

# APPRAISAL REPORT

PREPARED FOR  
THE CITY OF CROSSVILLE  
392 N MAIN STREET  
CROSSVILLE, TENNESSEE 38555



PROPERTY  
CUMBERLAND COUNTY PARCEL ID #  
PART OF 087 008.01  
INTERSTATE DRIVE  
CROSSVILLE, TENNESSEE 38555

ROBERT E. PATTON, JR.  
PATTON APPRAISAL SERVICE  
286 HOLLIS LANE  
CROSSVILLE, TENNESSEE 38555

# PATTON APPRAISAL SERVICE

20 West Fifth Street, Suite 203, Crossville, Tennessee 38555 Phone: 931.484.9449 Fax: 931.707.7598

May 25, 2023

The City of Crossville  
392 N Main Street  
Crossville, Tennessee. 38555

Re: Appraisal of  
Cumberland County Parcel ID  
Part of 087-008.01  
Interstate Drive  
Crossville, Tennessee 38555

To Whom It May Concern:

I have completed an appraisal on the subject property. The subject property is located at the corner of Cottonpatch Drive and Interstate Drive in Crossville, Tennessee 38555. The purpose of the appraisal is to estimate the fee simple market value for the property. After considering all the pertinent data affecting the property that was available to me, I am of the opinion the Market Value, as defined in the report and as of the date of inspection on May 17, 2023, was:

**\$300,000.00**

This report and the valuation are expressly made subject to the assumptions, contingent and limiting conditions, and comments appearing in the report.

It was assumed in this report that the property would comply with all engineering requirements.

My physical inspection indicated no functional or location depreciation. My inspection also found no environmental problems of any kind.

Attached is my report giving explanation of the methods considered and my conclusions.

If you have any questions, please feel free to call.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Robert E. Patton, Jr.", written in a cursive style.

Robert E. Patton, Jr.  
State Certified General  
Real Property Appraiser  
License No. CG-00002793

## EXECUTIVE SUMMARY

Current Property Owner:	Cotton Patch Properties, Inc. % Clifford Pugh
Address:	Interstate Drive Crossville, Tennessee 38555
Census Tract Number:	9704.01/3
Property Type:	Commercial
Parcel I. D. Number:	Part of 087 008.01
Special/Unusual Considerations:	Hypothetical Condition Extraordinary Assumptions
Zoning:	None
Highest and Best Use:	Commercial
Date of Inspection:	May 17, 2023
Effective Date of Appraisal:	May 17, 2023
Improvements:	Vacant land
Land Size:	4.6 +/- acres
Cost Approach to Value	Not Developed
Income Approach to Value	Not Developed
Sales Comparison Approach:	\$300,000.00
Final Value Estimate	\$300,000.00

**CERTIFICATION**

I certify that, to the best of my knowledge and belief, that:

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 is 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 this report, and I have no personal interest or bias with respect to the parties involved.

I have no bias with respect to the property that is the subject of this report to the parties involved with this assignment.

My engagement in this assignment was not contingent upon developing or reporting predetermined results.

My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

The reported analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the State of Tennessee.

I have made a personal inspection of the property that is the subject of this report.

No one provided significant professional assistance to the person signing this report.

I, Robert E. Patton, Jr. Did perform an appraisal service on the larger parcel of which the subject is a part of on August 10, 2021. I have not performed any additional services on the subject property within the past three years.

The subject property appraised herein has a Market Value, subject to restricted rents as of the date below, as follows:

FINAL MARKET VALUE

**\$300,000.00**

Effective Date of Appraisal: May 17, 2023

Date Signed: May 25, 2023

A handwritten signature in blue ink, appearing to read "Robert E. Patton, Jr.", written in a cursive style.

Robert E. Patton, Jr.

State Certified General

Real Property Appraiser

License No. CG-00002793

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PHOTO SECTION



Frontage of subject property



Subject from the rear facing Interstate Drive





Subject photograph facing southeasterly



Subject property facing northwesterly.





Low lying area at the subjects southeasterly corner



Subject property primary frontage, photograph taken facing westerly





Street Scene, Interstate Drive facing westerly



Street Scene, Interstate Drive facing easterly



**Cottonpatch Road**  
**facing southerly**

**QUALIFICATIONS OF APPRAISER****Qualifications of Robert E. Patton, Jr.**

Certified General Real Property Appraiser by the Tennessee Real Estate Appraisers Commission, License # CG-00002793.

Formerly Certified General Real Property Appraiser by the Alabama Real Estate Appraisers Board, License currently inactive.

Completed Uniform Standards of Professional Appraisal Practice May of 1997 at the Alabama Appraisal Academy.

Completed Real Estate Appraisal course HT-777 Basic How to Appraisal course in May of 1997 at the Alabama Appraisal Academy.

Completed Real Estate Appraisal Course ARE-45, Appraisal of Real Estate in May of 1997 at the Alabama Appraisal Academy.

Completed Real Estate Appraisal Course MSR-16, Marshall and Swift Residential Cost Handbook in July of 1999 at the Alabama Appraisal Academy.

Completed Real Estate Appraisal Course BC-45, Blueprints and Construction in July of 1999 at the Alabama Appraisal Academy.

Completed USPAP (Uniform Standards of Professional Appraisal Practice) update in July of 1999 at the Alabama Appraisal Academy.

Attended "Basic Studies in Income Properties" seminar in February 2000 with the Alabama Appraisal Institute.

Completed Introduction to the Sales Comparison Approach-Course 210 in March 2000, from the Alabama Association of Real Estate Appraisers.

Completed USPAP (Uniform Standards of Professional Appraisal Practice) update in September 2000, from the Alabama Association of Real Estate Appraisers.

Completed Basic Direct Capitalization and Yield Capitalization Course in January of 2001 from the Alabama Association of Real Estate Appraisers.

Completed Appraisal Seminar on Appraising the Oddball: Nonconforming & Difficult Properties, Real Estate Damages: Assessment & Testimony, Appraiser Liability, and Current Issues in Appraising from the McKissock, Inc. Seminar offered in December of 2002.

Completed USPAP update seminar on September 10, 2004.

Completed Appraising for the Secondary Market Seminar from McKissock, Inc. on September 11, 2004.

Completed Limited Appraisals and Scope of Work Decision on September 12, 2004.

Completed Appraising Factory-Built Housing seminar on September, 13, 2004.

Completed FHA and the New Form seminar provided by the Appraisal Institute on January 30, 2006.

Completed Subdivision Valuation: A comprehensive Guide to Valuing Improved Subdivisions Provided by The Appraisal Institute on May 12, 2006.

Completed USPAP update course provided by Tennessee Real Estate Educational Service, on January 28, 2007.

Completed Appraisal of Local Retail Properties Seminar provided by the Appraisal Institute on February 9, 2007.

Completed Forecasting Revenue Seminar provided by the Appraisal Institute on May 11, 2007.

Completed Private Appraisal Assignment Seminar provided by McKissock, Inc. on May 22, 2007.

Completed Appraising FHA Today, Seminar provided by McKissock, Inc., on February 9, 2009.

Completed USPAP Update, provided by McKissock, Inc. Online studies completed February 20, 2009.

Completed Appraising Distressed Commercial Real Estate, "Here we go again." Provided by the Appraisal Institute on January 22, 2010.

Completed USPAP Update, Provided by Appraiser Educators, November 18, 2010.

Completed Foreclosures and Short Sales, Dilemmas and Solutions Provided by Appraiser Educators, November 19, 2010.

Completed a refresher course with Appraising FHA Today, Seminar provided by McKissock, Inc. on February 23, 2011.

Completed Sales Verification; Principles, Procedures & Case Studies, provided by McKissock, Inc. on February 28, 2011.

Completed "The Lending World in Crises, What Clients Need Their Appraiser to Know Today" Created by The Appraisal Institute on January 20, 2012.

Completed Appraisal Applications of Regression Analysis provided by McKissock, Inc. April 2, 2012.

Attended Fannie Mae Vendor Training Session, July 20, 2012. No educational credit was given for the training session as it was given as a guide to Fannie Mae REO Valuation process.

Completed UPAP update, provided by McKissock, Inc. on January 25, 2013.

Completed USPAP update provided by McKissock Institute in January of 2014.

Completed Appraising even odder more oddball appraisals provided by McKissock Institute in January 2014.

Completed Effective Appraisal Writing, December 12, 2014 provided by The Appraisal Institute.

Subdivision Valuation January 16, 2015 provided by The Appraisal Institute of Greater Tennessee

Completed USPAP update provided by McKissock Institute in January of 2016.

Completed Avoiding Mortgage Fraud November 29, 2016 provided by McKissock Institute.

Completed Supervisor Training offered by Georgia School of Appraisers on May 8, 2017.

Completed Yellow Book Seminar (Uniform Standards of Federal Land Acquisitions) provided by ASFMRA in La Vista Nebraska July 20-22, 2017

Completed USPAP update provided by McKissock Inc. in December 2018.



Attended Conference on Conservation Easements provided by the Appraisal Institute, Alabama Chapter in December 2018.

Attended Real Estate Damages Seminar provided by the Appraisal Institute, Alabama Chapter, June 2019.

General Contractor formerly licensed in the State of Tennessee for residential, commercial, and light industrial contracting. Owned and Operated Patton Construction Company from January 1984 till October 1994, experiences in all phases of construction including cost estimation, construction design, product knowledge, etc.

