

RESOLUTION 15-300

**TO APPROVE LAND ACQUISITION PURCHASE FOR TRACT 236
OF THE DUPLEX ROAD WIDENING PROJECT**

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

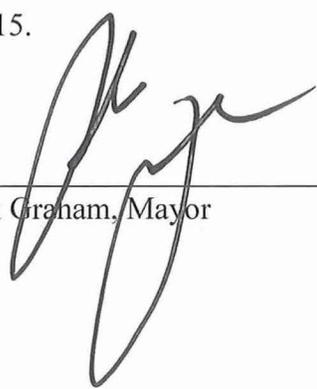
WHEREAS, in order to complete the project, the City must acquire land in the
form of right of way and easements from property owners along Duplex Road; and

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 \$6,650.00 to the tract owner
(Darrell D. Cathey) and \$500.00 to the closing agent (Southeast Title of Tennessee, Inc.)
for closing costs; and

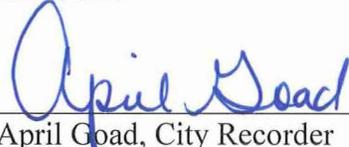
NOW THEREFORE, BE IT RESOLVED that the City of Spring Hill, Board of
Mayor and Aldermen authorizes a total land acquisition purchase in the amount of
\$7,150.00, to Southeast Title of Tennessee, Inc., 40 Middleton Street, Nashville, TN
37210 for Tract number 236 of the Duplex Road widening project.

Passed and adopted this 8th day of September, 2015.



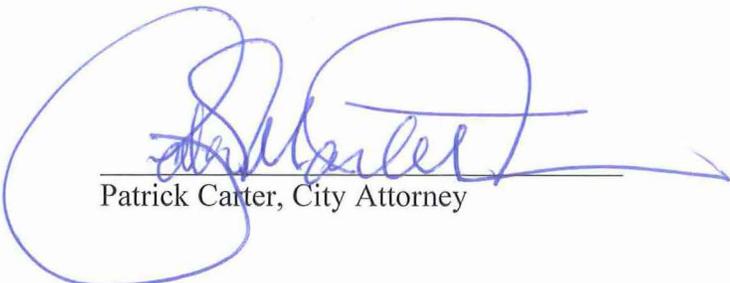
Rick Graham, Mayor

ATTEST:



April Goad, City Recorder

LEGAL FORM APPROVED:



Patrick Carter, City Attorney



Date: September 4, 2015

To: Spring Hill Board of Mayor and Aldermen

From: Missy Stahl

Re: Duplex Road Land Acquisitions

In addition to the City paying a tract owner the cost of the land acquisition, the City is also responsible for paying closing costs (to include prorated property taxes, filing fees, bank fees, etc.). Per the closing agent (Brent Campbell with Southeast Title of Tennessee, Inc.), some of the costs can vary from tract to tract. Therefore, he has suggested a closing amount of \$500 per tract.

At the time of the actual closing, the City will be notified if our payment of \$500 is accurate. If there is an overpayment, we will be issued a refund check for the overage. If more is owed, the City will need to issue another check to cover the shortfall.

If you have any further questions, please contact me and I will address any concerns you might have.

Sincerely,

A handwritten signature in blue ink that reads "Missy Stahl". The signature is written in a cursive, flowing style.

Missy Stahl
City of Spring Hill

199 Town Center Parkway
P.O. Box 789
Spring Hill, TN 37174

Phone 931.486.2252
Fax 931.486.0516
www.springhilltn.org

AMENDED

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: | | (5)TRACT NUMBER: | 236 |
| (6)PROPERTY OWNERSHIP: | Darrell D. Cathey | | |
| (7)COUNTY: | Williamson | (8)MAP/PARCEL NUMBER: | 166O-D-027.00 |
| (9)APPRAISER: | Randy Button, MAI, SRA, AI-GRS (CG#03) | | |
| (10)APPRAISER CONCLUSION OF TOTAL AMOUNT DUE OWNER: | | | \$5,500 |
| (11)EFFECTIVE DATE OF VALUATION: | 3/11/15 | (12)APPRAISAL TYPE (FORMAL, FPA, or NPP): | FPA |

