

RESOLUTION 16-410

**TO APPROVE LAND ACQUISITION PURCHASE FOR TRACT 268
OF THE DUPLEX ROAD WIDENING PROJECT**

WHEREAS, the City of Spring Hill is in the process of widening Duplex Road;
and

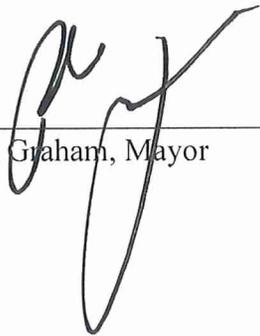
WHEREAS, in order to complete the project, the City must acquire land in the
form of right-of-ways and easements from property owners along Duplex Road; and

WHEREAS, the City is working with Tennessee Department of Transportation
on this project, known as State Project Number 60LPLM-F2-019 and Federal Project
Number STP-M-247(9); and

WHEREAS, the cost of the acquisition will be \$6,200.00 to the tract owner
(Vickie M. Dawson) and \$500.00 to the closing agent (Southeast Title of Tennessee, Inc.)
for closing costs.

NOW THEREFORE, BE IT RESOLVED, that the City of Spring Hill, Board
of Mayor and Aldermen authorizes a total land acquisition purchase in the amount of
\$6,700.00 to Southeast Title of Tennessee, Inc., 40 Middleton Street, Nashville, TN
37210 for Tract number 268 of the Duplex Road widening project.

Passed and adopted this 1st day of February, 2016.



Rick Graham, Mayor

ATTEST:



April Goad, City Recorder

LEGAL FORM APPROVED:



Patrick Carter, City Attorney

City of Spring Hill
Tennessee
Agreement of Sale

STATE PROJ. #: 60LPLM-F2-019 COUNTY/S Williamson
FED PROJ. #: STP-M-247(9) TRACT #: 268
PIN #: 101369.00 NEGOTIATOR: Yolanda Cortez DATE PRINTED: _____
OWNERS: Vickie M. Dawson

This agreement entered into on 1/14/2016
Date
between Vickie M. Dawson
Seller Name(s)

herein after called Seller and the CITY OF SPRING HILL hereinafter called CITY shall continue for a period of 90 days under the terms and conditions listed below. This Agreement embodies all considerations agreed to between the Seller and the CITY.

- A. The Seller hereby offers and agrees to convey to the CITY all interest in the lands identified as TRACT 268 on the right-of-way plan for the above referenced project upon the CITY tendering the purchase price of \$ 6,200.00®, said tract being further described on the attached legal description
- B. The CITY agrees to pay for the expenses of title examination, preparation of instrument of conveyance and recording of deed. The CITY will reimburse the Seller for expenses incident to the transfer of the property to the CITY. Real Estate Taxes will be prorated.

The following terms and condition will also apply unless otherwise indicated:

- C. Retention of Improvements Does not Retain Improvements Not applicable
Seller agrees to retain improvements under the terms and conditions stated in ROW Form-32A attached to this document and made a part of this Agreement of Sale.
- D. Utility Adjustment Not Applicable
The Seller agrees to make at his expense the below listed repair, relocation or adjustment of utilities owned by him. The purchase price offered includes \$ _____, to compensate the owner for his expenses.
- E. Other

- F. The Seller states in the following space the name of any Lessee of any part of the property to be conveyed and the name of any other parties having any interest of any kind in said property;

- G. The seller agrees to comply with the requirements of the Statewide Storm Water Management Plan and understands that mitigation costs due to non-compliance are the responsibility of the seller.

1/14/16 Vickie M Dawson
Date Signature of Seller Date Signature of Seller

Date Signature of Seller Date Signature of Seller

**CITY OF SPRING HILL
APPROVED OFFER - BASIS, SUMMARY & AUTHORIZATION**

(THIS FORM MAY BE USED FOR STAFF NPP)

(2)STATE PROJECT NO: 60LPLM-F2-019 (3)FEDERAL PROJECT NO: STP-M-247(9)

(4)PROJECT ID NUMBER: N/A (5)TRACT NUMBER: 268

(6)PROPERTY OWNERSHIP: Vickie M. Dawson

(7)COUNTY: Williamson (8)MAP/PARCEL NUMBER: 166P-G-001.00

(9)APPRAISER: Randy Button, MAI, SRA, AI-GRS (CG#03)

(10)APPRAISER CONCLUSION OF TOTAL AMOUNT DUE OWNER: \$6,200

(11)EFFECTIVE DATE OF VALUATION: 12/16/14 (12)APPRAISAL TYPE (FORMAL, FPA, or NPP): FPA

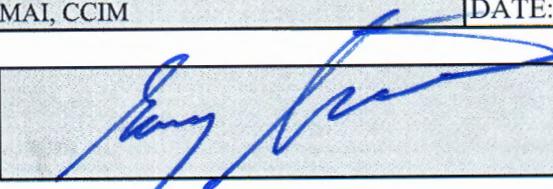
ACQUISITION AREAS & APPROVED COMPENSATIONS

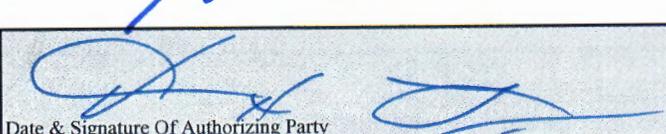
	ACQ. AREAS		COMPENSATIONS	(13)ALTERNATE OFFER	
	AREA	ACS/SF	(Rounded)	Partial-Acquisition Remainder Declared Uneconomic Remnant	N/A
INTERESTS ACQUIRED					
(14)FEE-SIMPLE	675	SF	\$4,550 (R)		
(15)PERM. DRNGE. ESM'T.					
(16)SLOPE ESM'T.	16	SF	\$100 (R)		
(17)AIR RIGHTS					
(18)TEMP. CONST. ESM'T.	766	SF	\$1,550 (R)		
(19)LNDOWNR IMPRVMTS.					
TOTL ACQUISITIONS					
(20)DAMAGES			\$6,200		
(21)SPECIAL BENEFITS					
NET DAMAGES					
(22)UTILITY ADJUSTMENT					
TOTL LNDOWNR COMP.			\$6,200		
(23)TENANT IMPRVMTS.					
TOTAL TRACT COMPENSATION			\$6,200		

(24)COMMENTS & EXPLANATIONS AS NECESSARY

Plans change 3-11-15: Revised property owner name and Deed Book and Page.

OFFER PREPARED BY: Gary Standifer, MAI, CCIM DATE: 5/21/2015

SIGNATURE OF PREPARER: 

AGENCY AUTHORIZATION BY: 
Date & Signature Of Authorizing Party

TENNESSEE DEPARTMENT OF TRANSPORTATION
REAL PROPERTY EMINENT DOMAIN
APPRAISAL REVIEW REPORT
(RIGHT OF WAY ACQUISITION)

This appraisal review has been conducted in accordance with the Scope of Work Rule and Standard 3 of the *Uniform Standards of Professional Appraisal Practice*, as promulgated by the Appraisal Foundation. This review and this review report are intended to adhere to the Standard 3 in effect as of the date of this review was prepared. The appraisal and appraisal report have been considered in light of the Standards 1 & 2 in effect as of the date the appraisal was prepared - not necessarily the effective date of valuation.

The purpose of this technical review is to develop an opinion as to the compliance of the appraisal report identified herein to the *Uniform Standards of Professional Appraisal Practice*, the *Uniform Relocation Assistance & Real Property Acquisition Act*, and the Tennessee Department of Transportation's *Guidelines for Appraisers*; and further develop opinions as to the completeness, accuracy, adequacy, relevance, reasonableness, and appropriateness of opinions presented in the appraisal report as advice to the acquiring agency in its development of a market value offer to the property owner. This review is conducted for the Tennessee Department of Transportation and is the intended user.

City of Spring Hill

All estimates of value prepared for agency acquisitions shall be based on "market value" - as defined and set forth in the Tennessee Pattern Jury Instructions to wit: "the amount of money which a purchaser, willing but under no compulsion to buy, would pay, and which a seller, willing but under no compulsion to sell, would accept, taking into consideration all the legitimate uses to which the property was adaptable and might in reason be applied." Compensations are in compliance with the Tennessee State Rule.

Section (A) Identification & Base Data:

(1) State Project Number: 60LPLM-F2-019 (2) County: Williamson (3) Tract No.: 268
Federal: STP-M-247(9)
Pin: 103169.00

(4) Owner(s) of Record: Vickie M. Dawson
2000 Via Francesco Court, Spring Hill, TN 37174

(5) Address/Location of Property Appraised: 2000 Via Francesco Court, Spring Hill, Williamson County, TN.

