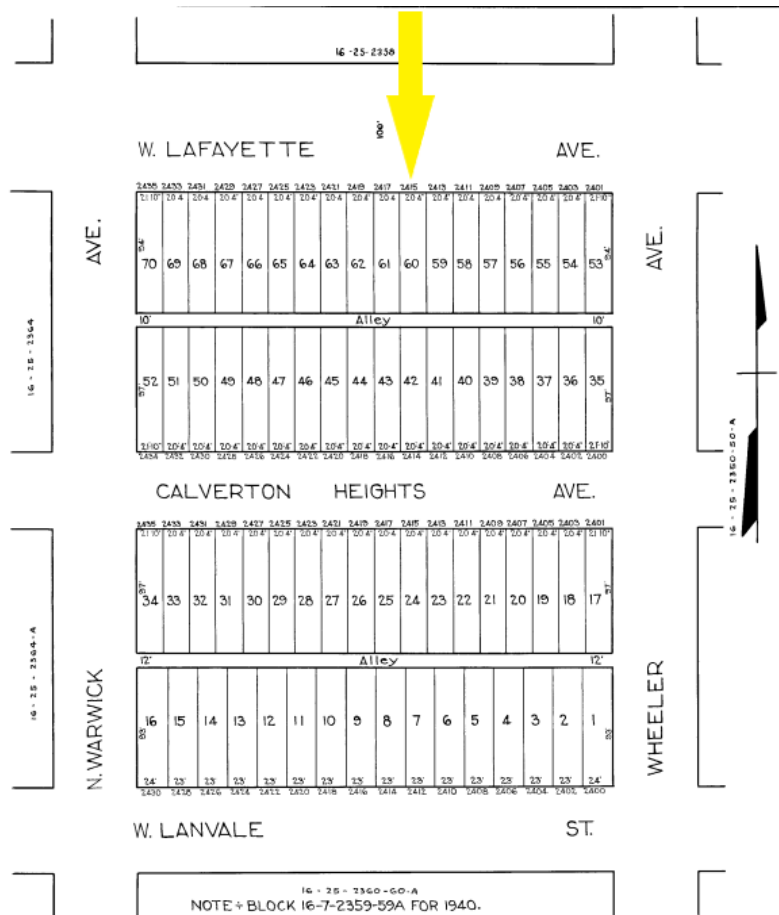
14 Comparable Sales Information

Verifications of sales comparables.

Verification	Comp 1	Comp 2	Comp 3	Comp 4	Comp 5
Comparable Name					
Address	2415 W Lafayette Ave	2310 Edmondson Ave	2223 Penrose Ave	2405 W Mosher St	2426 Edmondson Ave
Name	Juwan Richardson	Paula Fanning	Marissa Henn	Juwan Richardson	Tonya Whiting
Relationship	Seller Broker	Seller Broker	Buyer Broker	Seller Broker	Seller Broker
Date	44750	44750	44750	44750	44750
Contact	(443) 455-0773	(240) 234-0103	(410) 294-1792	(443) 455-0773	(443) 473-0339
Notes	Arm's length. Information on MLS is correct.	Arm's length. Information on MLS is correct.	Arm's length. Information on MLS is correct.	Arm's length. Information on MLS is correct.	Arm's length. Information on MLS is correct.

Sale One – 2415 W Lafayette Ave

Comparable Name	Sale Comp 1
Address	2415 W Lafayette Ave
City	Baltimore
Tax ID	0316252359 060
Type of Property	Interior row home
Ownership Interest	Fee Simple
Date Sold	5/11/2022
Sale Price	\$90,000
Lot Size (SF)	1,836
Bedrooms:	3
Bathrooms:	2
Basement:	870 sf total, 360 sf finished
Year Built:	1927
Other Amenities:	Detached garage, Porch
Buyer	Deed Not Yet Available
Seller	Ruth Walker
Use at Time of Sale	Single family dwelling



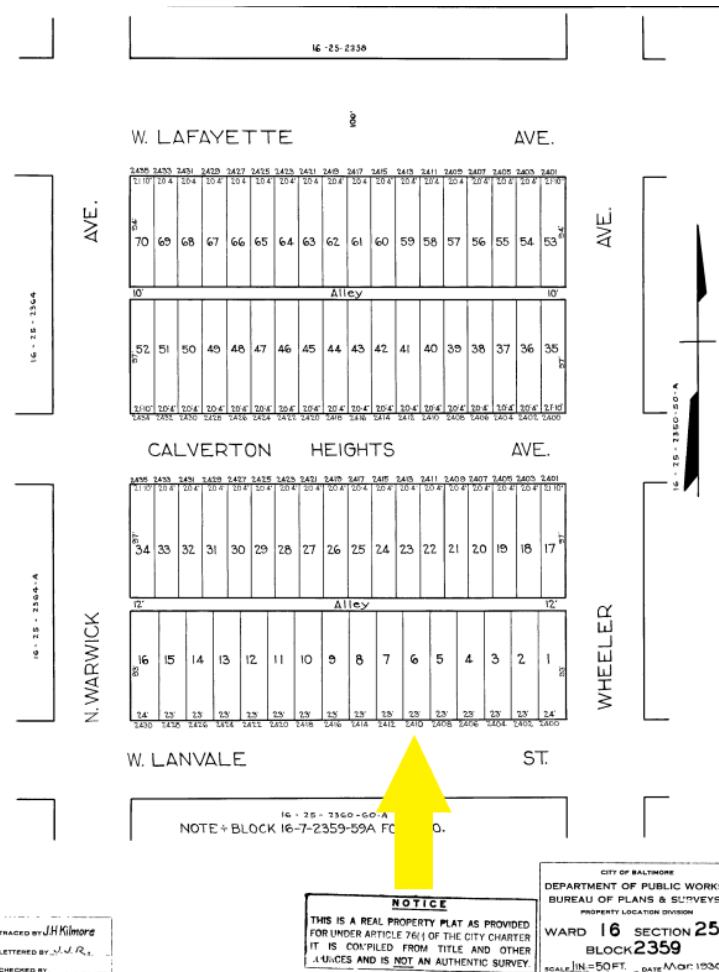
TRACKED BY JH Kilmore
 LETTERED BY J.R.
 CHECKED BY

NOTICE
 THIS IS A REAL PROPERTY PLAT AS PROVIDED FOR UNDER ARTICLE 76(I) OF THE CITY CHARTER. IT IS COMPILED FROM TITLE AND OTHER SOURCES AND IS NOT AN AUTHENTIC SURVEY.

CITY OF BALTIMORE
 DEPARTMENT OF PUBLIC WORKS
 BUREAU OF PLANS & SURVEYS
 PROPERTY LOCATION DIVISION
WARD 16 SECTION 25
BLOCK 2359
 SCALE 1"=50 FT. DATE MARCH 1930

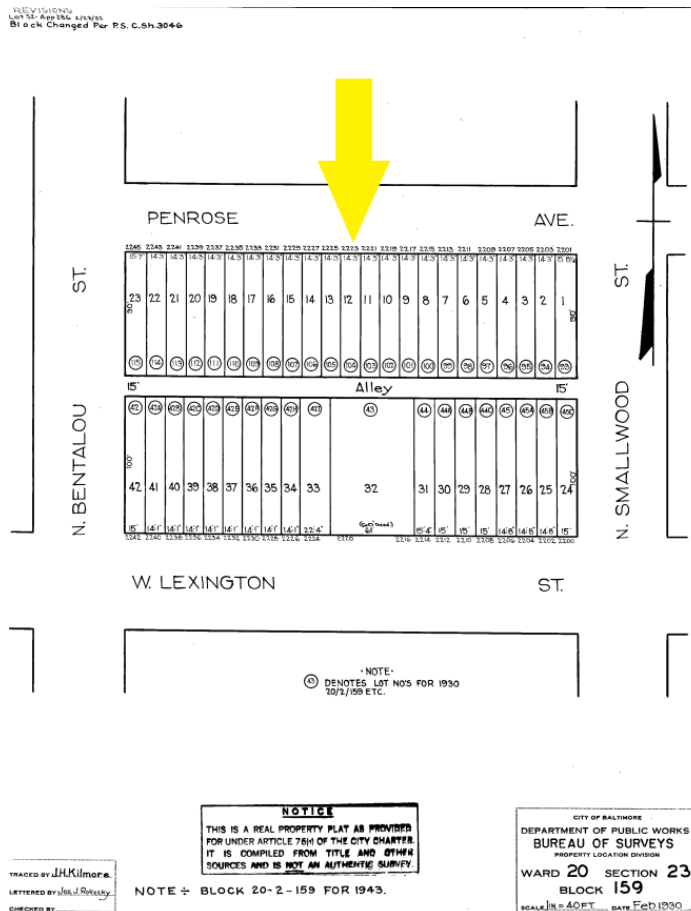
Sale Two - 2310 Edmondson Ave

Comparable Name	Sale Comp 2
Address	2310 Edmondson Ave
City	Baltimore
Tax ID	0316252348 006
Type of Property	Interior row home
Ownership Interest	Fee Simple
Date Sold	4/22/2022
Sale Price	\$125,000
Lot Size (SF)	1,770
Bedrooms:	3
Bathrooms:	1.5
Basement:	978 sf, unfinished
Year Built:	1909
Other Amenities:	Porch
Buyer	Deed Not Yet Available
Seller	S A Atlantic LLC
Use at Time of Sale	Single family dwelling



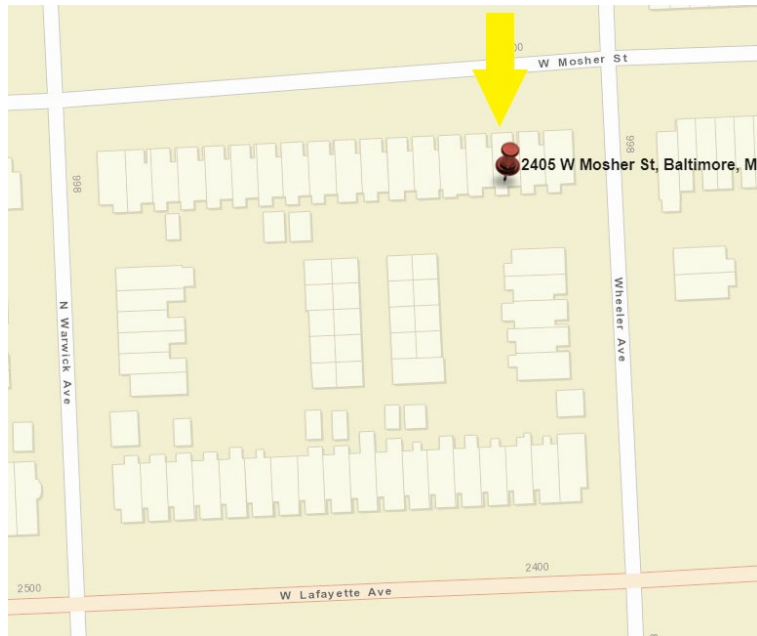
Sale Three - 2223 Penrose Ave

Comparable Name	Sale Comp 3
Address	2223 Penrose Ave
City	Baltimore
Tax ID	0320230159 012
Type of Property	Interior row home
Ownership Interest	Fee Simple
Date Sold	2/28/2022
Sale Price	\$69,000
Lot Size (SF)	1,590
Bedrooms:	3
Bathrooms:	1.5
Basement:	630 sf total, 300 sf finished
Year Built:	1925
Other Amenities:	Porch
Buyer	Yashodadevi R. Dave
Seller	Gregory Stokes
Use at Time of Sale	Single family dwelling



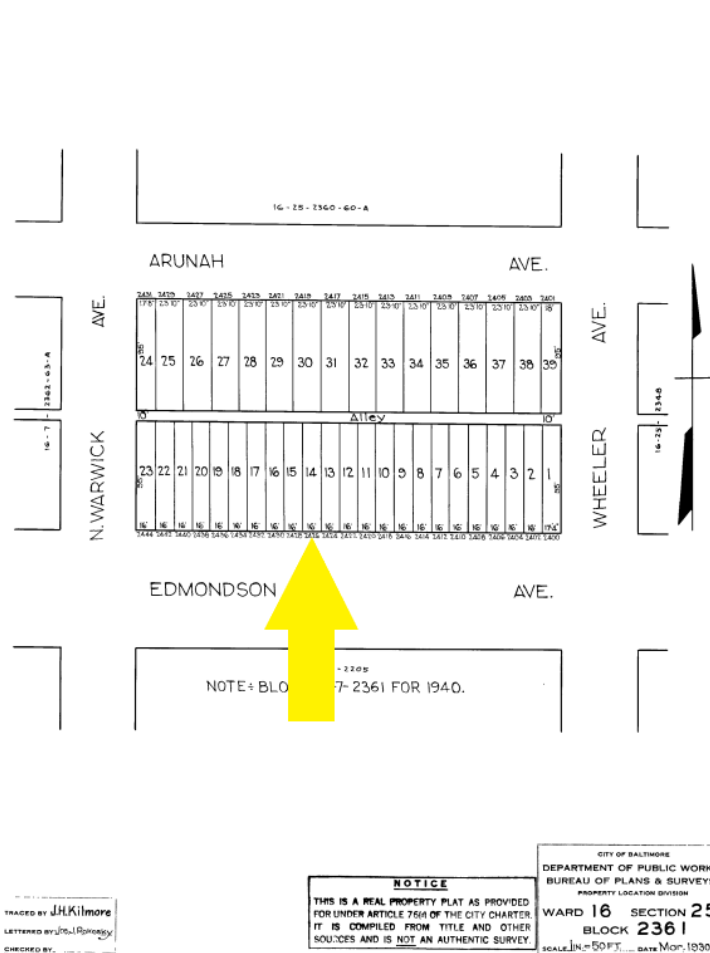
Sale Four - 2405 W Mosher St

Comparable Name	Sale Comp 4
Address	2405 W Mosher St
City	Baltimore
Tax ID	0316252358 026
Type of Property	Interior row home
Ownership Interest	Fee Simple
Date Sold	4/14/2022
Sale Price	\$105,000
Lot Size (SF)	1,500
Bedrooms:	3
Bathrooms:	1.5
Basement:	600 sf total, 300 sf finished
Year Built:	1927
Other Amenities:	Porch
Buyer	Deed Not Yet Available
Seller	Sharon R Scriber
Use at Time of Sale	Single family dwelling



Sale Five - 2426 Edmondson Ave

Comparable Name	Sale Comp 5
Address	2426 Edmondson Ave
City	Baltimore
Tax ID	0316252361 014
Type of Property	Interior row home
Ownership Interest	Fee Simple
Date Sold	2/23/2022
Sale Price	\$120,000
Lot Size (SF)	3,594
Bedrooms:	3
Bathrooms:	1.5
Basement:	805 sf, unfinished
Year Built:	1925
Other Amenities:	N/A
Buyer	Delta Jeana Hall
Seller	JCM Paterson Baltimore CV 2020 LLC
Use at Time of Sale	Single family dwelling



15 Additional Subject Information

15.1 Certified Mail Receipts

Flat Rate Env \$26.95
 Paterson, NJ 07505
 Flat Rate
 Signature Requested
 Scheduled Delivery Date
 Sat 06/18/2022 06:00 PM
 Money Back Guarantee
 Tracking #: EJ878078923US
 Insurance \$0.00
 Up to \$100.00 included
 Return Receipt \$3.05
 Tracking #: 9590 9402 6920 1104 5047 34
Total \$30.00

Grand Total: \$120.00

Credit Card Remitted \$120.00
 Card Name: VISA
 Account #: XXXXXXXXXXXXX7797
 Approval #: 017580
 Transaction #: 805
 AID: A0000000031010 Chip
 AL: VISA CREDIT
 PIN: Not Required CHASE VISA

 Every household in the U.S. is now eligible to receive a third set of 8 free test kits. Go to www.covidtests.gov

Save this receipt as evidence of insurance. For information on filing an insurance claim go to <https://www.usps.com/help/claims.htm> or call 1-800-222-1811

Text your tracking number to 28777 (2USPS) to get the latest status. Standard Message and Data rates may apply. You may also visit www.usps.com USPS Tracking or call 1-800-222-1811.

Preview your Mail
 Track your Packages
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All sales final on stamps and postage. Refunds for guaranteed services only. Thank you for your business.

Tell us about your experience. Go to: <https://postalexperience.com/Pos> or scan this code with your mobile device.



or call 1-800-410-7420.



STEWARTSVILLE
 731 STATE ROUTE 57
 STEWARTSVILLE, NJ 08886-9998
 (800)275-8777

06/17/2022 01:07 PM

Product	Qty	Unit Price	Price
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PM Express 1-Day	1		\$26.95
Flat Rate Env			
Baltimore, MD 21217			
Flat Rate			
Signature Requested			
Scheduled Delivery Date			
Sat 06/18/2022 06:00 PM			
Money Back Guarantee			
Tracking #: EJ878078937US			
Insurance			\$0.00
Up to \$100.00 included			
Return Receipt			\$3.05
Tracking #: 9590 9402 6920 1104 5047 72			
Total			\$30.00

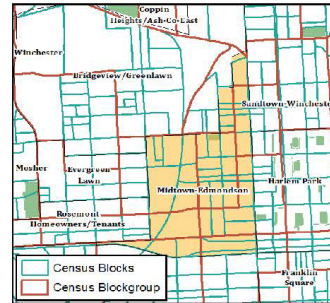
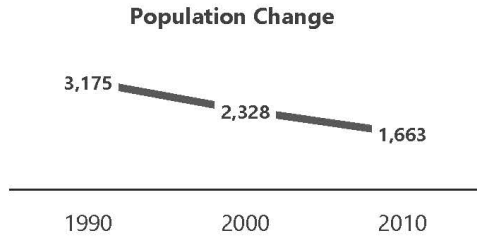
PM Express 1-Day	1		\$26.95
Flat Rate Env			
Baltimore, MD 21217			
Flat Rate			
Signature Requested			
Scheduled Delivery Date			
Sat 06/18/2022 06:00 PM			
Money Back Guarantee			
Tracking #: EJ878078910US			
Insurance			\$0.00
Up to \$100.00 included			
Return Receipt			\$3.05
Tracking #: 9590 9402 6920 1104 5047 41			
Total			\$30.00

PM Express 1-Day	1		\$26.95
Flat Rate Env			
Springfield, OH 45501			
Flat Rate			
Signature Requested			
Scheduled Delivery Date			
Sat 06/18/2022 06:00 PM			
Money Back Guarantee			
Tracking #: EJ878078897US			
Insurance			\$0.00
Up to \$100.00 included			
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Total			\$30.00

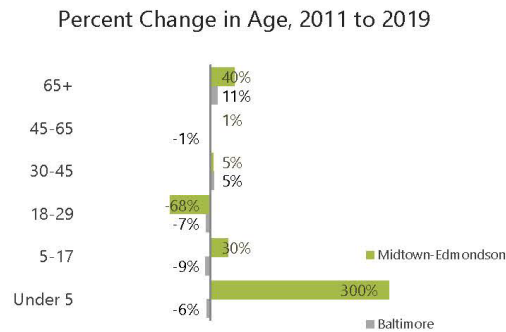
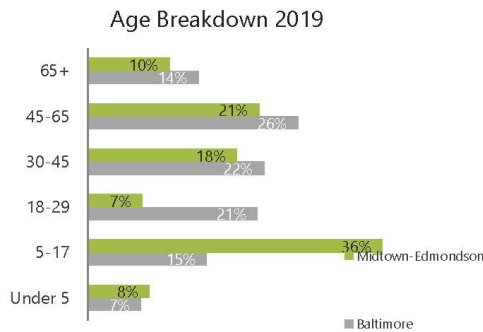
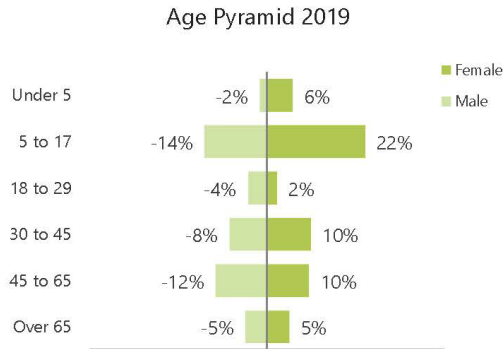
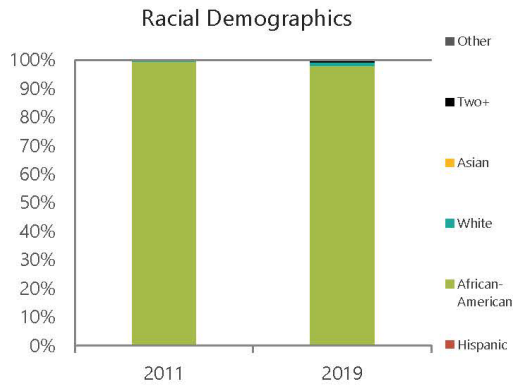
16 Additional Market Information

Midtown-Edmondson

Demographics



American Community Survey data is by 'block group.' It is allocated to the central neighborhood above based on how census 'block' population is distributed within each 'block group'.



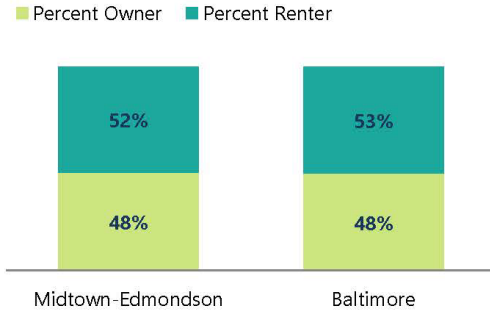
Source: American Community Survey - 5 Year Estimates. "2011" includes 2007-2011, and "2019" includes 2015-2019. Data allocated to exact geography of area using estimates derived from Census block group proportions.

Midtown-Edmondson

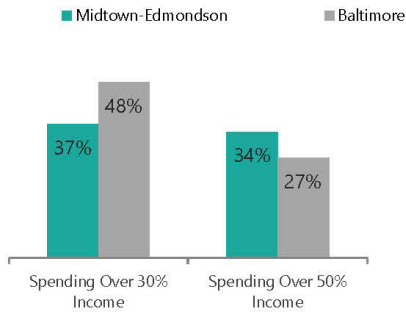
Housing and Transportation

Household Size 3.23
Median Gross Rent 2019 \$1,087
Change Since 2011 \$92
% of Homeowners Over 65 24%

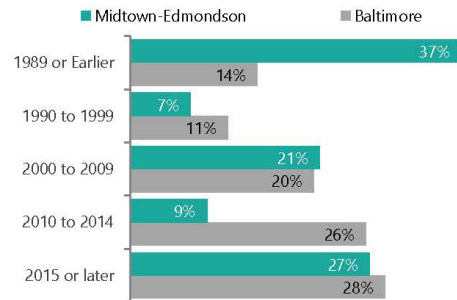
Housing Tenure 2019



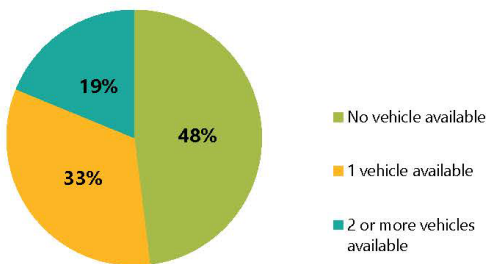
Percent of Households Rent Burdened



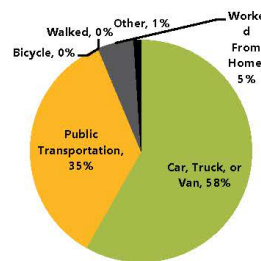
Length of Residence, as of 2018



Percent Vehicle Access 2019



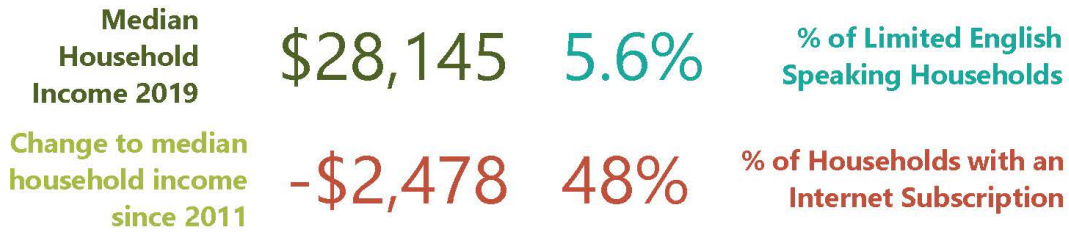
2019 Commuter Mode of Transportation



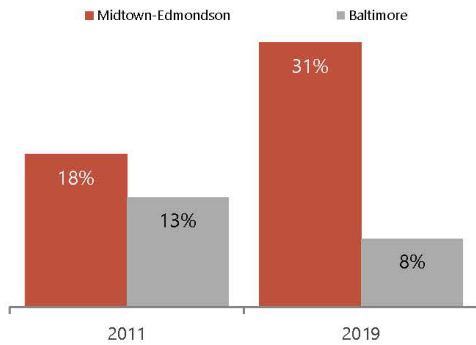
Source: American Community Survey - 5 Year Estimates. "2011" includes 2007-2011, and "2019" includes 2015-2019. Data allocated to exact geography of area using estimates derived from Census block group proportions.

Midtown-Edmondson

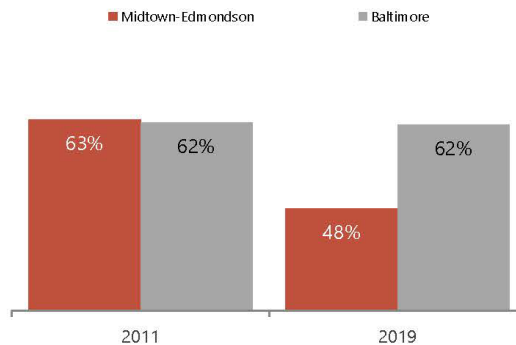
Education and Economics



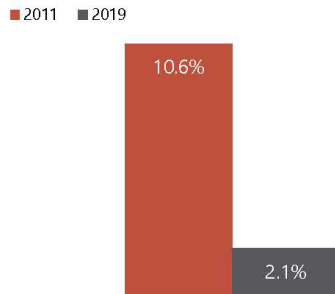
Percent Unemployment



Percent Laborforce Participation



Percent Households Receiving Public Assistance



Educational Attainment

	Midtown-Edmondson 2011	Baltimore 2011	Midtown-Edmondson 2019	Baltimore 2019
Less Than High School	33%	21%	26%	28%
HS Complete	39%	28%	35%	24%
Some College	23%	22%	26%	16%
College Complete	5%	13%	0%	15%
Beyond College	0%	12%	1%	15%

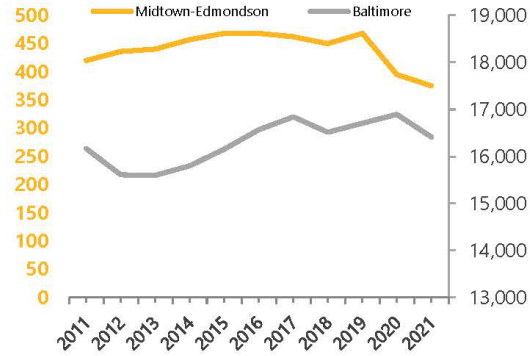
Source: American Community Survey - 5 Year Estimates. "2011" includes 2007-2011, and "2019" includes 2015-2019
 Data allocated to exact geography of area using estimates derived from Census block group proportions.