ACQUISITION AREAS & APPROVED COMPENSATIONS

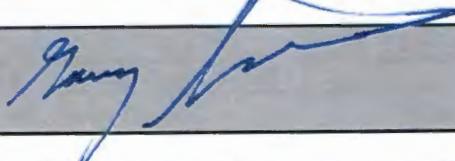
| INTERESTS ACQUIRED | ACQ. AREAS | | COMPENSATIONS | (13)ALTERNATE OFFER | |
|---------------------------------|------------|--------|----------------|---|-----|
| | AREA | ACS/SF | (Rounded) | Partial-Acquisition Remainder Declared Uneconomic Remnant | N/A |
| (14)FEE-SIMPLE | | | | | |
| (15)PERM. DRNGE. ESM'T. | | | | | |
| (16)SLOPE ESM'T. | 370 | SF | \$2,075 (R) | | |
| (17)AIR RIGHTS | | | | | |
| (18)TEMP. CONST. ESM'T. | 882 | SF | \$1,750 (R) | | |
| (19)LNDOWNR IMPRVMTS. | | | \$750 | | |
| TOTL ACQUISITIONS | | | \$4,575 | | |
| (20)DAMAGES | | | \$2,075 | | |
| (21)SPECIAL BENEFITS | | | | | |
| NET DAMAGES | | | | | |
| (22)UTILITY ADJUSTMENT | | | | | |
| TOTL LNDOWNR COMP. | | | \$6,650 | | |
| (23)TENANT IMPRVMTS. | | | | | |
| TOTAL TRACT COMPENSATION | | | \$6,650 | | |

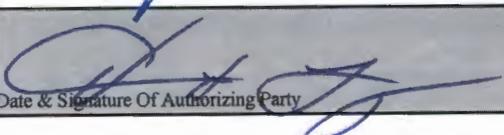
(24)COMMENTS & EXPLANATIONS AS NECESSARY

Temporary fencing will be included by the reviewer. Temporary fencing will be provided during the construction easement. Four foot high chain-link fencing with top rail will be estimated. A survey was conducted of local fencing contractors within the area of the project. Several estimates were obtained and reviewed. One estimate will be utilized, which was the best documented estimate by the provider. Also, the provider seemed to be knowledgeable and experienced with this type of fencing. This estimate was in the mid-range of the estimates collected. This estimate includes an amount to remove the fencing at the end of the construction easement. And an amount for management and coordination. It is estimated that there are 88 linear feet that require temporary fencing. See below.

88 linear feet @ \$13.12 per S.F. = \$1,175 (R)

| | | | |
|--------------------|---------------------------|-------|-----------|
| OFFER PREPARED BY: | Gary Standifer, MAI, CCIM | DATE: | 8/12/2015 |
|--------------------|---------------------------|-------|-----------|

| | |
|------------------------|--|
| SIGNATURE OF PREPARER: |  |
|------------------------|--|

| | |
|--------------------------|--|
| AGENCY AUTHORIZATION BY: |  |
| | Date & Signature Of Authorizing Party 8/17/15 |

**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.: 236
 Federal: STP-M-247(9)
 Pin: 103169.00

(4) Owner(s) of Record: Darrell D. Cathey
3803 Sakari Circle, Spring Hill, TN 37 174

(5) Address/Location of Property Appraised: 3803 Sakari Circle, Spring Hill, Williamson County, TN

(6) Effective Date of the Appraisal: 3-11-15

(7) Date of the Report: 3-26-15

(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 (Assumed)
 Plan Revision Dated: _____

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

(13) Effective Date of Appraisal Review: 3-30-2015

(14) Appraisal Review Conducted By: Gary R. Standifer, MAI, CCIM
STANDIFER & ASSOCIATES, INC.

(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: .246 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>Wood Fencing</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: | <u> \$70,500 </u> |
| Improvements: | <u> \$ 750 </u> |
| Total: | <u> \$71,250 </u> |

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.

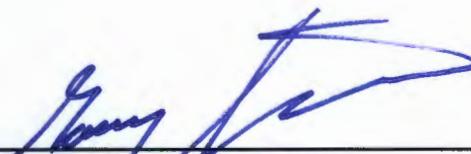
Appraisal Report Conclusions – Amounts Due Owner

| | | |
|-----|-------------------------------------|----------------|
| (a) | Fee Simple: | _____ |
| (b) | Permanent Drainage Easement: | _____ |
| (c) | Slope Easement: | \$2,068 |
| (d) | Air Rights: | _____ |
| (e) | Temporary Construction Easement: | \$1,738 |
| (f) | _____ | _____ |
| (g) | Improvements: | \$ 750 |
| (h) | Compensable Damages: | \$ 900 |
| (i) | Special Benefits: | _____ |
| (j) | Total Amount Due Owner by Appraisal | \$5,500 |

- 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. Mr. Button provides a cost-to-cure to re-enclose the wood privacy fence in the after situation. This is considered appropriate.