(6) Effective Date of the Appraisal: 12-16-14

(7) Date of the Report: 4-30-15

(8) Type of Appraisal: Formal : (9) Type of Acquisition: Total
: Formal Part-Affected : Partial

(10) Type of Report Prepared: : (11) Appraisal & Review Were Based On:
: Appraisal Report : Original Plans (Assumed)
: Restricted Appraisal Report : Plan Revision Dated: 3-11-15

(12) Author(s) of Appraisal Report: Randy Button, MAI, SRA, AI-GRS (CG#03)

(13) Effective Date of Appraisal Review: 5-11-2015

(14) Appraisal Review Conducted By: Gary R. Standifer, MAI, CCIM

(15) Ownership Position & Interest Appraised: (Unless indicated herein to the contrary, the appraisal is of a 100% ownership position in fee simple. (Confirm 100% or state the specifics otherwise.))

Ownership Position & Interest Appraised is Fee Simple according to Appraisal Report, Right-of-Way Plans and Title Report.

(16) Scope of Work in the Performance of this Review: (Review must comply with all elements and requirements of the Scope of Work Rule and Standard 3 of USPAP, and must include field inspection (at least an exterior inspection of the subject property and all comparable data relied on in the appraisal report.)) **Development of an independent estimate of value is not a part of this review assignment.**

Upon receipt of the appraisal report, all comparable sales were visually inspected from the public right of way and confirmed using available data services (CRS data and actual courthouse records). Additionally, narrative descriptions (in the Market Data Brochure) of the subject neighborhood/market area were reviewed for accuracy. A field review of the subject property was conducted to verify the descriptions in the appraisal report and to more closely inspect the areas being directly affected by the proposed acquisition. Analyses and conclusions contained within the appraisal report were also reviewed as to their applicability to the subject property, the area being acquired, and to the impact, if any, on the remainder property. Additionally, a search was conducted using the information services noted above to see if any comparable sales had been overlooked by the appraiser. Additionally, listings on the project and in the general area were collected and inspected. The plans and cross sections were obtained from the City of Spring Hill. These plans have been reviewed and compared to the plans and cross sections included and/or referenced in Mr. Button's appraisal report. It is assumed the plans provided by the City of Spring Hill are the most current plans available as of the date of this appraisal review. Having reviewed the appraisal report and available data, this review report has been completed by the review appraiser.

Section (B): Property Attributes:

(1) Total Tract Size as Taken From the Acquisition Table: 0.258 Acres (s)

(2) Does the Appraisal Identify One or More "Larger Parcels" That Differ in Total Size From the Acquisition Table? (If "Yes," what is it and is it justified?)(Explain)(Describe Land)

No.

(3) List/Identify Affected Improvements (If appraisal is "Formal," then all improvements must have been described in the appraisal report and must be listed here. If the appraisal is "Formal Part-Affected," then only those affected improvements should have been described in the appraisal report and listed here.) Listing by Improvement Number & Structure Type is adequate here.)

- | | |
|---------------|-----------|
| 1- <u>N/A</u> | 2- _____ |
| 3- _____ | 4- _____ |
| 5- _____ | 6- _____ |
| 7- _____ | 8- _____ |
| 9- _____ | 10- _____ |
| 11- _____ | 12- _____ |
| 13- _____ | 14- _____ |
| 15- _____ | 16- _____ |

Section (C) Valuation Approaches Processed and Reconciled "Before Value" Estimates

Approaches Utilized: Cost Sales Comparison Income

Reconciled Value Estimates (Total Tract or Larger Parcel(s)):

Land: \$77,500

Improvements: N/A

Total: \$77,500

Comments: **FPA - Assignment**

Section (G) Review Comments

“Before” & “After” Valuation (include Comments for “NO” Responses to Questions 1 - 7 & “YES” Response to Question 8).

(1) Are the conclusions of highest and best use (before & after) reasonable and adequately supported?

Conclusions of highest and best use in the before and after situations appear reasonable and adequately supported. FPA - Assignment.

(2) Are the valuation methodologies (before & after) appropriate?

Valuation methodologies used by the appraiser in the before and after situations are adequate. FPA - Assignment.

(3) Are the data employed relevant & adequate to the (before & after) appraisal problems?

Data employed by the appraiser appears to be relevant and adequate to the before and after situations appraisal problem. FPA - Assignment.

(4) Are the valuation techniques (before & after) appropriate and properly applied?

The valuation techniques in the before and after situations were adequate. FPA - Assignment.

(5) Are the analyses, opinions, and conclusions (before & after) appropriate and reasonable?

Analyses, opinions and conclusions in the before and after situations appear appropriate. FPA - Assignment.

(6) Is the report sufficiently complete to allow proper review, and is the scope of the appraisal assignment broad enough to allow the appraiser to fully consider the property and proposed acquisitions?

The submitted FPA report is sufficiently complete to allow proper review. The scope of this assignment is broad enough to allow the appraiser to fully consider the property as appraised and the proposed acquisition.

(7) Is the appraisal report under review generally compliant with *USPAP*, the *Uniform Act*, and TDOT's *Guidelines for Appraisers*?

The submitted appraisal report appears to be generally compliant with USPAP, the Uniform Act, and TDOT's Guidelines for Appraisers. Please note this was an FPA - Assignment.

(8) Do the general and special “Limiting Conditions and Assumptions” outlined in the appraisal report limit the valuation to the extent that the report cannot be relied on for the stated use?

The general and special “Contingent and Limiting Conditions” in the submitted appraisal report do not limit the appraiser's valuation of the subject property. FPA - Assignment.

Appraisal Report Conclusions – Amounts Due Owner

(a)	Fee Simple:	<u>\$4,536</u>
(b)	Permanent Drainage Easement:	<u> </u>
(c)	Slope Easement:	<u>\$ 75</u>
(d)	Air Rights:	<u> </u>
(e)	Temporary Construction Easement:	<u>\$1,547</u>
(f)	_____	<u> </u>
(g)	Improvements:	<u> </u>
(h)	Compensable Damages:	<u> </u>
(i)	Special Benefits:	<u> </u>
(j)	Total Amount Due Owner by Appraisal	<u>\$6,200 (R)</u>

- I DO Recommend Approval of this Report
- I DO NOT Recommend Approval of this Report

Comments:

**Mr. Button's value conclusions are approved for the purpose of negotiation.
FPA - Assignment.**



 Appraisal Review Consultant(s)
Gary R. Standifer, MAI, CCIM

CG-28

 State License/Certification No(s):

- Consultant Staff

5-11-2015

 Date of Appraisal Review Report

Additional Comments:

The reviewer received an electronic copy of Tract 268 appraisal report. It is assumed the report utilized for the purpose of this appraisal review assignment is the report that has been submitted to the City of Spring Hill and to the owner of the subject parcel. The reviewer has printed the appraisal report received electronically from Mr. Button and retains it in the file for Tract 268.

Section (H) Certification

I certify to the best of my knowledge and belief:

The statements of fact contained in this report are true and correct.

The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions and conclusions.

I have no present or prospective interest in the property that is the subject of the work under review and no personal interest with respect to the parties involved.

I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of the work under review within the three-year period immediately preceding acceptance of this assignment.

I have no bias with respect to the property that is the subject of the work under review or to the parties involved with this assignment.

My engagement in this assignment was not contingent upon developing or reporting predetermined results.

My compensation is not contingent on an action or event resulting from the analyses, opinions, or conclusions in this review or from its use.

My compensation for completing this assignment is not contingent upon the development or reporting of predetermined assignment results or assignment results that favors the cause of the client, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal review.

My analyses, opinions and conclusions were developed and this review report was prepared in conformity with the *Uniform Standards of Professional Appraisal Practice (USPAP)*. In addition, my analyses, opinions and conclusions were developed and this report has been prepared in conformity with the requirements of the *Code of Professional Ethics* and the *Standards of Professional Practice of the Appraisal Institute*.

I did personally inspect the exterior of the subject property of the work under review.

No one provided significant appraisal or appraisal review assistance to the person signing this certification.

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

As of the date of this report, Gary R. Standifer has completed the continuing education program of the Appraisal Institute.



Appraisal Review Consultant(s)

Gary R. Standifer, MAI, CCIM

Consultant

Staff

5-11-2015

Date of Appraisal Review Report

Section (I) Limiting Conditions & Assumptions

This appraisal review report has been made with the following general limiting conditions and assumptions:

- (1) Unless stated herein to the contrary, it is specifically assumed that the author of the appraisal report under review made the required contact with the property owner, and conducted the appropriate inspections and investigations.
- (2) Unless stated herein to the contrary, it is specifically assumed that the right-of-way plans upon which the appraisal was based are accurate.
- (3) Unless stated herein to the contrary, it is specifically assumed that all property (land & improvement) descriptions are accurate.
- (4) Unless stated herein to the contrary, no additional research was conducted by the review appraiser.
- (5) Unless stated herein to the contrary, all specific and general limiting conditions and assumptions outlined in the appraisal report submitted for review are adopted herein.