Past President of Cumberland County Home Builders Association.

Trained with Roger M. Pugh an MAI with over 40 years of experience in the Birmingham, Alabama area. Received extensive training in the commercial real estate field. Participated in projects ranging in values of up to \$12,000,000.00.

Partial list of Clients:

Regions Bank	U.S. Bank
First Tennessee Bank	Fannie Mae/Freddie Mac
SmartBank	Various Attorneys
Highland Federal Savings Bank	and individuals in or around
First Bank of Tennessee	the City of Crossville, TN

Member and President of Upper Cumberland Appraiser Association

MLS affiliation: Greater Knoxville Association of Realtors

Upper Cumberland Association of Realtors

Additional Subscriptions: Marshall and Swift Residential and Commercial Cost Services

Realty Rates: Surveying Data Service for Overall Capitalization Rates.

13313929

# State of Tennessee

TENNESSEE REAL ESTATE APPRAISER COMMISSION  
CERTIFIED GENERAL REAL ESTATE APPRAISER  
ROBERT ELLIOTT PATTON

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

ID NUMBER: 2793  
LIC STATUS: ACTIVE  
EXPIRATION DATE: March 31, 2025



IN-1313  
DEPARTMENT OF  
COMMERCE AND INSURANCE

## **ASSUMPTIONS AND LIMITING CONDITIONS**

PLEASE NOTE THAT THE ACCEPTANCE AND/OR USE OF THIS APPRAISAL AND REPORT CONSTITUTES ACCEPTANCE OF THE FOLLOWING TERMS AND CONDITIONS.

### Limited Liability

The liability of Patton Appraisal Service, Robert E. Patton, Jr., and/or its' subcontractors is limited to the fee collected for the work done. There is no accountability, obligation or liability to any third party.

### Limited Publication, Distribution, and Use of This Report

Possession of this report or any copy thereof does not carry with it the right of publication, nor may it be used for other than its intended use; the physical report(s) remain the property of the appraiser for the use of the client, the fee being for analytical services only. Any person or corporation other than the client cannot use this report or a copy or party to whom it is addressed without the written consent of this appraisal firm and then only in its' entirety. The authentic copies of this report are signed in blue ink. Other copies are unauthorized and may be incomplete or altered.

This appraisal consists of "trade secrets and commercial or financial information" which is privileged and confidential and exempted from disclosure under 5 U.S.C. 552(b)(4). Notify the appraiser(s) signing the report of any request to reproduce this appraisal in whole or in part.

### Limited Disclosure to the Public through the Media

No part of the contents of this report shall be conveyed to the public through advertising, public relation efforts, news, sales, or other media, without the express written consent of the appraiser.

This appraisal is to be used only in its' entirety and no part is to be used without the whole report.

### Limited Disclosure of the Report by the Appraiser

The appraiser agrees not to divulge the material (valuation) content of this report. The exceptions are as required by The Real Estate Appraisal Commission of the State of Tennessee as they may request, in confidence, for ethics enforcement, or by a court of law or body with the power of subpoena. This means that the appraiser will keep secret the analytical findings and conclusions for the property or properties being appraised. The appraiser agrees not to give a copy of this report to anyone other than the client or his designee unless requested in writing by the client.

### Information Furnished is assumed to be Accurate

No responsibility is assumed for the accuracy of information furnished by the client, his designee, or public records. We are not liable for such information or the work of possible subcontractors. Be advised that some of the people associated with Patton Appraisal Service and any associate possibly signing the report are independent contractors. The comparable data relied upon in this report has been confirmed with one or more parties familiar with the transaction, and/or public records, and/or some other form of affidavit; all are considered appropriate for inclusion to the best of our judgment and knowledge.

### Limited Use of Exhibits

The sketches, maps and other exhibits shown as part of this report are included to assist the reader in visualizing the property and its various attributes. These exhibits are not necessarily to scale. Site plans should not be confused with surveys. Only an exhibit labeled "survey" and signed by a surveyor should be relied upon as a survey.

### No Responsibility Assumed for Legal, Engineering, Environmental Financial, Structural, Mechanical, Hidden Components, or Soil Conditions

No responsibility is assumed for matters legal in character or nature, or matters of survey, or of any architectural, structural, mechanical, or engineering nature. No opinion is rendered as to the title, which is presumed to be good and merchantable. The property is appraised as if free and clear, unless otherwise stated in particular parts of this report.

The appraiser has inspected as far as possible, by observation, the land and the improvements thereon; however, it was not possible to personally observe conditions beneath the soil or hidden structural and certain other components. This appraisal is based on the assumption that there are no hidden or apparent conditions of the property site, subsoil, or structures which would render it either more or less valuable. No responsibility is

assumed for any such conditions or for any expertise or engineering to discover them.

The appraiser does not have the environmental expertise necessary to make judgments as to the acceptability of these concerns. It is recommended that an environmental expert be consulted and an environmental abatement firm estimate the cost of any such abatement necessary to correct any condition found.

Mechanical components within the improvements have not been critically inspected and no representations are made herein as to these matters unless specifically stated in this report. All mechanical components are assumed to be in operable condition and considered standard for properties of the subject type. Conditions of heating, cooling, ventilation, electrical, and plumbing equipment is considered to be commensurate with the condition of the balance of the improvements unless otherwise stated. No judgment is made as to the adequacy of insulation, type of insulation, or energy efficiency. The value estimate considers that no such conditions that would cause a loss of value exist.

The land or soil of the area being appraised appears firm; however, the exact character of the soil and subsoil is not known. The appraiser does not warrant against problems arising from soil or subsoil conditions.

The legal description used in this report is assumed to be correct as furnished by the client or his designee. The legal description may have been developed by the appraiser from information from other sources, such as Tax Assessor's records. In any event the legal description is to assist in the identification of the property to be appraised and must not be used otherwise.

#### Value Limited to Legal Uses

This appraisal is based on the premise that there is full compliance with all applicable federal, state and local environmental regulations and laws unless otherwise stated in the report. We have assumed all applicable zoning, building and use regulations and restrictions have been obeyed unless otherwise stated in the report. All required licenses, consents, permits, or other legislative or administrative approvals are assumed to have been obtained or renewed for any use considered in the value estimate.

### Limited Use of Component Values

The distribution of the total valuation in this report between land and improvements applies only under the existing or proposed program of utilization. The separate valuations for land and building must not be used in conjunction with any other appraisal and may be invalid if so used.

### Limited Access to Auxiliary and Related Studies

No environmental impact studies, special market studies, highest and best use studies, or feasibility studies have been made or requested unless otherwise specified in an agreement for services or in this report. The appraiser reserves the unlimited right to alter, amend, revise, or rescind any of the statements, findings, opinions, values, estimates, or conclusions upon any subsequent such study or analysis or previous study or analysis subsequently becoming known to him.

### Value Limited to Real Estate Unless Otherwise Specified

Furnishings, equipment, or other business-related items not typically considered as part of the real estate are not normally valued. These items have been disregarded with only the real estate being considered in the value estimate unless otherwise stated in this report.

### Limitations of a Value Estimate in a Dynamic Market

The Market Value estimate is made within the context of a dynamic real estate market and is subject to change with the passage of time. Value is highly related to exposure, time, promotional effort, terms of sale, motivation, and conditions surrounding the offering. This value estimate has sought to consider the productivity and relative attractiveness of the property physically and economically in the marketplace.

The "Estimate of Market Value" in this appraisal report is not based in whole or in part upon the race, color, or national origin of the present owners or occupants of the properties in the vicinity of the property being appraised. In cases of appraisals involving the capitalization of income benefits, the estimate of Market Value is a reflection of such benefits, as well as the appraiser's interpretation of income, yields, and other factors derived from general and specific market information. Such estimates are as of the date of the estimate of value; they are subject to change as the market is naturally dynamic.

### Competent Management Assumed

It is assumed that the property, which is the subject of this report, will be under prudent and competent ownership and management; neither inefficient nor excessive.

### Types of Appraisals and Reports

In accordance with the Uniform Standards of Professional Appraisal Practice (USPAP) there are three reporting methods that comply with Standard 2. This appraisal can be reported or written in the following ways.

- (1) An Appraisal Report: A written report prepared under Standards rule 2-2(a) of a complete or limited appraisal.
- (2) Restricted Use Appraisal Report. A written report prepared under Standards rule 2-2(b) of a complete or limited appraisal performed under Standards rule 1.

The difference in these methods of presentation is the length or completeness of the presentation. This report has been prepared in accordance with Standards Rule 1 and is reported or written under one of the above forms and in compliance with Standards Rule 2 of USPAP.

### Assumptions for Proposed Improvements

If the property being appraised contains any proposed improvements or repairs, whether on site or off of the site, these improvements and/or repairs are expected to be completed in a good and workmanlike and timely manner and according to information submitted and/or considered by the appraiser. In cases of proposed construction, the appraised value and conditions are subject to change upon inspection of the property after construction is completed, if any material differences are found to exist. The estimate of Market Value is as of the date shown in the report, as proposed, and as if completed and operating at the levels shown and projected in the report.

