

PREPARED FOR:

MR. BILL CHARLES
LAND MANAGEMENT GROUP, INC.
357 RIVERSIDE DRIVE, SUITE 210
FRANKLIN, TENNESSEE 37064

SUMMARY APPRAISAL REPORT OF:

PERMANENT PUBLIC UTILITY EASEMENT
OWNER: JOE M. CHAPMAN, ET UX
TAX MAP 64, PARCEL 12
3001 DEL RIO PIKE
FRANKLIN, WILLIAMSON COUNTY, TENNESSEE

APPRAISED BY:

ERIC L. BOOZER, MAI, CCIM
STATE CERTIFIED GENERAL REAL ESTATE APPRAISER, CG-389

PREPARED BY:

BOOZER & COMPANY, P.C.
106 MISSION COURT, SUITE 1001
FRANKLIN, TENNESSEE 37067

EFFECTIVE DATE OF APPRAISAL:

JUNE 24, 2013

DATE OF REPORT:

JUNE 26, 2013

**BOOZER &
COMPANY, P.C.**

Professional Real Estate Appraisers & Consultants

June 26, 2013

Mr. Bill Charles
Land Management Group, Inc.
357 Riverside Drive, Suite 210
Franklin, TN 37064

**RE: Summary Appraisal Report of:
Permanent Public Utility Easement
Owner: Joe M. Chapman, et ux
Tax Map 64, Parcel 12
3001 Del Rio Pike
Franklin, Williamson County, TN**

Dear Mr. Charles:

In accordance with your request, we have personally inspected and appraised the above captioned property for the purpose of estimating the compensation for the rights being acquired from the subject property owner. The following is a Summary Appraisal Report.

The intended use of this appraisal is to assist our client and intended user, Mr. Bill Charles, in making financial decisions concerning the subject property. This report is for the exclusive use of the addressee. Boozer & Company, P.C. is not responsible for unauthorized use of this report.

The subject of this appraisal is an improved tract of land containing 8.06 acres (351,000 SF) located along the south side of Del Rio Pike, just north of Highway 96 West, in Franklin, Williamson County, Tennessee. The subject is identified by the Williamson County Assessor of Property as Parcel 12 on Tax Map 64 and has a street address of 3001 Del Rio Pike, Franklin, TN 37069.

Land Management Group, Inc. is in the process of acquiring a 20'-wide Permanent Public Utility Easement for a proposed 8" gravity flow sewer line that will serve future development of a proposed residential subdivision abutting the west side of the subject property. The easement will enter the subject property's eastern boundary, approximately 700' south of Del Rio Pike, and extend west the entire width of the subject site, or approximately 292.50'. The 20' wide easement will encumber an approximate land area of 5,850 SF or 0.13 acre.

To the best of our knowledge, this report conforms to the current requirements prescribed by the Uniform Standards of Professional Appraisal Practice of the Appraisal Standards Board of the Appraisal Foundation (as required by the Financial Institutions Reform, Recovery and Enforcement Act - FIRREA).

The person signing this report has the knowledge and experience to complete the assignment competently. The person signing this report is duly licensed by the appropriate state to perform this level of appraisal under certificate number CG-389.

Mr. Charles
Page 2
June 26, 2013

The following market value is based on site-specific information provided by the client, our personal inspections, public records and other pertinent information. This appraisal is based on the assumption that the furnished data is true and correct.

The report, which follows, contains a summary of our investigation and analysis. The pertinent facts and data, which we believe applicable to the property, are summarized and the reasons leading to our estimate of value are included. The acceptance of this appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.

Based upon our investigation, and subject to the general assumptions and limiting conditions as set forth in the report, the estimated amount due to the property owner, as of June 24, 2013, is shown below:

TEN THOUSAND DOLLARS

\$10,000

The amount due owner derived in this appraisal does not include any potential construction damage or loss to underground utility lines, septic systems, fences, gates, driveways, parking lots, parking spaces, trees, landscaping, access, etc. Our assumption is that, upon completion of construction, the easement area will be restored to its original condition, or near thereto as is reasonably possible.

We would like to thank you for selecting our firm for this assignment and if we may be of further assistance, please advise.

Sincerely,

BOOZER & COMPANY, P.C.



Eric L. Boozer, MAI, CCIM
State Certified General Real Estate Appraiser, CG-389

**BOOZER &
COMPANY, P. C.**

SUMMARY OF SALIENT FACTS AND CONCLUSIONS

Property Type: Residential

Property Identification: Utility Easement Acquisition
3001 Del Rio Pike
Franklin, Williamson County, TN

Tax Map/Parcel: 64/12

Ownership: Joe M. Chapman and wife, Carol C. Chapman

Effective Date of Appraisal: June 24, 2013 (Date of Inspection)

Date of Appraisal Report: June 26, 2013

Purpose of Report: Market Value Estimate of Amount Due Owner

Interest Appraised: Permanent Utility Easement

Property Data

Land Area: 8.06 Acres

Acquisition Area: 5,850 SF (0.13 acre) - Permanent Utility Easement

FEMA FIRM: 47187C0192F; dated September 29, 2006; no portion of the subject is located within a flood hazard area (Zone X)

Zoning: ER – Estate Residential

Highest and Best Use: Residential

Amount Due Owner

Compensation for Easement Acquisition	\$10,000
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The amount due owner derived in this appraisal does not include any potential construction damage or loss to underground utility lines, septic systems, fences, gates, driveways, parking lots, parking spaces, trees, landscaping, access, etc. Our assumption is that, upon completion of construction, the easement area will be restored to its original condition, or near thereto as is reasonably possible.

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EXTENT OF THE APPRAISAL PROCESS

The following Summary Appraisal report is intended to comply with requirements set forth under the Financial Institutions Reform Recovery and Enforcement Act (FIRREA); the Interagency Appraisal and Evaluation Guidelines effective 12/10/2010; and the Uniform Standards of Professional Appraisal Practice (USPAP) effective January 1, 2012. In the completion of this assignment, the appraiser signing this report has adhered to the Competency Rule of the Uniform Standards of Professional Appraisal Practice.

SIGNIFICANT OBSERVATIONS AND LIMITING CONDITIONS

Site-specific information pertaining to the proposed easement area provided by the client was relied upon in this appraisal assignment. Furnished information included an engineer's drawing of the easement area, which was prepared by Hart Freeland Roberts, Inc. and dated June 10, 2013. Other pertinent information was obtained from public records, public officials, property owners, real estate professionals, and other reliable sources. The market value estimate contained herein is based on the assumption that the furnished information is true and correct.

This appraisal is based on the *extraordinary assumption* that upon completion of construction/installation of the sewer line, the easement area will be restored to its original condition, or near thereto as is reasonably possible.

Extraordinary Assumption: *"an assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser's opinions or conclusions."* (USPAP, 2012-2013 ed.)

Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property such as market conditions or trends; or about the integrity of data used in an analysis.

(Page 73, *The Dictionary of Real Estate Appraisal*, Fifth Edition)

SCOPE OF REPORT

The date of our last physical inspection was June 24, 2013. Sources used to collect and verify data included public records, real estate appraisers, real estate brokers, and commercial sales data services. In the appraisal of this property, the following steps and analyses were completed:

- inspected and photographed the subject site;
- obtained site-specific information pertaining to the subject property from the client;

- reviewed furnished materials, including engineer's drawings of the acquisition area;
- analyzed recorded ownership records, tax assessment and zoning data;
- analyzed the Williamson County area, the subject neighborhood, and the subject site with respect to prevailing market conditions and property values;
- gathered comparable market data from the Williamson County area;
- analyzed the data gathered to arrive at the highest and best use of the subject property "as though vacant";
- analyzed available market data for application in the sales comparison approach;
- estimated market value of the subject property's fee simple estate;
- derived "amount due owner" based on market value estimate.

IDENTIFICATION OF SUBJECT PROPERTY

The subject of this appraisal is an improved tract of land containing 8.06 acres (351,000 SF) located along the south side of Del Rio Pike, just north of Highway 96 West, in Franklin, Williamson County, Tennessee. The subject is identified by the Williamson County Assessor of Property as Parcel 12 on Tax Map 64 and has a street address of 3001 Del Rio Pike, Franklin, TN 37069.

Land Management Group, Inc. is in the process of acquiring a 20'-wide Permanent Public Utility Easement for a proposed 8" gravity flow sewer line that will serve future development of a proposed residential subdivision abutting the west side of the subject property. The easement will enter the subject property's eastern boundary, approximately 700' south of Del Rio Pike, and extend west the entire width of the subject site, or approximately 292.50'. The 20' wide easement will encumber an approximate land area of 5,850 SF or 0.13 acre.

LEGAL DESCRIPTION

We have placed a metes and bounds legal description of the site, as included in the recorded deed Book 189, Page 241, (ROWCT), in the addenda.

PURPOSE OF APPRAISAL

The purpose of this appraisal is to estimate the "amount due owner" based on the contributory market value of the proposed easement area, as well as taking into consideration any damages or special benefits to the remaining real property and property rights.

INTENDED USE AND USER OF APPRAISAL

The intended use of this appraisal is to assist our client and intended user, Mr. Bill Charles, in making financial decisions concerning the subject property. This report is for the exclusive use of the addressee. Boozer & Company, P.C. is not responsible for unauthorized use of this report.

DEFINITION OF MARKET VALUE

Market value as used in this appraisal is defined as "the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus". Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- (1) Buyer and seller are typically motivated;
- (2) Both parties are well informed or well advised, and acting in what they consider their own best interests;
- (3) A reasonable time is allowed for exposure in the open market;
- (4) Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- (5) The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale (12 C.F.R. Part 34.42(g)).

PROPERTY RIGHTS APPRAISED

Real property refers to *"the interests, benefits, and rights inherent in the ownership of physical real estate"* (page 161, *The Dictionary of Real Estate Appraisal*, 5th Edition, Appraisal Institute). Property rights are economic interests supported by the law. The bundle of rights referred to as the property rights may include a great many rights such as easements, encroachments, liens, leases, etc. The various rights may be separated and held by different individuals or entities. The most complete form of ownership is fee simple ownership. Any limitation of ownership rights has to be given special attention. An appraisal assignment may require the appraisal of the fee simple estate or a partial interest such as a leasehold estate or an easement.