APPRAISAL REPORT CITY OF SPRING HILL, TENNESSEE

THE PURPOSE OF THIS APPRAISAL IS TO ESTIMATE THE FAIR MARKET VALUE FOR HIGHWAY RIGHT-OF-WAY PURPOSES

1. Name, Address & Telephone Numbers:

(A) Owner: Vickie M. Dawson
2000 Via Francesco Court
Spring Hill, TN 37174

(B) Tenant: Owner Occupant
615-232-4182

(C) Address and/or location of subject: 2000 Via Francesco Court, Spring Hill, Williamson County, TN

2. Detail description of entire tract:

The subject site is an irregular shaped site located at the entrance to the Benevento East Phase 1 subdivision. The tract has a width of 91.80 rear feet fronting the north side of Duplex Road and a depth of 125.02 feet, containing 0.258 acres or 11,238 SF. The property is level. The site is improved: Improvement 1 is a single unit residential dwelling that is not impacted by the proposed road project. The subject tract is also improved with improvements put in place by the Benevento Home Owners Association and include: 16 spruce trees, 2 crape myrtles, landscape lighting and irrigation, various shrubs and flowers, and a stone monument. According to the Amended and Restated Declarations of Covenants, Conditions and Restrictions for Benevento Subdivision" in Williamson County, Tennessee Record Book 5507, Page 365, Article 10(a), 10(f) and 10(g) the home owners association has the right to construct or plant such materials which become the common property of the home owners association. Therefore, these improvements will be valued as part of Tract 195, owned by the Benevento East Community Association, Inc.

3. (A) Tax Map and Parcel No. 166P-G-001.00 **(B) Is Subject in a FEMA Flood Hazard Area?** Yes No
If yes, Show FEMA Map/Zone No. _____

4. Interest Acq.: Fee Drainage Easement Construction Easement Slope Easement Other: _____

5. Acquisition: Total Partial

6. Type of Appraisal: Formal Formal Part Affected

Intended Use of Report – This "Formal Part-Affected" appraisal of a 100% ownership position is intended for the sole purpose of assisting the City of Spring Hill, Tennessee in the acquisition of land for right-of-way purposes. This appraisal pursuit excludes those property elements (land and/or improvements) that are not essential considerations to the valuation solution.

This is an appraisal report, which is intended to comply with Standard Rule 2-2(a). As such, it presents only summary discussions of the data, reasoning and analysis that were used in the appraisal process. Supporting documentation that is not provided within the report is retained in the appraiser's work file or can be obtained from the Market Data Brochure. The depth of discussion contained in this report is specific to the needs of the client.

7. Detail Description of land acquired:

BEGINNING at a point on the east existing right of way line of Via Francesco Way at the intersection with the north proposed right of way line of S.R. 247 (Duplex Road) and being located 24.52 feet left of centerline station 9+34.85; thence with the proposed right of way line the following two calls: South 66 deg. 54 min. 02 sec. East for a distance of 42.64 feet to a point; thence North 89 deg. 49 min. 00 sec. East for a distance of 52.32 feet to a point on the common line with Ole South Holdings Inc. (D.B. 5615 PG. 501); thence with the common line South 00 deg. 06 min. 57 sec. East for a distance of 3.88 feet to a point on the common line with Benevento East Community Association Inc. (D.B. 5313 PG. 237); thence with the common line North 89 deg. 59 min. 48 sec. West for a distance of 91.80 feet to a point on the east existing right of way line of Via Francesco Way; thence with the existing right of way line North 00 deg. 42 min. 18 sec. East for a distance of 20.44 feet to the Point of **BEGINNING**.

Containing 675 square feet, more or less.

See Page 1A for additional descriptions of the slope and construction easements.

8. Sales of Subject: (Show all recorded sales of subject in past 5 years; show last sale of subject if no sale in past 5 years.)

Sale Date	Grantor	Grantee	Book Page	Verified Consideration	How Sale Amount Verified
1/25/2013	Ole South Properties, Inc.	Vickie M. Dawson	5841/132	\$270,623	Public Affidavit
Existing Use	Zoning	Utilities Available	Off Site Improvements	Area Lot or Acreage	
Residential	R2	Water, Sewer, Electric, Gas, Tele.	Paved Street and Curb	0.258 Acres or 11,238 SF	

State Project No. 60LPLM-F2-019 County Maury and Williamson Tract No. 268

Federal Project No. STP-M-247 (9) Name of Appraiser Randy Button, MAI, SRA, AI-GRS (CG#03)

ADDITIONAL COMMENTS

7. Detailed description of land acquired: Continued from preceding page.....

Slope Easement

The ROW plans call for a slope easement on the subject site along the northern side of the proposed right-of-way. This strip of land has a maximum width of 1 foot and a minimum width of 0 feet, and contains 16 sq. ft., more or less.

Construction Easement

The plans also call for a construction easement containing 766 SF, in effect renting this portion for 3 years (length of construction). The construction easement ranges from 0-10 feet wide and is a strip of land running parallel with the right-of-way or slope easement and providing silt control or work space for the road contractors.

9. Highest and Best Use: Before Acquisition)(If different from existing make explanation supporting same.)

In order to estimate an opinion of value for the subject property we needed to determine the highest and best use or “the reasonably probable use of property that results in the highest value” (definition of *highest and best use* in The Appraisal of Real Estate, 14th ed. Chicago: Appraisal Institute 2013, page 332).

The larger parcel issue is the first step in condemnation valuation. Larger parcel includes three considerations: unity of ownership, contiguity, and unity of use. Larger Parcel is an assemblage issue and not a highest and best use analysis. I feel the Larger Parcel is Tract 268 in its entirety.

Considering subject as a Larger Parcel, it is important to identify the conditions that are “reasonably probable” including what is (1) legally permissible on the site, (2) physically possible, and (3) financially feasible. In testing the economic productivity of the site we are able to identify what is (4) maximally productive, and therefore the highest and best use.

(1) Looking at the subject property prior to the proposed acquisition, I found the site to be zoned Medium Density Residential (R2). R2 Districts allow for single-unit residential dwellings with good access to public utilities and facilities. Buildable sites must have a minimum lot area of 10,000 square feet. Restrictions for the Benevento Subdivision were recorded as “Amended and Restated Declarations of Covenants, Conditions and Restrictions for Benevento Subdivision” in Williamson County, Tennessee Record Book 5507, Page 345-394. These subdivision restrictions require the development of only single family residential units, not to exceed three-stories, with attached garages at the side or rear of the structure, and a minimum of 2,200 square feet (of finished ad heated space). R2 zoning allows a maximum total building area of 35% of the site size. The subdivision restrictions also preclude any multi-family or commercial structures. Additionally, no private restrictions, historic controls, or environmental regulations were found to preclude what is permissible under the existing zoning classification. The Spring Hill Comprehensive Plan (June 2011) suggest a Suburban Neighborhood Use for the site. Therefore, I believe reclassification of the site into a classification inconsistent with the current zoning designation is not probable.

(2) Considering the physically possible land attributes I found that the site had 91.80 LF of rear existing frontage with a depth of approximately 125.02 LF. The site was considered to be level and suitable for residential development. The site also has public water, sewer, gas, electric, and telephone utilities in place and is not located in the flood zone according to FEMA flood maps making a residential use physically possible.

(3) In determining uses for the site that meet both the legally permissible and physically possible criteria, I narrowed the potential uses that would be financially feasible. Considering the zoning and subdivision restrictions for the development of only single unit residential dwellings, low number of days on the market, and the volume of construction of single unit residential dwellings, I believe the development of a single unit residential unit would appear to be a viable and attractive use for the land. Considering the fact that the neighborhood itself is comprised of new residential construction, such a use is considered appealing to a developer. Therefore, I believe that a residential use for the land provides the highest land value commensurate with the development cost associated with the market’s acceptance of risk. The total area for the site was 11,238 SF which would allow for the development of a residential dwelling with a minimum of 2,200 square feet and a maximum of 3,933 square feet. I believe the most appealing uses for the site, considering its access and visibility, is for the site to be developed with a residential use.

(4) Considering the subject site's location and legal constraints, its only practical use is for the land to be developed with a residential use. Considering the preceding factors, it is concluded that the *highest and best use* of the subject site, as if vacant, is for the land to be developed with a single unit residential dwelling.

