

RESOLUTION 16-422

**TO APPROVE LAND ACQUISITION PURCHASE FOR TRACT 106
OF THE DUPLEX ROAD WIDENING PROJECT**

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

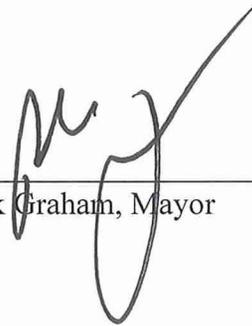
WHEREAS, in order to complete the project, the City must acquire land in the
form of right-of-ways and easements from property owners along Duplex Road; and

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 \$8,900.00 to the tract owner
(Sheri Sherrer) and \$500.00 to the closing agent (Southeast Title of Tennessee, Inc.) for
closing costs.

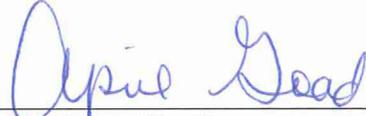
NOW THEREFORE, BE IT RESOLVED, that the City of Spring Hill, Board
of Mayor and Aldermen authorizes a total land acquisition purchase in the amount of
\$9,400.00 to Southeast Title of Tennessee, Inc., 40 Middleton Street, Nashville, TN
37210 for Tract number 106 of the Duplex Road widening project.

Passed and adopted this 21st day of March, 2016.



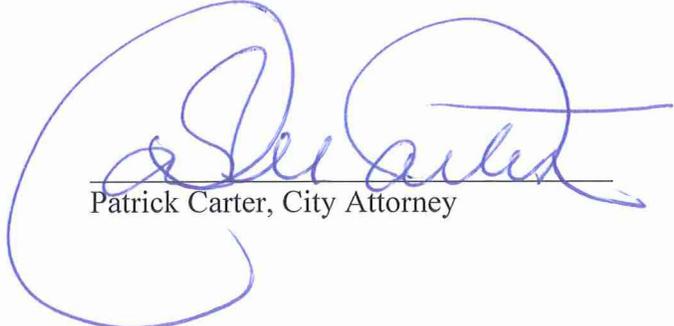
Rick Graham, Mayor

ATTEST:



April Goad, City Recorder

LEGAL FORM APPROVED:



Patrick Carter, City Attorney

**AGREEMENT OF SALE
CITY OF SPRING HILL
MAURY COUNTY, TENNESSEE**

PROJECT <u>Duplex Road Widening</u>	ADDRESS <u>1813 Portview Dr., Spring Hill, TN</u>
FEDERAL PROJECT # <u>STP-M-247(9)</u>	MAP/PARCEL <u>167M-G/048.00</u>
STATE PROJECT # <u>60LPLM-F2-019</u>	TRACT # <u>106</u>

This agreement entered into on this the 4th day of March, 2016,
between Sheri Sherrer, herein after called the **Seller** and the **City of Spring Hill**, 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 of Spring Hill**.

- A. The **Seller** hereby offers and agrees to convey to the **City of Spring Hill** lands identified as **Tract # 106** on the right-of-way plan for the above referenced project upon the **City of Spring Hill** tendering the purchase price of **\$8,900.**, said tract being further described on the attached legal description.
- B. The **City of Spring Hill** agrees to pay for the expenses of title examination, preparation of instrument of conveyance and recording of deed. The **City of Spring Hill** will reimburse the **Seller** for expenses incidental to the transfer of the property to the **City of Spring Hill**. Real Estate Taxes will be prorated.

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

- C. Retention of Improvements: () Does not retain improvements () Not applicable (x)
Seller agrees to retain improvements under the terms and conditions stated in the attached agreement to this document and made a part of this Agreement of Sale.
- D. Utility Adjustment Not applicable (x)
The **Seller** agrees to make, at the **Seller's** expense, the below listed repair, relocation or adjustment of utilities owned by the **Seller**. The purchase price offered includes \$ -0- to compensate the owner for those expenses.
- E. **Other: This agreement includes compensation for the installation and removal of 85 LF of temporary 4' chain link fencing with top rail.**
- 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 in any kind of said property:

Seller: Sheri Sherrer 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:	106
(6)PROPERTY OWNERSHIP:	Sheri Sherrer		
(7)COUNTY:	Williamson County	(8)MAP/PARCEL NUMBER:	167M-G-048.00
(9)APPRAISER:	Randy Button, MAI, SRA, AI-GRS(CG-#03)		
(10)APPRAISER CONCLUSION OF TOTAL AMOUNT DUE OWNER:		\$	7,800
(11)EFFECTIVE DATE OF VALUATION:	1/17/15	(12)APPRAISAL TYPE (FORMAL, FPA, or NPP):	FPA

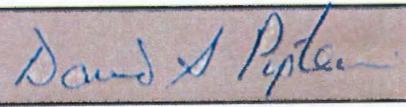
ACQUISITION AREAS & APPROVED COMPENSATIONS

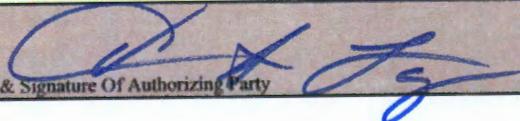
	ACQ. AREAS		COMPENSATIONS	(13)ALTERNATE OFFER	
	AREA	ACS/SF	(Rounded)	Partial-Acquisition Remainder Declared Uneconomic Remnant	N/A
INTERESTS ACQUIRED					
(14)FEE-SIMPLE					
(15)PERM. DRNGE. ESM'T.					
(16)SLOPE ESM'T.	1,183.000	SF	\$ 2,851		
(17)AIR RIGHTS					
(18)TEMP. CONST. ESM'T.	1,038.000	SF	\$ 1,069		
(19)LNDOWNR IMPRVMTS.			\$ 1,000		
TOTL ACQUISITIONS			\$ 4,920		
(20)DAMAGES			\$ 1,965		
(21)SPECIAL BENEFITS					
NET DAMAGES			\$ 1,965		
(22)UTILITY ADJUSTMENT					
TOTL LNDOWNR COMP.			\$ 6,885		
(23)TENANT IMPRVMTS.			\$ 2,000		
TOTAL TRACT COMPENSATION			\$ 8,885		
Total Tract Compensation Rounded To			\$ 8,900		

(24)COMMENTS & EXPLANATIONS AS NECESSARY

Formal, part-affected appraisal of an improved residential site. Appraisal report is well documented and supported. Damages include \$850 in damages for replacement of wood fencing. In addition, payment for temporary fencing during the construction period is included as explained below. Total compensation includes two improvements constructed by the developer and maintained by the HOA, designated as tenant-owned improvements. Fencing in the acquisition area is acquired. Temporary fencing along the boundary of the TCE will be needed to maintain utility of the rear yard during construction, and this payment will be included by the reviewer. Approximately 85 LF of fencing will be required (4' chain link with top rail). The cost estimate was obtained from surveys of fencing contractors in the project area and includes removal of the temporary fence at the end of construction. The temporary fencing cost is $\$13.12 \times 85 \text{ LF} = \$1,115$. This amount is added administratively to the damages in Line (20) above.

OFFER PREPARED BY: David S. Pipkin, CG-437, Consultant Review Appraiser	DATE: 1/20/2016
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SIGNATURE OF PREPARER:	
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AGENCY AUTHORIZATION BY:	 Date & Signature Of Authorizing Party 2/16/16
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**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: 106
 Federal: STP-M-247(9)
 Pin: 167M-G-48

(4) Owner(s) of Record: Sheri Sherrer
1813 Portview Drive
Spring Hill, TN 37174

(5) Address/Location of Property Appraised:
1813 Portview Court, Spring Hill, Williamson County, TN

(6) Effective Date of the Appraisal: 1/17/15

(7) Date of the Report: 3/27/15

(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: 0.314 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 0.314 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- HOA Fence (No. 1) | 2- HOA Lamp (No. 2) |
| 3- Landscaping (No. 3) | 4- Fencing (No. 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>\$47,000</u>
Improvements:	<u>\$3,000</u>
Total:	<u>\$50,000</u>

Section (D) Acquisitions:

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

[a] Fee Simple:	_____	Sq. Ft.
[b] Permanent Drainage Easement:	_____	Sq. Ft.
[c] Slope Easement:	1183	Sq. Ft.
[d] Air Rights:	_____	Sq. Ft.
[e] Temporary Construction Easement:	1,038	Sq. Ft.
[f] _____	_____	Sq. Ft.