Midtown-Edmondson

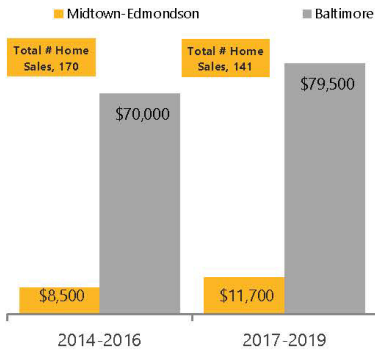
Development

City-owned Properties	102
City-owned Properties Sold (Disposition)	2
\$900 Citations (2018-2020)	5
Homebuying Incentives (2018-2020)	0
Filed Receiverships	28
Properties Being Acquired	18
VBN Rehab (2018-2020)	24
Completed Demolitions (2018-2020)	101
Planned Demolitions	6

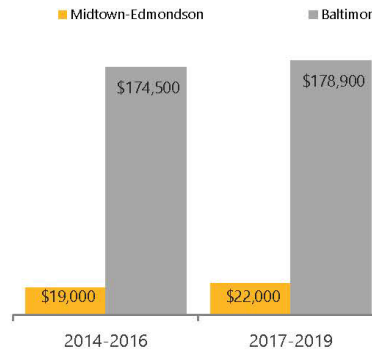
Vacant Building Notices



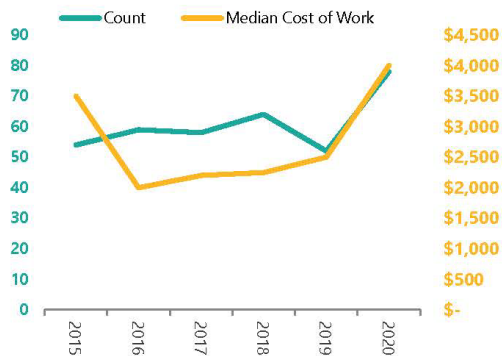
Median Sales Price



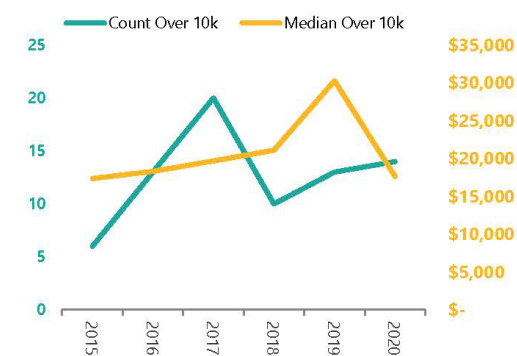
Upper Quartile Sales Price



Residential Permit Activity



Permit Activity Over \$10,000



Source: City Administrative Address data. This data is allocated to the exact geography shown on the map as no estimation is needed.

EXHIBIT 4

FEDERAL APPRAISAL LLC



APPRAISAL REPORT
ON
1002 N PAYSON STREET
1002 N PAYSON STREET, BALTIMORE, MD 21217

EFFECTIVE DATE: JUNE 30, 2022
REPORT DATE: SEPTEMBER 20, 2022
A CURRENT EFFECTIVE DATE

PREPARED FOR
PATRICIA MCHUGH LAMBERT
PRINCIPAL
PESSIN KATZ LAW, P.A.
901 DULANEY VALLEY ROAD, SUITE 500, TOWSON, MD
21204

PREPARED BY
MARK POMYKACZ, MAI, AI-GRS, ASA AND
KATHERINE TANTINAN, MAI
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295 US HIGHWAY 22 EAST SUITE 204E,
WHITEHOUSE STATION, NJ 08889

FEDERAL APPRAISAL LLC



www.federalappraisal.com
908.534-3595 phone 295 Route 22 East
908.823.0575 fax Suite 204E
info@federalappraisal.com Whitehouse Station, NJ 08889

Federal Appraisal LLC provides appraisal and valuation services,

concerning

- businesses
- infrastructure, power plants, and utilities
- commercial real estate
- machinery and equipment
- personal property

for various purposes and uses including

- legal and litigation
- accounting
- federal, state, and local tax
- development
- investment
- financing

covering conventional and complex topics such as

- tax reporting
- litigation
- investor reporting
- due diligence
- financing

nationally and internationally.

1 Transmittal & Executive Summary

As requested by our Client, we have appraised the 1002 N Payson Street, 1002 N Payson Street, Baltimore, MD 21217 ("Subject", "Property, or "Facility). Herein we present our report ("Appraisal" or "Report"). In this section, Section 1, we transmit the appraisal context and conclusions. Our Report follows this transmittal.

1.1 The Client and Other Intended Users

The scope of work completed for this Appraisal was specifically designed, and this Appraisal Report was specifically written for the Client's and the intended permitted users' specific use and purpose. No other uses or purposes are intended or permitted. Federal Appraisal LLC and the appraisers certifying this Appraisal offer and assume no professional responsibility to any third party that has obtained copies of our report, either with or without the Clients' (and other intended permitted users) consent or knowledge. Or that the Client and the other intended permitted users may choose to provide copies of our report to.

The Client ("Client") is:

Patricia McHugh Lambert
Principal

Pessin Katz Law, P.A.

901 Dulaney Valley Road, Suite 500, Towson, MD 21204

Other intended users:

Amtrak Law Department ("Amtrak")

1.2 Identification of the Subject

The Subject is more fully described in Section 6, Subject Property Description, beginning on page 18.

The Subject of this Appraisal is known as: 1002 N Payson Street

Its address is: 1002 N Payson Street, Baltimore, MD 21217

Its parcel number (or block and lot number) is: 16-05-0057-002

1.2.1 Interest Appraised and Level of Value

The interest appraised is a 100% interest in the fee simple estate in real property at the Subject.

Unless explicitly stated otherwise, we assume no easements, encroachments, other deed restrictions, building or use limitations, or other restrictions and limitations upon the use and enjoyment of the property beyond 1) typical governmental powers and utilities, and 2) requirements to maintain and operate the property for the purpose for which it is intended and/or improved. Lastly, we assume no environmental or engineering issues are negatively impacting the Property, except as noted herein.

1.2.2 Summary Description of the Subject Improvements

The Subject is currently improved with a two-story interior row home. It has been confirmed through public record that the structure was built in 1920. The property is a three-bedroom, one-bathroom row home. The interior row home had two stories and an unfinished basement and was in average condition at the time of the inspection. Property representatives reported that it is currently used as a rental for employees working at the adjacent property, 1000 N Payson Street.

1.2.3 Summary Description of the Subject Land

The Subject property is approximately 1,107 square feet, or 0.025 acres, in size. It is rectangular in shape and has the dimensions of 13 feet 10 inches by 80 feet. The land is flat and level. The Subject is zoned R-8 high density residential, allowing single-family and multi-family dwellings.

1.3 Use, Purpose and Scope of Appraisal

1.3.1 Use of the Appraisal

Federal understands the Client will use the Report to assist Amtrak in the determination of compensation to be offered to the property owner to acquire the property.

1.3.2 Purpose of Appraisal and Standard (Type) of Value

The objective of appraisals, sometimes described as the purpose of the appraisals, is typically to determine value. There are numerous types of value, each with its own definition. The various types of value are technically known as standards of value.

The purpose of this Appraisal is to determine the Market Value and Fair Market Value, which we assume is the same in this Appraisal, in fee simple, specifically defined in the following Standard of Value.

The Standard of Value for this Appraisal is market value/fair market value ("Value").

1.3.2.1 Definition and Source of the Standard of Value

The definition for the Standard of Value in this Appraisal is as follows:

Market Value: The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming the neither is under undue duress." Source: *The Dictionary of Real Estate Appraisal, 7th ed.* Chicago: Appraisal Institute, 2022. PDF. pg. 141

Fair market value: 1. In nontechnical usage, a term that is equivalent to the contemporary usage of market value. 2. As used in condemnation, litigation, income tax, and property tax situations, a term that is similar in concept to market value but may be defined explicitly by the relevant agency. Source: *The Dictionary of Real Estate Appraisal, 7th ed.* Chicago: Appraisal Institute, 2022. PDF

"Market Value: 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 value, after a reasonable exposure time on the open market, from a willing and reasonably knowledgeable seller to a willing and reasonably knowledgeable buyer, with neither compelled to buy or sell, giving due consideration to all available economic use of the property" Source: Uniform Appraisal Standards for Federal Land Acquisitions. The Appraisal Foundation, 2016. PDF. pg. 93.

1.3.3 Exposure Time

The exposure time estimated is related appraisal context and value conclusion made in the appraisal. The Client requires a Uniform Appraisal Standards for Federal Land Acquisitions (UASFLA) appraisal. The UASFLA mandates that "the marketing and exposure time is for a reasonable length of time to find a buyer who was reading, willing, and able to consummate a purchase on the date of valuation... Appraisers should not link opinions of market value for federal acquisitions to a specific exposure time."

Source: Uniform Appraisal Standards for Federal Land Acquisitions / Legal Foundations for Appraisal Standards 2016, page 95. Digital version.

Given this Client requirement, we have taken a jurisdictional exception to USPAP, and we have not opined to a specific exposure time.

1.3.4 Premise of Value

The premise of value is that the Property will be utilized to its highest and best use, which is a requirement of market value appraisals of real estate. The Appraisal may present alternative uses as part of appraisal processes to determine highest and best use.

1.3.5 Scope of Appraisal

Our Appraisal is intended to comply with Standards of the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation ("USPAP"), and with the standards and codes of ethics of the Appraisal Institute and the American Society of Appraisers, and the Uniform Appraisal Standards for Federal Land Acquisition ("UASFLA", AKA "Yellow Book") and with the Uniform Relocation Act ("URA"). The scope of the Appraisal is specifically designed, and we performed the research and analyses specifically necessary to estimate the Value of the Subject, for the Client's purpose and use as stated herein. Details on the processes, methods, research, and analyses considered and utilized in this Appraisal are presented throughout this Report. Our Report is presented as a narrative Appraisal Report format in accordance with USPAP, UASFLA, and URA. When necessary for compliance with local law and regulations, we may employ the jurisdictional exception rule of USPAP.

We have considered all three approaches to value in this Appraisal: the cost approach, the sales comparison approach, and the income approach. The cost approach was not employed in this Appraisal as this approach is not commonly utilized for asset types like the Subject. The sales comparison approach was employed as this approach is commonly utilized for asset types like the Subject and comparable data sales were found. The income approach was not employed as this approach is also commonly utilized for this asset type.

1.4 Data Collection and Verification

We have utilized several information sources and databases for this appraisal. These sources may include one or more of the following:

- Local multiple listing services,
- Costar, LoopNet, Zillow, or other proprietary comparables databases,
- Assessors, local appraisers and brokers, attorneys,
- Site to Do Business,
- various handbooks (e.g., Marshall & Swift, Handy Whitman),
- various data publications (e.g., PWC Korpacz Surveys, CBRE reports),
- public sources (e.g., FEMA, Wetlands mapper, local city/town property records),
- and more.

We verify the data used in appraisals through public sources such as assessor's records, property record cards, and other government records and market participants, such as brokers and attorneys. Our verification process is limited by the scope of work needed for the Client's specific use and purpose of the Appraisal, and what is available within the appraiser's normal course of work.

1.4.1 Unit Rule and Adjustments

The Unit Rule from UASFLA requires consideration of the impacts from a partial taking on the value of any requisite larger parcel, the economic unit, from which a portion is taken. The Unit Rule only applies in the context of partial takings; full takings would necessarily preclude any remainder and the need for application of the Unit Rule. The Unit Rule mandates the appraisal of the larger parcel before the taking (the "before" appraisal), and the appraisal of any impacts to the remainder of that larger parcel after the taking (the "after, remainder" appraisal), when or if the taking of a portion of the larger unit causes irrevocable loss in value or damages to the remainder of the larger parcel, such as when the remainder does not have substantially the same economic function. The "unit" in the Unit Rule is the larger parcel that functions as a single economic unit.

The Subject is currently improved with an interior row home on a residential lot and will be a full taking. Therefore, there is no partial taking to analyze, and no Before and After appraisal analysis necessary. The Larger Parcel is the entire Subject property.

1.4.2 Ordinary and Extraordinary Assumptions and Hypothetical Conditions

We have made various minor and significant ordinary assumptions, extraordinary assumptions, and hypothetical conditions in this Appraisal. The ordinary assumptions, extraordinary assumptions, and hypothetical conditions may be listed in various locations throughout the report. It is our intention to disclose extraordinary assumptions, hypothetical conditions, and to disclose many of the significant ordinary assumptions. We have deemed these assumptions and conditions as appropriate for the Client's use of the Appraisal, and we have made these assumptions and conditions for benefit of the appraisal process. The use of ordinary assumptions, extraordinary assumptions, and hypothetical conditions might have affected the assignment results. If any assumption or condition should be determined to be inappropriate, then our assignment results may require revision.

No hypothetical conditions or extraordinary assumptions were made in this Appraisal.

1.4.3 Effective Date and Date of Report

The Effective Date of an appraisal is also known as the date of appraisal or the date of value or valuation date. The 2022-2023 USPAP defines Effective Date as "the date to which an appraiser's analyses, opinions, and conclusions apply".

The date of Appraisal Report, also known as a Report Date, is the date the report is finalized, published, and delivered to the Client.

An appraisal can have either a retrospective, current, or prospective Effective Date, depending on whether the Effective Date is substantially earlier than the Report Date, or relatively close to the Report Date, substantially later than Report Date, respectively.

Another date that may be presented in an appraisal is the date on which the subject property is physically inspected.

The Report Date is: September 20, 2022.
The Effective Date is: June 30, 2022.
This Report Date is: A Current Effective Date
The Inspection Date is listed in Section 11, Certification, on page 39.

1.5 Highest and Best Use Conclusions

The highest and best use of the land, as if vacant and available for redevelopment, would be for development as a single-family dwelling, as is consistent with local zoning, subject to reasonably probable changes. This is consistent with adjacent property types (assuming no environmental or other issues). The use would be physically possible and legally permissible. The surrounding neighborhood is all residential row homes. The zoning legally allows residential dwellings with no setback limitations. However, given the very poor economics of the market area, it is not financially feasible to develop a single-family dwelling at this time. Therefore, the maximally productive use of the Subject may to be hold the Subject as vacant land, as an interim use, for future development.

The highest and best use of the Subject, as improved, as of the Effective Date, would be for continued use of the property, as a single-family dwelling, as this use is physically possible, legally permissible, economically feasible, and all other uses would not be maximally productive. See Section 8.7.1 for the highest and best use of the land.

1.6 Appraisal Conclusions

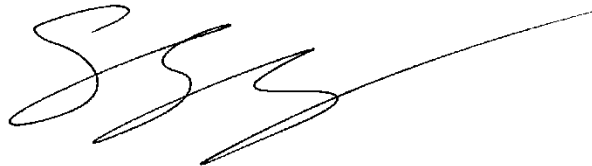
The value conclusions are presented in the following figure.

Figure 1-1, Value Conclusion via Sales Comparison Approach

\$73,800

Herein, we present our Appraisal Report.

Certified by:



Mark Pomykacz, MAI, AI-GRS, ASA
Managing Partner
State Certified General Real Estate Appraiser



Katherine Tantinán, MAI
Senior Manager
State Certified General Real Estate Appraiser
Maryland 34618

State	License number
Connecticut	RCG 00010448
New Hampshire	NHCG-1064
Virginia	4001017013
California	AG043987
Massachusetts	103483
Minnesota	40620869
Florida	RZ3225
Pennsylvania	GA001700R
Michigan	1201069583
Maryland	10807
Illinois	553.001871
Texas	TX 1380478 G
New York	46000000871
New Jersey	42RG00144500
Vermont	080.013424
Rhode Island	CCA.0020110
Iowa	CG03849
Washington DC	GA40000004
Colorado	CG200002994
Maine	CG3503
New Mexico	TP-5194
Ohio	202100667
Louisiana	G4888
Arizona	CGA-1034162
Virginia	4001018173
Tennessee	6164
as of	6/27/2022

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3 Appraisal Process

3.1 Appraisal Context

Most of the context of the Appraisal has been previously presented in the Transmittal & Executive Summary, Section 1 on page 1. Additional appraisal context is presented within, such as the Approaches to Value, Section 8 on page 30.

3.2 Appraisal Process and Methods

The appraisal process requires that appraisers must first establish the appraisal problem, the use and purpose, and scope of an appraisal. This step includes setting the appraisal context, such as the standard, definition and premise of value, the effective date of value, any hypothetical and extraordinary conditions, and others. Next, the market, industry, and economies are researched and analyzed. The appraisers also study the subject asset's legal rights and limitations, its physical qualities, and its financial qualities. Afterwards, the highest and best use of the asset is analyzed.

During these first phases and occasionally in later phases, the appraisers establish and refine the appraisal problem. The appraisal process concerning the appraisal context and appraisal problem is a general prescription concerning the issues to be addressed in the appraisal and the procedures to solve the appraisal problem and report on the solutions. Only after setting the appraisal context and appraisal problem are the various analyses, or approaches to value, conducted. There are three basic approaches in determining the value of an asset: the sales comparison approach, the cost approach, and the income approach, which are described as follows:

1. In the cost approach, value is indicated by the current cost of reproducing or replacing the improvements (including indirect costs and entrepreneurial incentive), less depreciation, plus land value.
2. In the sales comparison approach, value is indicated by analysis of sales of comparable properties appropriately adjusted for differences from the subject property.
3. In the income capitalization approach, value is indicated by the present value of a property's earning power, based on the capitalization of income.

Traditionally, specific appraisal techniques are applied within the three approaches to derive indications of value. One or more approaches to value may be used depending on which approaches are necessary to produce credible assignment results, given the intended use.¹

The principles and basic methodology involved in each approach are summarized later in this report.

After conducting the applicable approaches to value, the appraiser concludes the appraisal with a reconciliation process whereby the various indications of value are reviewed, and the merits of each of the completed approaches are analyzed.

When the appraisal assignment calls for it, various techniques such as allocations, residuals, or summations are finally made to or with the various elements or components of the concluded values from the three traditional approaches, to determine overall asset values or parts of a concluded overall value.

Finally, a report and a workfile are created to document the appraisal. Reports can be written or oral, form reports or free form narrative reports, and the narrative reports can be summary or extensive (also known as full narrative) reports.

3.3 Data Collection and Verification

We have utilized several information sources and databases for this appraisal. These sources may include one or more of the following:

- Local multiple listing services,
- Costar, LoopNet, Zillow, or other proprietary comparables databases,
- Assessors, local appraisers and brokers, attorneys,
- Site to Do Business,
- various handbooks (e.g., Marshall & Swift, Handy Whitman),
- various data publications (e.g., PWC Korpacz Surveys, CBRE reports),
- public sources (e.g., FEMA, Wetlands mapper, local city/town property records),
- and more.

We verify the data used in appraisals through public sources such as assessor's records, property record cards, and other government records and market participants, such as brokers and attorneys. Our verification process is limited by the scope of work needed for the Client's specific use and purpose of the Appraisal, and what is available within the appraiser's normal course of work.

¹ Excerpted and paraphrased from *The Appraisal of Real Estate, 15th ed.* Chicago: Appraisal Institute, 2020. PDF. pg. 42

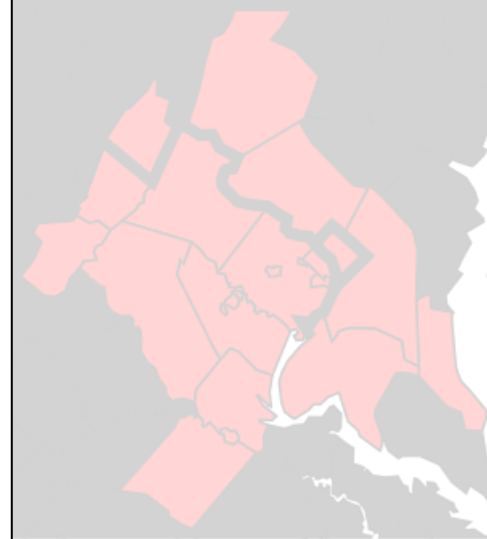
4 Market Area Description

The Subject is located in Baltimore, Maryland.

5.1 Baltimore Overview

Baltimore is the most populous city in the U.S. state of Maryland, as well as the 31st most populous city in the United States, with an estimated population of 586,131 in 2020. Baltimore was designated an independent city by the Constitution of Maryland in 1851, and today is the largest independent city in the United States. As of 2017, the population of the Baltimore metropolitan area was estimated to be just under 2.802 million, making it the 21st largest metropolitan area in the country. Baltimore is located about 40 miles northeast of Washington, D.C., making it a principal city in the Washington–Baltimore combined statistical area (CSA), the fourth-largest CSA in the nation, with a calculated 2018 population of 9,797,063.

With hundreds of identified districts, Baltimore has been dubbed a "city of neighborhoods". Many of Baltimore's neighborhoods have rich histories: the city is home to some of the earliest National Register Historic Districts in the nation, including Fell's Point, Federal Hill, and Mount Vernon. These were added to the National Register between 1969 and 1971, soon after historic preservation legislation was passed. Baltimore has more public statues and monuments per capita than any other city in the country. Nearly one third of the city's buildings (over 65,000) are designated as historic in the National Register, which is more than any other U.S. city.



5.2 Demographics

According to the United States Census, there were 593,490 people living in Baltimore City in 238,436 households as of July 1, 2019. The population decreased by 4.4% since the 2010 Census. Baltimore's population has declined at each census since its peak in 1950.

In 2009, the median household income was \$42,241 and the median income per capita was \$25,707, compared to the national median income of \$53,889 per household and \$28,930 per capita. In Baltimore, 23.7% of the population lived below the poverty line, compared to 13.5% nationwide.

Housing in Baltimore is relatively inexpensive for large, coastal cities of its size. The median sale price for homes in Baltimore in 2012 was \$95,000. Despite the housing collapse, and along with the national trends, Baltimore residents still face slowly increasing rent (up 3% in the summer of 2010). The homeless population in Baltimore is steadily increasing; it exceeded 4,000 people in 2011. The increase in the number of young homeless people was particularly severe.

As of 2015, life expectancy in Baltimore was 74 to 75 years, compared to the U.S. average of 78 to 80. Fourteen neighborhoods had lower life expectancies than North Korea. The life expectancy in Downtown/Seton Hill was comparable to that of Yemen.

5.3 Transportation

The city of Baltimore has a higher-than-average percentage of households without a car. In 2015, 30.7 percent of Baltimore households lacked a car, which decreased slightly to 28.9 percent in 2016. The national average was 8.7 percent in 2016. Baltimore averaged 1.65 cars per household in 2016, compared to a national average of 1.8.

The Interstate highways serving Baltimore are I-70, I-83 (the Jones Falls Expressway), I-95, I-395, I-695 (the Baltimore Beltway), I-795 (the Northwest Expressway), I-895 (the Harbor Tunnel Thruway), and I-97. The city's mainline Interstate highways—I-95, I-83, and I-70—do not directly connect to each other, and in the case of I-70 end at a park and ride lot just inside the city limits, because of freeway revolts in Baltimore. These revolts were led primarily by Barbara Mikulski, a former United States senator for Maryland, which resulted in the abandonment of the original plan. There are two tunnels traversing Baltimore Harbor within the city limits: the four-bore Fort McHenry Tunnel (opened in 1985 and serving I-95) and the two-bore Harbor Tunnel (opened in 1957 and serving I-895). The Baltimore Beltway crosses south of Baltimore Harbor over the Francis Scott Key Bridge.

The only U.S. Highways in the city are US 1, which bypasses downtown, and US 40, which crosses downtown from east to west. Both run along major surface streets; however, US 40 utilizes a small section of a freeway cancelled in the 1970s in the west side of the city originally intended for Interstate 170. State routes in the city also travel along surface streets, with the exception of Maryland Route 295, which carries the Baltimore–Washington Parkway.

Public transit in Baltimore is mostly provided by the Maryland Transit Administration (abbreviated "MTA Maryland") and Charm City Circulator. MTA Maryland operates a comprehensive bus network, including many local, express, and commuter buses, a light rail network connecting Hunt Valley in the north to BWI Airport and Cromwell (Glen Burnie) in the south, and a subway line between Owings Mills and Johns Hopkins Hospital. A proposed rail line, known as the Red Line, which would link the Social Security Administration to Johns Hopkins Bayview Medical Center and perhaps the Canton and Dundalk communities, was cancelled as of June 2015 by Governor Larry Hogan; a proposal to extend Baltimore's existing subway line to Morgan State University, known as the Green Line, is in the planning stages.



The Charm City Circulator (CCC), a shuttle bus service operated by Veolia Transportation for the Baltimore Department of Transportation, began operating in the downtown area in January 2010. Funded partly by a 16 percent increase in the city's parking fees, the circulator provides free bus service seven days a week, picking up passengers every 15 minutes at designated stops during service hours.

Baltimore also has a water taxi service, operated by Baltimore Water Taxi. The water taxi's six routes provide service throughout the city's harbor, and was purchased by Under Armour CEO Kevin Plank's Sagamore Ventures in 2016.

In June 2017, The BaltimoreLink started operating; it is the redesign of the region's initial bus system. The BaltimoreLink runs through downtown Baltimore every 10 minutes via color-coded, high-frequency CityLink routes.

Baltimore is a top destination for Amtrak along the Northeast Corridor. Baltimore's Penn Station is one of the busiest in the country. In FY 2014, Penn Station was ranked the seventh-busiest rail station in the United States by number of passengers served each year. The building sits on a raised "island" of sorts between two open trenches, one for the Jones Falls Expressway and the other for the tracks of the Northeast Corridor (NEC). The NEC approaches from the south through the two-track, 7,660 feet Baltimore and Potomac Tunnel, which opened in 1873 and whose 30 mph limit, sharp curves, and steep grades make it one of the NEC's worst bottlenecks. The NEC's northern approach is the 1873 Union Tunnel, which has one single-track bore and one double-track bore.

Baltimore is served by two airports, both operated by the Maryland Aviation Administration, which is part of the Maryland Department of Transportation. Baltimore–Washington International Thurgood Marshall Airport, generally known as "BWI", lies about 10 miles to the south of Baltimore in neighboring Anne Arundel County. The airport is named after Thurgood Marshall, a Baltimore native who was the first African American to serve on the Supreme Court of the United States. In terms of passenger traffic, BWI is the 22nd busiest airport in the United States. As of calendar year 2014, BWI is the largest, by passenger count, of three major airports serving the Baltimore–Washington Metropolitan Area. It is accessible by I-95 and the Baltimore–Washington Parkway via Interstate 195, the Baltimore Light Rail, and Amtrak and MARC Train at BWI Rail Station.

Baltimore is also served by Martin State Airport, a general aviation facility, to the northeast in Baltimore County. Martin State Airport is linked to downtown Baltimore by Maryland Route 150 (Eastern Avenue) and by MARC Train at its own station.

Water taxis also operate in the Inner Harbor. Governor Ehrlich participated in naming the port after Helen Delich Bentley during the 300th anniversary of the port.

In 2007, Duke Realty Corporation began a new development near the Port of Baltimore, named the Chesapeake Commerce Center. This new industrial park is located on the site of a former General Motors plant. The total project comprises 184 acres in eastern Baltimore City, and the site will yield 2,800,000 square feet of warehouse/distribution and office space. Chesapeake Commerce Center has direct access to two major Interstate highways (I-95 and I-895) and is located adjacent to two of the major Port of Baltimore terminals. The Port of Baltimore is one of two seaports on the U.S. East Coast with a 50-foot dredge to accommodate the largest shipping vessels.

Along with cargo terminals, the port also has a passenger cruise terminal, which offers year-round trips on several lines, including Royal Caribbean's Grandeur of the Seas and Carnival's Pride. Overall five cruise lines have operated out of the port to the Bahamas and the Caribbean, while some ships traveled to New England and Canada. The terminal has become an embarkation point where passengers have the opportunity to park and board next to the ship visible from Interstate 95. Passengers from Pennsylvania, New York and New Jersey make up a third of the volume, with travelers from Maryland, Virginia, the District and even Ohio and the Carolinas making up the rest.