In order to fully disclose all pertinent data and ensure that the reader and/or user of the report is fully aware that

- a. the improved subject property does not yet, in fact, exist as of the date of the appraisal;
- b. the analysis performed to develop the estimate of value is based on a hypothesis, specifically that the improved subject property is assumed to exist when, in fact, it does not exist;



- c. certain events need to occur, as disclosed in the report, before the property appraised with the proposed improvements will in fact exist; and
- d. the appraisal does not address unforeseeable events that could alter the proposed property improvements and/or the market conditions reflected in the analyses.

### Currency Basis

The value estimated and as reported herein is in U.S. Dollars on the basis of the banking and currency exchange prevailing as of the date of appraisal.

### Word Case

Words used herein whether in the singular or plural shall be considered both singular or plural as the case may apply and as appropriate for the intent of the circumstances.

### Limitation of Data Used

The information contained herein, including any data, estimates, or opinions furnished by others to the appraiser, are not guaranteed, but were gathered from sources believed to be reliable. Since every appraisal consists, in part of data which are legally "hearsay evidence," the appraiser reserves the right to revise the report including the value estimate to the extent justified by subsequent discovery of any additional and/or inaccuracies in such data.

### The Americans with Disabilities Act

The Americans with Disabilities Act ("ADA") became effective January 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 detail analysis of the requirements of the ADA could reveal that this property is not in compliance with one or more of the requirements of the act. If so, this fact could negatively affect the value of this property. Since the appraiser has no direct evidence relating to this issue, possible non-compliance with the requirements of the ADA in estimating the value of the property was not considered.

### Hazardous Waste

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 has no knowledge of the existence of such materials on or in the property. The appraiser, 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. The value estimate is 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 such conditions, or for any expertise or engineering knowledge required discovering them. The client is urged to retain an expert in this field, if desired.

HYPOTHETICAL CONDITOINS AND EXTRAORDINARY ASSUMPTIONS

**Hypothetical conditions: A condition in which is known contrary to what exists on the effect date of the assignment.**

**As of the date of inspection a widening of Interstate Drive is taking place. It is a hypothetical condition of this report that this construction project has been completed.**

**Extraordinary Assumptions: An assumption which if found to be false could alter the resulting opinion or conclusion.**

**There is an area noted by the client as wetlands, it is an extraordinary assumption that this area has been noted by the state as wetlands.**

**The use of extraordinary assumptions and or hypothetical conditions might have an affect on the assignment results, opinions and or conclusions of this report.**

## Definition of Market Value

### Market Value

The most probable price which a property should bring in a competitive and open market under all condition's requisite to a fair sale, buyer and seller each acting prudently, knowledgeably and assuming that the price is not affected by undue stimulus. Implicit in the 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 United States 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.

Source Office of Comptroller of the Currency (OCC) Title 12 of the Code of Federal Regulation, Part 34, Subpart C-Appraisals, 34.42(g); Office of Thrift Supervision (OTS), 12CFR 594.2 (g); the is also compatible with the FDIC, FRS and NCUA definitions of market value

## **STATEMENT OF THE PROBLEM**

### Intended Use and Users of this Appraisal and Report

The intended use of the appraisal is to aid the client in understanding the subject properties current market for a potential purchase.

The Intended User of the appraisal is limited to The City of Crossville, Tennessee.

### Purpose of the Appraisal Report

The purpose of this appraisal report is to communicate the data and reasoning that leads to the Market Value conclusion of the subject property.

### Type of Report.

This appraisal is being reported as an appraisal report in accordance with Standards Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice (USPAP).

### Date of Inspection

May 17, 2023

### Effective Date of Value

May 17, 2023

### Real Estate Being Appraised

The property, identified in various sections of this report as "the subject," is identified for appraisal purposes as follows:

Street Address:	Interstate Drive Crossville, Tennessee 38555
County Parcel ID Number(s):	087-008.01 Cumberland County, Tennessee
Real Property Interest:	Fee Simple
Being Appraised:	Mineral & Mining Right Excepted, if reserved <sup>(1)</sup>

This analysis of the subject properties gives consideration only to mortgages or other encumbrances of record which encumbrances may be specified in the report. It is my understanding that no fractional interests are being separately valued. Other restrictions not specifically mentioned may exist but their effect on value has not been considered in this report. Mineral or mining rights and their impact on value have not been considered. Any mortgage or mortgages have not been considered. This report is being made considering the property to be free and clear of such encumbrances.

Personal Property, Machinery, Equipment and/or Related Business Inventory

There was no personal property that is included in this appraisal report. Any equipment was considered real estate for the purposes of this report.

## **GENERAL DESCRIPTION**

### Scope of this Appraisal Assignment

The scope of this investigation and assignment included an analysis of Regional, City and Neighborhood data; site description, description of improvements, and land sales. These items were analyzed and related to the subject property.

Area and neighborhood data was obtained by examining the U. S. Census Report, the Crossville Tennessee Chamber of Commerce data, data of the State of Tennessee and general data and conditions which have a significant effect on real estate value in the Crossville and the Cumberland County Tennessee area. These data include the general economic conditions, physical conditions, legal conditions, political environment, as well as, other related factors of a general nature, which were present as of the effective date of the opinion of value.

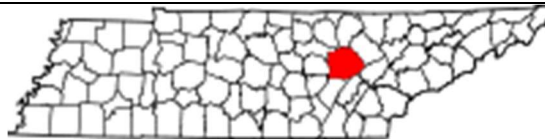
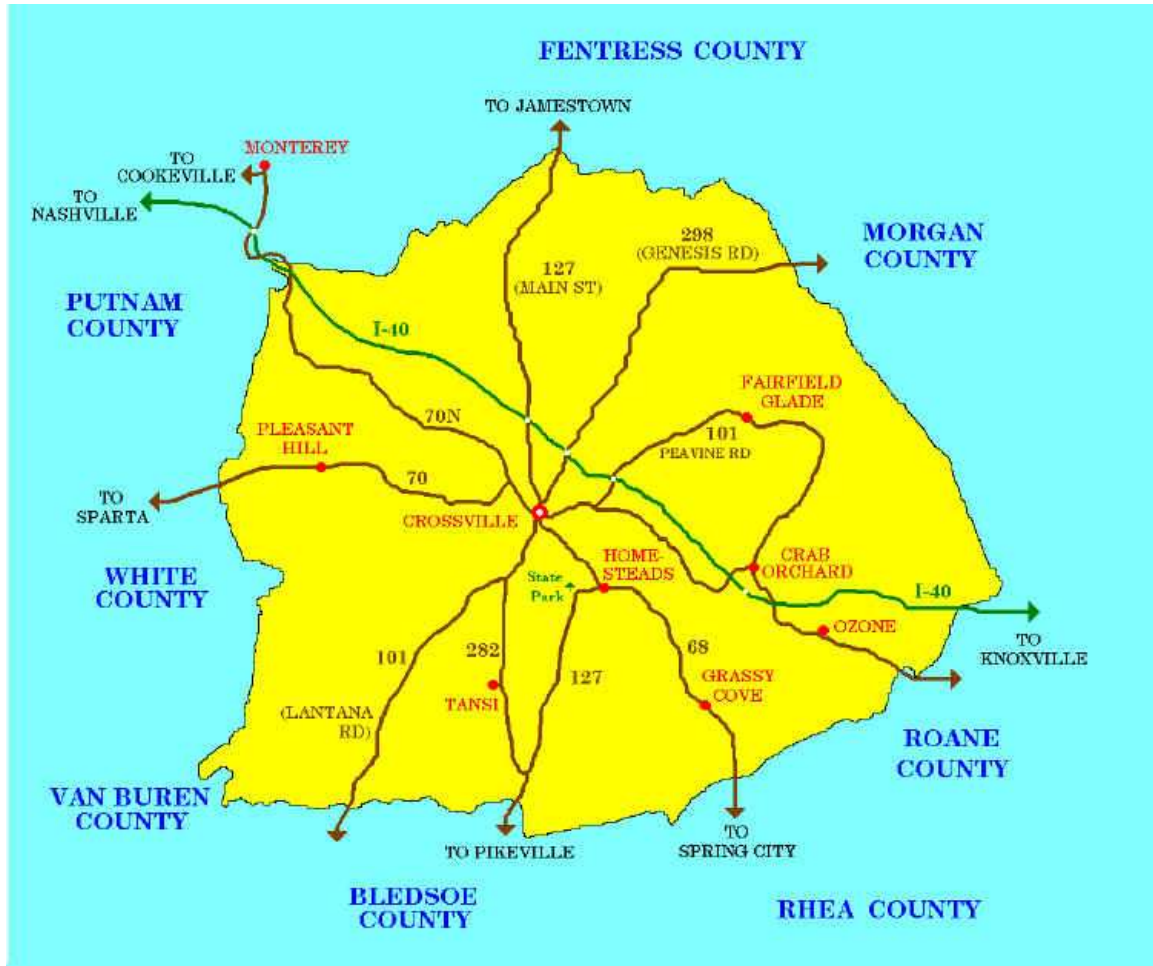
The City of Crossville, Tennessee, Planning Commission was consulted to determine recent and prospective developments in the area. The subject property was inspected to ascertain its physical conditions, amenities and detriments and the general economic conditions as they existed or were presumed to exist on the effective date of appraisal.