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

CG-28
 State License/Certification No(s):

- Consultant Staff

3-30-2015
 Date of Appraisal Review Report

Additional Comments:

The reviewer received an electronic copy of Tract 236 appraisal report. Please note, Mr. Button was asked to correct the project numbers within the footer of his Appraisal Report. It is assumed the corrections were made and the proper Federal and State project numbers are included within the Appraisal Reports submitted. 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 236.

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

3-30-2015
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:** Darrell D. Cathey
3083 Sakari Circle
Spring Hill, TN 37174

(B) **Tenant:** Owner Occupant
615-926-2817

(C) **Address and/or location of subject:** 3083 Sakari Cir., Spring Hill, Williamson County, TN

2. Detail description of entire tract:

The subject site is a rectangular site with 88.20 rear feet fronting the north side of Duplex Road and a depth of 120.75 feet, containing 0.246 acres or 10,716 SF. The property is level. The site is improved: Improvement 1 is a portion of a six-foot wooden privacy fence; Improvement 2 is a Leyland cypress tree that is located in the construction easement but is not believed to be impacted; Improvement 3 is a single unit residential dwelling that is not impacted by the proposed project.

3. (A) **Tax Map and Parcel No.** 166O-D-027.00 (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 north side of the proposed right-of-way. This strip of land has a maximum width of 5 feet and a minimum width of 4 feet, and contains 370 sq. ft., more or less.

Construction Easement

The plans also call for a construction easement containing 882 SF, in effect renting this portion for 3 years (length of construction). The construction easement is an approximate 10 foot wide 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 |
|--------------|-----------------|------------------------------------|-----------------------|------------------------|-----------------------------|
| 7/30/2012 | Alisha D. White | Darrell D. Cathey | 5657/ 485 | \$244,000 | 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 | | 0.246 Acres or 10,716 SF |

State Project No. 60LPLM-F2-019 County Maury and Williamson Tract No. 236
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 I 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 236 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 I was 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 Dakota Pointe Subdivision were recorded as "Declarations of Covenants, Conditions and Restrictions for Buckner Crossing Subdivision" in Williamson County, Tennessee Record Book 3557, Page 101-160. These subdivision restrictions require a minimum single-story total floor area of 1,600 square feet (excluding garages, unfinished basements, decks, patios, etc.) and a minimum two-story total floor area of 2,000 square feet (with the same exclusions). 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. However, office use by residences is permissible. 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 88.20 LF of existing rear frontage with a depth of approximately 120.75 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 10,716 SF which would allow for the development of a residential dwelling with a minimum of 1,000 square feet and a maximum of 3,750 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, 2103 |
|---|---|------------------|----------------------|

State Project No. 60LPLM-F2-019 County Maury and Williamson Tract No. 236
 Federal Project No. STP-M-247 (9) Name of Appraiser Randy Button, MAI, SRA, AI-GRS (CG#03)

OTHER IMPROVEMENTS

11.

| | | | | | | | |
|-------------------|---------|--------------|-----|---------|------|--------------------|---------|
| Structure No. | 1 | No. Stories | N/A | Age | 7 EA | Function | Fencing |
| Construction | Wood | Condition | | Average | | Linear Ft. | 98 |
| Reproduction Cost | \$1,372 | Depreciation | | \$645 | | Indicated Value \$ | 750 [R] |

OTHER COMMENTS AND EXPLANATION OF REPRODUCTION COST AND DEPRECIATION:

Improvement 1 is a 6-foot wooden privacy fence in average condition. The fencing along the western property line is the property of Tract 233. Improvement 1 is located along the southern and eastern property line. According to Franklin Fence and Deck Company a similar fence has a replacement value of \$14.00/LF and an estimated economic life of 15-years. The subject fence is considered to have an effective age of 7 years as it is new and 47% depreciation. The value of this improvement located on the subject tract was calculated as follows:

$\$14/LF \times 98 LF = \$1,372$ cost new - $\$645$ depreciation = $\$727$ as is = **\$750 Rounded**

This calculation will be used in the cost-to-cure (cost to re-enclose fencing post-construction) in Item 24.