The property rights of ownership appraised in this report include the fee simple estate as well as permanent easement.

DEFINITION OF FEE SIMPLE ESTATE

Fee simple estate is defined as the *"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"* (page 78, *The Dictionary of Real Estate Appraisal*, 5th Edition, Appraisal Institute).

EFFECTIVE DATES OF APPRAISAL

The effective date of this appraisal is **June 24, 2013**, the date of last inspection. This report was completed on **June 26, 2013**.

OWNERSHIP HISTORY

Title to the property is currently vested in **Joe M. Chapman and wife, Carol C. Chapman**. Ownership was obtained from John Kieck, et ux on April 21, 1972 via Warranty Deed, of record in Book 189, Pages 241-242, in the Register's Office for Williamson County, Tennessee. The reported consideration for the subject property was \$19,300.

To our knowledge, the subject property is not for sale, nor are there any LOI's, pending contracts or offers. The above title information is provided only to give a general background of the ownership history of the subject. To the best of our knowledge, the information is accurate; however, we do not guarantee any of the title history shown above.

NEIGHBORHOOD DESCRIPTION

General Boundaries: The subject is located along the south side of Del Rio Pike, just north of New Highway 96 West in southwestern Franklin, Williamson County, Tennessee. This location is less than two miles west of Franklin's historic downtown business district. The subject neighborhood is best described as being bound by Del Rio Pike and Old Charlotte Pike East to the north; Old Hillsboro Road (State Route 46) to the west; Carter's Creek Pike and West Main Street to the south; and Hillsboro Road (US Hwy. 431) and Columbia Avenue (US Hwy. 31) to the east.

Land Uses/Percent Built-Up: The area surrounding the subject consists mostly of single-family residential subdivisions developed within the last 15 years, as well as large acreage single family residential estates and undeveloped vacant land. A number of parks and soccer fields lie within close proximity to the subject property along Downs Boulevard and Boyd Mill Pike. Overall, roughly 60% of the subject neighborhood is developed. There are several single-family residential

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subdivisions that have been developed in the vicinity of the subject property over the past 15 years, summarized as follows:

Founders Pointe: This 350-unit subdivision was developed exclusively by Zaring Homes throughout the mid 1990's, and was fully absorbed by the late 1990's. The project is located on the north side of Highway 96 about one mile west of Franklin CBD. Home prices in this development have recently ranged from \$225,000 to \$450,000.

Clairmonte/Spencer Hall/Inverness: These three contiguous subdivisions are located on the south side of Highway 96 opposite Founders Pointe. Developed in the late 1990's, these three projects contain a total of 382 single-family units, with homes constructed by a variety of builders. Home prices have ranged from \$200,000 to \$500,000 in these developments.

Franklin Green: This 495-unit subdivision was developed by CPS Development in the late 1990's, and features national builders such as Fox Ridge Homes, Ryan Homes, Centex, and David Weekly Homes. The project is located on the southwest side of Boyd Mill Pike, just south of Highway 96. Home prices have ranged from \$200,000 to \$450,000 in this development.

Willow Springs: This is a 311-unit subdivision located on the west side of Horton Lane, just south of Highway 96. This project includes a variety of housing types, including single-family detached dwellings on ¼ to ½ acre lots, carriage homes, and some attached townhouses. Local builders include Deer Creek Construction, Harpeth Valley Builders, and Tennessee Valley Homes for the single-family lots. The carriage homes and townhomes are being constructed by the developer's company, Main Street Homes. Recent home prices have ranged from \$300,000 to \$750,000 in this development.

Carlisle: This is a 91-unit subdivision located on the northeast corner of Highway 96 and Carlisle Lane. This project includes a mixture of single-family detached dwellings and carriage homes. Builders include Deer Creek Construction and Riverbirch Nashville. Recent home prices within this development have ranged from \$400,000 to \$700,000.

Reid Hill Commons: This is a duplex-style senior living subdivision located at the intersection of Highway 96 and Downs Boulevard. Finished homes all consist of single-story structures and are relatively small and require little upkeep, making them ideal for retirees. Homes are being

constructed by Rochford Realty and Construction Company, Inc. and have ranged in price from \$200,000 to \$300,000.

Westhaven: This is a large development under construction along the south side of Highway 96 at the western fringe of the Franklin city limits. Westhaven is the prominent development in the neighborhood, and consists of a 1,469-acre planned use development that will contain over 2,700 residential units, a commercial core with over 500,000 SF of office and retail space, an 18-hole championship golf course, and various other uses such as an elementary school, fire station, and recreational fields. Finished homes in Westhaven have ranged from \$215,000 for townhomes to over \$1.5 million for finished homes on estate lots.

Institutional Uses/Community Support Facilities: Given the location of the subject along Del Rio Pike and just north of Highway 96, the subject is convenient to retail support facilities located within central Franklin, within two miles of the property. This area is zoned for the highly desirable Williamson County School system. Access to employment centers in Cool Springs, Brentwood, and Nashville is available within a reasonable drive time from the neighborhood.

Commercial land uses in the immediate area are concentrated within the Independence Square shopping center, which is located at the northwest corner of Hillsboro Road and Del Rio Pike, about 1.5 miles from the subject property. This neighborhood shopping center presently includes a large Goodwill retail store, a Dollar General, and a 60,000 square foot Kroger grocery store. Out-parcel development consists of older retail structures.

In addition, a relatively new commercial development is located just south of the subject property at the southeast corner of the intersection of Highway 96 and Downs Boulevard, consisting of a retail strip and Walgreen's out-parcel. A newly built Mapco gas station/convenience store is located at the southwest corner of the intersection, which is improved with a landscaped median.

Access/Transportation: State Highway 96 West is the primary east-west arterial serving the neighborhood. Highway 96 West consists of a two-lane arterial roadway providing access to western Williamson County, the Natchez Trace Parkway, Fairview, and eventually Interstate 40 from downtown Franklin. Highway 96 also provides access to Historic Downtown Franklin and Interstate 65 traveling east from the subject property.

Hillsboro Road (U.S. Highway 431) is the main north-south corridor serving the subject neighborhood, and consists of a two-lane asphalt road with a center turn lane at major intersections. The road widens to four lanes upon reaching the downtown business district. Hillsboro Road is classified as a major arterial by the Franklin Planning Department, and provides an alternative route from Franklin to Nashville.

The most prominent roadway project affecting the area is the proposed extension of the northern leg of Mack Hatcher Parkway, which currently extends around the eastern side of Franklin from Columbia Pike to Hillsboro Road. The proposed extension will connect Hillsboro Road to Highway 96 West just west of the subject near the Westhaven development. By extending this "loop" road around the northwestern portion of the city, the majority of residents in western Franklin attempting to access employment and shopping centers in Cool Springs, Brentwood, and Nashville via Interstate 65, will be diverted around downtown Franklin. The importance of this road project to city planners is reflected by the placement of a 1,200-lot maximum on Westhaven until it is completed. The extension of Mack Hatcher from Hillsboro Road to Highway 96 was originally expected to be completed by 2009, with the "southern" connector from Highway 96 to Columbia Pike taking ten years or more. However, although the needed ROW has been acquired, according to a recent article in *The Tennessean*, the extension of the much anticipated 3.5-mile northwest section of Mack Hatcher Parkway is not in the three year construction plan at this time.

Other roads serving the neighborhood include Del Rio Pike, a two-lane asphalt street extending west from Hillsboro Road; Old Hillsboro Road, a two-lane asphalt road connecting Hillsboro Pike to Highway 96 West and Leiper's Fork; and various two-lane county streets serving the residential communities in the area.

Utilities: All utilities are available to a significant portion of the subject's neighborhood. However, some areas along Del Rio Pike lack public sewer.