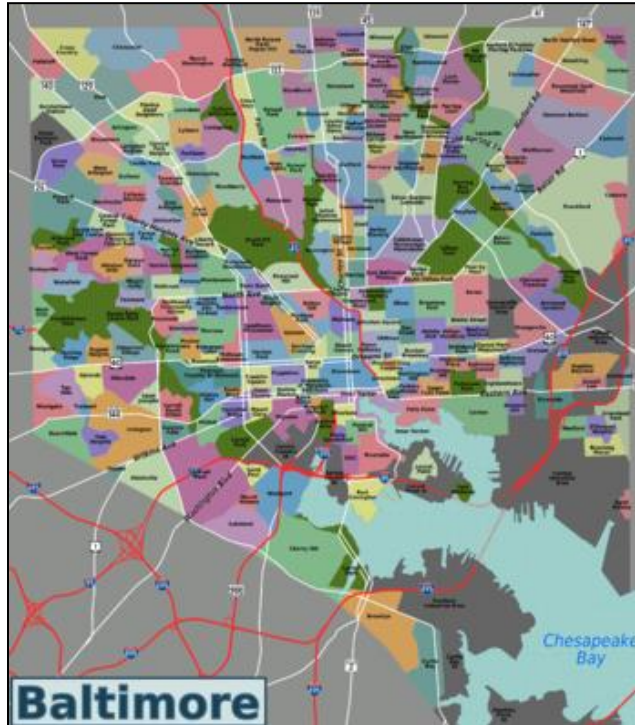
5.4 Geography

Baltimore is in north-central Maryland on the Patapsco River close to where it empties into the Chesapeake Bay. The city is also located on the fall line between the Piedmont Plateau and the Atlantic coastal plain, which divides Baltimore into "lower city" and "upper city". The city's elevation ranges from sea level at the harbor to 480 feet (150 m) in the northwest corner near Pimlico.

According to the 2010 Census, the city has a total area of 92.1 square miles, of which 80.9 sq mi is land and 11.1 square miles is water. The total area is 12.1 percent water.

Baltimore is almost surrounded by Baltimore County, but is politically independent of it. It is bordered by Anne Arundel County to the south.

4.1.1 Neighborhoods



A map of Baltimore with the official city-designated Baltimore neighborhoods, by the Baltimore City Dept. of Planning

Baltimore is officially divided into nine geographical regions: North, Northeast, East, Southeast, South, Southwest, West, Northwest, and Central, with each district patrolled by a respective Baltimore Police Department. Interstate 83 and Charles Street down to Hanover Street and Ritchie Highway serve as the east–west dividing line and Eastern Avenue to Route 40 as the north–south dividing line; however, Baltimore Street is north–south dividing line for the U.S. Postal Service. It is not uncommon for locals to divide the city simply by East or West Baltimore, using Charles Street or I-83 as a dividing line or into North and South using Baltimore Street as a dividing line.

4.1.2 Northwest Baltimore

Northwestern is bounded by the county line to the north and west, Gwynns Falls Parkway on the south and Pimlico Road on the east, is home to Pimlico Racecourse, Sinai Hospital, and the headquarters of the NAACP. Its neighborhoods are mostly residential and are dissected by Northern Parkway. The area has been the center of Baltimore's Jewish community since after World War II. Notable neighborhoods include Pimlico, Mount Washington, and Cheswolde, and Park Heights.

4.2 Economy

Once a predominantly industrial town, with an economic base focused on steel processing, shipping, auto manufacturing (General Motors Baltimore Assembly), and transportation, the city experienced deindustrialization which cost residents tens of thousands of low-skill, high-wage jobs. The city now relies on a low-wage service economy, which accounts for 31% of jobs in the city. Around the turn of the 20th century, Baltimore was the leading US manufacturer of rye whiskey and straw hats. It also led in refining of crude oil, brought to the city by pipeline from Pennsylvania.

As of March 2018, the U.S. Bureau of Labor Statistics calculates Baltimore's unemployment rate at 5.8% while one quarter of Baltimore residents (and 37% of Baltimore children) live in poverty. The 2012 closure of a major steel plant at Sparrows Point is expected to have a further impact on employment and the local economy. The Census Bureau reported in 2013 that 207,000 workers commute into Baltimore city each day. Downtown Baltimore is the primary economic asset within Baltimore City and the region with 29.1 million square feet of office space. The tech sector is rapidly growing as the Baltimore metro ranks 8th in the CBRE Tech Talent Report among 50 U.S. metro areas for high growth rate and number of tech professionals. Forbes ranked Baltimore fourth among America's "new tech hot spots". Almost a quarter of the jobs in the Baltimore region were in science, technology, engineering and math as of mid-2013, in part attributed to the city's extensive undergraduate and graduate schools; maintenance and repair experts were included in this count.

4.2.1 Port

The center of international commerce for the region is the World Trade Center Baltimore. It houses the Maryland Port Administration and U.S. headquarters for major shipping lines. Baltimore is ranked 9th for total dollar value of cargo and 13th for cargo tonnage for all U.S. ports. In 2014, total cargo moving through the port totaled 29.5 million tons, down from 30.3 million tons in 2013. The value of cargo traveling through the port in 2014 came to \$52.5 billion, down from \$52.6 billion in 2013. The Port of Baltimore generates \$3 billion in annual wages and salary, as well as supporting 14,630 direct jobs and 108,000 jobs connected to port work. In 2014, the port also generated more than \$300 million in taxes. It serves over 50 ocean carriers making nearly 1,800 annual visits. Among all U.S. ports, Baltimore is first in handling automobiles, light trucks, farm and construction machinery; and imported forest products, aluminum, and sugar. The port is second in coal exports. The Port of Baltimore's cruise industry, which offers year-round trips on several lines supports over 500 jobs and brings in over \$90 million to Maryland's economy annually. Growth at the port continues with the Maryland Port Administration plans to turn the southern tip of the former steel mill into a marine terminal, primarily for car and truck shipments, but also for anticipated new business coming to Baltimore after the completion of the Panama Canal expansion project.

Figure 5-1, Baltimore Unemployment Rate

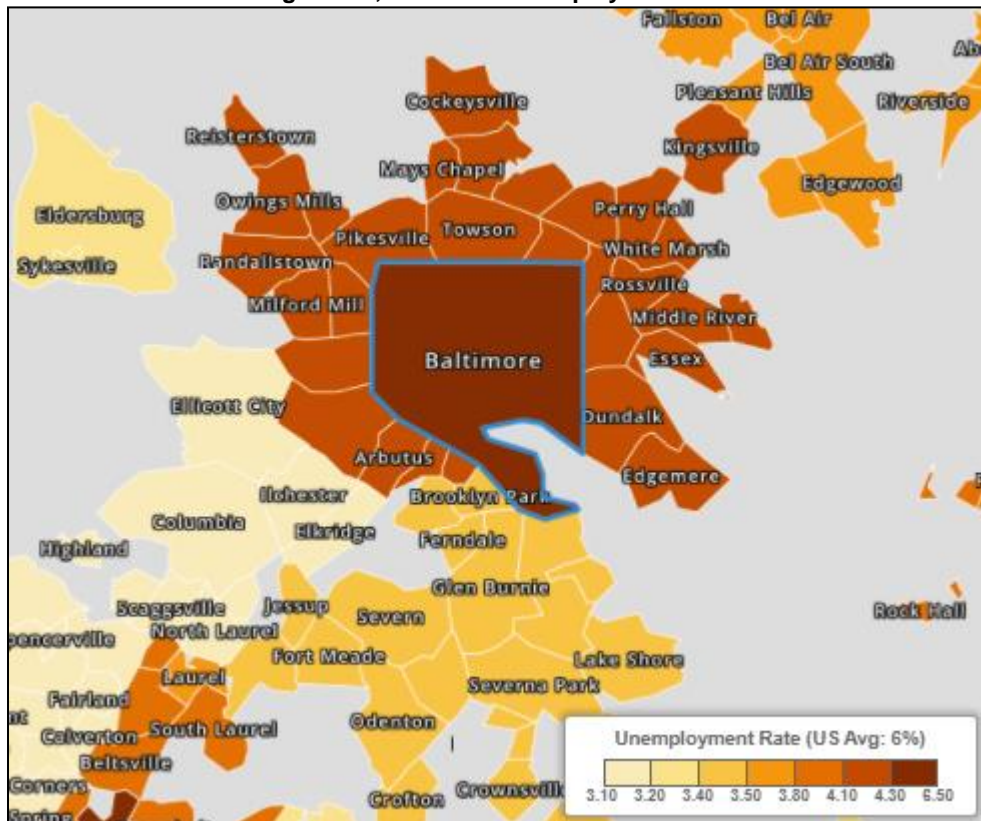


Figure 5-2, Baltimore Median Household Income

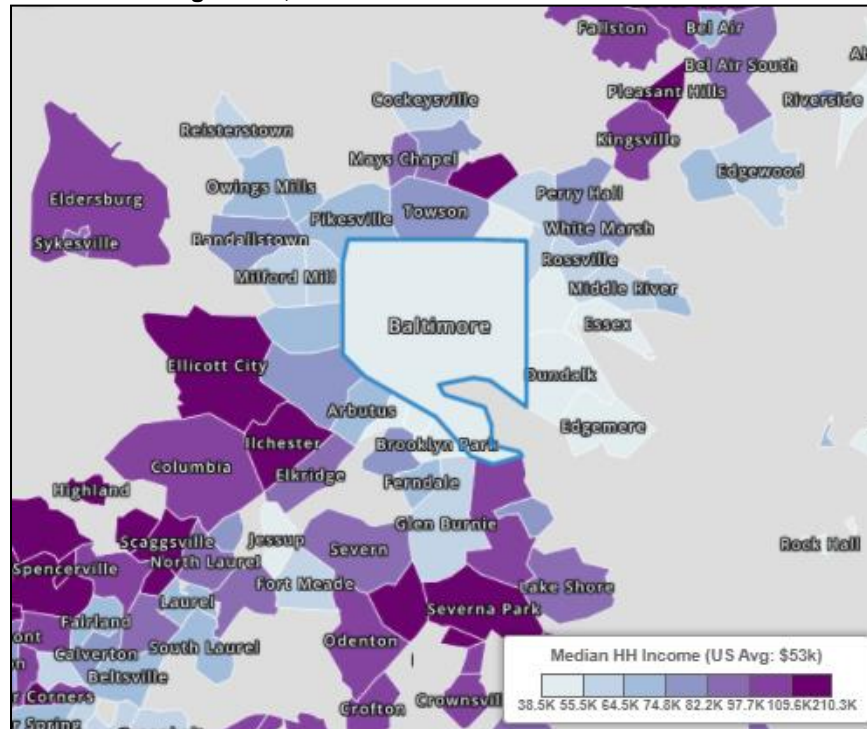
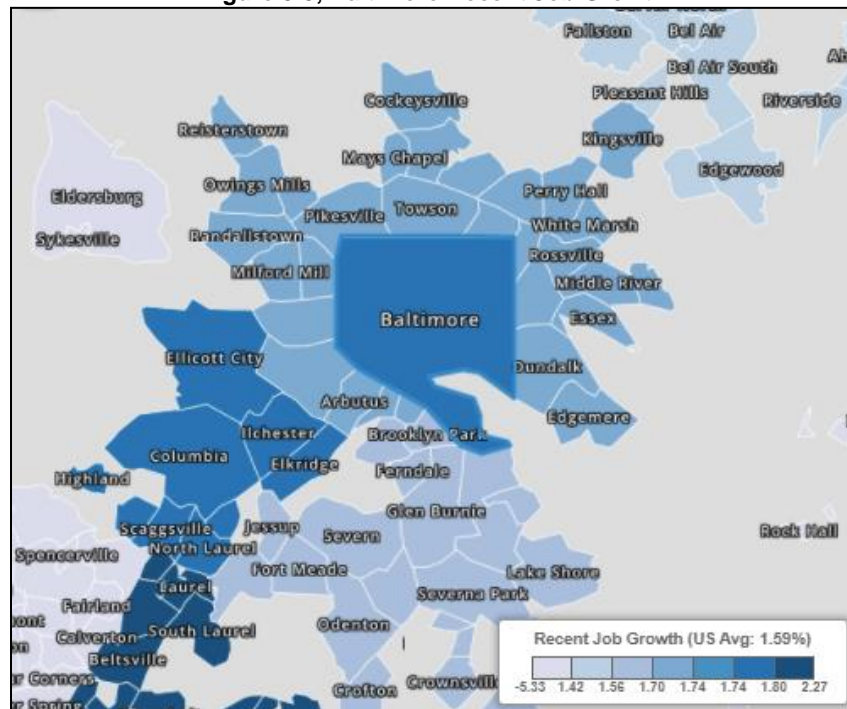


Figure 5-3, Baltimore Recent Job Growth



Additional demographic reports data including the latest Census regarding the Subject's market area run by Esri has been saved to the workfile.

5 Market/Industry Analysis

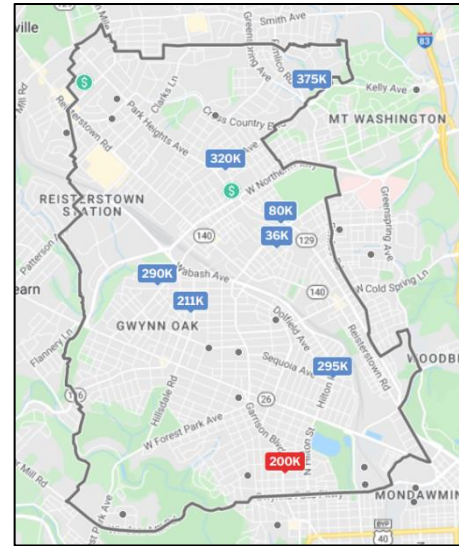
5.1 Single-Family Northwestern Baltimore Housing Market

Over the past five years the prices of single-family homes in the Northwestern Baltimore Housing Market have been steadily increasing. In March 2022, Northwestern Baltimore single-family home prices were up 11.1% compared to last year. The median price of a single-family home was \$280,000. Approximately eighty-three homes were sold with a median of forty-four days on market.

Currently approximately 44% of residential dwellings are owned, 36% are rented, and 20% are vacant. The annual residential turnover is approximately 15%. Approximately 41% of residents have 5+ years of residency with a median year in residency of 4.15.

Source: Redfin, Weichert

Our Subject is located in the Midtown Edmondson neighborhood. This neighborhood has not performed as well as other neighborhoods in Baltimore City.



Baltimore Metro Area March 2022 Market Overview

Baltimore Market Key Findings

	March 2022	vs. March 2021	vs. Feb 2022
Median Sales Price	\$340.0K	▲ +7.9%	▲ +6.3%
Closed Sales	3,584	▼ -1.7%	▲ +37.9
New Pending Sales	4,348	▼ -8.8%	▲ +28.1%
New Listings	4,948	▼ -2.1%	▲ +43.3%
Median Days on Market	6	▼ -1	▼ -4
Showings	106,186	▼ -13.9%	▲ +20.5%
Months of Supply	0.7	▼ -8.0%	▲ 13.6%

Rising prices showed no signs of slowing in March with the spring market underway. The monthly median sale price jumped 8% from a year ago. Buyers should expect more price increases, as the median price of a new listing rose 6%. The market saw a seasonal rise in new listings. While buyers are hunting for homes, fewer showings took place than a year ago as inventory tightens. However, there are indications of how this year's market will be different than last year: lower home demand and inventory translated to lower new pending homes sales. There are also early signs that rising interest rates may be impacting the market as more inventory stayed up for sale at month-end. Condos had 'High' buyer demand, as sales rose 3%. Condos were also the only home type with more new listings than a year ago, growing faster than other housing types.

March 2022	Median	Sales	Price		
	March '22	vs. March '21	vs. March '20	YTD '22	vs. YTD '21
Anne Arundel County	\$440.2K	7.6%	17.4%	\$425.0K	7.6%
Baltimore City	\$222.0K	12.0%	27.6%	\$210.0K	10.5%
Baltimore County	\$305.0K	9.7%	20.6%	\$300.0K	8.7%
Carroll County	\$404.3K	6.4%	22.5%	\$400.0K	10.0%
Harford County	\$329.9K	16.6%	25.3%	\$325.0K	14.0%
Howard County	\$522.5K	13.4%	22.9%	\$475.0K	6.7%
Baltimore Metro	\$340.0K	7.9%	16.4%	\$325.0K	6.4%

March 2022 Closed Sales

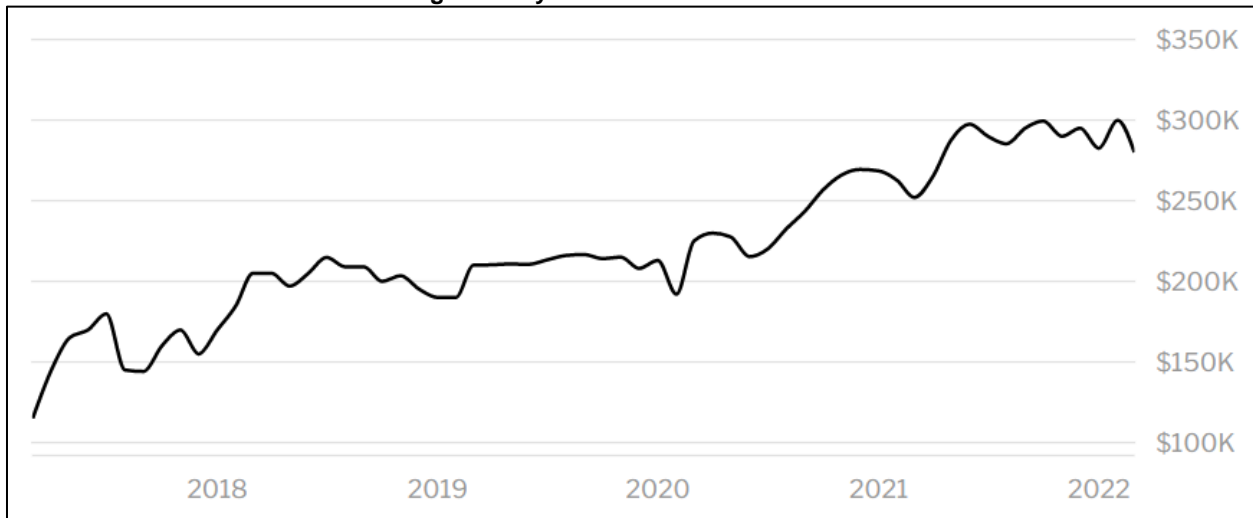
	March '22	vs. March '21	vs. March '20	YTD '22	vs. YTD '21
Anne Arundel County	839	-8.0%	-2.2%	1,989	-15.3%
Baltimore City	985	3.6%	42.1%	2,543	1.4%
Baltimore County	918	N/C	12.9%	2,395	-1.5%
Carroll County	194	15.5%	-4.4%	467	-2.9%
Harford County	318	-9.4%	6.0%	800	-12.1%
Howard County	330	-4.9%	2.2%	799	-10.4%
Baltimore Metro	3,584	-1.7%	12.4%	8,993	-6.0%

Baltimore Metro Ten Year Trends, Median Sales Price by Housing Type

	Med Sale \$	Detached: All	Attached: All	Townhomes	Condo / Co-op
Mar 2013	\$228.5K	\$290.0K	\$172.0K	\$164.0K	\$182.5K
Mar 2014	\$227.5K	\$300.0K	\$173.0K	\$165.4K	\$187.5K
Mar 2015	\$230.1K	\$285.0K	\$170.0K	\$163.8K	\$180.0K
Mar 2016	\$237.4K	\$290.5K	\$190.0K	\$186.0K	\$199.0K
Mar 2017	\$245.0K	\$306.5K	\$194.8K	\$189.0K	\$210.0K
Mar 2018	\$259.0K	\$325.0K	\$205.0K	\$205.0K	\$200.6K
Mar 2019	\$264.0K	\$329.9K	\$210.0K	\$210.8K	\$205.0K
Mar 2020	\$292.0K	\$371.0K	\$220.0K	\$225.0K	\$210.2K
Mar 2021	\$315.0K	\$396.0K	\$245.0K	\$250.0K	\$235.0K
Mar 2022	\$340.0K	\$430.0K	\$263.8K	\$261.0K	\$270.0K

Source: Bright MLS

Prices of Single-Family Homes from March 2017-March 2022



Source: Redfin.com

5.2 Baltimore City Interviews

For the purpose of this appraisal, we have spoken with various people who are familiar with the market area of Baltimore City, MD. Phone calls with each of these representatives have relayed similar opinions about values of residential homes and residential land and the poor health of the real estate market.

Kevin Jackson is the assessor who had last done the assessments in Midtown Edmonson, the neighborhood of where the Subject is located. He had relayed that there have been no effects on value due to COVID-19 in the neighborhood. A significant number of homes in the neighborhood are in poor to fair condition. Many sales in the area are distressed sales. Assessments for improved residential properties have been assessed at a maximum of \$7,000 to \$15,000. We assume that this is for row homes which are in occupiable condition. Furthermore, Mr. Jackson reports that values in Baltimore City vary by and block to block basis. The values can change drastically from turning a corner. Generally, blocks where more row homes are occupied are more desirable and higher in value than blocks with more unoccupied row homes, which further perpetuates differences in value.

Chad Hayes is the Western District Planner and City Planner Supervisor in the Department of Planning for the City of Baltimore. He has relayed that many of the sales in western Baltimore are sold both on the market through auction. There are not many individual vacant lot sales but when there is, they are usually sold to adjacent existing vacant lot owners. Mr. Hayes reports that there is limited development but he has shared information on four larger land acquisitions for residential development as follows. All of these developments are a few miles from the Subject and located in different neighborhoods. Values in Baltimore City vary by a block-to-block basis.

Pia Heslip is the Executive Director at One House At A Time, Inc, a nonprofit organization that assists with rehabilitating vacant and nuisance properties in Baltimore. Pia is familiar with auction sales of properties in Baltimore City of properties and overall trends in the area. She has shared that neighborhoods in Baltimore vary drastically and even on a block-by-block basis. Properties that sell with assistance from her organization often have tax liens on them. Once the property sells, the sale proceeds either pay off the lien amount in order for the property to sell free and clear, or Baltimore City is able to clear the amount of liens on the property.

Various appraisers, brokers, listing/selling agents have been contacted and interviewed to learn further competency on Baltimore's real estate market and during the verification process of sales data. Many have shared that Baltimore residential properties vary on a block-by-block basis. They have also stated that auction sales occur just as often as regular sales and generally reflect the same market value.

5.3 Market Industry Conclusion

The demographic and analytic information above shows a positive outlook for residential properties Baltimore City, MD. Market rents and sales for industrial properties are gradually increasing. However, the neighborhood, Midtown Edmonson, is increasing at a slower rate than other neighborhoods in Baltimore City as development has been slow overall. Most vacant lots are on hold in interim until the market recovers and is ready for development.

6 Subject Property Description**Property Name:** 1002 N Payson Street**Property Address:** 1002 N Payson Street, Baltimore, MD 21217**Parcel Number (block/lot):** 16-05-0057-002. A metes and bounds description was not available via public record.**Location/Cross Street:** The Subject is located on N Payson Street, between Riggs Avenue and Mosher Street.**6.1 Land Description****Summary Description:** The Subject property is approximately 1,107 square feet, or 0.025 acres, in size. It is rectangular in shape and has the dimensions of 13 feet 10 inches by 80 feet. The land is flat and level. The Subject is zoned R-8 high density residential, allowing single-family and multi-family dwellings.

The Subject has thirteen feet inches of frontage along N Payson Street. The improvements have little set back from the sidewalk and the street. The property does not have on-site parking.

There are typical public utilities available for water, sewer, gas, and electricity. The Subject has no unusual soils. The minerals at the Subject are unknown and none have been reported. None are known to be in this vicinity. There are no major easements that would impact the value of the Property. There may be local utility easements that would be considered insignificant.

Parcel Shape/ Topography: Flat and level. Rectangular in shape.**Land Area:** 1,107 square feet, or 0.025 acres**Zoning/Use/ Approvals:** Zoning Class: R-8, High density residential
Zoning Class Description: The Subject is zoned R-8 high density residential, allowing single-family and multi-family dwellings. Zoning ordinance allows "traditional form of urban rowhouse. Continuous rowhouse development along full blocks built to or only modestly set back from the street. Also accommodates other residential types of a similar density. Limited non-residential uses." There is a minimum lot area of 750 feet for rowhouse uses and maximum yard coverage of 80 percent. There is no minimum setback requirement from the front, sides or rear of the property.**Wetlands/Other Use Restrictions:** We were not given a wetland survey to review. We assume no wetlands issues.**Site Utility:** The site is adequate in shape and size for development as a single-family row home.**6.2 Improvement Description****Summary Description:** The Subject is currently improved with a two-story interior row home. It has been confirmed through public record that the structure was built in 1920. The property is a three-bedroom, one-bathroom row home. The interior row home had two stories and an unfinished basement and was in average condition at the time of the inspection. Property representatives reported that it is currently used as a rental for employees working at the adjacent property, 1000 N Payson Street.

It is noted during the inspection that the bedrooms each have separate locks on them and are being rented out per bedroom. However, we were not provided with any lease information.

6.3 Mechanical Detail

Heating Ventilation Air Conditioning (HVAC): It has been reported by the assessor that row homes in this area do not have HVAC.

Plumbing: The plumbing system appeared to be in average condition.

Electrical Service: The electrical system appeared to be in average condition.

Security: None.

6.4 Deferred Maintenance and Detrimental Conditions

Overall Condition and Quality: The overall property condition was average occupiable.
The overall property quality was average for this class of property and market area.

Detrimental Conditions: None noted.

6.5 Environmental

Environmental Detriments: We know of no environmental, toxic, or hazardous substances issues at the Subject. None were reported to us by the Client or the site owners or managers. We observed no evidence of environmental, toxic, or hazardous substance issues during our inspection of this site. However, we are not trained to perform technical environmental inspections. This Appraisal assumes no environmental, toxic, or hazardous substances issues exist at the Subject.

6.6 Legal

Deed/Contract Restrictions: No other restrictions are known. ADA issues were not investigated. We assume that no ADA issues are negatively affecting the Property.

6.7 Adequacy

Physical: The land and building are in adequate condition for occupiable use.

Functional: No functional obsolescence was observed.

Economic: No economic obsolescence was observed.

6.8 Subject Transaction History

Property Owner: Donte Dwayne Summers

Sales History and Analysis: The Subject was not sold within the last ten years.

From public record, the last sale of the Subject was a non-arm's length transaction of \$11,600 on October 3, 2016 from Federal National Mortgage. Prior to that, there was a non-arm's length transaction of \$4,900 on June 6, 2016 from Marie Dienane Boursiquot. The Subject is not currently being offered for sale.

Leasing History and Analysis: The Subject is currently leased to a tenant/tenants. We were not provided with a copy of the lease to analyze.