Data was obtained using files in the office, Multiple Listing Service, sales compiled by the Cumberland County Board of Equalization and from the Tax Assessor's files that are available "on-line" through Court House Retrievals (a regional data collection service.) I considered three approaches to value including cost, income and market approaches. I developed a sales comparison approach to determine site value, I considered but declined to develop the cost approach as the subject is vacant land. I considered the income approach to value. However, it was reasoned that this approach would lend little to this analysis. The sales comparison approach to value was developed and given all weight in the final analysis. I examined several specific sales, and listings. I attempted to determine their accuracy and considered their effect on the value of the subject. I talked with investors, lenders, agents, brokers, and other real estate appraisers. When additional data was found it was then considered in the data analysis. The conclusions of this report are made within the framework of these data as presented in this report.

The appraiser has prepared this report for the exclusive use of the specified client. Anyone other than the named client, who may consider using or relying on this for any reason or purpose does so at his or her own risk.



**THE CITY OF CROSSVILLE AND CUMBERLAND COUNTY, TENNESSEE**  
**AREA DATA**



The subject property as described in this report is located in Cumberland County, Tennessee, and within the City of Crossville, Tennessee. Four basic factors were considered in analyzing this area. These four basic factors were location and physical factors, economic and financial factors, political and governmental factors, and sociological factors. Each of these factors is briefly analyzed with conclusions drawn as to their effect on the subject.

## **History**

Tennessee was admitted into the union in 1796 after a census proved that 60,000 people were living in the territory. Prior to 1805, all of what is now Cumberland County was Indian Territory. Arrowheads have been found in the area dating back thousands of years. The oldest established community within Cumberland County is Crab Orchard. In 1797 Francis Bailey, son of an English banker, wrote of Crab Orchard. "it is a fine large plain or natural meadow containing many hundreds of acres and covered throughout its whole extent with tall rich grass surrounded on every side by the neighboring mountains and watered with several fine springs which flow from one end to the other." Several other communities sprang up around the area in the early 1800's. Grassy Cove, Linary, Ozone, Daysville, and Jewitt were among them.

The Burke community, "head of the valley," lies in the southeastern section of the county. It was here that Greenberry Wilson, Revolutionary War soldier, raised his home in 1797. It should be noted that the subject property is located in the Burke community. Crossville was first known as Lambeth's Cross Roads because several important roads crossed at that point. Cumberland County and Crossville are located on the Cumberland Plateau which was a major obstacle for travelers, crossing the mountain was achieved by a toll road built in 1822. This toll road crossed with another, The Kentucky Stock Road, this crossroads atop the plateau was the start of what is now Crossville.

Cumberland County was created in 1856. The county seat was to be within five miles of the center of the county. James Scott, proprietor of Scott's Tavern offered to deed 40 acres of property to the new county if Crossville were named the county seat. The City of Crossville was incorporated in 1901. It boasted a railroad and depot, a newspaper, hotel, bank, several stores, a booming lumber and coal industry, and 99 people on the first tax roll. Already a thriving community, the city has seen a history of prosperity and growth including double-digit growth in population over the last two centuries.

## **Location and Physical Factors**

Crossville and Cumberland County is located in Middle Tennessee, in the Cumberland Mountains, midway between Nashville and Knoxville, and covers an area of 679 miles and is the fifth largest county in the State of Tennessee. It is located on the Cumberland Plateau, the western most of three divisions of the Appalachian Mountains. The subject property is located within the city limits of Crossville, Tennessee, which is located within the mid-section of Cumberland County.

Cumberland County is located in the east-central portion of the State of Tennessee. It is bordered to the North by Fentress and Overton Counties, on the South by both Bledsoe and Rhea Counties, on the West by both Putnam and White Counties, and to the East by Morgan and Roane Counties. The Eastern county line also serves as the Central/Eastern time zone line.

Approximate highway distances from major southeastern cities are:

Atlanta, GA	203 miles
Chattanooga, TN	74 miles
Nashville, TN	110 miles
Knoxville, TN	75 miles
Memphis, TN	326 miles
Birmingham, Al	222 miles
New Orleans, LA	513 miles
Cincinnati, OH	292 miles
St. Louis, MO	305 miles

### **Physical Characteristics**

Cumberland County is situated at 1,980 feet above sea level with a combination of both gently rolling areas such as Grassy Cove to mountainous lands that rise as much as 3,000 feet above sea level. The City of Crossville lies in the central most section of Cumberland County. The climate for Cumberland County area is typical for the Southeastern United States. The average annual temperature is approximately 54 degrees Fahrenheit, with January being the coldest month and July the warmest month. The average annual precipitation is approximately 52 inches with an average of slightly over 12 inches of snow per year. Due to its physical location to Chattanooga, Knoxville, and Nashville and its low tax base, Cumberland County has shown substantial growth. The soils on Cumberland County are average in productivity with timber being the dominant use. These soil types are considered to be appropriate for most types of construction with little bearing problems.

### **Population**

The 2020 census shows the current population of Cumberland County is 61,603. This 2020 population report represents a 9.6% increase over the last decade according to the 2010 census. The cities of Crossville, Crab Orchard, and Pleasant Hill are the three largest cities in Cumberland County. However, there are many unincorporated areas surrounding Crossville and located within the county.

### **Employment**

The largest employers within the Cumberland County area consist of the following.

Crossville, Inc.  
Cumberland County  
Cumberland Medical Center  
TAP Publishing  
COLINX  
DANA Corporation  
Flowers Snacks of Tennessee

Cumberland County has an adequate industrial development board in place. Cumberland County's central location along with the region's recent economic strides gives it good expectations over the next several years.

### **Unemployment**

The latest published jobless rate for Cumberland County as of October 2022 was compared to the same month one year ago. The rate represents area residents out of work among a total civilian labor force. The seasonal adjusted unemployment rate for the entire state as of October 2022 was 3.7%. In October of 21, the state's unemployment rate was 4.6%. Cumberland County's unemployment rate for October 2022 was 4.3% as compared to October of 2021 at 3.5%. It should be noted that Cumberland County has an abundance of retirees. Crossville was named the fourth best place to retire by Rand McNally Magazine. Crossville has a large service sector providing for this retirement population.

### **Interest Rates and Financing**

Interest rates in the area are competitive with other areas comparable in size in the Southeast. There are a number of major banks, savings and loans, and mortgage bankers within the area. The interest rates paid on savings are generally at the maximum allowable for different classes of deposits. Current interest rates charged on long term agricultural, commercial, and industrial loans are dependent on the rates from the Nashville area, depending on the type of property. These rates are considered very competitive with other areas within the state.

### **Transportation**

Cumberland County is served by Interstate 40 running from East to West. Federal Highways 70 which run from East to West, Highway 127 which

runs from North to South, along with state primary highways 1, 28, and 68. The Crossville Memorial Airport provides private and small commercial service in Crossville, and has as its longest plane runway, one which is 5,400 feet long. The nearest commercial service airport is Knoxville International Airport which is approximately 80 miles away. The Nashville International Airport is approximately 120 miles to the west away.

### **Political and Governmental Factors**

A 15-man commission type government presently governs Cumberland County which includes a County Mayor. Crossville, along with the other cities within the county, has a mayor/council form of government, with the council members elected by districts and the mayor elected at large.

### **Zoning and Land Use**

Cumberland County currently contains no zoning laws.

### **Taxes**

Ad valorem taxes in the state of Tennessee are considered among the lowest in the United States. Current city millage rate is at \$.53 per one hundred dollars in appraised value, while current county rate is \$1.4975 per one hundred dollars.

## **Utilities**

The utilities in each municipality are furnished by the various cities. The Volunteer Energy Co-operative System supplies electricity, which is provided by the Tennessee Valley Authority; natural gas is purchased from Middle Tennessee Natural Gas and Upper Cumberland Gas. Septic tanks serve most of the county while Crossville has its own sewer system. Telephone service is provided by Frontier Communications with long distance service provided by AT&T, MCI, Sprint, and various other companies.

## **SOCIOLOGICAL FACTORS**

### **Recreational-Cultural**

Cumberland County has an ample supply of cultural and social land uses. The county and cities have the typical number of civic clubs, churches, and schools. Lodging facilities and convention facilities are located in both in Crossville and most of the resort facilities. Crossville/Cumberland County has become known as the Golf Capital of Tennessee, boasting 11 courses each containing breathtaking mountainous views. These recreational and cultural facilities are considered to be above average for the size of the county under consideration. Cumberland County has an adequate parks and recreational department. Their parks provide all of the necessary recreational facilities such as picnic areas, ball fields, jogging trails, and other normal facilities located in the typical parks the size of these recreational facilities.

### **Educational Facilities**

There are a number of public schools within Cumberland County. The ten elementary schools in Cumberland County offer an excellent academic program in setting and climate. Students consistently score near the top on all statewide tests. Cumberland County High School and Stone Memorial High School cover the entire county. The current schools are well located throughout the county and provide all the significant population groups adequate access. This indicates that there is an adequate school system for Cumberland County. Tennessee Technology Center is a trade school servicing 1,400 students each year. The Cumberland County Higher Education Center, a cooperative effort of Roane State Community College and Tennessee Technological University, opened its doors in the fall of 1989 with an enrollment of 248 students. During 2000 fall semester, approximately 900 students enrolled in freshman and sophomore level courses provided by Roane State Community College and more than 200 students enrolled in junior and senior and graduate level courses offered by Tennessee Technological University. Tennessee Tech University's main

campus is located in Cookeville, approximately 45 miles to the west. The University of Tennessee is located in Knoxville some 80 miles east of Crossville.

