

RESOLUTION 16-445

**TO APPROVE LAND ACQUISITION PURCHASE FOR TRACT 229
OF THE DUPLEX ROAD WIDENING PROJECT**

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

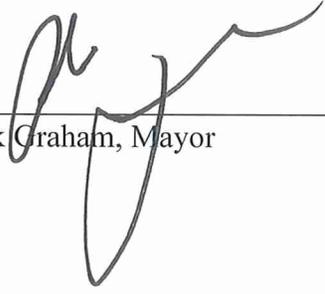
WHEREAS, in order to complete the project, the City must acquire land in the
form of right-of-ways and easements from property owners along Duplex Road; and

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 \$3,300.00 to the tract owner
(Shane D. and Melanie S. Kimbro) and \$500.00 to the closing agent (Nancy King
Crawford) for closing costs.

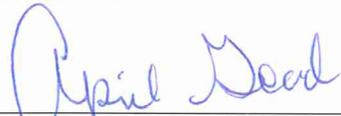
NOW THEREFORE, BE IT RESOLVED, that the City of Spring Hill, Board
of Mayor and Aldermen authorizes a total land acquisition purchase in the amount of
\$3,800.00 to Nancy King Crawford, 1929 21st Avenue South, Nashville, TN 37212 for
Tract number 229 of the Duplex Road widening project.

Passed and adopted this 6th day of June, 2016.



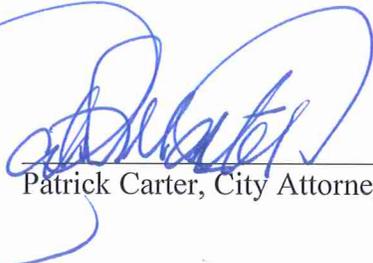
Rick Graham, Mayor

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 #: 229

PIN #: 103169.00

NEGOTIATOR: Ralph Rhemann

DATE PRINTED: 03/24/16

OWNERS: Shane D. Kimbro and Melanie S. Kimbro

This agreement entered into on 05/26/16 between Shane D. Kimbro and Melanie S. Kimbro
Date 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 229 on the right-of-way plan for the above referenced project upon the CITY tendering the purchase price of \$3,300.00, 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 \$ N/A 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.

05/26/16 [Signature]
Date Signature of Seller
5/26/16 [Signature]
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)LPA PROJECT ID NUMBER:		(5)TRACT NUMBER:	229
(6)PROPERTY OWNERSHIP:	Shane D. & Melanie S. Kimbro		
(7)COUNTY:	Williamson County	(8)MAP/PARCEL NUMBER:	170B-F-35
(9)APPRAISER:	Randy Button, MAI, SRA, AI-GRS(CG-#03)		
(10)APPRAISER CONCLUSION OF TOTAL AMOUNT DUE OWNER:		\$	3,300
(11)EFFECTIVE DATE OF VALUATION:	12/20/14	(12)APPRAISAL TYPE (FORMAL, FPA, or NPP):	FPA

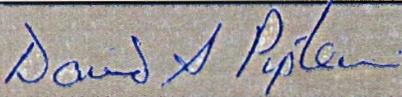
ACQUISITION AREAS & APPROVED COMPENSATIONS

INTERESTS ACQUIRED	ACQ. AREAS		COMPENSATIONS	(13)ALTERNATE OFFER	
	AREA	ACS/SF	(Rounded)	Partial-Acquisition Remainder Declared Uneconomic Remnant	N/A
(14)FEE-SIMPLE					
(15)PERM. DRNGE. ESM'T.					
(16)SLOPE ESM'T.	290.000	SF	\$ 966		
(17)AIR RIGHTS					
(18)TEMP. CONST. ESM'T.	993.000	SF	\$ 1,420		
(19)LNDOWNR IMPRVMTS.			\$ 900		
TOTL ACQUISITIONS			\$ 3,286		
(20)DAMAGES			\$ -		
(21)SPECIAL BENEFITS					
NET DAMAGES			\$ -		
(22)UTILITY ADJUSTMENT					
TOTL LNDOWNR COMP.			\$ 3,286		
(23)TENANT IMPRVMTS.					
TOTAL TRACT COMPENSATION			\$ 3,286		
Total Tract Compensation Rounded To			\$ 3,300		

(24)COMMENTS & EXPLANATIONS AS NECESSARY

Formal, part-affected appraisal of an improved residential site where the acquisition is from the rear yard. Landscaping acquired includes three mature shade trees. Appraisal report is well documented and supported, and identified neither damages nor special benefits to the remainder.