6.9 Property Tax History

Figure 6-1, Assessment History
Value Information

	Base Value	Value	Phase-in Assessments	
			As of 01/01/2021	As of 07/01/2022
Land:	3,000	3,000		
Improvements	11,400	12,000		
Total:	14,400	15,000	14,800	15,000
Preferential Land:	0	0		

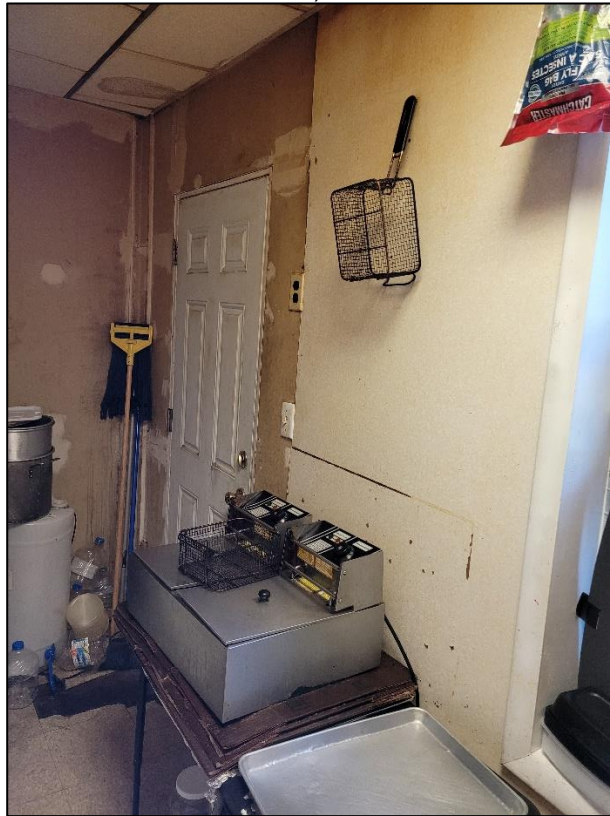
Based on the value conclusions of this report, we believe that the property owner benefits from a lower tax assessment.

Figure 6-2, Photographs of Subject

- 1) Front view of Subject. Picture taken facing west.



2)



3)



4)



5)



6)



7)



Figure 6-3, Street Views of Subject

8) Street view of Subject on the right side of the street. Picture taken facing south.



9) Street view of Subject on the left side of the street. Picture taken facing north.

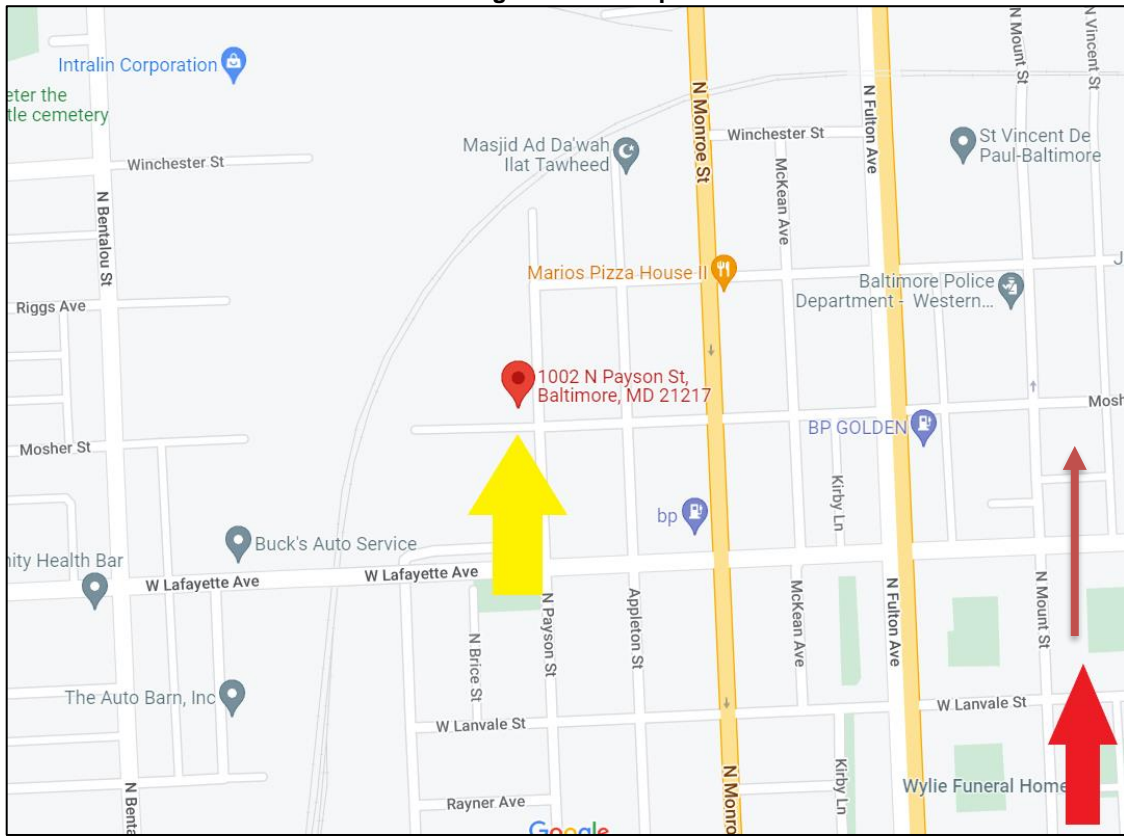


All photos were taken by Mark Pomykacz on June 30, 2022.

Plot Map



Figure 6-4, Location Maps
Neighborhood Map



Area Map

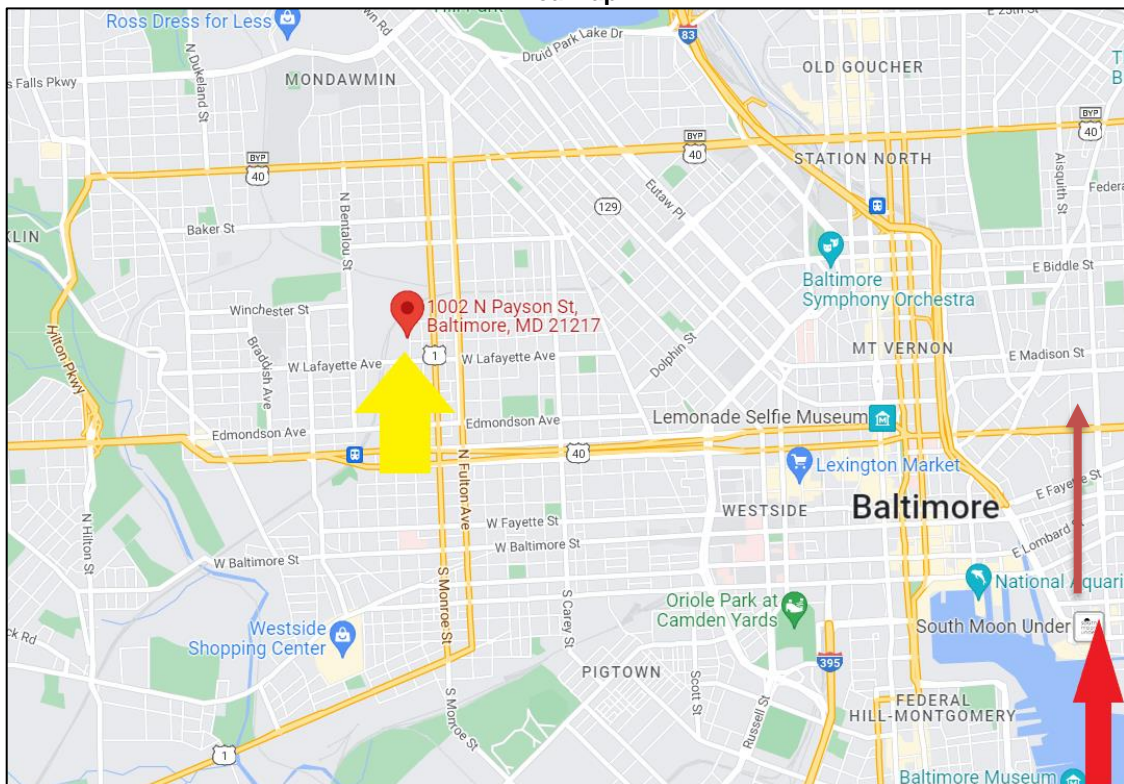


Figure 6-5, Satellite Photograph of Subject

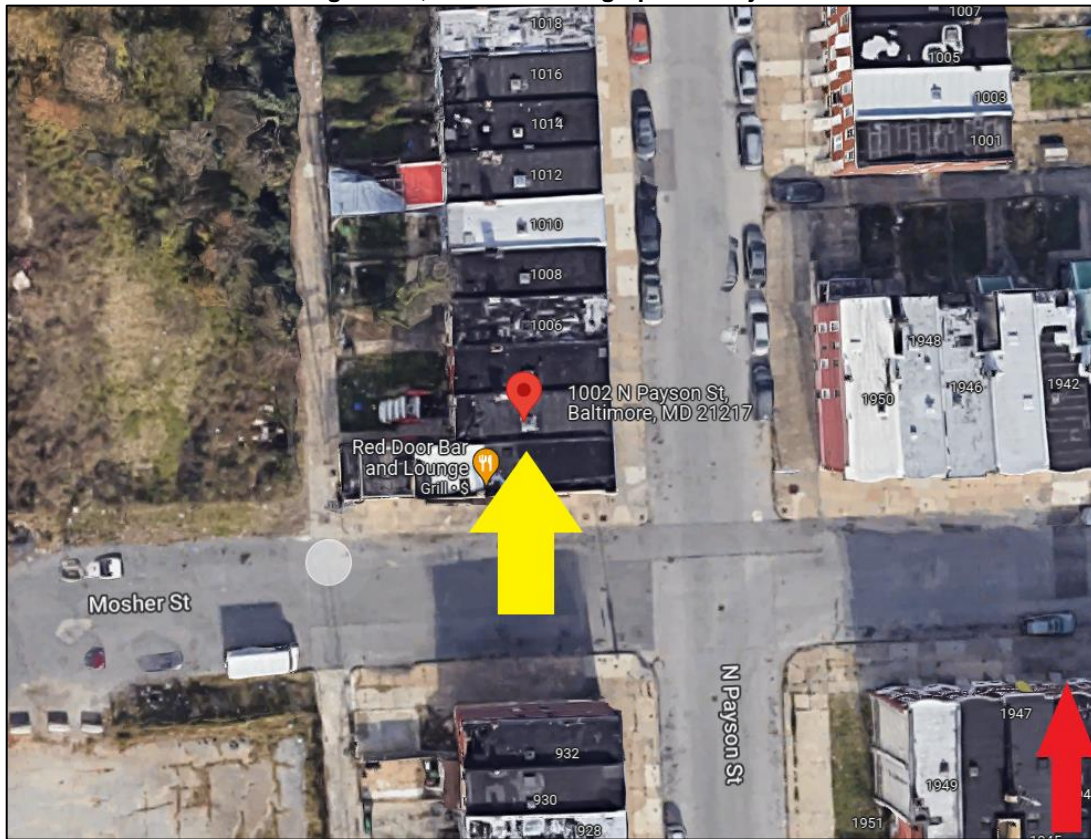


Figure 6-6, Site Map/Survey of Subject/Tax Map

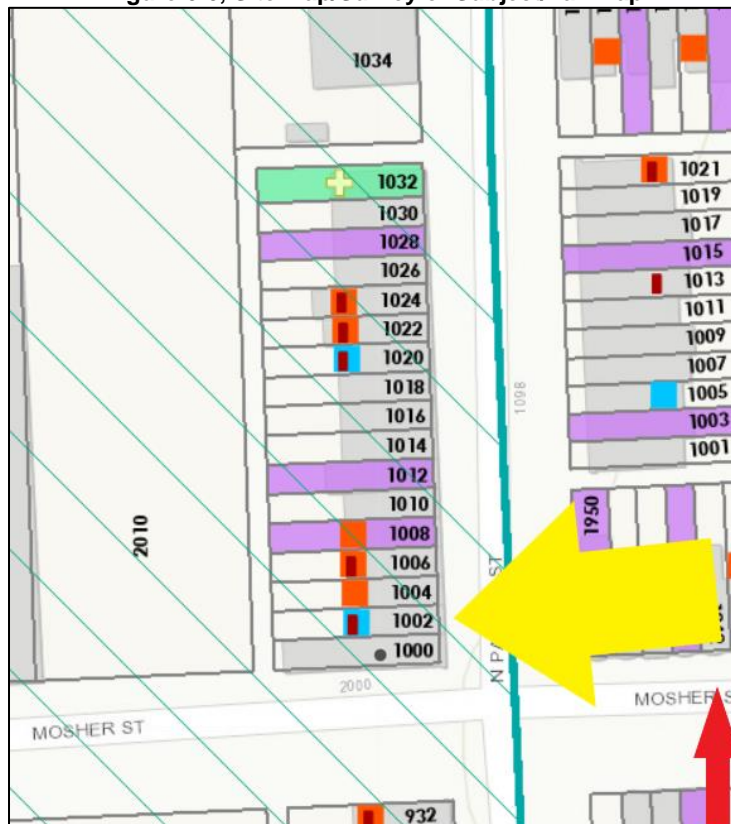


Figure 6-7, Wetlands Map of Subject



Figure 6-8, Flood Map of Subject



FEMA Flood Map 2400870017E, effective 2/2/2012. Map is unmapped by FEMA, however, no flooding known in the vicinity.

7 Highest and Best Use Analysis

In order to estimate the market value of a property, the appraiser must identify the highest and best use of the property, and must assume such highest and best use as the premise of value. Other types of value may assume other uses.

The 2022-23 Uniform Standards of Professional Appraisal Practice unequivocally states the imperative of appraising market value only under the assumption of the highest and best use, in Standards Rule 1-3 (b). An appraiser must analyze the relevant legal, physical, and economic factors to the extent necessary to support the appraiser's highest and best use conclusions(s). The highest and best use is the reasonably probable use of a property that results in the highest value. It must meet four criteria: legal permissibility, physical possibility, financial feasibility, and maximum productivity.

7.1 The Four Criteria

There are four basic criteria that are considered and analyzed in determining the highest and best use of a property:

1. **Physically possible.** What uses are physically possible given the constraints of the size and physical characteristics of the site?
2. **Legally permissible.** What uses are permitted by zoning or other restrictions (i.e. deed restrictions) on the property?
3. **Financially feasible.** Of the physically possible and legally permitted uses, which are financially feasible in that they will produce a net return to the property owner?
4. **Maximally productive.** Of the financially feasible uses, which use will produce the highest net return, or result in the highest present value of the property?

To utilize these four criteria effectively, they must be considered in terms of what is reasonably probable.

7.2 Highest and Best Use Conclusions

7.2.1 As if Vacant Land

When analyzing the Subject's highest and best use, we have considered the market demand² of parcels similar to the Subject, as this appraisal is intended to comply with UASFLA (Yellowbook) guidelines, Sections 2.3.3.1, 2.3.3.1.1 and 2.3.3.1.2.

The highest and best use of the land, as if vacant and available for redevelopment, would be for development as a single-family dwelling, as is consistent with local zoning, subject to reasonably probable changes. This is consistent with adjacent property types (assuming no environmental or other issues). The use would be physically possible and legally permissible. The surrounding neighborhood is all residential row homes. The zoning legally allows residential dwellings with no setback limitations. However, given the very poor economics of the market area, it is not financially feasible to develop a single-family dwelling at this time. Therefore, the maximally productive use of the Subject may to be hold the Subject as vacant land, as an interim use, for future development.

7.2.2 As Improved

The highest and best use of the Subject, as improved, as of the Effective Date, would be for continued use of the property, as a single-family dwelling, as this use is physically possible, legally permissible, economically feasible, and all other uses would not be maximally productive.

² Market Demand is further described in the Uniform Appraisal Standards for Federal Land Acquisitions, 2016 edition by the Appraisal Foundation under section 4.3.2.2 Market Demand.

8 Approaches to Value

There are three approaches to valuing real estate and other capital assets: the Cost Approach, the Sales Comparison Approach (sometimes referred to as the Market Data Approach), and the Income Approach. After completing all appropriate approaches, the appraiser reconciles the various indications to derive a value conclusion for the property. Fundamental underlying assumptions and basic methodology involved in each approach and the reconciliation are summarized in this section.

8.1 Application of the Three Approaches to Value

The valuation process is applied to develop a well-supported estimate of a defined value based on an analysis of pertinent general and specific data. Appraisers develop an opinion of property value with specific appraisal procedures which reflect three distinct methods of data analysis – cost, sales comparison, and income capitalization. One or more of these approaches are used in all estimates of value. The approaches employed depend on the type of property, the intended use of the appraisal, and the quality and quantity of data available for analysis.

All three approaches are applicable to many appraisal problems, but one or more of the approaches may have greater significance in a given assignment. For example, the sales comparison approach is usually emphasized in the valuation of single-unit residential properties. However, this approach may not be applicable to specialized properties such as garbage disposal plants because comparable data may not be available. The income capitalization approach is used to value most income producing properties, but it can be particularly unreliable in the market for commercial or industrial property where owner-occupants outbid investors. The income capitalization approach is not typically applied in valuing homes. The cost approach may be more applicable to new and special-purpose properties and less applicable in valuing properties with older improvements that suffer substantial depreciation, which can be difficult to estimate. Appraisers should apply all the approaches that are applicable and for which there is data. The alternative value indications derived can either support or refute one another.

When all three approaches have been used, the appraiser examines the three, separate indications. The relative dependability and applicability of each approach are considered in reconciling the value indications into a final estimate of value. In the reconciliation section of the report, the appraiser can explain variations among the indications produced by the different approaches and account for any inconsistencies between the value conclusions and methods applied.

8.2 Cost Approach

In the cost approach, the cost to develop a property is compared with the value of the existing property or a similarly developed property. When applicable, the cost approach reflects the thinking of market participants by recognizing that market participants sometimes relate value to cost. Market participants tend to judge the value of an existing structure by considering the prices of and incomes from similar assets and the cost to create a new building with comparable physical conditions and functional utility. Market participants adjust the prices they are willing to buy, sell or rent by estimating the costs to bring an existing structure up to the physical condition and functional utility they desire.

Cost Approach: A set of procedures through which a value indication is derived for the fee simple estate by estimating the current cost to construct a reproduction of (or replacement for) the existing structure, including an entrepreneurial incentive or profit; deducting depreciation from the total cost; and adding the estimated land value. Adjustments may then be made to the indicated value of the fee simple estate in the subject property to reflect the value of the property interest being appraised.

8.3 Sales Comparison Approach

The sales comparison approach is based on the principle of substitution, which states that buyers and sellers will not pay more for or sell for less than, respectively, what other similar properties sell for. The sales comparison approach is the process by which a market value estimate is derived by analyzing the sales of similar property and comparing these properties to the appraised property. Often property characteristics that differ between a subject property and comparable sales properties are analyzed in the sales comparison approach to determine the adjustments to be made to the prices of comparable property. The comparative techniques of analysis applied in the sales comparison approach are fundamental to the valuation process and are used in the other approaches as well.

Sales Comparison Approach: “The process of deriving a value indication for the subject property by comparing sales of similar properties to the property being appraised, identifying appropriate units of comparison, and making adjustments to the sale prices (or unit prices, as appropriate) of the comparable properties based on relevant, market derived elements of comparison. The sales comparison approach may be used to value improved properties, vacant land, or land being considered as though vacant when an adequate supply of comparable sales is available.”

8.4 Income Approach

The income capitalization approach is based on the principle of anticipation, which means that market participants desire property for their future benefits. For a property that generates income, the value of the property is derived from the anticipation of receiving the income.

Income Capitalization Approach: “Specific appraisal techniques applied to develop a value indication for a property based on its earning capability and calculated by the capitalization of property income.” The direct capitalization and yield capitalization or discounted cash flow (DCF) analysis fall under the income approach.

8.5 Reconciliation

The last phase of any valuation assignment in which two or more value indications are concluded is the reconciliation phase. In this phase, the various value indications are reconciled into a final value opinion, which may be either a final range of value or a single point estimate. Additionally, a reconciliation process may be needed at end of various appraisal analyses when a conclusion is needed from among more than one indication. For example, an appraisal may include a rental comparison analysis and various rental market surveys and averages. The appraiser may need to reconcile the comparison analysis with the surveys and averages to conclude a market rent which will be part of the formal income approach.

8.6 Approaches Applied in this Appraisal

In conformity with market forces and appraisal doctrine, we have attempted to employ the three traditional approaches to value: sales comparison, income, and cost approaches to estimate the market value of the Subject.

8.6.1 Unit Rule and Adjustments

Uniform Appraisal Standards for Federal Land Acquisitions (UASFLA Yellowbook) requires a determination and analysis of the larger parcel. The Subject will be a full taking of the fee simple interest. The Subject operates as its own economic unit and is therefore the larger parcel.

8.6.2 The Improved Property Sales Comparison Approach – Employed

The sales comparison approach is considered a reliable approach for appraising improved properties, in this market area and time. It is the traditional and customary approach to appraise improved properties, such as warehouse/industrial properties. Adequate reliable sales comparison data could be found, which credible and appropriate value conclusion could be made.

8.6.3 The Cost Approach – Not employed

After considering the cost approach we did not employ the cost approach in this Appraisal as it would not yield a reliable indication of value for this asset type at this time. The cost approach is typically not completed and relied upon in this market for this asset type. The issues with the cost methodology for this asset currently include difficulties estimating cost new, land value, physical depreciation, functional obsolescence and/or economic obsolescence.

8.6.4 The Income Approach - Not employed

The income approach is not considered a reliable approach for appraising this kind of asset, in this market area and time. Adequate reliable income and expense data could not be found, without which credible and appropriate value conclusion could not be made. The income approach is typically not completed and relied upon in this market for this asset type. After full consideration, we did not employ the income approach.

9 Improved Property Sales Comparison Approach

9.1 Introduction

The sales comparison approach is a traditional appraisal technique that is most useful when a number of similar assets have been sold in the market, and when details on those assets and sale transactions are publicly available for analysis. This approach arrives at an estimate of value for a subject property by comparing the sale price of similar (comparable) assets. This is a classic example of the principle of substitution. When a purchaser could acquire a number of competing properties with similar utility and desirability, the purchaser will not choose to pay more to acquire the subject than the reasonable market value of a substitute property. Likewise, the seller of a property will understandably not accept an offer below the sale price obtained for similar properties.

Research for comparable assets that have sold rarely yields transactions that are identical to the subject property in all major value-impacting categories. For those sales not perfectly similar to the subject property, common, and standard appraisal practice requires a reconciliation of the differences between the major value-impacting characteristics of the subject property and those of the comparables. This reconciliation is known as the adjustment process.

9.2 Transaction/Comparable Data Universe

We have researched the market area for sales of properties with characteristics similar to the Subject. The search included a search of the sales databases such as CoStar, LoopNet, the local Multiple Listing Service, assessor's records, market participants and other sources.

The best sales comparables must be arms-length, recent, and similar to the subject in terms of physical, economic and locational characteristics. An important qualification of each comparable sale was the level of supporting data that is publicly available. It is common for a significant number of transactions to be excluded from the sales comparison approach. Common disqualifiers include a lack of supporting data and partial interest differences or being outside the geographic market area or being sales that date back to different market periods.

The sales are compared to the subject, and adjustments are applied for dissimilarities. Adjustments are made for differences, which include legal conditions of sale, the change in market conditions, location, quality, condition, size, zoning, and development potential, among other items. A "pairing process" is applied when practical to estimate the adjustments. The "pairing process" isolates the characteristic (dissimilarity) for which an adjustment is to be derived by comparing two sales, which are similar in all respects except for which an adjustment is to be derived. The "pairing process" is employed to extract objectively the appropriate adjustments directly from the marketplace. However, this method is not always reliable due to the difficulty in isolating a specific dissimilarity and because the other value differences may offset or compound the apparent adjustment indicated. Another method to estimate adjustments is to appeal to demographics and economic trends. For example, appraisers sometimes base time adjustments for office building sales on the trends in office space rental rates, and sometimes base location adjustments for commercial property on differences in rental rates in different locations. Consequently, we have augmented the paired sales analysis with our professional experience and reasoned judgment, supported, when possible, with other data, observations, and analysis.

9.3 Comparable Properties

We selected several recent sale transactions as the basis of comparison. The primary details on each of the comparables are show in Figure 9-3, Improved Property Sales Adjustment Grid, on page 36. Details of the comparable properties are found in Appendix Improved Property Sales Information.

9.4 Comparable Sales

Transactions chosen for inclusion and comparison in our analysis provided the best opportunity to make adjustments that would be critical to the Sales Comparison technique. Although it is difficult to make adjustments for all factors unique to each transaction, a discussion of the various types of adjustments considered for comparable sales analyses is included in our report.

9.5 Sales Comparison Adjustments

A comparable property must be a bona fide sale, recent, and similar to the Subject in terms of legal, economic, and physical characteristics. Physical characteristics include facility design and type, size, expected utility and production levels, efficiency rates, condition, and age, super adequacy, functional utility, quality, and remaining life. Legal and economic characteristics include terms of any contracts, income and expense rates, location, and market specifics. Adjustments fall into the following general categories, but numerous subcategories may exist and be useful: Property rights conveyed; Non-taxable realty/personal components of overall value; Financing terms; Conditions of sale; Market conditions; Physical characteristics; Location; Economic characteristics; and Use and utility.

9.5.1 Properties Rights Conveyed

A transaction price is always predicated on the interests conveyed. In determining the market value of the tangible assets at an asset, it is necessary to look at each comparable sale to determine the bundle of property rights, which of these rights have been conveyed, whether the individual rights in the bundle relate to real property, and whether the sale price includes real, business and/or personal property.

We noted no property rights issues that required adjustments.

9.5.2 Financing Terms

This adjustment, more commonly known as the cash equivalency adjustment, is a procedure whereby sale prices for comparable properties with atypical financing terms are adjusted to reflect cash settlements with more common, market-typical, financing terms. If the sales were assumed to be in cash to the seller, then no adjustment for cash equivalency would be required. If adjustments were necessary, they would probably be negative since special financing usually adds to the value of the comparable.

All of the sales are believed to be sales involving cash to the seller and required no adjustment for cash equivalency.

9.5.3 Conditions of Sale

This adjustment usually reflects the motivation of a buyer and seller and is required when a sale is considered to be non-arm's length. Most commonly this adjustment is needed when either the buyer or seller is under duress to transact quickly. As with financing terms, any divergence in the conditions of a sale is most likely to be considered in investment and business value analyses.

Our research indicates no evidence that the comparable sales are not arm's length transactions or that either the buyers nor the sellers were under duress. Additionally, our research indicates no evidence that any comparable was not available on the open market for an adequate period prior to sale. Furthermore, we have no evidence that any of the comparables were initiated by bankruptcies or liquidation proceedings that cause duress. All the comparable sales were considered arm's length transactions and no unusual motivations were observed except for Sale Two. It was reported during the verification process that the seller's financing impacted the conditions of the sale. Therefore, a negative adjustment has been reflected in our grid.

9.5.4 Market Conditions (Date of Sale or Time Adjustment)

Market condition adjustments reflect changes in value over time due to fluctuations in the balance of supply, demand, and inflation.

To account for these differences, adjustments were made from the date of sale of each comparable, at a rate of +0.71% per month, or 8.50 percent annually.

This market conditions adjustment was derived from information found on Zillow Home Value Indexes, as shown in Figure 9-1 .