Highest and Best Use As-Improved:

The subject property is currently improved with a single unit residential dwelling that appeared in good condition. After considering the possible alternative uses for the existing facility, I am of the opinion that the existing single unit residential dwelling represents the highest and best use to the land and improvements.

This Appraisal Is Based On Original Plans	X	Or Plan Revision	Dated: March 1, 2013
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SALES COMPARISON APPROACH

14. LAND VALUE ANALYSIS

(A) ANALYSIS OF COMPARABILITY (Insert Comp. Sale No's. from Brochure or Attachments)

Inspection Date: 12/16/2014		SALE NO. <u>RL-17</u>		SALE NO. <u>RL-18</u>		SALE NO. <u>RL-20</u>	
CASH EQUIVALENT Sales Price		\$65,000		\$70,000		\$75,000	
Date of Sale	# of Periods	10/22/2014	2	10/22/2014	2	10/17/2014	2
% Per Period	Time Adjustment	0.38%	\$453	0.38%	\$488	0.38%	\$570
Sales Price Adjusted for Time		\$65,453		\$70,488		\$75,570	
Proximity to Subject		2.8 mi		2.8 mi		2.8 mi	
Unit Value Land Per Lot:		\$65,453		\$70,488		\$75,570	
Elements	SUBJECT	Descriptions	(+)(-) Adj.	Descriptions	(+)(-) Adj.	Descriptions	(+)(-) Adj.
Location	Beneveto East	Arbors at Autumn Ridge		Arbors at Autumn		Arbors at Autumn Ridge	
Size	11,238 SF	7,586 SF		10,390 SF		12,563 SF	
Shape	Irregular	Rectangular		Irregular		Trapezoid	
Site/View	Street	Street		Street		Street	
Topography	Level	Level		Level		Level	
Access	Average	Average		Average		Average	
Zoning	R2	R-2		R-2		R-2	
Utilities Available	Water/Sewer Elec., Gas	Water/Sewer Elec., Gas		Water/Sewer Elec., Gas		Water/Sewer Elec., Gas	
Encumbrances Easements, Etc.	Typical	Typical		Typical		Typical	
Off-Site Improvements	Paved Curbed St. Street Lights	Paved Street, Curb, Sidewalk, Gutters		Paved Street, Curb, Sidewalk, Gutters		Paved Street, Curb, Sidewalk, Gutters	
On-Site Improvements	None	None		None		None	
Other:							
NET ADJUSTMENTS		+ \$0		+ \$0		+ \$0	
ADJUSTED UNIT VALUE		\$65,453		\$70,488		\$75,570	

INDICATED VALUE OF SUBJECT LAND FOUND ON FOLLOWING PAGE:

See following page for analysis.

SALES COMPARISON APPROACH

14. LAND VALUE ANALYSIS: (Continued.....)

(A) ANALYSIS OF COMPARABILITY (Insert Comp. Sale No's. from Brochure or Attachments)

Inspection Date:	3/11/2015	SALE NO.	RL-2		
CASH EQUIVALENT Sales Price		Average of:	\$63,000		
Date of Sale	# of Periods	6/17/2014	9		
% Per Period	Time Adjustment	0.38%	\$2,131		
Sales Price Adjusted for Time			\$65,131		
Proximity to Subject		< 0.2 mi			
Unit Value Land Per Lot:			\$65,131		
Elements	SUBJECT	Descriptions	(+)(-) Adj.		
Location	Beneveto East	Benevento East			
Size	11,238 SF	81,532 SF			
Shape	Irregular	Multiple Parcel			
Site/View	Street	Street			
Topography	Level	Rolling			
Access	Average	Average			
Zoning	R2	R-2			
Utilities Available	Water/Sewer Elec., Gas	Water/Sewer Elec., Gas			
Encumbrances Easements, Etc.	Typical	Typical			
Off-Site Improvements	Paved Curbed St. Street Lights	Paved Streets Curb and Gutters			
On-Site Improvements	None	None			
Other:					
NET ADJUSTMENTS			+ \$0		
ADJUSTED UNIT VALUE			\$65,131		
INDICATED VALUE OF SUBJECT LAND:		See Below			

Comments:

The range of values per lot were from: \$65,131 to \$75,570 per Lot.

Sale RL-2 was given no weight. Sales RL-17, RL-18, and RL-20 were given primary consideration as they are considered most similar to the subject and are believed to reflect the values commanded for vacant residential lots within the city of Spring Hill and more specifically within Williamson County. Land size appears to be the determining factor of lot value. This is confirmed in the sales themselves and by the market participants involving these lots. Therefore, I feel the subject tract is most similar in size to and value to Sale RL-20.

Based upon the available sales data and following discussion, I estimate a value for the entire subject tract to be \$75,500/Lot.

ADDITIONAL COMMENTS

14. LAND VALUE ANALYSIS: (Continued from preceding page.....)

My research uncovered three comparable land sales that are being used to estimate an opinion of value for the subject site. These three similar vacant land sales that occurred in October 2014 and a fourth bulk sale occurring within the Benevento East Phase 1 subdivision in June 2014.

The three sales occurring in October 2014 were located within the Arbors of Autumn Ridge subdivision. This subdivision is considered to be in direct competition with the subject subdivision for newly developed homes in Spring Hill. The finished home sales in the Arbors of Autumn Ridge are being actively marketed between \$329,900 - \$409,900 and exhibited a median finished home asking price of \$364,900. The smaller lots have somewhat smaller homes and lower asking prices than the larger lots.

I discussed the market dynamics of this subdivision with Don R. Cameron, III who is the land developer. I also had conversations with two home builders within the subdivision: (1) Rob Galbreath who has built homes throughout Spring Hill and most recently in the neighboring Dakota Pointe subdivision, and (2) Robert Clark who is building new homes in the Arbors of Autumn Ridge. All three parties readily identified the price of vacant lots were based upon their size which directly impacts the maximum development potential. This trend did appear evident in my market research of high-end finished homes. However, this trend was not evident where finished home values were below \$300,000. The following chart illustrates the size-to-value influence within the Arbors of Autumn Ridge:

	Lot Price	RL-17: (7,586 SF)	RL-18: (10,390 SF)
RL-17: (7,586 SF)	\$65,000	--	(7.69%)
RL-18: (10,390 SF)	\$70,000	7.69%	--
RL-20: (12,563 SF)	\$75,000	15.38%	7.14%

The chart above shows a 7.69% difference between sale RL-17 and RL-18 and a 7.14% difference between sale RL-17 and RL-20. Therefore, the sales data appears to indicate an approximate 7.5% difference in lot values between the next closest tier. The tiers appear to be (A) up to 8,999 square foot lots, (B) 9,000 square foot lots up to 10,999 square foot lots, and (C) 11,000 square foot lots and up. The percentage in price change between A-B or B-C is estimated to be 7.5% and the percentage price change between A-C appears to be approximately 15%.

One important difference between the Arbors of Autumn Ridge and Benevento is the zoning designation. Benevento East is zoned R2, where the Arbors of Autumn Ridge is zone R2/PUD. One difference in these two zoning classifications is apparent; the minimum developable lot size for R2 zoning is 10,000 SF where R2/PUD allows for smaller developable lots. There is no evidence that the differences in the zoning designation influence value. Instead, value appears to be influenced by the size of lots that have a direct relationship with what size improvement can be built on the site. This was discussed in the Highest and Best Use portion of the report found in Item 9. The end result being smaller lots have finished homes that sell for less than finished homes on larger lots.

In looking at finished home sales within Benevento East over the past 12-months, I found two sales for \$305,000, one for \$307,000 and a newly built residence that sold for \$367,930. All four sales occurred between April and December 2014. The lower valued homes were older than the higher valued sale. In looking at the active listing presently being marketed in Benevento East, I found 5 active listings of newly constructed homes that ranged from \$342,900 to \$379,900, exhibiting a mean value of \$360,318 and a median value of \$357,990. Coupled with the recent sales information, the market within Benevento East clearly indicates that newly built homes within the subject subdivision can command values at the median value found within the Arbors of Autumn Ridge. This provides support toward the lot values exhibited by RL-18 and RL-20, regardless of their zoning classification, due primarily to similar lot sizes and finished home values. This further provides evidence that the value of a vacant subdivision lot is directly related to the size of the lot, the resulting development potential, and the overall greatest value the finished home can command on the open market.