| | | | | | | | |
|-------------------|--|--------------|--|-----|--|--------------------|--|
| 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

\$ 750

| | | | | | |
|---------------------|---------------|-------------------|--|-----------|-----|
| State Project No. | 60LPLM-F2-019 | County | Maury and Williamson | Tract No. | 236 |
| Federal Project No. | STP-M-247 (9) | Name of Appraiser | Randy Button, MAI, SRA, AI-GRS (CG#03) | | |

SALES COMPARISON APPROACH

14. LAND VALUE ANALYSIS

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

| | | | | | | | |
|---------------------------------|--------------------------------------|--------------------------------------|-------------|--------------------------------------|-------------|--------------------------------------|-------------|
| Inspection Date: 3/11/2015 | | SALE NO. <u>RL-12</u> | | SALE NO. <u>RL-18</u> | | SALE NO. <u>RL-19</u> | |
| CASH EQUIVALENT Sales Price | | \$57,500 | | \$70,000 | | \$65,000 | |
| Date of Sale | # of Periods | 7/16/2014 | 8 | 10/22/2014 | 5 | 10/22/2014 | 5 |
| % Per Period | Time Adjustment | 0.38% | \$1,733 | 0.38% | \$1,241 | 0.38% | \$1,153 |
| Sales Price Adjusted for Time | | \$ 59,233 | | \$ 71,241 | | \$ 66,153 | |
| Proximity to Subject | | 1.1 mi | | 3.3 mi | | 3.9 mi | |
| Unit Value Land Per Lot: | | \$ 59,233 | | \$ 71,241 | | \$ 66,153 | |
| Elements | SUBJECT | Descriptions | (+)(-) Adj. | Descriptions | (+)(-) Adj. | Descriptions | (+)(-) Adj. |
| Location | Dakota Pointe | Benevento | | Arbors at Autumn Ridge | | Arbors at Autumn Ridge | |
| Size | 10,716 SF | 12,105 SF | | 10,390 SF | | 7,714 SF | |
| Shape | Rectangular | Rectangular | | Irregular | | Rectangular | |
| Site/View | Street | Street | | Street | | Street | |
| Topography | Level | Rolling | | Level | | Level | |
| Access | Average | Average | | Average | | Average | |
| Zoning | R-2 | 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 St, Curb, Sidewalk, Gutters | Paved St, Curb, Sidewalk, Gutters | | Paved St, Curb, Sidewalk, Gutters | | Paved St, Curb, Sidewalk, Gutters | |
| On-Site Improvements | | None | | None | | None | |
| Other: | | | | | | | |
| NET ADJUSTMENTS | | + \$0 | | + \$0 | | + \$0 | |
| ADJUSTED UNIT VALUE | | \$ 59,233 | | \$ 71,241 | | \$ 66,153 | |

INDICATED VALUE OF SUBJECT LAND FOUND ON FOLLOWING PAGE:

Comments:

The range of values per lot for the three sales used were from: \$ 59,233 to \$ 71,241 per Lot.

The mean value based upon the sales applied to this analysis is \$65,542/Lot. The most weight was given toward sales RL18 as it is considered the most similar to the subject tract.

Based upon the available sales information the estimated per lot value is \$70,500/Lot for the entire subject site.

ADDITIONAL COMMENTS

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

My research uncovered a number of vacant land sales that I feel are similar to the subject property. My research uncovered a number of neighborhoods throughout the city in which recent residential lots are being sold for the development of new single unit residential dwellings. In reviewing this data and speaking to individuals actively developing these residential units, I feel that the Arbors at Autumn Ridge presently represent the most similar neighborhood characteristics and quality of home finishes within the city of Spring Hill.

I also researched two sales that occurred within Dakota Pointe: Sale RL 4 located at 3001 Sakari Circle sold in March 2013 for \$54,000/Lot and Sale RL 3 located at 3055 Sakari Circle sold in April 2013 for \$54,000/Lot. Sale RL 4 was sold to an individual who purchased the lot to build their residence. RL 3 was sold to an investor who constructed a single unit residential dwelling and resold the improved lot for \$265,000 in August 2013. The finished residential dwelling constructed on both RL 3 and RL 4 were very similar and are considered to have similar values. However, these homes are not considered similar to the home located on the subject lot or any of the homes that surround the subject lot. Therefore, sales RL 3 and RL 4 were excluded from further consideration.