OFFER PREPARED BY:	David S. Pipkin, CG-437, Consultant Review Appraiser	DATE:	1/27/2016
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SIGNATURE OF PREPARER:	
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AGENCY AUTHORIZATION BY:	
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Date & Signature Of Authorizing Party

**LOCAL PUBLIC AGENCY
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 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 City of Spring Hill which is the intended user.

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: 229
 Federal: STP-M-247(9)
 Pin: 170B-F-35

(4) Owner(s) of Record: Shane D. & Melanie S. Kimbro
1727 Stephenson Lane
Spring Hill, TN 37174

(5) Address/Location of Property Appraised:
1727 Stephenson Lane, Spring Hill, Williamson County, TN

(6) Effective Date of the Appraisal: 12/20/14

(7) Date of the Report: 5/29/15

(8) Type of Appraisal: Formal
 Formal Part-Affected

(9) Type of Acquisition: Total
 Partial

(10) Type of Report Prepared: Appraisal Report
 Restricted Appraisal Report

(11) Appraisal & Review Were Based On: Original Plans
 Plan Revision Dated: 8/24/15 (review)

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

(13) Effective Date of Appraisal Review: 10/29/2015

(14) Appraisal Review Conducted By: David S. Pipkin

(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.))
The appraisal is of a 100% ownership position in fee simple.

(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)**

The scope of the appraisal review is to conduct a "field review" for technical compliance with USPAP, TDOT Guidelines for Appraisers and the URAPRAA of a summary appraisal report prepared by an independent fee appraiser under contract to the City of Spring Hill. In making the review appraisal, the reviewer read the appraisal, confirmed acquisition areas with right of way plans, evaluated the report for various report components required under applicable standards, and checked math. The report was evaluated with respect to adequacy of content, depth of analysis, appraisal methodology, and relevance of market data. The review assumes all factual information presented in the report is accurate and correct. I did not make independent verification of the market data. I made a physical inspection from the street of the subject property and comparable properties included in the appraisal.

Section (B): Property Attributes:

(1) Total Tract Size as Taken From the Acquisition Table: 0.256 Acre(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. The larger parcel is identified as the entire 0.256 acres of land. The area of the larger parcel appraised agrees with r/w plans.

(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- Fencing (No. 1) | 2- _____ |
| 3- _____ | 4- _____ |
| 5- _____ | 6- _____ |
| 7- _____ | 8- _____ |
| 9- _____ | 10- _____ |
| 11- _____ | 12- _____ |
| 13- _____ | 14- _____ |
| 15- _____ | 16- _____ |
| 17- _____ | 18- _____ |
| 19- _____ | 20- _____ |

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:	<u>\$53,000</u>
Improvements:	<u>\$900</u>
Total:	<u>\$53,900</u>

Section (D) Acquisitions:

(1) Proposed Land Acquisition Areas (As taken from the appraisal report):

[a] Fee Simple:	<u>0</u>	Sq. Ft.
[b] Permanent Drainage Easement:	<u>0</u>	Sq. Ft.
[c] Slope Easement:	<u>290</u>	Sq. Ft.
[d] Air Rights:	<u>0</u>	Sq. Ft.
[e] Temporary Construction Easement:	<u>993</u>	Sq. Ft.
[f] _____:	<u>0</u>	Sq. Ft.

(2) Proposed Improvement Acquisition(s): Improvement Number & Structure Type

1- Fencing (No. 1)	2- _____
3- _____	4- _____
5- _____	6- _____
7- _____	8- _____
9- _____	10- _____
11- _____	12- _____
13- _____	14- _____
15- _____	16- _____
17- _____	18- _____
19- _____	20- _____

Section (E) Damages/Special Benefits:

The appraisal report identified neither damages nor special benefits to the remainder.

Section (F) Valuation Approaches Processed and Reconciled "After-Value" Estimates

Approaches Utilized: Cost Sales Comparison Income

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

Land:	<u>\$50,600</u>
Improvements:	<u>\$0</u>
Total:	<u>\$50,600</u>

Comments:

Land value of the remainder is rounded.

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?

Yes. The property is an improved residential subdivision lot. The before highest and best use if vacant is concluded to be residential use. The acquisition is from the rear yard and includes slope and construction easements with limited affect on the remainder, and the appraiser's conclusion that after highest and best use will not change is logical and reasonable.