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

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

Section (E) Damages/Special Benefits:

The appraisal includes \$850 in cost-to-cure damages, reflecting the difference between the cost new required to replace the wood fencing acquired and the depreciated value paid for the fencing acquired. This amount is required to make the owner "whole" with respect to fence replacement and is an appropriate payment.

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:	_____	\$42,200
Improvements:	_____	\$0
Total:	_____	\$42,200

Comments:

Remainder value of the land 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 limited to slope and construction easements with limited affect on the remainder, and the appraiser's conclusion that after highest and best use will not change after acquisition 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 improvement 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. Cost data for improvements is reasonable and supported.

(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>\$2,851</u>
(d) Air Rights:	<u>\$0</u>
(e) Temporary Construction Easement:	<u>\$1,069</u>
(f) _____	<u>\$0</u>
(g) Improvements:	<u>\$3,000</u>
(h) Compensable Damages:	<u>\$850</u>
(i) Special Benefits:	<u>\$0</u>
(j) Total Amount Due Owner By Appraisal:	<u>\$7,800</u>

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

Comments:

Amount due owner rounded from \$7,770 to \$7,800.

David A. Pyle

Appraisal Review Consultant(s)

TN CG-437

State License/Certification No(s):

- Consultant Staff

January 20, 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. Ripstein

Appraisal Review Consultant(s)

Consultant Staff

January 20, 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: Sheri Sherrer
1813 Portview Drive
Spring Hill, TN 37174

(B) Tenant: Owner Occupant
615-788-4853

(C) Address and/or location of subject: 1813 Portview Drive, Spring Hill, Williamson County, TN

2. Detail description of entire tract:

The subject site is a trapezoid site with 107.72 rear feet fronting the north side of Duplex Road and a depth of 150.07 feet, containing 0.314 acres or 13,678 SF. The property is level. The site is improved: Improvement 1 is a four-rail PVC fence located along the northern property line (built by the HOA); Improvement 2 is a subdivision lamp post (built by the HOA); Improvement 3 is four sweet gum trees; Improvement 4 is a picket fence located in the construction easement; Improvement 5 is a single unit residential dwelling that is not impacted by the proposed road project.

3. (A) Tax Map and Parcel No. 167M-G-048.00 **(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 12 feet and a minimum width of 9 feet, and contains 1.183 sq. ft., more or less.

Construction Easement

The plans also call for a construction easement containing 1,038 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
10/28/2011	Gail L. and Peter J. Leonard	Sherri McDonald	5431/21	\$183,900	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		0.314 Acres or 13,678 SF

State Project No. 60LPLM-F2-019 County Maury and Williamson Tract No. 106
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 106 in its entirety.

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

(1) Looking at the subject property prior to the proposed acquisition, I found the site to be zoned Medium Density Residential (R2). R2 Districts allow for single-unit residential dwellings with good access to public utilities and facilities. Buildable sites must have a minimum lot area of 10,000 square feet. Restrictions for the Ridgeport Subdivision were recorded in the Restrictive Covenants for Ridgeport Subdivision in Williamson County, Tennessee Record Book 1540, Page 87 (and the Ridgeport Home Owners Association by-laws recorded in Book 3512, Page 799). These subdivision restrictions originally required a minimum gross living area of 1,250 square feet and a two-car attached garage. This requirement was the subject of the corrected amendment referenced above). R2 zoning allows a maximum total building area of 35% of the site size. The subdivision restrictions also preclude any multi-family uses. 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 107.72 rear LF of existing frontage with a depth of approximately 150.07 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 fully developed, a residential use development on the site (if vacant) 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 13,678 SF which would allow for the development of a residential dwelling with a minimum of 1,250 square feet (to conform to neighborhood standards) and a maximum of 4,787 square feet. I believe the most appealing uses for the site, considering its access and visibility, is for the site to be developed with a residential use.

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

Highest and Best Use As-Improved:

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

This Appraisal Is Based On Original Plans	X	Or Plan Revision		Dated: March 1, 2013
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OTHER IMPROVEMENTS

11.