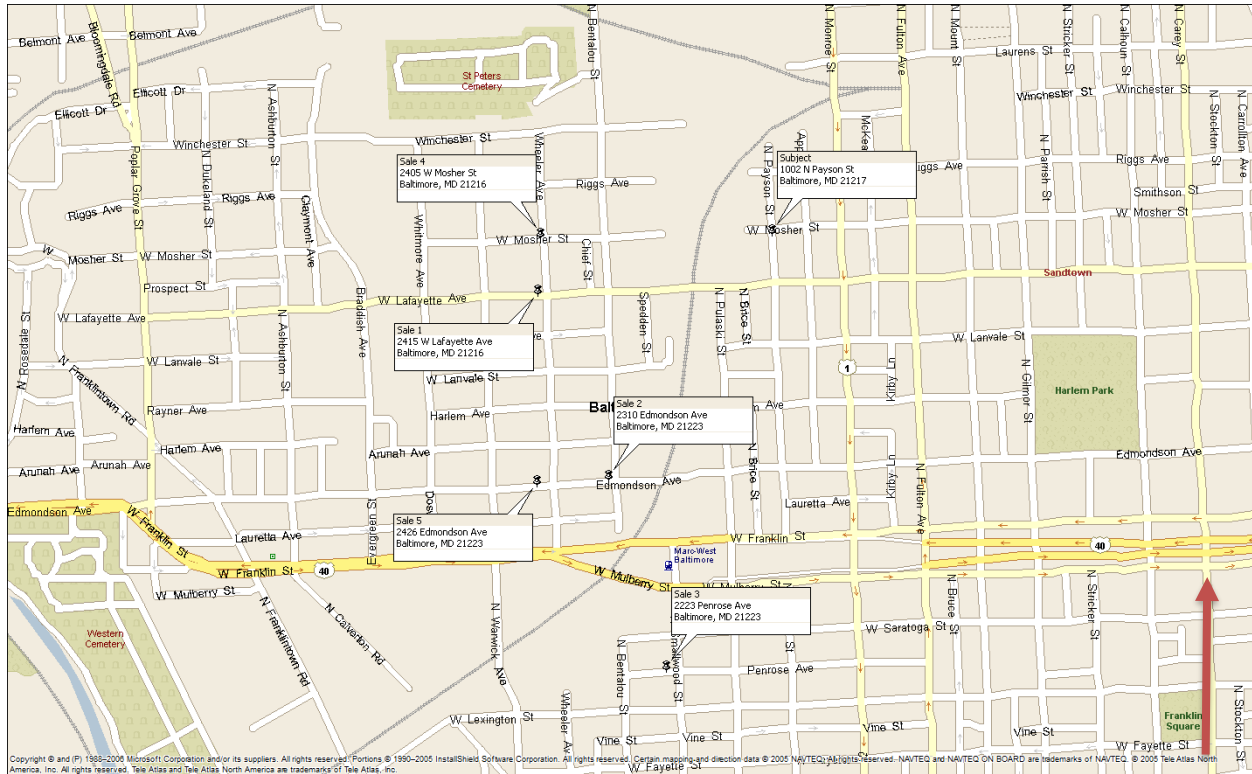
Figure 9-1, Zillow Home Value Index

Zillow Home Value Index							
Baltimore, MD - Single Family Homes							
Year	Month	Home Value Index	Percent Change	Year	Month	Home Value Index	Percent Change
2019	January	\$167,000		2021	January	\$181,000	0.6%
	February	\$169,000	1.2%		February	\$184,000	1.7%
	March	\$170,000	0.6%		March	\$187,000	1.6%
	April	\$170,000	0.0%		April	\$190,000	1.6%
	May	\$169,000	-0.6%		May	\$193,000	1.6%
	June	\$169,000	0.0%		June	\$197,000	2.1%
	July	\$170,000	0.6%		July	\$200,000	1.5%
	August	\$170,000	0.0%		August	\$202,000	1.0%
	September	\$168,000	-1.2%		September	\$204,000	1.0%
	October	\$166,000	-1.2%		October	\$204,000	0.0%
	November	\$165,000	-0.6%		November	\$205,000	0.5%
	December	\$166,000	0.6%		December	\$207,000	1.0%
2020	January	\$167,000	0.6%	2022	January	\$212,000	2.4%
	February	\$168,000	0.6%		February	\$216,000	1.9%
	March	\$169,000	0.6%			Average Change per Month	0.33%
	April	\$170,000	0.6%			Average Change per Year	3.95%
	May	\$170,000	0.0%			Concluded Annual Change	8.50%
	June	\$171,000	0.6%				
	July	\$171,000	0.0%				
	August	\$173,000	1.2%				
	September	\$174,000	0.6%				
	October	\$177,000	1.7%				
	November	\$178,000	0.6%				
	December	\$180,000	1.1%				

9.5.5 Location

The comparables are mapped in the following figure.

Figure 9-1, Comparable Improved Property Sales Map



Adjustments for location are necessary when the locational characteristics of a comparable property are different from those of the subject. Demand for other properties in some locations is higher because of the higher desire for that location.

We have adjusted for location where needed in our Adjustment Grid.

9.5.6 Physical Characteristics

Adjustments for physical characteristics are typically made for design, type, size, expected utility and production levels, condition, age, super adequacy, functional utility, and remaining life. Adjustments for facility condition, super adequacy, and functional utility are subject to depreciation. Because many physical characteristics of the facilities included in comparable sales are not released as public information, adjustments are based on the appraiser's judgement, or these factors could not be adjusted for.

9.5.6.1 Age/Condition

As assets age they lose value. However sometimes renovations and repairs, or the lack thereof, can disconnect the actual age from the asset's effective age. This is relative to the condition of other competing assets in the market area.

We have adjusted for age and condition in our Adjustment Grid where needed.

9.5.7 Quality/Design/Appeal

Quality addresses the materials and workmanship of the construction, the design, the functionality, and layout of the comparables and Subject. Quality, like the other general category of adjustments, can be broken down into smaller subcategories, which we have done where appropriate. Additionally, quality addresses the functionality of the Subject and the comparables.

We have adjusted for quality in our Adjustment Grid where needed. See our Adjustment Grid for details on the category differences between the Subject and each comparable, and for the rate of adjustment.

9.5.7.1 Site Views/Appeal

Residential property values often have different site views and appeal to them depending on the surrounding neighborhood and environment.

We have adjusted for site views/appeal when necessary. See our Adjustment Grid for details on the category differences between the Subject and each comparable, and for the rate of adjustment.

9.5.7.2 Bedrooms/Bathrooms/Below Grade Area/Finish

A primary driver of value for residential properties is the number of bedrooms and bathrooms it has. Below grade (basement) space and finishes also contribute to the desirability and functionality of the property.

We have adjusted for these factors when necessary. See our Adjustment Grid for details on the category differences between the Subject and each comparable, and for the rate of adjustment.

9.5.8 Gross Living Area (Size, SF)

Typically, buyers pay premiums, on a dollar per square foot basis, for smaller properties relative to larger ones partly because the total investment is lower, and there are more buyers competing for the smaller properties. This is the result of the increased competition for the minimum resource desired. For example, many people want homes, and more of these buyers can afford smaller homes than larger ones. For these types of assets, as the size increases the value on a dollar per unit of comparison basis decreases. This is the most common condition of markets. Conversely, some assets become more efficient with size, and thus they have greater value than smaller assets of the same type, because of their reduced operating costs express on a dollar per unit of comparison.

This phenomenon follows a curve; as the size changes from one unit of measure to next, the incremental rate of change in value changes and can be plotted along an exponentially curved line. For this appraisal we have employed the following formula to compute the size adjustment: $\{[(\text{Subject size divided by comparable size}) \text{ to the exponential of } 0.1] \text{ minus } 1\}$ multiplied by -1 . Additionally, we have set a floor on the size of the negative adjustment at -35% . See our Adjustment Grid for details on the differences between the Subject and each comparable, and for the adjustment.

9.5.8.1 Storage/Decks, Patios, Porches/Garage

Additional amenities of residential properties such as additional storage space, enclosed patios, garage and parking spaces all affect the desirability and functionality of a property.

We have adjusted for these factors when necessary. See our Adjustment Grid for details on the category differences between the Subject and each comparable, and for the rate of adjustment.

9.6 Sales Adjustment Grids

The primary details on each comparables are show in the Figure 9-3, Improved Property Sales Adjustment Grid, on page 36. Details of the comparable properties are found in Appendix Improved Property Sales Information.

Figure 9-3, Improved Property Sales Adjustment Grid

	Subject	Comp 1		Comp 2		Comp 3		Comp 4		Comp 5	
Address	1002 N Payson St	2415 W Lafayette Ave		2310 Edmondson Ave		2223 Penrose Ave		2405 W Mosher St		2426 Edmondson Ave	
Town	Baltimore, MD	Baltimore, MD		Baltimore, MD		Baltimore, MD		Baltimore, MD		Baltimore, MD	
Property Data											
Proximity To Subject (Miles)		0.4		0.6		0.8		0.5		0.7	
Data Source/Verification	Title Search	Bright MLS		Bright MLS		Bright MLS		Bright MLS		Bright MLS	
Closing Date	Jun-2022	May-2022		Apr-2022		Apr-2022		Apr-2022		Apr-2022	
Original List Price		\$135,000		\$99,000		\$69,000		\$130,000		\$120,000	
Sale Price (Active List Price)		\$90,000		\$125,000		\$69,000		\$105,000		\$120,000	
Unadjusted \$ / SF of GLA			\$49		\$71		\$53		\$88		\$75
Sale Price % of Original List			66.7%		126%		100%		81%		100%
	<u>Description</u>	<u>Description</u>	<u>Adjustment</u>	<u>Description</u>	<u>Adjustment</u>	<u>Description</u>	<u>Adjustment</u>	<u>Description</u>	<u>Adjustment</u>	<u>Description</u>	<u>Adjustment</u>
Type	SFH (Row Home)	SFH (Row Home)		SFH (Row Home)		SFH (Row Home)		SFH (Row Home)		SFH (Row Home)	
Interest Conveyed	Fee Simple	Fee Simple		Fee Simple		Fee Simple		Fee Simple		Fee Simple	
Monthly Maintenance/HOA Fee	\$0		\$0		\$0		\$0		\$0		\$0
Market Conditions			\$592		\$1,212		\$669		\$1,018		\$1,164
Location	Average	Average	\$0	Average	\$0	Average	\$0	Average	\$0	Average	\$0
Site Views/Appeal	Average	Average+	-\$5,000	Average+	-\$5,000	Average+	-\$5,000	Average+	-\$5,000	Average+	-\$5,000
Quality/Design and Appeal	Average	Average	\$0	Average	\$0	Average	\$0	Average	\$0	Average	\$0
Year Built	1920	1927	\$0	1909	\$0	1925	\$0	1927	\$0	1925	\$0
Condition	Average	Average	\$0	Average+	-\$10,000	Average	\$0	Average	\$0	Average+	-\$10,000
Bedrooms	3	3	\$0	3	\$0	3	\$0	3	\$0	3	\$0
Baths	1	2	-\$5,000	1.5	-\$5,000	1.5	-\$5,000	1.5	-\$5,000	1.5	-\$5,000
Gross Living Area (SF)	1,290	1,836	-\$2,676	1,770	-\$3,390	1,290	\$0	1,200	\$788	1,610	-\$2,385
Below Grade Area	645	870	\$0	978	\$0	630	\$0	600	\$0	805	\$0
Below Grade Finish	0	360	-\$2,000	0	\$0	300	\$0	300	\$0	0	\$0
Functional Utility	Average	Average	\$0	Average	\$0	Average	\$0	Average	\$0	Average	\$0
Storage	Basement	Basement	\$0	Basement	\$0	Basement	\$0	Basement	\$0	Basement	\$0
Decks/Patio/Porches	None	Porch	-\$1,000	Porch	-\$1,000	Porch	-\$1,000	Porch	-\$1,000	N/A	\$0
Garage	N/A	Detached Garage	-\$1,500	Street Parking	\$0	Street Parking	\$0	Street Parking	\$0	Street Parking	\$0
Net Adjustments (total)	-		-\$16,585		-\$23,178		-\$10,331		-\$9,194		-\$21,221
Gross Adjustments			\$5,768		\$16,822		\$9,669		\$9,231		\$18,779
Adjusted Sale Price			\$73,415		\$101,822		\$58,669		\$95,806		\$98,779
Adjusted Sale Price PSF			\$40		\$58		\$45		\$80		\$61

Figure 9-4, Price Statistics

	Min	Max	Range	Average	Median
Unadjusted Price	\$69,000	\$125,000	\$56,000	\$101,800	\$105,000
Adjusted Price	\$58,669	\$101,822	\$43,153	\$85,698	\$95,806
Unadjusted Price Per SF	\$49	\$88	\$38	\$67	\$71
Adjusted Price Per SF	\$40	\$80	\$40	\$57	\$58

9.7 Sales Comparison Approach Conclusions

Based on the sales comparison analysis, the indicated value of the improved property is as follows.

Figure 9-5, Improved Property Value, via Sales Approach
\$73,800

10 Reconciliation and Final Value Conclusion

There are two considerations one must weigh when applying various approaches to value. First, appraisers should use those approaches commonly utilized by market participants (the buyers and sellers of power plants). Appropriateness, accuracy, and quantity of evidence are the criteria with which an appraiser forms a meaningful, defensible final value estimate.

Second, the inadequate or insufficient supply of market or subject data within a sub-market, or within a particular time frame, may necessitate the exclusion of approaches commonly employed in the larger market or at different points in time.

“In the final reconciliation, an appraiser reconsiders the entire appraisal, making sure that the data available and the analytical techniques and logic applied have led to consistent judgments. The appraiser checks the data to ensure that it is verified, applicable to the assignment, and sufficient to support a credible opinion of value. The value definition, the identified property rights, and the qualifying conditions imposed are carefully reconsidered to make sure that the procedures used in the analysis specifically address each of these items. The appraiser examines the differences in the conclusions derived from the various approaches, applies tests of reasonableness to these primary conclusions, and resolves any inconsistencies.”

10.1 The Improved Property Sales Comparison Approach – Employed

The sales comparison approach is considered a reliable approach for appraising this kind of asset, in this market area and time, and is commonly employed. The sales comparison approach was constructed in the customary fashion based on appropriately comparable assets. We successfully employed the sales comparison approach.

The sales comparison approach is considered a reliable approach for appraising this kind of asset, in this market area and time. Adequate reliable comparable sales could be found. The sales approach is typically completed and relied upon in this market for this asset type. After full consideration, we did employ the sales comparison approach.

Figure 10-1, Improved Property Value, As-Is, via Sales Approach

\$73,800

10.2 Final Conclusions of Market Value

We have reconciled with the sales approach for this Appraisal. The sales approach is typically used by appraisers to value residential properties.

Our final value conclusions are seen in the following figure:

Figure 10-2, Final Conclusion of Overall Market Value

\$73,800

11 Certification

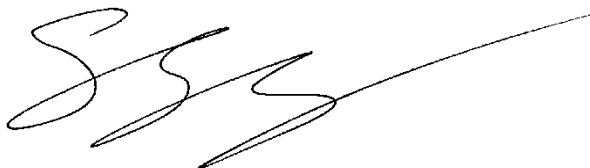
I certify that, to the best of my knowledge and belief:

1. The statements of fact contained in this Report are true and correct. Commensurate with the intended use of the Report, its type, definition and premise of value, and its scope of services, professional efforts have been made to verify such statements of facts.
2. The reported analyses, opinions, and conclusions contained herein are limited only by the assumptions and conditions reported in this Report, and are the undersigned's personal, impartial, and unbiased professional analyses, opinions and conclusions. The undersigned have no present or future interest in the asset(s) that is(are) the subject of this Report, and the undersigned have no personal interest with respect to the parties involved. The undersigned have no bias with respect to the asset(s) that is(are) subject of this Report, or to the parties and issues involved.
3. The undersigned's engagement in this Report was not contingent upon developing or reporting predetermined results. The undersigned's compensation for this Report 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 Report.
4. The reported analyses, opinions, and conclusions were developed, and this Report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice ("USPAP") of the Appraisal Foundation. USPAP requires that appraisal services be prepared specifically for their individualized intended use, type, definition and premise of value, and scope of services. The reported analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute, and the Principles of Appraisal Practice and Code of Ethics of the American Society of Appraisers. When applicable, the reported analyses, opinions, and conclusions were developed, and this Report has been prepared in conformity with ethics and standards of the International Valuation Standards, and the Uniform Appraisal Standards for Federal Land Acquisition ("Yellow Book"). The use of this Report is subject to the requirements of the Appraisal Institute, and American Society of Appraisers, relating to review by their respective duly authorized representatives.
5. This Report may rely upon the non-appraisal professional assistance, documents, reports and opinions from or of other professionals, such as engineers, accountants, attorneys, architects and economists. The undersigned believe that it is reasonable to rely on their professional assistance, documents, reports and opinions from or of the other professionals. Given the intended use of this Report, its type, definition and premise of value, and its scope of services, professional efforts have been made to confirm that it is reasonable to rely on such professional assistance, documents, reports and opinions. The efforts may be described elsewhere in this Report. The undersigned do not guarantee or certify the assistance, documents, report or opinions provided by the other professionals, unless they are listed below in item 9 of this certification.
6. As of the date of this Report, Mark Pomykacz, MAI, AI-GRS, ASA has completed the requirements of the continuing education program of the Appraisal Institute, and the American Society of Appraisers. As of the date of this Report, Katherine Tantanin, MAI has completed the requirements of the continuing education program of the Appraisal Institute.
7. The undersigned has not performed appraisal services on, and has not provided any other type of services regarding, the asset that is the subject of this Report, within the last 3 years.
8. The Subject of this Report was inspected on June 30, 2022. The following individuals personally inspected the asset: Mark Pomykacz. USPAP does not require a personal inspection by the appraiser. UASFLA does require a personal inspection by the appraiser.
9. No one provided significant appraisal assistance to undersigned
10. The value conclusions are presented in the following figure.

Figure 11-1, Value Conclusion as of Effective Date June 30, 2022

\$73,800

Certified by:



Mark Pomykacz, MAI, AI-GRS, ASA
 Managing Partner
 State Certified General Real Estate Appraiser
 Maryland 10807



Katherine Tantanin, MAI
 Senior Manager
 State Certified General Real Estate Appraiser
 Maryland 34618

State	License number
Connecticut	RCG 00010448
New Hampshire	NHCG-1064
Virginia	4001017013
California	AG043987
Massachusetts	103483
Minnesota	40620869
Florida	RZ3225
Pennsylvania	GA001700R
Michigan	1201069583
Maryland	10807
Illinois	553.001871
Texas	TX 1380478 G
New York	46000000871
New Jersey	42RG00144500
Vermont	080.013424
Rhode Island	CCA.0020110
Iowa	CG03849
Washington DC	GA40000004
Colorado	CG200002994
Maine	CG3503
New Mexico	TP-5194
Ohio	202100667
Louisiana	G4888
Arizona	CGA-1034162
Virginia	4001018173
Tennessee	6164
as of	6/27/2022

This certification was last updated January 11, 2021.

12 General Appraisal Assumptions and Limiting Conditions

This Report and the services provided are subject to the following general assumptions, disclaimers and limiting conditions. Other assumptions, disclaimers and limiting condition may be included at other locations in this Report.

In this section, the term Report or Study or Services can mean study, appraisal, research or analysis and any report or work product, services or deliverable about the study, appraisal, research, services or analysis. Further, the term "Federal" means Federal Appraisal, LLC and its employees(s), consultant(s), appraiser(s), and service provider(s).

Information and Data Sources

1. **Confidentiality.** It is understood and agreed that Federal's Services will be provided in accordance with the requirements of USPAP of the Appraisal Foundation, and the Services will comply with the Appraisal Institute's Code of Professional Ethics and Standards of Professional Practice and with The American Society of Appraisers' Principles of Appraisal Practice and Code of Ethics. These standards include confidentiality standards.
2. **Cooperation** Client shall cooperate with Federal in the performance by Federal of its Services, including, without limitation, providing Federal with reasonable facilities and timely access to data, information and personnel, and agents and representatives of Client. Client shall be responsible for the performance of its employees and agents and for the accuracy and completeness of all data and information provided to Federal for purposes of the performance by Federal of its Services.
3. **Client Representations.** The Client furnished or caused to be furnish to Federal such historical and other information as Federal may have requested. The Client recognizes and confirms that (a) Federal will use and rely on such information and on information available from generally recognized public sources (all such information being the "Information") in performing the Services without Federal having independently verified the same; (b) Federal does not assume responsibility for the accuracy or completeness of the Information; and (c) Federal will not make an appraisal of or conduct an audit of or otherwise provide any opinion, report, or other form of assurance with respect to such Information. In addition to providing required information, the Client will be responsible for providing historical and prospective financial statements and for providing information about and responding to document requests on a timely basis. Additionally, Federal may request and the Client agrees to supply a representation letter, in form and substance satisfactory to Federal which, among other things, confirming the Client's responsibility for the historical financial statements and for the underlying assumptions used in connection with any pro forma cash flows, the appropriateness of the prospective financial statements that the Client has prepared, and their active decision-making participation in the Service and the use of the Service.
4. The information on the financial, legal, and physical condition of the subject property or assets provided by the Client, the subject owner, or others, directly to Federal or to the public through various public disclosure methods is assumed to be reliable.
5. Other materials and information obtained from various professionally appropriate public and private sources are assumed to be reliable.
6. The information contained within this study was obtained from sources deemed to be reliable. Reasonable efforts, given the purpose, intended use, and scope of this study and work product, and the type, definition, and premise of value have been made to verify such information as reliable. However, no warranty or certification by Federal is given as to its reliability.
7. If substantive issues are later discovered in reports, documents, information, or data relied upon, then the reported opinions in this study may need to be revised accordingly.
8. Federal regularly utilizes numerous texts, manuals, documents, reports, and articles that are commonly utilized by its appraisal peers for services like those provided herein. Federal may not include all the references to these utilized sources within the Report or in the work file for the Report. These references may include:

The Appraisal of Real Estate, published by the Appraisal Institute
 The Dictionary of Real Estate Appraisal, published by the Appraisal Institute
 Valuing a Business, Pratt, Reilly, Schweih, published by McGraw Hill
 Cost of Capital, Pratt, Grabowski, published by Wiley
 Uniform Standards of Professional Appraisal Practice
 Marshall Valuation Service, Marshall & Swift
 CoStar Realty Information, various reports
 PWC Investor Survey (Korpacz)
 Energy Information Agency, various reports
 Federal Reserve, various reports
 Bureau of Labor Statistics, various reports
 Google Earth Pro
 IBIS World, various reports
 Site to Do Business (STDB), various reports
 Duff & Phelps Cost of Capital
 Garden State Multiple Listing Service (GSMLS)

Property Specific Assumptions, Disclaimers and Limiting Conditions

9. Federal does not provide legal, accounting, audit, engineering, architectural or environmental sciences services. Federal assumes no responsibility for matters of a legal nature, matters of title, matters of audit, matters of engineering, matters of environmental science, or matters of architecture. All legal, engineering, architectural, environment, accounting and financial information provided to and utilized by Federal is assumed to be reliable.
10. It is assumed that the title to the studied interest is marketable. It is assumed that there are no deed restrictions or other limitation on title that would make the Subject substantially more or less valuable, other than those that are specifically noted in this study. It is assumed that the legal descriptions as obtained from public records or as furnished are reliable. Federal has made no land survey and has completed no title search or report of the Subject. It is assumed that there are no issues concerning subsurface, water, mineral rights, air rights, or transferable development rights that would make the Subject substantially more or less valuable. It is assumed that there are no judgements, or pending or future litigation concerning the Subject.
11. Federal assumes that there are no hidden or unapparent conditions at the Subject land and/or improvements which would render the Subject more or less valuable. Federal assumes no responsibility for such conditions, or for engineering, environmental, legal, or architectural counseling which

might be required to discover such conditions. We assume that there are no ADA issues sufficient to render the Subject significantly more or less valuable.

12. Competent and responsible management and ownership are assumed.
13. It is assumed that there are no zoning or building code issues, or other federal, state or local regulation compliance issues concerning the Subject that would significantly increase or decrease the value of the interest being appraised, unless noted in this study.
14. Since Federal is not an engineering or architectural firm, Federal makes no representation as to quality, functionality, condition, limitations or size of the Subject, except that 1) Federal has relied upon what has been reported as the best available data where said data was provided by others to Federal who Federal believes to be an appropriate source of said data given the specific purpose, intended use, and scope of work in this study, and the type, definition and premise of value used in this study, and 2) if a visual inspection was conducted by Federal, then Federal has relied upon the visual inspection. Given the inherent limitations of Federal's visual inspection, if conducted, it is possible that important issues at the Subject may not be uncovered. Federal's visual inspection of the Subject is not an engineering, architectural, or environmental inspection, does not test building operations, and does not cover 100 percent of the building(s), machinery and equipment, or the site. Federal's visual inspection of the Subject, instead, samples the major components of the Asset.
15. This study assumes the Subject suffers no environmental or hazard issues, and that there are no contamination or health risks existing at or near the Subject.
16. If substantive issues are later discovered in any of the data relied upon, then the reported opinions in this study may need to be revised accordingly.
17. Client agrees that Client has reviewed these Appraisal Conditions upon receipt of the report and that Client's use of the appraisal constitutes acceptance of these Appraisal Conditions.

Publication, Distribution, Use of Study

18. The opinions proffered in this study are as of a specific date, for a specific client and users, a specific purpose and intended use, under a specific, limiting scope of work, and made under specific assumptions, disclaimers, limiting conditions, and certifications. Using the opinions proffered herein for any other use or purpose is unwise, inappropriate, and is prohibited unless authorized by Federal. The Client agrees that
 - a. The Client and other intended users are both explicitly named herein. The Client and the other intended users are the only parties to whom the appraisers and Federal Appraisal LLC have a professional responsibility to. The appraisers and Federal Appraisal LLC offer and assume no professional responsibility to any third parties that the Client and the other intended users may choose to provide copies of our report to.
 - b. Any advice or recommendations, written or oral, provided by Federal in connection with this engagement is exclusively for the Client and any intended users specifically named by Federal, and may not be disclosed to or relied upon by any third party (other than the Client's legal and tax counsel for the Client's stated purpose and use) without Federal's prior written consent;
 - c. Client will not refer to Federal by name or their services in any written materials relating to the Asset, including without limitation, any publicly filed documents without their prior written consent for each requested use or reference; and
 - d. Neither all nor part of the contents of this study, or copy thereof, shall be conveyed to the public through such forms or methods such as, but not limited to, advertising, public relations, news, sales, or any other media without prior written consent of Federal.
 - e. Nor shall Federal, or any professional organization of which Federal are a member or candidate, be identified without the prior written consent of Federal.
 - f. This study may not be utilized in any present or proposed, public or private syndication or public offering of any of the interests in the Subject unless prior written agreement has been obtained from Federal.
 - g. This study is intended to be utilized as a whole and may not be used in parts.
19. Possession of this study, or a copy thereof, does not give the holder the right of publication.
20. Disclosure of the contents of this study by Federal is governed by the orders, laws, by-laws and regulations of courts, state appraisal regulatory bodies, the Appraisal Institute and the American Society of Appraisers. Federal is authorized by the Client to disclose all or portions of this study and work files to authorized representatives of state appraisal regulatory bodies, the Appraisal Institute, the American Society of Appraisers, if such disclosure is required to enable Federal to comply with their respective by-laws and regulations now or hereafter in effect, or as may otherwise be required to be disclosed by Court Order or governing laws, rules and/or regulations.
21. Federal is not required to give testimony about this study or to provide other services to the Client concerning the Subject without agreement between the parties for compensation to Federal.

Study Analysis Type and Format Conditions

22. This study has been prepared in accordance with the requirements of USPAP of the Appraisal Foundation, the Appraisal Institute, and the American Society of Appraisers. Jurisdictional exceptions do apply. We have made a jurisdictional exception of not providing an opinion to exposure time, as directed by UASFLA (Yellowbook) regulations. This study will comply with and be subject to the Appraisal Institute's Code of Professional Ethics and Standards of Professional Practice and with The American Society of Appraisers' Principles of Appraisal Practice and Code of Ethics. The jurisdictional exception of not offering an opinion of exposure time has been taken.
23. Federal has determined the scope of work for this study based on its discussions with the Client, and their reported needs, their reported purpose and intended use of the study. The scope of the study is limited to the work necessary to provide for the Client's purpose and use of the study, and as such this study is not recommended for any other use.
24. USPAP of the Appraisal Foundation prescribes 2 types of appraisal reports, "Appraisal Reports", and Restricted Appraisal Reports. A Restricted Appraisal Report may be provided when the Client is the only intended user, or when additional intended users are identified by name, and not by types or categories. Federal intends that the use of all its reports is limited to the Client and intended users. When reports are restricted, Federal need not provide as extensive reporting that may be found in Appraisal Reports. The use of Restricted Appraisal Reports is limited to the Client and the named intended user(s). Federal warns that Restricted Appraisal Reports may not contain supporting rationale for all opinions and conclusions set forth in the Restricted Appraisal Reports.