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

Yes. FPA type appraisal wherein the land value is estimated using the sales comparison approach and contributing value of the improvements affected is estimated based on the cost approach. This methodology is reasonable and appropriate.

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

Yes. The land sales considered are residential lot sales from the same general market area as the subject in and around Spring Hill.

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

Yes. The income approach does not apply. The sales comparison and cost approaches are appropriately used in estimating the before value. After value is vacant land and is based on the sales comparison approach.

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

Yes. The before and after highest and best use conclusions are reasonable based on zoning, physical characteristics and utility of the tract. The valuation approaches use appropriate comparison sales and cost data and are properly developed. All appropriate valuation techniques are applied.

(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?

Yes. The appraisal report is well documented and supported, and the analysis considers the significant aspects of the property and affects of the acquisition on the remainder.

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

The appraisal report complies in all major respects with USPAP, URAPRAA, and TDOT's Guidelines for Appraisers.

(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?

No. No unusual assumptions or limiting conditions are noted.

Appraisal Report Conclusions -- Amounts Due Owner

(a) Fee Simple:	<u>\$0</u>
(b) Permanent Drainage Easement:	<u>\$0</u>
(c) Slope Easement:	<u>\$966</u>
(d) Air Rights:	<u>\$0</u>
(e) Temporary Construction Easement:	<u>\$1,420</u>
(f) _____:	<u>\$0</u>
(g) Improvements:	<u>\$900</u>
(h) Compensable Damages:	<u>\$0</u>
(i) Special Benefits:	<u>\$0</u>
(j) Total Amount Due Owner By Appraisal:	<u>\$3,300</u>

- I DO Recommend Approval Of This Report
 I DO NOT Recommend Approval Of This Report

Comments:

Amount due the owner is rounded from \$3,286 to \$3,300.

David A. Pyle

Appraisal Review Consultant(s)

TN CG-437

State License/Certification No(s):

- Consultant Staff

January 27, 2016

Date of Appraisal Review Report

Additional Comments:

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 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*.

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.

David A. Pipter

Appraisal Review Consultant(s)

Consultant Staff

January 27, 2016
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: Shane D. & Melanie S. Kimbro
1727 Stephenson Lane
Spring Hill, TN, 37174

(B) Tenant: Owner Occupant
615-587-0285

(C) Address and/or location of subject: 1727 Stephenson Lane, Spring Hill, Williamson County, TN

2. Detail description of entire tract:

The subject site is located in the Chapmans Retreat Phase 2 subdivision and is a pentagon site with 128.87 feet fronting the south side of Duplex Road and a depth of 99.92 feet, containing 0.256 acres or 11,151 SF. The property is mostly level. The site is improved: Improvement 1 is three large trees; Improvement 2 is a single unit residential dwelling that is not impacted by the proposed road project.

3. (A) Tax Map and Parcel No. 170B-F-035.00 **(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:

Slope Easement

The ROW plans call for a slope easement on the subject site along the south side of the proposed right-of-way. This strip of land has a maximum width of 11 feet and a minimum width of 0 feet, and contains 290 sq. ft., more or less.

Construction Easement

The plans also call for a construction easement containing 993 SF, in effect renting this portion for 3 years (length of construction). The construction easement ranges from 3-10 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.

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
5/21/2008	Achiever Development Corporation	Shane D. and Melanie S. Kimbro	4568/370	\$179,000	Public Affidavit
Existing Use	Zoning	Utilities Available	Off Site Improvements	Area Lot or Acreage	
Residential05/21/2008	R2/PUD	Water, Sewer, Electric, Gas, Tele.	Paved Street and Curb	0.256 Acres or 11,151 SF	

State Project No. 60LPLM-F2-019 County Maury and Williamson Tract No. 229
Federal Project No. STP-M-247 (9) Name of Appraiser Randy Button, MAI, SRA, AI-GRS (CG#03)

ADDITIONAL COMMENTS

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 219 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 / Planned Unit Development (R2/PUD). R2/PUD Districts allow for single-unit residential dwellings with good access to public utilities and facilities. Buildable sites for the Chapmans Retreat Subdivision must have a minimum lot area of 6,050 square feet. Restrictions for the Chapmans Retreat Subdivision were recorded as "Declarations of Covenants, Conditions and Restrictions for Chapmans Retreat" in Williamson County, Tennessee Record Book 2305, Page 647-707. These subdivision restrictions require the development of only single family residential units per lot with a minimum size of 1,350 SF. R2/PUD 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 128.87 LF of existing frontage with a depth of approximately 99.92 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, 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 11,151 SF which would allow for the development of a residential dwelling with a minimum of 1,350 SF and a maximum of 3,902 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 average 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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State Project No. 60LPLM-F2-019 County Maury and Williamson Tract No. 229

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

OTHER IMPROVEMENTS

11.