ADDITIONAL COMMENTS**14. LAND VALUE ANALYSIS: (Continued from preceding page.....)**

Additionally, Sale RL-2 represents the bulk sale of vacant lots within Benevento East. This sale involved six lots that sold for \$378,000 on June 17th, 2014 (average of \$63,000/Lot). Three of these lots were 10,000 SF, one was located at the beginning of a cul-de-sac having 10,245 SF, and two lots were at the end of the cul-de-sac having 19,753 SF and 21,534 SF, respectfully. Tim Hensley with Ole South Properties, confirmed Sale RL-2 and indicated there was not a discount due to the bulk sale of these lots. However, it is typical for a bulk sale to have some discount to incentivize the purchase of multiple lots. Therefore, supposing these sales had some bulk discount, it can also be assumed the minimum value of a lot within Benevento East is likely near or slightly above the sales price of Sale RL-17. The somewhat significant difference between RL-17 and the subject subdivision is the fact lots in Benevento East are larger and are typically wider than lots within the Arbors of Autumn Ridge. Consequently, the lots within Benevento East have more development potential and more market appeal. This also suggest the vacant lot values within Benevento East should fall nearer the values indicated by Sales RL-18 and RL-20.

In conclusion, all four sales presented in the preceding sales grid provide good insight into the market dynamics of vacant subdivision lots which are ready for development. Sale RL-17 and RL-2 suggest that the value of a vacant lot within Benevento East should not be below \$65,000/lot. It is also apparent that the finished median home value in Benevento East and the Arbors of Autumn Ridge are both near \$360,000. As indicated by Sales RL-18 and RL-20, recent sales activity of vacant lots that command this approximate finished home value within the city of Spring Hill are selling in the \$70,000-\$75,000/Lot range.

The value of the subject site should fall near the time adjusted value exhibited by RL-20, due primarily to consideration of the subject lot size in comparison to these available sales. Therefore, an appropriate estimate of land value for the subject site should be \$75,500/Lot. Calculated as follows:

Subject Lot Value: \$75,500

Subject Square Foot Value: \$6.72
 (\$75,500/Lot ÷ 11,238 SF = \$6.72/SF)

Note: The square foot value of the subject site will be applied in the following analysis because this reflects the unit measurement being applied to the acquisition areas.

CITY OF SPRING HILL, TENNESSEE

ITEM 17. EXPLANATION and/or BREAKDOWN OF LAND VALUES

(A) VALUATION OF LAND:

LAND	<u>1 Lot</u>	S.F. <input type="checkbox"/>	F.F. <input type="checkbox"/>	Acre <input type="checkbox"/>	Lot <input checked="" type="checkbox"/>	@	<u>\$75,500</u>	(Average) Per Unit =	<u>\$75,500</u>
LAND		S.F. <input type="checkbox"/>	F.F. <input type="checkbox"/>	Acre <input type="checkbox"/>	Lot <input type="checkbox"/>	@		(Average) Per Unit =	<u>\$0</u>
LAND		S.F. <input type="checkbox"/>	F.F. <input type="checkbox"/>	Acre <input type="checkbox"/>	Lot <input type="checkbox"/>	@		(Average) Per Unit =	<u>\$0</u>
LAND		S.F. <input type="checkbox"/>	F.F. <input type="checkbox"/>	Acre <input type="checkbox"/>	Lot <input type="checkbox"/>	@		(Average) Per Unit =	<u>\$0</u>
								Total	<u>\$75,500</u>

REMARKS: The value indication for the subject land was rounded to \$75,500.

18. APPROACHES TO VALUE CONSIDERED:

(A) Indicated Value of	<input type="checkbox"/> Entire Tract	<input checked="" type="checkbox"/> Part Affected	from SALES COMPARISON APPROACH	<u>\$72,000</u>
(B) Indicated Value of	<input type="checkbox"/> Entire Tract	<input type="checkbox"/> Part Affected	from COST APPROACH	<u>N/A</u>
(C) Indicated Value of	<input type="checkbox"/> Entire Tract	<input type="checkbox"/> Part Affected	from INCOME APPROACH	<u>N/A</u>

RECONCILIATION: (Which approaches were given most consideration?)(Single-point conclusion should be reasonably rounded)

For the purpose of valuing the subject property the Sales Comparison Approach was processed. The Income Capitalization Approach has been considered, however, it has not been processed within this report because most vacant residential land in the market is not leased. The value indication by the Sales Comparison Approach was \$75,500. There were no improvements impacted. After researching a number of vacant residential lot sales and discussion with market participants, I feel the comparable sales used in this analysis best represent the market value of the subject tract. These values are further supported by recent market data, as discussed in detail in Item 14 of this report. Therefore, I estimate the value for the subject property and the effected improvements to be near \$75,500.

19. FAIR MARKET VALUE	of <input type="checkbox"/> Entire Tract	<input checked="" type="checkbox"/> Part Affected	<u>\$75,500</u>
(A) TOTAL AMOUNT DUE OWNER	if <input type="checkbox"/> Entire Tract	<input checked="" type="checkbox"/> Part Affected Acquired	<u>\$6,200</u>
(B) AMOUNT ATTRIBUTABLE TO:	Land	<u>\$75,500</u>	Improvements <u>\$0</u>

REMARKS: Value of Improvements: \$ 0
No Improvements Valued

PARTIAL ACQUISITION

20.

VALUE OF ENTIRE TRACT ...*(Amount in Item 19 carried forward)*..... \$75,500

AMOUNT DUE OWNER IF ONLY PART ACQUIRED (Detail breakdown)

A. Land Acquired (Fee)	<u>675</u>	S.F.	<input checked="" type="checkbox"/>	Ac.	<input type="checkbox"/>	@	<u>\$6.72</u>	=	<u>\$4,536</u>
Land Acquired (Fee)		S.F.	<input type="checkbox"/>	Ac.	<input type="checkbox"/>	@	<u>\$0.00</u>	=	<u>\$0</u>
Drainage Easement		S.F.	<input type="checkbox"/>	Ac.	<input type="checkbox"/>	@	<u>\$0.00</u>	=	<u>\$0</u>
* Slopes Acquired	<u>16</u>	S.F.	<input checked="" type="checkbox"/>	Ac.	<input type="checkbox"/>	@	<u>\$4.70</u>	=	<u>\$75</u>
* Construction Easement	<u>766</u>	S.F.	<input checked="" type="checkbox"/>	Ac.	<input type="checkbox"/>	@	<u>\$2.02</u>	=	<u>\$1,547</u>
B. Improvements Acquired: <i>(Identify)</i> _____ <u>\$0</u>									
C. Value of Part Acquired Land and Improvements (Sub-Total).....									<u>\$6,159</u>
D. Total Damages <i>(See Explanation, Breakdown and Support on Sheet 2A-9)</i>									<u>\$0</u>
E. Sum of A, B, and D.....									<u>\$6,159</u>
F. Benefits: <i>(Explain and deduct from D. Amount must not exceed incidental damages)</i>									<u>\$0</u>
G. TOTAL AMOUNT DUE OWNER; if only part is Acquired.....									<u>\$6,159</u>
TOTAL AMOUNT DUE OWNER (ROUNDED).....									<u>\$6,200</u>

ITEM 21. VALUE OF REMAINDER

(See 2A-9 for Documentation of Remainder Value)

A. LAND REMAINDER

	S.F.	<input checked="" type="checkbox"/>	Ac.	@	Amount Per Unit		Damages		Remaining Value
					Before Value	After Value	%	\$	
Left Remainder	<u>10,563</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	@	<u>\$6.72</u>	<u>\$6.72</u>		<u>\$0</u>	<u>\$70,964</u>
		<input type="checkbox"/>	<input type="checkbox"/>	@				<u>\$0</u>	<u>\$0</u>
Right Remainder		<input type="checkbox"/>	<input type="checkbox"/>	@				<u>\$0</u>	<u>\$0</u>
		<input type="checkbox"/>	<input type="checkbox"/>	@				<u>\$0</u>	<u>\$0</u>
		<input type="checkbox"/>	<input type="checkbox"/>	@				<u>\$0</u>	<u>\$0</u>

REMAINDER VALUE OF LAND..... \$70,964
 LESS AMOUNT PAID FOR EASEMENTS IN ITEM 20A (Above)..... \$1,623
 LESS COST-TO-CURE (Line 20-D)..... \$0
 TOTAL REMAINDER VALUE OF LAND..... \$69,341

B. IMPROVEMENTS REMAINING	Before Value	Damages		Remaining Value
		%	\$	

REMAINDER VALUE OF IMPROVEMENTS..... \$0
 LESS FENCING ACQUIRED..... \$0
 TOTAL REMAINDER VALUE OF LAND AND IMPROVEMENTS..... \$69,341
 TOTAL REMAINDER VALUE OF LAND AND IMPROVEMENTS (ROUNDED)..... \$69,300

REMARKS:

* 20A: The value of this slope easement has been estimated at +/- 70% of the fee value. The value of the construction easement has been estimated based on +/- 30% of the fee value. See Item 24 for further explanation.