Structure No.	<u>1</u>	No. Stories	<u>N/A</u>	Age	<u>10 EA</u>	Function	<u>HOA Fence</u>
Construction	<u>4-Rail PVC</u>	Condition	<u>Average/Fair</u>	Sq. Ft. Area	<u>N/A</u>		
Reproduction Cost	<u>\$1,620</u>	Depreciation	<u>\$1,085</u>	Indicated Value \$	<u>550 [R]</u>		

OTHER COMMENTS AND EXPLANATION OF REPRODUCTION COST AND DEPRECIATION:

The subject have a 4-rail fence located along the southernmost property line. This fence was constructed by the builder and is maintained by the Home Owners Association (HOA). However, after reviewing the deed, subdivision covenants, and HOA by-laws, I conclude these improvements are located on the subject tract and will be valued with the subject tract. According to Franklin Deck and Fence, this type of fencing has a replacement cost of \$15.00/LF and an economic life of 15 years. I estimate the effective age of this improvement to be 10 years. The value estimate was calculated as follows:

$$\$15/\text{LF} \times 108 \text{ LF} = \$1,620 - \$1,085 (\$1,620 \times 67\% \text{ depreciation} = \$1,085) = \$535 = \mathbf{\$550 \text{ Rounded}}$$

Note: These fencing is not an enclosure and will not be considered as part of a cost-to-cure estimate.

Structure No.	<u>2</u>	No. Stories	<u>N/A</u>	Age	<u>10 EA</u>	Function	<u>HOA Lamp</u>
Construction	<u>Lamp Post</u>	Condition	<u>Average/Fair</u>	Sq. Ft. Area	<u>N/A</u>		
Reproduction Cost	<u>\$2,850</u>	Depreciation	<u>\$1,425</u>	Indicated Value \$	<u>1,450 [R]</u>		

OTHER COMMENTS AND EXPLANATION OF REPRODUCTION COST AND DEPRECIATION:

The subject has a lamp post and electrical connections located on the subject tract. This lamp post was constructed by the builder with utilities and maintenance provided by the HOA. However, after reviewing the deed, subdivision covenants, and HOA by-laws, I conclude these improvements are located on the subject tract and are therefore valued with the subject tract. According to Consolidated Electrical Distributors of Cool Springs, the replacement cost of the subject light (Hadco #S6430) and pole (Hadco #SP6430) is estimated to be \$2,635/each. I estimate the concrete footer and labor to install each light to be approximately \$200. Therefore, I estimate the replacement value of each light to be \$2,850 [R]. The lighting fixtures are estimated to have an economic life of 20 years and an effective age of 10 years indicating a rate of depreciation of 50%. The value estimate was calculated as follows:

$$\$2,850 \text{ per lamp} - \$1,425 \text{ depreciation} = \$1,425 = \mathbf{\$1,450 \text{ Rounded}}$$

Structure No.	<u>3</u>	No. Stories	<u>N/A</u>	Age	<u>N/A</u>	Function	<u>Landscaping</u>
Construction	<u>Sweet Gum Trees</u>	Condition	<u>Medium</u>	Sq. Ft. Area	<u>N/A</u>		
Reproduction Cost	<u>\$650</u>	Depreciation	<u>\$0</u>	Indicated Value \$	<u>650</u>		

OTHER COMMENTS AND EXPLANATION OF REPRODUCTION COST AND DEPRECIATION:

According to Bates Nursery (Nashville, TN) an 8-foot sweet gum tree cost \$160/each. The subject tract has 4 trees making the replacement cost for this improvement: 4 trees x \$160/ea.= \$640 = **\$650 Rounded**

Summary of Indicated Values on This Page

\$2,650

State Project No.	<u>60LPLM-F2-019</u>	County	<u>Maury and Williamson</u>	Tract No.	<u>106</u>
Federal Project No.	<u>STP-M-247 (9)</u>	Name of Appraiser	<u>Randy Button, MAI, SRA, AI-GRS (CG#03)</u>		

OTHER IMPROVEMENTS

11.

Structure No.	<u>4</u>	No. Stories	<u>N/A</u>	Age	<u>10 EA</u>	Function	<u>Fencing</u>
Construction	<u>Wood Picket</u>	Condition	<u>Fair</u>	Linear Feet	<u>93</u>		
Reproduction Cost	<u>\$977</u>	Depreciation	<u>\$655</u>	Indicated Value \$	<u>350 [R]</u>		

OTHER COMMENTS AND EXPLANATION OF REPRODUCTION COST AND DEPRECIATION:

The subject was improved with an enclosed picket fence in the back yard. According to Franklin Deck and Fence, this type of fencing has a replacement cost of \$10.50/LF and an economic life of 15 years. I estimate the effective age of this improvement to be 10 years. The value estimate was calculated as follows:

$\$10.50/LF \times 93 LF = \$977 - \$655 (\$977 \times 67\% \text{ depreciation} = \$655) = \$322 = \mathbf{\$350 \text{ Rounded}}$

Note: The cost to re-enclose the fencing after project completion will be addressed in the cost-to-cure in Item 24 of this report.