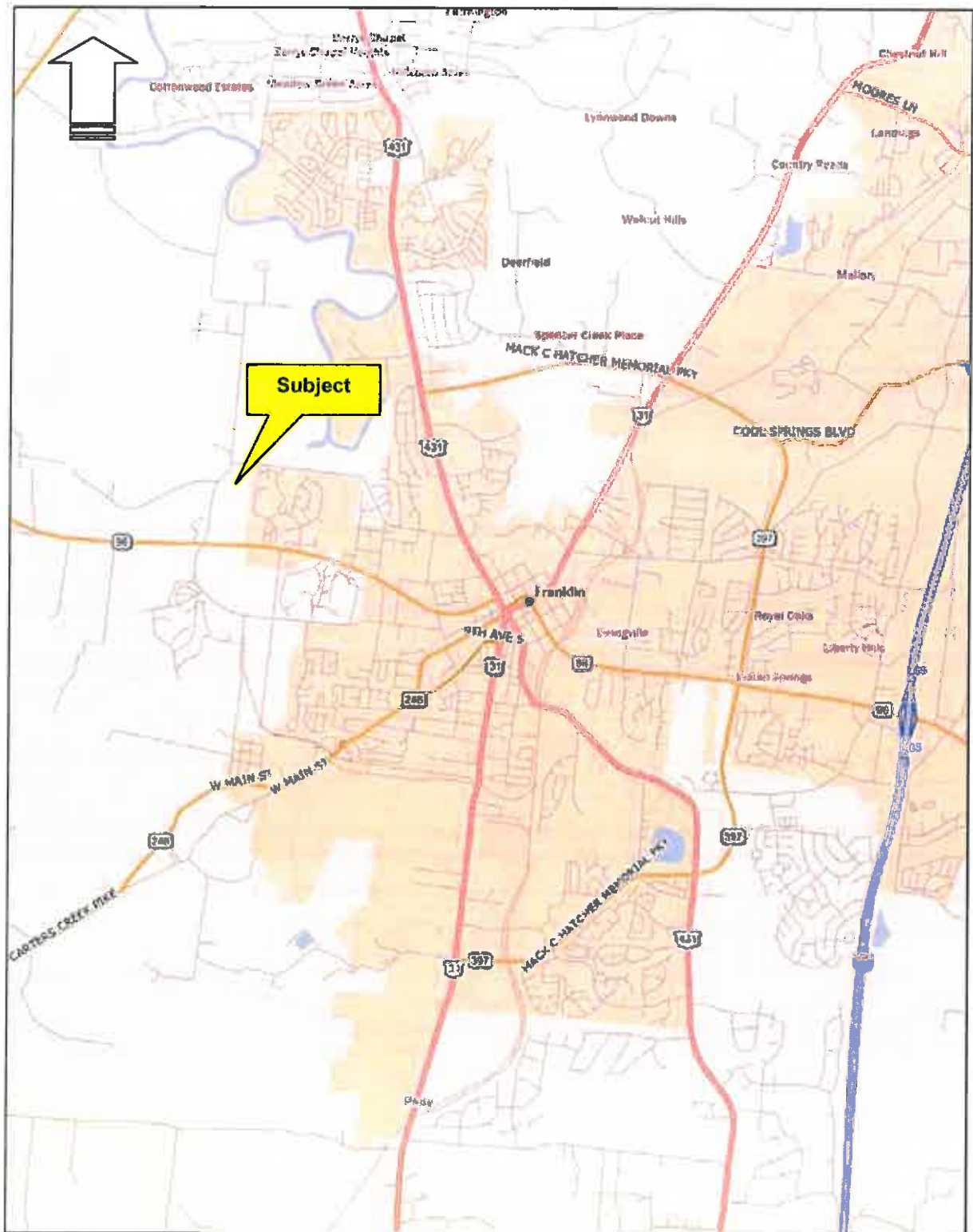
Competitive Advantages/Disadvantages: The subject neighborhood benefits from an excellent location within close proximity to Interstate 65, the Cool Springs regional mall, major retail shopping centers, restaurants, and recreational facilities. Access to employment centers in Franklin, Brentwood and Nashville is very good. The existing infrastructure is suitable to serve the low density residential development currently taking place in surrounding developments. In addition, the notoriety of the Franklin and Williamson County school district, recognized as one of

the best public school systems in the country, ensures strong demand for single-family residences throughout the city.

Conclusion: The outlook for the subject neighborhood is considered excellent for future commercial and residential growth. The excellent location of the neighborhood within close proximity to major transportation routes, retail shopping, restaurants, and employment centers enhances the marketability of properties in the area. The potential of the western portion of the neighborhood will be improved with the proposed extension of Mack Hatcher Memorial Parkway, which will intersect the north side of Highway 96 West, a short distance west of the subject property. In terms of residential growth, the good location of the neighborhood within close proximity to major transportation routes, retail shopping, restaurants, and several residential subdivisions enhances the marketability of properties in the area. As a result, property values are expected to increase in the long-term future once overall economic conditions improve.

A Neighborhood Map is included on the following page.

NEIGHBORHOOD MAP



ZONING

The subject property is currently zoned **ER, Estate Residential District** by the Franklin Tennessee Zoning Department. The following description was taken from *Franklin Tennessee Zoning Ordinance* which was adopted on October 9, 2007 and took effect on July 1, 2008.

ER, Estate Residential District

The purposes of the Estate Residential (ER) District, hereinafter referred to as the "ER District", are to:

- (a) Provide for very low-density detached residential development on large lots;*
- (b) Protect environmentally sensitive areas, such as floodplains and steep slopes; and*
- (c) Provide for open space and conservation subdivisions to maintain the character of the rural areas.*

Permitted Uses: Agricultural Uses, Detached Dwellings, Essential Services, Passive Parks and Open Space, Bed and Breakfast Establishments, Recreational Facilities (Private), Recreational Facilities (Neighborhood), and Telecommunication Towers and Antennas.

Site Development Standards: Following are the site development standards for the ER zoning district:

Maximum Density	0.5
Front Setback:	75'
Side Setback:	35'
Rear Setback:	65'

Conclusion

The subject is improved with a 2,555 SF single family residence built in 1972 and a farm related structure. The balance of the subject site consists of unencumbered vacant land. The current residential and agricultural use of the subject property appears to be compliant with applicable zoning regulations.

ZONING MAP
ER, ESTATE RESIDENTIAL DISTRICT
FRANKLIN TENNESSEE ZONING ORDINANCE



PROPERTY TAX DATA

The subject is identified by the Williamson County Property Assessor's Office as Parcel 12 on Tax Map 64. The subject property is located in both Williamson County and the City of Franklin, which has a 2012 tax rate applicable to the property of \$2.5765 per \$100 of assessment. The assessment ratio for this property is 25% based on its residential classification. Based on the 2012 tax rate and the subject's assessed value, the property's annual tax burden is calculated as follows:

Map/ Parcel	Appraised Land Value	Appraised Imp. Value	Appraised Total Value	Assessed Value	Tax Burden
64/12	\$260,700	\$181,100	\$441,800	\$110,450	\$2,846

According to the Williamson County Trustee's Office and the City of Franklin, there are no delinquent taxes owed from previous years.

TAX MAP
WILLIAMSON COUNTY TAX MAP 64
PARCEL 12



SITE DATA

The subject of this appraisal is an improved tract of land located along the south side of Del Rio Pike, just north of Highway 96 West, in Franklin, Williamson County, Tennessee. The subject's physical features are described as follows:

Size:	8.06 acres (351,000 SF)
Shape:	Rectangular (292.5' X 1,200' X 292.5' X 1,200')
Frontage:	292.5 linear feet along the south side of Del Rio Pike
Access:	Asphalt driveway abuts south margin of Del Rio Pike ROW
Topography:	Flat and cleared
Utilities:	All public utilities are available or in close proximity. Sewer service is located approximately 300' east of the subject's eastern perimeter.
Flood Map:	47187C0192F; dated September 29, 2006; no portion of the subject is located within a flood hazard area (Zone X); see Item 14 in General Assumptions and Limiting Conditions
Subsoil:	We were not provided a soil study of the site, but it is assumed that the subsoil is of sufficient strength and load bearing capacity to support existing improvements
Drainage:	The gradient of the site appears to drain downward to the east
Easements:	There are no known existing easements or encumbrances that appear to negatively affect the utility of the site
Improvements:	2,555 SF single family residence in the northern third of the site and a farm related structure near the subject's southern periphery
Surrounding Properties:	East of the property is the Founders Pointe residential subdivision. South of the subject is the Carlisle residential subdivision. West of the subject is a single family residence situated on a ±9 acre site. The majority of the land north of the subject consists of single family residences on large acreage tracts and agricultural land.
Off-Site Improvements:	Del Rio Pike is a two-lane roadway linking Hillsboro Road, to the east, to Old Hillsboro Road, to the west.
Environmental:	<i>The existence of hazardous substances, including without limitation asbestos, polychlorinated biphenyls, petroleum leakage, or agricultural chemicals, which may or may not be present on the</i>

property, or other environmental conditions, were not called to the attention of, nor did the appraiser become aware of such during the appraiser's inspection. The appraiser has no knowledge of the existence of such materials on or in the property. The presence of such substances, such as asbestos, urea formaldehyde foam insulation, or other hazardous substances or environmental conditions, may affect the value of the property. The value estimated is based on the assumption that no such condition on or in the property or in proximity would cause a loss in value. No responsibility is assumed for any such conditions, nor for any expertise or engineering knowledge required to discover them.

Conclusion:

Considering the subject's physical characteristics, location and accessibility, the property appears to be suitable for residential development approved by zoning. The site's location adjacent to the Founders Pointe and Carlisle single-family residential subdivisions enhances the probability of the subject being developed with residential lots at some point in the future. All utilities are available within reasonable proximity to support development approved by zoning. There does not appear to be any easements and/or encumbrances that negatively affect the site's utility. Overall, the subject property appears suitable for single family residential development.