SUMMARY OF REMAINDER

APPRAISERS DESCRIPTION OF REMAINDER AND EXPLANATION OF DAMAGES OR BENEFITS

(Supplement to Items 20 and 21, Pages 2A-8)

23. HIGHEST AND BEST USE AFTER ACQUISITION:

(1) Looking at the subject property following the proposed acquisition, the site would still be zoned Medium Density Residential (R2) with nothing found to preclude what is permissible under the existing zoning classification. The Spring Hill Comprehensive Plan (adopted June 2011) suggest a Suburban Neighborhood Use for the site. Therefore, I believe reclassification of the site into a classification inconsistent with the existing classification is not probable.

(2) Considering the physically possible land attributes I found the site post-construction will have +/- 87 rear LF of frontage with a depth of approximately 121.11LF. The site was considered to be level and suitable for a single unit residential development. Post-construction, the site will be impacted by the acquisition along the southern property line and southwestern corner of the tract containing 675 SF. There will also be two small slope easement with one being an approximate 20 foot long by a maximum of 1 foot wide area and the other having a width not to exceed 0.5 feet. Both slope easements have a total area of 16 square feet and are not considered to have a negative impact on the property. Overall, this acquisition will not impede the utility of the site as this area is largely inside the setback area and cannot be developed. Therefore, the proposed changes are not expected to change the site's overall utility of present use. The site also has public water, sewer, gas, electric, and telephone utilities in place and is not located in the flood zone according to FEMA flood maps, making a residential use physically possible.

(3) In determining uses for the site that meet both the legally permissible and physically possible criteria, I narrowed the potential uses that would be financially feasible. I believe a residential use for the land provides the highest land value commensurate with the development cost associated with the market's acceptance of risk. The total area for the site post-construction will be 10,563 SF, which is adequate for the development of a residential building.

(4) Considering the subject site's location and legal constraints, the only practical use is for the land to be developed with a residential use. Considering the preceding factors, it is concluded that the *highest and best use* of the subject site, as if vacant, is for the land to be developed with a single unit residential dwelling.

Highest and Best Use As-Improved:

The subject property is currently improved with a single unit residential dwelling that is in good condition. After considering the possible alternative uses for the existing facility, I am of the opinion that the existing single unit dwelling represents the present highest and best use of the site in the present "as is" condition.

24. DESCRIBE REMAINDER (S):

The remainder will have the same shape and topography as before the acquisition. The remaining site will contain +/- 93.9 % of the land area before construction. The acquisition is of a small strip of land along the southern property line that is 3.88 feet by approximately 52.32 feet. The remaining acquisition area of approximately 468 SF is located at the southwestern corner of the tract at the intersection of Duplex Road and Via Francesco Way with a trapezoid shape with these approximate dimensions: southern line of 39.48 feet, western line 20.44 feet, northeastern line of 42.64 feet, and a western line of 3.88 feet.

Post-construction, the rear lot will continue to backup to Duplex Road. The new roadway will have two traffic lanes plus a center turning lane (12 feet wide/each), making the new roadway approximately 36 feet wide. The right-of-way will generally be located approximately 19 LF from the asphalt along the north side of the road (project left) and will have a 9 LF wide shared-use path. The right-of-way will be located approximately 12 LF from the asphalt along the south side of the road (project right) and will have a 5 LF wide sidewalk. Each side of the road will have a concrete curb and gutter system which will capture rainwater runoff and dispose of the water without causing issues to any existing or potential improvements. Slope easements along the entire project are not to exceed a 2:1 ratio.

The remainder will have a depth of 121.11 LF. The proposed right-of-way will share the subject tracts southern property line with the subject tract and will no longer be adjacent to the Tract 195 (Beneveto HOA land). The landscaping located along the rear of the subject tract, located on the HOA Tract 195, will be acquired and will not be remedied post-construction. Present zoning for the subject property calls for a rear setback of 25 LF. The subject's residential improvement is assumed to continue its compliance with zoning setback regulations. Damages are not considered appropriate and are not applied to the remaining site or remaining improvements since the improvements are legally conforming.

SUMMARY OF REMAINDER

24. DESCRIBE REMAINDER (S): (Continued.....)

As shown in the following chart, the new roadway will generally be at grade in relation to the subject site. Post-construction the site will contain 10,563 SF and will comply with minimum R2 site requirements of 10,000 SF needed to develop a single unit residential dwelling on the remainder site. As described above and in Item 9 of this report, there is minimal demonstrated demand for the development of units, other than single unit dwellings.

The following chart illustrates the elevation of the new roadway and grade of the slope easements.

Duplex Road Center Line Station	Fill (Cut) at Centerline (Feet)	Fill (Cut) at Left Shoulder (Feet)	Remarks
133+00.00	1	2	4:1 Slope
+/- 133+34 (Begin)	--	--	--
133+50.00	0	1	4:1 Slope
134+00.00	0	0	4:1 Slope
+/- 134+27 (End)	--	--	--
134+50.00	0	1	4:1 Slope

Slope Easement: A slope easement is a non-possessory acquired interest in land that provides the city the right to use a portion of the tract for the purpose of building up (fill) or removing land (cut) in order to establish the proper grade for a public right-of-way. This restrictive covenant is established for public use and runs with the land thereby restricting the owner's bundle of rights. This is because the slope easement changes the character of the property, limits the utilization of the tract, impedes the right of control, right of exclusion, and the right of enjoyment. The proposed slope easement at the subject tract is proposed to have a 4:1 grade and will be located within the setback area of the subject lot. Therefore, I estimate the value of the slope easement and its impact on the site to be approximately 70% of the before value of the land.

Construction Easement: On December 17, 2014, the Federal Reserve Prime Interest Rate yield was 3.25%. TDOT is required by statute to pay 2% in excess of the Federal Reserve Prime Interest Rate to a property owner on any award above that posted on the date of acquisition. The current [December 2014] TDOT rate is 5 ¼ %. I have used a 10% rate of return as the appropriate return on the land for use as a construction easement for a period of 3 years.

Improvements Acquired: This appraisal is a formal part affected report. There were no improvements. The following chart shows the before and after values for the subject tract

	Before Value	Damages (%)	Remainder Value	Damages
Land	\$75,500	-	\$69,341	-
Total	\$75,500	-	\$69,300 [R]	\$0

25. Amount of DAMAGE This Page To--2A-8, Item 20-D _____ \$0
 (A) Amount of BENEFITS This Page To--2A-8, Item 20-F _____ \$0

State Project No. 60LPLM-F2-019 County Maury and Williamson Tract No. 268
 Federal Project No. STP-M-247 (9) Name of Appraiser Randy Button, MAI, SRA, AI-GRS (CG#03)

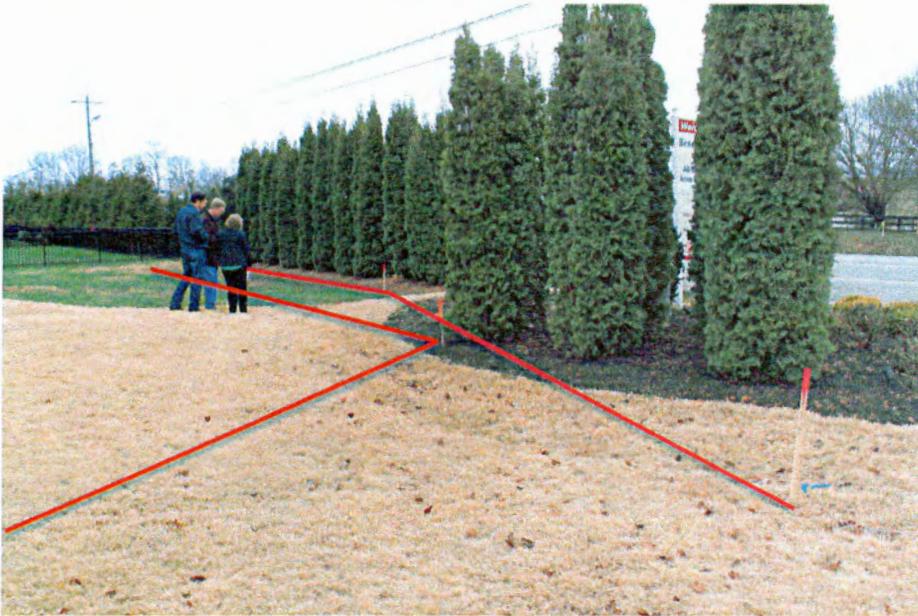
PHOTOGRAPHS

26.