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 **\$3,000**

State Project No.	<u>60LPLM-F2-019</u>	County	<u>Maury and Williamson</u>	Tract No.	<u>106</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: 1/17/2015		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	22	5/21/2014	8	7/16/2014	6
% Per Period	Time Adjustment	0.38%	\$4,439	0.38%	\$1,374	0.38%	\$1,347
Sales Price Adjusted for Time		\$58,439		\$46,374		\$58,847	
Proximity to Subject		1.7 mi		2.0 mi		1.2 mi	
Unit Value Land Per Lot:		\$58,439		\$46,374		\$58,847	
Elements	SUBJECT	Descriptions	(+)(-) Adj.	Descriptions	(+)(-) Adj.	Descriptions	(+)(-) Adj.
Location	Ridgeport	Dakota Pointe		Res.at Port Royal		Benevento	
Size	13,678 SF	12,815 SF		9,350 SF		12,105 SF	
Shape	Trapezoid	Irregular		Trapezoid		Rectangular	
Site/View	Street	Street		Street		Street	
Topography	Level	Rolling		Level		Rolling	
Access	Average	Average		Average		Average	
Zoning	R2	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	
Other:		Pie Lot					
NET ADJUSTMENTS		+ \$0		+ \$0		+ \$0	
ADJUSTED UNIT VALUE		\$58,439		\$46,374		\$58,847	

INDICATED VALUE OF SUBJECT LAND FOUND ON FOLLOWING PAGE:

Comments:

The range of values per lot for the three sales used were from: \$ 46,374 to \$ 58,847 per Lot.

The mean value based upon the sales applied to this analysis is \$54,553/Lot. The most weight was given toward sale RL-6. The value of the subject tract should fall slightly above sale RL-6 and below the mean due to the slight superiority of sales RL-3 and RL-12. Therefore, final consideration was given to RL-6 and the mean indication and recent lot sales and active listings located in both Port Royal Estates and Laurels at Town Center.

Based upon the available sales information the estimated per lot value is \$47,000/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, 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 is somewhat similar to the subject tract, which was found to contain 13,678 SF. Similar lots were not found to have higher values based on size. The three sales occurred between April 2013 and July 2014.

The subject tract is located in the Ridgeport Subdivision, which was developed around 1998. The lot sizes are typically shy of 12,000 SF though some are as large as 16,000 SF. The lot sizes in the subject neighborhood are larger than what are typically being developed as the trend appears to be toward increased density. The subdivision is fully developed with 1-story and 1-1/2 story homes. Finished homes built when the subdivision was originally developed have been selling in the \$190,000's to \$220,000's. As a result, no vacant residential lot sales within Ridgeport were available. For that reason, my research focused on residential land sales that were near the subject site and in subdivisions being built with new homes that are similar to those within Ridgeport.

Sale RL-3 is the oldest sale used in the analysis. This sale occurred in Dakota Pointe, which typically exhibits finished home sales between \$280,000 and \$350,000. This sale is located within Williamson County and has a similar lot size in comparison to the subject tract. The site was developed with a home that sold for \$265,000. This is considered somewhat superior to what a new home in the subject neighborhood may be marketed. Overall, the subject neighborhood is not considered to have the potential to support finished home values in the \$300,000 and up range at this time. Therefore, this sale is considered superior to the subject neighborhood.

RL-6 is located in a neighborhood that I believe to be somewhat similar to the subject. This sale is in the Reserve at Port Royal Estates, which is located in off Port Royal Road, across from the Kroger Shopping Center, and near the interchange at the Saturn Parkway. This subdivision is in Maury County. The vacant site sold for a cash equivalent price of \$45,000. Finished homes in this neighborhood are selling between the \$190,000's and \$220,000's. The subject tract was developed into a brick home by a local land developer and was marketed for rent at \$1,895 per month. The subject neighborhood is considered similar, but slightly superior to the Reserve at Port Royal.