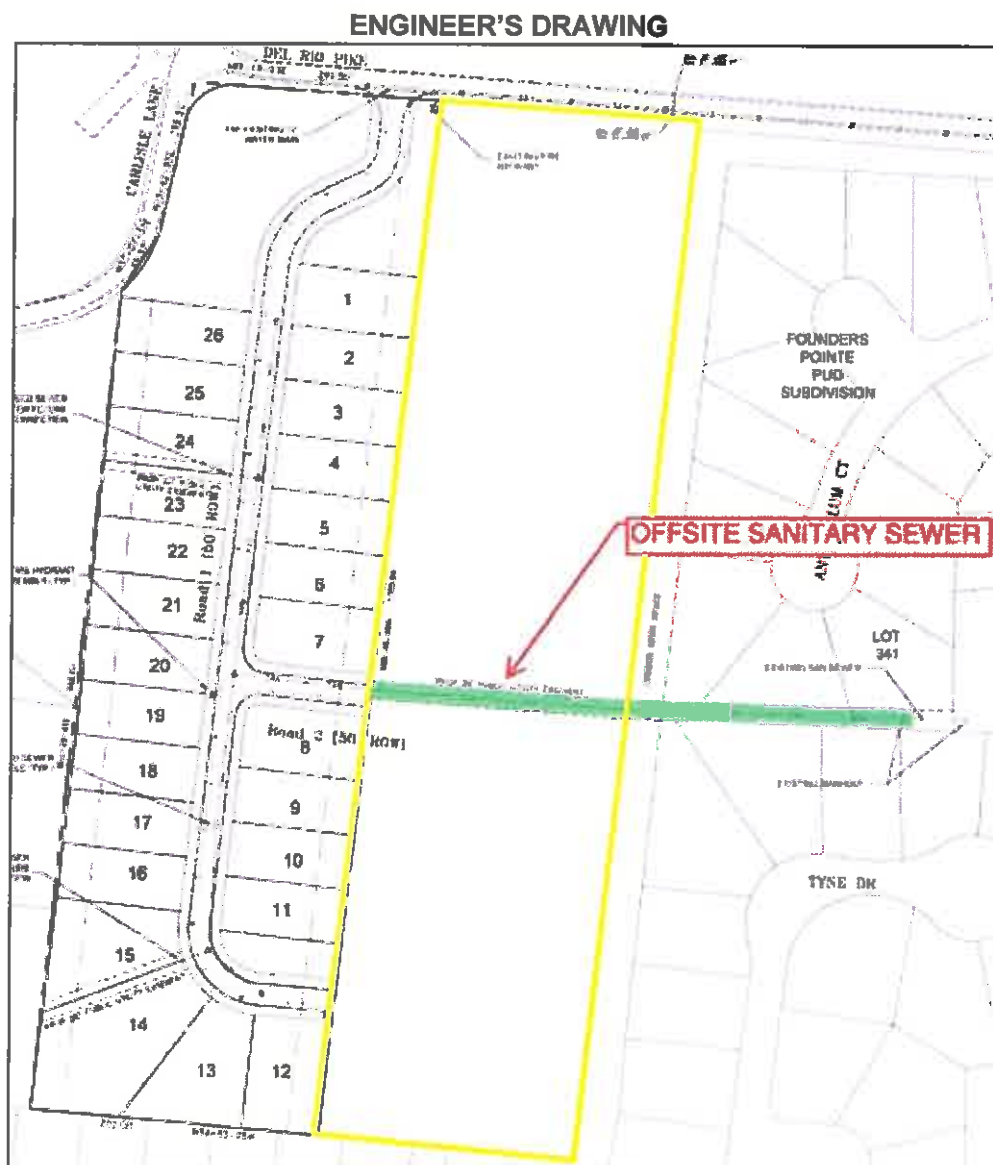
AERIAL PHOTOGRAPH
3001 DEL RIO PIKE
FRANKLIN, WILLIAMSON COUNTY, TN



DESCRIPTION OF THE AREA TO BE ACQUIRED

Land Management Group, Inc. is in the process of acquiring a 20'-wide Permanent Public Utility Easement for a proposed 8" diameter, gravity flow sewer line that will serve future development of a proposed residential subdivision abutting the western border of the site. The easement will enter the subject property's eastern boundary, approximately 700' south of Del Rio Pike, and extend west the entire width of the subject site, or approximately 292.50'. The 20' wide easement will encumber an approximate land area of 5,850 SF or 0.13 acre.

An engineer's drawing of the easement area is included below.



HIGHEST AND BEST USE

Highest and Best Use is defined by the Appraisal Institute as: *"The reasonably probable and legal use of vacant land or an improved property that is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity. Alternatively, the probable use of land or improved property -specific with respect to the user and timing of the use- that is adequately supported and results in the highest present value"* (page 93, *The Dictionary of Real Estate Appraisal*, Fifth Edition).

The definition indicates that there are two types of highest and best use. The first type is highest and best use of land or a site as though vacant. The second is highest and best use of a property as improved. Each type requires a separate analysis. Moreover, in each case, the existing use may or may not be different from the site's highest and best use. The highest and best use of an improved property will only be for another use when the value of the land as if vacant exceeds the value of the property as improved plus demolition costs.

As Though Vacant: Single family residential development

VALUATION

The typical and theoretical real estate appraisal includes three separate but interrelated preliminary approaches to value, which are correlated into a single final value conclusion. The preliminary approaches are summarized as follows:

1. **The Cost Approach** - based upon the estimated reproduction or replacement cost of the improvements less accrued depreciation plus land value.
2. **The Sales Comparison Approach** - a direct comparison of the property under appraisal with other similar properties which have sold.
3. **The Income Capitalization Approach** - a set of procedures in which an appraiser derives a value indication for income-producing property by converting anticipated benefits into property value. This conversion is generally accomplished using either direct capitalization or discounted cash flow analysis.

In the appraisal of a specific property, one or more of the approaches may be more applicable than the others and one or more of the approaches may be impractical because of the lack of suitable data in the market with which to make comparisons. The subject consists of a residential land tract. Consequently, the cost and income approaches are not applicable in this analysis. Therefore, only the sales comparison approach was processed.

SALES COMPARISON APPROACH

The Sales Comparison Approach is *"the process of deriving a value indication for the subject property by comparing market information for similar properties with the property being appraised, identifying appropriate units of comparison, and making qualitative comparisons with or quantitative adjustments to the sale price (or unit prices, as appropriate) of the comparable properties based on relevant, market-derived elements of comparison."* (page 175, *The Dictionary of Real Estate Appraisal*, 5th Edition, Appraisal Institute).

The sales comparison approach relies on the principle of substitution, which implies that a prudent person will not pay more to buy a property than it will cost to buy a comparable substitute property. The subject of this appraisal is an improved tract of land containing 8.06 acres located along the south side of Del Rio Pike, just north of Highway 96 West, in Franklin, Williamson County, Tennessee. The subject has historically been used for a single estate site and agricultural purposes, but its physical characteristics and location adjacent to the Founders Pointe and Carlisle single-family residential subdivisions enhances the desirability of the subject for single-family residential development. In addition, the adjacent tract to the west is currently under contract for an undisclosed amount. The pending buyer intends to develop this site with 26 single family lots along with roadways and open space. The proposed project is known as the Lynch Property PUD. We were furnished with the Lynch Property PUD plan, which is dated June 10, 2013. The density for the planned development is 2.88 units/acre. As previously explained, all utilities are currently available to or within close proximity to the subject tract. Sewer service is located approximately 300' east of the subject's eastern boundary. Accordingly, a search of development land located near or within existing subdivisions and within reasonable proximity to public utilities is appropriate. The following sales were considered in our analysis.

**BOOZER &
COMPANY, P.C.**

Land Sale 1: Reserve at Christiansted Valley

Location: Holt Hills Road
Nashville, Davidson County, TN

Map/Parcel: 172/149
Grantor: Highpoint Investors, LLC
Grantee: The Jones Company of Tennessee, LLC
Date of Sale: April 29, 2013
Instrument No.: 20130501-0043520
Zoning: RS-15
Price: \$725,000
Size: 10.02 acres
No. Units: 24
Density: 2.40 units/acre

Price/Acre: \$72,355
Price/Lot: \$30,208

Comments: This tract is comprised of ±10.02 acres of undeveloped land planned for 24 proposed lots within the Reserve at Christiansted Valley; a single-family residential development located at the terminus of Holt Hills Road, just north of Holt Road in Nashville, Davidson County, Tennessee. The irregular-shaped tract exhibits gently rolling topography and is mostly hardwoods. The tract is planned to be developed by the Jones Company who plans to build finished homes in the \$290,000 to \$375,000 price range, and is located roughly ½ east of Edmonson Pike; ½ mile west of Nolensville Road, and one mile north of the Williamson/Davidson county line.

Land Sale 2: Brittain Downs – Addition to Phase One

Location: Brittain Lane
Nolensville, Williamson County, TN

Map/Parcel: 56/26.01 & 26.04
Grantor: N & F Properties, GP
Grantee: Regent Homes, LLC
Date of Sale: January 18, 2013
Book/Page: 5815/672
Zoning: SR PUD
Price: \$675,000
Size: 10.359 acres
No. Units: 15
Density: 1.70 units/acre (entire development)
1.45 units/acre (this phase)

Price/Acre: \$65,161
Price/Lot: \$45,000

Comments: This tract is comprised of 10.359 acres of undeveloped land planned for 15 proposed lots within the Addition to Phase One of Brittain Downs; a 141-lot single-family residential development located along the south side of Brittain Lane, just west of Nolensville Road and east of Waller Road in the Town of Nolensville, Williamson County, Tennessee. The irregular-shaped tract exhibits gently rolling topography and is mostly open land benefitting from existing sections of Brittain Downs, as all utilities have been “stubbed out” along the property line.

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Land Sale 3: Azalea Park

Location: Split Log Road
Brentwood, Williamson County, TN

Map/Parcel: 60/21
Grantor: Clovercroft, LLC
Grantee: Forestar (USA) Real Estate Group, Inc.
Date of Sale: January 11, 2013
Book/Page: 5809/678
Zoning: OSRD
Price: \$7,000,000
Size: 209.19 acres
No. Units: 172
Density: 1.22 units/acre (entire development)

Price/Acre: \$33,462

Price/Lot: \$40,698

Comments: This tract is comprised of 209.19 acres of undeveloped land planned for 172 proposed lots within Azalea Park; a 172-lot single-family residential development located along the south side of Split Log Road, just east of Wilson Pike and north of Clovercroft Road in Franklin, Williamson County, Tennessee. The irregular-shaped tract exhibits gently rolling topography and is a mixture of hardwoods and open land.

Land Sale 4: Rizer Point

Location: Del Rio Pike
Franklin, Williamson County, TN

Map/Parcel: 63/3
Grantor: Ronald L. Voss III and John H. Voss
Grantee: Goodall Inc. Builders
Date of Sale: October 23, 2012
Book/Page: 5730/687
Zoning: RX
Price: \$1,486,408
Size: 19.252 acres
No. Units: 95
Density: 4.93 units/acre

Price/Acre: \$77,208

Price/Lot: \$15,646

Comments: This tract is comprised of ±19.252 acres of undeveloped land located along the north side of Del Rio Pike, a short distance west of Hillsboro Road in Franklin, Williamson County, Tennessee. The irregular-shaped tract exhibits gently rolling topography and is mostly cleared. Approximately 2.30 acres of the site's northwest corner lies within a 100-yr floodplain created by the Harpeth River. All utilities are available. The tract is planned to be developed by Gallatin-based Goodall Homes who aims to build 24 luxury townhomes and 71 single-family properties.