An adequate number of photographs of all improvements acquired or damaged or of land showing and unusual features shall be included in each appraisal. **(Even though there are no unusual features that would affect the land value, a minimum of one photograph is required of vacant land.)** Each photograph shall be properly identified on the front or back with unalterable identification showing the following: PROJECT NUMBER, TRACT NUMBER, SUBJECT, and DATE PICTURE TAKEN.



60LPLM-F2-019
STP-M-247 (9)
TRACT #268
SUBJECT
12/16/14
APPROXIMATE
CONSTRUCTION
EASEMENT AND
ACQUISITION AREA

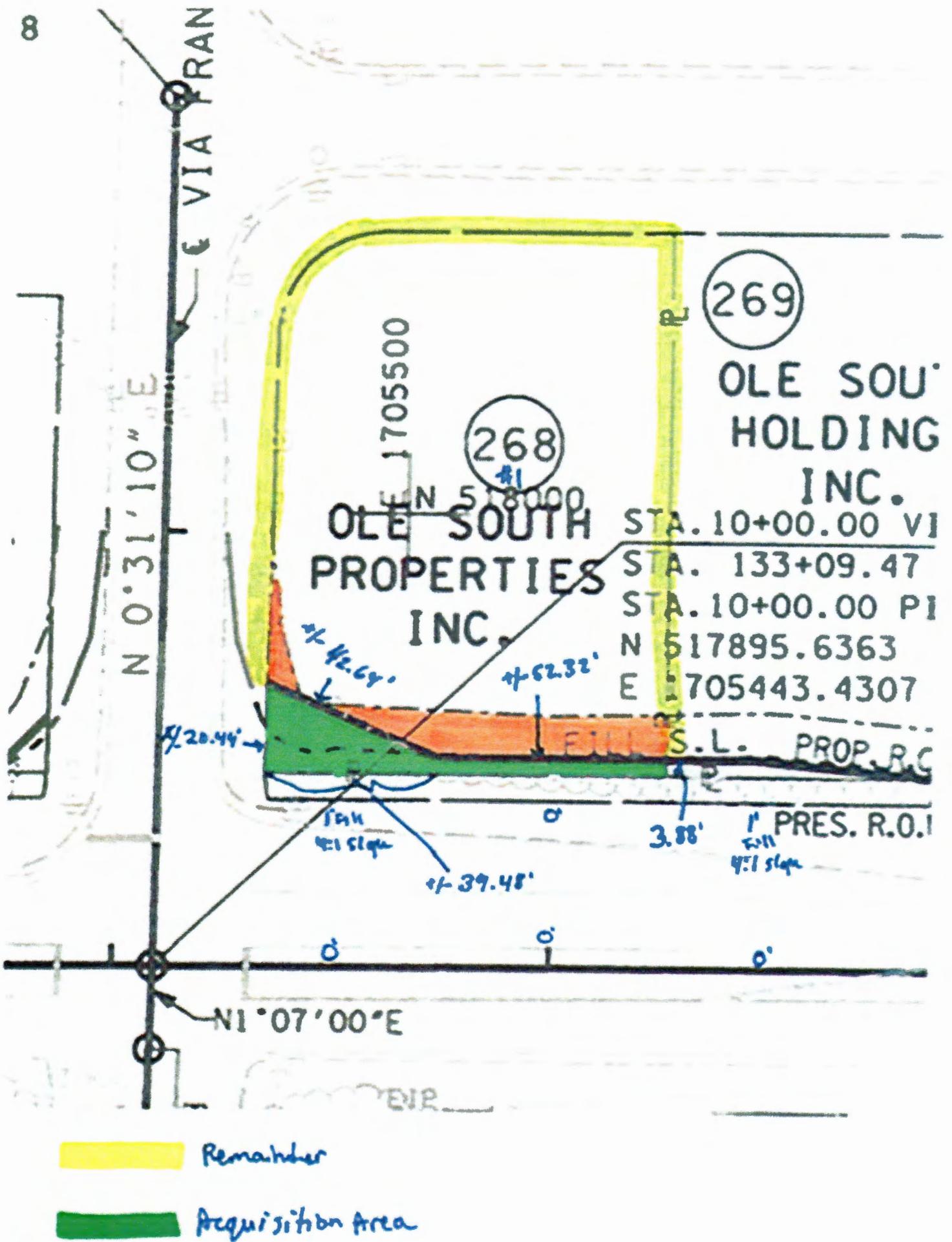


60LPLM-F2-019
STP-M-247 (9)
TRACT #268
SUBJECT
12/16/14
APPROXIMATE
CONSTRUCTION
EASEMENT AND
ACQUISITION AREA



60LPLM-F2-019
STP-M-247 (9)
TRACT #268
SUBJECT
12/16/14
IMPROVEMENT #1

RIGHT-OF-WAY MAP



PURPOSE OF APPRAISAL

The purpose of the appraisal is to estimate the amount due the property owner as a result of acquisition of all, or a portion of, the property for a proposed highway right-of-way project. The value estimate in this report is based on market value. See "Definition of Market Value" below.

DEFINITION OF MARKET VALUE

All estimates of value prepared for agency acquisitions shall be based on "market value" –as defined and set forth in the *Tennessee Pattern Jury Instructions* 2nd Edition to wit: "the amount of money which a purchaser, willing but under no compulsion to buy, would pay, and which a seller, willing but under no compulsion to sell, would accept, taking into consideration all the legitimate uses to which the property was adaptable and might in reason be applied".

PROPERTY RIGHTS APPRAISED

Basic underlying property rights considered herein are those of a 100% ownership position in Fee Simple, defined as: "absolute ownership, unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power and escheat." *The Appraisal of Real Estate, 14th ed. Chicago, IL.*

The proposed acquisition consists of a fee acquisition and/or easement rights for the proposed construction of a highway. The easement rights, if any, consist of the acquisition of less than fee simple title and in these cases the extent of the property rights conveyed have been considered in arriving at the estimate of value.

Any and all liens have been disregarded. The property is assumed to be free and clear of all encumbrances except easements or other restrictions as noted on the title report or during physical inspection of the property and mentioned in this report.

INTENDED USE

The intended use of this appraisal is to assist the City of Spring Hill in Right-of-Way acquisition or disposition.

INTENDED USER

The intended user of this report is the City of Spring Hill.

NOTE: If this appraisal is limited to the area affected by the acquisition for the proposed project and consists of only a part of the whole property, the value for the portion appraised cannot be used to estimate the value of the whole by mathematical extension.

Plans for the proposed construction, including cross sections of cuts and fills for the subject property, have been considered in arriving at the estimates of market value.

SCOPE OF WORK

The City of Spring Hill has requested an appraisal to estimate the market value of the property described herein for the purpose of acquisition or disposition. In accordance with the client's request, appropriate/required inspections and investigations have been conducted to gain familiarity with the subject of this report and the market in which it would compete if offered for sale.

Reliable data-subscription services have been utilized as the primary search tool for transfers of vacant land as well as improved properties. Deeds have been read and interviews with property owners and project-area real estate professionals conducted to the extent necessary to gain clarity and market perspective sufficient to develop credible opinions of use and value. Where construction costs are an integral part of the valuation pursuit, national cost services have been employed, but supplemented by local suppliers and contractors where necessary.

Applicable and customary approaches to value have been considered. Each of the traditional approaches to value has been processed or an explanation provided for the absence of one or more in the valuation of the subject property. For acquisition appraisals, furnished Right-of-Way plans have been utilized to visualize the property in an after-state where there is a remainder. Damages and/or special benefits have been considered for all remainders. As well, for acquisition appraisals, a "Formal" appraisal includes all real property aspects of the "Larger Parcel" as defined in this report or the tract as shown on the right-of-way plans, in the acquisition table, or extant on the ground at the time of inspection or date of possession. A "Formal Part-Affected" appraisal generally constitutes something less than a consideration of the entire tract, but in no way eliminates appropriate analyses, or diminishes the amount due owner had a "Formal" appraisal been conducted.

ATTACHMENTS

Sales information and/or other pertinent information, which is part of this appraisal report and referenced in the text of this appraisal, can be found:

- attached at the end of this report.
- in a related market data brochure prepared for this project and which becomes a part of this report.

SCOPE OF WORK (Continued)

Acquisition appraisals are conducted in accordance with Tennessee’s State Rule which asserts that the part acquired must be paid for and that special benefits can only offset damages. Further, the public improvement project or its anticipation cannot be considered in the “before” value estimate; however, when there is a “remainder”, the public improvement project must be considered as to its influence on said remainder.