In an effort to locate lots similar to the subject lot but outside of the Arbors of Autumn Ridge, I was able to find a bulk sale that occurred in June 2014. Sale RL 2 involved 6 lots within the Benevento East subdivision that ranged in size from 10,000 square feet to 21,534 square feet. Four of the sales were in the 10,000 square foot range and two lots, located at the end of the cul-de-sac, were near 20,000 square feet each. The six sales had an average lot value of \$63,000/Lot. The Benevento East subdivision is considered slightly inferior to Dakota Pointe and the bulk sale is believed to have occurred at a slight discount. Therefore, the sale supports the lot values exhibited in sales RL 18 and RL 19.

The three sales used in this analysis ranged in size from 7,714 SF to 12,105 SF bracketing the size of the subject tract, which was found to contain 10,716 SF. All of the lots were rectangular. The three sales occurred between July 2014 and mid-October 2014. Sale RL-12 was the oldest sale and occurred in Benevento East subdivision. The topography of this site was tiered and therefore slightly less desirable than a relatively level site, such as the subject tract. This site was also larger than the subject site but is considered to have very similar width (80.00 LF wide lot). The site was developed with a single unit residential dwelling, which was reported to be under contract at \$385,000 prior to upgrades. This value is considered to be in line with expectations for the subject tract or neighboring tracts.

Sale RL-18 and RL-19 occurred in the Arbors at Autumn Ridge. These two lots are both relatively level and are the most similar to the subject. Sale RL-18 contains 10,390 SF and RL-19 contains 7,714 SF. The subject site contains 10,019 SF. The values of these two sales have a direct correlation to size. RL-18 sold for \$70,000/Lot and RL-19 sold for \$65,000/Lot. In my discussion with the developers of single unit residential dwellings in both the subject neighborhood and Arbors and Autumn Ridge, the primary driver of lot value was reported to be the size of the site because this also dictates the maximum development potential of the site.

After investigating the recent sale of subdivision lots within the city of Spring Hill, I am of the opinion that the recent sales within the Arbors of Autumn Ridge represent the most similar lots, improved homes, and most probable values that the subject tract could command under present market conditions. Therefore, the most weight was given to sale RL-18 which is similar in size and topography. Considering the subject tract as a vacant site, it would be in direct competition in the current market with the lots valued at \$70,000 located within the Arbors of Autumn Ridge. The largest difference between the subject neighborhood lots and the +/- 10,000 SF lots located within the Arbors of Autumn Ridge is the width of the Dakota Pointe tracts which typically have 80 front feet where the Arbors of Autumn Ridge lots typically have 60-70 front foot range. The wider lot provides for more options in the floor plans of a residential unit. Therefore, the wider lot on the subject tract is considered slightly more desirable.

Following adjustments to the three sales used in this analysis, the indicated lot values of the three sales ranged from \$59,233 to \$71,241 and exhibited a mean indication of \$65,542 per lot. The subject lot value should fall near the top of the range of the three adjusted sales. Therefore, I believe an appropriate estimate of land value for the subject site would fall near \$70,500/Lot. Calculated as follows:

Subject Lot Value: \$70,500

Subject Square Foot Value: \$6.58

(\$70,500/Lot ÷ 10,716 SF = \$6.58/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.

State Project No. 60LPLM-F2-019 County Maury and Williamson Tract No. 236
 Federal Project No. STP-M-247 (9) Name of Appraiser Randy Button, MAI, SRA, AI-GRS (CG#03)

CITY OF SPRING HILL, TENNESSEE

ITEM 17. EXPLANATION and/or BREAKDOWN OF LAND VALUES

(A) VALUATION OF LAND:

| | | | | | | | | | |
|------|--------------|-------------------------------|-------------------------------|-------------------------------|---|---|-----------------|-------------------------|-----------------|
| LAND | <u>1</u> Lot | S.F. <input type="checkbox"/> | F.F. <input type="checkbox"/> | Acre <input type="checkbox"/> | Lot <input checked="" type="checkbox"/> | @ | <u>\$70,500</u> | (Average) Per Unit = | <u>\$70,500</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>\$70,500</u> |

REMARKS: The value indication for the subject land was rounded to \$70,500

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>\$70,500</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 \$70,500. In Item 11 of the report, one improvement was calculated to have a value of \$750. The value of the improvements in Item 11 were added to the land value calculated in the Sales Comparison Approach for a combined value of \$71,250. After researching a number of vacant residential lot sales and discussion with market participants, I feel the three 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 \$71,250.