### **Conclusions**

The overall current economy for Crossville/Cumberland County area is good. The recent pandemic has created a strong residential market with little inventory of housing. Cumberland County, Tennessee relies heavily upon tourism and growth from a transitional population. The area is rural in nature and was heavily insulated from the remainder of the country due to these factors. The area is a predominantly retiree aged community with many rural factors that both enhance and are considered weaknesses, primarily the lack of a strong industrial based job market. Past growth has been dependent on retiree aged citizens moving in from other areas. The area is seeing strong demand from other parts of the country due to changes in work patterns including home office work. It is believed by most in the area that continued growth will occur in the area due to favorable taxes, scenic beauty, cost of living and climate. Most local realtors believe that the retiree market which has been strong will continue to be strong. Currently and due to this factor, health care has become a dominant industry due to the large retirement communities located within Cumberland County.

Commercial demand within the area has remained predominately stagnant with few transfers of commercially oriented properties occurring. There are several reasons for this, as political forces have created some resistance to growth. In one well known case, a significant employer moved out of the area for more receptive tax incentives. Geographic factors have also contributed to this slower commercial demand. The city of Knoxville is located just to the east, this city contains larger shopping and restaurant venues with only a 40-minute drive, while the city of Cookeville is located to the west with somewhat less but still attractive shopping and restaurants. This city is closer with only a 30-minute drive. Based on several resources, shopping and restauranters are reluctant to move into the area. Another additional factor has been the lack of youth which fills employment for these types of jobs. Additionally, based upon TVA sponsored seminars, population based demographic requirements for such entities are not sufficient. Most sales of commercial property are locally based with few national tenants within the area. This keeps commercial rental rates at lower than adequate numbers. Weaknesses are within the office and retail rental spaces as they contain low demand and would be considered to be currently in a somewhat oversupply.

## NEIGHBORHOOD PROFILE AND ANALYSIS U.S. Highway 127 North Corridor

The Appraisal of Real Estate 10th Edition, (Chicago: Appraisal Institute 1992,) defines a neighborhood as "a group of complementary land uses."

A neighborhood is generally the area most closely surrounding the subject. It is usually only a portion of a larger community and exhibits certain similarities, which makes it distinct. The general characteristics of a neighborhood can be important in determining a property's value. The following is a brief description of the subject's neighborhood.

### General Neighborhood Boundaries

This area is described as U.S. Highway 127 North Corridor. The district is a factor in the Cumberland County and Crossville, Tennessee areas. Boundaries of the area are considered to be Interstate 40 to the North, The intersection of Elmore Road and U.S. Highway 127 North to the South and an imaginary line running parallel to U.S. Highway 127 North and some 750 yards back on either side, both east and west.

### Neighborhood Convenience

This neighborhood is well situated in terms of its location as it relates to primary roadways, Interstate interchanges, and other desirable conveniences. All Interstate roadways and major highways are easily reached. Access to Interstate 40 is considered the northernmost sector of this neighborhood and is located less than 1 mile north of the subject property. U.S. Highway 127 North is a heavily traveled road serving as a main artery to the Interstate from the City of Crossville and leading further north into Fentress County, Tennessee. This public highway consists of four full lanes with turn lanes periodically scattered along this route. This road provides easy access to all parts of the Middle Tennessee Region and the rest of the Southeastern United States.

### Stage of Development and Economic Climate

This district is considered as stable period. The economic conditions are considered to be overall better than average. The neighborhood currently contains an increasing degree of demand.

### Type of Developments within the Neighborhood

This district is mixed in nature. The immediate area is at the westerly edge of a good commercial area and the easterly edge of an industrial area. This area in my opinion is stable in both its demand and values. This area has been the most demanded area within the commercial districts of Crossville and Cumberland County. Recent developments of new roadways and



forecasted growth areas have seen demand increase in other areas as supply in this area has decreased.

#### Land Use Property Value Trends

The trend continues to be for commercially oriented uses in this neighborhood. It seems reasonable to conclude that property values as with all properties within the district are currently stable.

#### Site Description

The subject, parcel ID # 087 008.01 is located fronting the north side of Interstate Drive just north of the city center of Crossville TN. This area is considered a secondary roadway running approximately 2-blocks over and parallel with U.S. Highway 127. The subject property contains approximately 4.6 +/- acres of land, topography is generally gently rolling. Current uses within the area are mixed with commercial and industrial uses. The area as stated contains no zoning as the City of Crossville contains no form of zoning at present, no negative impact has been noted due to this fact. See flood, location and site maps below.

#### Flood Plain

FEMA mapping currently lists the area as being served by The Cumberland County Map #47035C0307D and dated November 16, 2007. The subject property is noted as Zone X which denotes no flood hazard. It should be known that Cumberland County is mountainous in topography and contains very few flood prone areas. See flood map below.

#### Visibility

The subject property contains adequate visibility from both directions of Interstate Drive.

#### Adverse Easements

According to the information available, there appear to be no adverse easements or encroachments. According to city sources the subject property does contains some wetland issues at its southeasterly corner.

#### Type of Developments within the Neighborhood

The neighborhood is mixed with a combination of commercial, industrial and residential uses in the area. Industrial Drive contains primarily commercial uses at its ends, (127N and Genesis Road) and industrial properties between.

### Land Use Property Value Trends

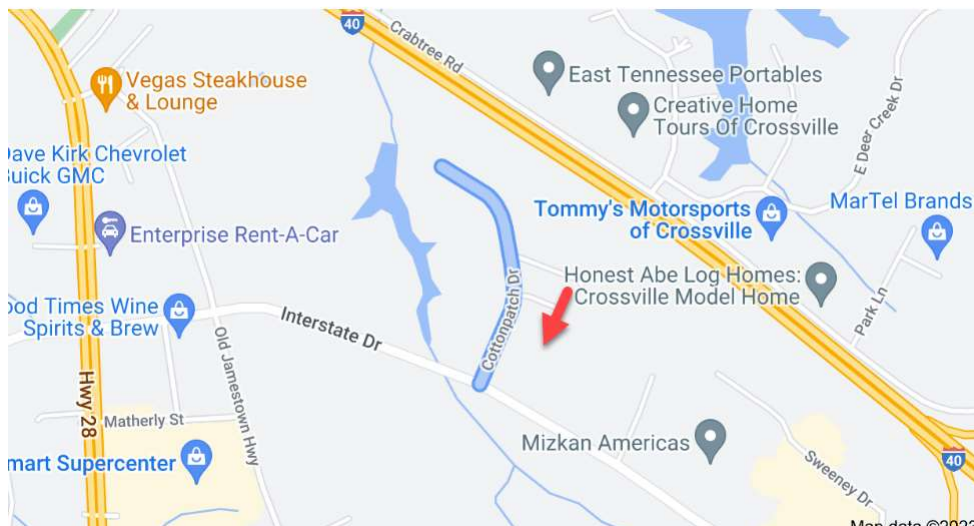
The trend continues to be for mixed use in this neighborhood. It seems reasonable to conclude that property values are stable in their value.

### Location

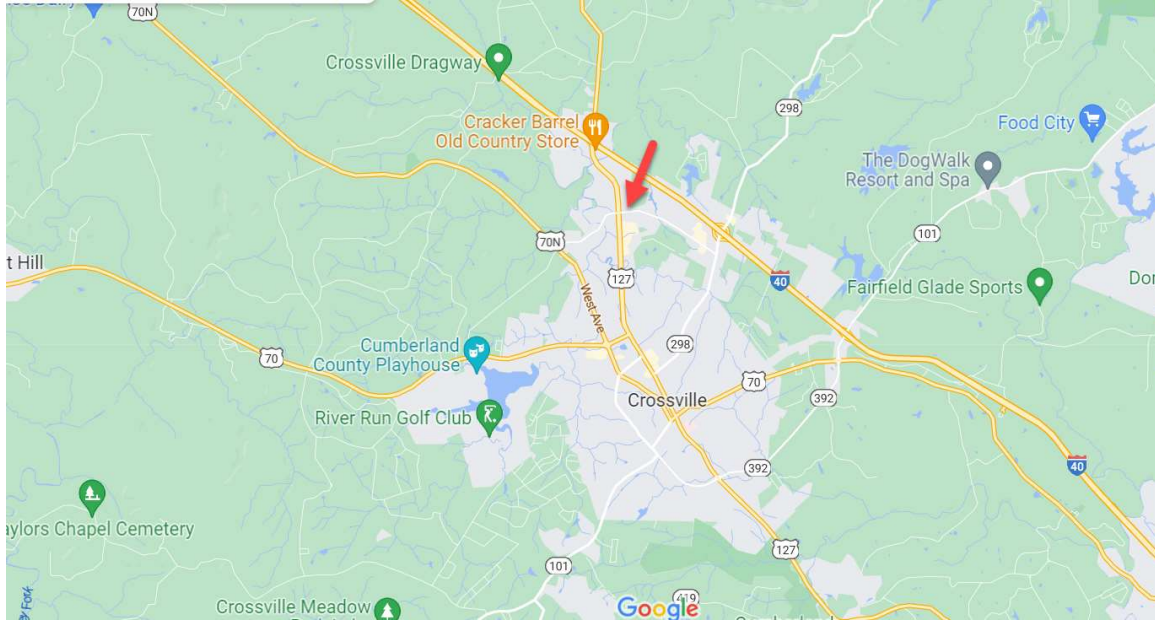
This subject property is located along both Interstate Drive and Cottonpatch Drive, located within the city limit area of Crossville, Tennessee. The subject contains approximately 4.6 acres of land.