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Land Sale 5: Tywater Crossing – Phase One

Location: Downs Boulevard
Franklin, Williamson County, TN

Map/Parcel: Part of Map 77, Parcel 20
Grantor: DB23, LLC
Grantee: Patterson Company, LLC
Date of Sale: September 7, 2012
Book/Page: 5691/444
Zoning: RX
Price: \$1,200,000
Size: 8.662 acres
No. Units: 30 lots
Density: 3.46 units/acre

Price/Acre: \$138,536
Price/Lot: \$40,000

Comments: This is the recent sale of 8.662 acres of land along the north and east sides of Downs Boulevard, in the western portion of Franklin, Williamson County. The raw land has been approved for 30 lots and will be known as Tywater Crossing. The parcel is mostly cleared and features generally level terrain.

Land Sale 6: Watkins Creek – Phase 5

Location: North Chapel Road
Williamson County, TN

Map/Parcels: 80/52.04 & 52.05
Grantor: Watkins Creek, LLC
Grantee: Propst Nashville, LLC
Date of Sale: February 17, 2012
Book/Page: 5518/989
Zoning: SE
Price: \$1,721,500
Size: 41.85 acres
No. Units: 49
Density: 1.17 units/acre

Price/Acre: \$41,135
Price/Lot: \$35,133

Comments: This is the transfer of an undeveloped tract located along the north side of Watkins Creek Drive within Watkins Creek; a 174-lot single-family residential development located along the north side of North Chapel Road, just outside the Franklin city limits in Williamson County, Tennessee. The irregular-shaped tract exhibits gently rolling topography and is partially wooded. The property was purchased for the development of Phase 5, a 49-lot portion of Watkins Creek. The land benefits from existing sections of Watkins Creek, as all utilities have been "stubbed out" along the property line.

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Land Sale 7: Hidden Creek

Location: Pinkerton Road
Brentwood, Williamson County, TN

Map/Parcel: 31/2 & 4.02
Grantor: Tennessee Bank & Trust
Grantee: RH Hidden Creek, LLC
Date of Sale: February 10, 2012
Book/Page: 5508/383
Zoning: OSRD
Price: \$1,250,000
Size: 28.41 acres
No. Units: 25
Density: 0.88 units/acre

Price/Acre: \$43,999

Price/Lot: \$50,000

Comments: This tract is located along the south side of Pinkerton Road, just north of Concord Road and west of Nolensville Pike in Brentwood, Williamson County, Tennessee. The irregular-shaped tract exhibits gently to moderately rolling terrain with partial tree cover and was purchased for the development of Hidden Creek; a 25-lot single-family development located along the south side of Pinkerton Road. To date, no infrastructure is in place. The developer has reportedly received an LOI from Fox Ridge Homes, who plans to build finished homes in the \$450,000 to \$525,000 price range. Lots are planned to be purchased at prices ranging from \$135,000 to \$140,000, over an 18-month takedown period.

Land Sale 8: Highlands at Ladd Park – Section F

Location: Long Lane
Franklin, Williamson County, TN

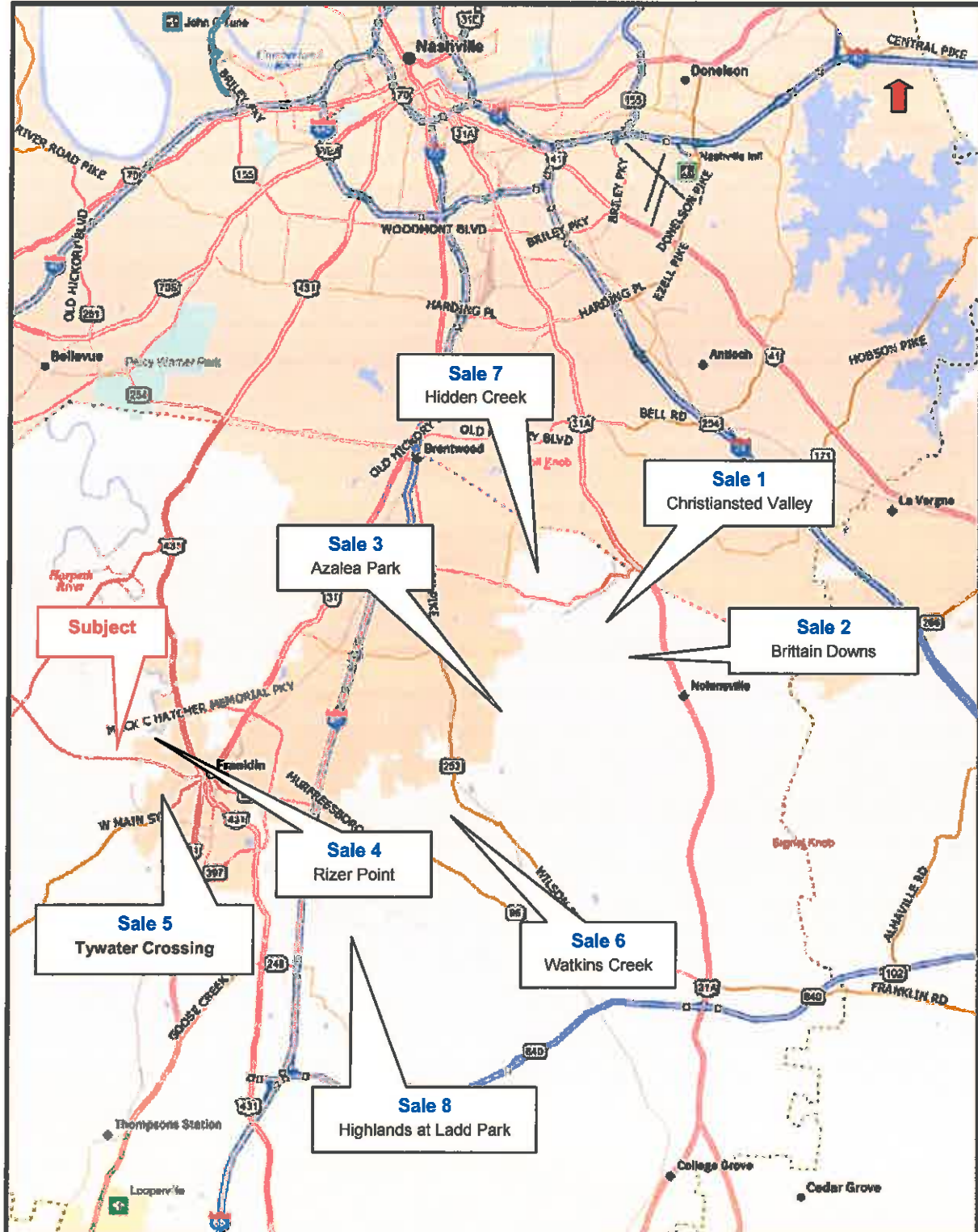
Map/Parcel: p/o 106/184, 106/181.16 & 106/181.19
Grantor: Trillium Farms, LP
Grantee: Mike Ford Custom Builders, LLC
Date of Sale: November 21, 2012
Book/Page: 5761/778
Zoning: R 2
Price: \$627,000
Size: 5.031 acres
No. Units: 21
Density: 1.70 units/acre (entire development)
4.17 units/acre (this phase)

Price/Acre: \$124,627

Price/Lot: \$29,857

Comments: This is the transfer of approximately 5.031 acres of undeveloped residential land planned for 21 single-family residential lots within Section F, Phases 10-11 of the Highlands at Ladd Park, a single-family residential development located along the north side of Long Lane, just east of Interstate 65 in Franklin, Williamson County, Tennessee. The irregular-shaped tract exhibits gently rolling topography and is partially wooded. The land benefits from existing sections of Highlands at Ladd Park as all utilities have been "stubbed out" along the property line.

LAND SALES MAP



Land Sales Summary

Sale No.	Date Bk/Pg	Map/Parcel Zone	Property Name	Size-Ac Lots	Density	Sale Price	\$/Acre \$/Lot
1	4/29/2013 20130501-0043520	172/149 RS-15	Christiansted Valley	10.02 24	2.40	\$725,000	\$72,355 \$30,208
2	1/18/2013 5815/672	56/26.01 SR PUD	Brittain Downs	10.359 15	1.45	\$675,000	\$65,161 \$45,000
3	1/11/2013 5809/678	60/21 OSRD	Azalea Park	209.19 172	0.82	\$7,000,000	\$33,462 \$40,698
4	10/23/2012 5730/687	63/3 RX	Rizer Point	19.252 95	4.93	\$1,486,408	\$77,208 \$15,646
5	9/7/2012 5691/444	p.o.77/20 RX	Tywater Crossing	8.662 30	3.46	\$1,200,000	\$138,536 \$40,000
6	2/17/2012 5518/989	80/52.04 SE	Watkins Creek	41.85 49	1.17	\$1,721,500	\$41,135 \$35,133
7	2/10/2012 5508/383	31/2 OSRD	Hidden Creek	28.41 25	0.88	\$1,250,000	\$43,999 \$50,000
8	11/21/2012 5761/778	106/184 R-2	Highlands at Ladd Park	5.03 21	4.17	\$627,000	\$124,652 \$29,857
Average Indications				17.65	2.41	\$1,835,614	\$74,552 \$35,818

Analysis

In this area, the most widely accepted method of valuing residential land tracts is on a price per acre or a price per lot basis. As the subject has not been approved for residential subdivision at this time, we used the price per acre as the appropriate unit of measurement for the subject tract. As shown in the summary chart above, eight recent sales were included in this analysis, all of which were selected due to their similarities to the subject.

All of the sales represent tracts of land that were purchased while vacant or "as vacant" with no contributory value attributed to any existing improvements. Excluding Sale 1, all of the comparables are all situated in Williamson County. In addition, all of the comparables represent initial or future phases of subdivision developments with all utilities available or located within reasonable proximity.

The sales were compared to the subject based on the following elements of comparison: property rights conveyed, financing, sale conditions, market conditions, and physical characteristics. To the best of our knowledge, all the sales represented arms-length

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transactions, which included the fee simple estate property rights. Also, all of the sales were cash to seller conveyances, whereby financing was not a factor in the sales price.