| | | | |
|------------------------------------|--|--|---------------------------|
| 19. FAIR MARKET VALUE | of <input type="checkbox"/> Entire Tract | <input checked="" type="checkbox"/> Part Affected | <u>\$71,250</u> |
| (A) TOTAL AMOUNT DUE OWNER | if <input type="checkbox"/> Entire Tract | <input checked="" type="checkbox"/> Part Affected Acquired | <u>\$5,500</u> |
| (B) AMOUNT ATTRIBUTABLE TO: | Land | <u>\$70,500</u> | Improvements <u>\$750</u> |

REMARKS: Value of Improvements: \$ 750

Improvement 1: \$ 750
Improvement 2: Not impacted

PARTIAL ACQUISITION

20.

VALUE OF ENTIRE TRACT ... (Amount in Item 19 carried forward)..... \$71,250

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 | 370 | S.F. | <input checked="" type="checkbox"/> | Ac. | <input type="checkbox"/> | @ | \$5.59 | = \$2,068 | |
| * Construction Easement | 882 | S.F. | <input checked="" type="checkbox"/> | Ac. | <input type="checkbox"/> | @ | \$1.97 | = \$1,738 | |
| B. Improvements Acquired: (Identify) | Imp. #1: \$750 | | | | | | | | \$750 |
| C. Value of Part Acquired Land and Improvements (Sub-Total)..... | | | | | | | | | \$4,556 |
| D. Total Damages (See Explanation, Breakdown and Support on Sheet 2A-9)..... | | | | | | | | | \$900 |
| E. Sum of A, B, and D..... | | | | | | | | | \$5,456 |
| F. Benefits: (Explain and deduct from D. Amount must not exceed incidental damages)..... | | | | | | | | | \$0 |
| G. TOTAL AMOUNT DUE OWNER; if only part is Acquired..... | | | | | | | | | \$5,456 |
| TOTAL AMOUNT DUE OWNER (ROUNDED)..... | | | | | | | | | \$5,500 |

ITEM 21. VALUE OF REMAINDER

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

A. LAND REMAINDER

| | S.F. | <input checked="" type="checkbox"/> | Ac. | <input type="checkbox"/> | @ | Amount Per Unit | | Damages | | Remaining Value |
|-----------------|--------|-------------------------------------|-----|--------------------------|---|-----------------|-------------|---------|-----|-----------------|
| | | | | | | Before Value | After Value | % | \$ | |
| Left Remainder | 10,716 | <input checked="" type="checkbox"/> | Ac. | <input type="checkbox"/> | @ | \$6.58 | \$6.58 | | \$0 | \$70,500 |
| | | <input type="checkbox"/> | Ac. | <input type="checkbox"/> | @ | | | | \$0 | \$0 |
| Right Remainder | | <input type="checkbox"/> | Ac. | <input type="checkbox"/> | @ | | | | \$0 | \$0 |
| | | <input type="checkbox"/> | Ac. | <input type="checkbox"/> | @ | | | | \$0 | \$0 |
| | | <input type="checkbox"/> | Ac. | <input type="checkbox"/> | @ | | | | \$0 | \$0 |

| | |
|---|----------|
| REMAINDER VALUE OF LAND..... | \$70,500 |
| LESS AMOUNT PAID FOR EASEMENTS IN ITEM 20A (Above)..... | \$3,806 |
| LESS COST-TO-CURE (Line 20-D)..... | \$900 |
| TOTAL REMAINDER VALUE OF LAND..... | \$65,794 |

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

| | |
|---|----------|
| REMAINDER VALUE OF IMPROVEMENTS..... | \$0 |
| LESS FENCING ACQUIRED..... | \$0 |
| TOTAL REMAINDER VALUE OF LAND AND IMPROVEMENTS..... | \$65,794 |
| TOTAL REMAINDER VALUE OF LAND AND IMPROVEMENTS (ROUNDED)..... | \$65,750 |

REMARKS:

* 20A: The value of this slope easement has been estimated at +/- 85% 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) Upon completion of the proposed road project, the subject site will 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 to have 88.20 rear LF of frontage with a depth of approximately 120.75 LF. The site was considered to be level and suitable for a single unit residential development. Post-construction, the site will be impacted by a slope easement and the loss of Improvement 1. The permanent slope easement does not alter the remaining size of the tract. 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 10,716 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 +/- 100 % of the land area before construction.