Limit of Liability

25. Federal warrants that it has performed the services hereunder in good faith and in a professional appraisal manner. Federal disclaims all other warranties, either express or implied, including and without limitation: warranties of merchantability and fitness for a particular purpose.
26. Federal's aggregate share of liability to the Client and any third parties shall not exceed the total fees collected for the portion of the Proposed Services giving rise to such liability.
27. Any forecasts of income and expenses in this study are not predictions of the future and are created for valuation purposes. No representation is made that the model will coincide with actual future events. There will usually be differences between the forecasts and actual results because events and circumstances frequently do not occur as expected, and those differences may be material.
28. It is understood and agreed that Client and Federal are independent of the other and that neither is, nor shall be considered, an agent, distributor, or representative of the other. Neither party shall act or represent itself, directly or by implication, as an agent of the other or in any manner assume or create any obligation on behalf of, or in the name of, the other. Client acknowledges that the full independence and authority of Federal will be maintained throughout this engagement and that no assurances or guarantees of a value estimate or consulting recommendation have been made or are a condition of this engagement.
29. In providing this service, Federal establishes, and the Client understands and agrees, that Federal assumes no responsibility for the risks and rewards of the Client's and user's decisions based on, or results that are consequential to, the use of this study.
30. The Client will indemnify and hold harmless Federal and its appraisers and personnel from all claims, liabilities, losses, costs, demands, and reasonable expenses, such as reasonable legal fees and management and administrative costs relating to this engagement, except to the extent finally judicially determined to have resulted from the bad faith or intentional misconduct of Federal.

Statements of Qualifications and Personal Histories

31. Any statements of qualifications, resumes, personal, and/or company histories are presented in summary for marketing purposes and to assist the Client and intended users of the study with understanding the professional competency and experience of Federal. These statements of qualifications, resumes, and personal, and/or company histories are (1) not a complete listing of our professional experiences and qualifications, and (2) not a full disclosure of our professional, corporate, and personal interactions and relationships.

Ownership of Federal Properties.

32. Federal Technology and Copyrights. Federal has created, acquired or otherwise has rights in, connection with the performance of services hereunder, employ, provide, modify, create, acquire or otherwise obtain rights in, various concepts, ideas, methods, methodologies, procedures, processes, know-how, and techniques; (including and without limitation: models, templates, the generalized features of the structure, sequence and organization of software, user interfaces and screen designs, general purpose consulting and software tools, utilities and routines, and logic, coherence, and methods of operation of systems) (collectively, the "Federal Technology and Copyrights").
33. Ownership and Use of Deliverables. Except as provided below, upon full and final payment to Federal hereunder, the tangible items specified as deliverables or work product in the proposal, engagement letter or contract to which these terms are attached (the "Deliverables") will become the property of Client. To the extent that any Federal Technology and Copyrights are contained in any of the Deliverables, Federal hereby grants Client, upon full and final payment to Federal hereunder, a royalty-free, fully paid-up, worldwide, non-exclusive license to use such Federal Technology and Copyrights in connection with the Deliverables, and only for the Deliverables, and only for the Client's intended purpose and use as enumerated in the attached proposal, engagement letter, or contract.
34. Ownership of Federal Properties. To the extent that Federal utilizes any of its property (including and without limitation, the Federal Technology and Copyrights, or any hardware or software of Federal in connection with the performance of services hereunder, such property shall remain the property of Federal and, except for the license expressly granted in Paragraph 26 above, Client shall acquire no right or interest in such property. Notwithstanding anything herein to the contrary, the parties acknowledge and agree that (a) Federal will own all rights, title, and interest, including, without limitation, all rights under all copyright, patent and other intellectual property laws, in and to the Federal Technology and Copyrights and (b) Federal may employ, modify, disclose, and otherwise exploit the Federal Technology and Copyrights (including, without limitation, providing services or creating programming or materials for other Clients). Federal does not agree to any terms that may be construed as precluding or limiting in any way its right to (a) provide consulting or other services of any kind or nature whatsoever to any person or entity as Federal in its sole discretion deems appropriate or (b) develop for itself, or for others, materials that are competitive with those produced as a result of the services provided hereunder, irrespective of their similarity to the Deliverables.

Ordinary Assumptions, Extraordinary Assumptions and Hypothetical Conditions

35. Extraordinary Assumptions and Hypothetical Conditions, as defined by USPAP, will be disclosed at various points in this Study, if applicable in this Study. We have made, or may have made, various minor and significant, ordinary assumptions, extraordinary assumptions, and hypothetical conditions in this study. We have deemed these assumptions and conditions as appropriate and have made these assumptions and conditions for benefit of the analysis process. It is our intention to disclose extraordinary assumptions and hypothetical conditions and to disclose at least most of the significant ordinary assumptions. Their use might have affected assignment results. If any assumption or condition should be determined to be inappropriate, then our assignment results may require revision."

State Specific Required Clauses

36. Appraisers in Michigan are required to be licensed and are regulated by the Michigan Department of Consumer and Industry Services, P.O. Box 30018, Lansing, Michigan 48909. Michigan requires this statement appear in all appraisals, even those in other states.

Statement on Appraisal Conditions related to COVID-19

COVID-19 (Coronavirus) has impacted real estate and business markets and appraisals.

Federal Appraisal LLC ("Federal") remains committed to fully serve during the COVID-19 crisis. Federal has taken appropriate actions to combat the spread of COVID-19, to protect our professionals, clients, community, and our appraisals.

Many real estate and business values declined due to the impacts of COVID-19. COVID-19 is unprecedented in modern times. Given that COVID-19 is having a dramatic and sudden impact, and that appraisal indicators using historical data lag many months behind, when the impact to real estate and business values occurs, it may not be discernible in the market data for months. In addition to reflecting impacts that have occurred up to the date of

appraisal, since value is based on future expectations, appraisers may need to reflect in their appraisal analyses the impacts from COVID-19 through the end of the crisis and afterwards. As always, Federal will endeavor to properly reflect these conditions and changes as they exist and are understood as of the appropriate appraisal date, regardless of the lag in market data and the difficulties of forecasting the end of the impact from COVID-19. As always, Federal will endeavor to employ appropriate research and analyses to reflect, and Federal will endeavor to report thoroughly, all COVID-19 impacts. However, since the research, analyses, and measurement of these changes may be problematic as a result of the crisis, our appraisal clients and users are hereby notified and accept that this may impact the precision of appraisal results.

Since the impacts from COVID-19 will continue for some time and may lead to a recession, our appraisal clients and users are hereby notified and accept that, as time lapses from the appraisal date, actual future values and market conditions will likely diverge from the conclusions and opinions presented in our appraisals which are as of our specific appraisal date. Clients and users may require new appraisals after only a short period of time and that time period may be as short as months or even weeks.

Additionally, COVID-19 will impact the work process of appraisal during the crisis. COVID-19 has prompted new regulations and practices which conflict with older appraisal traditions. For example, social distancing will impact at least two aspects of practice: site inspections and appraiser interactions and meetings that impact appraisal schedules and timing.

During the crisis, appraisal inspections may be restricted to the essential, and may not be conducted even if traditionally conducted. Inspections are not required by appraisal ethics and standards unless traditionally conducted or required by contract or regulation. Federal will practice social distancing and will appropriately report the extent of our inspection work and the basis of our asset and property description and opinion. In modern times, effective alternatives to the traditional inspections are available, and traditional inspections are often less critical than in past decades. Generally during the COVID-19 crisis, Federal will endeavor to conduct traditional inspections as usual, but Federal may also limit inspections to business and building exterior-only inspections (AKA, drive-by or curb-side inspections). Alternatively, Federal may use other data and sources in order to establish assessments of interior conditions and qualities. Federal may make extraordinary appraisal assumptions based on reasonable and known facts concerning conditions and qualities. Such steps will be disclosed in each appraisal. We believe this will meet appraisal standards in good faith, according to best practices, standards and ethics, under the COVID-19 circumstances. If, at a later date, an ability to complete traditional interior inspections arise, then Federal will be available to complete inspections and revise our appraisal reports, if needed.

During the COVID-19 crisis, some appraiser interactions will impact appraisal schedules and timing. The nature of our work processes lends itself to the requirements of social distancing. Our practice is significantly, but not completely, intellectual and technology-based, requiring less person-to-person interaction than many businesses. All of our staff can, and regularly do, work remotely, with full computerization and telecommunication abilities. However, as social distancing is expressly designed to do, processes may be slowed down. Most notably, Federal wishes to advise its appraisal clients and users that despite our best efforts, social distancing between our professionals, our professionals and clients, and our professionals and third parties requisite for the completion of our work will likely result in slower processes, in some cases. Federal wishes to advise our clients and users that Federal will make all practical efforts to compensate for this issue, but at this time, Federal does not know and cannot assure what will result. Our appraisal clients and users accept that delays during the crisis may occur and Federal shall bare no responsibility for the effects of the delays.

As always, since appraisals are not assurances of future events, our appraisal forecasts may vary from actual future events. Credible and reliable appraisals are limited to reasonable opinions, descriptions, forecasts, and predictions based on appropriate research and analysis practically available and known or knowable as of the date of the appraisal report. Our appraisal clients and users are hereby notified, and our appraisal clients and users accept that traditional expectations for appraisals, concerning appraisal precision, inspections, scheduling, and timing may not be appropriate as Federal works through COVID-19. Federal will endeavor to compensate for the impacts, and Federal will report the appraisal steps taken and any steps not taken if they represent a departure from otherwise traditional practice. Our appraisal clients and users accept that Federal shall bare no responsibility for the effects of COVID-19. Our appraisal clients and users are hereby notified that these COVID-19 appraisal conditions, processes, steps, and hypothetical assumptions and extraordinary conditions may impact our appraisals and the opinions and values therein, and the impacts may be substantial.

These general appraisal assumptions and limiting conditions were last updated December 12, 2021.

13 Professional Qualifications

The included resumes are presented in summary for marketing purposes and to assist the intended readers of the report with understanding the professional competency and experience of the appraisers. These resumes are not (1) a complete listing of our professional experiences and qualifications and (2) a full disclosure of our professional, corporate, and personal interactions.

13.1 Resumes

13.1.1 Qualifications of Mark Pomykacz, MAI, ASA, AI-GRS

Mr. Pomykacz specializes in complex, non-traditional appraisal services, nationally and internationally for accountants, attorneys, the capital markets, corporations, and governments concerning development, acquisitions and dispositions, financing, investor reporting, litigation, tax and audit issues, and asset management. Mr. Pomykacz has over 35 years of experience in real estate, business appraisal, and advisory services. He has worked on numerous asset and property types including closely held businesses and public companies, infrastructure, power plants, utilities, corporate and investment real estate, vacant land, and special purpose properties. Mark has participated in arbitrations, judicial, and condemnation proceedings. Mark has written special purpose and consulting reports, appraisals, market and feasibility studies. His work is used by many Fortune 1,000 companies, Wall Street firms, banks, accounting and law firms, and various government agencies.

Throughout his career Mr. Pomykacz has performed hundreds of appraisals for condemnation complying with USPAP, USAFLA (Yellowbook) and URA standards.

Mr. Pomykacz is an MAI, Member of the Appraisal Institute and an AI-GRS, Appraisal Institute General Review Specialist. Mr. Pomykacz currently holds appraisal licenses in 29 states including the state of Maryland (License # 10807). He also holds a Bachelor of Arts in Political Science from Rutgers University, is a qualified Appraisal Institute instructor and has taught classes the New York University and the City University of New York, has lectured on many different appraisal topics at over 30 different conferences and symposiums, and has written 13 published articles on various appraisal topics.

Articles and Publications

"Benford's Law in Appraisal", The Appraisal Journal, Fall 2018

"The Appraisal of Power Plants", The Appraisal Journal, Summer 2014

This article won the 2014 Swango Award. The *Appraisal Journal's* Editorial Board presents the Swango Award to the best article published during the previous year on residential, general, or technology-related topics, or for original research of benefit to real estate analysts and valuers.

"Options in Real Estate Valuation", The Appraisal Journal, Summer 2013

Expert Testimony & Litigation

Date	List of Expert Witness and Litigation	Legal Reference
2/9/2022	Wood River Basin Refinery, Illinois	Wood River Basin Refinery LLC vs Madison County Board of Review
2/6/2022	Biodico Westside, California	Biodico Westside LLC vs Red Rock Ranch, Inc
2/2/2022	Kirkland Appraisals - Enel Solar Project, Lebanon, PA	Enel Solar Project, Lebanon, PA, Board of Supervisors
10/12/2021	Whitt Law – Morris Operation GE Hitachi	Morris Operation GE Hitachi vs , County Board of Review
10/1/2021	Jack Van Coevering - DTE Fermi, Michigan	DTE Electric Company vs Frenchtown Township and Michigan Department of Treasury
5/12/2021	Sigma - Riker Danzig - Lincoln Harbor Yacht Club	Lincoln Harbor Yacht Club Condominium Association, Inc vs 1500 Harbor Boulevard Urban Renewal, LLC
3/1/2020	Sigma -Margolis , Adwar	Margolis, Adwar vs , New York State Supreme Court
1/1/2020	MRV - Land Under MGM Grand Casino, Detroit MI	MGM Grand Casino, vs City of Detroit MI, Deposition
9/17/2019	Crystal Mall, Waterford, CT	Crystal Mall, LLC vs Town of Waterford
7/1/2019	Office of Minnesota Attorney General - Centerpoint Energy Minnegasco	Minnesota Attorney General vs Centerpoint Energy Minnegasco, Court
5/1/2019	MRV - Milford Water Co, MA Update	Milford Water Co, MA, Court
4/17/2019	Land under Rock Crushing Facility, Jersey City, NJ	State of New Jersey, Commissioner of Transportation vs. 394-396 St. Paul's Avenue, L.P. & E.M.C. Realty Corp
2/27/2019	Pullman & Comely LLC - Pratt & Whitney, E Hartford, CT Tax Appeal	Pratt & Whitney vs City of East Hartford, CT, Deposition
12/13/2018	Cogentrix Energy Power Management, LLC - Effingham Power Plant, GA	
7/13/2018	Jack Van Coevering - Review of New Covert Generating Station A	New Covert Generating Station vs City of , Court

13.1.2 Qualifications of Katherine Tantanin, MAI

At Federal Appraisal, LLC, Mrs. Tantanin has been providing appraisal and appraisal consulting services for commercial property types around the country since 2013. The properties include multi-family apartments, offices, retail, industrial and commercial spaces, residential buildings, and industrial developable land, as well as utilities and power-related property types. She has also worked on many special-purpose properties such as large research and development campuses, cold-storage facilities, malls, and summer camps. Her reports include USPAP-compliant full narratives and consulting reports and studies. Additionally, she has worked on many appraisals and reports compliant with government agencies such as Yellow Book, UASFLA, URA and Green Acres.

She has conducted appraisals in a wide variety of purpose and uses such as due diligence, gift and estate tax, and in particular, condemnation and property tax appeals for negotiations and litigation. Mrs. Tantanin often utilizes all three traditional approaches and techniques including the Sales Comparison Approach (for improved sales, vacant land, regression analysis, and rent comparability studies), the Income Approach (direct capitalization, discounted cash flow, and income shortfall), and the Cost Approach (reproduction, replacement, calculator method, segregated cost, and trended original cost).

Mrs. Tantanin currently holds her MAI designation with the Appraisal Institute and her General Certified Appraisal License. She has completed all of the appraisal classes, both general and advanced courses, with the Appraisal Institute, including USPAP and all three approaches to value. She is certified in the State of Maryland, Certified General Appraiser License # 34618. Mrs. Tantanin completed her degree with Rutgers State University, New Brunswick, New Jersey with a bachelor's in Mathematics. She is the Appraisal Institute Metro New Jersey Chapter Secretary serving for 2022 term and has been heavily involved in the Metro NJ chapter since 2019. Mrs. Tantanin has also co-written an article on Benford's Law published in the Appraisal Journal in 2017 and has recorded many appraisal videos for Federal Appraisal's YouTube channel explaining appraisal theory.

Articles and Publications

"Benford's Law in Appraisal", The Appraisal Journal, Fall 2018

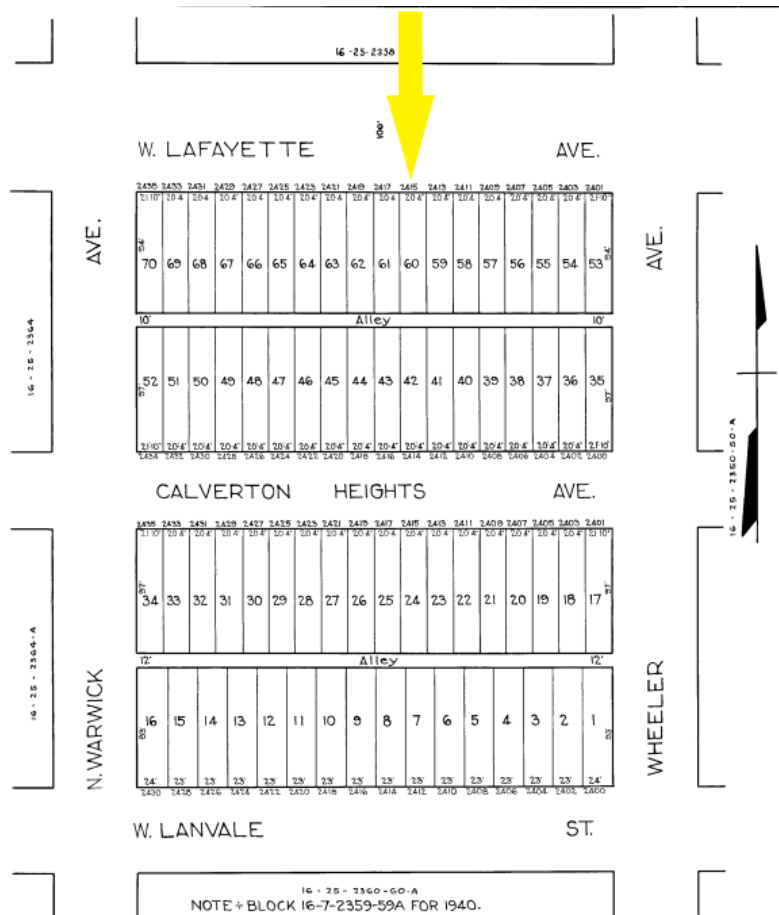
14 Comparable Sales Information

Verifications of sales comparables.

Verification	Comp 1	Comp 2	Comp 3	Comp 4	Comp 5
Comparable Name					
Address	2415 W Lafayette Ave	2310 Edmondson Ave	2223 Penrose Ave	2405 W Mosher St	2426 Edmondson Ave
Name	Juwan Richardson	Paula Fanning	Marissa Henn	Juwan Richardson	Tonya Whiting
Relationship	Seller Broker	Seller Broker	Buyer Broker	Seller Broker	Seller Broker
Date	44750	44750	44750	44750	44750
Contact	(443) 455-0773	(240) 234-0103	(410) 294-1792	(443) 455-0773	(443) 473-0339
Notes	Arm's length. Information on MLS is correct.	Arm's length. Information on MLS is correct.	Arm's length. Information on MLS is correct.	Arm's length. Information on MLS is correct.	Arm's length. Information on MLS is correct.

Sale One – 2415 W Lafayette Ave

Comparable Name	Sale Comp 1
Address	2415 W Lafayette Ave
City	Baltimore
Tax ID	0316252359 060
Type of Property	Interior row home
Ownership Interest	Fee Simple
Date Sold	5/11/2022
Sale Price	\$90,000
Lot Size (SF)	1,836
Bedrooms:	3
Bathrooms:	2
Basement:	870 sf total, 360 sf finished
Year Built:	1927
Other Amenities:	Detached garage, Porch
Buyer	Deed Not Yet Available
Seller	Ruth Walker
Use at Time of Sale	Single family dwelling



TRACKED BY JH Kilmore
 LETTERED BY J.R.
 CHECKED BY

NOTICE
 THIS IS A REAL PROPERTY PLAT AS PROVIDED FOR UNDER ARTICLE 76(I) OF THE CITY CHARTER. IT IS COMPILED FROM TITLE AND OTHER SOURCES AND IS NOT AN AUTHENTIC SURVEY.

CITY OF BALTIMORE
 DEPARTMENT OF PUBLIC WORKS
 BUREAU OF PLANS & SURVEYS
 PROPERTY LOCATION DIVISION
WARD 16 SECTION 25
BLOCK 2359
 SCALE: 1"=50 FT. DATE: MAR 1930



Photo taken by Katherine Tantinan on August 18, 2022

Sale Two - 2310 Edmondson Ave

Comparable Name Sale Comp 2
Address 2310 Edmondson Ave
City Baltimore
Tax ID 0316252348 006
Type of Property Interior row home
Ownership Interest Fee Simple
Date Sold 4/22/2022
Sale Price \$125,000
Lot Size (SF) 1,770
Bedrooms: 3
Bathrooms: 1.5
Basement: 978 sf, unfinished
Year Built: 1909
Other Amenities: Porch
Buyer Deed Not Yet Available
Seller S A Atlantic LLC
Use at Time of Sale Single family dwelling

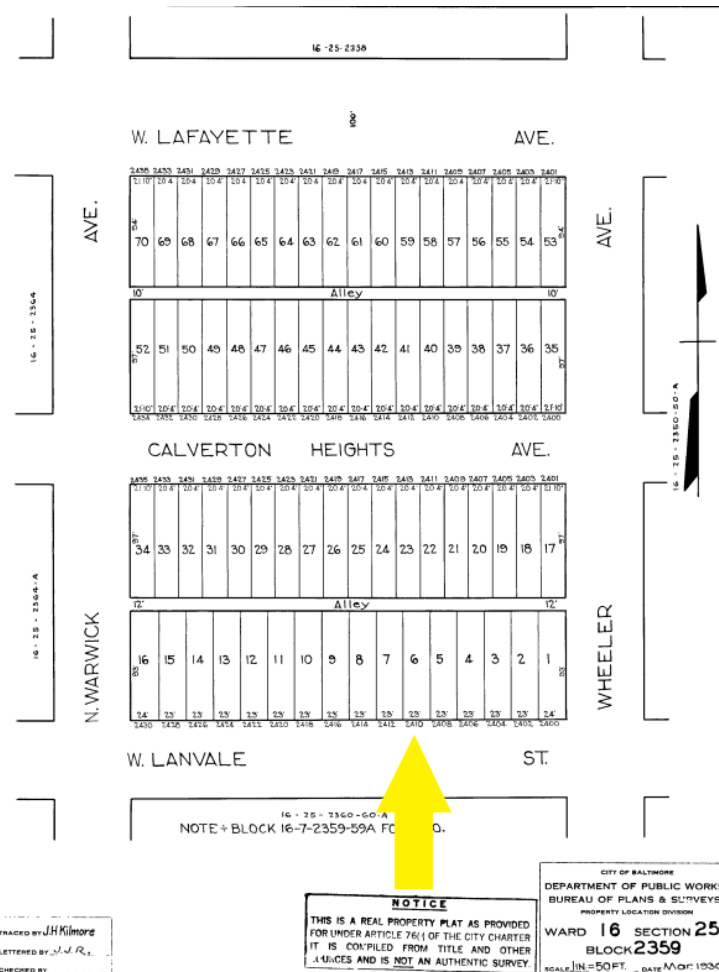




Photo taken by Katherine Tantinan on August 18, 2022

Sale Three - 2223 Penrose Ave

Comparable Name	Sale Comp 3
Address	2223 Penrose Ave
City	Baltimore
Tax ID	0320230159 012
Type of Property	Interior row home
Ownership Interest	Fee Simple
Date Sold	2/28/2022
Sale Price	\$69,000
Lot Size (SF)	1,590
Bedrooms:	3
Bathrooms:	1.5
Basement:	630 sf total, 300 sf finished
Year Built:	1925
Other Amenities:	Porch
Buyer	Yashodadevi R. Dave
Seller	Gregory Stokes
Use at Time of Sale	Single family dwelling

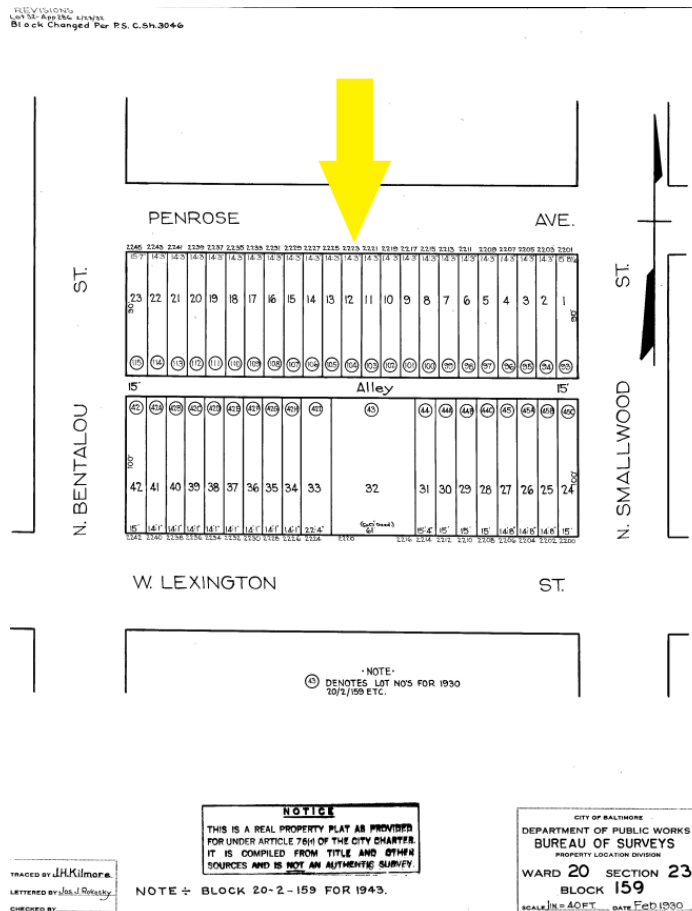




Photo taken by Mark Pomykacz on June 29, 2022.