Structure No.	<u>1</u>	No. Stories	<u>N/A</u>	Age	<u>N/A</u>	Function	<u>Landscaping</u>
Construction	<u>Trees</u>	Condition	<u>Average</u>	Linear Feet	<u>N/A</u>		
Reproduction Cost	<u>\$900</u>	Depreciation	<u>\$0</u>	Indicated Value \$	<u>900 [R]</u>		

OTHER COMMENTS AND EXPLANATION OF REPRODUCTION COST AND DEPRECIATION:

Improvement 1 is made up of three large trees. There were two large maples and 1 large Box Elder located within the construction easement. These trees were not located in the 10 foot wide right-of-way dedication and were located on the subject tract.

Trees as large as the subject's trees are not available for transplant. Sugar maple trees were found to have a replacement value of \$279 according to information obtained from Bates Nursery (Nashville, TN). Therefore, I estimate the value of each tree to have a replacement value of \$300/each or \$900 for all three.

Structure No.	_____	No. Stories	_____	Age	_____	Function	_____
Construction	_____	Condition	_____	Sq. Ft. Area	_____		
Reproduction Cost	_____	Depreciation	_____	Indicated Value \$	_____		

OTHER COMMENTS AND EXPLANATION OF REPRODUCTION COST AND DEPRECIATION:

Structure No.	_____	No. Stories	_____	Age	_____	Function	_____
Construction	_____	Condition	_____	Sq. Ft. Area	_____		
Reproduction Cost	_____	Depreciation	_____	Indicated Value \$	_____		

OTHER COMMENTS AND EXPLANATION OF REPRODUCTION COST AND DEPRECIATION:

Structure No.	_____	No. Stories	_____	Age	_____	Function	_____
Construction	_____	Condition	_____	Sq. Ft. Area	_____		
Reproduction Cost	_____	Depreciation	_____	Indicated Value \$	_____		

OTHER COMMENTS AND EXPLANATION OF REPRODUCTION COST AND DEPRECIATION:

Summary of Indicated Values **\$ 900**

State Project No.	<u>60LPLM-F2-019</u>	County	<u>Maury and Williamson</u>	Tract No.	<u>229</u>
Federal Project No.	<u>STP-M-247 (9)</u>	Name of Appraiser	<u>Randy Button, MAI, SRA, AI-GRS (CG#03)</u>		

SALES COMPARISON APPROACH

14. LAND VALUE ANALYSIS

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

Inspection Date: 12/20/2014		SALE NO. <u>RL-3</u>		SALE NO. <u>RL-6</u>		SALE NO. <u>RL-12</u>	
CASH EQUIVALENT Sales Price		\$54,000		\$45,000		\$57,500	
Date of Sale	# of Periods	4/8/2013	21	5/21/2014	7	7/16/2014	5
% Per Period	Time Adjustment	0.38%	\$4,248	0.38%	\$1,214	0.38%	\$1,143
Sales Price Adjusted for Time		\$58,248		\$46,214		\$58,643	
Proximity to Subject							
Unit Value Land Per Lot:		\$58,248		\$46,214		\$58,643	
Elements	SUBJECT	Descriptions	(+)(-) Adj.	Descriptions	(+)(-) Adj.	Descriptions	(+)(-) Adj.
Location	Chapmans Retreat	Dakota Pointe		Res.at Port Royal		Benevento	
Size	11,151 SF	12,815 SF		9,350 SF		12,105 SF	
Shape	Pentagon	Irregular		Trapezoid		Rectangular	
Site/View	Street	Street		Street		Street	
Topography	Level	Rolling		Level		Rolling	
Access	Average	Average		Average		Average	
Zoning	R2/PUD	R-2		R-2/PUD		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 Streets Curb and Gutters		Paved Streets Curb and Gutters		Paved Street, Curb, Sidewalk, Gutters	
On-Site Improvements	None	None		None		None	
Other:		Pie Lot					
NET ADJUSTMENTS		+		+		+	
		\$0		\$0		\$0	
ADJUSTED UNIT VALUE		\$58,248		\$46,214		\$58,643	

INDICATED VALUE OF SUBJECT LAND FOUND ON FOLLOWING PAGE:

Comments:

The range of values per lot for the three sales used were from: \$ 46,214 to \$ 58,643 per Lot.