Regarding market conditions, all of the sales are considered fairly recent, having occurred within the past 16± months (3 occurring in 2013), and represent some of the most recent land sales deemed similar to the subject. Market conditions had remained volatile over the past several years due to the economic downturn affecting the nation, and have only recently begun to show signs of recovery. Therefore, market conditions will be considered on a qualitative basis in this analysis.

In addition to the comparisons described above, the physical characteristics of the comparables were compared to the subject for differences in location, access, zoning, size, density, utilities and topography/development potential. A summary of our analysis is shown below:

	SUBJECT	Sale 1	Sale 2	Sale 3	Sale 4	Sale 5	Sale 6	Sale 7	Sale 8
Price/Acre		\$72,355	\$85,181	\$33,462	\$77,208	\$138,536	\$41,135	\$43,990	\$124,627
Qualitative Comparison Grid									
Sale Conditions	N/A	Arms-Length	Arms-Length	Arms-Length	Arms-Length	Arms-Length	Arms-Length	Arms-Length	Arms-Length
		Similar	Similar	Similar	Similar	Similar	Similar	Similar	Similar
Market Conditions	Current	Apr-13	Jan-13	Jan-13	Oct-12	Sep-12	Feb-12	Feb-12	Nov-12
		Similar	Similar	Similar	Similar	Similar	Similar	Similar	Similar
Location (City)	Franklin	Nashville	Noklesville	Brentwood	Franklin	Franklin	Will. County	Brentwood	Franklin
		Interior	Interior	Superior	Similar	Similar	Interior	Superior	Similar
Access	Good	Good	Average	Good	Good	Good	Good	Very Good	Good
		Similar	Interior	Similar	Similar	Similar	Similar	Superior	Similar
Zoning	ER	RS-15	SR PUD	OSRD	RX	RX	SE	OSRD	R-2
		Superior	Superior	Superior	Superior	Superior	Similar	Superior	Superior
Size	8.06 Acres	10.02 Acres	10,359 Acres	209.19 Acres	19,252 Acres	8,662 Acres	41.85 Acres	28.41 Acres	5,031 Acres
		Similar	Similar	Interior	Interior	Similar	Interior	Interior	Superior
Density	2.5 units/acre*	2.40	1.45	1.22	4.93	3.46	1.17	0.88	4.17
		Similar	Interior	Interior	Superior	Superior	Interior	Interior	Superior
Utilities	All Avail/Nearby	All Available	All Available	All Available	All Avail/Nearby	All Avail/Nearby	All Available	All Avail/Nearby	All Available
		Similar	Similar	Similar	Similar	Similar	Similar	Similar	Similar
Topo/Dev. Potential	Flat/Cleared	Rolling/Wooded	Rolling/Cleared	Rolling/P Wooded	Flat/Cleared	Flat/Cleared	Rolling/P Wooded	Rolling/P Wooded	Rolling/P Wooded
		Interior	Similar	Interior	Similar	Similar	Interior	Interior	Interior
Overall Comparison		Interior	Interior	Interior	Similar	Superior	Interior	Interior	Superior

*Assumed development density of 2.5 units/acre based on surrounding properties.

Conclusion of Land Value

The comparables reflected a unit price range of \$33,462 to \$138,536 per acre, with mean and median indications of \$74,560/acre and \$68,758/acre, respectively. As shown above, qualitative comparisons were made between the subject and comparables for various physical elements. Based on our analysis, the subject is considered to be overall inferior to Sales 5 & 8 primarily because of its location. As previously mentioned, the subject site is currently zoned ER (Estate Residential), which limits the development to 0.5 units per acre. However, the surrounding land uses are zoned for single family development which permits higher densities. Sales 3 & 7 are located within the desirable area of Brentwood, Williamson County, Tennessee. However, development in Brentwood is restricted to one unit per acre. Therefore, the subject site is deemed superior to these sales. Overall, Sale 4 was considered most similar to the subject based on location. However, the subject site benefits from its close proximity to developed subdivisions and infrastructure. In addition, portions of Sale 4 are situated within a floodplain. Therefore, we believe the subject site is slightly superior to Sales 1 & 4 and inferior to Sales 5 & 8.

Furthermore, the development densities of the comparables ranged from 0.88 to 4.93 lots per acre. In terms of allowable density, the subject's assumed density of 2.5 units per acre is bracketed by Sales 1 & 5. Sale 1 (\$72,355/acre) has an allowable density of 2.4 units per acre, while Sale 5 (\$138,536/acre) has an allowable density of 3.46 units per acre. When ranking the comparables with the subject property on an overall basis, it is our opinion that the subject would be ranked as shown in the following table:

Comparable	Price/Acre
Sale 5	\$138,536
Sale 8	\$124,627
Subject	
Sale 4	\$77,208
Sale 1	\$72,355
Sale 2	\$65,161
Sale 7	\$43,999
Sale 6	\$41,135
Sale 3	\$33,462

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As previously discussed and demonstrated above, we believe an appropriate market value for the subject tract should fall just above Sale 4 and below Sale 8, or approximately \$90,000 per acre.

Therefore, having considered all pertinent factors, particularly improving market conditions and the subject's proximity to existing single-family developments, it is our opinion that a unit value from the upper-middle of the range of approximately **\$90,000/acre** is reasonable and reflective of market value for the subject tract at this time. As previously shown, the comparable sales formed a range in unit price from \$15,646 to \$50,000 per lot with an average of \$35,818/lot. Assuming the subject property could be re-zoned to permit a development density of approximately 2.5 units/acre (20 lots), the estimated market value would equate to approximately \$36,270/lot, which is very similar to the \$35,818/lot average unit price and appears very reasonable on a per lot basis. The calculation to derive the market value of the subject tract is shown as follows:

LAND VALUE CALCULATION

<u>Size/Ac</u>		<u>Unit Value</u>		<u>Total</u>	<u>Rounded</u>
8.06	x	\$90,000	=	\$725,400	\$725,000
					\$2.07/SF

VALUATION OF THE ACQUISITION

Permanent Utility Easement: The estimated market value of the underlying fee simple estate of the proposed permanent easement is \$2.07/SF. Although ownership will be retained within the easement area, this acquisition will place an additional encumbrance on the property. However, to our knowledge, the property owner will be able to access the sewer line for possible development purposes and it is our opinion that the proposed easement should not have a negative effect on the current or future utilization or development potential of the subject property. Consequently, this easement area is valued at 75% of the fee simple value, or approximately **\$1.55/SF** (\$2.07/SF x 75%). Based on the size (5,850 SF) of the proposed permanent utility easement area, the estimated amount due owner is **\$10,000 (rounded)** (5,850 SF x \$1.55/SF).

**TEN THOUSAND DOLLARS
\$10,000**

The amount due owner derived in this appraisal does not include any potential construction damage or loss to underground utility lines, septic systems, fences, gates, driveways, parking lots, parking spaces, trees, landscaping, access, etc. Our assumption is that, upon completion of construction, the easement area will be restored to its original condition, or near thereto as is reasonably possible.

CERTIFICATION OF THE APPRAISER

I certify that, to the best of our knowledge and belief...

1. The statements of fact contained in this report are true and correct.
1. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, unbiased professional analyses, opinions and conclusions.
2. I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
3. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
4. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
5. My compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
7. My analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice and the Code of Ethics of the Appraisal Institute.
8. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
9. Eric Boozer and John P. Martin have made a personal inspection of the property that is the subject of this report.
10. John P. Martin, Tennessee Real Estate Appraisal Commission Registered Trainee #4748, provided significant real property appraisal assistance to the person signing this report, including inspection of subject property and comparables, site-specific data analysis, market data research and analysis, and participation in the valuation analysis and conclusion.
11. As of the date of this report, I, Eric L. Boozer, have completed the requirements of the continuing education program of the Appraisal Institute.
12. Eric L. Boozer hereby certifies that he is a Tennessee State Certified General Real Estate Appraiser and his certificate number is CG-389.
13. This appraisal assignment was not made, nor was the appraisal rendered on the basis of a requested minimum valuation, specific valuation, or an amount, which would result in the approval of a loan.
14. I have not appraised this property in the three years prior to accepting this assignment. I have performed no other 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.
15. The appraisal is in conformity with Uniform Standards of Professional Appraisal Practice.



Eric L. Boozer, MAI, CCIM
State Certified General Real Estate Appraiser, CG-389

GENERAL ASSUMPTIONS AND LIMITING CONDITIONS

This Appraisal Report and resulting estimate of value, made expressly for Bill Charles with Land Management Group, Inc., is subject to the following assumptions and limiting conditions:

1. The forecasts, projections, or operating estimates contained herein are based upon current market conditions, anticipated short-term supply and demand factors, and a continued stable economy. Therefore, these forecasts are subject to changes in future conditions. Value estimates in this appraisal report are stated in United States currency as of the date of appraisal.
2. 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 and in Fee Simple, unless otherwise stated in the report.
3. The property is appraised free and clear of all existing liens and encumbrances, including deed restrictions and developers agreements, unless otherwise stated in this appraisal report.
4. Information furnished by others is believed to be true, correct, and reliable. A reasonable effort has been made to verify such information; however, no responsibility for its accuracy is assumed by the appraiser(s).
5. Maps, plats, and exhibits included in this appraisal report are for illustration only, as an aid in visualizing matters discussed within the report. They should not be considered as surveys or relied upon for any other purpose. The appraiser(s) has not made a survey of the property, and no responsibility is assumed in connection with such matters.
6. The physical condition of the improvements described herein was based on a visual, walk-through inspection. No liability is assumed for the soundness of structural members, building components, mechanical equipment, plumbing, or electrical components as no professional tests were made of the same. The appraiser(s) assumes that no hidden or unapparent conditions of the property, subsoil, or structures exist, which would render the property more or less valuable. The appraiser(s) assumes no responsibility for such conditions, or for engineering, which might be required to discover such factors. The appraiser(s) recommends that the client obtain an opinion from a competent engineering firm.
7. 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 this appraisal report.
8. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a nonconformity has been stated, defined, and considered in this appraisal report.
9. 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(s) contain in this report is based.
10. It is assumed that the utilization of the land and improvements is within the boundaries or property lines of the property described and that no encroachment or trespass exists, unless noted in this appraisal report.
11. Value estimates in this appraisal report apply only to the entire property, and cannot be prorated to individual portions or fractional interests. Any proration or division of interest will invalidate the value estimate(s), unless such proration or division of interests is set forth in this appraisal report.
12. The appraiser(s) is not required to give testimony or attendance in court by reason of this appraisal, with reference to the property in question, unless arrangements have been made previously

therefore. The fee charged for this appraisal does not include payment for court testimony or for further consultation.