Sale RL-12 is located Benevento subdivision. The site was found to be a two-tiered lot and was not level. However, I do not believe that this had any affect on market appeal as there is presently an undersupply of vacant residential lots within Williamson County. This was confirmed with conversations with the developer. The site was developed with a single unit residential dwelling that had a final sales price near \$395,000. This would indicate land value near 15% of the finished home value. The Benevento neighborhood has larger homes than the subject neighborhood and sell near the \$400,000's. Therefore, this neighborhood is considered superior to the subject tract.

My research suggest that newer homes within Spring Hill are selling for higher prices than the 15-20 year old homes within the Ridgeport Subdivision. I believe that if a vacant lot were to be developed within the subject neighborhood the finished home values would fall below those found at Dakota Pointe (Sale RL-3) and slightly above those found at the Reserve at Port Royal (RL-6). Overall, I believe the value of the subject tract should fall nearer Sale RL-6. My research also found other subdivisions with lots selling slightly below RL-6 that were exhibiting similar finished home values in comparison to what could be expected of new construction within the subject neighborhood. For example, Port Royal Estates, located very close to the subject tract, exhibited finished home sales in the \$230,000's and lot sales of \$42,500/lot within Maury and Williamson Counties. This suggest the overall value potential of a finished dwelling was the driving market force behind lot values. Similar lot values were also observed in the Laurels at Town Center (\$42,500/lot).

In conclusion, I feel the subject tract is most similar to sale RL-6 and is slightly superior to a number of vacant residential lot sales and active listings occurring within Spring Hill for \$42,500 per developable lot. Lot values appear to go up based upon the finished value of the homes. I believe the sales occurring for \$42,500/lot represent the lowest value the subject tract would bring if vacant. As a result, I estimate the subject tract should fall between the mean indication and Sale RL-6. The greatest support for values were exhibited in Sale RL-6 and the other sales and active listings within the Port Royal Estate and Laurels at Town Center. Therefore, I believe the most reasonable value for the subject lot, as of the date of my inspection, to be near \$47,000/Lot.

Subject Lot Value: \$47,000

Subject Square Foot Value: \$3.44/SF

(\$47,000 / 13,678 SF = \$3.44/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.	106
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 Lot</u>	S.F. <input type="checkbox"/>	F.F. <input type="checkbox"/>	Acre <input type="checkbox"/>	Lot <input checked="" type="checkbox"/>	@	<u>\$47,000</u>	(Average) Per Unit =	<u>\$47,000</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>\$47,000</u>

REMARKS: The value indication for the subject land was rounded to \$47,000.

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>\$47,000</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 land sales used in this analysis are recent, arm's-length transaction, considered to reflect the present market conditions for vacant residential lots in similar subdivisions with comparable finished home values. The value indication by the Sales Comparison Approach was \$47,000. In Item 11 of the report, there were four improvements calculated to have a value of \$3,000. 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 \$50,000. Therefore, I estimate the value for the subject property and the effected improvements to be near \$50,000.

19. FAIR MARKET VALUE	of <input type="checkbox"/> Entire Tract	<input checked="" type="checkbox"/> Part Affected	<u>\$50,000</u>
(A) TOTAL AMOUNT DUE OWNER	if <input type="checkbox"/> Entire Tract	<input checked="" type="checkbox"/> Part Affected Acquired	<u>\$7,800</u>
(B) AMOUNT ATTRIBUTABLE TO:	Land	<u>\$47,000</u>	Improvements <u>\$3,000</u>

REMARKS: Value of Improvements: \$ 3,000

- Improvement 1: \$ 550 (HOA)
- Improvement 2: \$ 1,450 (HOA)
- Improvement 3: \$ 650
- Improvement 4: \$ 350

PARTIAL ACQUISITION

20.