The mean value of the three sales applied to this analysis is \$54,368/Lot. The subject is believed to have market appeal between RL-3 (Dakota Pointe) and RL-6 (Reserve at Port Royal). RL-6 is considered to have the most similar zoning but is smaller than the subject. The mean value between RL-3 and RL-6 was \$52,231/Lot. This is consider similar to what the subject site's value.

Based upon the available sales information the estimated per lot value is \$53,000/Lot for the entire subject site.

ADDITIONAL COMMENTS

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

My research uncovered a number of vacant residential lot sales. The three sales applied in this analysis were located in three separate neighborhoods: Dakota Pointe, the Reserve at Port Royal, and Benevento. The three sales ranged in size from 9,350 SF to 12,815 SF, exhibiting a mean of 11,423 SF, which brackets the subject tract, which was found to contain 11,151 SF. The three sales occurred between March 2013 and May 2014.

Sale RL-3 is located in a neighborhood across Duplex Road from the subject neighborhood. This property was sold for the immediate construction of a single unit residential dwelling. Sale RL-3 was sold as a finished home for \$265,000 on August 28, 2013 and the land value represented 20.4% of the finished home value. This sale is considered the most similar to the subject in terms of proximity. The dissimilarity in zoning is lessened by the large lots located within Chapmans Retreat and exhibited in the size of the subject tract. RL-6 is located within a similar neighborhood to the subject known as the Reserve at Port Royal. This site was sold to a local home builder, John Maher Builders, Inc. who has developed many lots in neighboring subdivisions building similar homes as those found within Chapmans Retreat. Sale RL-12 was a basement lot in the Benevento Subdivision, located just west of the subject subdivision, and represents a lot that purchased by a home builder who built a 3,000 SF home on the site for an owner occupant. The home was eventually sold for \$395,000 on February 26, 2015 representing a land value to finished home value of 14.6%. This finished home price point is in excess of what could be expected from a newly built home within Chapmans Retreat.

Over the past 12-months, I found the sale of 10 improved tracts within Chapmans Retreat Phase 1 through the MLS. These 10 sales had finished home prices ranging from \$172,000 to \$250,000. The finished homes were built between 2002-2005. Several of these homes were smaller than what would be developed today. The ideal improvement for Chapmans Retreat Phase 1 should be a minimum of 2,700 SF, containing 4 bedrooms and 2 baths. The recent sales of homes similar to this ideal improvement have sold in the \$230,000's to \$240,000's. There were five active listings within Phase 1 ranging in asking price from \$230,000 to \$275,000 with a mean asking price of \$250,780. The mean size of these homes was very close to 2,400 SF and were built around 2003.

In my opinion, a newly constructed home within the fully developed Chapmans Retreat Phase 1 subdivision would likely be a 2,700SF home with at least a 4 bedroom and 2 bath floor plan and could achieve a finished home value near the \$265,000's. This would suggest that a finished newly finished home in the subject subdivision would most likely fall near or slightly above some of the homes within the Reserve at Port Royal (RL-6) and below the sales prices found in Dakota Pointe (Sale RL-3) and Benevento East subdivision (RL-12).

In conclusion, all three sales presented in the preceding sales grid provide good insight into the market dynamics of vacant subdivision lots which are ready for development. The subject is believed to market appeal and a lot value that should fall between Sales RL-3 and RL-6. This would suggest that the value of a vacant lot should be near \$53,000/lot. It is also apparent that the finished median home value in Dakota Pointe subdivision, located directly across the street from the subject tract, is more similar to what could be expected from the subject tract than the finished home values within Benevento East which are nearer the \$400,000's.