All public utilities are available to the property including sanitary sewer.

### LOCATION MAP



The subject property is located along the northerly side of Interstate Drive and just south of Interstate 40. The subject has both commercial and industrial properties within the area.



The subject is located within the northerly section of the City of Crossville within Cumberland County TN.

### Highest and Best Use

The Appraisal Institute recognizes the concept of highest and best use as being distinguished between the highest and best use of the land, and the highest and best use of the property.

The highest and best use is defined by The Appraisal Institute on page 171 of the Dictionary of Real Estate Appraisal.

"The reasonably probable and legal use of vacant land or an improved property, which is physically possible appropriately supported, financially feasible, results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum profitability."

The Highest and Best Use of the subject was considered two ways:

1. As is vacant.
2. As if improved.

In analyzing the subject under both categories above four tests were applied and a conclusion drawn. These four tests are:

1. Legal permissibility
2. Physical possibility
3. Financial feasibility
4. Maximum profitability

An analysis as to the highest and best use of the land should be made first and may be influenced by many factors, several of which are as follows:

The availability of the land for a particular use in terms of existing zoning regulations and restrictions, deed restrictions, lease encumbrances, or any other legally binding codes, restrictions, regulations or interest;

The physical adaptability of the site for particular uses; and

The market influences of supply and demand for the economics of increasing and decreasing returns.

The highest and best use of the property is defined as: The most profitable likely use to which a property can be put. The opinion of such use may be based on the highest and most profitable continuous use to which the property is adapted and needed, or likely to be in demand in the reasonable near future. However, elements affecting value that depend on events or a combination of occurrences that, although is the realm of possibility, are not fairly shown to be reasonable or probable, should be excluded from

consideration. Also, if the intended use is dependent upon an uncertain act of another person, the intention cannot be considered.

It is important to recognize the possibility that the highest and best use of the property as improved may be different from the highest and best use of the land. This may occur where a site has existing improvements, and the highest and best use of the land differs from the property's current use. Nevertheless, the current property use will continue until the value of the land under its highest and best use, less existing improvement demolition costs, exceeds the total value of the property in its present value.

In estimating highest and best use as improved the same four tests were applied.

These four tests as applied to the subject site considered as both as is vacant and as if improved are discussed further:

1. Legal Permissibility: As stated under the zoning section of this report the property appraised currently has no zoning. Therefore, many uses are possible. It is therefore legal under the Crossville Tennessee ordinances for any type of improvement of any size and type to exist.
2. Physical possibility: A study of the site plan, the property dimensions, and topography of the site was made by the appraiser. An on-site inspection confirmed that the site is vacant. It is reasonable to conclude that it is a physical possibility for many types of improvements to exist on the site.
3. Financial feasibility: The financial feasibility possibilities are limited by the availability of money for certain kinds of projects. It is my opinion that it would be feasible for any purchaser to speculate using the improvements as a commercial site under current economic conditions. Reasonable mortgage rates are available.
4. Maximum profitability: The permitted uses of the site are not restricted. However, it is the appraiser's opinion that maximum profitability falls within a commercial type of improvement on the subject site.

Summary: After considering the four tests above it is my conclusion that the current highest and best use, both "as is" vacant and "as if" improved is for **commercial** use.

Tax Information

The Cumberland County Tax records indicate the following:  
 The following is for the entire parcel. The reader is reminded that the subject is a portion of this larger parcel. This larger parcel contains 127.5 acres according to available tax information.

087 008.01 (2022)

## Assessed Values

Assessed Land Value	\$2,582,500.00
Assessed Improvement Value	\$ <u>-0-</u>
Total Assessed Value	\$2,582,500.00

City Taxes	\$3,911.84
County Taxes	<u>\$7,327.84</u>
Total Annual Taxes	\$11,239.69

This equals an assessed value of \$20,254.9 per acre.  
 Taxation based on this acreage equals \$88.15 per acre.

Recent Prior Sales History Listings For Sale, Options and Pending Sales Contracts

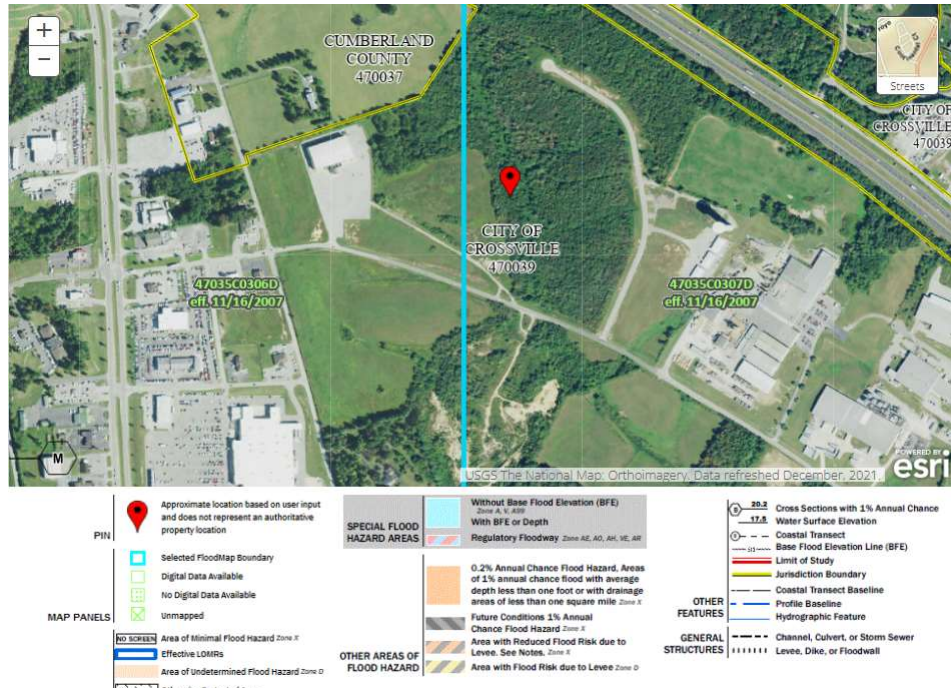
The subject property is not currently listed with a local MLS data source. No options were noted or pending sales at the time of this appraisal.

The current owner has owned the property for more than ten years.

Rights Appraised

The subject property has been appraised considering that the title is Fee Simple. Mining and mineral rights and any affect they may have on value have not been considered. No fractional interest is the subject of or has been appraised and reported in this appraisal and report.

Copy of Flood Map



SITE MAP





Aerial Photograph



Copy of Legal Description

This description covers an additional parcel 084 008.05.

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properties lying in the **First Civil District of Cumberland County, State of Tennessee,**  
described as follows, to wit:

BEGINNING on a wooden fence post in the Eastern R.O.W. of Old Highway 127 North, said point being the South-East corner of the Claude Little tract; thence with said road R.O.W. South -23 degrees -56 minutes-33 seconds - Est 465.54 feet to a point in said road R.O.W.; thence continuing with said road R.O.W. South - 20 degrees-30 minutes -22 seconds-East 1403.50 feet to a metal pin, said point being the North-West corner of a 2.11 acre tract belonging to Les Hill; thence leaving said road R.O.W. and with lines of said Hill for the next three courses and distances, (1.) North -71 degrees- 27 minutes -03 seconds-East 635.71 feet to a metal pin; (2.) South-17 degrees-37 minutes- 14 seconds-East 109.15 feet to a metal pin; (3.) South -24 degrees -03 minutes -33 seconds- East 404.67 feet to a wooden fence corner post; thence leaving said Hill tract South-82 degrees -36 minutes -27 seconds-East 426.79 feet to a fence corner post; thence North-41 degrees -00 minutes-28 seconds-East 1308.48 feet to a metal pin beside a fence post; thence North-27 degrees -11 minutes-33 seconds-East 1127.03 feet to a metal pin; thence North-74 degrees-20 minutes-54 seconds-West 584.60 feet to a metal pin; thence North-17 degrees-54 minutes-10 seconds- East 726.21 feet to a wooden fence corner post in the Southern R.O.W. of Interstate 40 East; thence with said road R.O.W. for the next five courses and distances; (1.) North-62 degrees - 46 minutes - 18 seconds -West 346.03 feet to a concrete R.O.W. marker; (2.) North-62 degrees - 38 minutes - 27 seconds-West 699.01 feet to a concrete R.O.W. marker (3.) North -62 degrees- 44 minutes -34 seconds- West 249.62 feet to a concrete R.O.W. marker; (4.) North-62 degrees - 38 minutes - 15 seconds - West 850.51 feet to a concrete R.O.W. marker; thence North -62 degrees-32 minutes - 58 seconds - West 437.13 feet to a metal fence corner post, said point being a corner of Claude Little; thence leaving said road R.O.W. and with lines of Claude Little for the next five courses and distances; (1.) South-18 degrees- 35 minutes - 30 seconds - West 584.88 feet to a wooden fence corner post; (2.) South-71 degrees - 50 minutes -00 seconds -East 927.80 feet to a fence corner post; (3.) South -71 degrees - 08 minutes -54 seconds - East 70.93 feet to a fence corner post; (4.) South -26 degrees - 24 minutes - 33 seconds - West 664.77 feet to a fence corner post; (5.) South-65 degrees -55 minutes -01 seconds - West 1217.26 feet to the point of BEGINNING. Containing 163.02 acres more or less as per survey dated January 10, 1989 by O.D. Pugh, RLS #699.