Sale Four - 2405 W Mosher St

Comparable Name	Sale Comp 4
Address	2405 W Mosher St
City	Baltimore
Tax ID	0316252358 026
Type of Property	Interior row home
Ownership Interest	Fee Simple
Date Sold	4/14/2022
Sale Price	\$105,000
Lot Size (SF)	1,500
Bedrooms:	3
Bathrooms:	1.5
Basement:	600 sf total, 300 sf finished
Year Built:	1927
Other Amenities:	Porch
Buyer	Deed Not Yet Available
Seller	Sharon R Scriber
Use at Time of Sale	Single family dwelling

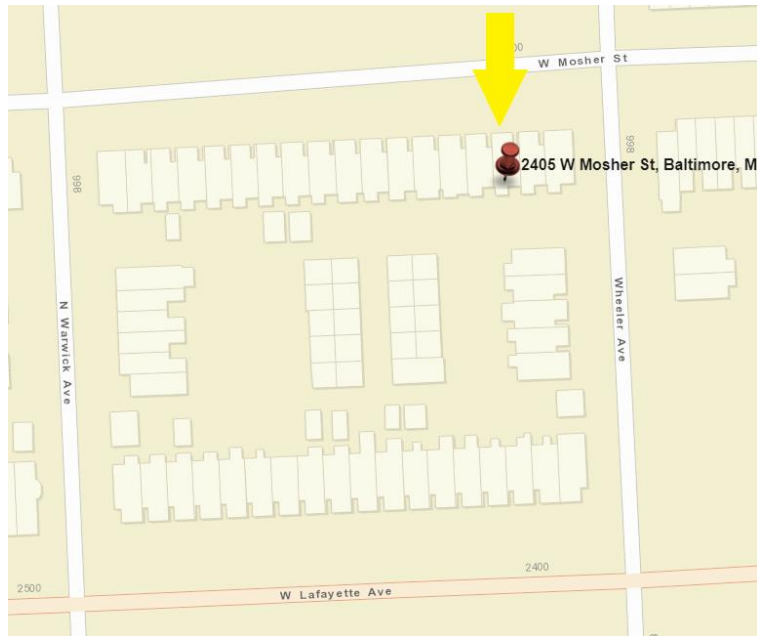




Photo taken by Katherine Tantinan on August 18, 2022

Sale Five - 2426 Edmondson Ave

Comparable Name	Sale Comp 5
Address	2426 Edmondson Ave
City	Baltimore
Tax ID	0316252361 014
Type of Property	Interior row home
Ownership Interest	Fee Simple
Date Sold	2/23/2022
Sale Price	\$120,000
Lot Size (SF)	3,594
Bedrooms:	3
Bathrooms:	1.5
Basement:	805 sf, unfinished
Year Built:	1925
Other Amenities:	N/A
Buyer	Delta Jeana Hall
Seller	JCM Paterson Baltimore CV 2020 LLC
Use at Time of Sale	Single family dwelling

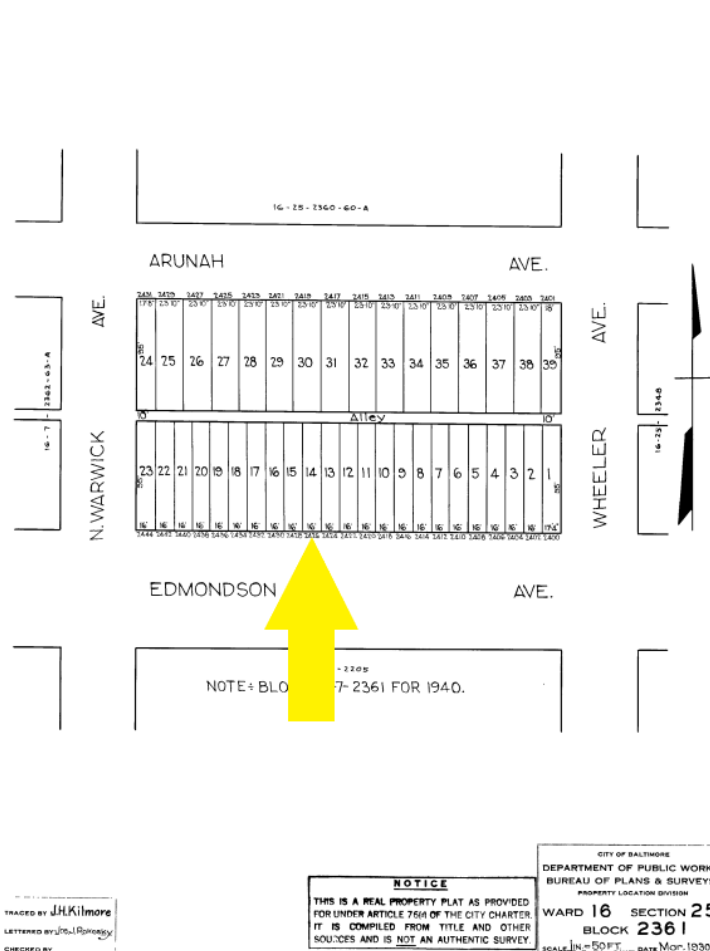




Photo taken by Mark Pomykacz on June 29, 2022.

15 Additional Subject Information

15.1 Certified Mail Receipts

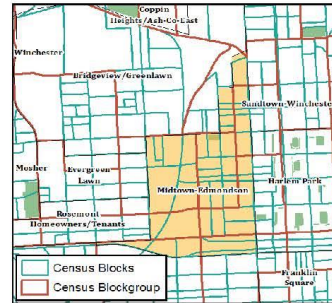
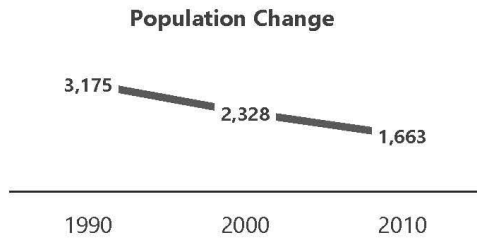
7022 0410 0001 6128 0697

U.S. Postal Service™ CERTIFIED MAIL® RECEIPT Domestic Mail Only		
For delivery information, visit our website at www.usps.com ®.		
Baltimore, MD 21229 OFFICIAL USE		
Certified Mail Fee \$3.75 \$ \$3.05	0033 01 Postmark Here 06/21/2022	
Extra Services & Fees (check box, add fee as appropriate)		
<input type="checkbox"/> Return Receipt (hardcopy) \$ \$0.00		
<input type="checkbox"/> Return Receipt (electronic) \$ \$0.00		
<input type="checkbox"/> Certified Mail Restricted Delivery \$ \$0.00		
<input type="checkbox"/> Adult Signature Required \$ \$0.00		
<input type="checkbox"/> Adult Signature Restricted Delivery \$ \$0.00		
Postage \$0.58 \$		
Total Postage and Fees \$7.38 \$		
Sent To <u>Dorote Dwayne Summers</u> Street and Apt. No., or PO Box No. <u>3603 W Saratoga St</u> City, State, ZIP+4® <u>Baltimore, MD 21229-0000</u>		
PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions		

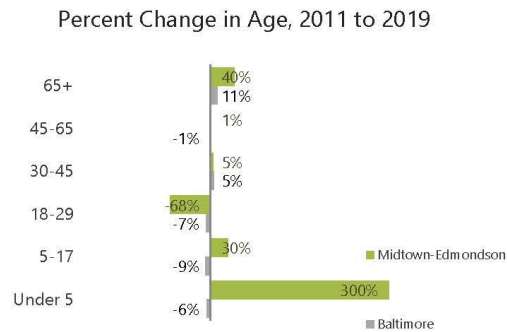
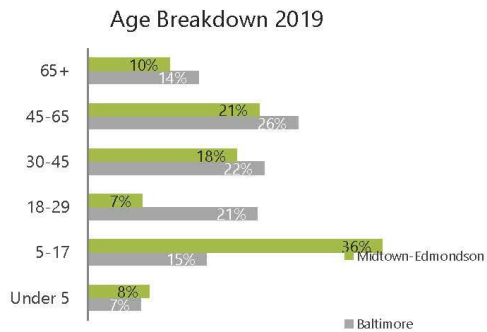
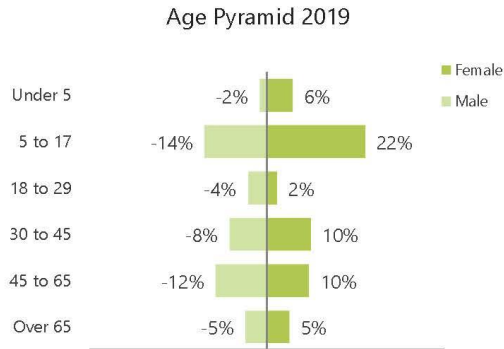
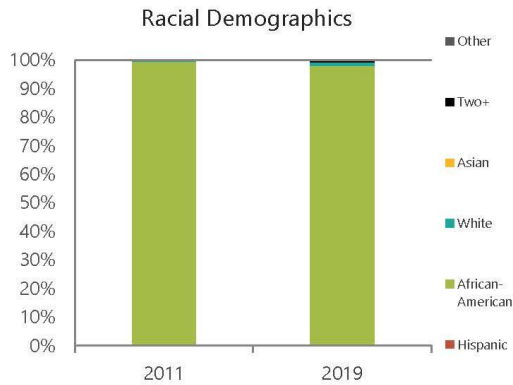
16 Additional Market Information

Midtown-Edmondson

Demographics



American Community Survey data is by 'block group.' It is allocated to the central neighborhood above based on how census 'block' population is distributed within each 'block group'.



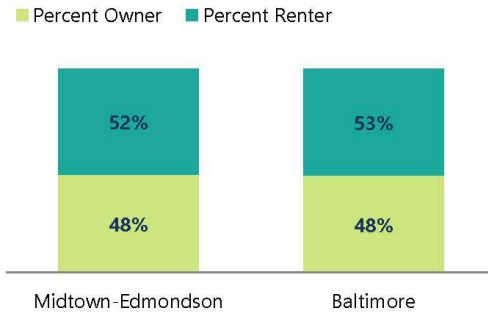
Source: American Community Survey - 5 Year Estimates. "2011" includes 2007-2011, and "2019" includes 2015-2019. Data allocated to exact geography of area using estimates derived from Census block group proportions.

Midtown-Edmondson

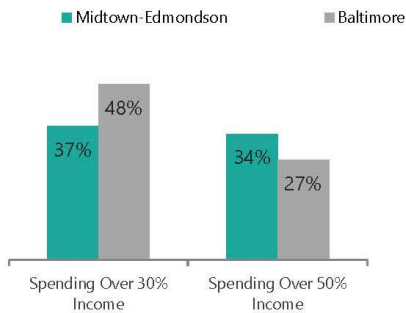
Housing and Transportation

Household Size 3.23
Median Gross Rent 2019 \$1,087
Change Since 2011 \$92
% of Homeowners Over 65 24%

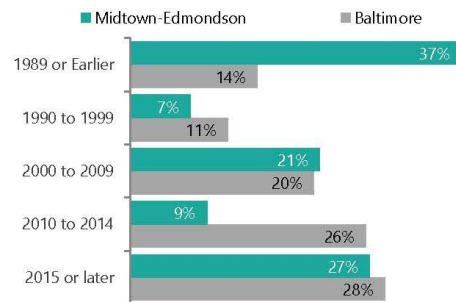
Housing Tenure 2019



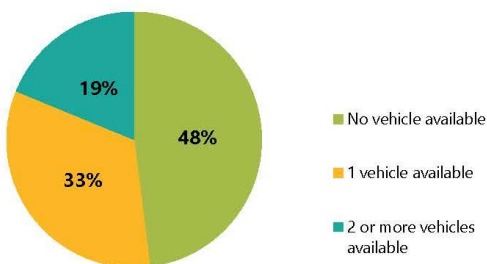
Percent of Households Rent Burdened



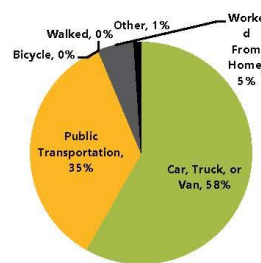
Length of Residence, as of 2018



Percent Vehicle Access 2019



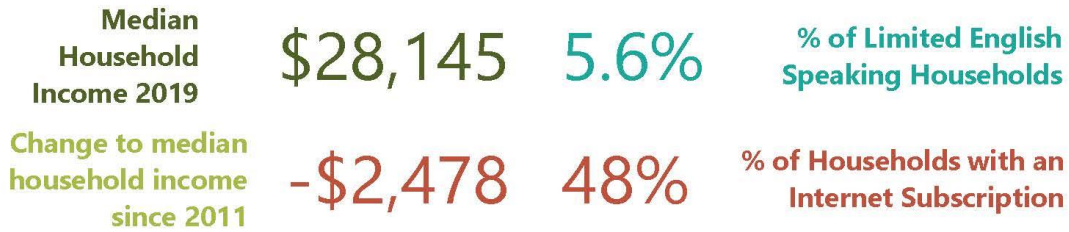
2019 Commuter Mode of Transportation



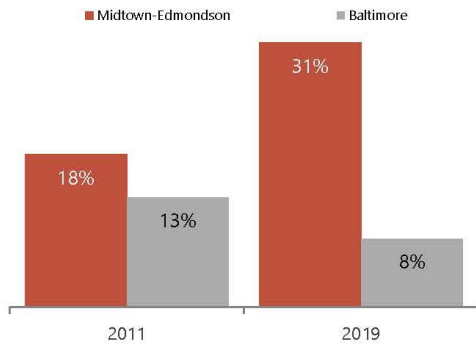
Source: American Community Survey - 5 Year Estimates. "2011" includes 2007-2011, and "2019" includes 2015-2019. Data allocated to exact geography of area using estimates derived from Census block group proportions.

Midtown-Edmondson

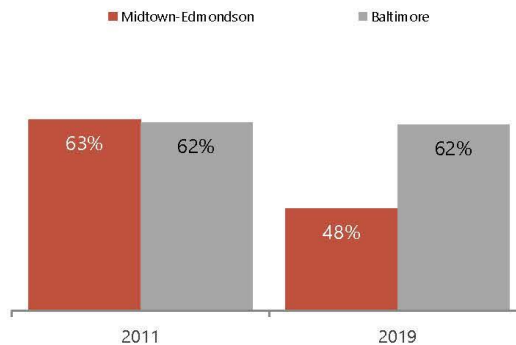
Education and Economics



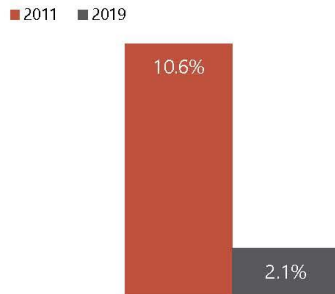
Percent Unemployment



Percent Laborforce Participation



Percent Households Receiving Public Assistance



Educational Attainment

	Midtown-Edmondson 2011	Baltimore 2011	Midtown-Edmondson 2019	Baltimore 2019
Less Than High School	33%	21%	26%	28%
HS Complete	39%	28%	35%	24%
Some College	23%	22%	26%	16%
College Complete	5%	13%	0%	15%
Beyond College	0%	12%	1%	15%

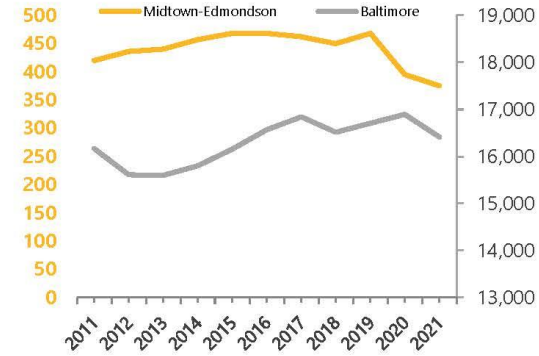
Source: American Community Survey - 5 Year Estimates. "2011" includes 2007-2011, and "2019" includes 2015-2019
 Data allocated to exact geography of area using estimates derived from Census block group proportions.

Midtown-Edmondson

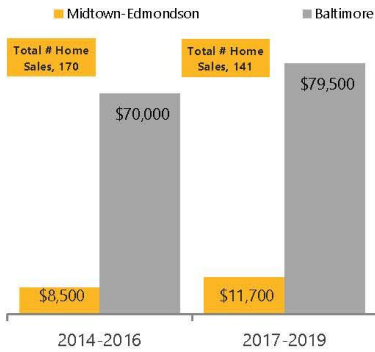
Development

City-owned Properties	102
City-owned Properties Sold (Disposition)	2
\$900 Citations (2018-2020)	5
Homebuying Incentives (2018-2020)	0
Filed Receiverships	28
Properties Being Acquired	18
VBN Rehabs (2018-2020)	24
Completed Demolitions (2018-2020)	101
Planned Demolitions	6

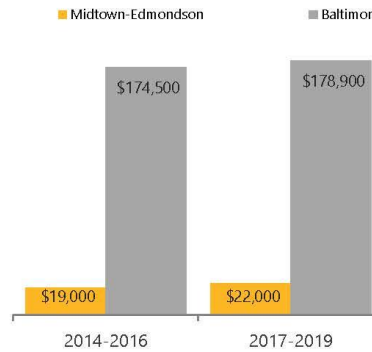
Vacant Building Notices



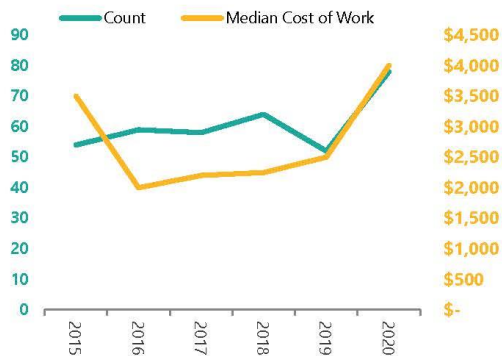
Median Sales Price



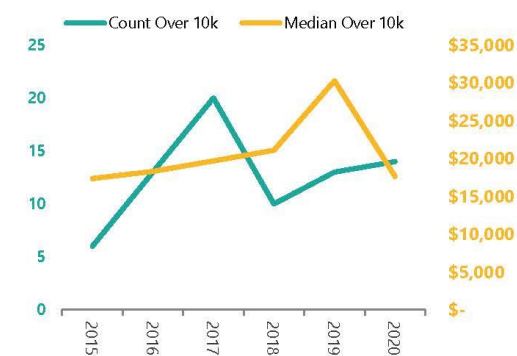
Upper Quartile Sales Price



Residential Permit Activity



Permit Activity Over \$10,000



Source: City Administrative Address data. This data is allocated to the exact geography shown on the map as no estimation is needed.

Data Entry Sheet

Enter data in center column and the data will auto-fill entire appraisal. Do not edit data in gray highlights in the body of report. Enter/Edit data here. Enter/Edit data from beginning of text in center column, or from middle. Do not enter/edit from end of text. Then delete old text. If you need this data in new location in the report, then use Menu, References, Cross-reference, Reference Type: Bookmark, and make selection, or copy from third column. Enter Control A (CntrlA) and then Function 9(F9) to update all references in report. Enter Function9(F9) to update individually selected references in report. It is recommended that you complete this data entry in one sitting.

Bookmark Name	Data (enter data here)	Reference, for copy&paste
Subject Name:	1002 N Payson Street	1002 N Payson Street
Subject Address:	1002 N Payson Street, Baltimore, MD 21217	1002 N Payson Street, Baltimore, MD 21217
Effective Date:	June 30, 2022	June 30, 2022
Current Retrospective Prospective Date:	A Current Effective Date	A Current Effective Date
Report Date:	September 20, 2022	September 20, 2022
Exposure Time:	<p>The Client requires a Uniform Appraisal Standards for Federal Land Acquisitions (UASFLA) appraisal. The UASFLA mandates that “the marketing and exposure time is for a reasonable length of time to find a buyer who was reading, willing, and able to consummate a purchase on the date of valuation... Appraisers should not link opinions of market value for federal acquisitions to a specific exposure time.”</p> <p>Source: Uniform Appraisal Standards for Federal Land Acquisitions / Legal Foundations for Appraisal Standards 2016, page 95. Digital version.</p> <p>Given this Client requirement, we have taken a jurisdictional exception to USPAP, and we have not opined to a specific exposure time.</p>	<p>The Client requires a Uniform Appraisal Standards for Federal Land Acquisitions (UASFLA) appraisal. The UASFLA mandates that “the marketing and exposure time is for a reasonable length of time to find a buyer who was reading, willing, and able to consummate a purchase on the date of valuation... Appraisers should not link opinions of market value for federal acquisitions to a specific exposure time.”</p> <p>Source: Uniform Appraisal Standards for Federal Land Acquisitions / Legal Foundations for Appraisal Standards 2016, page 95. Digital version.</p> <p>Given this Client requirement, we have taken a jurisdictional exception to USPAP, and we have not opined to a specific exposure time.</p>
Client Name:	Patricia McHugh Lambert Principal Pessin Katz Law, P.A.	Patricia McHugh Lambert Principal Pessin Katz Law, P.A.
Client Address	901 Dulaney Valley Road, Suite 500, Towson, MD 21204	901 Dulaney Valley Road, Suite 500, Towson, MD 21204
Other Intended Users:	Amtrak Law Department (“Amtrak”)	Amtrak Law Department (“Amtrak”)
Parcel Number:	16-05-0057-002	16-05-0057-002
Interest Appraised or Level of Value appraised:	The interest appraised is a 100% interest in the fee simple estate in real property at the Subject.	The interest appraised is a 100% interest in the fee simple estate in real property at the Subject.
General description of the Improvements:	The Subject is currently improved with a two-story interior row home. It has been confirmed through public record that the structure was built in 1920. The property is	The Subject is currently improved with a two-story interior row home. It has been confirmed through public record

	a three-bedroom, one-bathroom row home. The interior row home had two stories and an unfinished basement and was in average condition at the time of the inspection. Property representatives reported that it is currently used as a rental for employees working at the adjacent property, 1000 N Payson Street.	that the structure was built in 1920. The property is a three-bedroom, one-bathroom row home. The interior row home had two stories and an unfinished basement and was in average condition at the time of the inspection. Property representatives reported that it is currently used as a rental for employees working at the adjacent property, 1000 N Payson Street.
General Description of the Land:	The Subject property is approximately 1,107 square feet, or 0.025 acres, in size. It is rectangular in shape and has the dimensions of 13 feet 10 inches by 80 feet. The land is flat and level. The Subject is zoned R-8 high density residential, allowing single-family and multi-family dwellings.	The Subject property is approximately 1,107 square feet, or 0.025 acres, in size. It is rectangular in shape and has the dimensions of 13 feet 10 inches by 80 feet. The land is flat and level. The Subject is zoned R-8 high density residential, allowing single-family and multi-family dwellings
Use of the appraisal:	Federal understands the Client will use the Report to assist Amtrak in the determination of compensation to be offered to the property owner to acquire the property.	Federal understands the Client will use the Report to assist Amtrak in the determination of compensation to be offered to the property owner to acquire the property.
Purpose of Appraisal:	The purpose of this Appraisal is to determine the Market Value and Fair Market Value, which we assume is the same in this Appraisal, in fee simple, specifically defined in the following Standard of Value.	The purpose of this Appraisal is to determine the Market Value and Fair Market Value, which we assume is the same in this Appraisal, in fee simple, specifically defined in the following Standard of Value.
Standard/Type of Value/Purpose of Appraisal:	The Standard of Value for this Appraisal is market value/fair market value ("Value").	The Standard of Value for this Appraisal is market value/fair market value ("Value").
Definition of Value:	<p>"Market Value: The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming the neither is under undue duress." Source: <i>The Dictionary of Real Estate Appraisal, 7th ed.</i> Chicago: Appraisal Institute, 2022. PDF. pg. 141</p> <p>Fair market value: 1. In nontechnical usage, a term that is equivalent to the contemporary usage of market value. 2. As used in condemnation, litigation, income tax, and property tax situations, a term that is similar in concept to market value but may be defined explicitly by the relevant agency. Source: <i>The Dictionary</i></p>	<p>Market Value: The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming the neither is under undue duress." Source: <i>The Dictionary of Real Estate Appraisal, 7th ed.</i> Chicago: Appraisal Institute, 2022. PDF. pg. 141</p> <p>Fair market value: 1. In nontechnical usage, a term that is equivalent to the contemporary usage of market value. 2. As used in condemnation, litigation, income tax, and property tax situations, a term that is similar in</p>

	<p><i>of Real Estate Appraisal, 7th ed.</i> Chicago: Appraisal Institute, 2022. PDF</p> <p>“Market Value: 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 value, after a reasonable exposure time on the open market, from a willing and reasonably knowledgeable seller to a willing and reasonably knowledgeable buyer, with neither compelled to buy or sell, giving due consideration to all available economic use of the property” Source: <i>Uniform Appraisal Standards for Federal Land Acquisitions</i>. The Appraisal Foundation, 2016. PDF. pg. 93.</p>	<p>concept to market value but may be defined explicitly by the relevant agency. Source: <i>The Dictionary of Real Estate Appraisal, 7th ed.</i> Chicago: Appraisal Institute, 2022. PDF</p> <p>“Market Value: 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 value, after a reasonable exposure time on the open market, from a willing and reasonably knowledgeable seller to a willing and reasonably knowledgeable buyer, with neither compelled to buy or sell, giving due consideration to all available economic use of the property” Source: <i>Uniform Appraisal Standards for Federal Land Acquisitions</i>. The Appraisal Foundation, 2016. PDF. pg. 93.</p>
<p>Premise of Value:</p>	<p>The premise of value is that the Property will be utilized to its highest and best use, which is a requirement of market value appraisals of real estate. The Appraisal may present alternative uses as part of appraisal processes to determine highest and best use.</p>	<p>The premise of value is that the Property will be utilized to its highest and best use, which is a requirement of market value appraisals of real estate. The Appraisal may present alternative uses as part of appraisal processes to determine highest and best use.</p>
<p>Scope of Work:</p>	<p>Our Appraisal is intended to comply with Standards of the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation (“USPAP”), and with the standards and codes of ethics of the Appraisal Institute and the American Society of Appraisers, and the Uniform Appraisal Standards for Federal Land Acquisition (“UASFLA”, AKA “Yellow Book”) and with the Uniform Relocation Act (“URA”). The scope of the Appraisal is specifically designed, and we performed the research and analyses specifically necessary to estimate the Value of the Subject, for the Client’s purpose and use as stated herein. Details on the processes, methods, research, and analyses considered and utilized in this Appraisal are presented throughout this Report. Our Report is presented as a narrative Appraisal Report format in</p>	<p>Our Appraisal is intended to comply with Standards of the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation (“USPAP”), and with the standards and codes of ethics of the Appraisal Institute and the American Society of Appraisers, and the Uniform Appraisal Standards for Federal Land Acquisition (“UASFLA”, AKA “Yellow Book”) and with the Uniform Relocation Act (“URA”). The scope of the Appraisal is specifically designed, and we performed the research and analyses specifically necessary to estimate the Value of the Subject, for the Client’s purpose and use as stated herein. Details on the processes, methods, research, and analyses</p>

	accordance with USPAP, UASFLA, and URA. When necessary for compliance with local law and regulations, we may employ the jurisdictional exception rule of USPAP.	considered and utilized in this Appraisal are presented throughout this Report. Our Report is presented as a narrative Appraisal Report format in accordance with USPAP, UASFLA, and URA. When necessary for compliance with local law and regulations, we may employ the jurisdictional exception rule of USPAP.
Hypothetical Conditions or Extraordinary Assumptions:	No hypothetical conditions or extraordinary assumptions were made in this Appraisal.	No hypothetical conditions or extraordinary assumptions were made in this Appraisal.
Value Conclusion:	\$73,800	Error! Reference source not found.
Land Value:		Error! Reference source not found.

This template was last updated on December 10, 2021.

EXHIBIT 5

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MARYLAND
(Northern Division)

NATIONAL RAILROAD PASSENGER *
CORPORATION (AMTRAK) *

PLAINTIFF, *

v. Civil No. 1:23-CV-02158-JKB *

.025 ACRES MORE OR LESS OF LAND *
LOCATED AT 1006 NORTH PAYSON *
STREET IN BALTIMORE CITY, *
MARYLAND, ET AL. *

DEFENDANTS. *

* * * * *

AFFIDAVIT OF MARK F. POMYKACZ, MAI, ASA, AI-GRS

I, Mark Pomykacz, MAI, ASA, AI-GRS, under the penalties of perjury, declare as follows:

1. I am over eighteen (18) years of age, am competent to testify in these proceedings, and have personal knowledge of the facts stated in this Affidavit.

2. A copy of my curriculum vitae is attached hereto as **Exhibit A**. All statements made in my curriculum vitae are true and accurate.

3. I have obtained an MAI designation and am a State Certified Real Estate General Appraiser in the states of New Jersey, New York, Maryland, Connecticut, Michigan, Massachusetts, California and Illinois, among others.