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 120.75 LF and the proposed right-of-way will be located approximately 30 LF from the closest living wall of Improvement 3. Present zoning regulations for the subject property calls for a rear setback of 25 LF. Therefore, the subject's residential improvement is considered 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.

As shown in the following chart, the new roadway will generally be below grade in relation to the subject site. Post-construction the site will contain 10,716 SF and be zoned R2 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 Left Shoulder (Feet) | Remarks |
|---------------------------------|---------------------------------|------------------------------------|-----------|
| 159+00.00 | 1 | (3) | 2:1 Slope |
| 159+11.84 (Begin) | -- | -- | -- |
| 159+50.00 | 0 | (3) | 2:1 Slope |
| 160+00.00 | 1 | (4) | 2:1 Slope |
| 160+00.04 (End) | -- | -- | -- |
| 160+50.00 | 1 | (5) | 2:1 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 slope easement will require a steep slope within a 4-5 width along the rear of the subject tract. This slope easement will not damage the utility of the overall site as the area is located within the setback. However, the slope change will alter the utility of the affected area. Therefore, I estimate the value of the slope easement and its impact on the site to be approximately 85% 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 per year, for an estimated 3-year construction period, as the appropriate return on the land for use as a construction easement. This equals a rate of 30% over the assumed 3-year construction period.

Cost-to-Cure: The removal of the privacy fencing will also require the re-enclosure of the fencing post-construction. Therefore, the cost-to-cure for acquisition of the privacy fencing includes making the property owner's whole related to the present value of new fencing required to replace existing fencing plus a management and coordination cost associated with the effort required to re-enclose the fencing. Management and coordination costs are estimated at 20% of the total cost to replace the existing fencing. The following chart illustrates the cost-to-cure calculation. The cost-to-cure fencing (shown as damages below) includes the following:

| Item | Estimate |
|--|------------------|
| Cost-to-Cure: Enclose Fencing 98 LF x \$14/SF = \$1,400 | \$1,372 |
| Add: Management and Coordination Cost (20% of total) | +\$274 |
| Total Cost-to-Cure (re-enclose fencing) | \$1,646 |
| Less: Payment for Improvement 1 in Item 11 | -\$750 |
| Remaining Cost-to-Cure Amount Due | \$896 |
| Total Due to Re-Enclose Fencing | \$900 [R] |

SUMMARY OF REMAINDER

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

Improvements Acquired: This appraisal is a formal part affected report. The improvements impacted by the project were valued and improvements not impacted by the project were not valued. There was one improvement impacted by the project: (1) 6-foot wooden privacy fence. The calculations for these value estimates for these improvements are detailed in Item 11. The following chart illustrates the before and after values of each improvement:

| | Before Value | Damages (%) | Remainder Value | Damages |
|---------------|-----------------|-------------|---------------------|--------------|
| Improvement 1 | \$750 | - | - | \$900 |
| Land | \$70,500 | - | \$65,794 | - |
| Total | \$71,250 | - | \$65,750 [R] | \$900 |