VALUE OF ENTIRE TRACT ... (Amount in Item 19 carried forward)..... \$50,000

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	1,183	S.F.	<input type="checkbox"/>	Ac.	@	\$2.41	=	\$2,851	
* Construction Easement	1,038	S.F.	<input type="checkbox"/>	Ac.	@	\$1.03	=	\$1,069	
B. Improvements Acquired: (Identify)	Imp. #1 (HOA): \$550, Imp. #2 (HOA): \$1,450 Imp. #3: \$650, Imp. #4: \$350								\$3,000
C. Value of Part Acquired Land and Improvements (Sub-Total).....									\$6,920
D. Total Damages (See Explanation, Breakdown and Support on Sheet 2A-9).....									\$850
E. Sum of A, B, and D.....									\$7,770
F. Benefits: (Explain and deduct from D. Amount must not exceed incidental damages).....									\$0
G. TOTAL AMOUNT DUE OWNER; if only part is Acquired.....									\$7,770
TOTAL AMOUNT DUE OWNER (ROUNDED).....									\$7,800

ITEM 21. VALUE OF REMAINDER

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

A. LAND REMAINDER

	S.F.	Ac.	@	Amount Per Unit		Damages		Remaining Value
				Before Value	After Value	%	\$	
Left Remainder	13,678	<input checked="" type="checkbox"/>	<input type="checkbox"/>	\$3.44	\$3.44		\$0	\$47,000
		<input type="checkbox"/>	<input type="checkbox"/>				\$0	\$0
Right Remainder		<input type="checkbox"/>	<input type="checkbox"/>				\$0	\$0
		<input type="checkbox"/>	<input type="checkbox"/>				\$0	\$0
		<input type="checkbox"/>	<input type="checkbox"/>				\$0	\$0

REMAINDER VALUE OF LAND.....	\$47,000
LESS AMOUNT PAID FOR EASEMENTS IN ITEM 20A (Above).....	\$3,920
LESS COST-TO-CURE (Line 20-D).....	\$850
TOTAL REMAINDER VALUE OF LAND.....	\$42,230

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

REMAINDER VALUE OF IMPROVEMENTS.....	\$0
LESS FENCING ACQUIRED.....	\$0
TOTAL REMAINDER VALUE OF LAND AND IMPROVEMENTS.....	\$42,230
TOTAL REMAINDER VALUE OF LAND AND IMPROVEMENTS (ROUNDED).....	\$42,200

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) 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 107.72 rear LF of frontage with a depth of approximately 150.07 LF. The site was considered level and suitable for a single unit residential development. Post-construction, the site will be slightly impacted by a slope easement running along the rear portion of the lot and meeting an existing slope cut to Duplex Road. The residence's nearest living wall is located approximately 46 LF from the proposed right-of-way. This will not impede the utility of the site. The subject's residential improvement will continue to be located on a lot greater than 10,000 square feet and will exceed rear set back requirements. 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 13,678 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 slope easement and construction easement does not reduce the remainder size of the tract. The tract will remain +/- 100 % of the land area before construction.

Post-construction, the rear of the remainder 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 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 150.07 LF and the proposed right-of-way will be located approximately +/- 46 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 25 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 below grade with the subject site. Post-construction the site will contain 13,678 SF and 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
77+00.00	3	2	3:1 Slope
77+42.25 (Begin)	--	--	--
77+50.00	3	2	3:1 Slope
78+00.00	4	3	3:1 Slope
78+49.98 (End)	--	--	--
78+50.00	3	2	3:1 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 is not considered significantly different than the slope located on the south side of the property line. 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.

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 93 LF x \$10.50/SF = \$977	\$977
Add: Management and Coordination Cost (20% of total)	+\$195
Total Cost-to-Cure (re-enclose fencing)	\$1,172
Less: Payment for Improvement 1 in Item 11	-\$350
Remaining Cost-to-Cure Amount Due	\$822
Total Due to Re-Enclose Fencing	\$850 [R]