As discussed above the Dakota Pointe subdivision is considered to have more similar market appeal and the fully developed Chapmans Retreat subdivision is expected to command similar prices due to the attractive lot sizes even after consideration for the older homes within the subdivision. The subject tract should fall near the adjusted mean value of sales RL-3 and RL-6. Therefore, an appropriate estimate of land value for the subject site should be \$53,000/Lot. Calculated as follows:

$$\begin{aligned} \text{Subject Lot Value: } & \$53,000 \\ \text{Subject Square Foot Value: } & \$4.75 \\ (\$53,000/\text{Lot} \div 11,151 \text{ SF} = & \$4.75/\text{SF}) \end{aligned}$$

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>Lot 1</u>	S.F. <input type="checkbox"/>	F.F. <input type="checkbox"/>	Acre <input type="checkbox"/>	Lot <input checked="" type="checkbox"/>	@	<u>\$53,000</u>	(Average) Per Unit =	<u>\$53,000</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>\$53,000</u>

REMARKS: The value indication for the subject land was rounded to \$53,000.

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>\$53,000</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 \$53,000. In Item 11 of the report one improvement was calculated to have a value of \$900. The value of the improvement in Item 11 was added to the land value calculated in the Sales Comparison Approach for a combined value of \$53,900. 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 \$53,900.

19. FAIR MARKET VALUE	of <input type="checkbox"/> Entire Tract	<input checked="" type="checkbox"/> Part Affected	<u>\$53,900</u>
(A) TOTAL AMOUNT DUE OWNER	if <input type="checkbox"/> Entire Tract	<input checked="" type="checkbox"/> Part Affected Acquired	<u>\$3,300</u>
(B) AMOUNT ATTRIBUTABLE TO:	Land	<u>\$53,000</u>	Improvements <u>\$900</u>

REMARKS: Value of Improvements: \$ 900

Improvement 1: \$ 900

PARTIAL ACQUISITION

20.

VALUE OF ENTIRE TRACT ... (Amount in Item 19 carried forward)..... \$53,900

AMOUNT DUE OWNER IF ONLY PART ACQUIRED (Detail breakdown)

A. Land Acquired (Fee)	S.F.	<input type="checkbox"/>	Ac.	<input type="checkbox"/>	@	\$0.00	=	\$0
Land Acquired (Fee)	S.F.	<input type="checkbox"/>	Ac.	<input type="checkbox"/>	@	\$0.00	=	\$0
Drainage Easement	S.F.	<input type="checkbox"/>	Ac.	<input type="checkbox"/>	@	\$0.00	=	\$0
* Slopes Acquired	290	S.F.	<input checked="" type="checkbox"/>	Ac.	@	\$3.33	=	\$966
* Construction Easement	993	S.F.	<input checked="" type="checkbox"/>	Ac.	@	\$1.43	=	\$1,420
B. Improvements Acquired: (Identify) <u>Imp. #1: \$900</u>								
								<u>\$900</u>
C. Value of Part Acquired Land and Improvements (Sub-Total).....								<u>\$3,286</u>
D. Total Damages (See Explanation, Breakdown and Support on Sheet 2A-9).....								<u>\$0</u>
E. Sum of A, B, and D.....								<u>\$3,286</u>
F. Benefits: (Explain and deduct from D. Amount must not exceed incidental damages).....								<u>\$0</u>
G. TOTAL AMOUNT DUE OWNER; if only part is Acquired.....								<u>\$3,286</u>
TOTAL AMOUNT DUE OWNER (ROUNDED).....								<u>\$3,300</u>

ITEM 21. VALUE OF REMAINDER

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

A. LAND REMAINDER

	S.F.	<input type="checkbox"/>	Ac.	<input type="checkbox"/>	@	Amount Per Unit		Damages		Remaining Value
						Before Value	After Value	%	\$	
Left Remainder		<input type="checkbox"/>	Ac.	<input type="checkbox"/>	@				\$0	\$0
		<input type="checkbox"/>	Ac.	<input type="checkbox"/>	@				\$0	\$0
Right Remainder	11,151	<input checked="" type="checkbox"/>	Ac.	<input type="checkbox"/>	@	\$4.75	\$4.75		\$0	\$53,000
		<input type="checkbox"/>	Ac.	<input type="checkbox"/>	@				\$0	\$0
		<input type="checkbox"/>	Ac.	<input type="checkbox"/>	@				\$0	\$0
REMAINDER VALUE OF LAND.....										<u>\$53,000</u>
LESS AMOUNT PAID FOR EASEMENTS IN ITEM 20A (Above).....										<u>\$2,386</u>
LESS COST-TO-CURE (Line 20-D).....										<u>\$0</u>
TOTAL REMAINDER VALUE OF LAND.....										<u>\$50,614</u>