13. Unless otherwise stated in this appraisal report, the appraiser(s) did not observe the existence of hazardous material, which may or may not be present on the property. The appraiser(s) has no knowledge of the existence of such materials on or in the property. The appraiser(s), however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials may affect the value of the property. Value estimates within this appraisal report are predicated on the assumption that there is no such material on or in the property, that would cause a loss in value. No responsibility is assumed for any expertise or engineering knowledge required to discover them. The appraiser(s) recommends that appropriate experts be retained to investigate and determine to what extent, if any, such substances are present and what risks, if any, are involved.
14. The determination concluded in this appraisal, as to whether or not the subject property is located within a Flood Hazard Zone, is based solely on an inspection of available Flood Insurance Rate Map(s) (FIRM) which are distributed by the National Flood Insurance Program (NFIP). The NFIP maps represent the most recent revisions available after reasonable investigations. Although these maps are the basis for flood hazard determination, the map scale is typically not adequate for accurate comparisons with other maps and/or surveys. Therefore, the determination presented herein regarding location of the subject property outside or within a flood hazard zone should not be construed as a guarantee or certification. Certification of this can only be provided by a qualified engineer and/or surveyor. If there is any possibility that the subject is within an identified flood hazard zone, we recommend that the property should be covered by adequate flood insurance.
15. Unless otherwise noted in this appraisal report, no consideration in the valuation process has been given to subsurface rights (minerals, oil, water, etc.) that may be found on the subject property.
16. Any proposed or incomplete improvements included in this appraisal report are assumed to be completed in accordance with approved plans and specifications and in a workmanlike manner.
17. The appraiser(s) reserves the right to alter opinions of value contained in this appraisal report on the basis of information withheld or not discovered in the normal course of a diligent investigation.
18. The Americans With Disability Act (ADA) became effective July 26, 1992. The appraiser has not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property together with a detailed analysis would reveal the need for renovations to comply with that statute. Such a requirement could have an adverse impact on the market value of the property. Because the appraiser has no direct evidence relating to this issue, the appraiser did not consider possible noncompliance with the requirements of the ADA in this report.

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QUALIFICATIONS OF ERIC L. BOOZER, MAI, CCIM

EDUCATION

Jacksonville State University:

Bachelor of Science Degree – 1985

Appraisal Institute Courses & Seminars:

Real Estate Appraisal Principles
Basic Valuation Procedures
Capitalization Theory and Techniques A
Capitalization Theory and Techniques B
Analyzing Operating Expenses Seminar
Small Hotel/Motel Valuation
Advanced Income Capitalization
Evaluation of Commercial Construction
Analyzing Commercial Lease Clauses
Effective Appraisal Writing
Analyzing Distressed Real Estate

Case Studies in Real Estate Valuation
Report Writing and Valuation Analysis
Standards of Professional Practice A
Standards of Professional Practice B
Data Confirmation and Verification Methods
The Internet and Appraising
Appraisal of Local Retail Properties
Evaluation of Residential Construction
Conservation Easements (ASFMRA)
Litigation Appraising
GIS Applications for RE Appraisal

EXPERIENCE

1996-Present:

President, **BOOZER & COMPANY, P.C.**, a real estate appraisal and consulting firm specializing in the valuation of commercial, industrial, and residential properties.

1991-1995:

Real Estate Appraiser -

Norman Hall & Associates

1990-1991:

Real Estate Appraiser -

Richard Banks & Associates

1987-1990:

Real Estate Appraiser -

Tennessee Valley Authority

Provided testimony in federal and circuit courts as an expert witness in real estate valuation.

PROPERTY TYPES APPRAISED

- | | | |
|------------------|---------------------|-------------------------------|
| • Apartments | • Office | • Shopping Centers |
| • Manufacturing | • Office/warehouse | • Distribution centers |
| • Restaurants | • Churches | • Automobile dealerships |
| • Subdivision | • Single-family | • Timberland/rural land/farms |
| • Parking Garage | • Residential Condo | • Elderly housing facilities |
| • Hotel/motel | • Self-storage | • Office Condominiums |

Other experience includes consulting, investment analysis, feasibility studies, market analysis, site selection, tax assessment advice, litigation consulting, condemnation, and the valuation of easements, encroachments, estates and partial interests.

PROFESSIONAL AFFILIATIONS

Member Appraisal Institute (MAI) Certificate No. 10671

State Chapter No. 37 - 1995 MAI Candidate Liaison

Chapter Nominating Committee – 1996, 1999

Young Advisory Council, Washington D.C. - 1996

Chapter Board of Directors - 1997, 1998, 1999

General Associates Guidance Chair - 1997, 1998

Tennessee State Certified General Real Estate Appraiser - License Number CG-389

Real Estate Broker - State of Tennessee - License Number 00237573

Member of Greater Nashville Association of Realtors®

Certified Commercial Investment Member (CCIM)

ADDENDA

SUBJECT PHOTOGRAPHS



View West Across Subject Tract - Approximate location of sewer easement pictured

LEGAL DESCRIPTION

BOOK 156 - 241

This instrument prepared by:
BERRY AND BERRY, Attorneys At Law
Public Square, Franklin, Tennessee

FOR AND IN CONSIDERATION OF THE SUM OF NINETEEN THOUSAND THREE HUNDRED (\$19,300.00) DOLLARS, cash in hand paid, the receipt of which is hereby acknowledged, WE, JOHN KIECK and wife, MARY ANNE KIECK have this day bargained and sold and do hereby transfer and convey unto JOE M. CHAPMAN and wife, CAROL C. CHAPMAN, their heirs and assigns, the following described tract or parcel of land located in the Fifth (5th) Civil District of Williamson County, Tennessee, to-wit:

A tract of land lying wholly within the Fifth Civil District, Williamson County, Tennessee, and bound, in general by Del Rio Pike on the north, Reese on the east, Holmore on the South and Chrisman on the west.

BEGINNING in the South margin of Del Rio Pike at Reese's northwest corner; thence along Reese's west existing fence line South 2 degrees 25 minutes West 1200 feet to an iron post; thence along a new staked line North 89 degrees 15 minutes West 292.5 feet to an iron post; thence along Chrisman's east line North 2 degrees 25 min. East 1200 feet to the south margin of Del Rio Pike; thence along said south margin South 89 degrees 15 minutes East 292.5 feet to the point of beginning and contains 8.06 acres, more or less.

And being the same property conveyed to John Kieck and wife, Mary Anne Kieck, by warranty deed of C. E. Holmore, et ux, of record in Deed Book 162, page 349, Register's Office of Williamson County, Tennessee.

TO HAVE AND TO HOLD the said lands, with the improvements and appurtenances thereunto belonging to the said Joe M. Chapman and wife, Carol C. Chapman, their heirs and assigns, forever.

AND WE COVENANT with the said Joe M. Chapman and wife, Carol C. Chapman, that we are lawfully seized and possessed of said land, in fee simple, have a good right to convey it and that it is unencumbered, except as follows:

(1) County taxes for the year 1972, which are a lien but not yet due and payable. Said taxes have been prorated between the parties with grantors paying their prorata part thereof to grantees, who will be responsible for payment of the 1972 taxes when they become due and payable.

442-10 72
SEARCHED TO
INDEXED TO
FROM V. E.
SOUTH. SEC.
DEED NO. 241
BERRY
- MR. OF THE
WILLIAMSON COUNTY

LEGAL DESCRIPTION

NEW 158 242

(2) Subject to restrictions contained in instrument of record in Book 162, page 349, Register's Office of Williamson County, Tennessee.

AND WE DO FURTHER COVENANT and bind ourselves, our heirs and representatives, to warrant and forever defend the title to said property to the said Joe M. Chapman and wife, Carol C. Chapman, their heirs and assigns, against the lawful claims of all persons, whomsoever.

Witness our hands, on this the 22nd day of April, 1972.

John M. Kieck

Mary Anne Kieck

STATE OF TENNESSEE

COUNTY OF Williamson

Personally appeared before me, William Carter Currey, a Notary Public in and for said State and County, John Kieck and wife, Mary Anne Kieck, the within named bargainors, with whom I am personally acquainted and who acknowledged that they executed the foregoing instrument for the purposes therein contained.

Witness my hand and official seal at Franklin, Tennessee, on this the 21st day of April, 1972.

(SEAL)

My Commission Expires: 10/20/75

STATE OF TENNESSEE
COUNTY OF WILLIAMSON

The actual value or consideration, whichever is greater, for this transfer is \$ 19,300.00

Sworn to and subscribed to before me, on this 21st day of April, 1972.