4. I am currently employed by Federal Appraisal, LLC as a Real Estate Appraiser and Managing Partner, and I have been employed in this capacity since 2001.

5. I have 37 years of experience in real estate and business appraisal and advisory services, specializing in complex, non-traditional appraisal services, nationally and internationally,

for accountants, attorneys, the capital markets, corporations and governments concerning development, acquisitions & dispositions, financing, investor reporting, litigation, tax & audit issues, and asset management.

6. I regularly inspect and value properties in the course of my work in the field of property and real estate appraisals and consider myself an expert on such issues. I have the requisite knowledge, skill, experience, training, and education in the field of property and real estate appraisals to understand how to value a given property, such as the ones at issue in the instant litigation.

7. As more fully described in the respective appraisal reports for the properties located at 1006 North Payson Street, Baltimore, Maryland 21217, 1008 North Payson Street, Baltimore, Maryland 21217, 1016 North Payson Street, Baltimore, Maryland 21217, and 1002 North Payson Street, Baltimore, Maryland 21217 (collectively, the “Subject Property Interests”), attached respectively as Exhibits 1, 2, 3 and 4 to Amtrak’s Motion for Summary Judgment, I utilized several information sources and databases in order to collect information about the Subject Property Interests in addition to an onsite inspection of each of the Subject Property Interests. All of the data utilized in the appraisal reports was verified through public sources, such as assessor’s records, property records, and other government records. I have the requisite knowledge, skill, experience, training, and education in the field of property and real estate appraisal as well as my own knowledge gained from my inspection of the Subject Property Interests involved in this matter, to understand the nature and relevance of the collected data to the ultimate valuation of the Subject Property Interests in this matter.

8. Federal Appraisal, LLC was engaged by Pessin Katz Law, P.A. to provide an appraisal report valuing the fee simple interest in four (4) properties, the Subject Property Interests,

involved in this matter for the use of Amtrak in connection with the Frederick Douglass Tunnel Project, described in the Complaint. On or about June 20, 21, and 30, 2022, I conducted an inspection of the Subject Property Interests at issue in the instant proceeding.

9. On September 8, 20, and 28, and October 6, 2022, I provided an individual final appraisal report for each of the Subject Property Interests. The information contained in the appraisal reports is based on my knowledge, background, training and experience, as well as my personal observations, and photographs taken by me of the Subject Property Interests, during the inspections of the Subject Property Interests.

10. The opinions, conclusions and valuations included in my appraisal reports, including, but not limited to the appraised value of each of the Subject Property Interests, is stated to a reasonable degree of professional certainty and probability in my field of expertise and provide a true and accurate reflection of the valuation of each of the Subject Property Interests.

I declare or affirm under the penalties of perjury that the contents of the foregoing Affidavit, consisting of ten (10) paragraphs, is true and correct and is based upon personal knowledge.

November 17, 2023
Date



Mark F. Pomykacz, MAI, ASA, AI-GRS
MD SCGREA 10807

EXHIBIT A

FEDERAL APPRAISAL LLC



Qualifications of Mark Pomykacz, MAI, ASA, AI-GRS

295 US Highway 22 E., Suite 204
Whitehouse Station, New Jersey 08889

Direct: 908.534.3590

www.federalappraisal.com
mark@federalappraisal.com

Professional Background

Managing Partner
Federal Appraisal, LLC, New Jersey
Since 2001

General Appraisal and Advisory Qualifications

Mr. Pomykacz specializes in complex, non-traditional appraisal services, nationally and internationally for accountants, attorneys, the capital markets, corporations, and governments concerning development, acquisitions and dispositions, financing, investor reporting, litigation, tax and audit issues, and asset management. Mr. Pomykacz has over 37 years of experience in business and real estate appraisal and advisory services. He has worked on numerous asset and property types including closely held businesses and public companies, infrastructure, power plants, refineries, public and private utilities, corporate and investment real estate, vacant land, and special purpose properties. Mark has participated in arbitrations, judicial, and condemnation proceedings. Mark has written special purpose and consulting reports, appraisals, market and feasibility studies. His work is used by many Fortune 1,000 companies, Wall Street firms, banks, accounting and law firms, and various government agencies.

Power & Infrastructure Analysis and Valuation Qualifications

Over the last 20 years, Mr. Pomykacz has developed an expertise in the appraisal of electricity generation assets, refineries, utilities, and other infrastructure assets. His power appraisals include nuclear, fossil fuel-fired, hydro, wind, geo-thermal, solar, bio-mass, bio-gas, and other types of power generation facilities in locations around the U.S. and the world. His other infrastructure appraisals include power and fuel transmission and distribution assets, telecommunications assets, water and sewer assets, railroads, racetracks, petroleum refineries, bio-diesel refineries, ethanol refineries. His infrastructure appraisal and advisory services have been used by governments, corporations, and lenders and investors for development, acquisition, and disposition planning, financing, tax and investor reporting, and litigation and accounting. Mr. Pomykacz has appraised and advised on more than 500 infrastructure assets. He regularly testifies to his power and infrastructure appraisals.

Senior Manager / Chief Appraiser - Eastern Sector **Deloitte & Touche LLP, New York, NY**

Led multi-discipline professional consulting group, managing national portfolios of investment-grade properties, and real estate-secured assets. Provided real estate and business valuation consulting services including banking support, mergers & acquisitions due diligence, capital markets services, valuation services for tax and audit issues, litigation support, appraisals, and other consulting services. Clients included many Fortune 1,000 companies, REITs, Wall Street firms, banks and law firms. Also provided real estate asset and investment management consulting, and property tax appeals and management.

Vice President, Consultant and Appraiser **Jerome Haims Realty, Inc., New York, NY**

Consulted and appraised on various property types including: office buildings, shopping malls, industrial, factory, warehouse, loft, and manufacturing buildings, rental, cooperative, and condominium apartment buildings, mixed use buildings, special purpose properties, vacant land for subdivision and for major urban redevelopment, partial interests, easements, right-of-way and air rights. Wrote appraisal reports, market and feasibility studies, and reviewed appraisals written by others. Participated in arbitration, judicial, and condemnation proceedings and provided various consultation services including mortgage underwriting, litigation support, rent-buy and pricing decisions, construction feasibility, and asset management.

Senior Real Estate Manager and Chief Appraiser **NYC Economic Development Corp. &** **NYC Department of Real Property, New York, NY**

Consulted and appraised on various property types for various city redevelopment projects, condemnation, public trusts, and tax incentive programs. Wrote appraisals, conducted market and feasibility studies, managed appraisal contractors, and reviewed appraisals. Provided asset management to projects with an aggregate value in excess of \$2 billion.

FEDERAL APPRAISAL LLC



Professional Affiliations & Activities

MAI, Member of the Appraisal Institute

AI-GRS, General Review Specialist, Appraisal Institute

Leader in the Appraisal Institute Community:

- Member of the Board of Directors, National, 2002, 2004 – 2006
- President, Metropolitan New York Chapter, 2005
- Chair, Regional Committee, Region VI, 2006
- Officer, Metropolitan New York Chapter, 2001 – 2005
- Regional Director, Region VI, 2002, 2004 – 2006
- Member of Board of Directors, Metropolitan New York Chapter, 1998 - 2006
- International Relations Committee Member, National, 1997 - 2005
- Strategic Planning Committee, National, 2005 - 2006
- Education Chair, Metropolitan New York Chapter, 1999

ASA, Accredited Senior Appraiser, Business Valuation, American Society of Appraisers

State-Certified General Real Estate Appraiser (SCGREA) Licenses:

<u>State</u>	<u>License number</u>	<u>License Expiration Date</u>
Pennsylvania	GA001700R	6/30/2025
Iowa	CG03849	6/30/2025
Michigan	1205069583	7/31/2025
Maryland	10807	8/8/2024
Virginia	4001018173	9/30/2025
Illinois	553.001871	9/30/2025
Texas	TX 1380478 G	9/30/2025
Wisconsin	2641-10	12/14/2023
New York	46000000871	12/23/2023
New Jersey	42RG00144500	12/31/2023
Maine	CG3503	12/31/2024
Arizona	CGA-1034162	1/31/2024
Tennessee	6164	2/22/2024
District of Columbia	GA40000004	2/28/2024
New Hampshire	NHCG-1064	3/31/2024
Connecticut	RCG 00010448	4/30/2024
Vermont	080.0134240	5/31/2024
California	AG043987	6/17/2024
Indiana	CG42200022	6/30/2024
Massachusetts	103483	7/5/2024
Rhode Island	CCA.0020110	10/22/2024
Florida	RZ3225	11/30/2024
Georgia	358368	7/31/2024
Missouri	2022002459	6/3/2024
Oregon	C001597	7/31/2025
South Carolina	2023107	3/19/2024

FEDERAL APPRAISAL LLC



Education Background

Bachelor of Arts

Political Science
Rutgers University, New Brunswick, New Jersey

Appraisal Institute and American Society of Appraisers

Completed all courses and examinations required to obtain and maintain the MAI, ASA and AI-GRS designations.

Royal Institution of Chartered Surveyors

Completed all courses and examinations, or equivalents, required to obtain the MRICS designation. Mr. Pomykacz was granted the MRICS designation. Due to a lack of need, Mr. Pomykacz no longer remains a dues paying member of RICS.

Institute for Professionals in Taxation

Completed all courses and examinations required to obtain the CMI designation. Mr. Pomykacz was granted the CMI designation. Due to a lack of need, Mr. Pomykacz no longer remains a dues paying member of IPT.

Instructorships & Speaking Engagements

University/Institutional Lectures/Presentations

Mr. Pomykacz taught "Income Capitalization Theory and Techniques" (AKA Course #310), and "Uniform Standards of Professional Appraisal Practice (AKA USPAP), Part A". These courses are required for designation from the Appraisal Institute and for state licensing and certification, and were offered at the following institutions.

Adjunct Assistant Professor, New York University
Instructor, Baruch College, CUNY, The Newman Real Estate Institute
Qualified Appraisal Institute Instructor, Appraisal Institute

Mr. Pomykacz also has lectured at Appraisal Institute seminars.

Business Lectures/Presentations

Mr. Pomykacz regularly speaks at various accounting, assessor, and other professional seminars and conferences. Several presentations follow.

American Bar Association/Institute for Professionals in Taxation
Advanced Property Tax Seminar
Impact of Millennials on Industrial Real Estate & The Go Dark Hypothesis
New Orleans, LA, 2017

NRAAO, Annual Conference
Impact of Millennials on Real Estate
Mystic, CT, 2017

New Jersey State Bar Association Annual Conference
Borgata Decision! Appraisal Implications
Atlantic City, NJ, 2014

PEI Infrastructure Investor: New York
Managing Infrastructure Assets: In a Post-Cheap Deb World
New York, NY, 2009

Power & Electricity World: Latin America Conference
Creating and Measuring Value: A Power Plant Development
Coral Gables Florida, 2009

Corpbanca Seminar Invitation
Fair Value Appraisal for the Real Estate Industry in Chile
Santiago, Chile, 2008

The Pan Pacific Valuation Conference
The Effects of Deregulation/Privatization on the Selection of Valuation Methodology
23rd Pan Pacific Valuation Conference,
San Francisco, 2006

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- Baruch College (CUNY),**
“Exuberant Bubble” or “Fundamentally Sound”: Where are Real Estate Prices Going?
New York, September, 2005
- The Center for Business Intelligence, now Platts, a division of McGraw-Hill**
Valuing Generation Assets – Employing Effective Due Diligence
Power Asset Mergers and Acquisitions Conference, 2004
- Methodologies for Portfolio Valuation of Power Plant Assets**
6th Annual Electric Asset Valuation Conference, 2004
- Sophisticated Valuation Techniques – Theory and Practice**
5th Annual Electric Asset Valuation Conference, 2003
- The International Association of Assessing Officers (IAAO)**
Reconciling the Reconciliation, Power Plants and Utilities
IAAO Public Utility Section, Charleston, 2006
- Recognizing & Separating Real Property, Personal Property, and Intangible Values in Common Indications of Value**
IAAO Public Utility Section, Milwaukee, 2006
- Cell Towers and Telecommunications Property**
IAAO Legal Update, San Francisco, 2006
- Valuing Complex Properties, Power Plants**
IAAO Public Utility Section, Boston, 2004
- Preparation and Trial Seminar (Mock Trial)**
IAAO, Las Vegas, May, 2007
- Preparing for the Big One – The Trial of a \$1 Billion Case; How a Complex Case Illustrates Basic Principles of Valuation and Trial Practice**
CAAO 14th Fall Symposium, 2008
- The Wichita State University Annual Conference on the Appraisal for Ad Valorem Taxation of Communications, Energy and Transportation Properties**
- Preparing for the Big One – The Trial of a \$1 Billion Case; How a Complex Case Illustrates Basic Principles of Valuation and Trial Practice**
37th Annual Conference, 2007
- Rate Basics – Back to the Basics for Experts, Finding a Common Language**
40th Annual Conference, 2010
- When Obsolescence is Accelerating**
46th Annual Conference 2016
- Rutgers University, Office of Continuing Education**
Brownfields: Emerging Issues, The Economics of Green
Rutgers University, New Brunswick, New Jersey, 2008
- The Long Island Society of Certified Public Accountants**
Understanding Key Appraisal Concepts: Methodologies and Procedures, and Capitalization Rates
Real Estate Committee, October, 2005
- The Society of Professional Assessors**
- Dark Store v the Force of Market Value, Big Box, Little Box and the Dark Store Hypothesis**
Hasbrouck Heights, NJ, April, 2016
- Borgata Decision - Separating Real, Personal and Intangible Property**
Hasbrouck Heights, NJ, April, 2014
- A Case Study in Complex Litigation: Wheelabrator v City of Bridgeport**

FEDERAL APPRAISAL LLC



Haddam, CT, November, 2013

Appraising Complex Properties for Property Taxes: A Power Plant Case Study
Mystic, CT, October, 2005

How low can you go? Cap Rates and Yield Rates Methodologies, Procedures, Market Cycle, and Current Issues
Rutherford, NJ, April, 2006

The Institute for Professionals in Taxation, IPT, Annual Property Tax Symposium
Valuation of Electric Generating Stations Owned by Independent Power Producers
Austin, Texas, November 2, 2010

Connecticut Association of Assessing Officers
Dark Store v the Force of Market Value, Big Box, Little Box and the Dark Store Hypothesis
University of Connecticut, CT, June, 2016

The Appraisal and Assessment of Big Box and Large Owner-Occupied Properties
September, 2011

New Jersey County Tax Board Association
Appraising Solar Power Assets for Property Taxation
September, 2011

South Jersey Chapter of the Appraisal Institute
Appraising Solar Power Assets
September, 2011

Articles and Publications

"Benford's Law in Appraisal", The Appraisal Journal, Fall 2018

"The Appraisal of Power Plants", The Appraisal Journal, Summer 2014
This article won the 2014 Swango Award. The *Appraisal Journal's* Editorial Board presents the Swango Award to the best article published during the previous year on residential, general, or technology-related topics, or for original research of benefit to real estate analysts and valuers.

"Options in Real Estate Valuation", The Appraisal Journal, Summer 2013

Reviewer for the "Real Estate Valuation in Global Markets", Second Edition, The Appraisal Institute, 2010, ISBN 978-1-935328-12-4

"Defining and Supporting Entrepreneurial Profit and Incentive, and External Obsolescence", The Appraisal Journal, Winter 2010

"Relationships between the Overall Property and Its Parts, and the Three Approaches to Value", The Appraisal Journal, Winter 2009

"The Energy for Change: Building Our Alternative Energy Future",
Property World, Royal Institution of Chartered Surveyors, Winter 2009

"Corridor Valuation, the ATF Method, and Maximally Productive Uses, Recent Observations from the Rail Line"
Right of Way Journal, International Right of Way Association, September 2008

"Correcting Property Taxes on High-Value Properties", Unpublished, July 2004

"A Generalized Analysis to Determine Three Unknowns: Value, Real Estate Taxes and Real Estate Tax Recoveries"
Assessment Journal, Summer 2003

"Property Taxes, A Silver Lining", Energy Pulse, July 2003

"Considerations for Valuation and Litigation", Deloitte & Touche Real Estate Newsletter, New York, April 2000

"Reducing Property Taxes in a Rising Market", Real Estate New York, February 1998

Resume last revised March 15, 2023

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MARYLAND

NATIONAL RAILROAD PASSENGER
CORPORATION (AMTRAK),

*

Plaintiff,

*

v.

*

CIVIL NO. JKB-23-2158

.025 ACRES MORE OR LESS OF LAND,
et al.,

*

Defendants.

*

* * * * *

MEMORANDUM AND ORDER

Currently pending before the Court are various Motions. As discussed in greater detail below, the Court will decide National Railroad Passenger Corporation’s (“Amtrak”) Motion for Summary Judgment and for Other Relief (ECF No. 68), Defendant Kenya Felton’s Motion to Satisfy Claim (ECF No. 70), and Defendant Mayor and City Council of Baltimore City’s Motion for Disbursement of Funds (ECF No. 81) after the just compensation hearing. The Court will deny as moot Amtrak’s Motion for Leave to File Second Amended Complaint (ECF No. 79), as it did not need to seek leave of Court to file the Second Amended Complaint.

I. Factual and Procedural Background

Amtrak filed a Complaint for Condemnation and Request for Possession pursuant to 49 U.S.C. § 24311 to acquire by eminent domain the following properties: 1002 North Payson Street, Baltimore, Maryland 21217; 1006 North Payson Street, Baltimore, Maryland 21217; 1008 North Payson Street, Baltimore, Maryland 21217; 1016 North Payson Street, Baltimore, Maryland 21217. (ECF No. 1.) Amtrak listed as Defendants the persons and entities that may claim an interest in each of the subject properties, which includes current and former record owners, tenants,

ground rent holders, mortgage lien holders, mortgage assignees, judgment creditors, and holders of tax sale certificates.¹ (*Id.*)

The Court granted Amtrak's Motion to Deposit Estimate of Just Compensation, and Amtrak deposited funds totaling \$267,452.00² with the Court. (ECF No. 21.) As result, title in the subject properties vested in Amtrak. (*See* ECF No. 40 (Memorandum and Order explaining that, pursuant to 49 U.S.C. § 24311(b)(2), title had vested in Amtrak.)) The Court explained that it would entertain a motion for immediate possession of the properties once service had been accomplished pursuant to Federal Rule of Civil Procedure 71.1. (*Id.*) After Amtrak served all Defendants, the Court granted Amtrak's Motion for Immediate Possession. (*See* ECF Nos. 58, 62.)

Only a handful of Defendants have entered an appearance and filed an answer in this matter. They are: CitiMortgage, Inc. (for itself and as successor to Associates Financial Services

¹ For instance, Amtrak lists the following as persons or entities that may claim an interest in 1006 North Payson Street: Yvette Wormley (current record owner); Estate of George Wormley (deceased record owner); Sharon Wormley (personal representative of George Wormley); Lee & Selma LLC (holder of a ground rent); Associates Financial Services Company of Maryland, Inc. (holder of a mortgage lien/interest); Citicorp Home Mortgage Services, Inc. (holder of a mortgage lien/interest); CitiMortgage, Inc. (holder of a mortgage lien/interest); Edward S. Cohn (assignee of a mortgage); Stephen N. Goldberg (assignee of a mortgage); Richard E. Solomon (assignee of a mortgage); Richard J. Rogers (assignee of a mortgage); Cohn, Goldberg & Deutsche, LLC (assignee of a mortgage); Enterprise Leasing Company (judgment creditor of Yvette Wormley); Enterprise Leasing Company of Baltimore (judgment creditor of Yvette Wormley); Enterprise RAC Company of Baltimore, LLC (judgment creditor of Yvette Wormley); and Enterprise RAC Company of Maryland, LLC (judgment creditor of Yvette Wormley). (ECF No. 1 at 15–18.) 1006 North Payson Street has the largest number of potential interest holders, but the other three properties also have multiple potential interest holders. (*Id.* at 18–22.)

Since filing its initial complaint, Amtrak has added four Defendants who have an interest in 1002 North Payson Street, (*see* ECF Nos. 33, 77), and has dismissed one Defendant related to 1016 North Payson Street, (*see* ECF No. 53).

² Amtrak estimated the just compensation for each property as follows:

1006 North Payson Street: \$52,000.00
1008 North Payson Street: \$56,652.00
1016 North Payson Street: \$85,000.00
1002 North Payson Street: \$73,800.00

(ECF No. 1.) By stipulation between Amtrak and Defendant Steven Harris, Amtrak has since deposited an additional \$11,200 with respect to 1002 North Payson Street such that just compensation for that property is now \$85,000.00. (ECF No. 56.)

Company of Maryland, Inc., Citicorp Home Mortgage Services, Inc., and CitiFinancial Mortgage Company, Inc.) (ECF No. 52), Kenya Felton (ECF Nos. 22, 23), Mayor and City Council of Baltimore City (ECF No. 24), Office of the Comptroller of Maryland (ECF No. 37, 38), and the Maryland Department of Health (ECF No. 39). None contested Amtrak's authority to condemn the properties.

Currently pending before the Court are four motions: Amtrak's Motion for Summary Judgment and for Other Relief (ECF No. 68), Defendant Kenya Felton's Motion to Satisfy Claim (ECF No. 70), Defendant Mayor and City Council of Baltimore City's Motion for Disbursement of Funds (ECF No. 81), and Amtrak's Motion for Leave to File Second Amended Complaint (ECF No. 79.)

II. Motion for Summary Judgment (ECF No. 68)

Amtrak has filed a Motion for Summary Judgment and for Other Relief, in which it seeks for the Court to determine the just compensation of the subject properties and the outstanding charges relating to the properties. (ECF No. 68.)

A. Hearing

The issues of just compensation relating to the subject properties may be determined by summary judgment. *See, e.g., Mountain Valley Pipeline, LLC v. 0.15 Acres of Land by Hale*, Civ. No. 19-00181, 2020 WL 365506, at *4 (W.D. Va. Jan. 22, 2020), *aff'd*, 827 F. App'x 346 (4th Cir. 2020) (explaining that "Rule 56 applies in this case because the rule governing condemnation proceedings in federal court (Rule 71.1) has no provisions governing summary judgment" and that "[s]ummary judgment is appropriately granted in a condemnation case when there is no genuine issue of material fact regarding the fair market value of the property to be taken."). Further, under 49 U.S.C. § 24311(b)(3), "[a]fter a hearing, the court shall make a finding on the amount that is

just compensation for the interest in the property and enter judgment awarding that amount and interest on it.” In addition, under 49 U.S.C. § 24311(b)(2)(B), “the court may decide . . . the disposition of outstanding charges related to the property.”

The Court will therefore set in a hearing to occur on February 21, 2024 at 11:00 a.m. After such hearing, the Court will make findings related to just compensation and will rule on Amtrak’s Motion for Summary Judgment and for Other Relief.

B. Notice

Amtrak argues in a footnote that it is not required to serve its Motion for Summary Judgment on the non-appearing Defendants.³ (ECF No. 68-1 at 5 n.8.) Although most Defendants in this matter have not filed answers or otherwise appeared, Federal Rule of Civil Procedure 71.1(e)(3) provides that “at the trial on compensation, a defendant—*whether or not it has previously appeared or answered*—may present evidence on the amount of compensation to be paid and may share in the award.” (emphasis added). Therefore, in the interest of ensuring that all Parties may be adequately heard in this matter, the Court will direct Amtrak to provide notice to the non-appearing Defendants of its Motion for Summary Judgment and of this Memorandum and Order on all non-appearing Defendants.⁴

³ Federal Rule of Civil Procedure 71.1(e)(1) explains that “[a] defendant that has no objection or defense to the taking of its property may serve a notice of appearance designating the property in which it claims an interest. The defendant must then be given notice of all later proceedings affecting the defendant.” The Ninth Circuit has interpreted this language to mean that the condemning authority is “not required to serve non-objecting defendants who did not file a notice of appearance with its motion for judgment on the pleadings.” *United States v. 14.02 Acres of Land More or Less in Fresno Cnty.*, 547 F.3d 943, 954–55 (9th Cir. 2008). However, under the circumstances of this matter, the Court finds that providing notice to non-appearing Defendants is appropriate.

⁴ The Court recognizes that Amtrak’s Motion for Summary Judgment is lengthy. It is therefore open to Amtrak identifying a creative solution for providing access to that document to the non-appearing Defendants, such as mailing each Defendant a notice that directs them to a website where the Defendants can access it.

III. Motions for Disbursement (ECF Nos. 70, 81)

Defendant Kenya Felton filed a Motion to Satisfy Claim (ECF No. 70) and Defendant Mayor and City Council of Baltimore City filed a Motion for Disbursement of Funds (ECF No. 81), both of which seeks disbursement of funds that have been deposited with the Court. Amtrak does not oppose these Motions. 49 U.S.C. § 24311(b)(4) provides that “[o]n application of a party, the court may order immediate payment of any part of the amount deposited in the court for the compensation to be awarded. If the award is more than the amount received, the court shall enter judgment against Amtrak for the deficiency.” Further, Federal Rule of Civil Procedure 71.1(c)(4) provides that notice must be served on all defendants, no matter when such defendants were added to the action, and that “[t]he court, meanwhile, may order any distribution of a deposit that the facts warrant.”

Given the number of potentially interested Defendants and that the Court is setting in a just compensation hearing, the Court will rule on the Motions for Disbursement at a later date.

IV. Motion to File Amended Complaint (ECF No. 79)

Amtrak filed a Second Amended Complaint on December 12, 2023 to add a Defendant, Theodoric Colbert. (ECF No. 77.) The docket reflects a “QC Notice” indicating that Amtrak was required to file a motion for leave to file the Second Amended Complaint. (ECF No. 78.) Amtrak did so on December 13, 2023. (ECF No. 79.) However, Federal Rule of Civil Procedure 71.1(f) provides that “[w]ithout leave of court, the plaintiff may—as often as it wants—amend the complaint at any time before the trial on compensation.” Therefore, the Court will deny as moot the pending Motion for Leave to File a Second Amended Complaint and will direct the Clerk to reinstate ECF No. 77. The Second Amended Complaint will be deemed filed as of December 12,

2023, and Amtrak will be directed to serve Mr. Colbert consistent with the requirements of Rule 71.1, if it has not already done so.

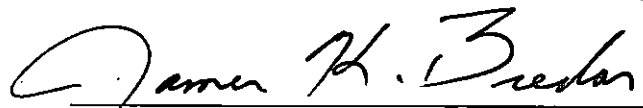
V. Conclusion

For the foregoing reasons, it is ORDERED that:

1. A JUST COMPENSATION HEARING is set in for February 21, 2024 at 11:00 a.m. in Courtroom 5A at the Edward A. Garmatz U.S. District Courthouse at 101 W. Lombard St., Baltimore, MD 21201.
2. Any Defendant that plans to attend the Just Compensation Hearing is DIRECTED to notify the Court of that fact by February 16, 2024.
3. Amtrak is DIRECTED to serve copies of its Motion for Summary Judgment and Other Relief (ECF No. 68) and of this Memorandum and Order on all non-appearing Defendants.
4. Amtrak's Motion for Leave to File Second Amended Complaint (ECF No. 79) is DENIED.
5. The Clerk's "QC Notice" (ECF No. 78) is VACATED and Amtrak's Second Amended Complaint (ECF No. 77) is REINSTATED. The Second Amended Complaint (ECF No. 77) is DEEMED FILED as of December 12, 2023.
6. Amtrak is DIRECTED to serve Defendant Theodoric Colbert in accordance with Rule 71.1.

DATED this 8 day of January, 2024.

BY THE COURT:



James K. Bredar
Chief Judge