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 #106
SUBJECT
1/17/2015
APPROXIMATE
SLOPE EASEMENT,
IMPROVEMENT #1

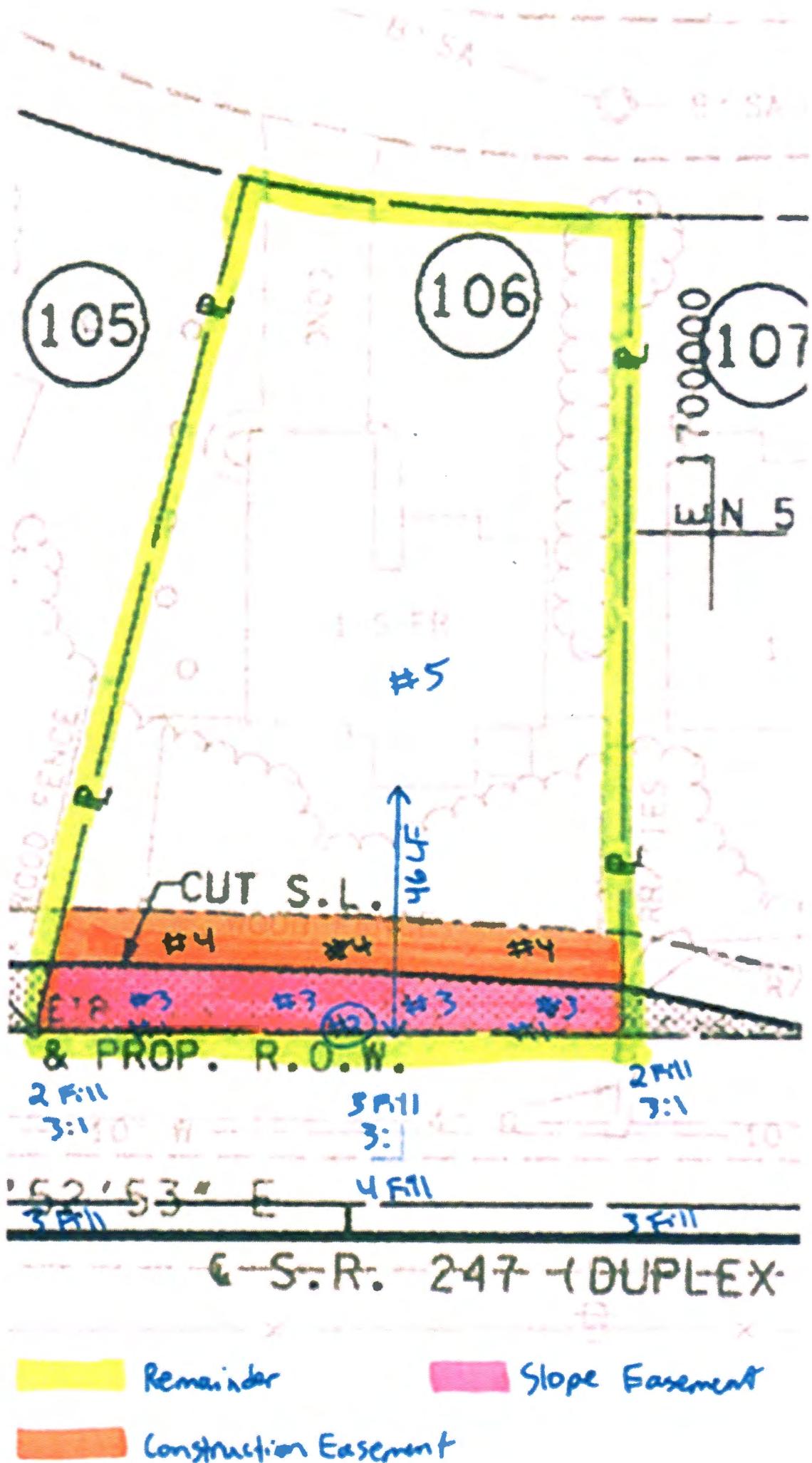


60LPLM-F2-019
STP-M-247 (9)
TRACT #106
SUBJECT
1/17/2015
APPROXIMATE
SLOPE EASEMENT,
IMPROVEMENT #2
AND #3



60LPLM-F2-019
STP-M-247 (9)
TRACT #106
SUBJECT
1/17/2015
IMPROVEMENT #4
AND #5

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. 106
 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) Sherri Sherrer was contacted on (Date) 11/20/2015 .

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

(Name) Sherri Sherrer 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) 01/17/2015 .

If by mail attach copy to 2A-12

Date(s) of inspection of subject January 17th, 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 17th day of January , 2015.

is \$7,800 Based upon my independent appraisal and the exercise of my professional judgment.

Appraiser's Signature  Date of Report 3/27/2015

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

COPY OF FORM 4 LETTER AND RECIEPT

APPRAISAL NOTICE

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

November 20, 2014

SHERRI SHERRER
1813 Portview Dr
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 106: 1813 Portview Dr, Spring Hill, TN 37174 with a site containing ± 0.314 acres of land. This tract is also known for tax purposes as Tax Map and Parcel 167M-G-48.00

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. 106.

Sincerely,

Randy Button, President
Randy Button and Associates, Inc.