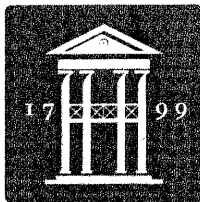


ADMINISTRATION

David Parker
City Engineer/CIP Executive



Dr. Ken Moore
Mayor

Eric S. Stuckey
City Administrator

February 3, 2011

HISTORIC
FRANKLIN
TENNESSEE

Johnston Real Estates, L.P.
C/O Howard Johnston
2315 Woodridge Trail
Murfreesboro, Tennessee 37130

Re: Letter of Intent for Purchase of Property Located at 331 5th Avenue North, Franklin Tennessee
Williamson County Tax Map 63N, Group D, Parcel 021.00

Dear Mr. Howard Johnston:

The City of Franklin has considered your offer to sell the referenced property after the May 2010 Flood and has had an appraisal report prepared by a certified appraiser. This letter is to set forth the basic terms upon which **The City of Franklin ("Buyer")** would be willing to purchase the above referenced property ("**Property**"). The terms and conditions are set forth below:

Purchase of the property must be approved by the Franklin Board of Mayor and Aldermen.

Purchase Price: Seller agrees to sell to Buyer in the amount of Three Hundred Thousand and No/100 Dollars (\$300,000.00) which shall constitute the total cost to Buyer for a fee simple purchase of the entire property. This offer is contingent upon Buyer receiving a review appraisal substantiating the appraised value of the original appraisal.

Cost of title search and owner's policy shall be paid by Seller.

Seller agrees to provide to Buyer a Final Approval of Non-Contaminated Closure from the Tennessee Department of Environment and Conservation, Division of Underground Storage Tanks (Division).

Seller agrees to allow Buyer to enter the property to make any necessary inspections.

It is the intent of the Buyer to enter into a purchase and sale agreement not later than April 1, 2011. The agreement would incorporate the terms set forth herein, together with such other items as may be agreed to by the parties (see draft enclosed).

This letter is intended as a non-binding expression of interest on the part of Buyer to purchase the Property at the price provided and not as a purchase offer which if accepted would create a legally binding contract.



HISTORIC
FRANKLIN
TENNESSEE

If the terms set forth herein form an acceptable basis upon which you would sell the Property, and you would like to move forward to negotiate a final purchase contract, please so indicate by signing in the space below.

The party below has signed and acknowledges receipt of a copy.

Eric S. Stuckey
Eric S. Stuckey
City Administrator

2-3-2011 at 3:00 p.m. o'clock
Date

The party(ies) below have signed and acknowledges receipt of a copy.

May J. Lambert, Beverly J. Fletcher
SELLER(S)

PARTNERS
Title

2-8-2011 at 3:15 PM o'clock



HISTORIC
FRANKLIN
TENNESSEE

MEMORANDUM

December 16, 2010

TO: Eric S. Stuckey, City Administrator

FROM: David Parker, City Engineer/CIP Executive

SUBJECT: **Hillsboro Road Improvements Project**
Purchase of Property
331 5th Avenue North

Earlier in the year we discussed the early purchase of a couple of properties on Hillsboro Road (5th Avenue North) in conjunction with the proposed Hillsboro Road Improvements Project due to the properties having been flooded during the May flood event. The City has to purchase either easements and/or right-of-way from these properties for the Hillsboro Road Project. One of the properties (306 5th Avenue North) was listed for sale and the Franklin Board of Mayor and Aldermen (BOMA) approved its purchase on October 26, 2010 with closing to be accomplished soon. This property was also one of three properties approved by BOMA for acquisition by Resolution 2009-22 as a part of the approval of the design concepts for the Hillsboro Road Improvement Project.

The property owner of the other property (331 5th Avenue North) approached City staff to see if the City would be interested in purchasing this property after its extensive damage from the May flood. Staff had an appraisal prepared for this property by Standifer & Associates, Inc. with a Report date of October 6, 2010. The appraised value in accordance with Standifer is Three Hundred Ten Thousand Dollars (\$310,000). While only right-of-way and easements from this property are required for the Hillsboro Road Improvements Project, the purchase of this entire property could be of benefit to the City beyond just the Hillsboro Road Project.

The Hard Bargain area which is bounded on the north by Mt. Hope Street has been designated as a historic area and there has been a large effort to revitalize the area. 331 5th Avenue North is situated at the corner of 5th Avenue and Mt. Hope Street, and if the City were to own the property, there could be an entrance feature constructed for the Hard Bargain area to highlight its location off the main roadway artery, Hillsboro Road (5th Avenue) leading into town. Also, the Central Franklin Area Plan and the 2004 Franklin Bicycle and Pedestrian Plan indicate that a greenway/pedestrian path is planned along Sharpe's Branch from 5th Avenue to Highway 96 West. The purchase of the 331 5th Avenue North property would allow for the construction of a trail head/parking area at the start of this greenway/pedestrian path. In addition, this trail head/parking area could be used for the Harpeth River greenway/pedestrian path system and events in the Bicentennial Park after its development.

Since we have an appraisal for the purchase of the property at 331 5th Avenue North, do we want to proceed with negotiations for the purchase? I suggest we seek approval by BOMA for this purchase at the next available Board meeting on January 11, 2011.