25. Amount of DAMAGE This Page To--2A-8, Item 20-D _____ \$900
 (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.



94092-1224-14
STP/HHP-247 (10)
TRACT #236
SUBJECT
3/11/2015
APPROXIMATE
CONSTRUCTION
AND SLOPE
EASEMENT,
IMPROVEMENT #1

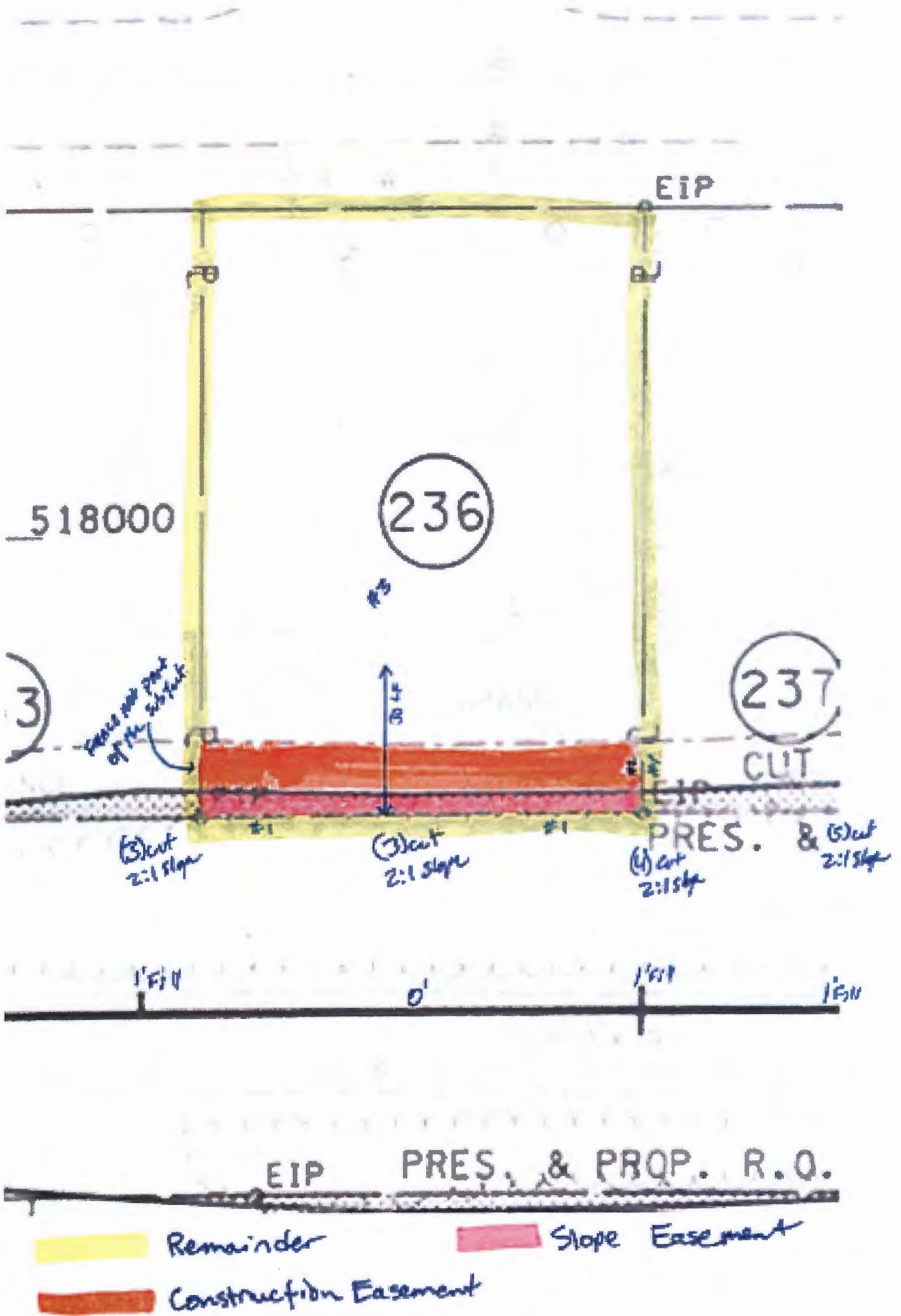


94092-1224-14
STP/HHP-247 (10)
TRACT #236
SUBJECT
3/11/2015
APPROXIMATE
CONSTRUCTION
AND SLOPE
EASEMENT,
IMPROVEMENT #2



94092-1224-14
STP/HHP-247 (10)
TRACT #236
SUBJECT
3/11/2015
IMPROVEMENT #3

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.

State Project No. 60LPLM-F2-019 County Maury and Williamson Tract No. 236
 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) Tiffany Cathey was contacted on (Date) 1/28/2015 .

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

(Name) Tiffany Cathey 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) 03/11/2015 .

If by mail attach copy to 2A-12

Date(s) of inspection of subject March 11th, 2015

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 11th day of March , 2015.

is \$5,500 Based upon my independent appraisal and the exercise of my professional judgment.

Appraiser's Signature  Date of Report 3/26/2015

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

COPY OF FORM 4 LETTER

THIRD APPRAISAL NOTICE

We have attempted to contact you concerning the widening of Duplex Road/State Route 247. We need to speak to the property owner concerning how this project impacts:

Project Tract # 236

3083 Sakari Circle, Spring Hill, Tennessee

Tax Map and Parcel: 166O-D-027.00

We need to complete this appraisal to establish compensation to you because of the Duplex Road widening project and to meet our contractual responsibilities.

Please call Adam

at your earliest convenience:

615-348-7980

We look forward to speaking with you.

Randy Button and Associates, Inc.

615-348-7980