GENERAL LIMITING CONDITIONS & ASSUMPTIONS

This appraisal report has been made with the following general limiting conditions and assumptions:

- (1) The distribution, if any, of the total valuation in this report between land and improvements applies only under the stated program of utilization. The separate allocations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.
- (2) Possession of this report, or a copy thereof, does not carry with it the right of publication. It may not be used for any purposes by any person other than the party to whom it is addressed without the written consent of the appraiser and in any event, only with proper written qualification and only in its entirety.
- (3) The appraiser herein by reason of this appraisal is not required to give further consultation, testimony, or be in attendance in court with reference to the property in question unless arrangements have been previously made.
- (4) Neither all nor any part of the contents of this report (*especially any conclusions as to value, the identity of the appraiser, or the firm with which the appraiser is connected*) shall be dismissed to the public through advertising, public relations, news, sales, or other media without the prior written consent and approval of the appraiser.
- (5) The value estimate is based on building sizes and land areas calculated by the appraiser from exterior dimensions taken during the inspection of the subject property.
- (6) No responsibility is assumed for the legal description or for matters including legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated.
- (7) The property is appraised free and clear of any or all liens or encumbrances unless otherwise stated.
- (8) Responsible ownership and competent property managements are assumed.
- (9) The information furnished by others is believed to be reliable. However, no warranty is given for its accuracy.
- (10) All engineering is assumed to be correct. The plot plans and illustrative material in this report are included only to assist the reader in visualizing the property.
- (11) It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them.
- (12) It is assumed that there is full compliance with all-applicable federal, state and local environmental regulations and laws unless noncompliance is stated, defined, and considered in the appraisal report.
- (13) It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless nonconformity has been stated, defined, and considered in the appraisal report.
- (14) It is assumed that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.
- (15) It is assumed that the utilization of the land and improvements is within the boundaries or property lines of the property described and that there is no encroachment or trespass unless noted in the report.
- (16) Unless otherwise stated in this report, the appraiser did not observe the existence of hazardous material, which may or may not be present on the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, area-formaldehyde, foam insulation, or other potentially hazardous materials may affect the value of the property. The value estimate is predicted on the assumption that there is no additional materials on the property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them or the costs involved to remove them. The appraiser reserves the right to revise the final value estimate if such substances are found on or in the property.
- (17) The public improvement project or its anticipation cannot be considered in the “before” value estimate; however, when there is a “remainder”, the public improvement project must be considered as to its influence on said remainder(CFR, Title 49, Subtitle A, Part 24, Subpart B, Sec. 24.103(b)).
- (18) This appraisal contains a hypothetical condition that the subject roadway project will be constructed according to plans and cross sections referenced in this report. The use of this hypothetical condition might have affected the assignment results.
- (19) Applicable to Formal Part-Affected type of appraisal – when all the land area and/or all improvements are not appraised this is considered a hypothetical condition. The use of this hypothetical condition might have affected assignment results.

CERTIFICATE OF APPRAISER

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

- (1) That I have made a personal inspection of the property that is the subject of this report and that I have also made a personal field inspection of the comparable sales relied upon in making said appraisal. The subject and the comparable sales relied upon in making said appraisal were represented by the photographs contained in said appraisal and/or market data brochure.
- (2) The statements of fact contained in this appraisal are true and correct.
- (3) The reported analysis, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, unbiased professional analysis, opinions, and conclusions.
- (4) That I understand that said appraisal is to be used in connection with the acquisition of right-of-way for a highway to be constructed by the City of Spring Hill with without , the assistance of Federal-aid highway funds, or other Federal funds.
- (5) That such appraisal has been made in conformity with the appropriate State laws, regulations and policies and procedures applicable to appraisal of right-of-way for such purposes; and that to the best of my knowledge no portion of the value assigned to such property consists of items which are non-compensable under the established law of said State.
- (6) That any increase or decrease in the fair market value of real property prior to the date of valuation caused by the public improvement for which said property is acquired, or by the likelihood that the property would be acquired for such improvement, other than that due to physical deterioration within the reasonable control of the owner, will be disregarded in determining the compensation for the property.
- (7) That my compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors that cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- (8) I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- (9) That I have not revealed the findings and results of such appraisal to anyone other than the proper officials of the City of Spring Hill and I will not do so until so authorized by City of Spring Hill officials, or until I am released from this obligation by having publicly testified to such findings.
- (10) Adam L. Hill (Registered Trainee #4698) provided significant real property appraisal assistance to the person(s) signing this certification. Mr. Hill assisted in the compilation of the Market Data Brochure, property inspections, communications with property owners, and in compiling this report.
- (11) That my analysis, opinions and conclusions were developed, and this report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice.
- (12) I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- (13) I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- (14) My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- (15) To the best of my knowledge and belief, the reported analysis, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Practice of the Appraisal Institute.
- (16) As of the date As of the date of this report I, Randy Button, MAI, SRA, AI-GRS, have completed the requirements of the continuing education program of the Appraisal Institute. The use of this report is subject to the requirements of the Appraisal Institute relating to the review by its duly authorized representatives.

(17) THAT the OWNER (Name) Vickie Dawson was contacted on (Date) 11/20/2014 .

In Person By Phone *By Mail, and was given an opportunity for he or his designated representative

(Name) Vickie Dawson to accompany the appraiser during his or her inspection of the subject

property. The owner or his representative Declined Accepted to accompany appraiser on (Date) 12/16/14 .

If by mail attach copy to 2A-12

Date(s) of inspection of subject December 16th, 2014

Date(s) of inspection of comparable sales October 17th, 2014 and February 6th, 2015

- (18) That the centerline and/or right-of-way limits were staked sufficiently for proper identification on this tract.
- (19) That the roadway cross sections were furnished to me and/or made available and have been used in the preparation of this appraisal.
- (20) That my opinion of the fair market value of the acquisition as of the 16th day of December , 2014.

is \$6,200 Based upon my independent appraisal and the exercise of my professional judgment.

Appraiser's Signature  Date of Report 4/30/2015

State of Tennessee Certified General Real Estate Appraiser License Number CG #003

State Project No. 60LPLM-F2-019 County Maury and Williamson Tract No. 268
Federal Project No. STP-M-247 (9) Name of Appraiser Randy Button, MAI, SRA, AI-GRS (CG#03)

COPY OF FORM 4 LETTER

APPRAISAL NOTICE

Randy Button and Associates, Inc.
223 Rosa L. Parks Avenue, Suite 402
Nashville, Tennessee 37203

November 20, 2014

VICKIE M DAWSON
2000 Via Francesco Ct
Spring Hill, TN 37174

Dear Property Owner,

I have been engaged to perform a real estate appraisal on a property shown to be in your ownership. The purpose of this appraisal is to establish a basis for possible compensation related to the acquisition of a portion of your property resulting from the widening of Duplex Road (S.R. 247)/State Project 94092-1224-14.

This letter is to afford you, or your representative, the opportunity to accompany me during my inspection of:

- Tract 268: 2000 Via Francesco Ct, Spring Hill, TN 37174 with a site containing ± 0.258 acres of land. This tract is also known for tax purposes as Tax Map and Parcel 166P-G-1.00

Since the above referenced parcel(s) will be impacted by the public right-of-way improvement project, a land surveyor will be placing wooden stakes in your yard to indicate the impacted areas.

Please contact my office within the next fourteen (14) days to schedule an appointment for us to come to meet you or your representative at the above referenced property. During this visit I will provide you with information, and explain how this project will affect your property. Also we can go over what the surveying stakes mean and as we perform our inspection of the area affected by acquisition. Please do not remove the stakes until we are able to come to your property.

To ensure that we establish a date and time of mutual convenience, please call or text Adam Hill at 615-348-7980. We are happy to schedule a convenient time to meet with you. Our office will be closed December 1 – December 5th. If you leave us a message please provide your name, a good number and time for us to return your call, your preferred time to meet with us, and that you are calling about Tract No. 268.

Sincerely,

Randy Button, President
Randy Button and Associates, Inc.

SUBJECT: Duplex Road Right-of-Way
Acquisition – Tract 268

DATE: June 7, 2016

ATTENTION: April Goad, City Recorder

STAFF: Missy Stahl *MS*



STAFF MEMORANDUM

The City is currently in negotiations to obtain right-of-way easements for the widening of Duplex Road in conjunction with TDOT. A signed agreement for Tract 268 was originally presented to BOMA and approved for funding with Resolution 16-410 in the amount of \$6,200.00. However, it was discovered that the offer included monies due to the HOA instead of the tract owner. Therefore, the first offer was rescinded and a revised offer was accepted for \$5,870.00. The \$500 for incidental closing costs will still be paid to the closing agent as described in Resolution 16-410.