Being the same property conveyed to Cotton Patch Properties, Inc., by virtue of the following deeds:

1. Assumption Deed dated August 17, 1989 from William F. Graham [an undivided twenty-three (23%) percent interest] filed of record in Deed Book 385, Page 123, Register's Office, Cumberland County, Tennessee;
2. Assumption Deed dated August 16, 1989, from J. Paul Smith [an undivided twenty (20%) percent interest] filed of record in Deed Book 385, Page 126, Register's Office, Cumberland County, Tennessee;
3. Assumption Deed dated August 16, 1989, from Clifford and Bruce Wyatt [an undivided thirteen (13%) percent interest] filed of record in Deed Book 385, Page 129, Register's Office, Cumberland County, Tennessee;
4. Assumption Deed dated August 16, 1989 from Deloy Brown and wife, Nancy Brown [an undivided forty-four (44%) percent interest] filed of record in Deed Book 385, Page 132, Register's Office, Cumberland County, Tennessee.

**EXCLUDED FROM THE ABOVE DESCRIBED REAL PROPERTY AND NOT INTENDED TO BE CONVEYED HEREBY** are the following identified tracts and parcels of land, heretofore conveyed to third parties and entities, to wit:

1. 5.70 acres conveyed to the City of Crossville, Tennessee, by deed dated June 4, 2003 and placed of record in Deed Book 1139, Page 12, Register's Office, Cumberland County, Tennessee;
2. 6.00 acres conveyed to Crossville Cinema 10, LLC, by deed dated March 23, 2004 and placed of record in General Index Book 1164, Page 1564, Register's Office, Cumberland County, Tennessee;
3. 5.00 acres conveyed to William F. Graham, by deed dated March 20, 2006 and placed of record in General Index Book 1227, Page 1980, Register's Office, Cumberland County, Tennessee;
4. 6.17 acres conveyed to Bruce Wyatt, by deed dated August 29, 2008 and placed of record in General Index Book 1300, Page 1503, Register's Office, Cumberland County, Tennessee;

5. Six parcels of land consisting of .069 acres, .147 acres, .096 acres, .086 acres, .058 acres and .065 acres conveyed to the State of Tennessee, by deed dated December 27, 2018 and placed of record in General Index Book 1541, Page 723 (as corrected by Correction Deed of record in General Index Book 1604, Page 2038), Register's Office, Cumberland County, Tennessee;

6. A parcel of land consisting of 3,143 square feet conveyed to the State of Tennessee, by deed dated December 27, 2018 and placed of record in General Index Book 1541, Page 700 (as corrected by Correction Deed of record in General Index Book 1604, Page 2058), Register's Office, Cumberland County, Tennessee;

7. Four parcels of land consisting of .019 acres, .006 acres, .009 acres, and .117 acres conveyed to the State of Tennessee, by deed dated December 27, 2019 and placed of record in General Index Book 1541, Page 709 (as corrected by Correction Deed of record in General Index Book 1604, Page 2048), Register's Office, Cumberland County, Tennessee.

**SUBJECT** to utility easements in favor of the City of Crossville, Tennessee dated December 27, 2019 and placed of record in General Index Book 1541, Page 704, General Index Book 1541, Page 719, General Index Book 1541, Page 697, General Index Book 1075, Page 3, Register's Office, Cumberland County, Tennessee.

**SUBJECT** further to slope and drainage easements and any remaining rights to temporary construction easements identified in and a part and portion of the above identified conveyances to the State of Tennessee (as corrected).

### Inspection

A complete inspection of the site and grounds including viewing the immediately adjacent properties from the street and from subject site was made. As noted throughout this report the subject improvements were viewed from an exterior only inspection.

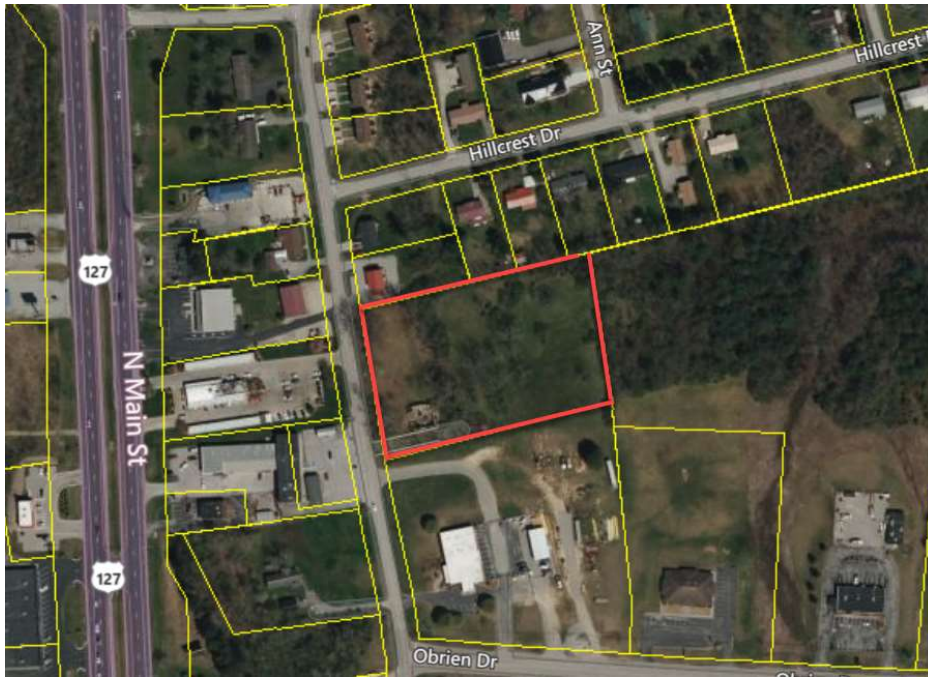
## **VALUE ESTIMATE**

### Land Sales

The following sales were utilized to estimate this value. These sales were considered the best possible sales available for comparison to the subject property.

The following sales were property that had an intended use commercial in nature, all located within the Crossville, TN.

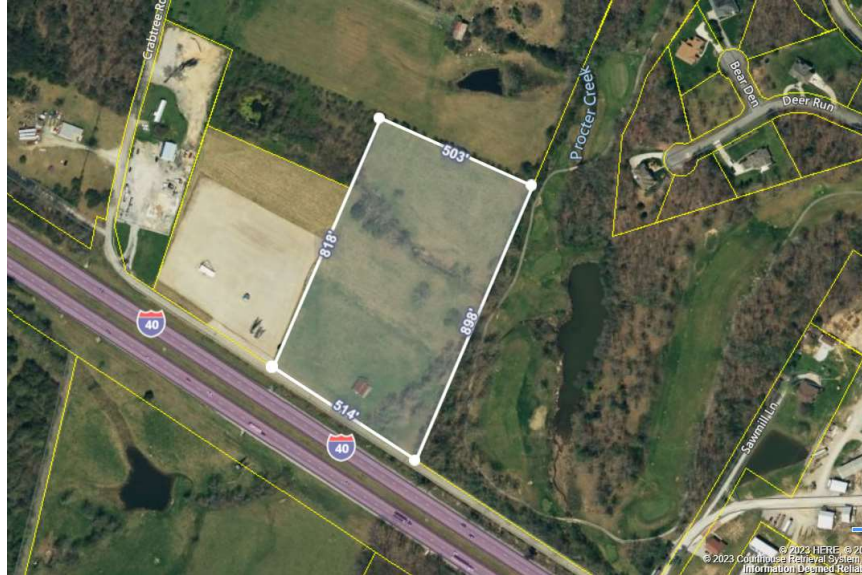


**Sale #1**

<b>Date:</b>	<b>09/21/2022</b>
<b>Address:</b>	<b>Old Jamestown Hwy</b>
<b>Grantor:</b>	<b>Bohannon</b>
<b>Grantee:</b>	<b>Wood</b>
<b>Parcel ID#:</b>	<b>100B B 0010</b>
<b>Consideration:</b>	<b>\$265,000.00</b>
<b>Deed Reference:</b>	<b>1655/2018</b>
<b>Verification:</b>	<b>listing agent</b>
<b>Conditions of sale:</b>	<b>Arm's Length</b>
<b>Highest and best use:</b>	<b>Commercial</b>
<b>Zoning at time of sale:</b>	<b>No zoning</b>
<b>Type of improvements:</b>	<b>Vacant</b>
<b>Land Area:</b>	<b>3.2 +/- acres</b>
<b>Indicated Unit Values:</b>	<b>\$82,813 per acre</b>
<b>Comments:</b>	<b>Level lot located southerly of subject, this property contains a slightly inferior topography.</b>