(SEAL)

My Commission Expires: 10/20/75

JOHN KIECK, JR. DE

TO (HIS)

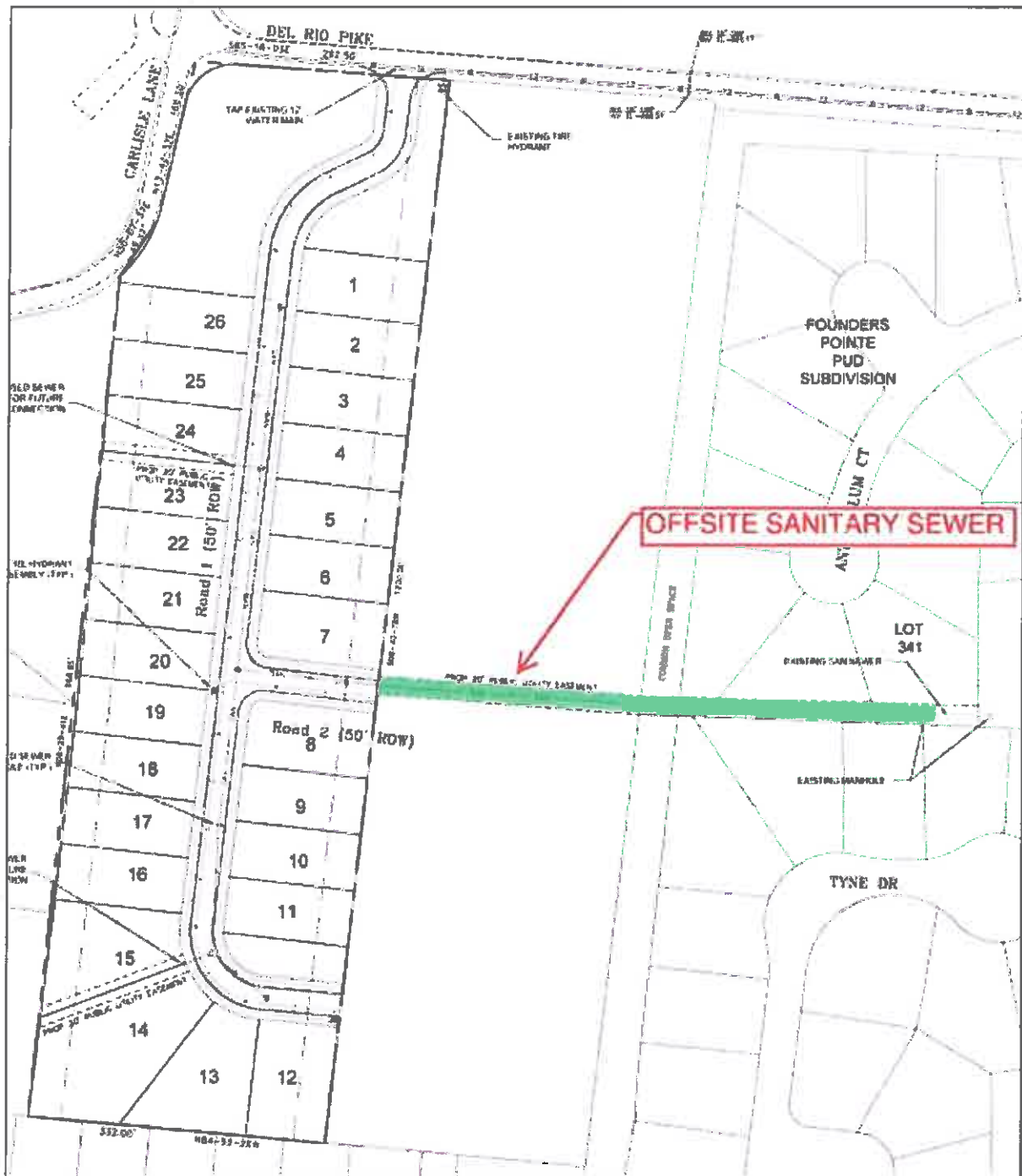
JOE M. CHAPMAN, JR. DE

REGISTER'S OFFICE
STATE OF TENNESSEE
COUNTY OF WILLIAMSON
V. JOE M. CHAPMAN, JR. DE
TO JOHN KIECK, JR. DE
Book 162, Page 349
Recorded in Book 162, Page 349
Date 4/22/72
Witness my hand, Frank D. Bennett, Jr.
Register

BERRY & BERRY
ATTORNEYS AT LAW
FRANKLIN, TENNESSEE

Filed April 22-1972 11:55 Am

ACQUISITION AREA



LETTER OF ENGAGEMENT

Eric Boozer

Subject: Sewer line easements

From: Bill Charles [mailto:Bill@land-management.com]
Sent: Monday, June 03, 2013 3:57 PM
To: Eric Boozer; mike ford (mike.ford@mikefordbuilders.com)
Subject: FW: Sewer line easements

Eric, Mike Ford has requested the appraisal based on the email below. Please let me know when its complete.

Thank you kindly,
Bill Charles

Bill Charles
President

LAND MANAGEMENT

G R O U P , I N C .

Office: 615.371.8886 Cell: 615.260.5316
357 Riverside Drive, Suite 210, Franklin, TN 37064
bill@land-management.com

CONFIDENTIALITY NOTICE: This e-mail and any attachments are confidential and may also be privileged. If you are not the named recipient or responsible for delivery of this message to such person, please notify the sender immediately and delete the contents of this message without disclosing the contents to anyone, using them for any purpose, or storing or copying the information on any medium.

From: Eric Boozer [mailto:erichoozer@boozercountry.com]
Sent: Friday, May 24, 2013 3:36 PM
To: Bill Charles
Subject: Sewer line easements

Project: Sewer line Easements
Location: Del Rio Pike, Franklin, TN
Owner 1: Joe & Carol Chapman
Owner 2: Founders Pointe HOA
Scope of Assignment: Estimate the "Amount Due Owner" for each easement
Fee quote: \$1,200 per tract or a total fee of \$2,400
Delivery: 3-4 weeks

Mr. Charles,

If the terms above are acceptable, please let me know and we will get started as soon as possible.

Thank you,
Eric L. Boozer, MAI, CCIM
Boozer & Company, P.C.
106 Mission Court, Ste. 1001
Franklin, TN 37067
615-591-4422 office
615-591-4433 fax
erichoozer@boozercountry.com

784400

State of Tennessee

TENNESSEE REAL ESTATE APPRAISER COMMISSION

CERTIFIED GENERAL REAL ESTATE APPRAISER

ERIC L BOOZER

This is to certify that all requirements of the State of Tennessee have been met.

ID NUMBER: 00000389

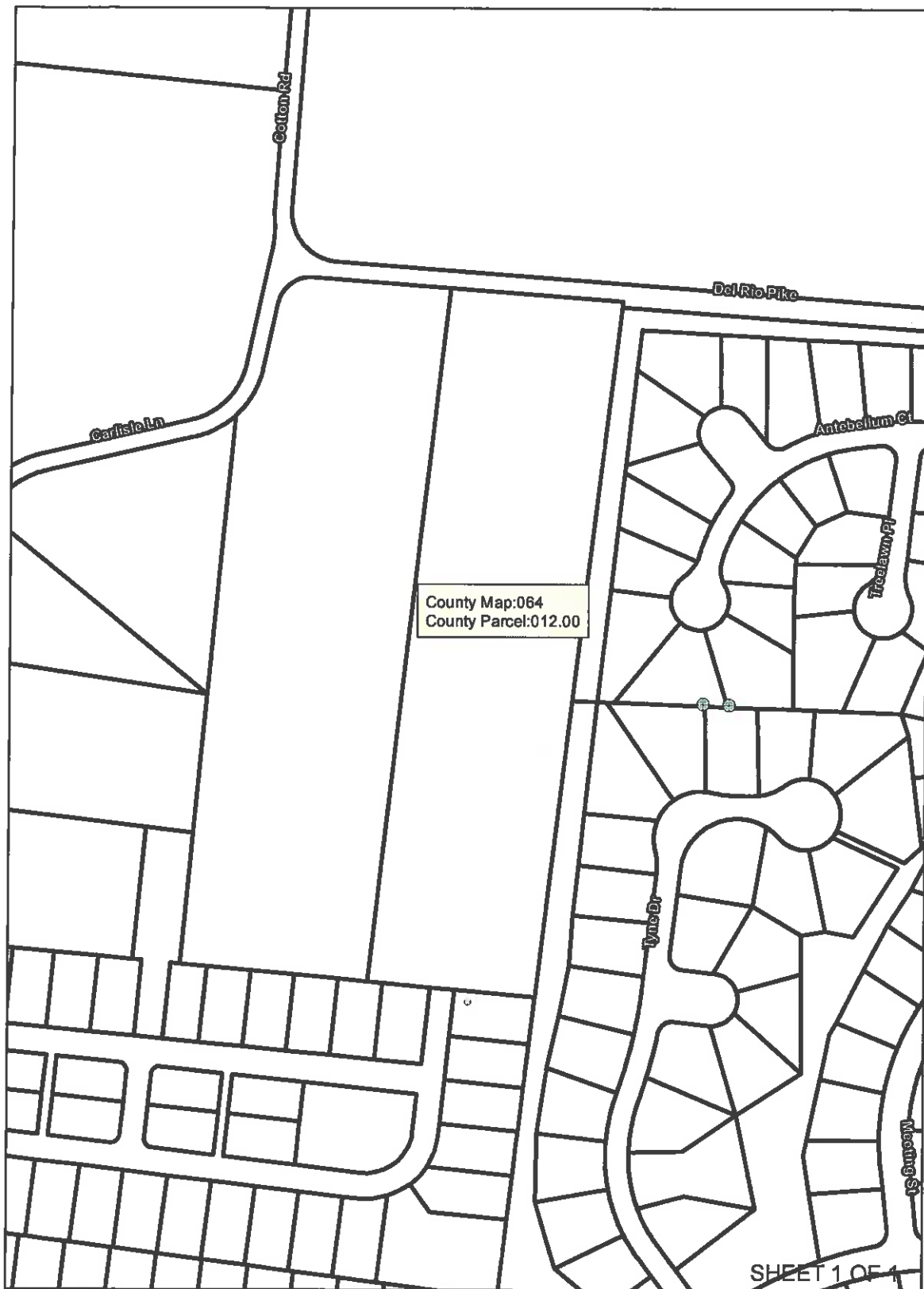
LIC STATUS: ACTIVE

EXPIRATION DATE: 12/12/2013



IN-1313

DEPARTMENT OF
COMMERCE AND INSURANCE



MAP SHOWING
DEDICATION OF EASEMENT
EXHIBIT C
FROM
JOE AND CAROL CHAPMAN

PROJECT NO

EASEMENT NO

CITY OF FRANKLIN
SEWER BASIN

PARCEL NO 064-012.00

DATE September 2013