B. IMPROVEMENTS REMAINING	Before Value	Damages		Remaining Value
		%	\$	
REMAINDER VALUE OF IMPROVEMENTS.....				<u>\$0</u>
LESS FENCING ACQUIRED.....				<u>\$0</u>
TOTAL REMAINDER VALUE OF LAND AND IMPROVEMENTS.....				<u>\$50,614</u>
TOTAL REMAINDER VALUE OF LAND AND IMPROVEMENTS (ROUNDED).....				<u>\$50,600</u>

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/PUD) 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 128.87 rear LF of frontage with a depth of approximately 99.92 LF. The site was considered to be mostly level and suitable for a single unit residential development. Post-construction, the site will be impacted by a slope easement running along the northern portion of the lot. The residence's nearest living wall is located approximately 54 LF from the proposed and existing right-of-way. This will not impede the utility of the site as this area is within the 10-foot wide waterline easement, overhead electrical easement, inside the setback area, and cannot be developed. The site will also be impacted by the loss of improvement 1. 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 11,151 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 average 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 essentially the same shape and topography as before the acquisition. The remaining site will contain +/- 100 % of the land area before construction. Post construction, the rear of the remainder lot will continue to backup to Duplex Road. The size and the shape of the subject tract will not be altered.

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 be located approximately 16 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 16 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 99.92 LF and the proposed right-of-way will be located approximately +/- 54 LF from the closest living wall of the subject's single unit residential dwelling. Present zoning for the subject property calls for a rear setback of 30 LF. Damages are not considered appropriate and are not applied to the remaining site or remaining improvements since the improvements are legally conforming.

As shown in the following chart, the new roadway will generally be above grade with the subject site. Post construction the site will contain 11,151 SF and zoned R2/PUD District, which allows for the development of 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.

SUMMARY OF REMAINDER

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

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 Right Shoulder (Feet)	Remarks
156+00.00	0	4	3:1 Slope
156+07.92 (Begin)	--	--	--
156+50.00	0	2	3:1 Slope
157+00.00	(1)	(1)	4:1 Slope
157+36.79 (End)	--	--	--
157+50.00	(1)	(2)	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 will be on a 3:1 grade, decreasing to a 4:1 grade and will be located within the 10 foot wide waterline easement and the overhead Middle Tennessee Electric utility easement that runs along the south side of Duplex Road. 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. The improvement impacted by the project were valued and improvements not impacted by the project were not valued. There were a total of one improvement impacted by the project: (1) three large trees. The calculations for this improvement is detailed in Item 11. The following chart illustrates the before and after values of each item:

	Before Value	Damages (%)	Remainder Value	Damages
Improvement 1	\$900	-	-	-
Land	\$53,000	-	\$50,614	-
Total	\$53,900	-	\$50,600 [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

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 #229
SUBJECT
12/20/2014
APPROXIMATE
CONSTRUCTION &
SLOPE EASEMENT



60LPLM-F2-019
STP-M-247 (9)
TRACT #229
SUBJECT
12/20/2014
APPROXIMATE
CONSTRUCTION
AND SLOPE
EASEMENT,
IMPROVEMENT #1



60LPLM-F2-019
STP-M-247 (9)
TRACT #229
SUBJECT
12/20/2015
IMPROVEMENT #2

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.

State Project No. 60LPLM-F2-019 County Maury and Williamson Tract No. 229
 Federal Project No. STP-M-247 (9) Name of Appraiser Randy Button, MAI, SRA, AI-GRS (CG#03)

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.

State Project No. 60LPLM-F2-019 County Maury and Williamson Tract No. 229
Federal Project No. STP-M-247 (9) Name of Appraiser Randy Button, MAI, SRA, AI-GRS (CG#03)

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 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) Shane and Melanie Kimbro 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) Shane and Melanie Kimbro 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) 12/20/2014

If by mail attach copy to 2A-12

Date(s) of inspection of subject December 20th, 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 20th day of December, 2014.

is \$3,300 Based upon my independent appraisal and the exercise of my professional judgment.

Appraiser's Signature  Date of Report 5/29/2015

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

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

SHANE D. AND MELANIE S. KIMBRO
1727 Stephenson Ln
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 229: 1727 Stephenson Ln, Spring Hill, TN 37174 with a site containing ± 0.256 acres of land. This tract is also known for tax purposes as Tax Map and Parcel 170B-F-35.00

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. 229.

Sincerely,

Randy Button, President
Randy Button and Associates, Inc.