**Sale #2**

<b>Date:</b>	<b>09/13/2021</b>
<b>Address:</b>	<b>Genesis Road</b>
<b>Grantor:</b>	<b>Green</b>
<b>Grantee:</b>	<b>Bilyeu</b>
<b>Parcel ID#:</b>	<b>087 087.00</b>
<b>Consideration:</b>	<b>\$250,000.00</b>
<b>Deed Reference:</b>	<b>1622/119</b>
<b>Verification:</b>	<b>Listing Agent</b>
<b>Conditions of sale:</b>	<b>Arm's Length</b>
<b>Highest and best use:</b>	<b>Commercial</b>
<b>Zoning at time of sale:</b>	<b>No zoning</b>
<b>Type of improvements:</b>	<b>Vacant</b>
<b>Land Area:</b>	<b>7.1 +/- acres</b>
<b>Indicated Unit Values:</b>	<b>\$35,211 per acre</b>
<b>Comments: Property is located just south of Interstate 40 along Genesis Road. Based on my observations this property contains some topographical issues.</b>	

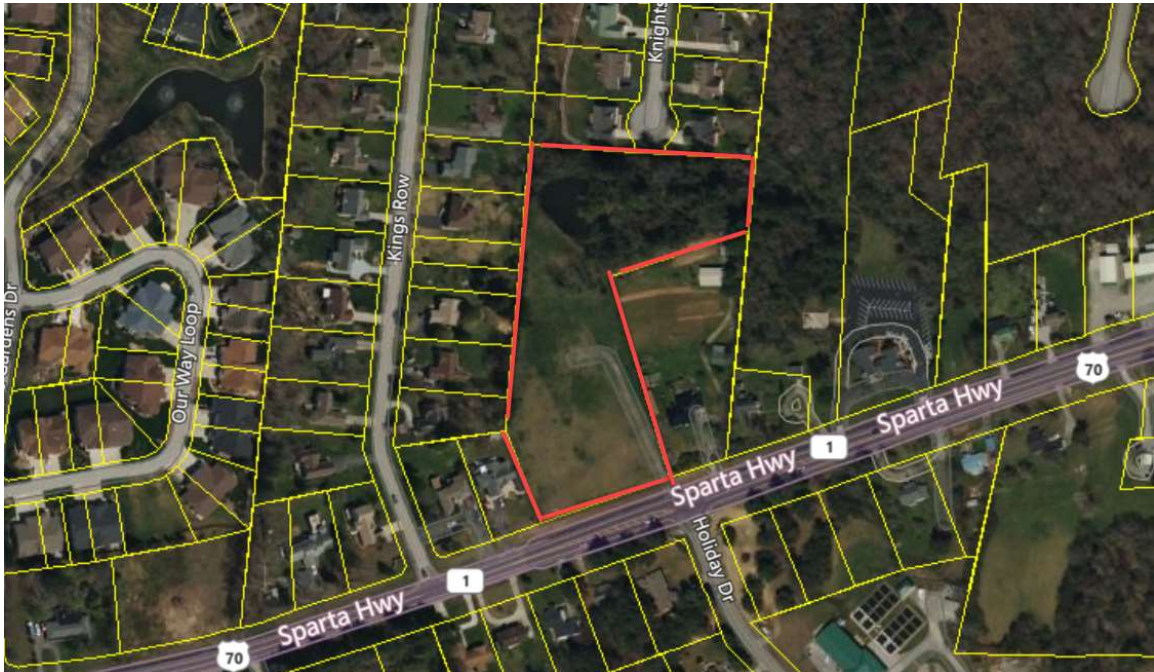


**Sale #3**  
**Date:** 02/03/2023  
**Address:** Crabtree Rd  
 Crossville, TN  
**Grantor:** Tabor  
**Grantee:** Delk  
**Parcel ID#:** 074-081.03  
**Consideration:** \$500,000.00  
**Deed Reference:** 1664/742  
**Verification:** Uninterested third party  
**Conditions of sale:** Arm's Length  
**Highest and best use:** Commercial  
**Zoning at time of sale:** No zoning  
**Type of improvements:** Vacant Land  
**Land Area:** 9.72 +/- acres  
**Indicated Unit Values:** \$51,440 per acre  
**Comments:** Property located just north of interstate 40, outside city limit area. It contains additional visibility to interstate traffic, but access is very similar to the subject property.



**Sale #4****Date:****11/16/2022****Address:****689 Peavine Rd  
Crossville, TN****Grantor:****Dodson****Grantee:****Patel****Parcel ID#:****101 033.00****Consideration:****\$890,000.00****Deed Reference:****1660/59****Verification:****Uninterested third party****Conditions of sale:****Arm's Length****Highest and best use:****Commercial****Zoning at time of sale:****No zoning****Type of improvements:****Vacant Land****Land Area:****8.55 +/- acres****Indicated Unit Values:****\$104,094 per acre**

**Comments: Property located just north of interstate 40 but along a heavily traveled road. This property is located within the city limits and contains all amenities and is located within a more commercial type area.**



<b>Comp #5</b>	<b>11/30/2021</b>
<b>Date of Sale</b>	<b>Sparta Highway</b>
<b>Address</b>	<b>City of Crossville</b>
<b>Grantor</b>	<b>Frietag</b>
<b>Grantee</b>	<b>099 017.00</b>
<b>Parcel ID #</b>	<b>\$172,000</b>
<b>Consideration</b>	<b>1630/213</b>
<b>Deed Reference</b>	<b>Seller</b>
<b>Verification</b>	<b>Fee Simple</b>
<b>Condition of Sale</b>	<b>Commercial</b>
<b>Highest and Best Use</b>	<b>No zoning</b>
<b>Zoning at the time of sale</b>	<b>Vacant</b>
<b>Type of Improvements</b>	<b>4.71 acres</b>
<b>Land Area</b>	<b>\$35,756 per acre</b>
<b>Indicated Value</b>	
<b>Comments: Good level ground inside the city limits located along Sparta Highway. This property was organanally purchased for a similar use.</b>	

The following is a summary table of the properties below designed to give a quick comparison of sold properties used to value the subject property.

Sale #	Date Sold	Size	Sale Price Per acre	Rank	
1	09/22	3.2 acres	\$82,813	40%	\$33,125
2	09/21	7.1 acres	\$35,211	10%	\$3,521
3	02/23	9.2 acres	\$51,440	20%	\$10,288
4	11/22	8.55 acres	\$104,094	10%	\$10,410
5	11/21	4.71 acres	\$35,756	20%	\$7,151
	Totals	Mean size 6.6 acres	Average sales price \$61,863 per acre	100%	Estimated value per acre \$64,495 rounded to \$65,000 per acre

Comparable sale # 1 has been given the greatest weighting. This sale is similar in size, contains some topography issues and is located in a mixed use area. Comparable sale # 3 and 5 were given strong weighting, they are within similar locations, though comparable # 3 is outside of the city and is larger in size it shares a similar convenience and visibility. Sale # 5 is similar in both size, topography and utility. Comparable sales 2, and 4 were given minimal weighting Sale # 2 is inferior in its topography and might mimic possible wetland areas, while sale # 4 contains a location more similar in that it is close to commercial activity is located within the city and is of similar size.

$\$65,000 \times 4.6 \text{ acres} = \$299,000.00$

Rounded to  $\$300,000.00$

### Cost Approach to Value

The Cost Approach to Value was considered, however not developed for inclusion in this case. The subject improvements contain significant age and therefore depreciation, the greatest weakness within this method. It was reasoned that this approach due to this fact would lend little to this report.

### **Income Approach to Value**

The income approach to value was considered. The subject improvement is income producing, However, the subject land to improvement value ratio is abnormal it was reasoned that this approach would lend little viability to this report.

## **RECONCILIATION AND FINAL VALUE ESTIMATE**

The Reconciliation process is the final analysis of the appraisal process. During the reconciliation the differences in the indicated values of the three approaches are analyzed. Consideration of each approach, its strengths and weaknesses, are reviewed to assist the appraiser in arriving at a final estimate of value.

The three approaches to value used indicated the following estimates of Value:

Cost Approach	Not Developed
Income Approach	Not Developed
Market Approach	\$300,000.00

The indication of value for each approach is different more often than alike. This is not unusual nor is it an indication of error in an approach. It is normal for the quantity and quality of data available in the market to reflect differences in value. The appraiser's judgment is especially useful in resolving any differences to arrive at a reasonable and appropriate value estimate.

In this case both the cost and income approaches to value were considered but not developed for inclusion in this report. The subject is vacant land and though site value is a part of the cost approach the market value is used to develop this value. As to the income approach in some cases a lease of vacant land is feasible, however within the subject's general location demand has not proven to be a factor and little land is leased for substantial income.

The Direct Sales Comparison or Market Approach was developed for inclusion of this report. This report relies upon actual sales in which the appraiser believes have some similar characteristics to that of the subject property.

Based on all considerations, the sales comparable approach to value has been given all weight within this analysis.

Based on the included information it is my opinion that the Market Value of the subject property as defined in the report and as of May 17, 2023, was:

THREE HUNDRED THOUSAND DOLLARS

(\$300,000.00)

**Exposure & Marketing Times**

The exposure time for a property is defined as the estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal. In the case of the subject property, it is estimated at 6 to 12 months. The marketing time is defined as the time it takes an interest in real property to sell in the market subsequent to the effective date of the appraisal (i.e., the marketing time after the effective date of the appraisal at the appraised value). It is felt the marketing time for the subject would be from 6 to 12 months.

Respectfully submitted,



Robert E. Patton, Jr.  
State of Tennessee  
Certified General Real  
Property Appraiser  
License # CG00002793